



पावरग्रिड
POWERGRID

www.powergrid.in

वार्षिक रिपोर्ट
ANNUAL REPORT
2020-21



Harnessing Technology, Propelling Progress

MISSION

We will become a Global Transmission Company with Dominant Leadership in Emerging Power Markets with World Class Capabilities by:

- World Class: Setting superior standards in capital project management and operations for the industry and ourselves
- Global: Leveraging capabilities to consistently generate maximum value for all stakeholders in India and in emerging and growing economies.
- Inspiring, nurturing and empowering the next generation of professionals.
- Achieving continuous improvements through innovation and state of the art technology.
- Committing to highest standards in health, safety, security and environment

VISION

World Class, Integrated, Global Transmission Company With Dominant Leadership in Emerging Power Markets Ensuring Reliability, Safety and Economy.

VALUES

- Zeal to Excel and Zest for Change
- Integrity and Fairness in all matters
- Respect for dignity and potential of individuals
- Strict adherence to commitments
- Ensure speed of Response
- Foster learning, creativity and team-work
- Loyalty and pride in POWERGRID

OBJECTIVES

The Corporation has set following objectives in line with its mission and its status as Central Transmission Utility to:

- Undertake transmission of electric power through Inter-State Transmission System.
- Discharge all functions of planning and coordination relating to Inter-State Transmission System with-
 - State Transmission Utilities
 - Central Government
 - State Government
 - Generating Companies
 - Regional Power Committees
 - Authority
 - Licensees
 - Any other person notified by the Central Government in this behalf.
- To ensure development of an efficient, coordinated and economical system of inter-state transmission lines for smooth flow of electricity from generating stations to the load centres.
- Efficient Operation and Maintenance of Transmission Systems.
- Restoring power in quickest possible time in the event of any natural disasters like super-cyclone, flood etc. through deployment of Emergency Restoration Systems.
- Provide consultancy services at national and international levels in transmission sector based on the in-house expertise developed by the organization.
- Participate in long distance Trunk Telecommunication business ventures.
- Ensure principles of Reliability, Security and Economy matched with the rising/desirable expectation of a cleaner, safer, healthier Environment of people, both a effected and benefited by its activities.



Diversified into telecommunication to utilize available resources in establishing & operating National Grid. Established Broadband Telecom Network of about 71673 kms connecting over 458 POPS and 780 POI on extensively spread Transmission Infrastructure.

- Only utility in the country having pan India overhead optic fibre on its Extra High Voltage Transmission Network.
- Possess Unified License with National Long Distance (NLD) and Internet Service Provider Category A (ISP A) service authorizations valid across India. Reliability of telecom Network 99.95%.
- POWERGRID Fibre (OPGW) Network
 - Sturdy & Secure-Free from rodent menace and vandalism
 - Network has self-resilient rings for redundancy in backbone as well as intra-city access network.
- Bandwidth capacity available on all the metros & major cities.
- Extensive telecom network to serve remote areas for the benefit of the common man.
- Reliable OPGW connectivity available to neighboring countries viz. Bangladesh, Bhutan and Nepal.
- One of the executing agency for major prestigious projects of Govt. of India, like- National Knowledge Network (NKN), Bharat Net etc.
- Enterprise Business Offerings- Virtual Local Area Network (VLANs), Multi-Protocol Label Switching (MPLS) based Virtual Private Network (VPN), Internet Leased Line, Wi-Fi Services, DDoS Protection, DNS and SDWAN.
- Tower Infrastructure Service: Innovative usage of Green induced power which was getting wasted earlier, now used to power up Telecom Equipment installed on Tower for rural & remote connectivity.
- Introducing other Value-Added Services:
 - Data Centre Services
 - ILD Services

Power Grid Corporation of India Limited

(A Government of India Enterprise) CIN: L40101DL1989G01038121

Regd. Office : B-9, Qutab Institutional Area, Katwaria Sarai, New Delhi- 110 016.

Phone No.: 011-26560121, Fax: 011-26601081

Corp. Off.: "Saudamini", Plot No. 2, Sector-29, Gurgaon-122 001 (Haryana)

Phone No.: 0124-2822000, 2823000, Fax: 0124-2571990

Website: www.powergrid.in, Email ID: investors@powergrid.co.in

NOTICE

NOTICE is hereby given that the 32nd Annual General Meeting of the Members of Power Grid Corporation of India Limited will be held on **Friday, 24th September, 2021 at 11.00 a.m. (IST) through Video Conferencing ("VC") / Other Audio Visual Means ("OAVM")** to transact the following business:

ORDINARY BUSINESS:

1. To receive, consider and adopt the Audited Financial Statements including Consolidated Financial Statements of the Company for the Financial Year ended 31st March, 2021, together with the Board's Report, the Auditors' Report thereon and comments of the Comptroller and Auditor General of India.
2. To take note of payment of 1st and 2nd interim dividend and declare final dividend for the Financial Year 2020-21.
3. To appoint a Director in place of Shri Vinod Kumar Singh (DIN 08679313), who retires by rotation and being eligible, offers himself for re-appointment.
4. To appoint a Director in place of Shri M. Taj Mukarrum (DIN 08097837), who retires by rotation and being eligible, offers himself for re-appointment.
5. To authorize the Board of Directors of the Company to fix the remuneration of the Statutory Auditors for the Financial Year 2021-22.

SPECIAL BUSINESS:**6. To appoint Shri Abhay Choudhary (DIN 07388432) as a Director liable to retire by rotation.**

To consider and if thought fit, to pass with or without modification, the following resolution as an ORDINARY RESOLUTION:

"RESOLVED THAT pursuant to the provisions of Section 149, 152 and any other applicable provisions of the Companies Act, 2013 and the Rules made thereunder, Shri Abhay Choudhary (DIN 07388432), who was appointed as Director (Projects), by the President of India on or after 1st November, 2020 vide Ministry of Power Office Order No. 25-11/17/2019-PG dated 22nd October, 2020 and appointed by the Board of Directors as an Additional Director w.e.f. 1st November, 2020 and holds office up to the date of ensuing Annual General Meeting under Section 161 of the Companies Act, 2013 and in respect of whom the Company has received a notice in writing from a member under Section 160 of the Companies Act, 2013, be and is hereby appointed as Director (Projects), liable to retire by rotation."

7. Ratification of remuneration of the Cost Auditors for the Financial Year 2021-22.

To consider and if thought fit, to pass with or without modification, the following resolution as an ORDINARY RESOLUTION:

"RESOLVED THAT pursuant to Section 148 and any other applicable provisions of the Companies Act, 2013 read with the Companies (Audit and Auditors) Rules, 2014, the remuneration of M/s. Dhananjay V. Joshi & Associates, Cost Accountants and M/s. Bandyopadhyaya Bhaumik & Co., Cost Accountants as the joint Cost Auditors of the Company (for Transmission and Telecom business) as appointed by the Board of Directors for the Financial Year 2021-22 at a remuneration of ₹ 2,50,000/- (Rupees Two Lakh Fifty Thousand only) to be shared equally by both the Firms; taxes as applicable to be paid extra, travelling and out of pocket expenses to be reimbursed as per policy of the Company and an additional remuneration of ₹ 12,500/- (Rupees Twelve Thousand Five Hundred only) plus taxes as applicable, to be paid to M/s. Dhananjay V. Joshi & Associates, Cost Accountants, the Lead Cost Auditor for consolidation and facilitation for filing of Consolidated Cost Audit Report for the Financial Year 2021-22 of the Company as a whole, be and are hereby ratified and confirmed."



8. To raise funds up to ₹ 6,000 Crore, from domestic market through issue of secured / unsecured, non-convertible, non-cumulative/cumulative, redeemable, taxable / tax-free Debentures/Bonds under Private Placement during the Financial Year 2022-23 in upto twenty tranches/offers.

To consider and if thought fit, to pass with or without modification, the following resolution as a SPECIAL RESOLUTION:

- (i) "RESOLVED THAT pursuant to Sections 23(1)(b), 42 and 71 of Companies Act, 2013 read with Rule 14(2) of Companies (Prospectus and Allotment of Securities) Rules, 2014 and other applicable provisions, if any, of the Companies Act, 2013 as amended, Securities and Exchange Board of India (SEBI) rules and regulations, including SEBI (Issue and Listing of Debt Securities) Regulations, 2008, as amended, or provisions of any other applicable law, and the Memorandum and Articles of Association of the Company, approval be and is hereby granted to raise up to ₹ 6,000 Crore in domestic market during the Financial year 2022-23 for financing of capital expenditure, providing Inter Corporate Loan(s) to wholly owned subsidiaries, other purposes as may be approved by Board of Directors / Committee of Directors for Bonds and for general corporate purposes, in one or more tranches but not exceeding twenty tranches / offers through issue of secured / unsecured, non-convertible, cumulative/non-cumulative, redeemable, taxable / tax-free debentures ("Bonds") under Private Placement."
- (ii) "RESOLVED FURTHER THAT the Board of Directors / Committee of Directors for Bonds / such official(s) as may be authorized by Board of Directors / Committee of Directors for Bonds, be and are hereby authorized and it shall always be deemed to have been so authorized to finalize detailed terms and conditions of each issue / tranche of Bonds, Issue programme of Bonds, deposit / pay fees, execute and deliver / file such offer letter, document(s), deed(s) and writing(s), etc. as may be required and to do all such other acts, deeds and things as may be necessary for raising funds up to ₹ 6,000 Crore during the Financial Year 2022-23 from domestic sources through Private Placement of secured / unsecured, non-convertible, cumulative/non-cumulative, redeemable, taxable / tax-free Bonds in one or more tranches but not exceeding twenty tranches / offers."
- (iii) "RESOLVED FURTHER THAT the Director (Finance)/Company Secretary be and is hereby authorized to carry out minor modifications, if any, and to do all such acts, deeds and things as may be necessary, proper, expedient or incidental for the purpose of giving effect to the aforesaid resolution(s).

By order of the Board of Directors

(Mrinal Shrivastava)

Company Secretary & Compliance Officer

Regd. Office: B-9, Qutab Institutional Area,
Katwaria Sarai, New Delhi - 110 016.
(CIN: L40101DL1989GOI038121)

Date: 26.08.2021

NOTES:

1. This year also, with a view to contain spread of Covid-19 pandemic, the Ministry of Corporate Affairs (“MCA”) has vide its circular dated 13th January, 2021 read with circular dated 5th May, 2020 (collectively referred to as “MCA Circulars”) and Securities and Exchange Board of India (SEBI) vide circular dated 15th January, 2021 read with circular dated 12th May, 2020 have permitted holding of the Annual General Meeting (“AGM”) through VC / OAVM, without the physical presence of the Members at a common venue. In compliance with the provisions of the Companies Act, 2013 (“Act”), SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 (“SEBI Listing Regulations”) and MCA Circulars, the AGM of the Company is being held through VC / OAVM.
2. As per provisions of Clause 3A. II. of the General Circular No. 20/2020 dated 5th May, 2020 the matters of Special Business as appearing in item no. 6 to 8 of the above accompanying Notice, are considered to be unavoidable by the Board and hence, form part of this Notice.
3. Since, this AGM is being held pursuant to the MCA Circulars through VC / OAVM, physical attendance of Members has been dispensed with, accordingly, the facility for appointment of proxies by the Members will not be available for the AGM and hence the Proxy Form and Attendance Slip have not been sent through this Notice.
4. Pursuant to Regulation 36(3) of the SEBI Listing Regulations and Secretarial Standard on General Meetings issued by the Institute of Company Secretaries of India, the relevant detail of Shri Vinod Kumar Singh (DIN 08679313), Director (Personnel) and Shri. M. Taj Mukarrum (DIN: 08097837), Director (Finance) retiring by rotation and seeking re-appointment under aforesaid Item No. 3 and 4 respectively; and Shri Abhay Choudhary (DIN 07388432), Director(Projects) Additional Director seeking appointment under aforesaid Item No. 6. in accordance with applicable provisions of the Articles of Association of the Company, are annexed to this Notice.
5. None of the Directors of the Company is in any way related to each other.
6. A Statement pursuant to Section 102(1) of the Companies Act, 2013, relating to the Special Business, to be transacted at the AGM, is annexed hereto.
7. Institutional / Corporate Members (i.e. other than individuals / HUF, NRI, etc.) are required to send a scanned copy (PDF/ JPG Format) of its Board or governing body Resolution/Authorization etc., authorizing its Representative to attend the AGM through VC / OAVM on their behalf and to vote through remote e-voting. The said Resolution/Authorization be sent to the Scrutinizer at email savitajyoti@yahoo.com with a copy marked to einward.ris@kfintech.com.
8. The Register of Members and Share Transfer Books of the Company will remain closed from Friday, 10th September, 2021 to Friday, 24th September, 2021 (both days inclusive).
9. The Board of Directors, in their meeting held on 12th December, 2020, had declared the Interim Dividend (adjusted for bonus) of ₹ 3.75 per equity share of ₹ 10/- each (@37.50% of the paid up equity share capital) for F.Y. 2020-21, which was paid on 8th January, 2021. The Board of Directors in their meeting held on 1st March, 2021 had declared 2nd Interim Dividend (adjusted for bonus) of ₹ 3.00 per equity share of ₹ 10/- each (@30% of the paid up equity share capital) for the F.Y. 2020-21 which was paid on 30th March, 2021. Members who have not received or not encashed their Dividend warrants may approach KFin Technologies Private Limited (“KFINTECH”), Registrar and Share Transfer Agent of the Company for obtaining duplicate warrant or revalidating the warrant, as the case be. The Board of Directors in their meeting held on 17th June, 2021 had further recommended final Dividend of ₹ 3.00 per share (i.e. @ 30% on the paid up equity share capital) for the financial year 2020-21. If the final dividend, as recommended by the Board of Directors, is approved at the AGM, payment of such dividend, subject to deduction of tax at source, will be made on Friday, 8th October, 2021 as under:
 - i. To all Beneficial Owners in respect of shares held in dematerialized form as per the data as may be made available by the National Securities Depository Limited (“NSDL”) and the Central Depository Services (India) Limited (“CDSL”), collectively “Depositories”, as of the close of business hours on Thursday, 9th September, 2021.
 - ii. To all Members in respect of shares held in physical form (after giving effect to valid transmission or transposition requests lodged with the Company, if any) as of the close of business hours on Friday, 24th September, 2021.
10. As per Regulation 40 of SEBI Listing Regulations, as amended, securities of listed companies can be transferred only in dematerialized form with effect from 1st April, 2019, except in case of request received for transmission or transposition of securities. In view of this and to eliminate all risks associated with physical shares and for ease of portfolio management,



members holding shares in physical form are requested to consider converting their holdings to dematerialized form. Members can contact the Company or Company's Registrars and Transfer Agents, KFINTECH for assistance in this regard.

11. Pursuant to provisions of Companies Act, 2013, unclaimed final dividend for the Financial Year 2012-13 and unclaimed interim dividend for the Financial Year 2013-14 have been transferred to the Investor Education and Protection Fund (IEPF) established by Central Government on 19th November, 2020 and 30th April, 2021 respectively. The unclaimed application money of Follow on Public Offer, 2013 have been transferred to the Investor Education and Protection Fund (IEPF) established by Central Government with HDFC Bank on 13th January, 2021 and ICICI Bank on 14th January, 2021. Pursuant to Provisions of IEPF Rules, the Company has uploaded the details of unpaid and unclaimed amounts lying with the Company as on 22nd September, 2020 (the date of last Annual General meeting) on the website of the Company (www.powergrid.in) and also filed with the Ministry of Corporate Affairs.
12. Unclaimed final dividend for the Financial Year 2013-14 and unclaimed interim dividend for the Financial Year 2014-15 will be due for transfer to the Investor Education and Protection Fund in October, 2021 and March, 2022, respectively, pursuant to the provisions of Section 124 of the Companies Act, 2013.
13. Attention of the Members is drawn to the provisions of Section 124(6) of the Act, which require a company to transfer in the name of IEPF Authority, all shares in respect of which dividend remained unpaid or unclaimed for 07 (seven) consecutive years or more. In accordance with the aforesaid provision of the Act read with the Investor Education and Protection Fund Authority (Accounting, Audit, Transfer and Refund) Rules, 2016, as amended, the Company has initiated action for transfer of all shares in respect of which dividend has not been claimed or paid for seven consecutive years. Members are advised to visit the web-link: [http://www.powergrid.in/investor relation/ investor services](http://www.powergrid.in/investor%20relation/investor%20services) to ascertain details of shares liable for transfer in the name of IEPF Authority.
14. Pursuant to Section 139 (5) of the Companies Act, 2013 the auditors of the Government Company are appointed by the Comptroller Auditor General of India (C&AG) and in terms of Section 142 of the Companies Act, 2013, the remuneration has to be fixed by the Company in the Annual General Meeting or in such manner as the Company in General Meeting may determine. The Members of the Company, in 31st Annual General Meeting held on 22nd September, 2020, had authorized the Board of Directors to fix the remuneration of Statutory Auditors for the Financial Year 2020-21. Accordingly, the Board of Directors has fixed audit fee of ₹ 1.33 Crore plus applicable taxes towards audit fee for the Statutory Auditors for the Financial Year 2020-21 in addition to reimbursement of actual travelling and out-of-pocket expenses for visit to accounting units. M/s. T R Chadha & Co.; M/s. Umamaheswara Rao & Co.; M/s. B M Chatrath & Co. and M/s. P S D & Associates have been appointed by the C&AG as Statutory Auditors of the Company for the Financial Year 2021-22. The Members may authorize the Board to fix an appropriate remuneration of Statutory Auditors as may be deemed fit by the Board for the Financial Year 2021-22.
15. Members are requested to inform changes, if any, pertaining to their name, postal address, email address, telephone/mobile numbers, Permanent Account Number (PAN), mandates, nominations, power of attorney, bank details such as, name of the bank and branch details, bank account number, MICR code, IFSC code, etc., to their Depository Participants (DPs) in case the shares are held by them in demat form and to KFINTECH in case the shares are held by them in physical form.
16. Members desirous of making a nomination in respect of their shareholding in the Company, as permissible under Section 72 of the Companies Act, 2013, are required to file Form No. SH-13 of the Companies (Share Capital and Debentures) Rules, 2014 to the Registrar & Share Transfer Agents of the Company. In case of shares held in dematerialized form, the nomination has to be lodged with the respective Depository Participant.
17. Members holding shares in multiple Folios in physical mode are requested to apply for consolidation of shares to the Company or the Registrar & Share Transfer Agent along with relevant Share Certificates.
18. In case of joint holders, the Member whose name appears as the first holder in the order of names, as per the Register of Members of the Company, will be entitled to vote at the AGM.
19. All the documents referred to in this Notice and the Registers referred to in Section 170 and in Section 189 of the Companies Act, 2013, will be available electronically for inspection by the Members during the AGM. All documents referred to in the Notice will also be available electronically for inspection without any fee by the Members from the date of circulation of this Notice up to the date of AGM. Members seeking inspection or any information with regard to the Accounts or any matter to be placed at the AGM, are requested to write to the Company on or before 22nd September, 2021 through email on investors@powergrid.co.in.

20. In compliance with the aforesaid MCA Circulars and SEBI Circular dated 15th January, 2021 read with circular dated 12th May, 2020, Notice of the AGM along with the Annual Report 2020-21 are being sent only through electronic mode to those Members whose email addresses are registered with the Company/ Depositories. Members may note that the Notice and Annual Report 2020-21 will also be available on the Company's website www.powergrid.in; websites of the Stock Exchanges i.e. BSE Limited and National Stock Exchange of India Limited at www.bseindia.com and www.nseindia.com, respectively, and on the website of KFINTECH <https://evoting@kfintech.com/>.

21. Members attending the AGM through VC / OAVM shall be counted for the purpose of reckoning the quorum under Section 103 of the Act.

22. Pursuant to Finance Act 2020, dividend income will be taxable in the hands of shareholders w.e.f. April 1, 2020 and the Company is required to deduct tax at source from dividend paid to shareholders at the prescribed rates. For the prescribed rates for various categories, the shareholders are requested to refer to the Finance Act, 2020 and amendments thereof. The shareholders are requested to update their PAN with the Company/ KFINTECH (in case of shares held in physical mode) and depositories (in case of shares held in demat mode).

A Resident individual shareholder with PAN and who is not liable to pay income tax can submit declaration in Form No. 15G/15H, to avail the benefit of non-deduction of tax at source by uploading the same to <https://ris.kfintech.com/form15/> by 11:59 p.m. IST on or before 9th September, 2021. Shareholders are requested to note that in case their PAN is not registered, the tax will be deducted at a higher rate of 20%.

Non-resident shareholders can avail beneficial rates under tax treaty between India and their country of residence, subject to providing necessary documents i.e. No Permanent Establishment and Beneficial Ownership Declaration, Tax Residency Certificate, Form 10F, any other document which may be required to avail the tax treaty benefits by uploading the same to <https://ris.kfintech.com/form15/>. The aforesaid declarations and documents need to be submitted by the shareholders by 11:59 p.m. IST on or before 9th September, 2021.

23. Annual Listing fee for the year 2021-22 has been paid to the Stock Exchanges wherein shares of the Company are listed.

24. PROCEDURE FOR JOINING THE AGM THROUGH VC / OAVM:

1. The Company will provide VC / OAVM facility to its Members for participating at the AGM.

a) Members will be able to attend the AGM through VC / OAVM or view the live webcast at <https://emeetings.kfintech.com> by using their e-voting login credentials. Members are requested to follow the procedure given below:

i. Launch internet browser (chrome/firefox/safari) by typing the URL: <https://emeetings.kfintech.com>

ii. Enter the login credentials (i.e., User ID and password for e-voting).

iii. After logging in, click on "Video Conference" option.

iv. Then click on camera icon appearing in AGM event of Power Grid Corporation of India Limited, to attend the Meeting.

b) Members who do not have User ID and Password for e-voting or have forgotten the User ID and Password may retrieve the same by following the procedure given in the E-voting instructions.

c) Members will be allowed to attend the AGM through VC / OAVM on first come, first served basis.

d) Facility to join the meeting shall be opened 30 minutes before the scheduled time of the AGM and shall be kept open throughout the proceedings of the AGM.

e) Members who need assistance before or during the AGM, can contact KFINTECH on <https://emeetings.kfintech.com> or call on toll free number 1800-345-4001. Kindly quote your name, DP ID-Client ID / Folio no. and E-voting Event Number in all your communications.

2. In case of joint holders attending the Meeting, only such joint holder who is higher in the order of names will be entitled to vote at the AGM.



3. Members attending the AGM through VC / OAVM shall be reckoned for the purpose of quorum under Section 103 of the Act.
4. Members of the Company under the category of Institutional Investors are encouraged to attend and vote at the AGM.

25. PROCEDURE FOR REMOTE E-VOTING AND E-VOTING AT THE AGM:

- i. In compliance with the provisions of Section 108 of the Act, read with Rule 20 of the Companies (Management and Administration) Rules, 2014, as amended from time to time, Regulation 44 of the SEBI Listing Regulations and in terms of SEBI vide circular no. SEBI/HO/CFD/CMD/ CIR/P/2020/242 dated December 9th, 2020 in relation to E-Voting Facility Provided by Listed Entities, the Members are provided with the facility to cast their vote electronically, through the e-Voting services provided by KFINTECH, on all the resolutions set forth in this Notice. The instructions for e-Voting are given herein below.
- ii. In pursuant to SEBI circular no. SEBI/HO/CFD/CMD/CIR/P/2020/242 dated December 9th, 2020 on “e-Voting facility provided by Listed Companies”, e-Voting process has been enabled to all the **individual demat account holders**, by way of single login credential, through their demat accounts / websites of Depositories / DPs in order to increase the efficiency of the voting process.
- iii. Individual demat account holders would be able to cast their vote without having to register again with the e-Voting service provider (ESP) thereby not only facilitating seamless authentication but also ease and convenience of participating in e-Voting process. Shareholders are advised to update their mobile number and e-mail ID with their DPs to access e-Voting facility.

- iv. The remote e-voting facility will be available during the following voting period:

Commencement of remote e-voting : 9:00 AM (IST) on Tuesday, 21st September, 2021

End of remote e-voting : 5:00 PM (IST) on Thursday, 23rd September, 2021

- v. The voting rights of Members shall be in proportion to their shares in the paid-up equity share capital of the Company as on the cut-off date i.e. **Friday, 17th September, 2021.**
- vi. Any person holding shares in physical form and non-individual shareholders, who acquires shares of the Company and becomes a Member of the Company after sending of the Notice and holding shares as of the cut-off date, may obtain the login ID and password by sending a request at evoting@KFINTECH.com. However, if he / she is already registered with KFINTECH for remote e-Voting then he /she can use his / her existing User ID and password for casting the vote. The voting rights of Members shall be in proportion to their shares in the paid-up equity share capital of the Company as on the cut-off date i.e. **Friday, 17th September, 2021.**

Any person holding shares in physical form and non-individual shareholders, who acquires shares of the Company and becomes a Member of the Company after sending of the Notice and holding shares as of the cut-off date, may obtain the login ID and password by sending a request at evoting@kfinotech.com. However, if he / she is already registered with KFINTECH for remote e-Voting then he /she can use his / her existing User ID and password for casting the vote.

- vii. In case of Individual Shareholders holding securities in demat mode and who acquires shares of the Company and becomes a Member of the Company after sending of the Notice and holding shares as of the cut-off date may follow steps mentioned below under “Login method for remote e-Voting and joining virtual meeting for Individual shareholders holding securities in demat mode.”
- viii. The details of the process and manner for remote e-Voting and AGM are explained herein below:

Step 1: Access to Depositories e-Voting system in case of individual shareholders holding shares in demat mode.

Step 2: Access to KFINTECH e-Voting system in case of shareholders holding shares in physical and non-individual shareholders in demat mode.

Step 3: Access to join virtual meetings (AGM) of the Company on KFIN system to participate AGM and vote at the AGM.

Details on **Step 1** are mentioned below:

I) Login method for remote e-Voting for Individual shareholders holding securities in demat mode.

Type of shareholders	Login Method
Individual Shareholders holding securities in demat mode with NSDL	<p>1. User already registered for IDEAS facility:</p> <ol style="list-style-type: none"> Visit URL: https://eservices.nsdl.com Click on the “Beneficial Owner” icon under “Login” under ‘IDEAS’ section. On the new page, enter User ID and Password. Post successful authentication, click on “Access to e-Voting” Click on company name or e-Voting service provider and you will be re-directed to e-Voting service provider website for casting the vote during the remote e-Voting period. <p>2. User not registered for IDEAS e-Services</p> <ol style="list-style-type: none"> To register click on link : https://eservices.nsdl.com Select “Register Online for IDEAS” or click at https://eservices.nsdl.com/SecureWeb/IdeasDirectReg.jsp Proceed with completing the required fields. Follow steps given in points 1. <p>3. Alternatively by directly accessing the e-Voting website of NSDL</p> <ol style="list-style-type: none"> Open URL: https://www.evoting.nsdl.com/ Click on the icon “Login” which is available under ‘Shareholder/Member’ section. A new screen will open. You will have to enter your User ID (i.e. your sixteen digit demat account number held with NSDL), Password / OTP and a Verification Code as shown on the screen. Post successful authentication, you will requested to select the name of the company and the e-Voting Service Provider name, i.e. KFINTECH. On successful selection, you will be redirected to KFINTECH e-Voting page for casting your vote during the remote e-Voting period.
Individual Shareholders holding securities in demat mode with CDSL	<p>1. Existing user who have opted for Easi / Easiest</p> <ol style="list-style-type: none"> Visit URL: https://web.cdslindia.com/myeasi/home/login or URL: www.cdslindia.com Click on New System Myeasi Login with your registered user id and password. The user will see the e-Voting Menu. The Menu will have links of ESP i.e. KFINTECH e-Voting portal. Click on e-Voting service provider name to cast your vote. <p>2. User not registered for Easi /Easiest</p> <ol style="list-style-type: none"> Option to register is available at https://web.cdslindia.com/myeasi/Registration/EasiRegistration Proceed with completing the required fields. Follow the steps given in point 1 <p>3. Alternatively, by directly accessing the e-Voting website of CDSL</p> <ol style="list-style-type: none"> Visit URL: www.cdslindia.com Provide your demat Account Number and PAN No. System will authenticate user by sending OTP on registered Mobile & Email as recorded in the demat Account. After successful authentication, user will be provided links for the respective ESP, i.e. KFINTECH where the e- Voting is in progress.
Individual Shareholder login through their demat accounts / Website of Depository Participant	<ol style="list-style-type: none"> You can also login using the login credentials of your demat account through your DP registered with NSDL /CDSL for e-Voting facility. Once logged-in, you will be able to see e-Voting option. Once you click on e-Voting option, you will be redirected to NSDL / CDSL Depository site after successful authentication, wherein you can see e-Voting feature. Click on options available against company name or e-Voting service provider – KFINTECH and you will be redirected to e-Voting website of KFINTECH for casting your vote during the remote e-Voting period without any further authentication.



Important note: Members who are unable to retrieve User ID / Password are advised to use Forgot user ID and/or Forgot Password option available at respective websites.

Helpdesk for Individual Shareholders holding securities in demat mode for any technical issues related to login through Depository i.e. NSDL and CDSL.

Login type	Helpdesk details
Securities held with NSDL	Please contact NSDL helpdesk by sending a request at evoting@nsdl.co.in or call at toll free no.: 1800 1020 990 and 1800 22 44 30
Securities held with CDSL	Please contact CDSL helpdesk by sending a request at helpdesk.evoting@cdslindia.com or contact at 022- 23058738 or 022-23058542-43

Details on **Step 2** are mentioned below:

II) Login method for e-Voting for shareholders other than Individual shareholders holding securities in demat mode and shareholders holding securities in physical mode.

- (A) Members whose email IDs are registered with the Company/ Depository Participants (s), will receive an email from KFINTECH which will include details of E-Voting Event Number (EVEN), USER ID and password. They will have to follow the following process:
- i. Launch internet browser by typing the URL: <https://evoting.kfintech.com/>
 - ii. Enter the login credentials (i.e. User ID and password). In case of physical folio, User ID will be EVEN (E-Voting Event Number) xxxx, followed by folio number.-In case of Demat account, User ID will be your DP ID and Client ID. However, if you are already registered with KFINTECH for e-voting, you can use your existing User ID and password for casting the vote.
 - iii. After entering these details appropriately, click on “LOGIN”.
 - iv. You will now reach password change Menu wherein you are required to mandatorily change your password. The new password shall comprise of minimum 8 characters with at least one upper case (A- Z), one lower case (a-z), one numeric value (0-9) and a special character (@,#,\$, etc.,). The system will prompt you to change your password and update your contact details like mobile number, email ID etc. on first login. You may also enter a secret question and answer of your choice to retrieve your password in case you forget it. It is strongly recommended that you do not share your password with any other person and that you take utmost care to keep your password confidential.
 - v. You need to login again with the new credentials.
 - vi. On successful login, the system will prompt you to select the “EVEN” i.e., 6151-AGM” and click on “Submit”.
 - vii. On the voting page, enter the number of shares (which represents the number of votes) as on the Cut-off Date under “FOR/AGAINST” or alternatively, you may partially enter any number in “FOR” and partially “AGAINST” but the total number in “FOR/AGAINST” taken together shall not exceed your total shareholding as mentioned herein above. You may also choose the option ABSTAIN. If the Member does not indicate either “FOR” or “AGAINST” it will be treated as “ABSTAIN” and the shares held will not be counted under either head.
 - viii. Members holding multiple folios/demat accounts shall choose the voting process separately for each folio/demat accounts.
 - ix. Voting has to be done for each item of the notice separately. In case you do not desire to cast your vote on any specific item, it will be treated as abstained.
 - x. You may then cast your vote by selecting an appropriate option and click on “Submit”.
 - xi. A confirmation box will be displayed. Click “OK” to confirm else “CANCEL” to modify. Once you have voted on the resolution (s), you will not be allowed to modify your vote. During the voting period, Members can login any number of times till they have voted on the Resolution(s).
 - xii. Corporate/Institutional Members (i.e. other than Individuals, HUF, NRI etc.) are also required to send scanned certified true copy (PDF Format) of the Board Resolution/Authority Letter etc., authorizing its representative to

attend the AGM through VC / OAVM on its behalf and to cast its vote through remote e-voting, together with attested specimen signature(s) of the duly authorised representative(s), to the Scrutinizer at email id savitajyoti@yahoo.com with a copy marked to evoting@kfintech.com. The scanned image of the above-mentioned documents should be in the naming format “Corporate Name_Even No.”

- (B) Members whose email IDs are not registered with the Company/Depository Participants(s), and consequently the Annual Report, Notice of AGM and e-voting instructions cannot be serviced, will have to follow the following process:
- i. Members who have not registered their email address and in consequence the Annual Report, Notice of AGM and e-voting instructions cannot be serviced, may temporarily register their email address and mobile number with KFINTECH, by accessing the link: <https://ris.kfintech.com/clientservices/mobilereg/mobileemailreg.aspx>. Members are requested to follow the process as guided to capture the email address and mobile number for sending the soft copy of the notice and e-voting instructions along with the User ID and Password. In case of any queries, member may write to einward.ris@kfintech.com.
 - ii. Alternatively, member may send an e-mail request at the email id einward.ris@kfintech.com along with scanned copy of the signed copy of the request letter providing the email address, mobile number, self-attested PAN copy and Client Master copy in case of electronic folio and copy of share certificate in case of physical folio for sending the Annual report, Notice of AGM and the e-voting instructions.
 - iii. After receiving the e-voting instructions, please follow all steps above to cast your vote by electronic means.

Details on Step 3 are mentioned below:

III) Instructions for all the shareholders, including Individual, other than Individual and Physical, for attending the AGM of the Company through VC/OAVM and e-Voting during the meeting.

- i. Member will be provided with a facility to attend the AGM through VC / OAVM platform provided by KFINTECH. Members may access the same at <https://emeetings.kfintech.com/> by using the e-voting login credentials provided in the email received from the Company/KFINTECH. After logging in, click on the Video Conference tab and select the EVEN of the Company. Click on the video symbol and accept the meeting etiquettes to join the meeting. Please note that the members who do not have the User ID and Password for e-Voting or have forgotten the User ID and Password may retrieve the same by following the remote e-Voting instructions mentioned above.
- ii. Facility for joining AGM though VC/ OAVM shall open atleast 30 minutes before the commencement of the Meeting.
- iii. Members are encouraged to join the Meeting through Laptops/ Desktops with Google Chrome (preferred browser), Safari, Internet Explorer, Microsoft Edge, Mozilla Firefox 22.
- iv. Members will be required to grant access to the webcam to enable VC / OAVM. Further, Members connecting from Mobile Devices or Tablets or through Laptop connecting via Mobile Hotspot may experience Audio/Video loss due to fluctuation in their respective network. It is therefore recommended to use Stable Wi-Fi or LAN Connection to mitigate any kind of aforesaid glitches.
- v. The Members who have not cast their vote through remote e-voting shall be eligible to cast their vote through e-voting system available during the AGM. E-voting during the AGM is integrated with the VC / OAVM platform. The Members may click on the voting icon displayed on the screen to cast their votes.
- vi. A Member can opt for only single mode of voting i.e., through Remote e-voting or voting at the AGM. If a Member casts votes by both modes, then voting done through Remote e-voting shall prevail and vote at the AGM shall be treated as invalid.
- vii. Facility of joining the AGM through VC / OAVM shall be available for atleast 2000 members on first come first served basis.
- viii. Institutional Members are encouraged to attend and vote at the AGM through VC / OAVM.



1. OTHER INSTRUCTIONS

- I. **Speaker Registration:** The Members who wish to speak during the meeting may register themselves as speakers for the AGM to express their views. They can visit <https://emeetings.kfintech.com> and login through the user id and password provided in the mail received from KFINTECH. On successful login, select 'Speaker Registration' which will be opened from Tuesday, 21st September, 2021 to Wednesday, 22nd September, 2021. Members shall be provided a 'queue number' before the meeting. The Company reserves the right to restrict the speakers at the AGM to only those Members who have registered themselves, depending on the availability of time for the AGM.
- II. **Post your Question:** The Members who wish to post their questions prior to the meeting can do the same by visiting <https://emeetings.kfintech.com>. Please login through the user id and password provided in the mail received from KFINTECH. On successful login, select 'Post Your Question' option which will be opened from Tuesday, 21st September, 2021 to Wednesday, 22nd September, 2021.
- III. In case of any query and/or grievance, in respect of voting by electronic means, Members may refer to the Help & Frequently Asked Questions (FAQs) and E-voting user manual available at the download section of <https://evoting.kfintech.com> (KFINTECH Website) or contact :

Shri S. V. Raju, Dy. General Manager

KFin Technologies Private Limited

Selenium Tower B, Plot 31-32, Gachibowli, Financial District,

Nanakramguda, Hyderabad 500 032

Toll-free No.: 1-800-309-4001

E-mail: einward.ris@kfintech.com.

- IV. The Members, whose names appear in the Register of Members / list of Beneficial Owners as on **Friday, 17th September, 2021**, being the cut-off date, are entitled to vote on the Resolutions set forth in this Notice. A person who is not a Member as on the cut-off date should treat this Notice for information purposes only. Once the vote on a resolution(s) is cast by the Member, the Member shall not be allowed to change it subsequently.
- V. In case a person has become a Member of the Company after dispatch of AGM Notice but on or before the cut-off date for E-voting, he/she may obtain the User ID and Password in the manner as mentioned below:
 - i. If the mobile number of the member is registered against Folio No./ DP ID Client ID, the member may send SMS: MYEPWD <space> E-Voting Event Number+Folio No. or DP ID Client ID to 9212993399
 1. Example for NSDL:
 2. MYEPWD <SPACE> IN12345612345678
 3. Example for CDSL:
 4. MYEPWD <SPACE> 1402345612345678
 5. Example for Physical:
 6. MYEPWD <SPACE> XXXX1234567890
 - ii. If e-mail address or mobile number of the member is registered against Folio No. / DP ID Client ID, then on the home page of <https://evoting.kfintech.com/>, the member may click "Forgot Password" and enter Folio No. or DP ID Client ID and PAN to generate a password.
 - iii. Members who may require any technical assistance or support before or during the AGM are requested to contact KFINTECH at toll free number 1-800-309-4001 or write to them at evoting@kfintech.com.
- VI. The results of the electronic voting shall be submitted to the Stock Exchanges after the AGM. The results along with the Scrutinizer's Report, shall also be placed on the website of the Company.

Annexure to the Notice

Explanatory Statement

ITEM NO. 6

Appointment of Shri Abhay Choudhary (DIN:07388432) as a Director liable to retire by rotation.

Shri Abhay Choudhary was appointed as Director (Projects) of the Company by the President of India vide Ministry of Power Order No. 25-11/17/2019-PG dated 22nd October, 2020 and assumed charge w.e.f. 1st November, 2020. In terms of Article 31A of the Articles of Association, the Board of Directors is empowered to appoint the directors appointed by the President of India as an Additional Director under provisions of the Companies Act, 2013 (the Act) and they will be appointed by the Shareholders at the ensuing Annual General Meeting (AGM). Accordingly, the Board through resolution by circulation appointed Shri Abhay Choudhary as an Additional Director w.e.f. 1st November, 2020. Shri Abhay Choudhary holds office upto the date of the ensuing AGM. The Company has received a notice in writing from a member under Section 160 of the Act proposing the appointment of Shri Abhay Choudhary as a Director on the Board of POWERGRID.

The above appointment of Shri Abhay Choudhary as Director (Projects) on the Board of the Company, being liable to retire by rotation in terms of Section 152 of the Act read with Article 31A of the Articles of Association of the Company requires approval of the Members in the General Meeting.

Shri Abhay Choudhary holds 1069 shares in POWERGRID.

None of the Directors and Key Managerial Personnel of the Company or their relatives are concerned or interested in the resolution financially or otherwise except to the extent that he or she is a Director and/or Shareholder of the Company.

The Board of Directors of your Company recommends passing of the resolution as set out at Item No. 6 as an Ordinary Resolution.

Brief resume of Shri Abhay Choudhary is annexed.

ITEM NO. 7

Ratification of remuneration of the Cost Auditors for the Financial Year 2021-22

As per Section 148 (3) of the Companies Act, 2013, the appointment of Cost Auditor shall be made by the Board of Directors on such remuneration as may be determined by the Members. Under the Companies (Audit and Auditors) Rules, 2014, the Board while appointing the cost auditors has to approve the remuneration payable to them and the remuneration so approved by the Board has to be ratified by the general meeting. Accordingly, as recommended by the Audit Committee, the Board appointed (i) M/s Dhananjay V. Joshi & Associates, Cost Accountants and M/s. Bandyopadhyaya Bhaumik & Co., Cost Accountants as joint Cost Auditors of the Company for the FY 2021-22 at a remuneration of ₹ 2,50,000/- plus applicable taxes to be shared equally by each Auditor. The above remuneration is exclusive of travelling and out of pocket expenses, which shall be reimbursed as per policy of the Company and; (ii) M/s Dhananjay V. Joshi & Associates, Cost Accountants, as the Lead Cost Auditor for the work of consolidation and facilitation for filing of consolidated Cost Audit Report of the Company for the financial year 2021-22 at an additional remuneration of ₹ 12,500/- (Rupees Twelve Thousand Five Hundred only) excluding taxes and out of pocket expenses.

None of the Directors and Key Managerial Personnel of the Company or their relatives are concerned or interested in the resolution financially or otherwise except to the extent that he or she is a Director and/or Shareholder of the Company.

The Board of Directors of your Company recommends passing of the resolution as set out at Item No. 7 as an Ordinary Resolution.

ITEM NO. 8

To raise funds up to ₹ 6,000 Crore from domestic market through issue of secured / unsecured, non-convertible, non-cumulative/cumulative, redeemable, taxable / tax-free Debentures/Bonds under Private Placement during the Financial Year 2022-23 in up to twenty tranches/offers.

"POWERGRID Board of Directors, in their 393rd meeting held on 17th June, 2021, approved raising of secured / unsecured, non-convertible, non-cumulative, redeemable, taxable / tax-free, Rupee Linked Bonds/Bonds under private placement from domestic / external / overseas sources up to ₹ 6,000 Crore (Approx) in upto twenty tranches depending upon the requirement of funds during the Financial Year 2022-23 for financing of POWERGRID Capital expenditure requirement, providing inter corporate loans to wholly owned subsidiaries, other purposes as may be approved by the Board of Directors / Committee of Directors for Bonds and for general corporate purposes.



An amount of ₹ 8,000 Crore to ₹ 10,000 Crore is being considered as expected Capital Expenditure (CAPEX) during the Financial Year 2022-23. In order to have a debt equity mix of 70:30 an amount of ₹ 5,600 Crore - ₹ 7,000 Crore is estimated to be mobilized as debt and Balance from internal resources during the Financial Year 2022-23.

Presently, POWERGRID domestic Bonds have been rated at highest credit rating (AAA) by various Rating Agencies i.e. CRISIL, ICRA & CARE. The rates of interest are determined on the market conditions prevailing at the time of entering the market for a particular offer of bonds on private placement (including offer to Qualified Institutional Buyer/s). At present, borrowing through domestic bonds was being done by the Company at a cost which is comparable to prevailing interest rates applicable to AAA rated corporate bonds. In line with the past practice, the interest yield on the proposed borrowings is also envisaged to be comparable to the interest rates of prevailing interest rates of AAA rated corporate bonds.

The proposed borrowing for FY 2022-23 will be within overall borrowing limits of ₹ 1,80,000 crore.”

None of the Directors and Key Managerial Personnel of the Company or their relatives are concerned or interested in the resolution financially or otherwise except to the extent that he or she is a Director and/or Shareholder of the Company.

The Board of Directors of your Company recommends passing of the resolution as set out at Item No. 8 as a Special Resolution.

By the Board of Directors

(Mrinal Shrivastava)

Company Secretary & Compliance Officer

Regd. Office: B-9, Qutab Institutional Area,
Katwaria Sarai, New Delhi - 110 016.
(CIN: L40101DL1989GOI038121)

Date: 26.08.2021

BRIEF RESUME OF THE DIRECTORS SEEKING RE-ELECTION

1. Directors seeking re-election at the 32nd Annual General Meeting:

I. Name	Shri Vinod Kumar Singh
DIN	08679313
Date of Birth and Age	1 st June, 1963 / 58 Years
Date of Appointment	1 st February, 2020
Qualification	B.Com(Hons) from Delhi University and a Post Graduate Management from Xavier Institute of Social Services (XISS), Ranchi
Expertise in specific functional Area	Shri Vinod Kumar Singh started professional career in 1985 with an MNC followed by leading PSU NHPC. Since joining POWERGRID in 1992, he has worked at different levels, sites, RHQs & Corporate Centre in all facets of HR including Amalgamation, Turnaround & Culture Building. Prior to his joining as Director (Personnel), he has worked as Senior General Manager (Human Resource Development) handling flagship projects such as Capacity Building, restructuring policies & procedures for NER States, strategic alliances pertaining to Learning & Development for employees as well as external customers.
Directorship held in other Companies (Part-time)	PTC India Limited
Membership/ Chairmanship of Committees in other Companies	NIL
No. of Shares held	25

II. Name	Shri M. Taj Mukarrum
DIN	08097837
Date of Birth and Age	25 th July, 1962 / 59 Years
Date of Appointment	4 th July, 2020
Qualification	M.B.A. Finance, Osmania University, Hyderabad
Expertise in specific functional Area	Shri M. Taj Mukarrum had started his career in 1984 as an Executive Trainee in NTPC Limited. He has gained experience in the core areas of Finance & Accounts such as Financial Concurrence, Risk Management, Treasury Management, Financial due diligence of Projects, Long term financial planning, Investment Appraisals, Capital Budgeting and Resource mobilization. He had worked at various Project sites & Regional Headquarters across the country & corporate office.
Directorship held in other Companies (Part-time)	Central Transmission Utility of India Limited
Membership / Chairmanship of Committees in other Companies	NIL
No. of Shares held	NIL



2. Director being appointed at the 32nd Annual General Meeting

Name	Shri Abhay Choudhary
DIN	07388432
Date of Birth and Age	1 st July, 1964 /57 Years
Qualification	Electrical engineering graduate from NIT Durgapur and also holds a Post Graduate Diploma in Management from IMT Ghaziabad
Expertise in specific functional Area	Prior to taking up this assignment, he was Executive Director (Commercial & Regulatory Cell) along with charge of CMD Coordination Cell in the company. During his career spanning around 35 years in Power Sector, he has worked in various capacities in EHV Sub Stations and Transmission lines, both as an Operation & Maintenance executive as well as a construction engineer. He also served as Executive Director of the North-Eastern from 2015-17. Before joining POWERGRID in 1991, he was in NTPC for about 6 years.
Directorship held in other Companies (Part-time)	<ol style="list-style-type: none"> 1. RINL POWERGRID TLT Private Limited 2. POWERGRID Khetri Transmission System Limited 3. Central Transmission Utility of India Limited 4. POWERGRID Kala Amb Transmission Limited 5. Sikar-II Aligarh Transmission Limited 6. Fatehgarh Bhadla Transco Limited 7. POWERGRID Medinipur Jeerat Transmission Limited 8. POWERGRID Mithilanchal Transmission Limited 9. POWERGRID Bikaner Transmission System Limited 10. POWERGRID Ramgarh Transmission Limited
Membership / Chairmanship of Committees in other Companies	NIL
No. of Shares Held	1069

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Reference Information

POWER GRID CORPORATION OF INDIA LIMITED

CIN: L40101DL1989G0I038121

Registered Office B-9, Qutab Institutional Area, Katwaria Sarai, New Delhi - 110 016 Phone No. - 011-26560121, Fax - 011-26601081	Company Secretary & Compliance Officer Shri Mrinal Shrivastava
Corporate Office "Saudamini", Plot No. 2, Sector 29, Gurgaon - 122 001 (Haryana) Phone No. - 0124-2822000, 2823000, Fax - 0124-2571990	Website: www.powergrid.in E-mail ID: investors@powergrid.co.in
For the Financial year under review i.e. 2020-21	
Statutory Auditors <ol style="list-style-type: none"> M/s. T R Chadha & Co LLP, Chartered Accountants B-30, Kuthiala Building, Connaught Circus, New Delhi-110001 Email : delhi@trchadha.com M/s. Umamaheswara Rao & Co., Chartered Accountants Flat No.5-H, D Block, 8-3-324, Yellareddyguda Lane, Ameerpet X Roads, Hyderabad, Telangana-500073 Email: ucohyd@umrcas.com M/s. B M Chatrath & Co LLP, Chartered Accountants #Centre Point#, 4th Floor, Room No-440 21, Hemanta Basu Sarani, Kolkata, West Bengal-700001 Email: bmccal@bmchatrath.in M/s. P S D & Associates, Chartered Accountants 808, Tower - A, Omkar Alta Monte, Pathanwadi Malad East, Mumbai-400097 Email: prakash_psd@rediffmail.com 	Cost Auditors <ol style="list-style-type: none"> M/s Dhananjay V. Joshi & Associates, Cost Accountants, "CMA Pride", Ground Floor, Plot No. 6, S.No. 16/6 Erandawana Co. Op. Hsg. Society, Erandawana, Pune -411004 Email : dvjasso@dvjasso.com M/s Bandyopadhyaya Bhaumik & Co. Cost Accountants, B-125, Chittaranjan Park, New Delhi-110019. Email: bbhco1994@gmail.com
Registrar & Share Transfer Agent: Equity Shares: KFin Technologies Private Limited Selenium Tower B, Plot 31-32, Gachibowli Financial District, Nanakramguda, Hyderabad - 500 032 Ph. : 040-67162222, Fax : 040-23431551 Toll Free No. 1800 345 4001 Email : einward.ris@kfintech.com Website: www.kfintech.com Bonds: BEETAL Financial & Computer Services Pvt Ltd. BEETAL HOUSE, 3 rd Floor, 99, Madangir, Behind LSC, New Delhi - 110062. Ph. 011-29961281-283, 26051061, 26051064 Telefax.: 011-29961284 E-mail: beetalrta@gmail.com , beetal@beetalfinancial.com	Bankers State Bank of India Union Bank of India Indian Overseas Bank IDBI Bank Ltd. Axis Bank Ltd. HDFC Bank Ltd. ICICI Bank Ltd. Indus Ind Bank Ltd.
Shares and Bonds are Listed at: National Stock Exchange of India Limited BSE Limited	
Depositories: National Securities Depository Limited Central Depository Services (India) Limited	
Debenture Trustees	
For Bond Series XIX to LXVIII Issue, GoI Bond IDBI Trusteeship Services Ltd. Asian Building, Ground Floor, 17, R. Kamani Marg, Ballard Estate, Mumbai - 400 001 Phone: 022-40807000, Fax: 022-66311776, Email: itsl@idbitrustee.com	



LETTER TO SHAREHOLDERS

Dear Shareholders,

My greetings and best wishes for the good health and safety of you and your loved ones.

Last year and half have been like no other before, truly testing us on many fronts and I am happy to share that your company's performance has been exemplary even in these trying times.

Performance under challenging conditions

The COVID-19 pandemic has had a significant impact on all our stakeholders. We lost several colleagues and their family members owing to COVID-19. My heartfelt condolences to all the bereaved families. We have introduced several measures and revised the benefits under existing schemes to provide for the economic and other rehabilitation support to the dependent family members of our deceased employees.



In the beginning of the fiscal, as the whole country went into COVID-19 lockdowns, challenges mounted due to restricted movement and disrupted supply chains. We proactively adopted measures to combat the adverse impacts across our business functions. We have provided assistance to the contract labor at our worksites as well as to the needy people around our sub-stations/work places. Vaccination drives were launched across all our establishments to achieve 100% vaccination of our employees and contract workers.

The indefatigable commitment of the POWERGRID family has helped the organization overcome the challenges in FY 20-21. We have been able to close the FY 20-21 with exemplary performance which I am delighted to share with you.

Your Company added 7,403 circuit km (ckm) of transmission lines, 27,624 Mega Volt Ampere (MVA) transformation capacity and 13 new substations at the group level. At the end of FY 20-21, the total transmission assets of POWERGRID and its subsidiaries stood at 1,70,685 ckm of transmission lines, 261 substations and 4,37,523 MVA of transformation capacity. On the operational front, your Company has maintained 99.78% system availability with number of tripping per line for the year contained at 0.36 which was lowest in five years. This is even more commendable in view of various constraints arising due to the prevalent pandemic situation.

On financial front, Total Income for the year grew by 6% from ₹ 38,671 crore to ₹ 40,824 crore and Profit after Tax (PAT) grew by 9% from ₹ 11,059 crore to ₹ 12,036 crore for the group. Your company achieved Capital Expenditure (CAPEX) of ₹ 11,284 crore and capitalized assets worth ₹ 21,467 crore on consolidated basis. In line with our policy to balance dividend payouts and retained earnings for new investments, dividend of ₹ 9.75 per share (adjusted for bonus) was declared for FY 20-21 comprising Interim dividend of ₹ 6.75 per share paid and proposed final dividend of ₹ 3 per share which shall be paid upon your approval. The total dividend and dividend distribution tax for the year amounts to ₹ 6,801 crore which would be about 57% of the Profit after Tax as compared to 54% for the previous year.

Your Company emerged successful in 5 Inter State Transmission System (ISTS) projects under TBCB with an aggregate annual levelized tariff of ₹ 515.84 crore which will facilitate the evacuation of renewable energy.

Committed to the welfare of the communities in which it operates, your company spent ₹ 240.48 crore against a CSR budget of ₹ 233.79 crore during FY 20-21. As many as 119 new CSR projects worth ₹ 179.77 crore were sanctioned during the year.

Together for the brighter future

Your company has continued focus on gaining market share in the TBCB domain and going forward, the company aims to further capitalize on available investment options in Inter-State and Intra-State transmission systems.

To aid in Govt of India's endeavor to increase renewable penetration in the capacity mix, your company has prepared and submitted a detailed project report for evacuation from renewable energy parks of 10GW in Ladakh. In addition, RE projects of 30GW in Gujarat and 25GW in Rajasthan are creating investment opportunities in the inter-state/intra-state sector.

The Government of India has recently announced the Revamped Distribution Sector Scheme, a Reforms-based and Results-linked Scheme with an outlay of ₹ 3,03,758 crore over a period of five years from FY 2021-22 to FY 2025-26 with the objective to improve the quality, reliability and affordability of power supply to consumers through a financially sustainable and operationally efficient distribution sector. We believe this scheme would significantly strengthen the electricity delivery system for our people and also provide an opportunity for your company to participate in the strengthening of the intra-state transmission, distribution infrastructure, smart metering etc.

Your company aims to strengthen its global presence in emerging markets of Africa and has taken further steps to take up investments in Kenya under public-private partnership model through a joint venture with Africa 50. Internationally, for enhancing the connectivity with Nepal, formation of JV (50:50) between POWERGRID and NEA is underway for construction of Indian portion of 400kV D/C Gorakhpur - New Butwal (Nepal) Transmission line.

Your company is also focused on increasing the share of non-transmission income and is considering opportunities to increase the revenues from its telecom and consultancy segments.

Looking ahead, your company sees immense opportunities for business growth, for sectoral development, and for transformational initiatives. I am confident that the company with its vast experience is well placed to capitalize on the upcoming opportunities and challenges with renewed vigor and experience.

On behalf of the Company, I want to thank you for your continued support and trust reposed. As we navigate together these challenging times, I assure that the company shall continue to generate and deliver value.

With best wishes.

Yours sincerely,

**(K. Sreekant)****Chairman & Managing Director****Date: 26th August, 2021****Place: New Delhi.**

INTEGRATED REPORT



Financial Capital



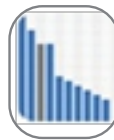
Asset Capitalization*
₹ 21,467 Crore



Capital Investment*
₹ 11,150 Crore
(on cash basis)



Gross Fixed Assets*
₹ 2,41,498 Crore



Total Income*
₹ 40,824 Crore



Profit after Tax*
₹ 12,036 Crore

*On Consolidated Basis

Manufactured Capital



EHV Transmission Lines*
7403 ckm added during FY 2020-21 & total 1,70,685 ckm as on March 31, 2021.



EHVAC & HVDC Sub-Stations*
13 new sub-stations added during FY 2020-21 & total 261 sub-stations as on March 31, 2021.



Transformation Capacity*
27,624 MVA added during FY 2020-21 & total 4,37,523 MVA as on March 31, 2021.



Transmission System Availability 99.78%
(Tripping per line decreased to 0.36, lowest in last five years)



Telecom Network Coverage
71,673 KM, up from 66,922 KM during previous FY. 100% backbone availability

Intellectual Capital



Copyright and Patents

Copyright received for two in-house software tools developed for EHV/UHV equipment Condition Monitoring and Health Assessment. Patent filed for one software tool "System and method for health assessment of Transformers and Reactors."



Technology Development

- Commissioned full digital substation with IEC 61850 Process Bus based Protection, Automation and Control system at 400/220kV Malerkotla Substation.
- First indigenously developed 400kV Optical Current Transformer and Digital Substation components at 400/220kV Bhiwadi Substation commissioned successfully collaborative project with BHEL under CPSE conclave
- POWERGRID Advanced Research and Technology Centre (PARTeC) catering to the internal research, analysis, testing and calibration needs of the organization



NTAMC and RTAMC

Facilitating remote operation of transmission system on real time basis at regional and national level. Remote management of sub-stations has proved immensely beneficial. At the end of FY 20-21 total 242 sub-station are being operated remotely.



Disaster and Crisis Management

Capable of expeditious restoration of damaged power infrastructure due to natural calamities

INTEGRATED REPORT

Natural Capital

Social and Relationship Capital

Human Capital

Conservation of Natural Resources
Successfully achieved goal of reducing involvement of forest by more than 60% since 1998, adopting modern technologies such as GIS, GPS and remote sensing based route optimization.

Providing relief to various Stakeholders on account of COVID-19 Pandemic - One time consolidated rebate of ₹ 1,078.64 crore in the billing for the month of April & May 2020 to various discoms power departments for passing on the same to end consumers.

Employees 8766
(as on 31.03.2021)

Energy Management
BEE Grade-I Energy Service Company having large pool of certified energy auditors/energy managers to offer energy efficiency solutions.

CSR
Spent ₹ 240.48 Crore during 2020-21. (against prescribed threshold of ₹ 233.79 crore)

Diversity and Inclusion
679 Female Employees 208 Persons in PWD category employed

Emission Control
Company using green technologies to reduce carbon footprints. Installed rooftop solar PV plants of more than 6 MWp at more than 70 locations and at 66 locations in progress.

Skill Development
1033 apprentices have been engaged in different trades as per Apprentice Act, 1961.

Recruitments
309 Recruits during FY 2020-21

Waste Management
Hazardous and other wastes are disposed as per rules/norms framed under Environment (Protection) Act, 1986 by MoEFCC.

Contribution to States
Infrastructure has been created for electrification of 87,409 villages (service connection have been provided to about 44 lac BPL households).

MOU signed with
National Skill Development Corporation, National Skill Development Fund, Power Sector Skill Council for Skill Development training to 6000 un-employed youths in power sector.

Make in India
Thrust on Make in India and MSEs. Target for Annual procurement from MSEs achieved as per Public Procurement Policy (Order 2012)

Training Mandays Per Employee
7.23 during FY 2020-21



Director's Profile



SHRI K. SREEKANT

Chairman & Managing Director

Shri K. Sreekant (57 years), (DIN: 06615674) is Chairman & Managing Director of our Company. He is CMA and PGDM (Finance) from Management Development Institute, Gurgaon. He has over 34 years of experience in the power sector in the areas of long term financial planning, investment appraisals, formulation of capital budgets, resource mobilization from domestic and international markets, corporate accounts, commercial, regulatory affairs and enterprise resource planning systems. He was appointed as CMD in August, 2019.

MRS. SEEMA GUPTA

Director (Operations)

Mrs. Seema Gupta (59 years), (DIN:06636330) is Director (Operations) of our Company. Prior to taking up this assignment, she was Executive Director (Northern Region-I) in the company. She is a graduate Engineer from Delhi College of Engineering (DCE) and also holds a Post Graduate Diploma in Management from IMT. She has more than 37 years of experience in power sector and has handled multi-disciplinary functions like Commercial, International Business, Corporate Planning, Corporate Monitoring Group, Central Transmission Utility, head of region etc. in the Company. Before joining POWERGRID in 1991, she has worked for about 7 years in NTPC. She was appointed as a Director (Operations) on our Board in March, 2018.



SHRI VINOD KUMAR SINGH

Director (Personnel)

Shri Vinod Kumar Singh aged 58 Years (DIN: 08679313) holds a B.Com (Hons) from Delhi University and a Post Graduate Management from Xavier Institute of Social Services (XISS), Ranchi. He started professional career in 1985 with an MNC followed by leading PSU NHPC. Since joining POWERGRID in 1992, he has worked at different levels, sites, RHQs & Corporate Centre in all facets of HR including Amalgamation, Turnaround & Culture Building. Prior to his joining as Director (Personnel), he has worked as Senior General Manager (Human Resource Development) handling flagship projects such as Capacity Building, restructuring policies & procedures for NER States, strategic alliances pertaining to Learning & Development for employees as well as external customers. He was appointed as Director (Personnel) on our Board in February, 2020.

SHRI M. TAJ MUKARRUM

Director (Finance)

Shri M. Taj Mukarrum (59 years), (DIN: 08097837) is Director (Finance) of our Company. He is an M.B.A. in Finance from Osmania University, Hyderabad. He had started his career in 1984 as an Executive Trainee in NTPC Limited. He has gained experience in the core areas of Finance & Accounts such as Financial Concurrence, Risk Management, Treasury Management, Financial due diligence of Projects, Long term financial planning, Investment Appraisals, Capital Budgeting and Resource mobilization. He had worked at various Project sites & Regional Headquarters across the country & corporate office. He was appointed as Director (Finance) on our Board in July, 2020.





Shri Abhay Choudhary

Director (Projects)

Shri Abhay Choudhary (57 years), (DIN: 07388432) is Director (Projects) of our Company. Prior to taking up this assignment, he was Executive Director (Commercial & Regulatory Cell) along with charge of CMD Coordination Cell in the company. He is an electrical engineering graduate from NIT Durgapur and also holds a Post Graduate Diploma in Management from IMT Ghaziabad. During his career spanning around 35 years in Power Sector, he has worked in various capacities in EHV Sub Stations and Transmission lines, both as an Operation & Maintenance executive as well as a construction engineer. He also served as Executive Director of the North-Eastern Region from 2015-17. Before joining POWERGRID in 1991, he was in NTPC for about 6 years. He was appointed as Director (Projects) on our Board in November, 2020.

SHRI M. N. VENKATESAN

Independent Director

Shri M. N. Venkatesan (65 years) (DIN: 02126022), B.Com, FCA is a practising Chartered Accountant specialising in Management and Financial Consultancy. He has wide experience of more than 37 years in the profession including as Statutory Central Auditor of Large Public Sector Banks for more than 30 years. He has been a Director of the Board of Indian Overseas Bank from 2002 to 2008. Presently, Shri Venkatesan is a senior partner of M.R. Narain and Co., Chartered Accountants, Chennai. He was appointed as an Independent Director on our Board in July, 2019.



SHRI MRITUNJAY KUMAR NARAYAN

Government Nominee Director



Shri Mritunjay Kumar Narayan, an Indian Administrative Service (IAS) officer of 1995 batch, Uttar Pradesh Cadre, (DIN: 03426753) is Joint Secretary in Ministry of Power. He has done B. Tech and M. Tech in Electrical Engineering from Indian Institute of Technology (IIT), Kanpur. He has also done M.Sc. in Public Policy and Management from King's College, London and LLB from Lucknow University. In a career spanning about 25 years, he has had experience of working in various positions in the State of Uttar Pradesh. Prior to joining Ministry of Power as Joint Secretary, he had been Secretary to the Hon'ble Chief Minister, Uttar Pradesh for two years and a quarter. This position gave him over-arching experience of the entire gamut of governance in the State. He has wide experience of policy formulation and implementation as well. He had held position as Commissioner, Commercial Tax and Entertainment Tax for more than two years; these departments contribute more than 60% of tax revenue of the State. At the cutting age of administration, he has held nearly every field position in the State of Uttar Pradesh from Sub-Divisional Magistrate to Chief Development Officer to Collector to Divisional Commissioner. He also served as Director on the Board of Lucknow City Transport Services Limited and Meerut City Transport Services Limited. He is also on the Board of Energy Efficiency Services Limited and PTC India Limited. He was appointed as Govt. Nominee Director on our Board in November, 2020.



SHRI DILIP NIGAM

Government Nominee Director

Shri Dilip Nigam (DIN: 02990661) has done his M. Tech. in Energy Technology from Asian Institute of Technology, Bangkok, Thailand. His specialization is in Solar Energy and Wind Energy. After working in private sector initially for few years, he joined the Ministry of New and Renewable Energy in 1987. He worked in wind energy programme of the Ministry for 16 years, when many important policies for development of wind energy sector in the country were initiated. The Centre for Wind Energy Technology (C-WET) now NIWE was established. In the Ministry, he has worked for 18 years in Solar Energy Programmes. Shri Nigam is presently working in the Ministry as Adviser/Scientist “G” (National Solar Mission) and dealing with important schemes to promote solar power development in the country.



SHRI DEEPAK KASHYAP

CVO

Shri Deepak Kashyap (59 years), a 1986 batch officer of Indian Railway Traffic Service is the Chief Vigilance Officer of POWERGRID. He graduated in English Honours from Patna University and has held various key posts such as CVO, BSNL, DRM, South Eastern Railway, Chief Commercial Manager / General Northern Railways, Member/ Rail Land Development Authority, and Director, Central Vigilance Commission. He has varied experience in administrative, establishment, vigilance, operations, revenue, tendering and allied disciplines. He is also credited with conceptualizing and commissioning Indian Railways’ popular onboard magazine “Rail Bandhu”. He was appointed as Chief Vigilance Officer of POWERGRID in May 2019.

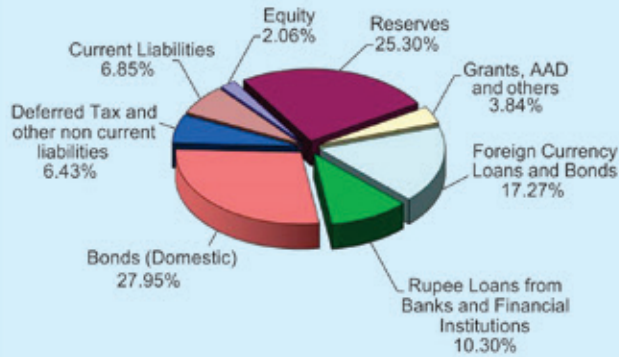
List of Senior Executives as on 15th August, 2021

S.No.	Name (S/Sh./Smt.)	Designation	Level	Department/Function/Region/Project
Corporate Centre				
1	A.P. Gangadharan	ED	E9	Asset Mgmt., LD&C, Safety Cell
2	Rajesh Kumar	ED	E9	CMG
3	Mukesh Khanna	ED	E9	Commercial and Regulatory Cell
4	B. Anantha Sarma	ED	E9	Contract Services, Material Management
5	Sunil Agrawal	ED	E9	Corporate Planning
6	Dr. Subir Sen	COO	E9	CTUIL
7	Ashok Pal	Dy. COO	E9	CTUIL
8	K.K. Srivastava	ED	E9	DMS
9	A.K. Singhal	ED	E9	Engg-(S/s, TL, Civil, Cost), TBCB Cell
10	P. Jayachandran	ED	E9	Engg.-HVDC, QA&I, FQA
11	P.V. Nath	ED/CISO	E9	ERP & IT, Information Security
12	T.C. Sarmah	ED	E9	ESMD, CSR
13	Pramod Kumar	ED	E9	F&A
14	Satish Chandra	ED	E9	HR
15	Y.K. Dixit	ED/COO	E9	International Business, BDD & PI, Energy Mgmt. Dept.
16	Arun K. Mishra	ED	E9	NSGM-PMU, Technology Development, Smart Grid Knowledge Centre
17	Rajiv Kumar	CEO	E9	POWERGRID Himachal Transmission Limited
18	S.C. Agarwal	COO	E9	Telecom
19	A. Anand	Dy. CVO	E9	Vigilance
Regional Heads				
20	A.K. Mishra	ED	E9	Northern Region- I, Faridabad
21	Kailash Rathore	ED	E9	Northern Region- II, Jammu
22	Sanjai Gupta	ED	E9	Northern Region- III, Lucknow
23	Asit Kumar Maiti	ED	E9	Eastern Region – I, Patna
24	A. Barat	ED	E9	Eastern Region-II, Kolkata
25	R.K. Tyagi	ED	E9	North Eastern Region, Shillong
26	Anoop Kumar	ED	E9	Southern Region – I, Secunderabad
27	S. Ravi	ED	E9	Southern Region – II, Bengaluru
28	Ravindar Kumar S.	ED	E9	Western Region – I, Nagpur
29	P.C. Garg	ED	E9	Western Region – II, Vadodara
Other Heads				
30	Bimlendu Shekhar Jha	ED	E9	Comprehensive T&D Scheme- Arunachal Pradesh
31	Naveen Srivastava	ED	E9	NERPSIP, Guwahati
32	Alok	ED	E9	Odisha Projects, Bhubaneswar
33	S.K. Dambhare	ED	E9	Champa S/s
On Deputation to other Organization(s)				
34	Mahendra Kumar Singh	ED	E9	Bihar Grid Company Limited
35	Avinash M Pavgi	ED	E9	Cross Border Power Transmission Company Ltd.
36	Ram Naresh Singh	ED	E9	Damodar Valley Corporation
37	Upendra Pande	ED	E9	Gujarat Energy Transmission Corporation Limited

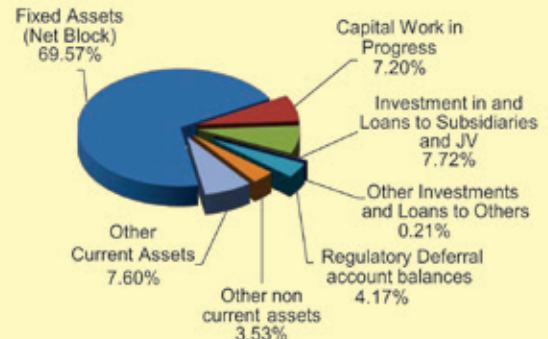


POWERGRID'S PERFORMANCE

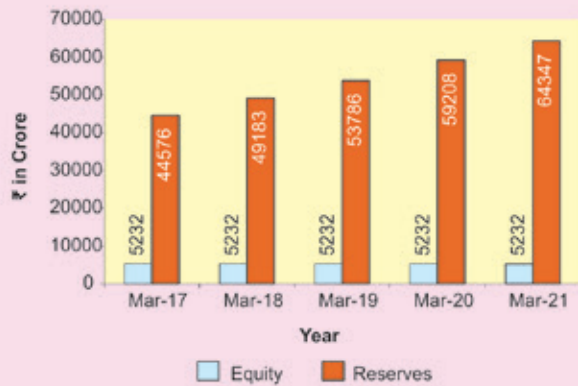
Sources of Funds (%) as at 31.03.2021



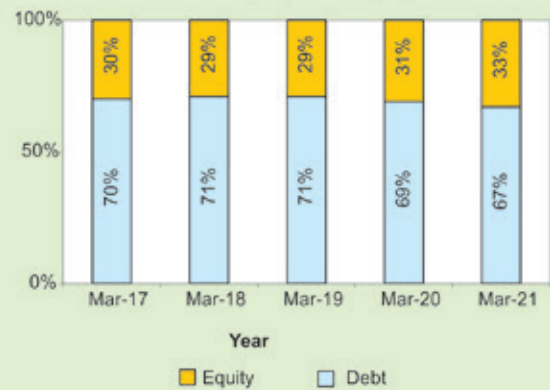
Application of Funds (%) as at 31.03.2021



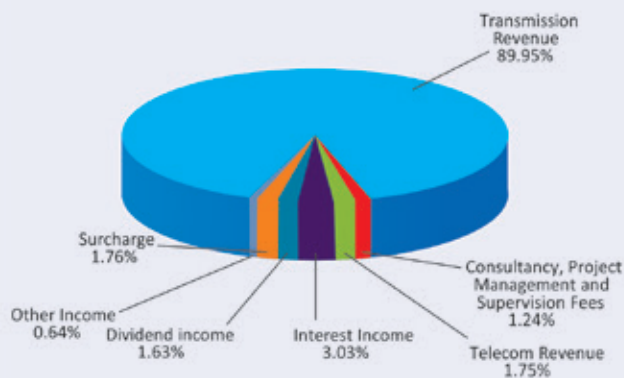
Equity and Reserves



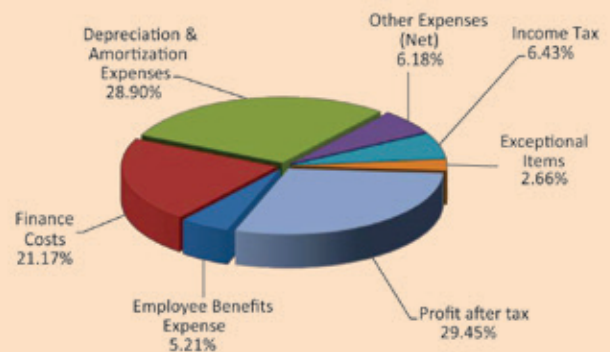
Debt Equity Ratio (%)



Income Break-up (%) - 2020-21



Distribution of Revenue (%) - 2020-21



FIVE YEARS' SUMMARY - STANDALONE

OPERATING RESULTS

(₹ in Crore)

Particulars	2020-21	2019-20	2018-19	2017-18	2016-17
(A) TOTAL INCOME :					
Revenue From Operations					
Transmission Revenue	36,120.92	33932.94	32616.99	28447.16	24411.66
Other Operative Revenue - Transmission	336.00	943.41	227.95	48.66	218.62
Consultancy Revenue	501.28	610.98	610.93	662.18	582.43
Telecom Revenue	707.45	698.21	663.25	606.59	497.36
Revenue From Operations	37,665.65	36,185.54	34,119.12	29,764.59	25,710.07
Other Income	2,861.46	2132.43	1498.95	1001.73	866.63
Total Income	40,527.11	38,317.97	35,618.07	30,766.32	26,576.70
(B) EXPENSES :					
Employees benefits expense	2,110.74	1959.47	1783.57	1599.09	1377.13
Finance costs	8,501.01	9813.62	9091.42	7590.66	6303.83
Depreciation and amortization expense	11,711.68	11073.18	10200.67	9091.25	7662.80
Other Expenses	2,498.97	2824.35	3053.43	2215.70	1733.11
Total Expenses	24,822.40	25670.62	24129.09	20496.70	17076.87
Profit before Tax & Regulatory Deferral Account Balances	15,704.71	12647.35	11488.98	10269.62	9499.83
Exceptional Items	1,078.64	-	-	-	-
Profit Before Tax & Regulatory Deferral Account Balances	14,626.07	12647.35	11488.98	10269.62	9499.83
Tax expense:					
Current Tax	2,529.11	2230.74	2489.43	2169.01	1988.45
Deferred Tax	560.03	1288.83	(3465.87)	3140.15	2680.23
	3,089.14	3519.57	(976.44)	5309.16	4668.68
Profit for the period before Regulatory Deferral Account Balances	11,536.93	9127.78	12465.42	4960.46	4831.15
Net Movement in Regulatory Deferral Account Balances-Income/(Expenses) (net of tax)	398.85	1683.40	(2526.87)	3284.19	2689.00
Profit after Tax	11,935.78	10811.18	9938.55	8244.65	7520.15
Other Comprehensive Income	25.36	(104.02)	(16.30)	8.03	49.83
Total Comprehensive Income for the period	11,961.14	10707.16	9922.25	8252.68	7569.98
Dividend	6,821.99	4425.92	4514.87	3034.33	1313.12
Dividend Tax	-	858.69	909.57	610.64	264.76



FINANCIAL POSITION

(₹ in Crore)

Particulars	2020-21	2019-20	2018-19	2017-18	2016-17
(A) ASSETS					
Gross Property, Plant and Equipment	232130.94	213210.18	195833.62	175478.10	148318.72
Gross Intangible assets	2153.38	1980.66	1959.07	1622.15	1411.46
	234284.32	215190.84	197792.69	177100.25	149730.18
Less: Accumulated Depreciation	57340.82	45354.41	33932.71	23489.90	14222.22
Net Property, Plant & Equipments and Intangible Assets	176943.50	169836.43	163859.98	153610.35	135507.96
Investment Property	0.03	0.03	0.03	0.03	0.03
Capital work-in-progress	17896.67	30180.08	33364.02	30261.17	35806.80
Intangible assets under development	74.86	219.55	214.06	45.95	77.33
Non Current Financial Assets					
Investments	4265.36	3763.66	2756.53	1608.24	1327.55
Loans	10474.09	12783.75	10708.99	8253.12	3618.41
Other non-current financial assets	(*) 4447.44	4106.80	4548.37	866.35	836.95
Other non-current assets	4874.42	6127.18	5065.44	5645.51	6346.78
Current assets	(*) 24749.21	18,409.12	17872.31	12300.20	11050.05
Regulatory Deferral Account Balances	10606.35	10123.06	8083.27	11304.22	7975.80
Total Assets	254331.93	255549.66	246473.00	223895.14	202547.66
(B) LIABILITIES					
Borrowings					
Non Current Borrowings	129080.07	135421.11	131039.51	122420.32	110963.17
Current maturities of Non Current Borrowings	12171.41	9558.53	10746.85	7792.64	6234.74
	141251.48	144979.64	141786.36	130212.96	117197.91
Other non-current financial liabilities	3587.01	3515.63	3897.44	459.60	352.24
Non Current Provisions	461.93	424.71	368.15	716.87	789.56
Deferred tax liabilities(Net)	11941.88	11381.85	10093.02	13558.89	10418.74
Other non-current liabilities	345.10	361.04	486.57	457.16	575.20
Current liabilities	29582.95	29089.61	32114.14	26899.93	24759.13
Less: Current maturities of Non Current Borrowings	12171.41	9558.53	10746.85	7792.64	6234.74
Net Current Liabilities	17411.54	19531.08	21367.29	19107.29	18524.39
Deferred Revenue	9754.15	10916.02	9457.03	4967.41	4882.37
Total Liabilities	184753.09	191109.97	187455.86	169480.18	152740.41
(C) NET WORTH					
Equity Share capital	5231.59	5231.59	5231.59	5231.59	5231.59
Other Equity	64347.25	59208.10	53785.55	49183.37	44575.66
Net worth	69578.84	64439.69	59017.14	54414.96	49807.25
CAPITAL EMPLOYED	172109.76	159155.94	149618.15	139010.62	121798.88
(Net Fixed Assets+Net Current Assets)					

FINANCIAL POSITION (CONTD.)

Particulars	2020-21	2019-20	2018-19	2017-18	2016-17
(D) RATIOS					
Net Profit to Capital Employed(%)	6.93	6.79	6.64	5.93	6.17
Net Profit to Net Worth(%)	17.15	16.78	16.84	15.15	15.10
Net Worth per Rupee of Paid-up Capital (₹)	13.30	12.32	11.28	10.40	9.52
Debt/Equity Ratio (#)	67:33	69:31	71:29	71:29	70:30
Current Ratio	0.84:1	0.63:1	0.56:1	0.46:1	0.45:1
Earning per Share (Basic & Diluted EPS) (₹)	22.81	20.67	19.00	15.76	14.37
Book Value per share (₹)	133.00	123.17	112.81	104.01	95.20
Dividend per share (₹)	13.04	8.46	8.63	5.80	2.51
Capital Expenditure (including TBCB) on cash basis (₹ in Crore)	11,150	15,313	25,807	25,791	24,429
(E) OTHER IMPORTANT INFORMATION					
Length of Transmission Lines (CKT)	162,972	156,884	153,075	148,149	139,077
No. of Substations	254	244	242	234	219
Transformation capacity (MVA)	421,473	400,269	365,282	331,163	289,543
No. of Employees (\$)	8,766	9,583	9,886	9,465	9,346
Transmission Network availability (%)	99.76%	99.82%	99.71%	99.81%	99.79%

(*) Includes Assets Classified as Held for Sale

(#) For calculation of Debt-Equity Ratio, Loan liability also include Current Maturities of Long Term Loans.

(\$) Including FTB employees



DIRECTORS' REPORT

Dear Shareholders,

On behalf of the Board of Directors, it gives me immense pleasure in presenting the 32nd Annual Report on the performance of the Company, together with the Audited Financial Statements for the financial year ended 31st March 2021.

The financial year under review was extremely challenging due to ongoing COVID-19 pandemic. Electricity being an essential service, your Company rose to the challenges by COVID-19 pandemic and ensured reliable transmission of power and achieved yet another year of excellent performance in all areas of its operations.

Performance highlights of the Company are briefly mentioned here to give an overview of accomplishments on all fronts:

- During FY 20-21, your Company achieved system availability of **99.78%**. The trippings per line decreased to **0.36**, which is lowest in last five years.
- **7,403** circuit km (ckm.) of Extra High Voltage (EHV) transmission lines, **27,624** Mega Volt Ampere (MVA) transformation capacity, **13** new Substations (including subsidiaries and acquisitions) were added during the year.
- Assets capitalized by the Company in FY 20-21 were ₹ **21,467** crore on-consolidated basis.
- Important projects commissioned:
 - Bipole 1 and associated HVAC and HVDC link under ±800kV, 6000 MW, Raigarh – Pugalur – Trichur HVDC Transmission System, enabled Inter-Regional power transfer of 3,000 MW, to meet power demand of Southern Region.
 - One symmetrical monopole of VSC HVDC link along with HVDC lines and HVDC cables under ±320kV, 2000 MW, Pugalur – Trichur HVDC Transmission System has been commissioned.
 - Transmission System for power evacuation from Ultra Mega Solar Parks of 2000MW at Tumkur (Karnataka) and 700MW at Banaskantha (Gujarat).
- For ensuring effective communication for the existing as well as new Substations, **6,282** km of Optical ground wire (OPGW) was installed in FY 20-21.
- Emerged successful in **5** TBCB projects associated with transmission strengthening scheme for evacuation of power from solar energy zones in Rajasthan (8.1 GW) under Phase-II. Out of above 5 projects, 2 projects have been acquired in FY 20-21. These 5 projects are having an aggregate annual levelized tariff of ₹ **515.84** crore.
- Under Atmanirbhar Bharat Abhiyan, your Company, in collaboration with BHEL has successfully commissioned India's first indigenously developed 400kV Optical Current Transformer along with Digital Substation components (IEDs and SCADA) at 400/220kV Bhiwadi Substation.
- Your Company has Commissioned a fully digital 400/220kV Substation (including Bus Bar protection) with IEC 61850 Process Bus based Protection Automation and Control system. This has been successfully demonstrated at 400/220kV Malerkotla Substation.
- On standalone basis, the Company Total Income at ₹ **40,527.11** crore during FY 20-21, increased by **5.77%** & net Profit after Tax (PAT) at ₹ **11,935.78** crore during FY 20-21, increased by **10.40%**, as compared to previous year.
- Dividend of ₹ 9.75 per share declared for FY 20-21. Interim dividend of ₹ 6.75 per share paid and final dividend of ₹ **3** per share recommended for approval of shareholders (adjusted for bonus) as compared to ₹ 7.5 per share in previous year.
- Your Company has achieved remarkable collection efficiency of **103.78%** of billing in FY 20-21, despite the ongoing COVID-19 pandemic situation in the country.
- Featured as 'Fastest Growing Electric Utility in Asia Pacific' for 7th successive year under Platts top 250 Global Energy Company Rankings 2020 and globally positioned as the 4th fastest growing electric utility.
- Your Company was the only Indian PSU to feature in ATD (Association for Talent Development) BEST Award 2021 winner list along with 7 Indian organizations.

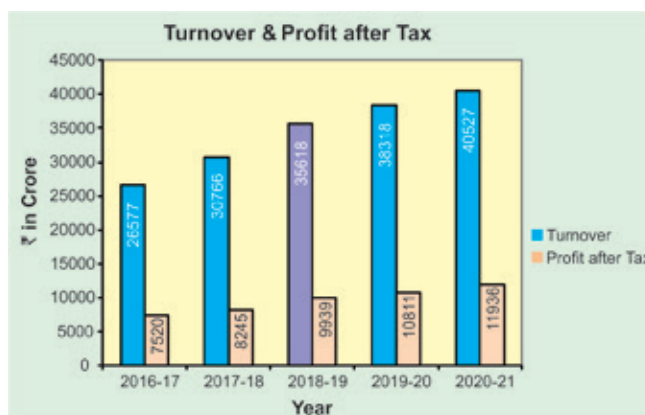
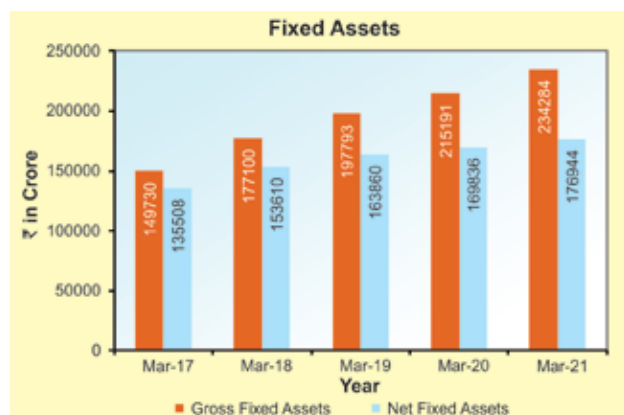
1. FINANCIAL PERFORMANCE

In FY 20-21, the Company has shown a stellar financial performance. The Financial Performance during year under review as compared to the previous FY 19-20 on standalone basis is summarized below:

(All Figures except per share data are in units as indicated)

Description	2020-21		2019-20		Y-o-Y
	₹ (crore)	US \$ (million)	₹ (crore)	US \$ (million)	Growth (%)
Revenue					
Transmission Charges	36,456.92	4,960.13	34,876.35	4,745.08	4.53
Consultancy-Sale of Services	501.28	68.20	610.98	83.13	-17.95
Telecom	707.45	96.25	698.21	94.99	1.32
Other Income	2861.46	389.31	2132.43	290.13	34.19
Total Income	40,527.11	5,513.89	38,317.97	5,213.33	5.77
Profit After Tax (PAT)	11935.78	1,623.92	10811.18	1,470.91	10.40
Earnings per Share	₹ 22.81	0.31(US \$)	₹ 20.67	0.28 (US \$)	10.35
Book Value per Share	₹ 133.00	1.81 (US \$)	₹ 123.17	1.68 (US \$)	7.98
Gross Fixed Assets	234284.32	31,875.42	215190.84	29,277.67	8.87
Long Term Borrowings*	141251.48	19,217.89	144979.64	19,725.12	-2.57
Net Worth	69578.84	9,466.51	64439.69	8,767.30	7.98
Debt Equity Ratio	67:33		69:31		
Return on Net Worth	17.15%		16.78%		

* Including current maturities of Long-Term Borrowings. Convenience conversion at US\$1=₹73.50, as on 31.03.2021



1.1. DIVIDEND PAYOUT & BONUS SHARE ISSUED

A final dividend of ₹ 3 per share is proposed for FY 20-21, in addition to first and second interim dividends aggregating to ₹ 6.75 per share paid (adjusted for bonus). The total dividend for the year thus amounts to ₹ 9.75 per share (adjusted for bonus) as compared to ₹ 7.5 in FY 19-20. The total dividend payout for the year amounts to ₹ 6,801.07 crore (including interim dividends of ₹ 4,708.43 crore). The final dividend shall be paid after approval at the Annual General Meeting. The total payout ratio for the year was 57% as compared to 54% for previous year.





Further, for the first time since inception, your Company has issued Bonus Shares in the ratio of 1:3 i.e., 1 (One) equity share of nominal value ₹ 10/- (Rupees Ten Only) each for every 3 (Three) equity shares of nominal value of ₹ 10/- (Rupees Ten Only) each to its shareholders. Post Bonus Shares issuance, the Paid-up capital of the Company stands increased to ₹ 6975.45 crore.

1.2. TRANSFER TO RESERVES

For the FY 20-21, appropriation of profit has been made as follows:

- a) General Reserve: ₹ 6,000.00 crore
- b) Self-Insurance Reserve: ₹ 278.79 crore

1.3. GOI SHAREHOLDING

During the year, the Govt. of India shareholding remained unchanged at 51.34%.

2. SIGNIFICANT DEVELOPMENTS

2.1. SUBSIDIARIES ACQUIRED THROUGH TARIFF BASED COMPETITIVE BIDDING (TBCB)

Since 2011, the Company has been participating in the TBCB process mandated by GoI for allocating transmission projects. The projects so acquired are housed in project-specific wholly owned subsidiaries of the Company.

During the year under review, the Company emerged successful in five ISTS projects associated with renewable energy. Out of these, two projects were acquired in FY 20-21.

As on 31st March 2021, eight TBCB subsidiaries were fully operational with total TBCB transmission assets comprising 59 transmission lines with 7,264 ckm & 7 Substations with aggregate transformation capacity of 16,050 MVA. Cumulatively, the Company, at the end of FY 20-21, owned 22 TBCB subsidiaries, the details of which are provided in the Management Discussion & Analysis Report (MD&A).

Separate section has been included on financial review of the Joint Venture Companies and Subsidiaries in MD&A.

2.2. TRANSFER OF SRINAGAR LEH TRANSMISSION SYSTEM (SLTS) TO POWERGRID

The flagship SLTS project was implemented by POWERGRID on consultancy basis under the PMDP scheme of Govt. of India. The project provides connectivity to the Ladakh region with the national grid, ensuring quality and reliable power supply. The project component includes transmission line of 375ckm traversing through snow bound hilly terrain and four new state-of-the-art 220/66kV Gas Insulated Substations along with 66kV inter-connection systems at Drass, Kargil, Khaltsi and Leh. The project was commissioned on 31st January 2019 and was dedicated to the Nation by Hon'ble P.M. on 03rd February 2019.

Upon reorganization of erstwhile State of Jammu & Kashmir into UTs of J&K and Ladakh, SLTS has been re-designated as an Inter State Transmission System (ISTS) and transferred to POWERGRID with effect from 31st October 2019 (the date of formation of the two UTs of J&K and Ladakh).

2.3. ACQUISITION OF JAYPEE POWERGRID LIMITED (JPL)

JPL [a Joint Venture Company of POWERGRID (26%) and Jaiprakash Power Ventures Limited (74%)] was incorporated in 5th October 2006 to evacuate power generated from 1000 MW Karcham Wangtoo Hydro Electric power project in Himachal Pradesh. The assets comprise two transmission lines of 449 ckm (400kV D/c Karcham-Wangtoo- Abdullapur transmission line and LILO of 400kV Baspa-Nathpa Jhakri transmission line at Wangtoo) which are under commercial operation since April 2012.

Your Company acquired 74% stake of Jaiprakash Power Ventures Limited at an aggregate consideration of ₹ 354.50 crore resulting in JPL becoming a wholly own subsidiary of POWERGRID w.e.f. 25th March 2021. Consequent upon acquisition name of the Company has been changed from Jaypee POWERGRID Limited to POWERGRID Himachal Transmission Limited (PHTL).

2.4. SEPARATION OF CTU FUNCTIONS

Your company was designated as Central Transmission Utility (CTU) since 1998. Govt. of India has decided to separate the CTU functions from POWERGRID, initially by designating a subsidiary of POWERGRID incorporated for this purpose as the CTU followed by establishing it as a separate Government of India Company.

Your company incorporated a wholly owned subsidiary Central Transmission Utility of India Limited (CTUIL), on 28th December 2020, which was notified by the Govt. of India as 'Central Transmission Utility' w.e.f. 01st April 2021 to undertake and discharge all functions of CTU. Your Company continues to be a deemed Transmission Licensee under the Electricity Act, 2003. As the CTU functions are not commercial oriented, the separation of CTU functions is not expected to have material impact on the business operations of the Company.

2.5. Monetisation of Transmission Assets through POWERGRID Investment Infrastructure Trust (PGInvIT):

In order to mobilise resources to meet future capital requirement for Company's growth, your company has undertaken monetization of assets through Infrastructure Investment Trust (InvIT) model. This is in accordance with Gol guidelines and your Company is the first CPSE to undertake asset recycling through InvIT structure.

In line with the approval accorded by the Govt. of India, your company monetized operational assets held through 5 TBCB Special Purpose vehicles (SPVs) with gross block value of about ₹ 7,200 crore comprising 3699 ckm of transmission lines and 3 Substations having 6630 MVA transformation capacity in May'2021.

Details are covered in the Management Discussion & Analysis placed at Annexure-I of this Report.

3. OPERATIONAL PERFORMANCE

3.1. ASSET MANAGEMENT

As on 31st March 2021, the Company's total transmission assets including of its wholly owned subsidiaries consist of 1,321 transmission lines aggregating to 1,70,685 km., 261 Substations with an aggregate transformation capacity of 4,37,523 MVA. The assets include 1,429 transformers, 14 STATCOMs and 3 Static VAR Compensators (SVC), 4 Series Reactors, besides a number of Thyristor Controlled Series Compensators (TCSC)/ Fixed Series Compensators (FSC).

In FY 20-21, the Company achieved **99.78%** availability of transmission network with number of trippings per line contained at 0.36. Proactive maintenance management practices monitored through a web-based dashboard for Annual Maintenance Plan launched during the year has helped the Company to achieve high operational performance of its large and highly complex transmission asset network despite the COVID-19 pandemic. Your Company also undertakes internal benchmarking on key performance indicators to evaluate operational performance to identify gaps for improvement, share key initiatives and achieve optimum operational performance.

Repair of GIS Substation equipment by the in-house maintenance teams of your company at 06 Substations during COVID-19 pandemic prevented long outages of system and resulted in considerable cost savings. Six HVDC convertor transformers were overhauled and one 765kV line reactor was repaired at site, saving both time and cost of transportation. It was the first time, that on-site repair of 765 kV class reactor was carried out by your company.

Refurbishment of $\pm 2 \times 250$ MW HVDC Vindhyachal back-to-back and 1500 MW bipole of ± 500 kV HVDC Rihand-Dadri is being done to extend the life of projects which served the Indian Power System for more than 25 years. The Refurbishment of HVDC systems which is being done for the first time in India, will enhance the operating life of these HVDC assets by approximately 10 years, thereby benefitting the end consumer through continuing power supply at reduced cost.

State-of-the-Art, Travelling Wave Based Fault locators (TWFL) were installed in 43 transmission lines in FY 20-21 to accurately identify the fault location. With this 95 important transmission lines of your company have TWFL installed for better fault location and early restoration.

The Company, for the past many years, has been participating in the International Transmission Operation and Maintenance Study (ITOMS), a global O&M benchmarking platform, comprising 32 leading global power transmission utilities, where it has consistently ranked among the top performing transmission companies.



3.2. NATIONAL TRANSMISSION ASSET MANAGEMENT CENTRE (NTAMC), MANESAR & REGIONAL TRANSMISSION ASSET MANAGEMENT CENTRES (RTAMCS)

To facilitate remote operation of your company's transmission system and monitoring of various parameters on real time basis at regional and national levels, NTAMC was set up at Manesar, near Gurugram, Haryana and RTAMCs were set up at various locations across the country. These state-of-the-art centres are manned round-the-clock by experts for effective monitoring and management of transmission assets.

Remote management of Substations has proved to be immensely beneficial during the FY 20-21 to ensure uninterrupted supply of power despite COVID-19 pandemic.

During the FY 20-21, Eight (8) additional Extra High Voltage (EHV) Substations were integrated with NTAMC for remote operation. At the end of FY 20-21, total 242 Substations are being operated remotely from these asset management centres.

3.3. ADOPTION OF LATEST TECHNOLOGY

Your Company uses various technological tools for ensuring better availability of transmission lines such as aerial patrolling of transmission lines, thermo-vision scanning, corona camera, high resolution video, digital camera, application-based monitoring of transformers, reactors and patrolling of lines & real time updation of data through online applications for effective monitoring of assets.

Your Company has commissioned, a full digital Substation (including Bus Bar protection) with IEC 61850 Process Bus based Protection Automation and Control system and successfully demonstrated by retrofitting of conventional control and protection system at 400/220kV Malerkotla Substation. This technology provides lot of flexibility in Engineering, faster commissioning, reduced down time and cost, enhanced diagnostics and ease in trouble shooting during asset management.

3.4. CYBER SECURITY

The cyber security initiatives are led by Chief Information Security Officer (CISO) through the Information Security Department in the Company. The Corporate Office, all the Regional Headquarters and 213 Substations of the Company are certified for ISO:27001 Information Security Management System. The Company undertakes extensive training programs for its staff and participates in programs & mock-drills organized by CERT-In and NCIIPC.

Further, the Company works in close liaison with the designated statutory bodies, namely Indian Computer Emergency Response Team (CERT-In) and National Critical Information Infrastructure Protection Centre (NCIIPC). The advisories issued by these institutions from time to time are complied with and shared with other Transmission Sector utilities. POWERGRID has also been given responsibility as the sectoral Computer Emergency Response Team (CERT) for the Transmission Sector by Ministry of Power.

3.5. SAFETY

Your Company is committed for maintaining a safe working environment for all its employees and ensuring best possible safe conditions of work, for which all necessary steps are taken to ensure that all known safety factors are considered during design, construction, operation and maintenance of machinery and equipment of Substations & transmission lines to the extent as applicable as per standards.

Safety policy, rules and guidelines are implemented by publishing/ notifying instruction, notices in Hindi, English and other vernacular languages for broader circulation and are monitored routinely by a three-tier safety setup (Corporate Centre, Region and site levels). Further, the contractual provisions for safety are reviewed and amended to augment the safety commitment by all working agencies with their feedback from time to time.

New technology adoption i.e. usage of induction helmet & band to alert the person working in vicinity of induction zone are being adopted for safety at sites. Tackles to climb on PSC poles and to aid positioning during tower erection are being developed to aid the persons climbing on PSC poles and tower erection works.

Safety audits/ inspections, trainings, safety briefings and mock-drills are carried out for all contract workers and POWERGRID staff at various O&M and construction sites. During FY20-21, about 400 construction site inspections, about 2,900 safety-training sessions for contractor employees, about 800 safety-training sessions for POWERGRID staff and about 920 mock-drills were carried out.

Daily safety briefings & pep-talk were delivered in local languages at all sites to educate workers on the hazards associated with works and how to identify them & safety measures that must be taken to prevent injury. Besides above, safety day & fortnight celebrations, involving employees and contractual workers are being conducted which help in creating awareness for adherence to safety.

4. **DISASTER MANAGEMENT**

The Company has in place a “Disaster & Crisis Management Plan” for taking swift actions during pre and post disaster conditions and for speedy restoration of damaged power infrastructure. It outlines a hierarchical set up of crisis/ disaster management at various levels for effectively and efficiently dealing with crises and disasters as well as roles/ responsibilities of different departments in disaster management.

Based upon the inputs of India Meteorological Department (IMD), the Company took preparatory steps before the onset of all cyclones during FY 20-21. No major damages were caused to your Company’s transmission network during major cyclones namely, Amphan, Nisarga, Nivar and Burevi due to advance preparedness and robust infrastructure. The Company also extended its full support to the transmission and distribution utilities of the affected States by providing men and material for early restoration of their damaged transmission and distribution network.

5. **PROJECT IMPLEMENTATION**

The lockdown in the month of March & April 2020 to prevent the spread of COVID-19 and consequent restriction on movement of men and material had impacted project construction activities during the year. Various measures were taken to mitigate COVID-19 impact on project construction. Workers at site were provided various support during the lockdown period to tide over the situation.

Despite the constraints arising due to the pandemic, your Company’s strong project management practices resulted in addition of about 6,580 ckm of EHV transmission lines, about 27,320 MVA transformation capacity and 9 new Substations in FY 20-21. This includes 866.05 ckm. of EHV transmission lines, 6,420 MVA transformation capacity and 3 new Substation added during the year by the Company’s wholly owned TBCB subsidiaries.

Further, about 6,282 km of OPGW network was added during the year to support voice and data communication with Regional Load Dispatch Centres (RLDCs)/ State Load Despatch Centres (SLDCs) for effective grid management.

MAJOR TRANSMISSION ASSETS COMMISSIONED

INTER-REGIONAL LINES

- ±800kV Raigarh - Pugalur LCC HVDC link along with Bipole-I (Pole-I and Pole-II, 3000 MW)

INTERCONNECTIONS WITH BANGLADESH

- 400kV D/c Baharampur (PG) - Bheramera (B'desh) line (2nd D/c line) - India portion

TRANSMISSION SYSTEM ASSOCIATED WITH ULTRA MEGA SOLAR PARKS

- 400kV D/c Tumkur (Pavagada) PS - Devanahally (KPTCL) (Quad) line
- 400kV D/c Hiriyur - Mysore line
- 400kV D/c Banaskantha PS - Banaskantha (PG) line

TRANSMISSION SYSTEM FOR STRENGTHENING OF SOUTHERN REGION GRID

- 400kV D/c Pugalur HVDC Station - Pugalur line
- 400kV D/c Pugalur HVDC Station - Arasur line
- LILO of 400kV D/c North Trichur - Cochin line at North Trichur HVDC Station
- ±320kV VSC HVDC Pugalur - North Trichur (Kerala) link (One Symmetrical monopole of 1000 MW)

OTHER IMPORTANT TRANSMISSION LINES

- Additional line 400kV D/c line at P.K.Bari S/s & Silchar S/s. end for termination of 400kV D/c P.K. Bari - Silchar line.



- 400kV D/c NNTPS Switch Yard - Ariyalur (Villupuram) line
- 400kV D/c Rajarhat - Purnea line (Triple Snowbird)-balance portion
- 400kV S/c (Quad) Tehri Gen. - Tehri Pooling Station line

TBCB LINES

– Interstate Projects

- 765kV D/c Ranchi (New) - Medinipur line (**ERSS-XVIII**)
- LILO of both ckts of 400kV D/c Chandithala –Kharagpur line at Medinipur S/s (**ERSS-XVIII**)
- LILO of both ckt of 400kV D/c Nabinagar-II - Gaya line at Chandauti S/s (**ERSS-XXI**)

– Intrastate Projects - (POWERGRID Jawaharpur Firozabad Transmission Limited)

- LILO 765kV S/c Mainpuri – Gr. Noida line at Jawaharpur S/s
- LILO of one circuit of 400kV D/c Agra South – Fatehabad (765kV) line at 400kV Firozabad S/s
- LILO of 220kV Firozabad (220kV) – Agra (765kV PG) line at 400kV Firozabad S/s
- LILO of 132kV S/c Etmadpur – Barhan line at 400kV Firozabad S/s
- 132kV D/c Firozabad (400kV)-Narkhi line

As on 31st March 2021, the inter-regional power transfer capacity of the transmission assets belonging to the Company and its subsidiaries was 90,090 MW and inter-regional power transfer capacity of the National Grid was 105,050 MW.

6. CAPITAL INVESTMENT, FUND MOBILIZATION & INVESTMENT APPROVAL of NEW PROJECTS

During FY 20-21, the Company made a consolidated capital investment of ₹ 11,150 crore on cash basis. To finance this investment, the Company mobilized ₹ 6,010 crore through bonds & term loans, ₹ 1,589 crore through External Commercial Borrowings (ECB)/ Suppliers' Credit, ₹ 3,516 crore from Internal Resources and ₹ 35 crore through grants received from Power System Development Fund & from Central Financial Assistance (Ministry of New and Renewable Energy).

During the year, investment approvals for transmission projects under regulated tariff mechanism (RTM) worth about ₹ 1,092 crore have been accorded. Further, the Company also acquired projects estimated at ₹ 1,700 crore under TBCB mechanism during FY 20-21.

7. COMMERCIAL HIGHLIGHTS

Sharing of Inter-state transmission charges is governed by CERC (Sharing of Inter State Transmission Charges and Losses) Regulations, as notified from time to time in line with the National Tariff Policy notified by Govt. of India and provisions of the Electricity Act, 2003. Presently, CERC (Sharing of Inter State Transmission Charges and Losses) Regulations, 2020 are in vogue. These regulations came into force with effect from 1st November 2020 superseding the CERC (Sharing of inter-state transmission charges and losses) Regulations, 2010. As per the Sharing Regulations, 2020, the Company, as the Central Transmission Utility (CTU), had the responsibility of billing & collecting transmission charges on behalf of all ISTS licensees in the country and disbursing to them till 31st March 2021.

The Company effectively discharged the assigned responsibilities and achieved remarkable collection efficiency of 103.78% of billing in FY 20-21 despite the ongoing Covid-19 pandemic situation in the country.

Providing Relief to Various Stakeholders to Combat Financial Crisis on Account of COVID-19 Pandemic:

The revenues of the state utilities were impacted by the lower demand for power and overall reduction in economic activity during the lockdown period. In order to mitigate their hardship and keeping in view the advice of the Ministry of Power, Government of India, relief was provided by way of a one-time consolidated rebate of ₹ 1,078.64 crore in the billing for the month of April 2020 & May 2020 to various DISCOMs / Power Departments of the States and Union Territories for passing on the same to the end consumers. The rate of surcharge was reduced from 18% to 12% per annum for the bills that became due during the period from 24th March 2020 to 30th June 2020 and for all payments received through the Liquidity Infusion Scheme of PFC and REC under Atmanirbhar Bharat scheme. Under Atmanirbhar Scheme, an amount of ₹ 2,623.26 crore has been received during FY 20-21 by your company which significantly reduced the outstanding dues at the year end.

8. CROSS BORDER INTERCONNECTIONS

In FY 20-21, Muzaffarpur (India) – Dhalkebar (Nepal) 400kV D/c line was upgraded at its rated voltage. The cumulative power transfer capacity through cross-border interconnections with Bhutan, Bangladesh, Nepal and Myanmar increased to about 4,230 MW.) during the year. Additional links for interconnection with Nepal through the 400kV D/c Gorakhpur (India) – New Butwal (Nepal) (Quad) transmission line, with Bhutan through 400kV D/c Jigmeling (Bhutan) – Alipurduar (India) (Quad) transmission line are under implementation. The Government of India has mandated your company to implement the 765kV D/c Katihar – Parbotipur – Bornagar transmission line which provides connectivity between the states of Bihar and Assam through Bangladesh. Discussions are in progress with Bangladesh Government authorities for finalising the modalities for the implementation of this line.

9. INTEGRATION OF RENEWABLE ENERGY (RE), CONNECTIVITY, LONG TERM ACCESS (LTA) & MEDIUM-TERM OPEN ACCESS (MTOA)

The Company, as the Central Transmission Utility (CTU), in consultation with various stakeholders, had evolved a comprehensive transmission scheme for grid integration of various Renewable Energy Zones (66.5 GW) in the country. These transmission schemes are being taken up for implementation in a progressive manner. The Company, as the CTU, was also the nodal agency for processing & grant of Connectivity, Long Term Access (LTA) and Medium-Term Open Access (MTOA) to various applicants.

During FY 20-21, connectivity granted to 162 eligible applicants for a quantum of about 70,931 MW (cumulative 742 applicants for a quantum of about 3,00,324 MW as on 31st March 2021) and LTA to 38 applicants for a quantum of about 9,916 MW (cumulative 313 applicants for a quantum of about 1,24,653 MW as on 31st March 2021).

Also, based on available margins in the transmission capacity, MTOA has also been granted to 7 applicants for a total quantum of about 936 MW (cumulative 158 applicants for a total quantum of about 17,248 MW as on 31st March 2021).

Your company ceased to be the CTU and CTUIL has been notified by the Government of India to carry out statutory functions as identified for CTU under the Electricity Act, 2003 and also other functions assigned to CTU by CERC w.e.f. 01st April 2021.

10. OTHER BUSINESSES

10.1 TELECOM BUSINESS - 'POWERTEL'

Your Company is providing a range of services under its Unified License as National Long Distance (NLD) and Internet Service Provider – Category 'A' (ISP-'A') service authorizations including point-to-point leased line bandwidth services, Internet Leased line, Tower co-location, MPLS based IP-VPN, SD-WAN, DDoS etc. in all parts of the country through its Pan India high capacity network.

During FY 20-21, the Company's telecom network coverage increased to 71,673 km from 66,922 km at the end of previous year and the telecom backbone availability for the year was 100%. The Company extended support to its clients during the COVID-19 lockdown period by ensuring quick response to their upgradation and other customer service requests.

The Company is also exploring new businesses like setting up of Data Centres, use of transmission towers for telecom purposes by providing power to the telecom antennae, etc. With a vision to directly serve neighboring countries with reliable connectivity, your Company is proposing to obtain International Long Distance (ILD) service authorization from Department of Telecommunication (DoT) to serve Nepal, Bhutan and Bangladesh.

Further, your Company has received approval from Gol & CERC for formation of wholly owned subsidiary Company for Telecom business.

Details are covered in the Management Discussion & Analysis placed at Annexure-I of this Report.

BHARAT NET

Your Company is one of the implementing agencies for 'Bharat Net' Phase-I project envisaged to provide broadband connectivity to Gram Panchayats (GPs), thus making valuable contribution to the initiatives of the Govt. of India for Digital India.

The Company has laid OFC for 10,739 GPs by the end of FY 20-21, out of 10,838 GPs allotted to the Company by Bharat Broadband Network Limited (BBNL) under Phase-I. The scope of work is spread across 39 districts in 5 States viz., Andhra Pradesh, Telangana, Himachal Pradesh, Jharkhand & Odisha.



10.2 CONSULTING SERVICES

Your Company, one among the largest power transmission utilities in the World, has developed expertise in its core areas such as power transmission projects, sub-transmission system, distribution management, load dispatch & communications, in India and abroad. Leveraging its capacity and experience, consulting services have been provided to a number of customers in India and worldwide.

DOMESTIC MARKET

Your Company, as a Consultant on behalf of Govt. of India, is implementing two important projects for strengthening of the Intra-State Transmission and Distribution Systems (33kV and above) namely 'NERPSIP' in Manipur, Meghalaya, Mizoram, Tripura, Nagaland & Assam and 'Comprehensive Scheme' for strengthening of Transmission & Distribution in Arunachal Pradesh and Sikkim.

Further, the Company bagged 22 new consultancy assignments in FY 20-21. Major consultancy assignments received during the year include:

- Consultancy services to THDC India Ltd for implementation of 400kV D/c line from their Khurja STPP to the 400kV switchyard of 765/400kV Aligarh SS (PG) and 400kV terminal bays at Aligarh S/s.
- Consultancy services to OPTCL for restoration of 220kV D/c Pandiabili- Samagara Transmission Line.
- Consultancy services to Lanco Teesta Hydro Power Ltd. (LTHPL) for Turnkey execution of 220kV D/c dedicated transmission lines from 500MW LTHPL Teesta VI HEP to POWERGRID Rangpo Pooling Station and associated bays at Rangpo.
- 05 consultancy agreements were signed with different Renewable (Wind & Solar) developers for implementation of 220kV terminal bays at POWERGRID Substations.

INTERNATIONAL MARKET

On the International front also, the Company has been providing consultancy to various clients in Nepal, Bangladesh, Uganda and Fiji.

During the year, the Company secured new consultancy assignments in Fiji for Project Management and Construction supervision of 132kV transmission system.

The Company is under discussions with Africa50, which is an investment platform owned by 28 sovereign Governments in Africa and two Central banks and African Development Bank for investments in building transmission assets in Kenya under public-private partnership (PPP) model through a joint venture.

10.3. ENERGY MANAGEMENT

Realizing the significance of energy saving aspect for sustainable development, your Company is pursuing business opportunities in energy saving by way of conducting energy audits and implementation of Energy Efficiency & Sustainable development projects in various Govt. as well as private agencies, e.g. industries, institutions, commercial establishments, State Transmission Utilities, etc. Your Company is a BEE Grade-I Energy Service Company (ESCO) for investing /implementing energy efficiency projects and has a large pool of certified energy auditors/energy managers who are well qualified to offer energy efficiency solutions.

During the year, the Company signed MoU with CSIR-NEERI for long term association in the area of Energy Efficiency and Sustainable Energy. The MoU would facilitate setting up Waste to Energy plants, Solid Waste Management etc. in various establishments.

10.4. EV CHARGING INFRASTRUCTURE

The Company is promoting e-mobility by adopting Electric Vehicles (EV) for its own use and by installing fast EV charging stations across the country.

During the year, the Company set up eleven (11) more EV fast-charging stations. Now, POWERGRID is operating 16 public EV charging stations at Delhi, Gurugram, Hyderabad, Ahmedabad, Bengaluru, Kochi & Kozhikode. Work on additional 24 public EV charging stations is in progress in Delhi, Bengaluru, Mysuru and Shillong. POWERGRID is developing 11 EV charging stations in Shillong under Faster Adoption and Manufacturing of (Hybrid &) Electric Vehicles (FAME) India scheme phase-II.

Discussions are in progress with various Municipal Corporations, DISCOMs, Metro Rail Authorities etc. for expanding Energy Vehicle Charging Station network.

11. QUALITY MANAGEMENT

The Company has developed and maintained systems & procedures aligned with Integrated Management System as per Publicly Available Specification, PAS 99:2012 integrating requirements of ISO 9001:2015 (Quality Management System), ISO 14001:2015 (Environment Management System) and ISO 45001:2018 (Occupational Health & Safety Management System).

The Integrated Management Systems were audited by a third party and POWERGRID has successfully passed all the standard requirements. Systems were also audited for maintenance of Social Accountability Standard, SA: 8000, Energy Management Systems as per ISO:50001 and Information Security Management Systems as per ISO:27001.

Further, the contract conditions require contractors to submit a quality assurance programme, aligned to ISO requirements.

Despite COVID-19 pandemic, all the inspections, sub vendor assessments and other quality related activities were undertaken in a well-planned manner using a mix of actual visits during low impact period of Covid-19 and virtual visits during severe Covid-19 pandemic conditions. Around 17,000 inspection calls were received & attended considering all Government guidelines/regulations during the year to ensure quality during manufacturing.

12. TECHNOLOGY DEVELOPMENT

Your Company has been at the forefront in adoption of state-of-the art technologies and undertakes applied research and development activities in pursuit of technological excellence in power transmission.

In the previous years, POWERGRID has catered to the internal research, analysis, testing, calibration and ever-growing asset management needs of the organization through its state-of-the-art laboratories. Apart from this, the laboratories have extended services to external clients for Dynamic testing, Conformance testing etc. of Intelligent Electronic Devices (IEDs), Compliance Testing of Phasor Measurement Units (PMU), Electric and Magnetic field measurement and analysis, etc.

During the year, in a boost to Atmanirbhar Bharat Abhiyan POWERGRID, in collaboration with BHEL has successfully commissioned India's first indigenously developed 400kV Optical Current Transformer along with Digital Substation components (IEDs and SCADA) at 400/220kV Bhiwadi Substation of POWERGRID. This collaborative R&D project is a major step towards complete digitization of the Substation automation system.

Your Company has also developed an in-house simulation software for Electric and Magnetic Field (2D) analysis which could be used in the design verification in power transmission lines.

In a bid to secure the intellectual property rights of the Company, a patent application has been filed for 'System and method for health assessment of Transformers and Reactors'. In addition, copyright has been received for two in-house software systems developed for UHV/EHV equipment condition monitoring and health assessment i.e. for the Transformer Online Condition Monitoring System (TOCMS) and POWERGRID Asset Life Management System (PALMS).

13. DIGITAL TRANSFORMATION:

Your Company has taken upvarious digital initiatives towards paperless working providing greater transparency and ease of doing business. These initiatives enabled business continuity during the covid lockdown facilitating work from home by its employees.

The Company has established an e-Tendering Portal-PRANIT certified by Standardization, Testing and Quality Certification Directorate (STQC), Ministry of Electronics and Information Technology, Govt. of India. With this, POWERGRID is now the only organization in India to have an e-Procurement solution on SAP Supplier Relationship Management (SRM).

Centralized Vendor Bill Processing facilities are being established through POWERGRID Payment Processing and Facilitation Centers (PPFCs) at strategical locations to streamline the processes of verification of bills and release of payments, optimizing the resources, to enhance the transparency and accountability in the system.

The Company has successfully achieved SAP Customer Center of Expertise (CCoE) Certificate. This signifies that Company has the knowledge, capabilities and framework to bring forward continuous improvement and innovation in our ERP implementation.

14. CONTRIBUTION TO GOVT. OF INDIA SCHEMES - RURAL ELECTRIFICATION (RE) WORKS UNDER DEENDAYAL UPADHYAYA GRAM JYOTI YOJANA (DDUGJY)/ PRIME MINISTER'S DEVELOPMENT PACKAGE (PMDP)-2015

Rural Electrification Infrastructure works under DDUGY/PMDP schemes are under progress in 6 districts in J&K UT & 2 districts in Ladakh UT and Intra-state transmission works of 6 projects are under progress in J&K UT under PMDP.



Till date, under Gol's DDUGJY/PMDP for rural electricity infrastructure and household electrification, the Company has implemented infrastructure work for rural electrification in 95 districts of 10 States in the country. Infrastructure has been created for electrification of 87,409 villages (i.e., partially electrified & un-electrified villages) and service connections have been provided to about 44 lakhs BPL households.

15. PARTICIPATION IN GOVT. OF INDIA INITIATIVES

15.1 PROMOTION OF 'MAKE IN INDIA'

The Company, through continuous measures, has encouraged local sourcing of various goods for development/operations of transmission system.

With POWERGRID's efforts, new plants and facilities have been set-up in India over the past few years by a number of foreign manufacturers for equipment like GIS, transformers, reactors, STATCOM, OPGW, etc., thereby paving way for a wider vendor base and emergence of a more efficient supply chain. As a result, your Company is able to reduce its import of transmission related equipment from 12.23% in FY 16-17 to 2.60% in FY 20-21.

The Company is actively working for development of its vendor base by encouraging local suppliers, MSE firms and existing vendors.

15.2 PROMOTION OF MICRO, SMALL AND MEDIUM ENTERPRISES (MSME)

The Company has been complying with the guidelines issued by the Government from time to time for promotion of MSMEs. The Company is registered on all the three (03) available Trade Receivable e-Discounting System (TReDS) platforms of (i) Receivable Exchange of India Limited (RXIL) (A NSE - SIDBI JV), (ii) Mynd Solutions Private Ltd (M1xchange) and (iii) A TREDS Ltd. (Invoicemart).

Suitable provisions have already been incorporated in the bidding documents of POWERGRID for procurement of various products and services rendered by Micro and Small Enterprises (MSEs) in line with the Public Procurement Policy of the Govt. of India.

In terms of the above policy of the Govt. of India, the total eligible value of annual procurement of goods produced and services rendered by MSEs (including MSEs owned by SC/ ST and women entrepreneurs) during FY 20-21 was ₹ 2,332 crore. The total procurement from MSEs (including MSEs owned by SC/ST and women entrepreneurs) was ₹ 1,085 crore (46.51%). The Company has achieved the target of mandatory procurement of 25% out of total annual purchases of products and services rendered by Micro and Small Enterprises in line with Public Procurement Policy (Order 2012) read in conjugation with its amendment in November, 2018.

Total eligible value of annual procurement of goods produced and services rendered by MSEs (including MSEs owned by SC/ST and Women entrepreneurs) for FY 2021-22 is projected to be in the range of ₹ 1,100 crore.

During the year, in order to encourage and develop Micro and Small manufacturers for supply of innovative & quality products, MSE vendor development programs/webinars were conducted on virtual platform due to the COVID-19 pandemic. Special focus was kept on Micro and Small Enterprises owned by SC/ ST and Women entrepreneurs. The response of Micro and Small Enterprises in these virtual meetings/webinars was overwhelming. A number of Micro, Small & Medium Enterprises have been developed as sub-vendors and approved for supply of components for various equipment.

16. SUSTAINABLE GROWTH

Your Company's activities are non-polluting in nature and their environmental impacts are negligible. The principles of Environment, Social and Governance (ESG) are being embedded by your Company into business operations and is continuing to attach highest importance to ESG ecosystem.

The Company is taking steps to align its sustainability related aspects with global requirements and is participating in assessment surveys carried out by MSCI, FTSE and S&P Global CSA annually, wherein Company gets an opportunity to benchmark its various parameters pertaining to ESG under electric segment having domestic & international peers.

Your Company is committed to use of green technologies to reduce carbon footprints by adoption of electrical vehicles for its usage and development of electrical vehicle charging infrastructure in association with various public utilities for achieving the national target of e-mobility. Further, your Company has installed rooftop solar PV plants of more than 6MWp at more than 70 locations which are cumulatively generating about 8 million units of electricity annually, thereby reducing Co2 emission of approximately 8000 MT per year. Establishment of additional 5 MWp Rooftop Solar PV systems in 66 locations is in progress.

16.1 ENVIRONMENT AND SOCIAL MANAGEMENT

POWERGRID, being a responsible corporate entity, addresses any residual environmental or social impacts associated with its business following the cardinal principles of Avoidance, Minimization and Mitigation as outlined in its Environmental and Social Policy & Procedure (ESPP) which was developed way back in 1998 and updated from time to time.

The acceptance of ESPP provisions by leading multilateral agencies like The World Bank in 2009 and The Asian Development Bank (ADB) in 2017 under their policy of Use of Country System (UCS) and Country Safeguard System” (CSS) respectively is a reflection of our commitment and implementation record for E & S safeguard management.

POWERGRID, a pioneer in Sustainability Reporting in the Indian Power Sector released its 6th biennial sustainability report for FY 2017-19 in September 2020 based on internationally acclaimed/accepted “Global Reporting Initiative (GRI) Standards (Core)” duly validated by independent Accredited Assurance Provider.

The Company, in partnership with Global Reporting Initiative (GRI) South Asia, has taken several initiatives towards fulfillment of India's commitment to United Nation's Sustainable Development Goals (SDGs) Agenda 2030 and has already aligned its activities with 11 SDGs out of total 17.

16.2. CORPORATE SOCIAL RESPONSIBILITY (CSR)

For social and economic development of communities, your Company undertakes CSR activities in areas of rural development, education, skill development, health & sanitation and other areas of national importance. The projects are conceived in consultation with the stakeholders, primarily in the vicinity of its area of operations.

The Company has spent ₹ 240.48 crore exceeding the prescribed CSR budget of ₹ 233.79 crore (2% of the average PBT of preceding three years) for the FY20-21. Further, 119 new CSR projects of ₹ 179.77 crore were sanctioned. Project-wise details are given at **Annexure - X** of this Report.

During the year, the Company contributed ₹ 70 crore to PM CARES Fund towards COVID-19 pandemic. Projects worth ₹ 28.05 crore were also undertaken towards providing more than 1.52 lakh packets of cooked meal, about 1850 MT ration items, 8530 PPE kits and other items to nearly 2.80 lakh beneficiaries at 276 locations in the vicinity of Substations/construction locations throughout the country.

The Company provided assistance in COVID-19 vaccination programme through procurement of cold chain equipment for supporting existing infrastructure for the States of Punjab, Mizoram, Sikkim and Ladakh.

The Company has supported establishment of a Hub and Spoke model Tele- ICUs at Sanjay Gandhi Post Graduate Institute of Medical Sciences (SGPGIMS), Lucknow and at their selected medical colleges in the State of Uttar Pradesh. The Company has also supported Tata Memorial Centre (TMC) for developing Modular Operation Theatres at Women and Child Hospital, ACTREC campus, TMC, Navi Mumbai.

The Company has provided financial Assistance towards Integrated Development of Kevadia town in Gujarat and for construction of 2.5 km, 10m wide road and façade enhancement of public building along with associated works for re-development of Shri Badrinath Dham town as a Spiritual Smart Hill.

17. GOVERNANCE

17.1 RIGHT TO INFORMATION

In order to promote transparency and accountability, an appropriate mechanism has been set up across your Company in line with 'Right to Information Act, 2005'. The Company has nominated Public Information officers and Appellate Authorities at Corporate, Regional Head Quarters and other offices to provide required information to the citizens under the provisions of Act.

The Company has also developed its own web based online RTI portal, which facilitates timely reply of RTI/Appeal to applicant by real time monitoring of all RTIs/ Appeals. The portal also facilitates auto generation of various RTI reports for internal and external stakeholders.

In FY 20-21, around 1000 RTI applications were received in the Company and processed timely as per the RTI Act, 2005. Training programmes/ awareness sessions for the Company's CPIOs/PIOs/Appellate Authorities were organized for sensitization about their role in implementation of the RTI Act.

The Company has also conducted third party audit of suo-motu disclosure as per section 4(1)(b) of RTI Act,2005 and also published the third-party report on POWERGRID website.



17.2. COMMITMENT TO TRANSPARENCY & VIGILANCE FUNCTION

The Company advocates the principles of Transparency, Probity and Ethics in its management functioning. Vigilance Department of your Company performs Preventive, Pro-active as well as Punitive Vigilance and ensures that best ethical practices are followed in the organization.

EMPHASIS ON PREVENTIVE VIGILANCE

To strengthen the organizational process and to minimize malpractices in various systems & activities of the organization, emphasis on preventive vigilance is given. Preventive vigilance focuses on the right types of systems or need for re-engineering proactive approach aimed at identification of opportunities and taking action against potential threats.

During FY 20-21, 56 surprise inspections, 30 process-on-line inspections and 17 Chief Technical Examiner (CTE) Type inspections were conducted. Pursuant to Vigilance inspections and observations/ recommendations, a number of system improvements have been implemented.

PREVENTIVE VIGILANCE WORKSHOPS AS PART OF CAPACITY BUILDING

During FY 20-21, various Preventive Vigilance Workshops, Webinars were conducted for non-vigilance personnel at the Corporate Centre as well as at various regions of the Company. These workshops inter-alia cover contracts management, provisions of CDA Rules, compliances of rules and policies, common irregularities, deliberation of case studies based on real cases, quality aspects as well as Ethics Management which enables the employees to identify and deal with ethical dilemma.

VIGILANCE AWARENESS

Vigilance Awareness Week 2020 was observed in POWERGRID from 27th October to 2nd November 2020 (pursuance to the directions of Central Vigilance Commission) in line with the theme for this year “**Vigilant India, Prosperous India**”, with full vigor, following all government guidelines regarding the pandemic.

POWERGRID employees and their family members celebrated the Vigilance Awareness Week with great enthusiasm. A total of 392 activities including various competitions viz. essay, quiz, slogan and painting competition for kids were organized by POWERGRID for employees and their family members wherein approximately 6000 individuals participated. The message of Vigilance Awareness Week 2020 was propagated through FM Channel, print and electronic media in national as well as regional languages. Stakeholders were also involved through vendor meets, which were conducted at CC and all regions.

Approximately 7400 POWERGRID employees across all locations took the Integrity Pledge through live transmission.

Journal of Vigilance department of POWERGRID (CANDOUR) was released during the closing ceremony of Vigilance Awareness Week at its Corporate Centre, Gurugram. In line with the Commission's guidelines, the magazine was released in digital form (e-CANDOUR) for the employees and general public.

17.3. CITIZEN'S CHARTER

A Citizen's Charter has been formulated for the Company providing a visible front of its Vision, Mission and Objectives. The Citizens' Charter consisting of Company profile, commitments, expectations from citizens, Integrated Management Policy, services offered, values and standards of services, access to information and grievance redressal is available on the Company's website.

18. PEOPLE: OUR CORE STRENGTH

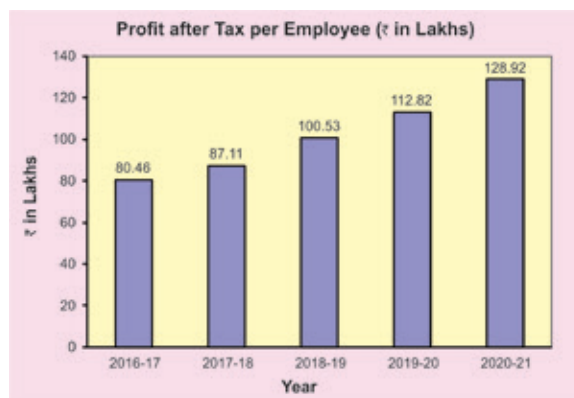
Your company believes that its competent and motivated workforce is its core strength in delivering excellent financial and operational results, year after year. HR process and systems are designed to acquire, nurture and empower power professionals in line with organizational business objectives, core values of the company in an equitable, collaborative, healthy, safe environment. Emphasis is given for development of a culture of continuous learning, sharing and development.

As on 31st March 2021, the employee strength of the Company stood at 8,766 as against 8,990 on 31st March 2020, which is exclusive of the employees on contract. Women constituted 7.74% of its total workforce as on 31st March 2021.

18.1 HUMAN RESOURCE DEVELOPMENT

POWERGRID Academy of Leadership (PAL), established by the Company at Manesar has been imparting a wide range of learning solutions not only for its employees but also to external stakeholders.

During the year, in view of COVID-19 pandemic, 620 training and development programs using virtual mode were organized by the Company through in-house facilities as well as premium educational institutes and centres of learning in India and abroad. The range of training & development imparted include induction programs to Executive Trainees besides hands-on/managerial/behavioral/leadership training programs to employees and customized programs for external agencies.



Leveraging its people capabilities and infrastructure available at PAL for capacity development, in FY 2020-21, training programs have also been conducted by the Company for employees of other power utilities on consultancy basis.

During FY 20-21, various in-house developed video/text-based e-learning and refresher courses on Company information have been uploaded in POWERGRID E-Learning Portal, PRAGYAN. First batch of 500 employees have completed the Harvard Manage Mentor Program and subsequently second batch of 500 employees has been enrolled for this program.

POWERGRID has been accredited as Registered Education Provider of PMI, USA and 3 batches of Certified Project Management Program have been conducted online.

Basic/Advanced level online training programs on Accounting & Finance were organized by Corporate-HRD Consultancy Group under CBIS-NERPSIP Scheme for NER state utilities like AEGCL(Assam), MeECL, MePDCL, MePTCL (Meghalaya), TSECL (Tripura) etc.

More than 1000 apprentices have been engaged in different trades as per the Apprentice Act, 1961. MoU has been signed among National Skill Development Corporation (NSDC), National Skill Development Fund (NSDF), Power Sector Skill Council (PSSC) and POWERGRID for Skill development training to 6000 unemployed youth in the power Sector across 25 locations.

50 Employees have been sponsored for a customized 15 months PGDM program in Data Analytics, Machine Learning & Artificial Intelligence by IIIT Bangalore.

18.2. EMPLOYEE WELFARE

The Company is continuously updating its welfare policies in line with the industry trend and to meet the changing needs for its employees. Your Company, during the year, introduced work from home guidelines for employees and has taken various measures for smooth functioning during COVID-19 situation.

Many webinar/ talks were held during the period by experts for employees on medical care, wellbeing and lifestyle management during the pandemic. Isolation facilities were setup at various locations for affected employees and dependents. Various facilities viz. home collection of samples for COVID-19 testing, medical consultation through tele-medicine and provision of non-refundable advance to members of the PF-Trust were introduced.

A dedicated COVID Communication webpage / web repository created on Intranet for easy access and dissemination of information related to COVID-19 issued by POWERGRID and Govt. authorities including various circulars, guidelines, SOP's, Do's and Dont's etc.

Your Company has introduced comprehensive reward and recognition scheme – **PRATIPHAL** (POWERGRID Rewarding & Appreciating Teams & Individuals by Promoting Higher Accomplishments and Learning) to promote and reinforce achievement oriented high-performance work culture.

18.3. GRIEVANCE REDRESSAL

In POWERGRID, grievance redressal is always taken up with priority. Your Company promptly redresses the grievances of its employees within the broad parameters of guidelines enumerated by Govt. of India and policy framework. An 'Employee Grievance Portal' is in place for the same. The Company has designated nodal officers at corporate & regional offices for systematic & prompt redressal of the grievances within stipulated time frames.



18.4. ENSURING SOCIAL JUSTICE

POWERGRID has constituted a separate reservation cell to look after and safeguard the legal provisions for SC/ST/OBC & PwD categories of employees.

The reservation cell assists the Liaison Officer who looks after the welfare & safeguard of SC/ ST/ OBC & PwD employees. Liaison Officer also ensures that there is no discrimination on the basis of caste, religion & disabilities amongst the employees. To ensure effective discharge of duties across all establishments of POWERGRID, separate liaison officer for each region has been nominated. The Company implements all directives and guidelines with regard to reservation policy issued by Govt. of India. Annual inspection is also conducted to ensure implementation of directives issued by Govt. of India. Periodic meeting is also held with representatives of the association of SC/ ST & OBC to resolve issues, if any.

The Company has taken several administration-related issues during last year to support women employees such as 'Skip-the-queue in cafeteria' and earmarked parking slots for expecting mothers at Corporate Centre etc. In the unprecedented times of Pandemic, all out efforts have been made to ensure work life balance for women employees.

"Flexi timings" and "work from home" options have been given for pregnant women employees and mothers with young children during COVID-19 period.

19. PREVENTION OF SEXUAL HARASSMENT AT WORKPLACE

As per the sexual harassment of Women at workplace (Prevention, Prohibition and Redressal) Act, 2013 and rules made here under, the Company has Internal Complaint Committees (ICC), in place, to redress complaints received regarding sexual harassment. POWERGRID has been conducting training/workshop programs for both male and female employees sensitizing them on issues and the law/ Act relating to sexual harassment. Workshops on women empowerment, development and gender sensitization are also organized. There was one complaint of sexual harassment filed during FY 2020-21 and complaint has been disposed off in stipulated time as per the Guidelines.

20. IMPLEMENTATION OF OFFICIAL LANGUAGE (RAJBHASHA)

To promote Rajbhasha "Hindi", POWERGRID has made all round efforts to integrate and promote use of Hindi in its works at all levels. Various Workshops, Trainings and motivational programmes were organized at every unit of POWERGRID by video conferencing in the FY20-21.

To publicize Hindi, various competitions throughout the year with special emphasis during Hindi Pakhwada, Vigilance Awareness Week, Swachhhta Pakhwada etc along with departmental meetings as well as Official Language Implementation Committee (OLIC) meetings are also being conducted. Attractive incentive schemes for employees working in Hindi have been implemented as per the government guidelines. Also, various award and reward schemes have been introduced to encourage employees to actively participate in promotion of Hindi, by giving articles/write-ups for in-house magazines, reading library books etc.

Various awards were conferred to your Company's offices by Town Official Language Implementation Committee (TOLIC) and Rajbhasha Vibhag, Ministry of Home Affairs, Govt. of India regarding best Implementation of Official Language. Besides, POWERGRID's efforts were also applauded during various inspections and discussions done by Hon'ble Committee of Parliament on Official Language on different occasions.

21. STAKEHOLDER ENGAGEMENT

Leveraging upon its social media presence, POWERGRID has been at the forefront to engage with its virtual audiences, providing real time access to information through social media viz. Facebook, Twitter, Youtube and LinkedIn. A dedicated Communication Lounge on the website also provides a one-stop solution to all communication requirements.

For internal stakeholders, various communication vehicles viz. e-magazines, 'Communiqué' and 'CUE'; display magazine 'LOUNGE', short films videos, creatives, and digital quarterly magazines are being utilised to regularly apprise about developments, achievements, events & showcases viewpoints of management and employees.

Positive stories of hope, recovery and brand citizenship behavior are being disseminated amongst the POWERGRID family, and such concerted efforts have led to recognition from industry, as Team Corporate Communications has been ranked 18th in the list of India's Top 30 Corporate Communication Teams across private and public sector by a reputed independent magazine.

22. MANAGEMENT DISCUSSION AND ANALYSIS

Management Discussion and Analysis, forming part of the Directors' Report, is placed at **Annexure-I** of this Report.

23. BUSINESS RESPONSIBILITY REPORT

The Business Responsibility Report, as stipulated under Regulation 34 (2) of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015, is given in **Annexure-II** and forms part of this Report.

24. AUDITORS

24.1. STATUTORY AUDITORS OF THE COMPANY

The Statutory Auditors of the Company are appointed by the Comptroller & Auditors General of India. M/s. T R Chadha & Co. LLP, M/s. Umamaheswara Rao & Co., M/s. B M Chatrath & Co. LLP and M/s. P S D & Associates, were appointed as Joint Statutory Auditors for FY 2020-21.

The Statutory Auditors have given an unqualified report. The report is self-explanatory and does not require any further comments by the Board.

24.2. COMPTROLLER AND AUDITOR GENERAL'S COMMENTS

The Company has received 'Nil' comments on the Financial Statements (Standalone and Consolidated) for the Year ended 31st March 2021 from the Comptroller and Auditor General of India under Section 143(6) of the Companies Act, 2013. The comments of C&AG is placed at **Annexure-IV**.

24.3. SECRETARIAL AUDIT

Kumar Naresh Sinha & Associates, Practising Company Secretary has conducted Secretarial Audit of the Company for the financial year ended March 31, 2021. The Secretarial Audit Report is placed at **Annexure-V**.

The Secretarial Auditor has observed that provisions of Regulation 17(1) of Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015 and Para 3.1.4 of DPE Guidelines on Corporate Governance with regard to Composition of the Board of Directors have not been complied with during the financial year.

In regard to above, it was explained that POWERGRID, being a Govt. Company, the power to appoint Independent Directors vests with the Govt. of India and the Company has taken up with the Govt. of India for appointment of requisite number of Independent Directors.

24.4. COST AUDITORS OF THE COMPANY

The Company appointed M/s Dhananjay V. Joshi & Associates, Cost Accountants and M/s Bandyopadhyaya Bhaumik & Co., Cost Accountants as Cost Auditors for the FY 2020-21 under Section 148 of the Companies Act, 2013.

25. BOARD & COMMITTEES

25.1. COMPANY'S BOARD

During FY 2020-21, Shri M. Taj Mukarrum assumed the charge of the post of Director (Finance) w.e.f. 04.07.2020, in terms of the Ministry of Power order dated 03.07.2020. Mrs. Seema Gupta, Director (Operations) demitted the additional charge of the post of Director (Finance) on 04.07.2020.

Shri Abhay Choudhary assumed charge of post of Director (Projects) w.e.f. 1st Novemebr,2020. Shri Rajeev Kumar Chauhan demitted the office of Director (Projects) on 31st October,2020 on attaining the age of superannuation.

Shri Mritunjay Kumar Narayan, Jt. Secretary, Ministry of Power, Govt. of India and Shri Dilip Nigam, Scientist 'G', Ministry of New and Renewable Energy, Government of India have been appointed on the Board of Company as Part-time Government Nominees Directors w.e.f. 5th November,2020 and 5th January,2021 respectively. Shri Tanmay Kumar, Jt. Secretary, Ministry of Power was on the Board of POWERGRID from 18th March,2020 to 5th November,2020.

Shri Manoj K. Mittal, Shri Sunil Kumar Sharma and Smt. A.R. Mahalakshmi, Independent Directors, have completed their respective tenure of 03 years respectively on 11th September,2020; 22nd July,2021 and 25th July,2021.



The Board placed on record appreciation and gratitude to Shri Rajeev Kumar Chauhan, Sh. Tanmay Kumar, Shri Manoj K. Mittal, Shri Sunil Kumar Sharma, Smt. A.R. Mahalakshmi for their contribution and support to the Company.

In accordance with the provisions of the Companies Act and the Articles of Association of the Company, the resolutions w.r.t. reappointment of Shri Vinod Kumar Singh (DIN: 08679313) and Shri M. Taj Mukarrum (DIN: 08097837), as Directors liable to retire by rotation; and appointment of Shri Abhay Choudhary as Director (Projects) have been included in the Notice of Annual General Meeting.

25.2. NUMBER OF MEETINGS OF THE BOARD

Board of Directors met **10 times during FY 2020-21**. Details regarding dates and attendance at the Board meetings are provided in the Report on Corporate Governance, which forms part of this report.

25.3. COMMITTEES OF THE BOARD

The Company has Audit Committee, CSR Committee, Nomination and Remuneration Committee, Stakeholders' Relationship Committee, and other Committees for operational convenience. The composition and scope of the aforesaid Committees are provided in the Report on Corporate Governance.

Report on the Corporate Governance is enclosed at **Annexure-VI**, and the certificate thereon, issued by Practicing Company Secretary pursuant to Schedule V Para E of SEBI LODR, 2015 is attached at **Annexure-VII** to this Report.

25.4. DECLARATION BY INDEPENDENT DIRECTORS

During the financial year, all the Independent Directors have met the requirements specified under Section 149 (6) of the Companies Act, 2013 for holding the position of 'Independent Director' and necessary declaration from each Independent Director under Section 149 (7) was received.

Pursuant to Regulation 34(3) and Schedule V Para C Clause (10)(i) of SEBI LODR, 2015 Naresh Kumar Sinha & Associates, Company Secretaries have issued Certificate of Qualification of Directors, who were on the Board of Directors during FY 2020-21.

25.5. PERFORMANCE EVALUATION OF DIRECTORS

The Ministry of Corporate Affairs (MCA) vide Notification dated 5th June, 2015 has exempted Government Companies from the provisions of Section 178 (2) of the Companies Act, 2013 (the Act), which provides for manner of evaluation of performance of Board, its Committees and Directors by Nomination and Remuneration Committee. The requirement of mentioning a statement on the manner of formal evaluation of performance of directors in Boards' Report as per section 134(3) (p) of the Act has also been done away with for Government Companies, where the directors are evaluated by the Ministry or Department of the Central Government which is administratively in charge of the company, as per its own evaluation methodology. Further, MCA vide its notification dated 5th July, 2017 has made an amendment in the Schedule IV of the Act, whereby it has exempted Government Companies from complying with the requirement of performance evaluation by the Independent Directors of non-independent directors and Chairman and performance evaluation of the Independent Directors by the Board, if the concerned departments or ministries have specified these requirements.

The Department of Public Enterprises (DPE) has laid down a mechanism for performance appraisal of all Functional Directors. DPE has also initiated evaluation of Independent Directors.

The Company enters into Memorandum of Understanding (MoU) with Ministry of Power (MoP) every year wherein Company is evaluated on various financial and non-financial parameters. The performance of the Company & Board of Directors is evaluated by the Department of Public Enterprises in terms of MoU entered into with MoP.

In terms of Regulation 25 of SEBI LODR, 2015, the performance of the Board as a whole and non-independent directors including Chairman & Managing Director were evaluated by the Independent Directors in a separate Meeting held by them on 3rd September, 2020.

25.6. POLICY ON DIRECTORS' APPOINTMENT AND REMUNERATION

The Company has framed a policy on the remuneration of the Directors, KMPs and employees as required under the provisions of Section 178 of the Act. The said policy is available on our website at https://www.powergridindia.com/sites/default/files/Investor_Relation/Reports_Filings/Code_of_Conduct_Policies/04_Remuneration%20Policy.pdf

26. COMPLIANCES

26.1. CONSERVATION OF ENERGY, TECHNOLOGY ABSORPTION AND FOREIGN EXCHANGE EARNINGS AND OUTGO

Pursuant to Section 134(3) (m) of Companies Act, 2013 read with Rule 8 of The Companies (Accounts) Rules, 2014 information relating to 'Conversation of energy, technology absorption and foreign exchange earnings and outgo', is given in **Annexure-III** to this Report.

26.2. RISK MANAGEMENT POLICY

Information on Risk Management Framework is covered in the Management Discussion and Analysis placed at **Annexure-I** of this Report.

26.3. INTERNAL FINANCIAL CONTROLS AND ADEQUACY

The Board has adopted policies and procedures for ensuring the orderly and efficient conduct of its businesses, including adherence to the Company's policies, the safeguarding of its assets, the prevention and detection of frauds, error reporting mechanism, the accuracy and completeness of the accounting records and the timely preparation of reliable financial disclosures.

26.4. ANNUAL RETURN OF THE COMPANY

In accordance with Section 92(3) read with Section 134 (3) (a) of the Companies Act, 2013, Annual Return(s) of the Company are available on the web-site of the Company and can be accessed at https://www.powergrid.in/sites/default/files/Draft-MGT-7_20-21-Final%20Version.pdf

26.5. PARTICULARS OF LOANS, GUARANTEES OR INVESTMENTS

Loans, Guarantees or investments under Section 186 of the Companies Act, 2013 form part of the notes to financial statements attached to this Report.

26.6. PARTICULARS OF CONTRACTS OR ARRANGEMENTS WITH RELATED PARTIES

Particulars of contracts or arrangements with related parties referred to in Section 188 (1) of the Companies Act, 2013, in the prescribed Form AOC-2, are given as **Annexure VIII** of this Report. Further, attention of the members is drawn on Note No. 56 of the Financial Statement which sets out related party disclosure.

26.7. SUBSIDIARIES AND JOINT VENTURES

As on 31st March 2021 the Company has **24 subsidiaries and 10 Joint Ventures Companies.**

A statement containing salient features of the financial statements of our Subsidiaries and Joint Ventures are covered in the Management discussion and Analysis and also annexed in the prescribed format AOC-1 as **Annexure IX** of this Report.

26.8. DIVIDEND DISTRIBUTION POLICY

As per regulation 43A of the SEBI (Listing Obligation and Disclosure Requirements) Regulations, 2015 (the Listing Regulations), the top 500 listed companies shall formulate a dividend distribution policy. Accordingly, the policy was adopted to set out the parameters and circumstance that will be taken into account by the Board in determining the distribution of dividend to its shareholders and/or retained profits earned by the Company. The policy is also available on the Company's website: <https://www.powergrid.in/sites/default/files/Dividend%20Distribution%20Policy.pdf>


26.9. SIGNIFICANT MATERIAL ORDERS

There are no significant and material orders passed by the Regulators or Courts or tribunal impacting the going concern status and Company's operations in future.

27. DIRECTORS' RESPONSIBILITY STATEMENT

As required u/s 134(3) (c) & 134(5) of the Companies Act, 2013, The Directors confirm that:

- a) in the preparation of the annual accounts, the applicable accounting standards had been followed along with proper explanation relating to material departures;
- b) the Directors had selected such accounting policies and applied them consistently and made judgments and estimates that are reasonable and prudent so as to give a true and fair view of the state of affairs of the Company at the end of the financial year and of the profit of the Company for that period;

- 
- c) the Directors had taken proper and sufficient care for the maintenance of adequate accounting records in accordance with the provisions of this Act for safeguarding the assets of the Company and for preventing and detecting fraud and other irregularities;
 - d) the Directors had prepared the annual accounts on a going concern basis;
 - e) the Directors had laid down internal financial controls to be followed by the Company and that such internal financial controls are adequate and were operating effectively;
 - f) the Directors had devised proper systems to ensure compliance with the provisions of all applicable laws and that such systems were adequate and operating effectively.

28. AWARDS & ACCOLADES

- During the year, your Company ranked 2nd among Indian PSUs in Forbes 'The World's Best Employer 2020 List'. Globally positioned as the 305th in the World's Best Employer 2020 List.
- Received SKOCH-Silver award for transformational performance in response to the COVID-19 pandemic & Skill development & employment generation program for sustainable growth of 200 underprivileged Women in Damoh district of MP.
- Recognized as one of the Best Workplaces in Industrial services for 2020 by Great Place to Work Institute, India.
- Received the prestigious GREENTECH award in COVID response category for CSR.
- In recognition to our significant achievements in Learning & Development, the Company has won SHRM HR Excellence Award for its Excellence in Learning & Development.

29. ACKNOWLEDGEMENTS

The Board of Directors would like to express their deep sense of appreciation for the guidance and co-operation received from Govt. of India, particularly Ministry of Power, Ministry of Finance, Ministry of Home Affairs, Ministry of External Affairs, Ministry of Statistics and Programme Implementation, Ministry of Environment & Forests, Ministry of Corporate Affairs, Central Electricity Regulatory Commission, Appellate Tribunal for Electricity, Central Electricity Authority, NITI Aayog, Department of Public Enterprises, Regional Power Committees, Office of the Comptroller and Auditor General of India, and other concerned Govt. departments/agencies at the Central and State level without whose active support, the achievements of the Corporation during the year under review would not have been possible.

Special thanks to our valued customers, State Governments and State power utilities and other clients, who have awarded various consulting works and reposed faith in Company's capability to handle them. The Board also appreciates the contribution of Contractors, Vendors and Consultants for successful implementation of various projects by the Company.

The Directors also acknowledge the valuable suggestions and guidance received from the statutory auditors during the audit of accounts of the Company for the year under review. The Board also conveys its sincere thanks to national and international financial institutions, multilateral financial institutions, domestic & international credit rating agencies for their assistance, continued trust and confidence reposed in the Company.

On behalf of Board of Directors, I would like to place on record our deep appreciation of the dedicated efforts and valuable services rendered by the employees contributing to the performance of the Company during the year 2020-21. The commitment displayed by the employees at all levels, particularly during the ongoing pandemic situation, is exemplary and praise worthy. I would also like to thank the Executive team for their strong leadership, the employee unions for their support and all our employees for their commitment, enthusiasm and dedication.

For and on behalf of the Board of Directors



(K. Sreekant)

Chairman & Managing Director

Date: 26th August, 2021

Place: New Delhi

Management Discussion and Analysis

1. Over view of Indian Power Sector

Electricity is one of the most critical infrastructure for socio- economic development of a nation. For sustained economic growth of the country, development of suitable power infrastructure is essential. Despite being the third largest electricity consumer in the world, the per capita electricity consumption in India was 1,208 kWh (FY 2019-20) and is considerably low as compared to the world average of more than 3,200 kWh. Lower consumption base and a decent long term GDP growth forecast implies that power demand will grow over the foreseeable future.

For energy security and sustained long term growth, Government of India, through its various policy and reform initiatives is making continuous efforts for facilitating establishment of clean and green electricity generating capacities together with development of related transmission and distribution infrastructure.

India's power sector is very dynamic and diversified with the presence of mixed power generation sources including conventional and renewable; a synchronously operating national grid comprising inter-regional, regional and state grids, a vibrant electricity market and a distribution sector providing electricity to end consumers.

Peak power and energy deficits have considerably reduced over the years. The shortages in peak power and energy have reduced primarily due to addition in generation capacity, expansion of transmission systems and accomplishment of 'One Nation - One Grid - One Frequency' which has led to the creation of a vibrant electricity power market in India.

The country, over the year, has been witnessing considerable growth in the sector as tabulated below.

(Source: CEA, POSOCO)

	FY15-16	FY19-20	FY 20-21	Growth (1-year)	Growth (FY16-FY21) CAGR
Generation					
Total Installed Capacity (incl. RE) GW	305.16	370.11	382.15	3.25%	4.60%
Renewable Capacity GW	45.92	87.03	94.43	8.50%	15.51%
Total Generation (incl. RE) BU	1,173.17	1389.1	1381.86	-0.52%	3.33%
Generation from RE sources (BU)	65.78	138.32	147.25	6.46%	17.49%
Cross-Border Power Exchange (BU)	10.68	15.68	18.74	19.52%	11.90%
Transmission					
Transmission Lines (ckm)	3,41,551	4,25,071	4,41,821	3.94%	5.28%
Transformation Capacity (MVA)	6,58,949	9,67,893	10,25,468	5.95%	9.25%
Inter-Regional Power Transfer Capacity (MW)	58,050	1,02,050	1,05,050	2.94%	12.59%
Inter-Regional Power Transfer (BU)	117.03	197.21	214.77	8.90%	12.91%
Power Markets					
Short Term Transactions (Nos.)	44,634	50,948	69,036	35.50%	9.11%
Short Term Transactions (Energy Transacted) BU	98.09	117.36	123.67	5.38%	4.74%
Power Supply Position					
Peak Demand (GW)	153.37	183.8	190.20	3.48% (Demand)	4.40% (Demand)
Peak Demand-Met (GW)	148.46	182.53	189.40		
Deficit (%)	3.2%	0.7%	0.4%		
Energy Demand (BU)	1114.41	1291.01	1,275.53	-1.20% (Demand)	2.74% (Demand)
Energy Met (BU)	1090.85	1284.44	1,270.66		
Deficit (%)	2.1%	0.5%	0.4%		

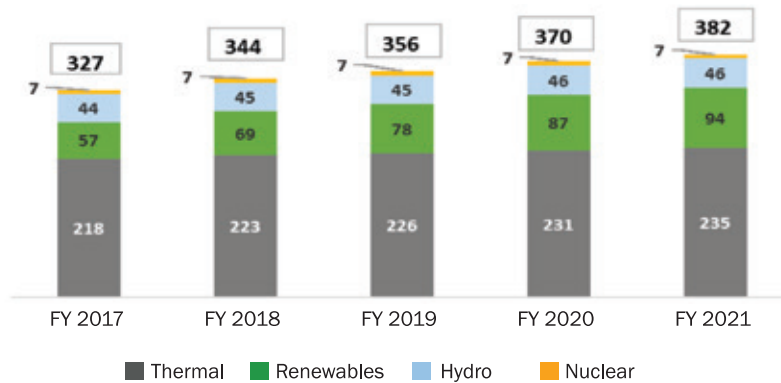


However, despite reduction in peak power and energy deficits over the years, many parts of the country continue to face power shortages due to inadequate growth of transmission and distribution infrastructure in the States and poor financial health of the State power utilities. For the distribution sector, Government of India has undertaken a number of key initiatives like Integrated Power Development Scheme (IPDS) to facilitate state utilities to ensure quality and reliable 24x7 power supply in the urban areas, for 100 per cent village electrification under Deen Dayal Upadhyaya Gram Jyoti Yojana (DDUGJY), universal household electrification under 'Pradhan Mantri Sahaj Bijli Har Ghar Yojana' (SAUBHAGYA), Ujwal DISCOM Assurance Yojana Scheme (UDAY) for improving operational efficiency of DISCOMs, Unnat Jyoti by Affordable LEDs for All (UJALA) to promote the efficient usage of energy and initiatives under Aatmanirbhar Bharat scheme.

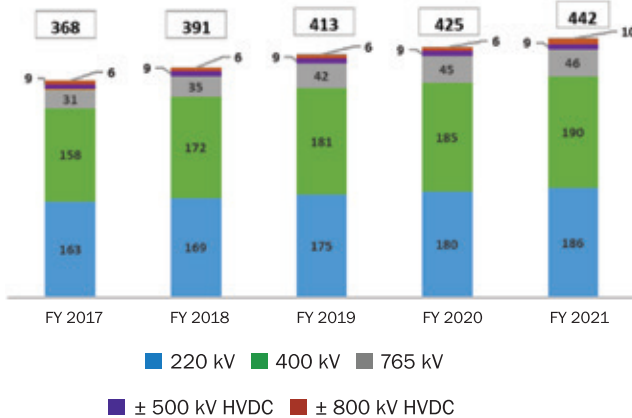
Growth in the Power Sector during last five years

During the last 5 years, there has been consistent growth in the installed generation and transmission infrastructure in the country driven by additions in both thermal and Renewable Energy (RE) generation. Further, the country has been witnessing significant increase in Renewable Energy (RE) capacity addition.

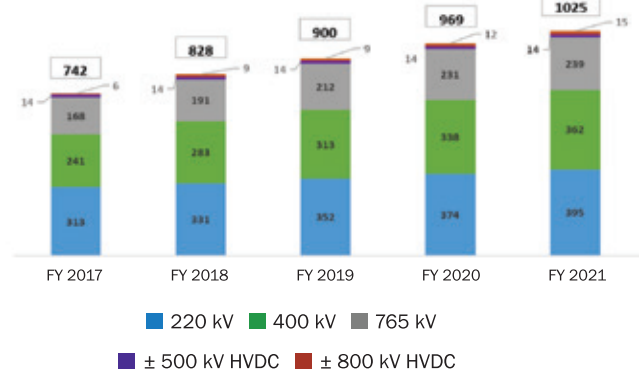
Installed Generation Capacity ('000 MW)



Transmission Line ('000 ckm) Growth



Transformation Capacity ('000 MVA)



(Source: CEA)

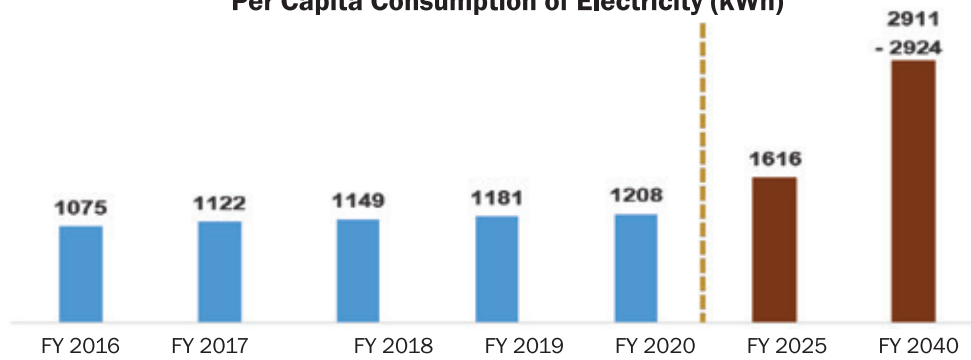
Sector Outlook & Key Growth Drivers

Universal access to electricity, growth in consumer income, urbanisation, housing, railways & metros, industrial activities are to fuel India's power demand year on year.

India's low per capita consumption of electricity compared to global average presents significant potential for sustainable growth in power demand in the country.

Government of India under National Infrastructure Pipeline (NIP) has envisioned per capita consumption at 1,616 kWh by 2025. Further, Draft National Energy Policy (NEP) published by the Government in June 2017 envisages country's per capita annual electricity consumption to increase to 2,911 - 2,924 kWh by 2040.

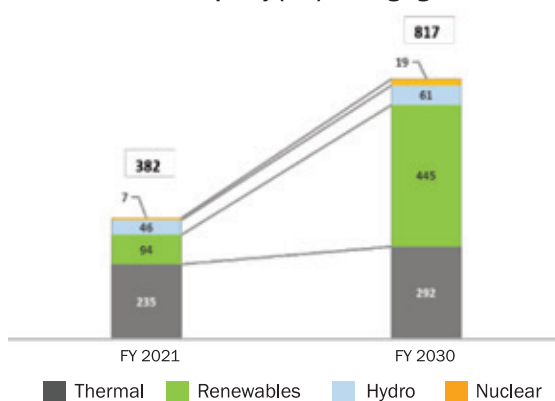
Per Capita Consumption of Electricity (kWh)



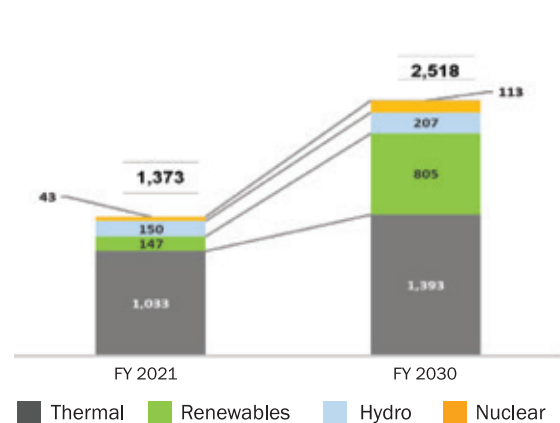
(Source: CEA, draft NEP & NIP)

- RE sector in India is emerging as a significant player in the grid connected power generation capacity and it is gearing up to play a much bigger role in achieving energy security in the years ahead and is an integral part of the energy planning process.
- India is working towards low carbon emission path while meeting its developmental goals. In this regard, as submitted in Intended Nationally Determined Contributions (INDCs), the country is aiming to have 40 % of the total installed capacity by the year 2030 based on non-fossil fuel sources.
- Central Electricity Authority (CEA) in its Report on Optimal Generation Capacity Mix for 2029-30 (January 2020) has envisaged installed generation capacity of 817 GW by 2029-30, of which RE is expected to be approximately 445 GW (55%). Further, the projected gross electricity generation (BU) during the year 2029-30 is likely to be 2,518 BU, of which 805 BU (32%) is expected to be contributed by RE.

Installed Capacity (GW) - Changing Mix



Generation (BU) - Changing Mix



(Source: CEA)

- National Infrastructure Pipeline (NIP) of Govt. of India envisages a cumulative capital expenditure of ~ ₹ 17 lakh crore during FY 22-25, in the area of Power and Renewable Energy. The 'Vision 2025' for power sector set under the NIP includes following:
 - 24x7 clean and affordable power to all households, industry, commercial businesses, agriculture in all states and union territories
 - Total capacity: 583 GW (Thermal: 50%, renewable: 39%, hydro: 9%, nuclear: 2%)
 - Increase in RE share and decline in share of thermal in generation capacity
 - Increase in per-capita electricity consumption to 1,616 kWh
 - Increase in RE share in consumption to ~20%
 - Promotion to grid energy storage and offshore wind energy



- Reform in DISCOMS - Open access in power distribution, cost reflective tariffs, extensive metering, subsidies through direct benefit transfer from government
- Incentive for roof-top solar energy production
- Smart metering for all categories of customers
- All related services on digital platform
- EV charging infrastructure

2. Transmission Sector

Transmission sector plays a vital role in the power system value chain. Country's transmission system has expanded at a significant pace driven by growing demand, connecting the generating stations including integration of Renewable Energy (RE) sources from the RE rich states.

Country's vision of achieving renewable power capacity targets of 175 GW by 2022 and 445 GW by 2030 also offers enormous growth opportunities for addition of transmission capacity both at interstate and intra-state levels. Government thrust on various policies and regulatory reforms in the power sector are expected to bring new business opportunities.

3. OPPORTUNITIES AND THREATS/ CHALLENGES

The Government of India, focused on long term energy security as well as kick-starting the growth of economy towards World's Third largest economy, has been consistently addressing both supply and demand side issues through policy and reforms for ensuring sustained development of the Indian Power Sector. Growing power demand as a result of Govt.'s focus on improving the distribution sector- the last mile in power; addition of RE capacity; addition of capacities in conventional generation sources; cross-border linkages and adoption of new technologies to address challenges linked to RE integration are likely to be the growth drivers for power transmission in India.

Covid-19 pandemic is not expected to change the long-term direction of Indian power sector or power transmission requirements, although spreading of the pandemic may lead to lockdowns, or logistical disruptions, impacting project execution timelines in the short term. Considering progressive relaxations in lockdowns and increase in economic activity, your Company is making all efforts to make up for the lost time due to lockdowns and does not envisage any major disruption in its business. The Atmanirbhar Bharat Scheme announced by Govt. also provides relief to the contractors for fulfilling their contractual obligations.

Transmission:

(i) Inter-State Transmission driven by RE Integration

Govt. of India has set target to achieve **RE target of 445 GW**, more than **50%** share of planned generation capacity (817 GW) by year 2030 to address climate change and sustainability. By December 2022, the country has set a target of 175 GW renewable capacity. To achieve this, a comprehensive transmission scheme for 66.5 GW with estimated cost of ₹ 36,000 crore was evolved for integrating renewable energy zones in the states of Tamil Nadu, Andhra Pradesh, Karnataka, Gujarat, Maharashtra, Rajasthan and Madhya Pradesh, so far, transmission projects worth ₹ 20,200 crore have been awarded and approx. ₹ 9,300 crore have been bid out. And, the balance projects are under various stage of planning and discussion.

Further, in order to tap abundantly available renewable energy potential (Solar & Wind) in UT of Ladakh, Hon'ble Prime Minister of India in his Independence Day Speech on August 15, 2020, announced development of solar energy park in Ladakh. Taking this forward, feasibility assessment of transmission system for evacuation of **10 GW project** (5 GW each in Pang and Nyoma regions of Leh) has also been carried out and is under consideration by Govt of India. The project is proposed to be implemented in two phases, starting with first phase involving evacuation of 5 GW RE power through Pang – Kaithal HVDC link alongwith 12 GWh Battery Energy Storage System (BESS) and the second phase, 5 GW through Nyoma -Kashipur HVDC link.

Due to intermittency of renewable sources, managing system flexibility in terms of steeper ramp rates and peaking load requirements is proposed through large scale deployment of BESS. As such, Country needs to deploy battery energy storage systems at large scale in the power sector to facilitate increased penetration of RE capacity. In this direction, requirement of about 27 GW/108 GWh energy storage system including BESS, by 2030, has been identified by Govt. of India.

(ii) Intra-State Transmission

The growing penetration of renewables calls for matching development of Intra state transmission systems to achieve the last mile connectivity. Also, the per capita power consumption aspirations for particular state is set to determine landscape of intra state network to match with demand side requirement. With introduction of revamped distribution scheme by Govt of India, there seems to be uptick in enabling transmission network requirements. In addition to this, National Infrastructure Pipeline for Power Sector also envisage investment opportunities of about ₹ 2 lakh crore in Intra-State transmission for the period FY 20 to FY 25. States have started inviting investment in development of Intra state transmission system by awarding works through TCB route. As on 30.06.21, your company has commissioned first Intra State TCB project (POWERGRID Jawahar- Firozabad Tr. System) in the state of U.P. and is also bidding for projects (approx. cost ₹ 1500 crore) in the state of U.P. & Rajasthan.

The ongoing initiatives of Govt. of India and demand growth projections have spurred the investment opportunities in Intra state space through joint venture with prospective states and other various modes like extending consultancy services on project management, engineering solutions etc.

(iii) Cross-Border Inter-connections

The cross-border power transfer by India with neighboring countries is taking place through inter-Governmental bilateral cooperation which plans for cross border interconnection, system operation, etc. India's vision to have a multi-country grid (SAARC/ BIMSTEC) for optimal utilization of resources in the region can be achieved through creation of additional and strengthening of existing cross- border interconnections. In this direction, "Guidelines on Cross Border Trade of Electricity" and (Cross Border Trade of Electricity) Regulations, 2019 have been issued by GoI and CERC respectively.

India is connected with its neighboring countries, Nepal, Bhutan, Bangladesh and Myanmar through various electrical interconnections with a cumulative power transfer capacity of about 4230 MW. In this direction, in Nov 2020 the Muzaffarpur – Dhalkebar transmission line between India and Nepal was successfully charged at its rated voltage of 400 kV. The link has been further strengthened by commissioning of 400 kV D/c Behrampur (PG) - Bheramera (B'Desh) Transmission line (2nd D/c).

In addition, Govt of India has assigned prestigious 765 kV Kathiwar(Bihar) - Parbotipur(Bangladesh) - Bornagar(Assam) project to your company under Regulated Tariff Mechanism (RTM). Also, for enhancing the connectivity with Nepal, formation of JV (50:50) between POWERGRID and NEA is underway for construction of Indian portion of 400 kV D/C Gorakhpur – New Butwal Transmission line.

These interconnections are being further strengthened for increased mutual exchange of power through additional cross-border links. The Govt. has been in discussions with Myanmar and Sri Lanka for establishing interconnections with these countries. The power transfer capacity is planned to increase to about 6,450 MW progressively in next few years. These are expected to provide new opportunities for Cross Trade of Electricity.

(iv) Other emerging opportunities

The Central Government has approved a Revamped Distribution Sector Scheme- a reform-based and results-linked Scheme with an outlay of ₹ 3,03,758 crore over a period of five years from FY 2021-22 to FY 2025-26 with objective to improve quality, reliability and affordability of power supply to consumers through a financially sustainable and operationally efficient distribution sector. The scheme has been envisaged to improve operational efficiencies and financial sustainability of all DISCOMs/Power Departments and shall involve a compulsory smart metering ecosystem across the distribution sector-starting from electricity feeders to consumer level for about 25 crore households. This initiative shall pave the ways for capital investment opportunities along with other modes like consulting services/ handholding to prospective states.

The changing landscape of Indian Power Sector together with other developments like smart cities, digitization, railway electrification, energy security, demand side management, electric vehicles, and improving financial health of DISCOMs with focus on customer is creating business opportunities, which could be in the field of Consultancy and Telecom as well newer areas of battery storage, distribution, smart grid and smart cities, advance metering infrastructure, railways etc.

The transition to electric mobility is a promising global strategy for decarbonizing the transport sector. India is among a handful of countries that support the global EV30@30 campaign, which targets to have at least 30% new vehicle sales be electric by 2030. An accessible and robust network of electric vehicle (EV) charging infrastructure is an essential pre-requisite to achieve this ambitious transition. The Government of India has instituted various enabling policies to promote the development of the charging infrastructure network.

Your Company, with its vast experience and excellent relationship with the States is at the forefront to capitalize on emerging opportunities.



4. Company's Outlook

(i) Transmission

Your Company, India's principal power transmission company, is operating primarily in inter-State transmission sector and is one of the largest transmission companies in the world. The company's robust & large power transmission network (alongwith its subsidiaries acquired through tariff based competitive bidding) alongwith other business segments, i.e. Telecom, consultancy etc. are discussed in the Director's Report.

Your Company is a leader in the sector. Looking to the substantial growth opportunities in the Indian power transmission sector discussed above, your Company is geared up to garner a substantial portion of the business potential in the sector.

Your Company had been discharging statutory functions of India's Central Transmission Utility (CTU) since 1998. Gol has notified 'Central Transmission Utility of India Limited' (CTUIL), a Government Company and wholly owned Subsidiary of POWERGRID, as 'Central Transmission Utility' (CTU) with effect from April 1, 2021 to undertake and discharge all functions of CTU pursuant to the provisions of the Electricity Act, 2003. Your Company shall continue to be a deemed Transmission Licensee under the Act and discharge functions incidental and connected therewith.

The CTU functions are not commercial oriented and therefore are not expected to have material impact on the business operations of the Company.

(ii) Telecom

Primarily to meet the critical communication requirements for safe and reliable grid operations, your Company has set up a pan India fiber optic-based communication network. The spare capacity of the telecom infrastructure so available is being utilized for providing commercial telecom services to various customers inter alia including telecom service providers, IT companies, Govt. Deptts., PSUs, State Govts., Defence establishments etc.

Telecommunication is one of the critical infrastructures for economic growth and has been recognized as a powerful tool of development and poverty reduction through empowerment of masses, reflecting its growing reach, better network adoption of tools and solutions that enhance digitization of systems, process and interaction across sectors. It is one of the key elements of the Sustainable Development Goal (SDGs) of the United Nations Agenda for Sustainable Development for 2030. Bridging the digital divide is crucial to ensure equal access to information and knowledge, as well as foster innovation and entrepreneurship.

The digital products and services offered by telecom service providers and OTT players and falling retail tariffs have led to consistent increase in consumption of data over the past years. During the prevailing Covid-19 pandemic, the telecom segment has been the beneficiary as the switch over to work from home and social distancing has opened up new vistas for data consumption, especially in the areas of education, meetings, conferences, seminars, healthcare etc., thereby accelerating India's digital transformation.

The latest technological advancements in the telecom sector such as 5G, Internet of Things (IoT), Machine to Machine (M2M) interface, etc. will accelerate the need for telecom networks and technologies which are likely to provide growth opportunities for service providers like POWERGRID for expanding not only the availability of telecom services but also telecom-based services. Further, increased thrust of the government on digitalization of the economy, enhanced data localization accelerated by prevailing geo-political environment are expected to increase the demand for other telecom services as well. To harness the emerging opportunities in the sector, your Company has undertaken formation of a wholly owned telecom subsidiary company. Approval from Gol & CERC has been received for formation of wholly owned subsidiary Company for Telecom business.

Your Company is exploring new business opportunities within the telecom segment viz. setting up of Data Centres, International Long Distance (ILD) Bandwidth Business to directly serve neighboring countries with reliable connectivity. POWERGRID has applied to the Department of Telecommunication (DoT) for grant of ILD service authorization in its existing Unified License. Your Company is geared up to tap these opportunities and has been continuously augmenting its all-India telecom network by enhancing new bandwidth capacity in existing routes, adding new routes and new locations. Accordingly, your Company is establishing 200 G based DWDM system and has established separate 100 G internet network with SD-WAN and D-DOS facility.

(iii) Consultancy - Domestic & International

Your Company, with its strong in-house expertise in transmission, sub-transmission and telecom sectors is offering consultancy services to domestic and international clients. On domestic front, its clients include various Government

agencies and departments, CPSEs, state and private power utilities and the Indian Railways and other government entities like NHAI and state departments. Your company is playing a key-role in setting up transmission infrastructure related to the RE generation plants being setup by Renewable Energy project developers by providing POWERGRID's consultancy services for engineering solutions and other allied activities.

Your Company has so far established foot prints in 21 Countries spread across Asia, Africa, CIS countries and Asia-Pacific by providing Consultancy, Project Management and Asset Management Services to various clients which include state-owned power utilities, multilateral funding agencies like World Bank & ADB, IFC and Govt. of India. In line with its stated Vision - to be Global Transmission Company with Leadership in Emerging Markets and as part of Govt. of India's global outreach aspirations from its Maharatna CPSEs, your Company is also exploring global opportunities in power transmission. Based on its past experience, your Company is continuously scouting for opportunities in Africa, Asia, Middle East and CIS countries.

Last year, your Company entered into an agreement with Africa50 for undertaking PPP projects in the African continent, in this direction further steps for investment in Kenya under PPP mode through a Joint Venture with Africa50 have been under taken during the year.

International travel restrictions in view of repeated lockdowns due to the Covid-19 pandemic crisis in various parts of the world have impacted the inflow for expression of interest and finalization of earlier submitted proposals. The Company expects acceleration in business activities to coincide with global recovery.

Your Company's performance and latest status of works under implementation has been discussed in the Directors' Report.

(iv) Energy Management

Government is focusing on leveraging energy efficiency across the economy for long term sustainability of energy. The Company has been providing services in this area for past few years. The Company is a BEE Grade-1 ESCO (Energy Service Company) for taking up energy efficiency projects in India and has large pool of energy auditors. The Company is regularly exploring opportunities in the area of energy efficiency and demand side management. Opportunities are seen to exist in waste-to-energy, agriculture and induction motor replacement projects for States. Your Company expects to explore opportunities in these areas with various States and other establishments in the coming year and intends to set up a subsidiary for taking up energy management assignments.

(v) Other emerging opportunities

Driven by the years of sectoral knowledge, large pool of experienced professionals and the confidence of Govt. of India & the state governments, the Company has been regularly undertaking assignments in the various emerging business areas with related adjacencies to power like distribution, railway electrification, and new areas like energy efficiency, smart city and smart grid, EV fast-charging infrastructure and has undertaken pilot projects in smart grid in distribution and grid scale battery storage. POWERGRID Advanced Research and Technology Centre (PARTeC), set up by your Company houses various state-of-the-art laboratories. The facility has commenced extending expert services for research, analysis, testing and calibration and expects to take this opportunity forward. With the hiving off CTU status, your Company is now exploring business opportunities in the Solar Power Generation also.

5. Major Constraints / Challenges / Threats faced in construction, operation & maintenance of Transmission systems and mitigation thereof:

5.1 Conserving Right-of-Way (RoW) through forests, agricultural land, urban areas, industrial establishments as well as other infrastructure, upgradation of transfer capacity of lines matching with power transfer requirement, land availability & acquisition for substations are major areas of concern in development of transmission network in the country.

A) Major constraints & concerns and your Company's efforts in development, operation & maintenance of ISTS are:

i. Challenges in Construction

- a) Right of Way (RoW) constraints;
- b) Difficulty in acquisition of land for construction of substation;
- c) Expeditious Forest clearance;



- d) Inadequate skilled manpower in transmission line construction activities and in the area of new technologies.
- e) Capacity Building in in the area of new technologies.

II. **Challenges in Operations and Maintenance**

Your Company has been managing its vast transmission network which is expanding and getting complex along with ageing assets. For maintaining high level of transmission system availability, your Company has been aiming at improving operational efficiency.

B) Initiatives to address/ mitigate the above challenges / concerns

Your Company has been taking various initiatives to address/ mitigate the above concerns through introduction as well as deployment of new technologies in the Indian power systems, which are discussed herein below:

a) Addressing Right of Way (RoW) constraints:

Your Company has been adopting higher voltage levels, specially designed towers and new technologies to gradually increase the power carrying capacity of transmission lines to optimize the RoW requirement. Some of the technological initiatives taken by your Company are as under:

- **Route alignment & detailed survey using modern techniques**

Surveying is an important aspect of transmission line for the purpose of assessing RoW and optimizing the cost of transmission line based on selecting the shortest route, selection of optimum foundations based on type of terrain, areas prone to landslides, submergence, minimizing number of river-crossing towers, accessibility/ approachability for construction as well as from law-and-order point of view, etc. Alignments are considered keeping in mind the above- mentioned factors during site selection, with minor alterations often added to avoid environmentally sensitive areas and settlements at execution stage.

Your Company has been using modern techniques for route alignment viz. GIS/ GPS, satellite imaging etc., which helped in detailed mapping of the right-of-way, ground profiling along with geographical details of the location, site constraints, etc.

- **Adoption of higher voltage for bulk power transfer**

With introduction of higher capacity transmission systems like 765 kV Double Circuit transmission lines, ± 800 kV HVDC, considerable reduction could be achieved in RoW requirement per MW of power transfer e.g. For transfer of bulk power to Southern Region, ± 800 kV 6000 MW HVDC link between Raigarh to Pugalur is under commissioning. For transfer of 2000 MW power to Kerala, your Company is implementing state-of-the-art ± 320 kV HVDC VSC technology partly overhead using narrow based towers and partly underground with 320 kV DC XLPE cable to take care of RoW issues.

Towards development of 1200kV Ultra High Voltage (UHV) AC technology, the highest transmission voltage level in the world, your Company has successfully established a 1200 kV UHVAC National Test Station at Bina and commissioned 1200kV single and double circuit transmission line sections along with associated 1200 kV Bays as a pilot project using indigenously developed equipment. The power flow through 1200kV National Test Station has commenced successfully. This has facilitated availability of UHV class equipment in India. Long-term field operations and tests are being carried out for performance monitoring of 1200kV UHVAC equipment.

- **Use of High-Performance Conductors in existing & new lines**

High performance conductors of different configurations having the capacity to carry more power within the same transmission corridor does away with the need of creating new parallel corridors and helps in conservation of scarce land, RoW and forest resources, etc. Keeping in view the aforesaid advantages, your Company undertook re-conductoring of some of the existing lines where power flow constraints were experienced. Your Company has used twin HTLS conductors instead of quad / triple bundle ACSR conductors in multi-circuit stretches. The Company had deployed high-capacity Aluminum alloy conductor i.e. Al59 conductor (having capacity ~25- 30% higher than conventional ACSR conductor) and ACSS type HTLS conductor.

- **Selection of appropriate type of towers**

Proper design and construction of transmission line towers is not only important for speedy implementation of projects; safe & reliable operation of power system but also assume great significance in cost of the project and conservation of RoW. A large number of tower designs, around 250 numbers, for different wind zones, configurations, complexities & voltage levels have been developed & successfully tested by your Company in its endeavour to address problem in densely populated urban areas, conservation of forest & scarce RoW, etc. Further, pole structures for 220kV, +/-320kV HVDC, 400kV and 765kV voltage level have also been successfully developed and tested and are being used in areas having severe ROW constraints. Narrow base towers have also been developed for minimizing land use of transmission lines.

b) Managing scarcity of land for construction of Substation

In order to reduce problems of land acquisition and related Rehabilitation & Resettlement and to reduce the substation land requirement, your Company has constantly upgraded and improvised by investing in new technologies like Gas Insulated Substations (GIS) and Hybrid sub-station which requires substantially lesser land area in comparison to the conventional Air Insulated substations (AIS). Subsequent to commissioning its first GIS in the year 2007, your Company, along with its subsidiaries, owned 45 GIS substations at the end of FY 2020-21.

Further, to facilitate the power evacuation for renewable generation, in many substations, where additional capacities (bays) are required to be created, your Company advocated the hybrid technology to utilize the space efficiently and quickly.

c) Overcoming Forest Clearances challenges

Timely forest clearances, wherever applicable, are key to timely completion of projects. Your Company's concerted efforts and various proactive decisions of Ministry of Environment, Forests & Climate Change (MoEFCC), Govt. of India have largely simplified the forest clearance process particularly for linear projects including transmission lines. Moreover, making forest clearance process online and time bound also helped in expediting the process by the concerned forest officials. Forest clearance process also involves payment of consideration to the Government, thereby facilitating enhancement of green cover as the consideration paid for compensatory afforestation is utilized to develop forest cover.

d) Addressing issues of inadequate skilled manpower in construction activities:

For overall skill development in the country, particularly in the area of Power Transmission Line Construction, capacity building programmes are being conducted and continuously the youths are being trainee as continued process. During the year 2020-21, although the process is little bit slowed due to covid but your company is hopeful it will pick up again.

e) Capacity Building in in the area of new technologies:

In new technology area, particularly in the field of Fault Current limiting series reactor, STATCOM etc. to create enough capacities, your company emphasized particularly in the field of STATCOM to supply at least one unit from India in case of multiple units. This strategy has created manufacturing capacities of various manufacturers and a least 3 units are already started manufacturing the STATCOM valves in India.

C) Increasing operational & maintenance efficiency

Your Company is geared up to consistently maintain the high standards of availability and reliability of its transmission system through use of latest state-of-art maintenance practices. Maintenance activities are planned well in advance and an 'Annual Maintenance Plan' is prepared for every asset through live line or shutdown maintenance, as per technical feasibility.

The proactive approach of your Company in managing the maintenance and refurbishment of the transmission assets has minimized the tripping of lines especially due to fog, pollution and other natural causes. The software tool, Transformer Online Condition Monitoring System (TOCMS), is operational at NTAMC and RTAMC. Your Company has adopted the latest available technological tools and techniques for better operational performance and in this direction following latest technologies have been adopted by your Company:



(i) Development and operationalization of Software based Transformer Health Indexing System:

Your Company has a high population of transformers and reactors, which are the most critical assets of a transmission system. Condition monitoring of these critical and costly equipment is of prime importance and therefore, to assess their condition in a more efficient way, your Company has developed a software tool which ranks their health based on the assessed condition. This software system, POWERGRID Asset Life Management System (PALMS), is operational and is enabling asset managers in timely and appropriate decision making. The Company intends to use this system for residual life assessment of Transformers and Reactors, in future.

(ii) Adoption of latest technology for better availability of transmission lines

- **Aerial patrolling of transmission lines** is being carried out by your Company using Helicopter equipped with Gimbal mounted LIDAR (Light Detection and Ranging), Thermo-vision Camera, Corona Camera, high resolution video and digital camera to identify the defects.

Your Company has developed an application for patrolling of transmission lines. Patrolling of towers and defects rectification is being ensured through the APP. This helps in updating of data on real time basis which results into effective monitoring of critical locations.

- **Transmission Line Arrester**

Your Company always gives priority in implementation of state-of-the-art technology in Operation and Maintenance of Transmission assets. First time in the country 400kV Transmission line arresters (TLA) have been designed and commissioned in Transmission lines of Sothern Region to prevent tripping on account of lightning which improves reliability and availability of the transmission lines.

- **Online fault locator**

Travelling Wave online fault locator has been implemented in a number of high-capacity lines for accurate estimation of fault locations. This has helped in reducing the downtime of transmission lines by identifying the faults in the shortest possible time.

- **Digital Tele Protection System:**

The digital protection coupler is being used, over OPGW network, for implementation of reliable tele-protection scheme. This has improved noise immunity of tele protection system, thereby eliminating any possibility of malfunction of trip transfer scheme.

State-of-the-art condition monitoring techniques for substation equipment are being used for detection of defects at incipient stage. These include, variable frequency capacitance and tan-delta measurement for Transformer/ Reactor bushings and Current Transformer, Dynamic Contact Resistance Measurement for Circuit Breakers, Third Harmonic Resistive Current measurement for Surge Arrestors, Thermo-vision scanning of substation equipment, Partial Discharge measurement in GIS etc. These techniques have proved to be very useful in detection of defects at an early stage. Preventive/ corrective actions were taken in advance and major failures were averted. In addition, periodic oil parameter checks, Dissolved Gas Analysis (DGA) of Transformers/ Reactors, particle counts, inhibitor content test are very useful for diagnosis of the problem and life enhancement of the Transformers/Reactors, which your Company has implemented successfully.

- **Implementation of Series Reactor:**

Increase in interconnections and concentration of generation / loads have caused increase in short circuit level. In certain areas, these short circuit levels are reaching to the maximum capability of equipment which is in operation and it is expected to go beyond the present capability in future. In recent years, your Company has installed and commissioned 4 numbers of Series Reactor at Ballabgarh and Mandola substations in National Capital Region (NCR) area to take care of the existing substations.

- **Introduction of Resin Impregnated paper bushings and other developments related to bushings:**

To prevent failure of transformers & reactors on account of bushing failures, POWERGRID had earlier adopted Resin Impregnated Paper (RIP) bushings instead of Oil Impregnated Paper (OIP) bushings, which resulted in significant reduction in failure of transformers & reactors. Considering the benefits accrued and feedback received on adoption and operation of Resin Impregnated Paper (RIP) bushings at 400 kV voltage level Transformers and Reactors, your Company has facilitated development of 800kV RIP bushings for introduction in 800kV Transformers and Reactors too. These bushings are expected to reduce consequential damages in an unlikely event of failure.

Further, with the development of Resin Impregnated Synthetics (RIS) / Resin Impregnated Fiberglass (RIF) bushings and their added advantages over OIP & RIP bushings, POWERGRID now intends to adopt RIS/ RIF bushings also for future projects.

- **Digital Substations:**

Gaining experience from the pilot projects on Process Bus Technology at Bhiwadi and Neemrana substations, your Company has initiated a project for retrofitting conventional protection and control schemes with advanced automation systems. As a part of it, POWERGRID commissioned India's first 400kV Digital Substation based on IEC 61850 Process Bus at Malerkotla, Punjab on 16th December, 2020. With this POWERGRID becomes one of the very few utilities in the world to retrofit a complete substation with full digital technology.

Also your Company is establishing a digital sub-station at Chandigarh based on process bus technology. The new scheme is expected to ease the maintenance, simplify trouble shooting and reduce restoration time in case of any eventuality besides reduction of carbon footprint by replacing large amount of copper cables with minimal fiber optic cables.

- Your Company has installed a number of state-of-the art Static Synchronous Compensators (STATCOMs) in the 400kV grid to improve the grid reliability and voltage stability limit. Company has commissioned STATCOMs at Solapur, Aurangabad, Satna & Gwalior in Western Region; Lucknow & Nalagarh in Northern Region; Ranchi, Rourkela, Jeypore & Kishanganj in Eastern Region; and Udumalpet, Trichi, Hyderabad & NP Kunta in Southern Region.

Further one Thyristor Controller Reactor (500 MVAR) in Kurukshetra is also being implemented to improve the static as well as dynamic voltage profile of Kurukshetra HVDC station.

- **Refurbishment of HVDC:**

Refurbishment of +/- 2x250 MW HVDC Vindhyachal and +/- 500 kV, 1500MW bipole HVDC Rihand-Dadri is being done to extend the life of projects which has served the Indian Power System for more than 25 years. Only obsolete equipment and systems of these HVDC terminals are being replaced and integrated with the existing system. Refurbishment of HVDC system is being done for first time in India and will be a new and learning experience. The work of refurbishment is planned to be completed during this financial year. This will enhance the operating life of these HVDC Assets of your company by approx 10 years.

- **Formation of maintenance expert group:**

As a part of continual improvement and enhancement of skilled manpower in the company expert groups for transformers, HVDC specialist group, GIS, Switchgear, SVC/STATCOM etc., have been formed to reinforce the competency of manpower and early restoration of system in case of failures.

5.2 Due to the COVID pandemic, a nationwide lockdown was announced by the Government of India effective from 25th March 2020. As per the Government guidelines, transmission units and services were identified as essential services and were therefore exempted from the lockdown. On the operations front, the Company issued guidelines and protocols for carrying out operations and maintenance of its units and ensured that there was no adverse impact on the availability of its transmission system. This could be achieved through enhanced use of automation and digital solutions. On the project implementation front, the Company's construction activities were adversely impacted during the lockdown period due to disruptions in supply chain and manpower availability. Subsequent to phase-wise lifting of the lockdown and progressive commencement of economic activity, the project implementation has improved.



Further, looking into the difficulties faced by the transmission service providers and to mitigate the same, Govt. of India has given an extension of five months in respect of scheduled commercial operation date for transmission projects under construction as on March 25, 2020. Govt. of India has also announced measures to facilitate the liquidation of outstanding dues of the utilities.

There has been no material impact on the operations or profitability of the company during the financial year due to the pandemic. However, the impact assessment of COVID 19 is a continuing process given the uncertainties associated with its nature and duration and the company will continue to monitor the situation for any material changes.

6. Environment & Social Management

As has been established by many studies the transmission projects are by and large environmentally benign due to inherent flexibility both in choosing most optimum line alignment as well as in finalizing the substation site avoiding likely social issues associated with land. However, as a responsible and environmentally conscious corporate entity we commit ourselves to the goal of sustainable development in line with its well-defined Environmental and Social Policy & Procedures (ESPP) right from our earlier establishment days. The ESPP outlines its approach and commitment to deal with environmental and social issues and lays out management procedures and protocols to address the same. It lays a framework for identification, assessment and management for environmental and social concerns at organizational and project level on the well tested principles of Avoidance, Minimization and Mitigation with provision of restoration too. The comprehensive coverage and content of the ESPP can be judged by the fact that it has been accepted by two leading Multilateral Agencies of the world i.e. The World Bank and ADB under their Use of Country System (UCS) and Country Safeguard System (CSS) policy in 2009 and 2017 respectively and accepted by other multilateral agencies like AIIB, KfW etc.

As a environmentally conscious Company we go beyond the mandate of law and undertakes detailed Environmental & Social Assessment of its projects in line with provisions of ESPP. Another important feature of ESPP is to develop project specific Environment Management Plan (EMP) listing all possible E & S impacts associated with the project and their possible mitigation measures with clear responsibility allocation. The EMP so finalised is made part of contract condition to ensure its proper implementation even by the contractors.

Management of land issues has become a key challenge in recent times and as such securing land for infrastructure projects is becoming increasingly challenging. In this regard too, your company apart from technical initiatives like preferring GIS over AIS to reduce land area has also taken many proactive decisions like securing land through direct purchase instead of using involuntary mode of land acquisition by invoking provision of applicable act which resulted in smooth and resistance free acquisition of land for its substation.

Obtaining Right of Way (ROW) for ever increasing transmission lines has assumed a gigantic contour affecting implementation of mostly all transmission projects across all regions of country. However, allowing compensation for land for tower base and diminishing value of land for RoW corridor as per MoP guidelines by many States have come quite handy in addressing this problem and facilitating smooth implementation of projects. Your company is in fore front of not only advocating such initiatives but has also demonstrated in disbursing such additional compensation in the States which have already adopted this measure.

Being a leader in Sustainability Reporting in Indian Power Sector, your company released its 6th biennial sustainability report for FY 2017-19 in September, 2020 based on internationally acclaimed/accepted "Global Reporting Initiative (GRI) Standards (Core)" duly validated by independent Accredited Assurance Provider based on International Standards like Accountability's AA1000AS (2008) & AA1000AP (2018). Further, your company in partnership with Global Reporting Initiative (GRI) South Asia taken several initiatives towards fulfilment of India's commitment to United Nation's Sustainable Development Goals (SDGs) Agenda 2030 and has already aligned its activities with 11 SDGs out of total 17.

7. Revenue Related Risk:

The regulatory framework in India is evolving continuously and regulatory changes, if any, could have an impact on our business, results of operations and financial condition. Ministry of Power, Government of India, Central Electricity Regulatory Commission, and Central Electricity Authority are bringing out necessary changes from time to time to address the issues affecting the growth of the sector.

Your Company implements Inter-state transmission System (ISTS) projects either through Regulated Tariff Mechanism (RTM) or Tariff Based Competitive Bidding (TBCB) routes. Primarily, for TBCB projects the tariff is discovered through competitive bidding process & adopted by CERC and for RTM projects tariff is determined by CERC after prudence check as per the prevalent tariff regulations.

The element wise tariff determined by CERC for various RTM projects and tariff adopted by CERC for TBCB projects is pooled together and shared by various DICs in the country as per the CERC Sharing Regulations.

Tariff Regulations, 2019

The transmission charges of your Company's assets are regulated by Central Electricity Regulatory Commission and are determined by tariff norms which are applicable for a period of 5 years. CERC vide notification dated 7th March, 2019 notified the Tariff Regulations applicable for transmission system including communication system used for inter-state transmission of electricity for the Tariff Block 2019-24, which is effective from 01.04.2019 and shall remain in force till 31.03.2024.

CERC Sharing Regulations

The Central Electricity Regulatory Commission (Sharing of Inter-State Transmission Charges and Losses) Regulations, 2010 which came into effect from 01.07.2011, provided for computation of Point of Connection (PoC) charges and losses by introducing methodology for sharing of transmission charges. There had been six amendments to Sharing Regulations, 2010. States namely Bihar, Odisha, West Bengal, Maharashtra and Jharkhand had challenged the aforesaid sharing methodology in the court of law and final decision is awaited. In terms of interim order of the Delhi High Court, all the above States are, however, making payment as per said Regulation.

CERC vide notification No. L-1/250/2019/CERC dated 4th May 2020 came out with Central Electricity Regulatory Commission (Sharing of Inter-State Transmission Charges and Losses) Regulations, 2020. These regulations are applicable to all Designated ISTS Customers (DICs), Inter-State Transmission Licensees, National Load Despatch Centre (NLDC), Regional Load Despatch Centres (RLDCs), State Load Despatch Centres (SLDCs) and Regional Power Committees (RPCs). The sharing methodology under these regulations shall be on ex-post basis based on monthly actual load flow scenario. These regulations came into force with effect from 1st November 2020 superseding the CERC (Sharing of inter-state transmission charges and losses) Regulations, 2010.

Mismatch in commissioning

Despite best possible coordinated efforts, there could be mismatch in the commissioning of generation units vis-à-vis the associated transmission system due to delays in the materialization of some of the generation projects.

CERC in its Sharing Regulations 2020 has stipulated the methodology for treatment of mismatch with generation and/or upstream/ downstream network or with ISTS system being developed by other transmission licensees. In case the transmission asset is prevented from regular service due to mismatch in commissioning, your Company can approach CERC for approval of date of commercial operation and payment of transmission charges as per the provisions of tariff regulations and sharing regulations.

Realization of dues by your Company has been fairly good in the recent past, in spite of the stressed financial conditions of the DISCOMS and IPPs. GOI introduced measures like 'Atamnirbhar equity infusion scheme' and other reforms to improve the financial condition of the DISCOMs have assisted in realization of dues. In addition, your Company has a payment security mechanism with the State Power Utilities in the form of Letters of Credit (LC) backed by the Tri-Partite Agreements (TPA). As per the provisions of the TPA, the customers are required to establish LC covering 105% of the average monthly billing of your Company for last 12 months. The TPA was signed amongst Government of India (GoI), Reserve Bank of India and the individual State Governments subsequent to the issuance of the One Time Settlement Scheme of State Electricity Boards dues during FY 2001-02 by the GoI, which was valid till Oct.'2016. GoI has approved the extension of these TPAs for a further period of 10 years. Almost all the States/Union Territories have executed the agreements for extension of TPAs except Maharashtra, Punjab, Chandigarh and Puducherry and matter is being pursued with them for signing of the TPA. The TPA also provides that if there is any default in payment of current dues by any State Utility, the outstanding dues beyond 90 days can be deducted from the State's RBI account and paid to the concerned CPSU. There is also provision for regulation of power by your Company as per CERC regulations in case of non-payment of dues and non-establishment of LC; for termination of Transmission Service Agreement (TSA) in case of default in establishment of LC and payment of transmission charges. Necessary actions are being taken by your Company from time to time to improve the realization of dues from the customers. The Govt. of India, under Atmanirbhar Bharat Scheme, has also allocated ₹ 90,000 crore to inject liquidity for DISCOMs financials.

In respect of trade receivables from Telecom and Consultancy, customer credit risk is managed by regular monitoring of the outstanding receivables and follow-up with the consumer for realization.

8. Risk Management Framework

To manage the uncertainties and complexities associated with Company's business operations and growth objectives, an Enterprise Risk Management (ERM) framework has been implemented as per SEBI guidelines. ERM is a structured, consistent and continuous process for identification, assessment, monitoring and management of risks. As per this framework, the significant business processes / risks are monitored and controlled through various Key Performance Indicators (KPIs).



Your company has duly constituted a Risk Management Committee and designated a Chief Risk Officer. The said Committee meets quarterly to review KPIs and major business risks and provides corrective measures to improve business process efficiencies, wherever required. The ERM approach has helped the Company to improve strategic decision making within the organization and also in risk mitigation.

Internal Financial Control and Adequacy

POWERGRID has a comprehensive internal control mechanism in place to verify the Accounting and Financial Management System, adequacy of controls, material checks, financial propriety aspects and compliance implementation mechanism. The elaborated guidelines for preparation of Accounts are followed consistently for uniform compliance.

In line with the provisions of Section 179 read with Rule 8 of the Companies (Meetings of Board and its Powers) Rules, 2014 the Internal Auditors were appointed by the Board of Directors. Regular and exhaustive Internal Audit on half yearly basis is carried out by the experienced Cost / Chartered Accountant Firms in close co-ordination with Company's own Internal Audit department to ensure that all checks and balances are in place and all internal controls/systems are in order. The Corporate Internal Audit Department also carries out System Audit and Management Audit to reassure the effectiveness of internal control mechanism. The scope of the Internal Audit is derived from the Internal Audit Plan approved by the Audit Committee.

The Audit Committee meets at regular intervals. The significant / material audit findings are placed before the Audit Committee for review, discussion and subsequent action.

Integrated Management Policy:

POWERGRID is committed to:

- establish and maintain an efficient and effective “National Grid” with due regard to time, cost, technology and value addition,
- sustainable development through conservation of natural resources and adopting environment friendly technology on principles of Avoidance, Minimization and Mitigation,
- ensure safe, occupational hazard free and healthy work environment,
- to the satisfaction of stakeholders in all areas of its activities and shall endeavor to improve continually its management systems and practices in conformity to legal and regulatory provisions.

9. Financial Discussion and Analysis

Comparison of Fiscal 2021 to Fiscal 2020.

(₹ in crore)

Particulars	Fiscal 2021	Fiscal 2020
Revenue from Operations	37,665.65	36,185.54
Other Income	2,861.46	2,132.43
Total	40,527.11	38,317.97

Total income in Fiscal 2021 was ₹ 40,527.11 crore, which represented an increase of 5.77% over the total income of ₹ 38,317.97 crore in Fiscal 2020. In Fiscal 2021, transmission and transmission-related activities constituted 89.96% of our total income, with the balance coming from our consultancy, telecommunication business and other income.

Factors affecting your Company's results of operations

- **Tariff norms**

Our charges for recovery of service provided to transmission customers are governed by tariff norms notified by the CERC pursuant to Central Government Tariff Policy and legislation. CERC Tariff Regulations apply in all cases where tariff for a generating station or a unit thereof and the transmission system or an element thereof, including communication system used for inter-State transmission of electricity is required to be determined by the CERC in accordance with the provisions of Section 62 read with Section 79 of the Electricity Act. However, these Tariff Regulations shall not be applicable to Generating Stations based on Renewable Energy sources and to Generating Stations or Inter-State transmission systems where tariffs have been discovered through competitive bidding.

The generating company/ transmission licensee shall make an application as prescribed in the Tariff Regulations, for determination of tariff based on capital expenditure incurred duly certified by the auditors or projected to be incurred up to the date of commercial operation and additional capital expenditure incurred or projected to be incurred during the balance tariff period of the generating station or the transmission system as the case may be.

Under the Tariff Regulations applicable for Tariff Block 2019-24, your Company has been permitted to charge its customers, the transmission charges for recovery of annual fixed cost ("AFC") consisting of various tariff components such as Return on Equity, Interest on Outstanding Debt, Depreciation, Operation & Maintenance expenditure and Interest on Working Capital.

The Return on Equity (ROE) is computed on pre-tax basis by grossing up the base rate of return on equity of 15.5% at the effective tax rate of the respective financial year. ROE shall be reduced by 1% for such period as may be decided by CERC, if any transmission system is declared under commercial operation without commissioning of data telemetry, communication system up to load dispatch centre or protection system. An additional ROE of 0.5% that was allowed in previous tariff block for project(s) completed within the timelines specified under the CERC Tariff Regulations has been dispensed with in the current Tariff Regulations, 2019.

The repayment of loan capital for each year of the tariff period 2019-24 is deemed to be equal to the depreciation allowed for that year. Despite any moratorium period availed by your company, the repayment of loan is considered for tariff from the first year of commercial operation of the project and shall be equal to the annual depreciation allowed.

Recovery of Operation & Maintenance (O&M) expenses for maintaining the transmission systems are based on specified norms for Transmission Line, Sub-stations and HVDC systems, etc. O&M norms for Communication System have been introduced in tariff block 2019-24 as 2% of the capital cost subject to actuals at the time of truing up.

For interest on working capital, the working capital amount is calculated as - (i) consisting of receivables equivalent to 45 days of annual fixed cost; (ii) maintenance spares @ 15% of operation and maintenance expenses including security expenses and (iii) operation & maintenance expenses, including security expenses for one month. Rate of interest on working capital for the year is on normative basis and is linked to one year MCLR (Bank Rate) of SBI plus 350 bps as on 1.4.2019 or as on 1st April of the year in which the transmission system is declared under commercial operation during the tariff period 2019-24, whichever is later.

For projects being implemented under Tariff Based Competitive Bidding (TBCB) route, the tariff is discovered through competitive bidding process wherein the successful bidder would be the one who has quoted the lowest levelized tariff for a period of 35 years for establishing transmission projects on a build, own, operate and maintain basis.

The sharing of transmission charges as determined by CERC for cost plus projects and as adopted by CERC for TBCB projects is as per CERC Sharing Regulations.

Besides above rebate for timely payment of transmission charges and late payment surcharge for delayed payments is also applicable as per Tariff Regulations.

As per advisory of MoP, the Central Commission vide its Order dated 3rd April 2020 in Suo Motu Petition No. 6/ SM/2020 relaxed the provisions of Regulation 59 of 2019 Tariff Regulations. The Late Payment Surcharge was reduced from 1.5% p.m. to 1% p.m. for the bills that became due during the period 24th Mar' 20 to 30th June' 20. It was also clarified that for period after 30.06.2020, the concerned distribution company shall be liable to pay the LPS @18% per annum as per Regulation 59 of the 2019 Tariff Regulations.

Subsequently, Ministry of Power, vide Gazette Notification dated 22.02.2021, notified the new Electricity (Late Payment Surcharge) Rules, 2021 with regard to applicability of Late Payment Surcharge for the delayed payment of bills of Generating companies and Transmission companies after the due date. These rules shall come into force w.e.f. the date of Gazette Notification i.e. 22.02.2021. These rules shall be applicable for payments to be made in pursuance of (a) Power Purchase Agreements, Power Supply Agreements and Transmission Service Agreements, in which tariff is determined under section 62 of the Act; and (b) such Power Purchase Agreements, Power Supply Agreements and Transmission Service Agreements that become effective after these rules come into force, in which tariff is determined under section 63 of the Act. The LPS shall be payable on the outstanding dues after 45 days at the "Base rate of Late Payment Surcharge" (means the marginal cost of funds-based lending rate for one year of the State Bank of India, as applicable on the 1st April of the financial year in which the period lies, plus five percent) applicable for the period for the first month of default. The rate of Late Payment Surcharge for the successive months of default shall increase by 0.5 percent for every month of delay provided that the Late Payment Surcharge shall not be more than 3 percent higher than the base rate at any time.



As already mentioned above, Sharing of Inter-state transmission charges is governed by CERC (Sharing of Inter State Transmission Charges and Losses) Regulations, as notified from time to time in line with the National Tariff Policy notified by Govt. of India and provisions of the Electricity Act, 2003. Presently, CERC (Sharing of Inter State Transmission Charges and Losses) Regulations, 2020 are in vogue. These regulations came into force with effect from 1st November 2020 superseding the CERC (Sharing of inter-state transmission charges and losses) Regulations, 2010.

As per the Sharing Regulations, 2020, your Company, as the Central Transmission Utility (CTU), had the responsibility of billing & collecting transmission charges on behalf of all ISTS licensees in the country and also some of the non-ISTS licensees, whose lines have been certified by RPCs to be used as deemed ISTS. and disbursing to them till 31st March 2021. From 01st April 2021, the Central Transmission Utility of India Limited, a wholly owned subsidiary of the Company has started functioning independently as the CTU in line with Govt. of India notification dated 09th March 2021.

Certain expenses and income, allowed under CERC Regulations are required to be reimbursed/passed on to beneficiaries in future, are to be accounted in the Statement of Profit and Loss as per the provisions of IndAS 114 'Regulatory Deferral Accounts'. Such expenses and income, to the extent recoverable/payable as part of tariff under CERC Regulations are treated as Regulatory Deferral Assets/Liabilities.

- **Foreign Exchange Rate Variation**

FERV arising during the construction period for settlement/translation of monetary items (other than non-current loans)denominated in foreign currency to the extent recoverable/payable to the beneficiaries as capital cost as per CERC Tariff Regulations are accounted as Regulatory Deferral Account Balances. In respect of long term foreign currency loan drawn on or after 1st April, 2016, exchange difference to the extent recoverable as per CERC Tariff Regulations are recognised as Regulatory Deferral Account Balances. The company expects to recover these amounts through depreciation component of the tariff over the life of the asset or as exchange rate variation on repayment of the loan.

The tariff norms for the block period 2019-2024 notified by the Central Electricity Regulatory Commission (CERC) provide for grossing up of the return on equity based on effective tax rate for the financial year based on the actual tax paid during the year on the transmission income. Accordingly, deferred tax provided during the year ended 31.03.2021 on the transmission income is accounted as 'Deferred Assets against Deferred Tax Liability'. Deferred Assets against Deferred Tax Liability for the year will be reversed in future years (including tax holiday period) when the related deferred tax liability forms a part of current tax.

10. Income

10.1. Revenue from Operations

(₹ in Crore)

Revenue from Operations	Fiscal 2021	Fiscal 2020
Revenue from transmission charges	36,456.92	34,876.35
Consultancy- Project Management & Supervision	501.28	610.98
Revenue from telecom	707.45	698.21
Total	37,665.65	36,185.54

10.2 Revenue from other Services

Your company also earns revenue from Consultancy (including project management and supervision services) and Telecommunication business. Our consultancy income mainly consists of fee for the execution of transmission and communication system-related projects on a turnkey basis and technical consulting assignments for Indian state utilities, joint venture companies and utilities in other countries. The revenue from our telecommunication business is mainly on account of leasing bandwidth of our fibre-optic lines.

10.3 Other Income

Your company's other income was ₹ 2,861.46 crore in Fiscal 2021, an increase of 34.19% over the other income of ₹ 2,132.43 crore during Fiscal 2020.

The other income increased mainly due to increase in interest on loan to Subsidiaries, dividend income from Subsidiaries/Joint Ventures, Surcharge etc.

11. Expenses

Expenses have been categorized as (i) Employees' benefits expense (ii) Finance Costs (iii) Depreciation and Amortization expense (iv) Other expenses.

Your company's total expenditure was ₹ 24,822.40 crore during Fiscal 2021, a decrease of 3.30% over the total expenditure of ₹ 25,670.62 crore during Fiscal 2020. The total expenditure as a percentage of total income was 61.25% Fiscal 2021 as compared to 66.99 % during Fiscal 2020.

11.1 Employees' benefits expense

Employees' benefits expenses include salaries and wages, performance related pay, allowances & benefits, contributions to provident and other funds and staff welfare expenses.

Employee benefit expenses increased by 7.72% to ₹ 2,110.74 crore during Fiscal 2021 from ₹ 1,959.47 crore during Fiscal 2020.

11.2 Finance Cost

Finance cost decreased by 13.38% to ₹ 8,501.01 crore in Fiscal 2021 from ₹ 9,813.62 crore during Fiscal 2020. The decrease was mainly on account of repayment of loans, reduction in interest rate, decrease in exchange rates as compared to previous year.

11.3 Depreciation and Amortisation Expenses

Your company's depreciation and amortization expenses increased by 5.77% to ₹ 11,711.68 crore in Fiscal 2021 from ₹ 11,073.18 crore in Fiscal 2020. The increase was mainly because of the commissioning of new transmission assets.

The depreciation provided is related to transmission business on straight line method following the rates and methodology notified by the CERC for the purpose of tariff.

Depreciation on assets of telecom and consulting business is provided for on straight line method as per useful life specified in Schedule-II of the Companies Act, 2013. ULDC assets commissioned prior to 1st April, 2014 are depreciated on straight line method@ 6.67% per annum.

11.4 Other Expenses

Other expenses primarily consist cost of Repair and Maintenance of Buildings, Plant and Machinery, power charges, security expenses, vehicle hiring charges, travelling expenses, CSR expenses and FERV. Other expenses decreased by 11.52% to ₹ 2,498.97 crore during Fiscal 2021 from ₹ 2,824.35 crore in Fiscal 2020. The decrease in other expenses was mainly on account of decrease in travelling expenses, CSR expenses and FERV etc.

12.0 Profit before Tax & Regulatory Deferral Account Balances

Your company's Profit before Tax & Regulatory Deferral Account Balances during Fiscal 2021 was ₹ 14,626.07 crore, an increase of 15.65% over profit before tax & Regulatory Deferral Account Balances of ₹ 12,647.35 crore during Fiscal 2020.

12.1 Tax Expenses

Tax expenses consist of Current tax and Deferred tax.

12.2 Current Tax

In Fiscal 2021, we provided for ₹ 2529.11 crore as against ₹ 2,230.74 crore during Fiscal 2020.

12.3 Deferred Tax

Provision for deferred tax is made in respect of timing difference on account of higher depreciation charge available under income tax provisions. During Fiscal, 2021 we provided Deferred Tax ₹ 560.03 crore as against ₹ 1,288.83 crore in Fiscal 2020. In the opinion of the management, it is probable that future economic benefits will flow to the company in the form of availability of set off against future income tax liability by recognizing MAT credit as follows: Future taxable profits will be adjusted against (a) tax holiday u/s 80-IA of Income Tax Act, 1961 for the projects commissioned upto 31st March, 2017 (b) initial depreciation on the assets to be commissioned in future and (c) regular income tax



depreciation u/s 32 of Income Tax Act, 1961 and thereafter tax amount will be set off against MAT credit to the extent of ₹ 2,158.77 crore (Previous year ₹ 1,774.60 crore). Hence, the same has been recognized as Deferred Tax Assets during the year.

12.4 Net Movement in Regulatory Deferral Account Balances-Income/ (Expenses) (Net of Tax)

Net movement in Regulatory Deferral Account Balances-Income/(Expenses) (net of tax) for Fiscal 2021 stood at ₹ 398.85 crore as against ₹ 1,683.40 crore in Fiscal 2020.

12.5 Exceptional Items

Your Company has given a consolidated one-time rebate of ₹ 1078.64 crore to DISCOMs and Power Departments of States/Union Territories for passing on to end consumers on account of COVID-19 pandemic against the billing of April,2020 and May,2020. Due to said consolidated one-time rebate, there is a reduction in the profit for the year and the same has been disclosed under “Exceptional Items” in the statement of Profit & Loss.

13.0 Profit after Tax

Your company’s Profit after Tax during Fiscal 2021 was ₹ 11,935.78 crore, an increase of 10.40% over Profit after Tax of ₹ 10,811.18 crore during Fiscal 2020.

14.0 Return on Net Worth

Your company’s Return on Net worth in Fiscal 2021 is 17.15% in comparison to 16.78% in Fiscal 2020. Return on Net worth has increased in Fiscal 2021 as compared to Fiscal 2020 on account of increase in profit.

15.0 Financial Ratios

Particulars	FY 2020-21	FY 2019-20
Debtors Turnover	8.87	7.60
Inventory Turnover	27.26	27.55
Interest Coverage Ratio	4.16	3.67
Current Ratio*	0.84	0.63
Debt Equity Ratio	67:33	69:31
Operating Profit Margin (%) #	31.01	31.11
Net Profit Margin (%)	31.69	29.88

Note:# Operating profit = Profit Before Tax (excluding Deferred assets for deferred tax liability) less Other Income.

* Current ratio was increased by 33% due to classification of loans (₹ 4,993.49 crore) given to and investment (₹ 952.18 crore) made in 5 SPVs transferred to PGIInvIT as Current Assets.

16.0 Other Comprehensive Income (Net of Tax)

Your company’s other comprehensive income (net of tax) during Fiscal 2021 was ₹ 25.36 crore in comparison to ₹ (104.02) crore during Fiscal 2020. The variation is mainly due to increase in valuation of investment in PTC India Limited shares and increase in provisions made for actuarial valuation.

17.0 Credit Ratings

Your Company’s financial prudence is reflected in the strong credit rating accorded by ratings agencies. For details, refer Report on Corporate Governance.

18.0 Liquidity and Capital Resources

Your company depends on both internal and external sources of liquidity to provide working capital and to fund capital requirements. As at March 31, 2021, your company had cash and cash equivalents of ₹ 4,430.05 crore as against ₹ 4,805.14 crore as at March 31,2020.

19.0 Cash Flows

(₹ in crore)

	Year ended March 31,	
	2021	2020
Net cash from operating activities	27,532.46	29,239.47
Net cash used in investment activities	(7,721.72)	(9,368.04)
Net cash used in Financing activities	(20,185.83)	(18,711.99)
Cash and cash equivalents at the end of the year	4,430.05	4,805.14

19.1 Net Cash from Operating Activities

Your company's net cash flows from operating activities are principally used to service long-term debt, for capital expenditures, for investments and for payment of dividend. The net cash from operating activities was ₹ 27,532.46 crore in Fiscal 2021 as against ₹ 29,239.47 crore during Fiscal 2020.

19.2 Net Cash used in Investment Activities

Your company's net cash used in investing activities during Fiscal 2021 was primarily reflected in expenditure on Property, Plant & Equipment and Capital Work-in-Progress (including advances for capital expenditure) of ₹ 6,389.23 crore, Loans & Advances to Subsidiaries & Joint Ventures of ₹ 2,141.35 crore, investment in Subsidiaries & Joint Ventures of ₹ 459.05 crore and receipt of interest on deposits, bonds and loans to subsidiaries & JV's of ₹ 1,100.67 crore, surcharge received of ₹ 714.15 crore and dividend received ₹ 662.78 crore. The Company's net cash used in investing activities was ₹ 7,721.72 crore during Fiscal 2021 as against ₹ 9,368.04 crore during Fiscal 2020.

19.3 Net Cash used in Financing Activities

During Fiscal 2021, your company raised ₹ 7,840.14 crore of new long term borrowings. These borrowings included principally Rupee bonds and foreign currency borrowings. The company repaid ₹ 10,954.02 crore of long term borrowings and paid interest and finance charges of ₹ 9,084.66 crore. In the Fiscal 2021, the Company paid dividend of ₹ 6,821.99 crore comprising final dividend of ₹ 2,113.56 crore for Fiscal 2020 and interim dividend of ₹ 4,708.43 crore for Fiscal 2021.

20.0 Capital Expenditure

Your company's capital expenditure is primarily for the installation of new transmission capacity and the expansion of existing capacity. Our capital expenditure during Fiscal 2021 and Fiscal 2020, was ₹ 11,150 crore and ₹ 15,313 crore, respectively which includes CAPEX for TBCB companies of ₹ 3,598 crore (Previous Year ₹ 3,635 Crore).

21.0 Non-current Assets

Your company's Non-current Assets were ₹ 2,18,976.37 crore and ₹ 2,27,017.48 crore as at March 31, 2021 and March 31, 2020, respectively. Non current assets have been categorized as (i) Property, Plant & Equipment; (ii) Capital work in progress; (iii) Investment Property (iv) Intangible assets; (v) Intangible assets under development; (vi) Investments (vii) Loans; (viii) other non-current financial assets and (ix) other non-current assets.

21.1 Property, Plant and Equipment

Property, Plant & Equipment (Net Block) increased to ₹ 1,75,392.06 crore in Fiscal 2021 from ₹ 1,68,339.02 crore in Fiscal 2020 an increase by 4.19%. Property, Plant & Equipment mainly consists of Land, Buildings, Transmission Lines, Substations, HVDC, ULDC Equipment, Furniture & Fixtures etc.

21.2 Capital work in progress

Your company's capital work-in-progress was ₹ 17,896.67 crore and ₹ 30,180.08 crore, as at March 31, 2021 and 2020, respectively, a decrease of 40.70%. The cost of materials consumed, erection charges and other expenses incurred for the implementation of projects are shown on the balance sheet as capital work-in-progress, pending capitalization of the completed project. The change in this amount is due to capitalization of a number of transmission projects and due to undertaking of new transmission projects.



21.3 Intangible assets

Intangible Assets consist of Electronic Data Processing Software, Right of Way-Afforestation Expenses, Telecom licenses and development of 1200kV Transmission System. The value of unamortized Intangible assets (Net) increased to ₹ 1,551.44 crore in Fiscal 2021 from ₹ 1,497.41 crore during Fiscal 2020, a increase by 3.61%.

21.4 Intangible assets under development

Right of way-afforestation expenses are shown on the balance sheet as Intangible assets under development. The value of Intangible assets under development was ₹ 74.86 crore and ₹ 219.55 crore as at March 31, 2021 and 2020, respectively. The change is on account of capitalization of expenditures on Transmission Projects during Fiscal 2021.

21.5 Investments

Investments have been classified into quoted and un-quoted categories. As at March 31, 2021, the quoted and un-quoted investments were ₹ 93.30 crore and ₹ 4,172.06 crore as against ₹ 46.50 crore and ₹ 3,717.16 crore, respectively as at March 31, 2020. Investments under 'Quoted' category are investments made in PTC (India) Limited computed at Fair Value. Investments Under 'Unquoted' category in Fiscal 2021 consist equity investment in joint venture and subsidiary companies mainly at cost. Major investments in Joint venture & subsidiaries as on 31.03.2021 are:

Sl. No.	Name of the Subsidiary/Joint Venture	Amount invested as on 31.03.2021 (₹ in crore)
Subsidiaries		
1	Powergrid NM Transmission Limited	485.05
2	Powergrid Khetri Transmission System Limited	161.40
3	Powergrid Mednipur Jeerat Transmission Limited	549.63
4	Powergrid Mithilanchal Transmission Limited	213.50
5	Powergrid Ajmer Phagi Transmission Limited	112.00
6	Jaypee Powergrid Limited	432.50
7	Powergrid Fategarh Transmission Limited	113.41
8	Powergrid Southern Interconnector Transmission System Limited	709.00
9.	Powergrid Varanasi Transmission System Limited	168.05
Joint Ventures		
10	Powerlinks Transmission Limited	229.32
11	Torrent Power Grid Limited	23.40
12	Parbati Koldam Transmission Company Limited	70.94
13	Teestavalley Power Transmission Limited	120.12
14	North East Transmission Company Limited	106.96
15	National High Power Test Laboratory Private Limited	30.40
16	Cross Border Power Transmission Company Limited.	12.62
17	Bihar Grid Company Limited	290.30
18	Power Transmission Company Nepal Limited	6.50

21.6 Loans (Non Current)

The Loans have been classified as Loans to Related Parties & Loans to Employees. As at March 31, 2021, Loans to Related Parties and Loans to Employees were ₹ 10,163.97 crore and ₹ 310.12 crore as against ₹ 12,530.62 crore and ₹ 253.13 crore, respectively as at March 31, 2021 and March 31, 2020. The decrease in Loans from Fiscal 2020 to Fiscal 2021 was mainly due to decrease in Unsecured Loans to Subsidiaries which are executing Projects acquired by the Company through Tariff Based Competitive Bidding (TBCB) route and loans to Joint venture companies.

21.7 Other non-current financial assets

Your company's other non-current financial assets was ₹ 4,186.58 crore and ₹ 4,106.80 crore as on March 31, 2021 and 2020, respectively. Other non-current financial asset mainly consists of Recoverable from GOI fully service Bond and Lease Receivables. Company has issued GOI fully service bonds amounting to ₹ 3,487.50 crore during FY 2018-19 for raising of Extra Budgetary Recovery (EBR) for GOI scheme of Power System Development fund in terms of letter no. 7/1/2018-OM dated 21st January, 2019 of Ministry of Power, Govt. Of India (GOI) for meeting accrued liabilities for creation of Capital Assets. The repayment of principal and the interest payment on such bonds shall be met by GOI.

21.8 Other non-current assets

Your company's other non-current assets was ₹ 4,874.42 crore and ₹ 6,127.18 crore, as at March 31, 2021 and 2020, respectively, a decrease by 20.45%. Other non-current assets mainly comprise of advances for Capital Expenditure, deferred foreign currency Fluctuation Asset, advance recoverable in kind or for value to be received.

22.0 Current Assets

Your company's Current Assets were ₹ 24,749.21 crore and ₹ 18,409.12 crore as at March 31, 2021 and March 31, 2020, respectively. Current Assets have been categorized as (i) Inventories; (ii) Trade receivables; (iii) Cash & Cash Equivalents; (iv) Bank Balances other than cash and cash equivalents (v) Loans (vi) other current financial assets (vii) other current assets (viii) Assets classified as held for sale.

22.1 Inventories

Inventories are valued at lower of the cost, determined on weighted average basis, and net realizable value. The inventories were ₹ 1,362.82 crore as at March 31, 2021 as against ₹ 1,400.56 crore in fiscal 2020. Our inventories consists components, spares & other spare parts, loose tools, consumable stores and other items.

22.2 Trade Receivables

Trade Receivables consist mainly of receivables relating to transmission services, and also receivables from consultancy services and telecom services. Our Trade Receivables as on March 31, 2021 and 2020 were ₹ 3,621.34 crore and ₹ 4,867.90 crore, respectively. Trade receivables decreased by 25.61% during Fiscal 2021 as compared to Fiscal 2020. Substantially, all of our receivables are covered by letter of credit, following which we have no material debt collection problems.

22.3 Cash & Cash Equivalents

Cash and Cash Equivalents as on March 31, 2021 and 2020 were ₹ 4,430.05 crore and ₹ 4,805.14 crore, respectively. Cash & Cash Equivalents decreased by 7.81% in Fiscal 2021 as compared to Fiscal 2020 mainly on account of term deposits (with maturity less than 3 months) held in respect of consultancy clients and others.

22.4 Bank Balances other than cash & cash equivalents

Bank balances other than cash & cash equivalents as on March 31, 2021 and 2020 were ₹ 843.49 crore and ₹ 604.26 crore, respectively. Bank Balances other than cash & cash equivalents increased by 39.59% during Fiscal 2021 as compared to Fiscal 2020 mainly on account of term deposits in banks for consultancy clients & others.

22.5 Loans

Loans as on March 31, 2021 and 2020 were ₹ 5,428.83 crore and ₹ 879.41 crore, respectively. Loans during Fiscal 2021 as compared to Fiscal 2020 increased mainly on account of current maturities of Loans to Subsidiaries Companies.

22.6 Other current financial assets.

Other current financial assets as on March 31, 2021 and 2020 were ₹ 7,940.04 crore and ₹ 5,631.40 crore, respectively mainly consisting unbilled revenue. Other current financial assets increased by 41% during Fiscal 2021 as compared to Fiscal 2020 mainly on account of increase in unbilled revenue.

22.7 Other Current Assets

Our other current assets as at March 31, 2021 and 2020 were ₹ 170.46 crore and ₹ 220.45 crore respectively.



22.8 Assets Classified as Held for Sale

Your Company has monetised five (05) of its Subsidiaries, namely Powergrid Vizag Transmission Limited, Powergrid Kala Amb Transmission Limited, Powergrid Jabalpur Transmission Limited, Powergrid Warora Transmission Limited and Powergrid Parli Transmission Limited through POWERGRID Infrastructure Investment Trust ('PGInvIT/ Trust'). PGInvIT has been registered by SEBI under SEBI (Infrastructure Investment Trusts) Regulations, 2014 ('InvIT Regulations') as an Infrastructure Investment Trust vide registration no. IN/InvIT/20-21/0016 dated 07.01.2021. Your company is the Sponsor of PGInvIT and shall also act as the Project Manager to PGInvIT. IDBI Trusteeship Services Limited is the Trustee and Powergrid Unchahar Transmission Limited (PUTL), a wholly owned subsidiary of the company, has been appointed as Investment Manager to PGInvIT. The Offer Document for initial public offer has been filed by PGInvIT with the SEBI and Stock Exchanges on 22.04.2021 and units got listed on stock exchanges on 14.05.2021. The 74% shares in the above five SPVs have been transferred to PGInvIT in May, 2021 and balance 26% will be transferred in line with Transmission Service Agreement (TSA). In lieu of consideration of shareholding so transferred, 41,06,50,900 Units were allotted by PGInvIT to the company. The company retained 13,65,00,100 units being 15% of total units of PGInvIT outstanding on post issue basis. pursuant to InvIT Regulations and remaining 27,41,50,800 units were sold by way of 'Offer for Sale (OFS)'. The company received an amount of ₹ 2736.02 crore (net of STT) against the OFS. As the said investments are being sold in FY 2021-22, the investments of ₹ 1213.04 crore (current & non current) in the above mentioned 5 subsidiaries have been classified as " Assets classified as held for sale" as on 31.03.2021.

23.0 Indebtedness.

We rely on both Rupee and foreign currency denominated borrowings. A significant part of our external funding has been through long-term foreign currency loans from multilateral agencies such as the World Bank and the Asian Development Bank, with our performance under such loans guaranteed by GoI. Following table sets forth, by currency, our outstanding debt and its maturity profile (currency conversions are as of 31st March, 2021):

(₹ in crore)

Loan Name	2021-22	2022-23	2023-24	2024-25	Beyond 2024-25	Total
Domestic Bonds (1)	8,223.73	6,090.23	5,391.48	7,851.35	43,536.61	71,093.40
Domestic Loans (2)	954.00	2,004.00	2,517.48	2,780.97	17,948.20	26,204.65
Foreign Loans						
US\$	2,306.73	6,052.19	2,400.83	2,305.62	22,052.35	35,117.72
EUR	460.39	626.63	626.63	623.71	3,448.69	5,786.05
SEK	214.33	214.33	214.33	214.33	638.01	1,495.33
JPY	12.23	12.23	12.23	12.23	1,505.41	1,554.33
TOTAL (3)	2,993.68	6,905.38	3,254.02	3,155.89	27,644.46	43,953.43
GRAND TOTAL (1+2+3)	12,171.41	14,999.61	11,162.98	13,788.21	89,129.27	1,41,251.48

23.1 Long-term borrowings

Your company's long-term borrowings (excluding current maturities) as at March 31, 2021 and 2020 were ₹ 1,29,080.07 crore and ₹ 1,35,421.11 crore, respectively. Long-term borrowings include amounts raised from our private placement of bonds, term loans from banks and financial institutions. Due to the repayment of loans during last year our borrowings have decreased by 4.68% in comparison of previous year.

23.2 Secured Loans

Our secured loans (excluding current maturities of long term loans) as at March 31, 2021 and 2020 were ₹ 91,689.02 crore and ₹ 1,02,978.74 crore, respectively. Most of these loans have been secured by floating charges on the moveable and immovable properties of the Company. The following table presents the secured debt as at 31st March, 2021:

	Amount (₹ in crore)	% of total secured debt
Bonds denominated in Rupees	51,550.85	56.22
Term Loans and Other Loans From Banks and Financial Institutions:		
Denominated in Foreign Currency	30,862.17	33.66
Denominated in Rupees	9,276.00	10.12
Total	91,689.02	100

23.3 Unsecured Loans

Our unsecured loans (excluding current maturities) as at March 31, 2021 and 2020 were ₹ 37,391.05 and ₹ 32,442.37 crore respectively, which consist of domestic bonds, foreign currency bonds, loans from foreign financial institutions/ Banks such as the Natixis (Formerly Credit National) in France, Japan International Cooperation Agency (Formerly Japan Bank for International Co-operation) in Japan, Skandinaviska Enskilda Banken AB (publ.) in Sweden and AB Svensk Exportkredit, Sweden.

The following table presents our unsecured debt as at March 31, 2021:

	Amount (₹ in crore)	% of total unsecured debt
Bonds denominated in Foreign Currency & Domestic Bonds	11,318.83	30.27
Term Loans, From Banks and Foreign Currency Loans:		
Denominated in Foreign Currency	10097.57	27.01
Denominated in Rupees	15974.65	42.72
Total	37391.05	100

24.0 Advance Against Depreciation (AAD)

Advance against depreciation (AAD) was a component of tariff that was permitted to be charged under CERC regulations for the Block 2004-09, to cover shortfall in respect of depreciation in a year on assets, for repayment of debts. AAD was done away with in the tariff block 2009-2014 and depreciation rate were reworked. Due to change in these tariff norms and the depreciation rates w.e.f. 1.04.2009, the outstanding AAD has been taken to transmission income after 12 years from the date of commercial operation to the extent the depreciation charged in respect of transmission system is more than the depreciation recovery under tariff. As on 31st March, 2021, AAD has decreased by 13.67% from ₹ 1,170.80 crore during Fiscal 2020 to ₹ 1,010.75 crore.

25.0 Current liabilities

Your company's current liabilities as at 31st March, 2021 were ₹ 29,582.95 crore (previous year ₹ 29,089.61 crore). The current liabilities include (i) Borrowings, (ii) Trade payables (iii) other current financial liabilities (iv) other current liabilities; (v) Provisions and (vi) Current Tax liabilities.

25.1 Borrowings

Your company's Short-term Borrowings are from Banks and through issue of Commercial Paper. These Borrowings as at 31st March, 2021 and 2020 were ₹ 1,800 crore and ₹ 3,000 crore respectively.

25.2 Trade payables

Your company's Trade payables as at 31st March, 2021 and 2020 were ₹ 186.30 crore and ₹ 225.72 crore respectively. Trade payables at March 31, 2021 were 17.46% lower as compared to March 31, 2020.

25.3 Other Current Financial Liabilities

Your company's other current financial liabilities as at 31st March, 2021 and 2020 were ₹ 22,463.57 crore and ₹ 20,831.62 crore respectively. Other current financial liabilities mainly include current maturities of long term borrowings through secured & unsecured Bonds, foreign currency loans, dues for capital expenditure, deposits/retention money from contractors and others etc. Other current financial liabilities at March 31, 2021 were 7.83% higher as compared to March 31, 2020.

25.4 Other Current liabilities

Your Company's other current liabilities as at 31st March, 2021 and 2020 were ₹ 3,871.69 crore and ₹ 4,267.54 crore respectively. Other current liabilities at March 31, 2021 were 9.28% lower as compared to March 31, 2020 mainly on account of advances from customers.

25.5 Provisions

Your Company's provisions for Employee Benefits and others as on 31st March, 2021 and 2020 stood at ₹ 835.88 crore and ₹ 741.95 crore respectively.



26.0 BUSINESS AND FINANCIAL REVIEW OF JOINT VENTURE COMPANIES and SUBSIDIARIES for FY 2020-21:

26.1. JOINT VENTURE COMPANIES:

A. Powerlinks Transmission Limited (POWERLINKS):

POWERGRID and Tata Power Company Limited are the Joint Venture Partners in this Joint Venture Company and hold 49% and 51% equity, respectively. Your Company was incorporated to undertake the implementation of Transmission Lines associated with Tala HEP, East-North interconnector and Northern Region Transmission System from Siliguri in West Bengal via Bihar to Uttar Pradesh and was the first public - private partnership in Power Transmission.

As on 31.03.2021, POWERLINKS has paid-up capital of ₹ 468.00 crore. POWERGRID's share in the paid-up capital is ₹ 229.32 crore.

POWERLINKS had progressively commissioned the project by August, 2006. POWERGRID have received ₹ 45.86 crore dividend from POWERLINKS for Fiscal 21.

Financial Highlights of the Company:

(₹ in crore)

Particulars	Fiscal 2021	Fiscal 2020
POWERGRID's investment in Equity	229.32	229.32
Gross Income	127.32	99.27
Profit after Tax	102.01	121.14
Earnings per Share* (₹)	2.18	2.59

*Face value per Share is ₹ 10 each.

B. Torrent Powergrid Limited (TPL):

POWERGRID and Torrent Power Limited are the Joint Venture Partners in this Joint Venture Company and hold 26% and 74% equity, respectively. The Company was incorporated to undertake the implementation of transmission system associated with 1100MW Gas Based project (Sugen) Generation Station of Torrent Power Ltd. at Akhakhol in Surat District of Gujarat.

As on 31.03.2021, TPL has paid-up capital of ₹ 90 crore. POWERGRID's share in the paid-up capital is ₹ 23.40 crore.

The project was progressively commissioned in March, 2011. POWERGRID have received ₹ 4.21 crore dividend from TPL for Fiscal 21.

Financial Highlights of the Company:

(₹ in crore)

Particulars	Fiscal 2021	Fiscal 2020
POWERGRID's investment in Equity	23.40	23.40
Gross Income	44.24	45.90
Profit after Tax	19.31	18.48
Earnings per Share* (₹)	2.15	2.05

*Face value per Share is ₹ 10/- each.

C. North East Transmission Company Ltd.(NETC):

POWERGRID entered into a Joint Venture Agreement with ONGC Tripura Power Project Company Ltd. (OTPC), Government of Tripura, Manipur, Mizoram, Assam Electricity Grid Corporation Ltd, Meghalaya and Nagaland for establishment of Transmission Line of 400kV D/C Palatana- Silchar- Bongaigoan Transmission Project associated with 726.6 MW Palatana Gas based Power Project in the state of Tripura.

As on 31.03.2021, NETC has paid-up share capital of ₹ 411.40 crore. POWERGRID's share in the paid-up capital is ₹ 106.96 crore.

The project was progressively commissioned in February, 2015. POWERGRID have received ₹ 16.05 crore dividend from NETCL for Fiscal 2021.

Financial Highlights of the Company

(₹ in crore)

Particulars	Fiscal 2021	Fiscal 2020
POWERGRID's investment in Equity	106.96	106.96
Gross Income	323.96	325.82
Profit after Tax	75.24	59.10
Earnings per Share* (₹)	1.83	1.44

*Face value per Share is ₹ 10/- each.

D. Parbati Koldam Transmission Company Limited (PKTCL)

POWERGRID and India Grid Trust (IGT) are the Joint Venture Partners in this Joint Venture Company and hold 26% and 74% equity, respectively. The Company was incorporated to undertake the implementation of transmission lines associated with Parbati-II (800 MW) HEP and Koldam (800 MW) HEP.

As on 31.03.2021, PKTCL has paid-up capital of ₹ 272.84 crore. POWERGRID's share in the paid-up capital is ₹ 70.94 crore.

The Project commissioned progressively in Nov'2015. POWERGRID have received ₹ 35.11 crore dividend from PKTCL for Fiscal 2021.

Financial Highlights of the Company:

(₹ in crore)

Particulars	Fiscal 2021	Fiscal 2020
POWERGRID's investment in Equity	70.94	70.94
Gross Income	176.12	209.03
Profit after Tax	60.97	84.73
Earnings per Share* (₹)	2.23	3.11

*Face value per Share is ₹ 10/- each.

E. Teestavalley Power Transmission Limited (TPTL)

POWERGRID and Teesta Urja Ltd. are the Joint Venture Partners in this Joint Venture Company and hold 30.92% and 69.08% equity, respectively. The Company was incorporated to undertake the implementation of transmission lines associated with 1200 MW Teesta-III Hydro Electric Power Project to Kishanganj sub-station.

As on 31.03.2021, TPTL has Paid-Up Capital of ₹ 388.45 crore. POWERGRID's share in the paid-up capital was ₹ 120.12 Crore. The Project commissioned progressively in Feb'2019.

Financial Highlights of the Company:

(₹ in crore)

Particulars	Fiscal 2021	Fiscal 2020
POWERGRID's investment in Equity	120.12	120.12
Gross Income	300.26	278.33
Profit after Tax	46.05	43.38
Earnings per Share* (₹)	1.19	1.13

*Face value per Share is ₹ 10/- each.

F. National High Power Test Laboratory Private Limited (NHPTL):

NHPTL is a joint venture Company of NTPC, NHPC, POWERGRID, DVC & CPRI with equal equity participation of 20% each. The main aim of the NHPTL is to establish an online high power short circuit test facility in the country. This Facility is being established for the first time in the country at Bina (M.P.) to provide a full range of short circuit testing for the electrical equipment in conformance to Indian and International Standards.



As on 31.03.2021, NHPTL has paid up share capital of ₹ 152 crore. POWERGRID's share in the paid-up capital was ₹ 30.40 crore.

High Voltage Transformer (HVTR) Section of Laboratory under Phase-I put under commercial operation with effect from 1st July, 17. The HVTR lab is capable of Short Circuit (SC) testing of power transformers for all possible ratings with voltage class starting from 132 kV to 765 kV. Medium Voltage Transformer (MVTR) Section is under implementation. The project has no operating profit yet.

G. Bihar Grid Company Limited (BGCL):

POWERGRID entered into a Shareholders' Agreement on 29.12.2012 with Bihar State Power (Holding) Company Limited {BSP(H)CL} for implementation of Intra-State Transmission System in the State of Bihar on 50:50 equity participation basis.

As on 31.03.2021, BGCL has the Paid-up Share Capital of ₹ 580.59 Crore, POWERGRID's share in the paid-up capital was ₹ 290.30 Crore.

The Company is implementing Transmission System Strengthening Schemes in Bihar under Phase-IV, Part-I worth ₹ 2024 crore. The major components of Part-I Projects are under commercial operation. Further, works Phase-IV, Part-II worth ₹ 1,688 crore and Supplementary works worth ₹ 111 crore. are under final stage of implementation.

Financial Highlights of the Company:

(₹ in crore)

Particulars	Fiscal 2021	Fiscal 2020
POWERGRID's investment in Equity	290.30	250.80
Gross Income	502.08	227.90
Profit after Tax	201.67	43.91
Earnings per Share* (₹)	3.47	0.88

*Face value per Share is ₹ 10/- each.

H. RINL POWERGRID TLT Private Limited (RPTPL)

POWERGRID and RINL formed a joint venture Company, "RINL POWERGRID TLT Private Limited (RPTPL)", on 50:50 equity participation basis, for setting up a Transmission Line Tower (TLT) manufacturing plant at Visakhapatnam with a view to exploit the emerging opportunity in transmission line tower manufacturing business. As on 31.03.2021, the JV Company has paid up share capital of ₹ 8.00 crore. However, keeping in view the business scenario of tower manufacturing, the Board of Directors of POWERGRID accorded In-principle approval for closure of the Company. RINL is seeking approval of Ministry of Steel for Closure of RPTPL.

I. Cross Border Power Transmission Company Limited (CPTCL):

POWERGRID entered into Shareholders' Agreement on 9th July, 2012 with IL&FS Energy Development Company Limited (IEDCL), SJVN Limited (SJVN) & Nepal Electricity Authority (NEA) of Nepal and formed a JV Company under the name "Cross Border Power Transmission Company Ltd" (CPTC) incorporated in India for implementation of Indian portion viz. Muzaffarpur - Sursand section (India Portion) of 400 kV D/C Muzaffarpur - Dhalkebar Indo-Nepal Cross Border transmission line. The Shareholding of POWERGRID, SJVN, IEDCL and NEA in the said JV Company is 26%, 26%, 38% and 10% respectively. The Audited cost of the India Portion is INR 241.27 crore and the Project has been implemented with debt: equity as 80:20. The Audited cost for extension of 400 kV D/C Muzaffarpur - Sursand Line is INR 9.93 crore as on 31st March 2021 which is yet to be capitalized.

As on 31.03.2021, CPTC has paid-up capital of INR 48.50 crore. At present, POWERGRID equity is INR 12.61 crore. The India Portion is under commercial operation w.e.f. 19th February, 2016.

POWERGRID has received ₹ 2.65 crore dividend from CPTCL for Fiscal 21. The Board of Directors of the Company has recommended final dividend at 11% for FY 2020-21 which would be declared in AGM after approval of shareholders. The Company will convene its AGM in the month of Sept. 2021.

J. Power Transmission Company Nepal Limited (PTCN):

POWERGRID entered into a “Joint Venture cum Share Purchase Agreement” on 5th April, 2014 with Nepal Electricity Authority (NEA), Hydroelectricity Investment & Development Company Ltd (HIDCL) of Nepal and IL&FS Energy Development Company Ltd (IEDCL), India and formed a JV Company under the Name “Power Transmission Company Nepal Ltd” (PTCN) incorporated in Nepal for implementation of Dhalkebar - Bhattamod 400 kV Transmission Line (Nepal Portion of 400 kV D/C Dhalkebar - Muzaffarpur Indo-Nepal Cross Border transmission line.) The Shareholding of NEA, POWERGRID, HIDCL and IEDCL in the said JV Company is 50%, 26%, 14% and 10% respectively. The Audited final executed Project cost of the Nepal Portion is NPR. 154.57 crore and the project has been implemented on 70:30 debt:equity ratio.

As on 31.03.2021, PTCN has Authorized, issued & paid-up share capital of NPR 45 crore. At present, POWERGRID equity is NPR 11.70 crore including 1,30,000 equity shares of NPR 100/- each of Bonus Shares. The line is under commercial operation w.e.f. 19th February, 2016.

POWERGRID has received ₹ 1.32 crore dividend from PTCN for Fiscal, 21. The Dhalkebar - Muzaffarpur Indo-Nepal Cross Border Transmission line is being used for Transmission of power between India & Nepal.

K. Energy Efficiency Services Limited (EESL):

POWERGRID entered into a Joint Venture Agreement with NTPC Ltd., Power Finance Corporation Ltd. and Rural Electrification Corporation Ltd. The JV Company viz. Energy Efficiency Services Limited is to promote measures of Energy efficiency, Energy Conservation and Climate Change and is carrying out business related to energy audit of Govt. buildings, consultancy assignments etc. in India and globally.

As on 31.03.2021, EESL has Paid-up Share Capital of ₹ 983.33 crore. POWERGRID’s share in the paid-up capital was ₹ 56.12 crore (5.71%).

Note: For the purpose of consolidation of Accounts, EESL has not been considered as a Joint Venture Company.

L. Kalinga Bidyut Prasaran Nigam Private Limited (KBPNL):

POWERGRID has entered into a Shareholders’ Agreement on 04.01.2013 with Odisha Power Transmission Corporation Limited (OPTCL) for implementation of Intra State Transmission System in the State of Odisha on the basis of 50:50 equity participation. No business has been undertaken by this Company. The shareholders of KBPNL in their Extraordinary General meeting held on 02.01.2020, approved striking off the name of the company pursuant to Section 248(2) of the Companies Act, 2013. The name of KBPNL has been struck off in the Register of Companies and is dissolved w.e.f. 26.10.2020.

SUBSIDIARY COMPANIES:

A. POWERGRID NM TRANSMISSION LIMITED

POWERGRID NM Transmission Company Limited (PNMTL) was acquired by POWERGRID on March 29, 2012 under Tariff Based Competitive Bidding for establishing Transmission System associated with IPPs of Nagapattinam / Cuddalore Area (Package A) from PFC Consulting Ltd (the Bid Process Co-coordinator). The Transmission System comprising 765kV D/C and 765kV S/C traverses the states of Tamil Nadu and Karnataka. PNMTL was granted transmission license by CERC in June, 2013.

As on 31.03.2021, PNMTL has an Authorized and Paid-up Share Capital of ₹ 496.25 crore and ₹ 485.05 crore respectively. The project elements have been progressively commissioned and the entire project has been commissioned on 26.01.2019.

(₹ in crore)

Particulars	FY 2020-21	FY 2019-20
Gross Income	124.95	123.52
Profit after Tax	(37.05)	(29.48)



B. POWERGRID VIZAG TRANSMISSION LIMITED

POWERGRID VIZAG Transmission Company Limited (PVTL) was acquired by POWERGRID on August 30, 2013 under Tariff Based Competitive Bidding for establishing Transmission System for 'System Strengthening in Southern Region for import of power from Eastern Region' from REC Transmission Projects Company Limited (the Bid process Coordinator). The transmission system comprising Srikakulam-Vemagiri 765kV D/C line & Khammam -Nagarjunasar 400kV D/C Line traverses through the states of Andhra Pradesh and Telengana. PVTL was granted transmission license by CERC in January, 2014.

As on 31.03.2021, PVTL has an Authorized and Paid-up Share Capital of ₹ 220 crore & ₹ 209.73 crore respectively. The project has been commissioned on 1st February, 2017. PVTL has paid first interim dividend of ₹ 25.17 crore in November, 2020 and second interim dividend of ₹ 36.70 Crore in February, 2021 for FY 2020-21.

(₹ in crore)

Particulars	FY 2020-21	FY 2019-20
Gross Income	310.55	315.66
Profit after Tax	109.20	151.75

C. POWERGRID UNCHAHAR TRANSMISSION LIMITED

POWERGRID Unchahar Transmission System Limited (PUTL) was acquired by POWERGRID on March 24, 2014 under Tariff Based Competitive bidding from REC Transmission Projects Company Limited (the Bid Process Co-ordinator) for establishment of Transmission System for ATS of Unchahar TPS. The transmission system comprising 400 kV D/C traverses the state of Uttar Pradesh. The Company was granted transmission license by CERC in July, 2014. The Project has been commissioned on 23.09.2016.

Power Grid Corporation of India Limited (holding Company) has appointed POWERGRID Unchahar Transmission Limited (PUTL) as the Investment Manager of POWERGRID Infrastructure Investment Trust, in accordance with the Securities and Exchange Board of India (Infrastructure Investment Trusts) Regulations, 2014, as amended (the "InvIT Regulations"). Accordingly, PUTL has amended its Main Objects Clause of the Memorandum of Association to enable to undertake investment management activities in relation to the Trust.

As on 31.03.2021, PUTL has an Authorized Share Capital of ₹ 14 crore and Paid-up Share Capital of ₹ 12.96 crore.

PUTL has paid first interim dividend of ₹ 2.59 crore in November, 2020 and second interim dividend of ₹ 3.89 Crore in March, 2021 for FY 2020-21.

(₹ in crore)

Particulars	FY 2020-21	FY 2019-20
Gross Income	21.79	22.10
Profit after Tax	4.94	9.64

D. POWERGRID KALA AMB TRANSMISSION LIMITED

POWERGRID Kala Amb Transmission Limited (PKATL) was acquired by POWERGRID on May 12, 2014 under Tariff Based Competitive bidding from REC Transmission Projects Company Limited (the Bid Process Co-ordinator) for establishment of Transmission System for Northern Region system Strengthening Scheme, NRSS-XXXI (Part-A). The Transmission System comprising 400/220 kV GIS substation, 400 kV D/C LILO and Series Compensation is to traverse the state of Himachal Pradesh. The Company was granted transmission license by CERC in September, 2014.

As on 31.03.2021, PKATL has an Authorized and Paid-up Share Capital of ₹ 61 crore each. The project has been commissioned on 12.07.2017.

PKATL has paid interim dividend of ₹ 0.80 per equity share amounting to ₹ 4.88 Crore in December 2020 and second interim dividend of ₹ 0.70 per equity share amounting to ₹ 4.27 Crore in January 2021. Thus, the aggregate interim dividend payout for the FY 2020-21 amounts to ₹ 9.15 crore.

(₹ in crore)

Particulars	FY 2020-21	FY 2019-20
Gross Income	72.94	73.41
Profit after Tax	29.48	23.37

E. POWERGRID JABALPUR TRANSMISSION LIMITED

POWERGRID Jabalpur Transmission Limited (PJTL) was acquired by POWERGRID on February 26, 2015 under Tariff Based Competitive bidding from REC Transmission Projects Company Limited (the Bid Process Co-ordinator) for establishment of Transmission System Strengthening associated with Vindhyachal-V. The transmission system comprising 765kV D/C transmission line traverses the State of Madhya Pradesh. The Company was granted transmission license by CERC in June, 2015.

As on 31.03.2021, PJTL has Authorized Share Capital of ₹ 300 crore and Paid-up Share Capital of ₹ 226.91 crore. The project had been completed and declared for commercial operation w.e.f. 01.01.2019.

PJTL has paid interim dividend of ₹ 1.50 per equity share amounting to ₹ 33.44 Crore in November 2020 and second interim dividend of ₹ 1.40 per equity share amounting to ₹ 31.76 crore in January 2021. Thus, the aggregate interim dividend payout for the FY 2020-21 amounts to ₹ 65.20 crore.

(₹ in crore)

Particulars	FY 2020-21	FY 2019-20
Gross Income	255.20	252.56
Profit after Tax	89.70	48.39

F. POWERGRID WARORA TRANSMISSION LIMITED

POWERGRID Warora Transmission Limited (PWTL) was acquired by POWERGRID on April 24, 2015 under Tariff Based Competitive bidding from REC Transmission Projects Company Limited (the Bid Process Co-ordinator) for establishment of Transmission System Associated with Gadawara STPS (2 x 800 MW) of NTPC (Part-A). The transmission system traverses through the States of Maharashtra and Madhya Pradesh and comprises 765kV D/C, 400kV D/C transmission lines and establishment of 2X1500 MVA 765/400 kV new substation in Warora. The Company was granted transmission license by CERC in August, 2015.

As on 31.03.2021, PWTL has an Authorized Share Capital of ₹ 425 crore and Paid-up Share Capital of ₹ 393.30 crore.

The project elements have been progressively commissioned and the entire project has been commissioned on 10.07.2018.

PWTL has paid interim dividend of ₹ 1.10 per equity share amounting to ₹ 43.26 crore in November 2020 and second interim dividend of ₹ 0.84 per equity share amounting to ₹ 33.04 crore in January 2021. Thus, the aggregate interim dividend payout for the FY 2020-21 amounts to ₹ 76.30 crore.

(₹ in crore)

Particulars	FY 2020-21	FY 2019-20
Gross Income	402.70	361.99
Profit after Tax	140.28	76.09

G. POWERGRID PARLI TRANSMISSION LIMITED

POWERGRID Parli Transmission Limited (PPTL) was acquired by POWERGRID on April 24, 2015 under Tariff Based Competitive bidding from REC Transmission Projects Company Limited (the Bid Process Co-ordinator) for establishment of Transmission System Associated with Gadawara STPS (2x800 MW) of NTPC (Part-B). The transmission system traverses through the State of Maharashtra and comprises 765kV D/C, 400kV D/C transmission lines and establishment of 2X1500 MVA 765/400 kV new substation in Parli. The Company was granted transmission license by CERC in July, 2015.



As on 31.03.2021, PPTL has an Authorized Share Capital of ₹ 350 crore and Paid-up Share Capital of ₹ 322.10 crore.

The project elements have been progressively commissioned and the entire project has been commissioned on 04.06.2018.

PPTL has paid interim dividend of ₹ 1.30 per equity share amounting to ₹ 41.87 crore in November 2020 and second interim dividend of ₹ 1.18 per equity share amounting to ₹ 38.01 crore in January 2021. Thus, the aggregate interim dividend payout for the FY 2020-21 amounts to ₹ 79.88 crore.

(₹ in crore)

Particulars	FY 2020-21	FY 2019-20
Gross Income	360.40	330.48
Profit after Tax	136.54	79.22

H. POWERGRID SOUTHERN INTERCONNECTOR TRANSMISSION SYSTEM LIMITED

POWERGRID Southern Interconnector Transmission System Limited (PSITSL) was acquired by POWERGRID on December 4, 2015 under Tariff based Competitive bidding from REC Transmission Projects Company Limited (the Bid Process Co-ordinator) for "Strengthening of Transmission System Beyond Vemagiri" Project on build, own operate and maintain (BOOM) basis. The transmission project comprising of 765 kV & 400 kV, D/C transmission lines is to traverse the states of Andhra Pradesh, Telangana & Karnataka and include establishment of one 765/400 kV Substation as well as 400kV bay extension at two existing sub-stations in the state of Andhra Pradesh. The Company was granted transmission license by CERC in March, 2016.

As on 31.03.2021, PSITSL has an Authorized Share Capital of ₹ 731 crore and Paid-up Share Capital of ₹ 709.004 crore. PSITSL, comprising elements viz. Vemagiri-II – Chilakaluripeta 765kV D/C line, Chilakaluripeta – Cuddapah 765kV D/C line, Chilakaluripeta – Narsaraopeta (Sattenapalli) 400kV (quad) D/C line, Cuddapah – Madhugiri 400kV (quad) D/C line, Srikaukulam Pooling Station – Garividi 400 kV (Quad) D/C line and 765/400 kV substation at Chilakaluripeta on Build, Own, Operate and Maintain (BOOM) basis, has been successfully commissioned progressively on 17.01.2020. The Company has recommended Final Dividend of ₹ 0.40 per fully paid-up Equity Share for FY 2020-21.

(₹ in crore)

Particulars	FY 2020-21	FY 2019-20
Gross Income	470.82	187.08
Profit after Tax	108.68	8.68

I. POWERGRID MEDINIPUR – JEERAT TRANSMISSION LIMITED

POWERGRID Medinipur-Jeerat Transmission Limited (PMJTL) (was acquired by POWERGRID on March 28, 2017 under Tariff based competitive bidding from PFC Consulting Limited (the Bid Process Co-ordinator) for Transmission System associated with "765kV Strengthening in Eastern Region (ERSS-XVIII). The Transmission System includes establishment of 765kV and 400kV Transmission lines which is to traverse the states of West Bengal and Jharkhand including establishment of two new 765/400kV Substations in West Bengal. The Company was granted transmission license by CERC in June, 2017.

As on 31.03.2021, PMJTL has an Authorized Share Capital of ₹ 600.00 crore and Paid-up Share Capital of ₹ 549.63 crore. The Project is partially commissioned on 09.02.2021 and partially under implementation. The Company has recommended Final Dividend of ₹ 0.30 per fully paid-up Equity Share for FY 2020-21.

(₹ in crore)

Particulars	FY 2020-21	FY 2019-20
Gross Income	45.72	-
Profit after Tax	19.15	-

J. POWERGRID MITHILANCHAL TRANSMISSION LIMITED

POWERGRID Mithilanchal Transmission Limited (PMTL), formerly known as ERSS XXI Transmission Limited, was acquired by POWERGRID on January 12, 2018 under Tariff based competitive bidding from REC Transmission Projects Company Limited (the Bid Process Coordinator) for Transmission System associated with “Establish Transmission System for Eastern Region Strengthening Scheme- XXI (ERSS-XXI)”. The Transmission System includes establishment of 400kV Transmission lines in the state of Bihar including establishment of three new 400/220/132 kV Substations in Bihar. The Company was granted transmission license by CERC in April, 2018.

As on 31.03.2021, PMTL has an Authorized and Paid-up Share Capital of ₹ 230 crore and ₹ 213.50 crore. The Project is partially commissioned in March, 2021 and partially under implementation.

(₹ in crore)

Particulars	FY 2020-21	FY 2019-20
Gross Income	2.35	-
Profit after Tax	0.95	-

K. POWERGRID VARANASI TRANSMISSION SYSTEM LIMITED

POWERGRID Varanasi Transmission System Limited (PVTSL), formerly known as WR-NR Power Transmission Limited was acquired by POWERGRID on March 27, 2018 under Tariff Based Competitive Bidding from REC Transmission Projects Company Limited (the Bid Process Co-ordinator) for establishing Transmission System for new Western Region – Northern Region 765kV Inter Regional Corridor. The Transmission System includes establishment of a 765kV D/C Transmission Line from Vindhyachal pooling station to Varanasi and traverses the states of Madhya Pradesh and Uttar Pradesh. The Company was granted transmission license by CERC in August, 2018.

As on 31.03.2021, PVTSL has Authorized and Paid-up Share Capital of ₹ 198.90 crore and ₹ 168.05 crore. The Project is under implementation.

L. POWERGRID JAWAHARPUR FIROZABAD TRANSMISSION LIMITED

POWERGRID Jawaharpur Firozabad Transmission Limited (PJFTL) (formerly known as Jawaharpur Firozabad Transmission Limited) was acquired by POWERGRID on December 21, 2018 under Tariff based competitive bidding from REC Transmission Projects Company Limited (the Bid Process Coordinator) for establishing Transmission System for Evacuation of Power from 2 X 660 MV Jawaharpur Thermal Power Project and Construction of 400 kV Substation at Firozabad along with associated Transmission Lines and is an Intra State Transmission Project of Uttar Pradesh. The Company was granted transmission license by UPERC on 05.07.2019. The Project is partially commissioned in March, 2021 and partially under implementation.

As on 31.03.2021, PJFTL has an Authorized and Paid-up Share Capital of ₹ 93.70 crore and ₹ 77.20 crore each. The Project is under implementation.

(₹ in crore)

Particulars	FY 2020-21	FY 2019-20
Gross Income	3.57	-
Profit after Tax	1.05	-

M. POWERGRID KHETRI TRANSMISSION SYSTEM LIMITED

POWERGRID Khetri Transmission System Limited (PKTSL), formerly Khetri Transco Limited was acquired by POWERGRID on August 29, 2019 under Tariff based competitive bidding from REC Transmission Project Company Limited (the Bid Process Coordinator) to establish Transmission system associated with LTA application from Rajasthan SEZ (Part -C) on Build, Own, Operate and maintain (BOOM) basis.

As on 31.03.2021, PKTSL has an Authorized and Paid-up Share Capital of ₹ 209.00 crore and ₹ 161.40 crore respectively. The project is under implementation. The Company was granted transmission license by CERC on 19.12.2019.



N. POWERGRID BHIND GUNA TRANSMISSION LIMITED

POWERGRID Bhind Guna Transmission Limited (PBGTL), formerly Bhind Guna Transmission Limited was acquired by POWERGRID on September 11, 2019 under Tariff based competitive bidding from REC Transmission Project Company Limited (the Bid Process Coordinator) to establish transmission system for Intra-State Transmission Work associated with construction of 400 kV Substation near Guna (Distt.-Guna) & Intra-State Transmission Work associated with construction of 220 kV S/s near Bhind (Distt.-Bhind, Madhya Pradesh) on Build, Own, Operate and maintain (BOOM) basis.

As on 31.03.2021, PBGTL has an Authorized and Paid-up Share Capital of ₹ 70.00 crore and ₹ 50.05 crore each. The Company was granted transmission license in January 2021 by MPERC. The project is under implementation

O. POWERGRID AJMER PHAGI TRANSMISSION LIMITED

POWERGRID Ajmer Phagi Transmission Limited (PAPTL) was acquired by POWERGRID on October 03, 2019 under Tariff based competitive bidding from REC Transmission Project Company Limited (the Bid Process Coordinator) to establish transmission system for Construction of Ajmer (PG)-Phagi 765 kV D/C line along with associated bays for Rajasthan SEZ. The Company was granted transmission license by CERC on 04.03.2020.

As on 31.03.2021, PAPTL has an Authorized and Paid-up Share Capital of ₹ 125 crore and ₹ 112 crore respectively. The project is commissioned on 06.05.2021.

P. POWERGRID FATEHGARH TRANSMISSION LIMITED

POWERGRID Fatehgarh Transmission Limited (PFTL) was acquired by POWERGRID on October 14, 2019 under Tariff based competitive bidding from PFC Consulting Limited (the Bid Process Coordinator) to establish transmission system for Ultra Mega Solar Park in Fatehgarh, Distt. Jaisalmer Rajasthan. The Company was granted transmission license by CERC on 04.03.2020.

As on 31.03.2021, PFTL has an Authorized and Paid-up Share Capital of ₹ 141.00 crore and ₹ 113.41 crore respectively. The project is under implementation.

Q. POWERGRID BHUJ TRANSMISSION LIMITED

POWERGRID Bhuj Transmission Limited (PBTL) was acquired by POWERGRID on October 16, 2019 under Tariff based competitive bidding from PFC Consulting Limited (the Bid Process Coordinator) to establish transmission system for providing connectivity to RE projects at Bhuj-II (2000MW) in Gujarat. The Company was granted transmission license by CERC on 03.03.2020.

As on 31.03.2021, PBTL has an Authorized and Paid-up Share Capital of ₹ 180.00 crore and ₹ 97.71 crore respectively. The project is under implementation.

R. POWERGRID RAMPUR SAMBHAL TRANSMISSION LIMITED

POWERGRID Rampur Sambhal Transmission Limited (PRSTL) formerly Rampur Sambhal Transco Limited was acquired by POWERGRID on December 12, 2019 under Tariff based competitive bidding from REC Transmission Project Company Limited (the Bid Process Coordinator) to establish transmission System for construction of 765/400/220kV GIS Substation at Rampur and 400/220/132kV GIS Substation at Sambhal with associated Transmission Lines.

As on 31.03.2021, PRSTL has an Authorized and Paid-up Share Capital of ₹ 85.00 crore and ₹ 21.52 crore respectively. The Company was granted transmission license by UPERC on September 2020. The project is under implementation

S. POWERGRID MEERUT SIMBHAVALI TRANSMISSION LIMITED

POWERGRID Meerut Simbhalvali Transmission Limited (PMSTL) was acquired by POWERGRID on December 19, 2019 under Tariff based competitive bidding from PFC Consulting Limited (the Bid Process Coordinator) to establish transmission system for Construction of 765/400/220 kV GIS Substation, Meerut with associated lines and 400/220/132 kV GIS Substation, Simbhaoli with associated Transmission lines.

As on 31.03.2021, PMSTL has an Authorized and Paid-up Share Capital of ₹ 110.01 crore and ₹ 32.01 crore each. The Company was granted transmission license by UPERC on September 2020. The project is under implementation.

T. POWERGRID RAMGARH TRANSMISSION LIMITED

POWERGRID Ramgarh Transmission Limited (PRTL), formerly Ramgarh New Transmission Limited was acquired by POWERGRID on March 09, 2021 under Tariff based competitive bidding from REC Power Distribution Company Limited (the Bid Process Coordinator) to establish Transmission System for Transmission System Strengthening Scheme for Evacuation of Power from Solar Energy Zones in Rajasthan (8.1 GW) under Phase-II Part-A on Build, Own, Operate and maintain (BOOM) basis.

As on 31.03.2021, Company has an Authorized and Paid-up Share Capital of ₹ 0.05 crore. The project is under implementation. The Company has filed petition with CERC for grant of transmission license.

U. BIKANER-II BHIWADI TRANSCO LIMITED

Bikaner-II Bhiwadi Transco Limited (BBTL) was acquired by POWERGRID on March 25, 2021 under Tariff based competitive bidding from PFC Consulting Limited (the Bid Process Coordinator) to establish Transmission System for Transmission System Strengthening Scheme for Evacuation of Power from Solar Energy Zones in Rajasthan (8.1 GW) under Phase-II Part-F on Build, Own, Operate and maintain (BOOM) basis.

As on 31.03.2021, Company has an Authorized and Paid-up Share Capital of ₹ 0.01 core. The project is under implementation. The Company has filed petition with CERC for grant of transmission license.

V. POWERGRID VEMAGIRI TRANSMISSION LIMITED

POWERGRID Vemagiri Transmission Limited was acquired by POWERGRID on April 18, 2012 under Tariff Based Competitive bidding for establishing Transmission system associated with IPPs of Vemagiri Area (Package A) from REC Transmission Projects Company Limited (the Bid Process Co-ordinator). The transmission system comprising 765kV D/C lines was to traverse the state of Andhra Pradesh and Telangana.

As on 31.03.2021, POWERGRID Vemagiri Transmission Limited has an Authorized Share Capital and Paid-up Share Capital of ₹ 0.05 crore each.

CERC vide Order dated 06.04.2015 stated that Vemagiri-Khammam-Hyderabad 765 kV D/C lines under the project is neither required as an evacuation line nor as a system strengthening line, no useful purpose will be served by adopting the transmission charges and granting license to the petitioner for the said transmission line and has withdrawn the regulatory approval for the Transmission project.

W. POWERGRID Himachal Transmission Limited (formerly Jaypee POWERGRID Limited)

Power Grid Corporation of India Ltd. (POWERGRID) has acquired 74% stake on 25.03.2021 held by Jaiprakash Power ventures Ltd. (JPVL) in JPL (Jaypee POWERGRID Limited) and hence JPL has become a wholly owned subsidiary of POWERGRID. Consequent upon acquisition name of the Company has been changed from Jaypee POWERGRID Limited to POWERGRID Himachal Transmission Limited (PHTL).

PHTL is engaged in operation and maintenance of (i) 400 Kv D/C Karcham Wangto-Abdullapur Transmission Line with 219.80 KM (ii) LILO of 400 Kv D/C Baspa-Jhakri Line with 4.5 KM.

As on 31.03.2021, the Authorized and Paid-up Share Capital of PHTL is ₹ 300 crore. The project has been commissioned on 01.04.2012.

(₹ in crore)

Particulars	FY 2020-21	FY 2019-20
Gross Income	152.32	163.50
Profit after Tax	30.00	57.28



X. CENTRAL TRANSMISSION UTILITY OF INDIA LIMITED (CTUIL)

Pursuant to mandate of Govt. of India, the Company incorporated a Company, as its wholly-owned Subsidiary, namely 'Central Transmission Utility of India Limited on 28th December, 2020. This Subsidiary has been mandated to be acquired by Govt. of India. As on 31.03.2021 the Authorised & paid Up Share Capital of CTUIL is ₹ 1 crore and ₹ 0.05 crore respectively.

27.0 Consolidated financial statement of POWERGRID

The consolidated financial statements have been prepared in accordance with Indian Accounting Standards (Ind AS) 110- 'Consolidated Financial Statements' and Indian Accounting Standards (IndAS) 28 - 'Investments in Associates and Joint Ventures'. On consolidated basis, the Total Income of the Company, during F.Y.2020-21, stood at ₹ 40,823.53 crore as against ₹ 38,670.96 crore during F.Y.2019-20, registering an increase of about 5.57%. Total Expenses for the year ended 31st March, 2021 stood at ₹ 24,820.56 crore as against ₹ 25,919.34 crore for the year ended 31st March, 2020. Profit after Tax during FY 2020-21 increased by 8.83% vis-a-vis FY 2019-20. A brief summary of the results on a consolidated basis is given below:

(₹ in crore)

	FY 2020-21	FY 2019-20
Total Income	40,823.53	38,670.96
Profit before Tax & Regulatory Deferral Account Balances	15,139.03	12,906.75
Profit after Tax	12,036.46	11,059.40
Net Cash from operating activities	29,312.15	30,738.63

Cautionary Statement

Statement in the Management Discussion and Analysis and Directors Report describing the Company's objectives, projections and estimates are forward looking statements and progressive within the meaning of applicable laws and regulations. Actual results may vary from those expressed or implied, depending upon economic conditions Government Policies and other incidental factors. Readers are cautioned not to place undue reliance on the forward-looking statements.

For and on behalf of the Board of Directors

(K. Sreekant)

Chairman & Managing Director

DIN: 06615674

Date: 26th August, 2021

Place: New Delhi

Business Responsibility Report

Section A: General Information about the Company

1	Corporate Identity Number (CIN) of the Company	L40101DL1989GOI038121								
2	Name of the Company	Power Grid Corporation of India Ltd								
3	Registered address	B-9, Qutab Institutional Area, Katwaria Sarai, New Delhi-110016								
4	Website	www.powergrid.in								
5	E-mail id	sustainability.report@powergrid.co.in								
6	Financial Year reported	2020-21								
7	Sector(s) that the Company is engaged in (industrial activity code-wise)	<table border="1" style="width: 100%;"> <thead> <tr> <th style="text-align: left;">Sector(s)</th> <th style="text-align: left;">ITC Code No.</th> </tr> </thead> <tbody> <tr> <td>Inter State Transmission System (ISTS), Central Transmission Utility (CTU) of country</td> <td>99691110</td> </tr> <tr> <td>Telecom</td> <td>99841100</td> </tr> <tr> <td>Consultancy & Project Management</td> <td>99833244</td> </tr> </tbody> </table>	Sector(s)	ITC Code No.	Inter State Transmission System (ISTS), Central Transmission Utility (CTU) of country	99691110	Telecom	99841100	Consultancy & Project Management	99833244
Sector(s)	ITC Code No.									
Inter State Transmission System (ISTS), Central Transmission Utility (CTU) of country	99691110									
Telecom	99841100									
Consultancy & Project Management	99833244									
8	List three key products/services that the Company manufactures/provides (as in balance sheet)	i) Transmission ii) Telecom iii) Consultancy Services (Domestic / International)								
9	Total number of locations where business activity is undertaken by the Company i) Number of International Locations (Provide details of major 5) ii) Number of National Locations	<p>(i) International: POWERGRID is providing Consultancy services in all facets of Transmission System. POWERGRID is having footprints in Twenty One Countries. During the financial year ended on 31st March, 2021, POWERGRID has clients in Nepal, Bangladesh, Kenya, Uganda and Fizi. POWERGRID is having a branch office in Nepal.</p> <p>(ii) National: Total 272 which includes 261 sub-stations (including subsidiaries), 10 Regional headquarters and a Corporate Office at Gurgaon. Telecom department has its points of presence in more than 500 locations spread across the country. Apart from above, a no. of substations and transmission lines are presently under construction and personnel are located on various site(s).</p>								
10	Markets served by the Company - Local/State/National/International/	POWERGRID has footprint in all the markets-Local/State/National/International.								

Section B: Financial Details of the Company

1	Paid up Capital (INR)	5231.59 crore
2	Total Income (INR)	40,527.11 Crore
3	Total Profit after Taxes (INR)	11,935.78 Crore
4	Total Spending on Corporate Social Responsibility (CSR) as a percentage of as percentage of profit after tax (%)	During FY 2020-21, the Company has spent ₹ 240.48 Crore [i.e. 2.05% of average net profits of the Company for last three financial years] on various CSR activities.
5	List of activities in which expenditure in 4 above has been incurred	Health, Education, Environmental Sustainability, Sanitation, Rural Development, Skill Development programmes, etc.

Section C: Other Details

1. Does the Company have any Subsidiary Company/ Companies?

As on March 31, 2021, POWERGRID had twenty four wholly owned subsidiary Companies viz. (i) POWERGRID NM Transmission Limited (ii) POWERGRID Vemagiri Transmission Limited (iii) POWERGRID Vizag Transmission Limited (iv) POWERGRID Unchahar Transmission Limited (v) POWERGRID Kala Amb Transmission Limited (vi) POWERGRID Jabalpur



Transmission Limited (vii) POWERGRID Warora Transmission Limited (viii) POWERGRID Parli Transmission Limited (ix) POWERGRID Southern Interconnector Transmission System Limited (x) POWERGRID Medinipur – Jeerat Transmission Limited (xi) POWERGRID Mithilanchal Transmission Limited (xii) POWERGRID Varanasi Transmission System Limited (xiii) POWERGRID Jawaharpur Firozabad Transmission (xiv) POWERGRID Khetri Transmission System Limited (xv) POWERGRID Bhind Guna Transmission Limited(formerly Bhind Guna Transmission Limited), (xvi) POWERGRID Ajmer Phagi Transmission Limited(formerly Ajmer Phagi Transmission Limited), (xvii) POWERGRID Fategarh Transmission Limited (formerly Fatehgarh-II Transco Limited), (xviii) POWERGRID Bhuj Transmission Limited(formerly Bhuj-II Transmission Limited), (xix) POWERGRID Rampur Sambhal Transmission Limited (formerly Rampur Sambhal Transco Limited) (xx) POWERGRID Meerut Simbhavali Transmission Limited (xxi) POWERGRID Ramgarh Limited (xxii) POWERGRID Bikaner Transmission System Limited (formerly Bikaner – Bhiwadi Transco Limited); and (xxiii) the Company has acquired 74% of Shareholding in one of its Joint Venture Company named Jaypee POWERGRID Limited w.e.f. 25.03.2021 and from the said the Company became wholly-owned Subsidiary of POWERGRID; (xxiv) further, pursuant to mandate of Govt. of India, the Company incorporated a Company, as its wholly-owned Subsidiary, named ‘Central Transmission Utility of India Limited on 28th December,2020 and this Subsidiary would be acquired by Govt. of India.

2. Do the Subsidiary Company/Companies participate in the BR Initiatives of the parent company? If yes, then indicate the number of such subsidiary company(s)

Yes. The BR initiatives of POWERGRID generally apply to its subsidiaries also.

3. Do any other entity/entities (e.g. suppliers, distributors etc.) that the Company does business with, participate in the BR initiatives of the Company? If yes, then indicate the percentage of such entity/entities? [Less than 30%, 30-60%, More than 60%]

Yes. The Environmental and Social Policy & Procedures (ESPP) of POWERGRID encompass the company, its Joint Venture Company, subsidiaries in general and relative aspects pertaining to Vendors / Suppliers/ Contractors through contract conditions. Vendors/Suppliers/Contractors are required to comply with the provisions of the labour laws, environmental laws & effectual safety plans through stipulations in the Conditions of Contract. The percentage of such Vendors’ /Suppliers’/ Contractors’ are more than 60%.

Section D: BR Information

1. Details of Director/Directors responsible for BR

a) The detail of the Director responsible for implementation of the BR policy/policies is as under:

- DIN Number : 02018931
- Name : Shri Rajeev Kumar Chauhan*
- Designation : Director (Projects)

***Shri Rajeev Kumar Chauhan superannuated on 31.10.2020 and Shri Abhay Choudhary, took the charge of Director (Project) w.e.f. 01.11.2020, whose details are as given below:**

- DIN Number : 07388432
- Name : Shri Abhay Choudhary
- Designation : Director (Projects)

b) Details of the BR head

S. No.	Particulars	Details
1.	DIN Number (if applicable)	Not Applicable
2.	Name	Shri Mahendra Kumar Singh
3.	Designation	Executive Director (Corporate Social Responsibility and Environment & Social Management Department)
4.	Telephone number	0124-2572860
5.	e-mail id	mk Singh@powergridindia.com

Shri Mahendra Kumar Singh took over the charge as BR head w.e.f. 01.07.2019 and was released on 25.11.2020. Shri T.C. Sarmah, ED (ESMD) took over the charge as BR head w.e.f. 02.12.2020, whose details are given below:

S.No.	Particulars	Details
1.	DIN Number (if applicable)	Not Applicable
2.	Name	Shri T.C. Sarmha
3.	Designation	Executive Director (Environment & Social Management Department)
4.	Telephone number	0124-2571955
5.	e-mail id	tcsarmah@powergrid.in

2. Principle-wise (as per NVGs) BR Policy/policies

The National Voluntary Guidelines on Social, Environmental and Economic Responsibilities of Business released by the Ministry of Corporate Affairs has adopted following nine areas of Business Responsibility:

P1	Businesses should conduct and govern themselves with Ethics, Transparency and Accountability
P2	Businesses should provide goods and services that are safe and contribute to sustainability throughout their life cycle
P3	Businesses should promote the wellbeing of all employees
P4	Businesses should respect the interests of, and be responsive towards all stakeholders, especially those who are disadvantaged, vulnerable and marginalised.
P5	Businesses should respect and promote human rights
P6	Business should respect, protect, and make efforts to restore the environment
P7	Businesses, when engaged in influencing public and regulatory policy, should do so in a responsible manner
P8	Businesses should support inclusive growth and equitable development
P9	Businesses should engage with and provide value to their customers and consumers in a responsible manner

2a. Details of compliance (Reply in Y/N)

Sr. No.	Questions	P1	P2	P3	P4	P5	P6	P7	P8	P9
1.	Do you have policy/policies for...	Y	Y	Y	Y	Y	Y	N	Y	Y
2.	Has the policy being formulated in consultation with the relevant stakeholders?*	Y	Y	Y	Y	Y	Y	NA	Y	Y
3.	Does the policy conform to any national / international standards? If yes, specify?*(50 words)	Y	Y	Y	Y	Y	Y#	NA	Y	Y
4.	Has the policy being approved by the Board? If yes, has it been signed by MD/owner/CEO/appropriate Board Director?	Y	Y	Y	Y	Y	Y	NA	Y	Y
5.	Does the company have a specified committee of the Board/ Director/ Official to oversee the implementation of the policy?	Y	Y	Y	Y	Y	Y	NA	Y	Y
6.	Indicate the link for the policy to be viewed online?	www.powergrid.in								
7.	Has the policy been formally communicated to all relevant internal and external stakeholders?	Y	Y	Y	Y	Y	Y	NA	Y	Y
8.	Does the company have in-house structure to implement the policy/ policies.	Y	Y	Y	Y	Y	Y	NA	Y	Y
9.	Does the Company have a grievance redressal mechanism related to the policy/policies to address stakeholders' grievances related to the policy/policies?	Y	Y	Y	Y	Y	Y	NA	Y	Y
10.	Has the company carried out independent audit/ evaluation of the working of this policy by an internal or external agency? *	Y	Y	Y	Y	Y	Y	NA	Y	Y

*Confirms to / are updated / reviewed in accordance with, the National Standards including GOI/ CVC/ DPE Guidelines, applicable laws etc.



Yes. POWERGRID has a well-defined & comprehensive Environmental and Social Policy & Procedures (ESPP), following the principles of **Avoidance, Minimization & Mitigation** in that order of preference and restoration wherever needed. Apart from our Board, the said ESPP has also been recognized by two leading Multinational Agencies, i.e. The World Bank and the Asian Development Bank under their policy of “Use of Country System” (UCS) and “Country Safeguard System” (CSS) in 2009 & 2017 respectively.

2b. If answer to question at S. No. 1 against any principle, is ‘No’, please explain why: (Tick up to 2 options)

S. No.	Questions	Principle 7- Responsible public policy advocacy
1.	The company has not understood the Principles	-
2.	The company is not at a stage where it finds itself in a position to formulate and implement the policies on specified principles	-
3.	The company does not have financial or manpower resources available for the task	-
4.	It is planned to be done within next 6 months	-
5.	It is planned to be done within the next 1 year	-
6.	Any other reason (please specify)	POWERGRID is a member of various industrial and trade bodies and participates in these forums on issues and policy matters that impact the interest of our stakeholders. Keeping in view the significant interest of POWERGRID in the Transmission sector, a separate Regulatory Cell is in place to undertake POWERGRID’s endeavor of a pro-active approach as part of policy advocacy with the stakeholders and CERC. Wherever felt necessary, we give our comments on various approach papers, consultation papers, draft regulations etc. issued by CERC, TRAI and other authorities.

3. Governance related to BR

(a) **Indicate the frequency with which the Board of Directors, Committee of the Board or CEO to assess the BR performance of the Company. Within 3 months, 3-6 months, Annually, more than 1 year**

3-6 months

(b) **Does the Company publish a BR or a Sustainability Report? What is the hyperlink for viewing this report? How frequently it is published?**

Yes, the Company publishes a separate “Sustainability Report” based on Global Reporting Initiative (GRI) guidelines. These reports are being published biennially since 2010 and till date 6 such externally validated reports have been disclosed, while the 7th Sustainability Report covering the period FY2019-2021 is under preparation. These reports are accessible on the company website at the hyperlink:

<https://www.powergrid.in/sustainability-report>

Section E: Principle-wise performance

Principle 1- Businesses should conduct and govern themselves with Ethics, Transparency and Accountability

A. Does the policy relating to ethics, bribery and corruption cover only the company? Yes/ No. Does it extend to the Group/Joint Ventures/Suppliers/Contractors/NGOs/Others?

Yes. POWERGRID is committed to observe transparency and consistency in all its operations. POWERGRID follows a no. of policies/rules to strengthen ethical conduct at all levels including the following:

a) **Code of Business Ethics & Conduct:** POWERGRID has laid down two separate Code of Business Ethics & Conduct – one for Board Members and another for Senior Management Personnel (including those deputed in Subsidiaries/ Joint Ventures) in alignment with Company’s Vision & Mission and aims at enhancing ethical and transparent process in managing the affairs of the Company.

- b) POWERGRID Conduct and Discipline Appeal rules (POWERGRID CDA Rules):** POWERGRID CDA Rules define the desirable and non-desirable acts and conduct for the employees and extend to all employees working with it (including those deputed in Subsidiaries/ Joint Ventures). The aspects of Bribery and Corruption are also covered under CDA rules. There is laid down procedure for actions in the case of non-compliance with the defined terms as well as for any misconduct.
- c) Whistle Blower and Fraud Prevention Policy:** Whistle Blower and Fraud Prevention Policy provides a system for disclosures made by employees or complaint of any fraud or suspected fraud involving employees of POWERGRID (all full time, part-time or employees appointed on adhoc/ temporary/contract basis) as well as representative of vendors, suppliers, contractors, service providers or any outside agency(ies) doing any type of business in POWERGRID.

Since, POWERGRID is a designated public authority, the provisions of the Right to Information Act, 2005 are applicable on us. The Chief Public Information Officers (CPIO) at the Corporate and regional level ensure smooth access to information in a timely manner.

Several initiatives have been taken / are being taken by POWERGRID to strengthen Integrity, transparency and fairness in its business practices which includes the following:

- (i) Well defined “Delegation of Powers” is in place delineating the powers of the top executives and below for carrying out work in systematic manner.
- (ii) POWERGRID has implemented “Works & Procurement Policy and Procedure (WPPP) for Pre-award and Post-award Stages” (as amended from time to time) with a view to making the policies and procedures more systematic, transparent and easy to administer uniformly throughout its business operations with major thrust on expeditious and decentralized decision making coupled with accountability and responsibility.
- (iii) “Integrity Pact Program” has been implemented which is considered as a useful tool in ensuring transparency in the procurement process. Contracts above ₹ 100 Crore are also monitored by a panel of “Independent External Monitors (IEMs)”.
- (iv) Manuals and Procedures are in place for Construction, Operation & Maintenance.
- (v) e-procurement mechanism for most of the project procurements has been implemented.
- (vi) e-Reverse auction mechanism is in place.
- (vii) The Project “RUPANTAR”, the Enterprise Resource Planning (ERP) initiative of our Company has been implemented and majority of the key processes related to business are running on ERP.
- (viii) Detail of Award is posted on the website on real time basis.
- (ix) POWERGRID focuses on Preventive, Pro-active as well as Punitive Vigilance. Aiming at better transparency and to inculcate good governance within the organization, POWERGRID has taken a number of initiatives. For details, section on ‘Commitment to Transparency & Vigilance Function’ under Directors’ Report may be referred.

B. How many stakeholder complaints have been received in the past financial year and what percentage was satisfactorily resolved by the management? If so, provide details thereof, in about 50 words or so.

During FY 2020-21, 69 complaints were received. 100% complaints have been disposed of during the year.

Principle 2 - Businesses should provide goods and services that are safe and contribute to sustainability throughout their life cycle

1. List up to 3 of your products or services whose design has incorporated social or environmental concerns, risks and/or opportunities.

- (i) POWERGRID’s pioneering effort in developing technology for use the inductive power in earth wire for powering of telecom antennas has huge potential to reduce emission of Green House Gases (GHGs) from DG sets, a constant source of pollution and GHGs emission. It is estimated that such initiative will result in saving of 40-60 tCO₂/ year/ location.
- (ii) POWERGRID has developed and tested monopole structures for 400 kV and 765 kV voltage levels which will go long way in addressing RoW problem in densely populated urban areas, conservation of forest & aesthetic associated with big lattice tower;



(iii) Adoption of modern techniques viz. GIS / GPS, satellite imaging etc. help in selection of most optimum line route avoiding ecologically and socially sensitive areas as far as possible thus, resulting in minimum ecological and social footprint.

2. For each such product, provide the following details in respect of resource use (energy, water, raw material etc.) per unit of product(optional):

(a) Reduction during sourcing/production/ distribution achieved since the previous year throughout the value chain?

(b) Reduction during usage by consumers (energy, water) has been achieved since the previous year?

These activities are being carried out under various policies / guidelines and are implemented from time to time.

3. Does the company have procedures in place for sustainable sourcing (including transportation)? If yes, what percentage of your inputs was sourced sustainably? Also, provide details thereof, in about 50 words or so.

Sustainability in sourcing is enforced through the Environmental and Social Policy & Procedures (ESPP) of POWERGRID which extends to Suppliers/Contractors/Vendors through contract conditions. Vendors/Suppliers/Contractors are required to comply with ESPP, Labour laws, Environmental laws & effectual Safety plans through stipulations in the Conditions of Contract. Contracts provide penalties to be imposed on the Vendors/Suppliers/Contractors in the event of breach of the said provisions.

4. Has the company taken any steps to procure goods and services from local & small producers, including communities surrounding their place of work? If yes, what steps have been taken to improve their capacity and capability of local and small vendors?

We encourage participation of local vendors for certain works in & around our establishments through local competitive bidding process.

5. Does the company have a mechanism to recycle products and waste? If yes what is the percentage of recycling of products and waste (separately as <5%, 5-10%, >10%). Also, provide details thereof, in about 50 words or so.

Due to nature of the Company's business there is no process waste generated and the waste is restricted primarily to metal scraps, used batteries, used transformer oil, e-waste etc. However, Company has put in place systems for reuse/recycling of these waste materials. The wastes such as used transformer oil, used batteries, & e-waste are disposed either to govt. authorized recyclers/reprocessors or channelized back to manufacturers for recycling as per the applicable rules/regulations, which takes care of 100% recycling of such wastes. For further details on quantity and disposal method, refer Sustainability Reports available at below hyperlink;

<https://www.powergrid.in/sustainability-report>

Besides, POWERGRID has installed composting machines at more than 55 locations for recycling and reuse of organic/bio-degradable waste generated from its residential townships/substation and office establishments. This initiative has eliminated the problem of disposal of organic waste as well as compost produce from such waste is gainfully utilized inhouse.

Principle 3- Businesses should promote the wellbeing of all employees

1. Please indicate the Total number of employees.

Total numbers of employees as on March 31, 2021 were 8766.

2. Please indicate the Total number of employees hired on temporary/contractual/casual basis.

Total number of employees hired on contractual basis for fixed term assignments as on March 31, 2021 were 492 (excluding contractual labour).

3. Please indicate the Number of permanent women employees.

Number of permanent women employees as on March 31, 2021 were 679.

4. Please indicate the Number of permanent employees with disabilities.

Number of permanent employees with disabilities as on March 31, 2021 were 208.

5. Do you have an employee association that is recognized by management.

Employees under 'Workmen' category are represented through Trade Unions and the organisation has recognized bipartite forum (workmen-management forum) at National and Regional level of the Company.

6. What percentage of your permanent employees is members of this recognized employee association?

All employees under the 'Workmen' category are eligible as members of Trade Union. Workmen represent about 23% of the employee strength in POWERGRID.

7. Please indicate the Number of complaints relating to child labour, forced labour, involuntary labour, sexual harassment in the last financial year and pending, as on the end of the financial year.

S. No.	Category	Number of complaints filed during the financial year	Number of complaints pending as on end of the financial year
1.	Child labour/forced labour/ involuntary labour	NIL	NIL
2.	Sexual harassment	NIL	NIL
3.	Discriminatory employment	NIL	NIL

8. What percentage of your under mentioned employees were given safety & skill up-gradation training in the last year?

Employees	% of Employees given safety & skill up-gradation training in the last year i.e. FY 2020-21
Permanent Employees	80.55%
Permanent Women Employees	82.73%
Employees with Disabilities	82.58%

Principle 4- Businesses should respect the interests of, and be responsive towards all stakeholders, especially those who are disadvantaged, vulnerable and marginalised.

1. Has the company mapped its internal and external stakeholders? Yes/No

Yes, POWERGRID has mapped its internal and external stakeholders. We recognize Shareholders, Regulatory Authorities (GoI), Customers, Communities/persons residing around our areas of operation, Projects Affected Persons (PAPs)/ Communities, Employees, Suppliers & Contractors, Research & Development Institutions, Funding Agencies and Media as our key stakeholders in economic, environment & social dimensions.

POWERGRID engages with its identified stakeholders on an ongoing basis and the prioritization of such engagement has been done considering factors like Dependency, Influence, Responsibility and Proximity. There is a structured Stakeholder Engagement Matrix which details specific engagement mechanisms including mode & frequency of engagement for each stakeholder category.

2. Of the above, has the company identified the disadvantaged, vulnerable & marginalized stakeholders?

Yes, the company has identified the disadvantaged, vulnerable & marginalized stakeholders.

3. Are there any special initiatives taken by the company to engage with the disadvantaged, vulnerable and marginalized stakeholders. If so, provide details thereof, in about 50 words or so.

POWERGRID has taken following initiatives to engage with the disadvantaged, vulnerable and marginalized stakeholders:

Internal Stakeholders (Employees- Persons with Disabilities (PWD)/ SC/ ST/ Women) –

At POWERGRID, we believe that an effective stakeholder engagement is necessary for achieving continuous and inclusive growth. Diversity is backbone of our organization and we believe that our internal stakeholders are our assets. We endeavor to make the disadvantaged; vulnerable and marginalized Internal stakeholders feel valued and heard by taking following special initiatives:

- i) Open and Transparent Recruitment:** – POWERGRID ensures diversity at workplace through efforts to recruit, develop and retain the most talented people from the pool of SC/ ST/ OBC/ Ex-servicemen/ Persons with Disabilities (PWD) candidates, in accordance with GoI directives on reservation matters.
- ii) Listening and Timely Grievance Redressal-** A Reservation Cell has been constituted at the corporate, as well as regional level to comply with GoI directives on reservation matters for SC/ST/OBC/Ex-servicemen/ Persons with Disabilities (PWD). This cell is under direct control of nominated liaison officer(s). The Liaison Officer(s) are available on a pre-fixed day and time for interaction once in a week. Wide publicity regarding availability of the liaison officer is ensured amongst SC/ST employees. Regular meetings are held with the representatives of the above category.



- iii) **Internal Complaints Committees (ICCs)** under Sexual Harassment of Women in Workplace (Prevention, Prohibition, Redressal) Act, 2013 exist in the company in order to handle complaints related to the harassment of sexual nature of women. Women employees are extended certain relaxations like posting in soft locations, etc.
- iv) **Training and Support** - 'Awareness Programme' are organized to acquaint the SC/ST/ OBC/PWD/Women employees about the relaxations and concessions available to them under Government directives.
- v) **Barrier Free Work environment**- In all establishments of POWERGRID, employees are facilitated with built up environment conforming to the standards under Accessible India Campaign/ Sugamya Bharat Abhiyaan and thus have the facilities of ramp, disabled friendly elevators etc. The Corporate website of the company is also equipped with screen reader access.

External Stakeholders -

Corporate Social Responsibility (CSR) Initiatives: CSR activities of POWERGRID are focused towards initiatives that promote inclusive growth and address the basic needs of the under privileged and weaker sections of the society. The organization addresses the issues of Community Development with thrust on Healthcare, Education, Sanitation, Skill development, Infrastructure creation for Rural Development, Environmental Sustainability, Disaster Management, etc. primarily around its areas of operations. A large number of women, girls, SC/ST/Minority, poor & marginalized section of the population were benefitted as a result of POWERGRID's CSR initiatives. Various CSR initiatives such as improvement in facilities at public healthcare / educational institutions, Scholarship / financial assistance to the deprived students, etc. had been undertaken for improving the quality of life of the less privileged population. Besides, a large number of projects involving infrastructure development in rural areas like Installation of solar street lights, creating sanitation and drinking water facilities, construction/ renovation of roads, Construction of Vishram Sadans in Govt. Hospitals, construction of class rooms/community centers/toilets in school, providing schools furniture, operationalization of smart classes, etc. have been undertaken. In addition, the Company continues to undertake several Skill Development initiatives under CSR by imparting livelihood-oriented skill development training through various Government agencies.

Principle 5 - Businesses should respect and promote human rights

1. Does the policy of the company on human rights cover only the company or extend to the Group/Joint Ventures/Suppliers/Contractors/NGOs/Others?

Human Rights issues have been incorporated in all Policies and Practices of POWERGRID in letter and spirit which extend to the employees including those deputed in Subsidiaries/ Joint Ventures and relative aspects pertaining to Vendors/Suppliers/Contractors through contract condition.

POWERGRID is committed to take care of its employees as well as all stakeholders. Compliance is ensured to all the law of the land. Measures for Rehabilitation and Resettlement of project affected persons take special care in addressing the needs of marginalized groups of individuals based on gender, caste, physical disability etc. Also, impact assessment studies are also carried out in these areas afterwards. Our CSR Activities also focus on community development in under developed areas.

To promote fair and equitable employment relationship, a scheme for Grievance Redressal of employees is also in place which ensures a time bound redressal of grievances. Internal Complaints Committees (ICCs) have been constituted under the Sexual Harassment of Women at Workplace (Prevention, Prohibition and Redressal) Act, 2013 to redress complaints received regarding sexual harassment.

POWERGRID also got certified to Social Accountability standard SA-8000 for its human resource and labour management policies and practices. Vendors /Suppliers / contractors are required to comply with the provisions of the labour laws/ Human rights etc through stipulations in the conditions of contract. As per the Contract agreement, contractors are prohibited from subjecting their workers to any child, forced or compulsory labour. All contractors are required to comply with various compensation and regulatory acts. All suppliers to POWERGRID have to confirm to General Conditions of Contract and SA 8000 clauses. POWERGRID takes declaration regarding Social Accountability from the bidders/contractors for compliance of all requirements of Social Accountability Standards i.e., SA8000 (latest Standard available at www.sa-intl.org), this declaration forms part of Contract Documents. Provision of penalties for non-adherence of the same are also included in the contract conditions.

POWERGRID promotes awareness of the importance of respecting Human Rights within its value chain and discourage instances of abuse. Besides conducting technical and behavioral trainings, the training on Human Rights issues to sensitize people towards women, the differently-abled and the socially weaker sections of the society have also been imparted.

2. How many stakeholder complaints have been received in the past financial year and what percent was satisfactorily resolved by the management?

No complaint was received regarding human rights violation during the reporting period (2020-21).

Principle 6 - Business should respect, protect, and make efforts to restore the environment

1. Does the policy related to Principle 6 cover only the company or extends to the Group/Joint Ventures/Suppliers/Contractors/NGOs/others.

The Environmental and Social Policy & Procedures (**ESPP**) of POWERGRID encompass the company, its Joint Venture, subsidiaries in general and relative aspects pertaining to Vendors/ Suppliers/Contractors through contract condition.

2. Does the company have strategies/initiatives to address global environmental issues such as climate change, global warming, etc.? Y/N. If yes, please give hyperlink for webpage etc.

Yes, Company has taken various initiatives for mitigating climate change to fulfil its commitment towards the goal of sustainable development and to meet the Gol's Nationally Determined Target (NDC) under Paris agreement. Some major initiatives in this regard are;

- POWERGRID has successfully achieved the goal of reducing involvement of forest, an important natural resource by more than 60% since 1998 by adopting modern techniques such as GIS, GPS and Remote Sensing based route optimization. This significant reduction in forest involvement as well as providing fund for compensatory afforestation over double the area diverted helping in maintaining/enhancing India's carbon sink commitment under NDC target;
- Towards fulfilment of Gol's target of 175 GW RE Capacity by December, 2022, POWERGRID is playing a pivotal role for grid integration of various Renewable Energy Zones (66.5 GW) in the country through implementation of high-capacity Green Energy Corridors (GEC);
- To further reduce our carbon footprint and make our operation more climate resilient, POWERGRID has been installing solar street lighting and Solar PV Systems in its substation premises and office establishments. It has already installed about 6 MWp Rooftop Solar PV systems covering more than 65 locations, which are cumulatively generating about 8 million units of electricity annually, thereby reducing CO2 emission of approx. 8000 MT per year. Further, process for establishment of additional 5 MWp Rooftop Solar PV systems is in progress;
- In line with Gol E- Mobility mission towards lowering vehicular emission and to ensure energy sustainability, POWERGRID has been deploying e-vehicles and e-cart for day-to-day official transportation/in substation premises. POWERGRID is also developing Electric Vehicle (EV) Charging Stations across India to facilitate E-mobility solutions in road transport covering 2-Wheelers, Rickshaws/Autos, Taxis, Cars, Buses etc.

3. Does the company identify and assess potential environmental risks? Y/N

Yes. A detailed Risk Assessment and Management procedure is in place to identify and assess potential environmental and social, risks, as part of overall project analysis. The POWERGRID's ESPP which is based on the principles of Avoidance, Minimization and Mitigation outlines POWERGRID's approach and commitment to deal with environmental and social risk/ issues and lays out management procedures and protocols to mitigate the same. It provides a framework for identification, assessment, and management of environmental and social concerns at both organizational and project level. ESPP framework includes procedures for: (a) Screening and Identification of Risks (from environmental receptors, social receptors and other stakeholders); (b) avoidance of risks (including criteria and procedures for alternative routing); (c) mitigation of risk through impact management, implementation of Good International Industry Practices (GIIP), adequate compensation to affected stakeholders, public consultation and disclosure, and grievance redress; (d) monitoring, reporting, evaluation, feedback, management review and corrective action; and (e) responsibility and resource allocation including an organization structure for management of social and environmental risks.

POWERGRID is accredited with a Publicly Available Specification, PAS 99:2012 based Integrated Management System (IMS) that includes ISO 9001:2015 (Quality Management System), ISO 14001:2015 (Environment Management System) and OHSAS 18001:2007 (Occupational Health & Safety Management System).

4. Does the company have any project related to Clean Development Mechanism? If so, provide details thereof, in about 50 words or so. Also, if Yes, whether any environmental compliance report is filed?

No.



5. Has the company undertaken any other initiatives on - clean technology, energy efficiency, renewable energy, etc. Y/N. If yes, please give hyperlink for web page etc.

Yes. POWERGRID continues to undertake initiatives on Energy Efficiency which includes energy audits of various industries/ institutions/transmission & distribution companies/ water management systems of canals & irrigation departments/ other commercial establishments/ third party consultancy for base-lining work/ Investment Grade Energy Audit reports for municipalities across India, etc. which is a basic need for implementation of Energy Efficiency solutions / Energy Service Company (ESCO) projects. We are also a BEE certified ESCO for undertaking implementation of energy efficiency projects. To facilitate implementation, POWERGRID has signed MoUs with Govt. agencies such as UPPCL, EMC Kerala, IIT Roorkee and NIT Warangal for undertaking consultancy & investment in Energy Efficiency Projects.

POWERGRID has implemented Green Energy Corridors (GEC) - Inter-State Transmission System (ISTS) at 765 kV & 400 kV level as well as its control infrastructure comprising forecasting of renewable generation, dynamic compensation, establishment of Renewable Energy Management centres (REMC) at SLDCs/RLDCs/NLDC level, etc. POWERGRID has also evolved a comprehensive transmission scheme for grid integration of various Renewable Energy Zones (66.5 GW) in the country.

For further detail, Sections on 'Energy Management' and 'Integration of Renewable Energy' under the Directors' Report may be referred.

6. Are the Emissions/Waste generated by the company within the permissible limits given by CPCB/SPCB for the financial year being reported?

Since power transmission projects do not involve any chemical process no direct emission/waste are released to environment. The only emission that can be attributed to our activities is from operation of DG sets used intermittently as power backup. However, regular maintenance of DG sets ensured containment of emission levels well within the permissible limits prescribed by Pollution Control Board.

In the **FY 2020-21**, land secured for all substations are either barren govt. land or private land purchase at mutually consented rate voluntarily on "Willing Buyer Willing Seller basis". Thus, **no R & R issues were involved**.

7. Number of show cause/ legal notices received from CPCB/SPCB which are pending (i.e. not resolved to satisfaction) as on end of Financial Year.

NIL [POWERGRID did not receive any show cause/ legal notice from CPCB/SPCB.]

Principle 7 - Businesses, when engaged in influencing public and regulatory policy, should do so in a responsible manner.

1. Is your company a member of any trade and chamber or association? If Yes, Name only those major ones that your business deals with:

POWERGRID is a member of various industry bodies including the following:

- i. Federation of Indian Chambers of Commerce and Industry (FICCI)
- ii. Confederation of Indian Industry (CII)
- iii. CII PSE Council
- iv. The Associated Chambers of Commerce & Industry of India (ASSOCHAM)
- v. PHD Chamber of Commerce & Industry (PHDCCI)
- vi. Central Board of Irrigation & Power (CBIP)
- vii. WEC India (formerly known as World Energy Council- India Member Committee)
- viii. Indian Institute of Plant Engineers (IIPE)
- ix. Infrastructure Industry and Logistics Federation of India (ILFI)
- x. India Infrastructure Forum (IIF)

2. Have you advocated/lobbied through above associations for the advancement or improvement of public good? Yes/No; if yes specify the broad areas. (dropbox: Governance and Administration, Economic Reforms, Inclusive Development Policies, Energy security, Water, Food Security, Sustainable Business Principles, Others)

POWERGRID participates through associations in (1) above on the issues and policy matters that impact the interest of our stakeholders.

Keeping in view the significant interest of POWERGRID in the Transmission sector, a separate Regulatory cell is in place to undertake POWERGRID's endeavor of a pro-active approach as part of policy advocacy with the stakeholders and CERC. Wherever felt necessary, we give our comments on various approach papers, consultation papers, draft regulations etc. issued by CERC/ TRAI/other authorities. Besides, POWERGRID also gives its comments in the field of Governance & Administration, Economic Reforms, Inclusive Development Policies, Energy security, Water, Sustainable Business Principles etc., as and when sought by Gol. We have also made significant contribution in designing/planning eco-friendly measures to mitigate impacts of transmission line on wildlife as a member of Task force constituted by MoEF & CC.

Principle 8- Businesses should support inclusive growth and equitable development

1. Does the company have specified programmes/initiatives/projects in pursuit of the policy related to Principle 8? If yes details thereof.

By the very nature of our business and as the Central Transmission Utility, we touch millions of lives every day and understand that real success is the result of inclusive development of the involved entities and stakeholders. We support the principles of inclusive growth and equitable development through Corporate Social Responsibility (CSR) initiatives as well as through our core business.

Our commitment towards Social Responsibility (Labour, Employees, Communities, Employee's families) is amply reflected in our already adopted Integrated Management Policy, Environmental and Social Policy & Procedures (ESPP), Corporate Objectives, OSHAS-18001 and Social Accountability SA 8000. Corporate Social Responsibility is primarily to showcase our abiding commitment and concern to pay back to the society and environment for the benefits reaped so far. CSR has always been an integral part of our vision and the cornerstone of Core Values of Good Corporate Citizenship. We are committed towards taking responsibility for its impact, though very minimal in nature, on society and being accountable to the inhabitants of mother nature. We emphasize on overall socio-economic development of areas and communities around our operations through various community development programmes, initiatives such as Livelihood generation, Skill development, Healthcare, Education, Plantation, sanitation, drinking water, roads, drainage system, community centres, development and conservation of water bodies, etc.

2. Are the programmes/projects undertaken through in-house team/own foundation/external NGO/government structures/any other organization?

The programs / projects are undertaken by in-house teams as well as through Govt./ Semi Govt. agencies/agencies of International and National repute, etc.

3. Have you done any impact assessment of your initiative?

Yes. Impact Assessment have been carried out inter alia to understand/evaluate the community development activities undertaken, the benefits accrued to communities; and to gain insights for formulating & improving the community development activities in future. For projects below ₹ 3 crore, impact assessment had been undertaken by POWERGRID internally. For larger projects above ₹ 3 Crore, Impact Assessment was to be carried out by engaging external agencies, for which necessary action was being taken by POWERGRID. Now, in line with Companies (Corporate Social Responsibility Policy) Amendment Rules, 2021, Impact Assessment of projects valuing ₹ 1 Crore or more has to be carried out by engaging an independent agency. POWERGRID is taking necessary action for engaging independent agencies for Impact Assessment.

Impact Assessment Study of the Rehabilitation Action Plan (RAP) implementation is carried out after RAP implementation to ascertain whether the intended benefits and other objectives of the RAP have been achieved. Such assessment is carried out by independent agencies & measures to mitigate any shortcoming during such Impact Assessment are incorporated in the next implementation to avoid its reoccurrence. During the year, one such study for Ballia substation has been carried out and the report is disclosed/available on following link:

<https://apps.powergrid.in/esm-documents/resettlement-and-rehabilitation.aspx>

4. What is your company's direct contribution to community development projects- Amount in INR and the details of the projects undertaken?

An amount of ₹ 240.48 Crore has been incurred and a total of 119 number of projects worth about ₹ 179.48 Crore have been sanctioned under CSR activities during the FY 2020-21. In addition, community development works were also undertaken for the overall improvement of surrounding villages and community. Based on social assessment outcome, we implement



need-based development works like supply and installation of Solar Street lights, Water supply hand pumps, water filtration plants, Water ATMs, construction of roads, community centers in villages, class rooms, toilets, schools' furniture, water supply arrangements in different schools, supply of dustbins & Cleaning equipment etc. in association with local authorities.

5. Have you taken steps to ensure that this community development initiative is successfully adopted by the community? Please explain in 50 words, or so.

The communities intended to be benefitted are consulted and closely involved in the process of identifying, planning and implementation of the CSR activities. Wherever possible, the local authorities and specialized agencies are similarly consulted and involved. During implementation and just before handing over of facility, regular awareness programs are organized with the help of local bodies, etc. to inculcate ownership of facility.

Principle 9- Businesses should engage with and provide value to their customers and consumers in a responsible manner

1. What percentage of customer complaints/consumer cases are pending as on the end of financial year.

NIL

2. Does the company display product information on the product label, over and above what is mandated as per local laws? Yes/No/N.A. /Remarks (additional information)

Not Applicable.

3. Is there any case filed by any stakeholder against the company regarding unfair trade practices, irresponsible advertising and/or anti-competitive behaviour during the last five years and pending as on end of financial year. If so, provide details thereof, in about 50 words or so.

No

4. Did your company carry out any consumer survey/consumer satisfaction trends?

We engage with our customers on an ongoing basis and generally hold meetings on a regular basis. The objective of said meetings inter alia includes identification of process improvement areas, understanding concerns / expectations of customers. Based on feedback, company takes measures for system improvement, wherever required.

For and on behalf of the Board of Directors

(K. Sreekant)

Chairman & Managing Director

DIN: 06615674

Date: 26th August, 2021

Place: New Delhi

ANNEXURE - III TO THE DIRECTORS' REPORT**1. Particulars required under Rule 8 (3) of the Companies (Accounts) Rules, 2014 read with Section 134 (3) (m) of the Companies Act, 2013.****A. CONSERVATION OF ENERGY****(a) Energy conservation measures taken and on hand:**

It has been the endeavour of POWERGRID to make all out efforts for conservation of energy in all its projects - right from the planning stage, to the execution stage and throughout the O&M period. Before finalizing the transmission schemes, various alternatives/ technologies for power transfer are examined and one of the major criteria for selection of transmission system/ technology is lower losses. In fact, POWERGRID has adopted higher voltage levels like 765kV AC, ± 500 kV HVDC, ± 800 kV HVDC in its transmission systems for bulk power transfer across various regions which result in lower losses in the system. 1200kV AC system is also being considered for bulk power transmission which is under field trial stage now.

At design stage of the transmission system, optimization of various parameters is done so that losses in the transmission system are optimized. The conductors are selected after detailed optimization studies which consider reduction of line losses as one of the primary criteria. The bus bar materials and the clamps and connectors are chosen after meeting stringent international requirements so that losses are optimized. In case of Transformer & Shunt reactor packages, limit on losses has been specified for manufacturers so that they adopt best manufacturing practices. In case of HVDC system also, the selection of parameters of filter components, Thyristor Valves, IGBT Valves, Converter Transformer, Interface transformer, smoothing/phase reactor etc. is done in such a way that overall losses are minimized even under various system operating condition. Further, in case of transmission hardware, the material with lower losses is specified. Parameters and types of various other equipment are also chosen in a manner that the losses are optimized. Thus, energy conservation measures are taken by POWERGRID at every step so as to develop an efficient and low-loss transmission network.

POWERGRID has also established a dedicated Energy Management Department to make inroads into the conservation of energy and reduction of carbon emission in industrial and commercial sectors. POWERGRID is also a Bureau of Energy Efficiency (BEE) Grade-I Energy Service Company (ESCO) for investing/implementing energy efficiency projects and has a large pool of certified energy auditors/energy managers who are well qualified to offer energy efficiency solutions. POWERGRID is pursuing business opportunities in energy saving by way of conducting energy audits and implementation of Energy Efficiency & Sustainable development projects in various Government as well as private agencies, e.g. industries, institutions, commercial establishments, State Transmission Utilities etc.

POWERGRID has also undertaken installation of LED lights and solar energy based street lamps for illumination of substation premises which has helped to conserve electricity in our substation premises.

(b) Additional investment and proposals, if any, being implemented for reduction of consumption of Energy:

As stated above, POWERGRID undertakes energy conservation measures by means of reduction of losses in its transmission schemes right from planning to execution stage.

B. RESEARCH AND DEVELOPMENT

It has been POWERGRID's endeavour to pursue research and development activities for new technologies in the field of power transmission system to remain at par with international utilities. POWERGRID by virtue of its research initiatives is a part of International bodies like CIGRE, IEC etc. for various technologies and is contributing significantly in its International standardization efforts. Also, realizing the need for conservation of Right-of-Way and future requirement of development of high capacity transmission system to meet the future power requirement, POWERGRID is actively pursuing seamless integration of new and efficient technologies in Indian power Grid to create environment-friendly transmission system. POWERGRID has accorded special emphasis on adoption of new technologies available around the globe for improving the quality of power supply, reduction of losses, optimum utilization of the available transmission assets, conservation of environment and optimizing upon the cost of delivered power. The company is working in collaboration with International/ National research/academic institutions; manufacturers etc. and is thus enhancing its in-house capabilities for design and engineering of State-of-the-Art transmission systems.



POWERGRID Advanced Research and Technology Centre (PARTeC)

POWERGRID has established world class laboratories and test setup at Manesar, Gurugram for carrying out research and development in power transmission area. The facility is equipped with state-of-the-art laboratories for Power system analysis including the largest Real Time Simulator in India, Protection, Automation and Control, Wide Area Measurement System, Equipment Testing, Diagnostics and Calibration, and Material Science. This flagship facility of company is collaborating with Academic and Research Institutions and Manufacturers in India and abroad in the areas of power transmission research, analysis, testing and calibration. PARTeC has been recognised as a Research & Test infrastructure facility by the International Smart Grid Action Network (ISGAN) for areas of research related to IEC 61850 process bus based full digital substation, hardware in loop studies with real time simulation, wide area monitoring, protection & analytics, cyber security studies and vulnerability assessment in IEC 61850 environment.”

TECHNOLOGY DEVELOPMENT

POWERGRID adopts and encourages the Research and Development activities in pursuit of technological excellence in power transmission. Notable among them are the prestigious 1200kV Ultra High Voltage AC development project and Digital Substation projects.

Specific areas in which R&D has been carried out by the company and benefits derived thereby are given below:

Completed Projects:

1. ± 800 kV, 6000 MW Raigarh Pugalur HVDC project, Bipole -1 (2x 1500 MW) along with complete transmission line along with DMR was successfully commissioned and is under commercial operation.
2. ± 320 kV, Symmetric Monopole 2 (1X1000 MW) of Pugalur Trichur VSC HVDC link along with complete transmission link (Overhead line and Underground Cable) was successfully commissioned and is under commercial operation.
3. Total 16 no. of towers & 7 no. of pole structures for various voltage levels viz. 132kV , 220kV, ± 320 kV HVDC, 400kV and 765kV have been tested successfully during 2019-20.
4. Development of Indigenous vendors for 800kV Converter Transformers, 765kV Transformers, Reactors, GIS upto 765kV, SVC & STATCOM, 765kV Isolators & Surge Arrestors, Circuit Breaker, Current Transformer and Wave Trap, AC & DC Capacitors, Thyristor Valves, IGBT Valves.
5. Spare phase switching arrangement has been adopted for 765kV transformers and reactors to minimize outage / shut down period.
6. Implementation of Controlled Switching schemes of circuit breakers for 400 & 765kV Transformers and Reactors.
7. POWERGRID has successfully commissioned Static VAR Compensators at 3 locations and STATCOM at 14 locations on all India Grid.
8. Reconductoring of 1 no. 400kV D/c line with high temperature endurance conductor to enhance the power transfer capacity by more than 2 times were completed during last year.
9. Completed design, engineering and testing of 800kV Resin Impregnated Paper bushings for introduction into POWERGRID fleet of 765kV Transformers and Reactors.
10. Successfully developed software tool completely in-house for centralized real time monitoring of transformer and reactors by integrating the sensors installed in the transformers and reactors for Dissolved Gas Analysis and the tools are currently in operation at NTAMC and RTAMCs.
11. Pollution mapping: In association with Southern, Eastern and Northern Regional Power Committees and the constituent STU's, successfully carried out pollution mapping activity of these regions and generated pollution maps.
12. Introduced 33kV mobile capacitor banks for utilization at distribution level for state utilities and evaluated its effect on distribution system of Haryana.
13. Towards condition assessment of the transformers and reactors in a more efficient way, developed a software tool, the POWERGRID Asset Life Management System (PALMS) completely in-house for assessing their condition and rank the health. This has enabled the asset managers to take timely decision on repair, refurbishment or replacement of assets and at later date it shall also be used for Residual Life Assessment.
14. Successfully commissioned India's first indigenously developed 400kV Optical Current Transformer along with Digital Substation components (IEDs and SCADA) at 400/220kV Bhiwadi Substation.

15. Commissioned, first in the World, a full digital substation (including Bus Bar protection) with IEC 61850 Process Bus based Protection Automation and Control system, utilising the state-of-the art technology based on Industry 4.0, which has been successfully demonstrated by retrofitting of conventional control and protection system at 400/220kV Malerkotla substation. The implementation provides lot of flexibility in engineering, paves the way for faster commissioning, reduced downtime, enhanced diagnostics and ease in trouble shooting during asset management.
16. Developed, completely in-house, a simulation software for Electric and Magnetic Field (2D) analysis, which is being used for analysis of field strength beneath power transmission lines traversing through different terrains and geographies apart from the design validation in power transmission lines.
17. POWERGRID has implemented 1 MW, 500 kWh grid scale Battery Energy Storage System based on two different technologies Advanced Lead Acid and Lithium Iron Phosphate at Puducherry. The system is tested for applications like frequency regulation , energy time shift , voltage/reactive power support , load following , Peak shaving, Renewable energy capacity firming and renewable energy time shift. Based on the experience gained from the project, implementation of large scale battery energy storage system in future may be taken up.
18. POWERGRID has adopted Online Drawing review and Engineering approval management system (DREAMS) on 01.01.2020 which facilitates On-line submission of Engineering Drawings/ documents by vendors and subsequent On-line review, comments and approval by POWERGRID Engineering. This has resulted in instant availability of approved drawings/ documents to vendors and POWERGRID site team. During the tough time of COVID-19, when the physical movement of persons and submission of Drawings/ Documents are restricted, this system facilitates hassle free and contact less POWERGRID Engineering approvals. This is also a step towards paperless office.

Ongoing projects

1. Re-conductoring of following lines with high temperature endurance conductor to enhance the capacity of the transmission corridor by about two times:
 - Maithon – Maithon-RB 400kV D/c

To control increasing short circuit current levels in the network, application of series reactors as fault current limiters in the Grid is being taken up. Series bus reactor at Bhiwani and 2 no. series line reactor at Kanpur (Old) end of Kanpur (New) - Kanpur (Old) 400kV D/c line is under implementation.
2. 500 MVAR TCR (Thyristor Controlled Reactor) at Kurukshetra, a self-regulating device for Reactive VAR absorption is under implementation.
3. Upgradation work of DC Controls and Valves and Valve Cooling system for 2x250 MW Vindhyachal HVDC Back to Back station is under progress.
4. Upgradation work of DC Controls and Valve Cooling system for ± 500 kV 2x750 MW Rihand Dadri HVDC is under progress.
5. Commissioning activities of ± 800 kV, 6000 MW Raigarh Pugalur HVDC project, Bipole -2 (2x 1500 MW) is under progress.
6. Commissioning activities of ± 320 kV, Symmetric Monopole 1 (1X1000 MW) of Pugalur Trichur VSC HVDC is under progress.
7. Green Energy Corridors: In order to facilitate integration of RE capacity into the grid, your Company has evolved comprehensive Green Energy Corridors comprising ISTS and Intra-State Transmission System, Renewable Energy Management Centres (REMCs) in various SLDCs/ RLDCs/ NLDC and transmission system for Ultra Mega Solar Power Parks (UMSPP). Further, to facilitate integration of 175GW renewable capacity as per Gol target by 2022, your Company has evolved transmission plan for 66.5GW potential renewable energy zone (50GW Solar, 16.5GW wind). Due to short gestation period of renewable generation projects, implementation activities are being taken up in a phased manner. – input may be taken from CTU.
8. Renewable Energy Management Centres: To enable forecasting of renewable resources and efficient management of intermittent renewable generation, the Company, on behalf of Govt. of India, has already established 11 nos. of dedicated Renewable Energy Management Centres co-located at the renewable rich State Load Despatch Centres such as Rajasthan, Madhya Pradesh, Gujarat, Maharashtra, Karnataka, Tamil Nadu, Andhra Pradesh as well as respective Regional Load Despatch Centres in Northern Region, Western Region, Southern Region and National Load Despatch Centre. These centre are equipped with forecasting tools, renewable energy scheduling tools as well as real time monitoring of renewable resources. In addition, 2 more REMCs, one at Telangana and other at South Andaman are under implementation.
9. In its journey towards using green power, POWERGRID has already installed about 6 MWp rooftop solar PV systems in its various premises. This initiative is further extended to add another 5MWp across 67 locations spread over the country under RESCO model.



10. POWERGRID has established E-Taxi/Car charging station for Public and Captive use. These EV charging stations are operating at Ahmedabad, Bengaluru, Delhi, Faridabad, Gurugram, Hyderabad, Kochi, Kozhikode, Jammu and Manesar. POWERGRID is also establishing 11 no. of EV charging station at Shillong with the support from FAME India Scheme Phase II. The EV charging stations are managed/monitored/ operated by POWERev Mobile/Web Application, which is also facilitating online payment collection.
11. Engineering Data Integration on GIS Platform.
12. Geographic information system tools - POWERGRID is utilizing geographic information systems (GIS) tools for mapping its transmission assets. This has helped us to prepare effective mitigation strategies in case of any disaster especially during cyclones in coastal regions. This has also helped in for route alignment during planning of new transmission lines.
13. Development of indigenous 765kV clamps, connectors and insulator string hardware.
14. Spare phase switching arrangement is being adopted for 765kV transformers and reactors to minimize outage / shut down period.
15. Implementation of smart grid technology in power system is being carried out through installation of phasor measurement units (PMU) on EHV substations in pan India basis integrated with control centres for Wide Area Measurements and real time monitoring of grid parameters.
16. POWERGRID has successfully implemented Six pilot projects in the field of state-of-the-art Smart Grid technology in distribution area covering distribution infrastructure, advanced metering infrastructure, intelligent outage management system, electric vehicle charging stations management, distributed generation, net metering etc. Presently providing consultancy towards distribution system strengthening & underground cabling work under Smart city Gurgaon project.

Technology Absorption:

1. For route selection, length optimisation and estimation of BOQ for transmission lines, POWERGRID has employed modern Survey techniques.
2. Substation Automation with IEC 61850 protocol is being adopted for all new Substations of POWERGRID. This would result in savings in operational cost and increased operational and maintenance efficiency.
3. As a step towards National grid, 765kV AC Double circuit and ± 500 kV LCC HVDC, ± 800 kV LCC HVDC with DMR configuration and ± 320 kV VSC HVDC system along with underground HVDC cable (XLPE) technology has been implemented in our country.
4. In certain areas, compact towers like pole towers, delta configuration towers and narrow based towers which reduce the space occupied by the tower base, are being used. Also tall towers and multi-circuit towers are being used for conservation of scarce right-of-way.
5. POWERGRID has adopted Multi-pole HVDC line configuration instead of two separate bipole lines for the ± 320 kV HVDC Pugalur-N. Trichur transmission line, thereby significantly reducing the ROW requirement. The transmission line is the country's 1st Multi-pole HVDC transmission line.
6. Special insulators like polymer composite insulators have been adopted in transmission lines in polluted areas.
7. Use of Transmission Line Arrestors (TLAs) has been adopted in areas which are highly prone to lightning like North Bengal and parts of North Eastern Region. This has helped to considerably reduce trippings on account of lightning in these transmission lines.
8. High temperature low sag conductors have been adopted for increasing the transfer capacity of transmission corridors.
9. GIS/Hybrid GIS technology at 400kV and 765kV level has been adopted in substations where space constraints exist.
10. Multi-level beams have been used in GIS and AIS substations with multi-ckt. lines to optimize line corridor areas near substation.
11. On line transformer monitoring techniques are being used for monitoring of critical parameters of power transformers.
12. Dynamic compensation in the form of SVCs and STATCOMs are being implemented for dynamic control of reactive power in order to maintain the voltage and improve the stability of the grid.
13. For controlling short circuit current in the system, fault current limiters have been planned in the Grid.
14. For Voltage Control at Kurukshetra, 500MVar TCR is under implementation.

C. CONSERVATION OF LAND AND ENVIRONMENTAL CONCERNS:

POWERGRID is a firm believer in the concept of sustainable business practices and for us the concept of sustainability is not limited to financial success only, but it also includes environmental prudence, social welfare and best safety practices in all our activities. Our journey towards sustainability took a robust turn, when we evolved and disclosed our comprehensive corporate policy i.e. “Environmental and Social Policy & Procedures (ESPP)” based on the principles of Avoidance, Minimization and Mitigation. Being a dynamic document, it was subsequently updated in the year 2005 and 2009, in order to ensure its vitality to address the emerging challenges on the front of ever evolving regulatory frameworks, expectations of the multilateral funding agencies and other stakeholders. As an environmentally conscious company, we go beyond the mandate of law and undertakes detailed Environmental & Social Assessment of its projects in line with provisions of ESPP.

The recognition of our ESPP by two leading multilateral agencies of the world, i.e. The World Bank and The Asian Development Bank in 2009 and 2017 under their policies of Use of Country System (UCS) and Country Safeguard System (CSS) respectively, a unique achievement available to your company only. It is also a solid testimony of our concerted efforts and acquisition of required skills in successful implementation of transmission projects in a sustainable manner including proper due diligence on Environmental & Social (E & S) issues.

The process of E & S due diligence starts right from the stage of preliminary survey for transmission lines, i.e. much before the start of actual construction. All possible efforts are made to avoid environmentally and socially sensitive areas such as forest, wildlife, populated areas, historical/archaeological sites etc. while routing the transmission lines. Forest involvement being the prime environmental impact associated with transmission lines, special emphasis is provided to its avoidance. It is heartening to inform that your company has successfully achieved this goal of reducing involvement of forest, an important natural resource by more than 60% since 1998 by adopting modern techniques such as GIS, GPS and Remote Sensing based route optimization. However, total avoidance in all projects couldn't be achieved due to peculiarity of terrain and geographical constrains. In such cases, prior clearance is obtained from Govt of India, under the provisions of Forest (Conservation) Act, 1980. During the FY 2020-21, Stage-I forest clearances were obtained for 419.88 ha. of forest involving 20 transmission lines. Similarly, Stage-II (final) forest clearances were obtained for 1659.69 ha. of forest involving 25 transmission lines.

To minimize adverse social impact, your company's endeavor is to secure barren government land as its first choice, even if its location is bit remote. In case of private land, if no government land is available in the vicinity, attempts are always concentrated on selecting single crop land and multi crop irrigated lands are invariably not selected. As a matter of good practice and to ensure mutually beneficial stakeholder relation, your company has abandoned the practice of involuntary land acquisition. POWERGRID is securing land for most of substations through consent of landowners on mutually agreed rate on “Willing Buyer Willing Seller” basis either directly from landowners or based on policies of respective State Governments framed under relevant provisions of “The Right to Fair Compensation and Transparency in Land Acquisition, Rehabilitation and Resettlement (RFCTLARR) Act, 2013”. These pro-people initiatives have not only strengthened our standing among local community /affected population but also ensured hassle free securing of land without a single reference to court. During FY 2020-21, your company has secured 63.36 ha. land for Simbhawali, Rampur GIS & Khetri substations.

Right of Way (RoW) problems have emerged as a major stumbling block in smooth execution of transmission projects. POWERGRID leverages modern technology in the form of development and use of modern & innovative tower design such as multi-circuit towers, compact towers and pole type towers to reduce RoW requirements for its transmission lines. Besides, careful planning of line route before project execution to avoid socially sensitive areas also helped in overcoming this problem. Moreover, release of land compensation towards damages in respect to Right of Way including diminishing land value in accordance to Ministry of Power (MoP) guidelines has revolutionary impact and paved the way for actual inclusive growth through enhanced compensation to farmers/land owners and timely commissioning of projects due to reduced resistance.

Climate change has emerged as a major threat to humanity and life on Earth. To address this, all sections of the society including the corporate world have to come together and play their part. Recognizing the importance of solar power in combating Climate change and in-line with Govt's commitment towards Paris Agreement, POWERGRID has been installing Solar street lighting and Solar PV Systems in its substation premises and office establishments. It has already installed about 6 MWp Rooftop Solar PV systems covering more than 65 locations, which are cumulatively generating about 8 million units of electricity annually, thereby reducing CO₂ emission of approx. 8000 MT per year. Further, process for establishment of additional 5 MWp Rooftop Solar PV systems is in progress. Your company is also playing a pivotal role in developing high capacity transmission corridors for evacuation of renewable energy generated at different places of country.



Another significant step taken during 2020-21 is inclusion of sustainability initiatives/ projects in Institutional Performance Agreement (IPA) with Regions/Projects as an incentive to promote sustainability management across company. Some major initiatives included in IPA are installation of solar PV/panels and composting machine for bio-degradable waste in RHQ and substation, introduction of E-cart/Golf cart in substation premise to replace existing petrol/diesel vehicle etc.

D. FOREIGN EXCHANGE EARNINGS AND OUTGO:

(₹ in Crore)

A. Actual foreign exchange outgo on account of:		
1.	Capital Goods & Spare Parts	671.71
2.	Interest	833.26
3.	Others	24.30
Total		1529.27

B. Actual foreign exchange earned towards		
1.	Professional & consultancy fee	16.30
Total		16.30

For and on Behalf of Board of Directors

(K. Sreekant)

Chairman & Managing Director

DIN: 06615674

Date: 26th August, 2021

Place: New Delhi

ANNEXURE - IV TO THE DIRECTORS' REPORT**COMMENTS OF THE COMPTROLLER AND AUDITOR GENERAL OF INDIA UNDER SECTION 143(6)(b) OF THE COMPANIES ACT, 2013 ON THE FINANCIAL STATEMENTS OF POWER GRID CORPORATION OF INDIA LIMITED FOR THE YEAR ENDED 31 MARCH 2021**

The preparation of financial statements of Power Grid Corporation of India Limited for the year ended 31 March 2021 in accordance with the financial reporting framework prescribed under the Companies Act, 2013 (Act) is the responsibility of the management of the company. The statutory auditors appointed by the Comptroller and Auditor General of India under section 139 (5) of the Act are responsible for expressing opinion on the financial statements under section 143 of the Act based on independent audit in accordance with the standards on auditing prescribed under section 143 (10) of the Act. This is stated to have been done by them vide their Audit Report dated 17 June 2021.

I, on behalf of the Comptroller and Auditor General of India, have conducted a supplementary audit of the financial statements of Power Grid Corporation of India Limited for the year ended 31 March 2021 under Section 143 (6) (a) of the Act. This supplementary audit has been carried out independently without access to the working papers of the statutory auditors and is limited primarily to inquiries of the statutory auditors and company personnel and a selective examination of some of the accounting records.

On the basis of my supplementary audit nothing significant has come to my knowledge which would give rise to any comment upon or supplement to statutory auditors' report under section 143 (6) (b) of the Act.

For and on behalf of the
Comptroller & Auditor General of India


(D.K. Sekar)

Director General of Audit (Energy),
Delhi

Place: New Delhi
Dated: 27.08.2021



COMMENTS OF THE COMPTROLLER AND AUDITOR GENERAL OF INDIA UNDER SECTION 143 (6) (b) READ WITH SECTION 129 (4) OF THE COMPANIES ACT, 2013 ON THE CONSOLIDATED FINANCIAL STATEMENTS OF POWER GRID CORPORATION OF INDIA LIMITED FOR THE YEAR ENDED 31 MARCH 2021

The preparation of consolidated financial statements of Power Grid Corporation of India Limited for the year ended 31 March 2021 in accordance with the financial reporting framework prescribed under the Companies Act, 2013 (Act) is the responsibility of the management of the company. The statutory auditors appointed by the Comptroller and Auditor General of India under section 139 (5) read with section 129 (4) of the Act are responsible for expressing opinion on the financial statements under section 143 read with section 129 (4) of the Act based on independent audit in accordance with the standards on auditing prescribed under section 143(10) of the Act. This is stated to have been done by them vide their Audit Report dated 17 June 2021.

I, on behalf of the Comptroller and Auditor General of India, have conducted a supplementary audit of the consolidated financial statements of Power Grid Corporation of India Limited for the year ended 31 March 2021 under section 143(6) (a) read with section 129(4) of the Act. We conducted a supplementary audit of the financial statements of entities listed in Annexure A but did not conduct supplementary audit of the financial statements of subsidiaries, associate companies and jointly controlled entities listed in Annexure B for the year ended on that date. Further, section 139 (5) and 143 (6) (a) of the Act are not applicable to Powerlinks Transmission Limited, Torrent Power Grid Limited, Jaypee Powergrid Limited, Parbati Koldam Transmission Company Limited and Teestavalley Power Transmission Limited being private entities and Power Transmission Company Nepal Limited being incorporated in foreign countries under the respective laws, for appointment of their Statutory Auditor and for conduct of supplementary audit. Accordingly, Comptroller and Auditor General of India has neither appointed the Statutory Auditors nor conducted the supplementary audit of these companies. Thus supplementary audit has been carried out independently without access to the working papers of the statutory auditors and is limited primarily to inquiries of the statutory auditors and company personnel and a selective examination of some of the accounting records.

On the basis of my supplementary audit nothing significant has come to my knowledge which would give rise to any comment upon or supplement to statutory auditors' report under section 143(6) (b) of the Act.

For and on behalf of the
Comptroller & Auditor General of India


(D.K. Sekar)

Director General of Audit (Energy),
Delhi

Place: New Delhi
Dated: 27 August 2021

Annexure A**List of Entities whose financial statements were audited by the Comptroller and Auditor General of India**

1. Power Grid Corporation of India Limited,
2. Powergrid Kala Amb Transmission Limited,
3. Powergrid Parli Transmission Limited,
4. Powergrid Warora Transmission Limited,
5. Powergrid Jabalpur Transmission Limited,
6. Powergrid Southern Interconnector Transmission System Limited,
7. Powergrid Medinipur Jeerat Transmission Limited,
8. Powergrid Mithilanchal Transmission Limited,
9. Powergrid Varanasi Transmission System Limited
10. North East Transmission Company Limited

Annexure B**List of Subsidiaries, Associate Companies and Jointly Controlled Entities whose financial statements were not audited by the Comptroller and Auditor General of India****A. Subsidiaries incorporated in India:**

1. Powergrid NM Transmission Limited
2. Powergrid Vizag Transmission Limited
3. Powergrid Unchahar Transmission Limited
4. Powergrid Vemagiri Transmission Limited
5. Powergrid Jawaharpur Firozabad Transmission Limited
6. Powergrid Khetri Transmission System Limited
7. Powergrid Bhuj Transmission Limited
8. Powergrid Bhind Guna Transmission Limited
9. Powergrid Ajmer Phagi Transmission Limited
10. Powergrid Fatehgarh Transmission Limited
11. Powergrid Rampur Sambhal Transmission Limited
12. Powergrid Meerut Simbhavali Transmission Limited
13. Central Transmission Utility of India Limited
14. Powergrid Ramgarh Transmission Limited
15. Bikaner-II Bhiwadi Transco Limited

B. Joint Ventures incorporated in India:

1. National High Power Test Laboratory Private Limited
2. Bihar Grid Company Limited
3. Cross Border Power Transmission Company Limited
4. RINL Powergrid TLT Private Limited



ANNEXURE-V TO THE DIRECTORS' REPORT

FORM NO. MR-3

SECRETARIAL AUDIT REPORT

FOR THE FINANCIAL YEAR ENDED MARCH 31, 2021

[Pursuant to section 204(1) of the Companies Act, 2013 and Rule No.9 of the Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014]

**To,
The Members,
Power Grid Corporation of India Limited
B-9, Qutab Institutional Area, Katwaria Sarai,
New Delhi-110016**

We have conducted the Secretarial Audit of the compliance of applicable statutory provisions and the adherence to good corporate practices by **Power Grid Corporation of India Limited [CIN: L40101DL1989GOI038121]** (hereinafter called the "Company") having its **Registered Office at B-9, Qutab Institutional Area, Katwaria Sarai, New Delhi -110016**. Secretarial Audit was conducted in a manner that provided us a reasonable basis for evaluating the corporate conducts/statutory compliances and expressing our opinion thereon.

Based on our verification of the Company's books, papers, minute books, forms and returns filed and other records maintained by the company and also the information provided by the Company, its officers, agents and authorized representatives during the conduct of secretarial audit, we hereby report that in our opinion, the company has, during the audit period covering the financial year ended on, **March 31, 2021** complied with the statutory provisions listed hereunder and also that the Company has proper Board-processes and compliance-mechanism in place to the extent, in the manner and subject to the reporting made hereinafter:

We have examined the books, papers, minute books, forms and returns filed and other records maintained by the Company for the Financial Year ended on **March 31, 2021**, according to the provisions of:

- (i) The Companies Act, 2013 (the Act) and the rules made thereunder;
- (ii) The Securities Contracts (Regulation) Act, 1956 ('SCRA') and the rules made thereunder;
- (iii) The Depositories Act, 1996 and the Regulations and Bye-laws framed thereunder;
- (iv) Foreign Exchange Management Act, 1999 and the rules and regulations made thereunder to the extent of Foreign Direct Investment, Overseas Direct Investment and External Commercial Borrowings;
- (v) The following Regulations and Guidelines prescribed under the Securities and Exchange Board of India Act, 1992 ('SEBI Act'):-
 - a) The Securities and Exchange Board of India (Substantial Acquisition of Shares and Takeovers) Regulations, 2011;
 - b) The Securities and Exchange Board of India (Prohibition of Insider Trading) Regulations, 2015;
 - c) The Securities and Exchange Board of India (Issue of Capital and Disclosure Requirements) Regulations, 2009;
 - d) The Securities and Exchange Board of India (Share Based Employee Benefits) Regulations, 2014; **[Not applicable as the Company has not offered any shares or granted any options pursuant to any employee benefit scheme during the period under review];**
 - e) The Securities and Exchange Board of India (Issue and Listing of Debt Securities) Regulations, 2008;
 - f) The Securities and Exchange Board of India (Registrars to an Issue and Share Transfer Agents) Regulations, 1993 regarding the Companies Act and dealing with client;
 - g) The Securities and Exchange Board of India (Delisting of Equity Shares) Regulations, 2009; **[Not Applicable as the Company has not delisted/propose to delist its equity shares from any Stock Exchange during the financial year under review];**
 - h) The Securities and Exchange Board of India (Buyback of Securities) Regulations, 2018; **[Not Applicable as the Company has not bought back/propose to buy-back any of its securities during the financial year under review]; and**
 - i) The Securities and Exchange Board of India (Infrastructure Investment Trusts) Regulations, 2014;

(vi) As confirmed and certified by the management, following law is specifically applicable to the Company based on the Sectors / Businesses:

(a) The Electricity Act, 2003 and Rules and Regulations made there under.

The compliance by the Company of applicable financial laws, like direct and indirect tax laws, has not been reviewed in this audit since the same have been subject to review by the statutory auditor and other designated professionals.

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

- i. Secretarial Standards issued by The Institute of Company Secretaries of India.
- ii. The Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015;
- iii. Guidelines on Corporate Governance for Central Public Sector Enterprises (CPSEs) issued by the Department of Public Enterprises vide their OM No. 18(8)/2005-GM dated 14th May, 2010.
- iv. Guidelines on Capital Restructuring of Central Public Sector Enterprises (CPSEs) as stipulated in the O.M.F No. 5/2/2016-Policy dated 27th May, 2016 issued by Department of Investment and Public Asset Management (DIPAM), Ministry of Finance, Government of India.

During the period under review, the Company has complied with the provisions of the Act, Rules, Regulations, Guidelines, Standards etc. mentioned above **except to the extent as mentioned below:**

- ***The Company did not have requisite number of Independent Directors on its Board as required under Regulation 17 (1) of Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015 and Para 3.1.4 of DPE Guidelines on Corporate Governance with regard to Composition of the Board of Directors.***

We further report that

- The Board of Directors of the Company is duly constituted with proper balance of Executive Directors, Non-Executive Directors and Independent Directors with the exception of requisite number of Independent Directors on the Board of the Company as on 31st March, 2021 as required under Regulation 17 (1) of Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015 and Para 3.1.4 of DPE Guidelines on Corporate Governance with regard to Composition of the Board of Directors. The changes in the composition of the Board of Directors, that took place during the period under review, were carried out in compliance with the provisions of the Act.
- The Company, being a Central Public Sector Enterprise (CPSE) the appointment of Directors on the Board is made by the Administrative Ministry, i.e., Ministry of Power (MoP), Government of India (GoI). Company has been continuously following up with MoP for appointment of requisite number of Independent Directors on the Board.
- According to the information and explanations given to us, the Company has not carried out the performance evaluation of the Directors during the review period in compliance of Regulation 17 (10) & 25 (4) of the SEBI (LODR) Regulation, 2015, as the directors including Independent Directors are appointed by the Government of India. However, Ministry of Corporate Affairs' (MCA) vide its Notification dated 5th June, 2015, has exempted the Government companies from the requirement of performance evaluation of Directors under Section 178(2) of the Companies Act, 2013. Further, MCA vide its notification dated 5th July, 2017 made an amendment in the Schedule IV of the Act, whereby Government Companies were exempted from complying with the requirement of performance evaluation of Independent Directors by the Board, if the concerned Department or Ministry have specified aforesaid requirements.
- Adequate notice is given to all directors to schedule the Board Meetings, agenda and detailed notes on agenda were sent at least seven days in advance, and a system exists for seeking and obtaining further information and clarifications on the agenda items before the meeting and for meaningful participation at the meeting.
- Decisions were carried unanimously during the period under review.

We further report that on the basis of the written Management representation received from the company and the information and explanations provided to us, we are of the opinion that, there are adequate systems and processes in the company commensurate with the size and operations of the company to monitor and ensure compliance with applicable laws, rules, regulations and guidelines.

We further report that during the audit period the company has following events/actions having a major bearing on the Company's affairs in pursuance of the above referred laws, rules, regulations, guidelines, standards etc.: -



- i. The Company has issued bonds of ₹ 3300 crore as per details mentioned below:-

Sr. No.	Type of Bonds	Amount (₹ in crore)
1.	6.85% Unsecured, Non-Convertible, Non-Cumulative, Redeemable, Taxable POWERGRID Bond LXVII Issue	2800.00
2.	6.28% Unsecured, Non-Convertible, Non-Cumulative, Redeemable, Taxable POWERGRID Bond LXVIII Issue	500.00

- ii. Ministry of Power, vide Gazette Notification dt. 9th March, 2021 notified 'Central Transmission Utility of India Limited' (CTUIL), a Government Company and wholly owned Subsidiary of POWERGRID, as the 'Central Transmission Utility' (CTU) to undertake and discharge all functions of CTU pursuant to the provisions of the Electricity Act, 2003 or any regulations or directions of the Central Commission or Authority or any other directions or functions prescribed by the Central Government in that regard. POWERGRID shall continue to be a deemed Transmission Licensee under the Act and discharge functions incidental and connected therewith and would also undertake functions as directed by the Central Government or Authority in that regard. This Gazette Notification is effective from 1st April, 2021.
- iii. **POWERGRID has acquired** 74% stake in Jaypee Powergrid Limited (a Joint Venture Company of POWERGRID and Jaiprakash Power Ventures Limited) from Jaiprakash Power Ventures Limited (JPVL). Consequently, Jaypee Powergrid Limited has become a subsidiary of POWERGRID w.e.f. 25th March, 2021.

**For Kumar Naresh Sinha & Associates
Company Secretaries**

**Sd/-
CS Naresh Kumar Sinha
(Proprietor)
FCS: 1807; C.P. No.: 14984
PR: 610/2019
UDIN: F001807C000794929**

Place: Noida

Date: 17.08.2021

Note: This report is to be read with our letter of even date which is annexed as "**Annexure-A**" and forms an integral part of this report.

To,

The Members,

Power Grid Corporation of India Limited,

B-9, Qutab Institutional Area, Katwaria Sarai,

New Delhi-110016

Our Report of even date is to be read along with this letter.

1. Maintenance of secretarial record is the responsibility of the management of the Company. Our responsibility is to express an opinion on these secretarial records based on our audit.
2. We have followed the audit practices and processes as were appropriate to obtain reasonable assurance about the correctness of the contents of the secretarial records. The verification was done on the random test basis to ensure that correct facts are reflected in secretarial records. We believe that the processes and practices, we followed provide a reasonable basis for our opinion.
3. We have not verified the correctness and appropriateness of financial records and Books of Accounts of the Company.
4. Where ever required, we have obtained the Management representation about the compliance of laws, rules and regulations and happening of events etc.
5. The compliance of the provisions of Corporate and other applicable laws, rules, regulations, standards is the responsibility of management. Our examination was limited to the verification of procedures on random test basis.
6. The Secretarial Audit report is neither an assurance as to the future viability of the company nor of the efficacy or effectiveness with which the management has conducted the affairs of the Company.
7. In view of the situation emerging out of COVID-19 Pandemic, we could not examine physical documents, records & other papers etc. of the Company for the year ended March 31, 2021 and the documents/information required by us were provided through electronic Mode.

**For Kumar Naresh Sinha & Associates
Company Secretaries**

Sd/-

CS Naresh Kumar Sinha

(Proprietor)

FCS: 1807; C.P. No.: 14984

PR: 610/2019

UDIN: F001807C000794929

Place: Noida

Date: 17.08.2021



REPORT ON CORPORATE GOVERNANCE

The Directors present the Company's Report on Corporate Governance.

1. THE COMPANY'S GOVERNANCE PHILOSOPHY:

Corporate Governance is about promoting corporate fairness, transparency and accountability in the best interest of various stakeholders in a Company. It is a system by which business corporations are directed and controlled. Power Grid Corporation of India Limited (POWERGRID or the Company) believes that good governance should entail trusteeship, empowerment and accountability of the management while remaining proactive to the Government policies. POWERGRID's Governance process is focused towards its Vision of "World Class, Integrated, Global Transmission Company with Dominant Leadership in Emerging Power Markets Ensuring Reliability, Safety and Economy" and its mission i.e. "We will become a Global Transmission Company with Dominant Leadership in Emerging Power Markets with World Class Capabilities by:

1. Setting superior standards in capital project management and operations for the industry and ourselves.
2. Leveraging capabilities to consistently generate maximum value for all stakeholders in India and in emerging and growing economies.
3. Inspiring, nurturing and empowering the next generation of professionals.
4. Achieving continuous improvements through innovation and state-of-the-art technology.
5. Committing to highest standards in health, safety, security and environment."

The Corporate Governance of POWERGRID is geared by the following:

- (i) To meet the short term, medium term & long term objectives and specific targets set by the Government of India and by the Board every year, by empowering people at the most appropriate levels keeping the job profile/functions in view.
- (ii) To respond to the challenges and the emerging opportunities and to play a pivotal role in the economic development of the country.

The corporate governance structure specifies the distribution of duties, rights, responsibilities and powers among different participants in the corporation. All strategic decisions regarding investment, diversification, major decisions regarding procurement, commercial and finance are implemented after approval by the Board.

POWERGRID has been conferred with the coveted "Maharatna" Status by the Government of India on 23.10.2019.

The Board of Directors comprises Chairman and Managing Director, Functional Directors, Govt. Nominee Directors and Non-Official Part Time Directors (Independent Directors). The duties, rights and obligations of the employees are delineated in the policy manuals published and the amendments thereto notified, from time to time. The powers of the internal participants i.e. top executives and below are laid down in the "Delegation of Powers". POWERGRID has implemented "Works and Procurement Policy and Procedure for Pre-award and Post-award Stages" with a view to make the policies and procedures more systematic, transparent and easy to administer with major thrust on expeditious and decentralized decision making coupled with accountability and responsibility. The Board has also constituted several Committees, viz. Audit Committee; Stakeholders' Relationship Committee; Nomination and Remuneration Committee; Risk Management Committee; CSR Committee; Committee on Investment on Projects; Committee on Award of Contracts; Committee for Bonds; Committee on Transfer /Split/Rematerialization etc. of shares; Committee of Directors for New Businesses; Committee for monetization of assets through InvIT, etc. to have better and more focused attention. Advisory Boards of eminent persons are in place for Environment and Social Policy and Procedures, R&D and for Telecom, to advise POWERGRID on critical issues consensus building in these areas.

Besides adhering to the provisions of SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015, as amended from time to time (hereinafter referred as SEBI LODR), POWERGRID is required to follow the Guidelines on Corporate Governance issued by Department of Public Enterprises, Government of India.

The compliance of the Company with the conditions of the Corporate Governance and the disclosure requirements for the Year 2020-21 are given below:

2. Board of Directors:

2.1 Size of the Board

POWERGRID is a Government Company within the meaning of Section 2(45) of the Companies Act, 2013 (the Act) and the President of India presently holds 51.34% of the total paid-up share capital. Being a public limited company even though POWERGRID has to get appointed not less than two-thirds of the members of the Board by the company in general meeting, as per its Articles of Association, the power to appoint Directors vests with the President of India. Thus, skills / expertise / competencies of an incumbent are within the purview of Govt. of India. The qualification, experience, expertise etc. of all the Directors are given in this Annual Report.

In terms of Articles of Association of the Company, the strength of Board of Directors of the Company shall not be less than four Directors and not more than eighteen Directors. These Directors may be either whole-time Directors or part-time Directors.

2.2 Composition of the Board

SEBI LODR, stipulate that the Board of Directors of the company shall have an optimum combination of executive and non-executive directors with at least one-woman director and not less than fifty percent of the Board of Directors comprising of non-executive directors.

Sub-section (4) of section 149 of Companies Act, 2013 stipulates that every listed company should have at least one-third of the total number of directors as independent directors.

As on 31st March, 2021, the Board comprised of ten directors out of which five were Whole Time Directors including the Chairman & Managing Director, two Government Nominee Directors and three Independent Directors. The Board composition also comprised of two Woman Directors.

All the Independent Directors meet with the requirements specified under Section 149 (6) of the Act and SEBI (LODR) for holding the position of 'Independent Director' and None of the Directors of the Company is related to each other and independent of the Management.

The number of independent directors during the financial year 2020-21 was insufficient as compared to the number of independent directors required under SEBI LODR. As the power to appoint the Directors on the Board as per Articles vests with the President of India acting through Administrative Ministry i.e. Ministry of Power, the Company from to time has been requesting Ministry of Power to appoint requisite number of independent directors on the Board.

2.3 Age Limit and Tenure of Directors

The age limit for the Chairman & Managing Director and other Whole Time Directors is 60 years.

The Chairman & Managing Director and other whole-time Directors are appointed for a period of five years from the date of taking over of charge or till the date of superannuation of the incumbent or till further orders from the Government of India, whichever event occurs earlier. On appointment by the Government of India, as POWERGRID is a listed Company, these Directors are co-opted as Additional Directors and the appointment is regularized at the ensuing Annual General Meeting. Government Nominee Directors representing the Ministry of Power, Government of India are appointed as Government Nominee Director by the Board of Directors in terms of Section 161(3) of Companies Act, 2013.

Independent Directors are generally appointed by the Government of India for tenure of three years.



The details of Directors as on 31st March, 2021 were as follows:

Details of Directors		Name	Date of Joining on the Board
Category (Functional/ Official/ Non-official)	Designation		
1. Whole Time Directors	Chairman & Managing Director	Shri K. Sreekant	05.08.2019
	Director (Operations)	Mrs. Seema Gupta	01.03.2018
	Director (Personnel)	Shri Vinod Kumar Singh	01.02.2020
	Director (Finance)	Shri M. Taj Mukarrum	04.07.2020
	Director (Projects)*	Shri Abhay Choudhary	01.11.2020
2. Govt. Nominees Part – time Directors	Govt. Nominee Director	Shri Mritunjay Kumar Narayan	05.11.2020
	Govt. Nominee Director	Shri Dilip Nigam	04.01.2021
3. Non-official Part-time Directors	Independent Director	Shri Sunil Kumar Sharma**	23.07.2018
	Independent Director	Smt. A. R. Mahalakshmi**	26.07.2018
	Independent Director	Shri M.N. Venkatesan	11.07.2019

*Shri Abhay Choudhary was appointed as Additional Director w.e.f. 01.11.2020 by the Board of Director.

** The tenure of Shri Sunil Kumar Sharma & Smt. A. R. Mahalakshmi, Independent Directors have got completed on 22nd July, 2021 & 25th July, 2021, respectively.

2.4 Board Meetings and Attendance:

The meetings of the Board of Directors are normally held at the Registered Office of the Company. During financial year 2020-21, all the meeting of the Board of Directors were held through video conferencing to contain spread of COVID-19 pandemic. Meetings are generally scheduled well in advance and the Notice, detailed Board agenda, management reports and other explanatory Board notes are circulated to the Directors. The members of the Board have complete access to all information of the Company. Senior management is also invited to the Board meetings to provide additional input to the items being discussed by the Board. In case of urgency, resolutions are passed by circulation.

During the financial year ended 31st March, 2021, ten Board meetings were held on 6th June, 2020, 20th June, 2020, 10th August, 2020, 12th September, 2020, 11th November, 2020, 12th December, 2020, 19th January, 2021, 25th January, 2021, 11th February, 2021 and 1st March, 2021. The maximum interval between any two meetings during this period was 69 days (Last Board Meeting of FY 2019-20 was held on 28.03.2020). Detail of number of Board meetings attended by Directors, attendance at last Annual General Meeting (AGM), number of other directorship / committee membership [viz. Audit Committee and Stakeholders' Relationship Committee as per SEBI LODR] held by them during the Financial year 2020-21 are tabulated.

Name of the Directors	Meeting held during respective tenure of Directors	No. of Board Meetings attended	% of Attendance of Board Meeting	Attendance at the last AGM (held on 22.09.2020)	No. of Directorship held on 31.03.2021 in other Companies	No. of other Companies in which Membership or Chairmanship of Committee held on 31.03.2021*		Directorship held in other Listed Companies & Category as on 31.03.2021.	
						Chairmanship	Membership	Name of Companies	Category of Directorship
Whole Time Directors									
Shri K. Sreekant, CMD	10	10	100%	Yes	08	NIL	NIL	NIL	NIL
Mrs. Seema Gupta, Director (Operations)	10	10	100%	Yes	08	NIL	NIL	NIL	NIL
Shri Vinod Kumar Singh, Director (Personnel)	10	10	100%	Yes	01	NIL	PTC India Limited	Nominee Director	
Shri M. Taj Mukarrum, Director (Finance) (w.e.f. 04.07.2020)	08	08	100%	Yes	01	NIL	NIL	NIL	NIL
Shri Abhay Choudhary, Director (Projects) (w.e.f. 01.11.2020)	06	06	100%	N/A	10	NIL	NIL	NIL	NIL
Shri Rajeev Kumar Chauhan, Director (Projects) (Up to 31.10.2020)	04	04	100%	Yes	N/A	N/A	N/A	N/A	N/A
Non-executive Directors (Government Nominees)									
Shri Mritunjay Kumar Narayan, Jt. Secy. - Govt. Nominee Director (w.e.f. 05.11.2020)	06	06	100%	N/A	01	NIL	PTC India Limited	Nominee Director	

Name of the Directors	Meeting held during respective tenure of Directors	No. of Board Meetings attended	% of Attendance of Board Meeting	Attendance at the last AGM (held on 22.09.2020)	No. of Directorship held on 31.03.2021 in other Companies	No. of other Companies in which Membership or Chairmanship of Committee held on 31.03.2021*		Directorship held in other Listed Companies & Category as on 31.03.2021.	
						Chairmanship	Membership	Name of Companies	Category of Directorship
Shri Dilip Nigam, Advisor, MNRE - Govt. Nominee Director (Up to 30.04.2020) & (w.e.f. 04.01.2021)	04	03	75%	N/A	NIL	NIL	NIL	NIL	NIL
Shri Tanmay Kumar, Jt. Secy. - Govt. Nominee Director (Up to 05.11.2020)	04	03	75%	No	N/A	N/A	N/A	N/A	N/A
Independent Directors									
Shri Sunil Kumar Sharma	10	10	100%	Yes	05	01	04	Astra Micro Wave Products Limited	Independent Director
Smt. A. R. Mahalakshmi	10	10	100%	Yes	NIL	01	01	NIL	NIL
Shri M. N. Venkatesan	10	10	100%	Yes	03	03	0	NIL	NIL
Shri Manoj Kumar Mittal (Up to 11.09.2020)	03	03	100%	N/A	N/A	N/A	N/A	N/A	N/A

N/A indicates that concerned person was not a Director on POWERGRID's Board on that relevant date.

* Includes committee position in POWERGRID

2.5 Information to be placed before the Board of Directors, inter alia, includes:

The Board has complete access to all information with the Company. The information regularly supplied to the Board includes:

1. Annual operating plans and budgets and updates, if any.
2. Annual Accounts, Directors' Report, etc.
3. Quarterly financial results of the company.
4. Minutes of meetings of Audit Committee and other committees of the Board including minutes of Subsidiary Companies.
5. Major Investments, formation of Subsidiaries and Joint Ventures, Strategic Alliances, etc.
6. Award of large Contracts.
7. All related party transactions.
8. Disclosure of Interest by Directors about directorship and committee positions occupied by them in other Companies.
9. Declaration of independency by Independent Directors.
10. Monthly Report on Commercial Status of the Company.
11. Quarterly Report on Business Activities of various Subsidiaries Companies.
12. Quarterly Report on Compliance of various laws.
13. Quarterly Report on Compliance with Corporate Governance; Reconciliation of Share Capital Audit and Investors' Complaints.
14. Report on the status of various ongoing projects/Scheme and Budget Utilization.
15. Report on the O&M Review.
16. Any significant development in Human Resources/ Industrial Relations front like signing of wage agreement, etc.
17. Non-compliance of any Regulatory, statutory or listing requirements and shareholders' service such as non-payment of dividend, delay in share transfer etc.
18. Short-Term investment of surplus funds.
19. Other materially important information.

Post meeting follow-up system:

The Governance process in the Company includes an effective post-meeting follow-up, review and reporting process for action taken on decisions of the Board and the Board Committee(s).

3. Committees of the Board of Directors:

The Board has constituted the following Committees:

- i) Audit Committee
- ii) Nomination and Remuneration Committee
- iii) Stakeholders' Relationship Committee
- iv) CSR Committee
- v) Risk Management Committee

3.1 Audit Committee:

The Company has constituted Audit Committee in line with the provisions of Section 177 of the Companies Act, 2013 and Regulation 18 of SEBI LODR.



As on 31st March, 2021, the Audit Committee comprised the following Directors:

(i)	Shri M. N. Venkatesan	Independent Director	Chairman
(ii)	Shri Sunil Kumar Sharma	Independent Director	Member
(iii)	Smt. A. R. Mahalakshmi	Independent Director	Member

The Company Secretary is the Secretary of the Committee.

Meetings of Audit Committee

As per SEBI LODR, the Audit Committee is required to meet at least four times in a year and not more than one hundred twenty days elapse between two meetings. The quorum for the Audit Committee meetings is either two members or one third of the members of the Audit Committee whichever is greater, but there should be a minimum of two independent members present.

Powers of Audit Committee

The powers of the Audit Committee include the following:

1. To investigate any activity within its terms of reference.
2. To seek information on and from any employee.
3. To obtain outside legal or other professional advice.
4. To secure attendance of outsiders with relevant expertise, if it considers necessary.
5. To protect whistle blowers.
6. To consider other matters as referred by the Board.

Role of Audit Committee

The Role of Audit Committee includes the following:

1. Oversight of our Company's financial reporting process and the disclosure of its financial information to ensure that the financial statement is correct, sufficient and credible.
2. Recommending to the Board regarding fixation of audit fee to be paid to statutory auditors appointed by the Comptroller & Auditor General under the Companies Act and approval for payment with respect to any other services rendered by the statutory auditors.
3. Reviewing, with the management, the Standalone and Consolidated annual financial statements and Auditors' Report thereon before submission to the Board for approval, with particular reference to:
 - a. Matters required to be included in the Director's Responsibility Statement to be included in the Board's report in terms of Clause (c) of Sub-section 3 of Section 134 of the Companies Act, 2013.
 - b. Changes, if any, in accounting policies and practices and reasons for the same.
 - c. Major accounting entries involving estimates based on the exercise of judgment by management.
 - d. Significant adjustments made in the financial statements arising out of audit findings.
 - e. Compliance with listing and other legal requirements relating to financial statements.
 - f. Disclosure of any related party transactions.
 - g. Qualifications/modified opinions in the draft audit report.
4. Reviewing/examining, with the management, the quarterly Standalone financial statements and consolidated quarterly financial statements along with Limited Review Report by the Statutory Auditors of the Company of all the entities / companies whose Accounts are to be consolidated, before submission to the Board for approval.
5. Reviewing, with the management, the statement of uses / application of funds raised through an issue (public issue, rights issue, preferential issue, etc.), the statement of funds utilized for purposes other than those stated in the offer document / prospectus / notice and the report submitted by the monitoring agency monitoring the end use/ utilization of proceeds of a public or rights issue & related matters and making appropriate recommendations to the Board to take up steps in this matter.

6. Reviewing, with the management, performance of statutory and internal auditors and adequacy of the internal control systems.
7. Reviewing the adequacy of internal audit function, if any, including the structure of the internal audit department, staffing and seniority of the official heading the department, reporting structure, coverage and frequency of internal audit.
8. Discussing with internal auditors and / or auditors any significant findings and follow up there on.
9. Reviewing the findings of any internal investigations by the internal auditors / auditors / agencies into matters where there is suspected fraud or irregularity or a failure of internal control systems of a material nature and reporting the matter to the Board.
10. Discussing with statutory auditors before the audit commences, about the nature and scope of audit as well as post-audit discussion to ascertain any area of concern.
11. To look into the reasons for substantial defaults in the payment to the depositors, debenture holders, shareholders (in case of non-payment of declared dividends) and creditors.
12. To review / oversee the functioning of vigil mechanism / Whistle Blower mechanism of the Company.
13. To review the follow up action on the audit observations in the Comptroller & Auditor General audit.
14. To review the follow up action taken on the recommendations of Committee on Public Undertakings (COPU) of the Parliament.
15. Provide an open avenue of communication between the independent auditor, internal auditor and the Board.
16. Approval or any subsequent modification of transactions of the company with related parties.
17. Review all related party transactions in the Company. (For this purpose, the Audit Committee may designate a member who shall be responsible for reviewing related party transactions)
The term “related party transactions” shall have the same meaning as provided in Regulation 2(1)(zc) of the SEBI (LODR).
18. Reviewing with the independent auditor the co-ordination of audit efforts to ensure completeness of coverage, reduction of redundant efforts, and the effective use of all audit resources.
19. Considering and review the following with the independent auditor and the management:
 - a. The adequacy of internal controls including computerized information system controls and security; and
 - b. related findings and recommendations of the independent auditor and internal auditor, together with the management responses.
20. Considering and reviewing the following with the management, internal auditor and the independent auditor:
 - a. Significant findings during the year, including the status of previous audit recommendations; and
 - b. Any difficulties encountered during audit work including any restrictions on the scope of activities or access to required information.
21. Reviewing and monitoring the Auditor’s independence and performance, and effectiveness of audit process.
22. Scrutiny of inter-corporate loans and investments.
23. Valuation of undertakings or assets of the Company, whenever it is necessary.
24. Evaluation of Internal Financial Controls and Risk Management Systems.
25. Reviewing the compliance with the provisions of SEBI (Prohibition of Insider Trading) (Amendment) Regulations, 2018 at least once in a financial year and verifying that the systems for internal control are adequate and are operating effectively.
26. Reviewing the utilization of loans and / or advances from / investment by the Company in the Subsidiary exceeding ₹ 100 crore or 10% of the asset size of the subsidiary, whichever is lower including existing loans / advances / investments existing as on the date.
27. Carrying out any other function as is mentioned in the terms of reference of the Audit Committee under the Companies Act, 2013, SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 and DPE Guidelines on Corporate Governance for CPSEs, as amended from time to time.



Review of information by Audit Committee

The Audit Committee shall mandatorily review the following information:

1. Management discussion and analysis of financial condition and results of operations.
2. Statement of significant related party transactions submitted by management.
3. Management letters / letters of internal control weaknesses issued by the statutory auditors.
4. Internal audit reports relating to internal control weaknesses.
5. The appointment, removal and terms of remuneration of the chief internal auditor.
6. Certification/declaration of financial statements by the Chief Executive Officer/Chief Financial Officer.
7. Statement of deviations:
 - (a) quarterly statement of deviation(s) including report of monitoring agency, if applicable, submitted to stock exchange(s) in terms of Regulation 32(1).
 - (b) annual statement of funds utilized for purposes other than those stated in the offer document/prospectus/notice in terms of Regulation 32(7)."

Attendance:

During the financial year ended 31st March 2021, ten meetings of the Audit committee were held on 4th June, 2020, 20th June, 2020, 10th August, 2020, 27th August, 2020, 11th September, 2020, 11th November, 2020, 12th December, 2020, 19th January, 2021, 11th February, 2021 and 26th March, 2021, respectively.

Attendance at Audit Committee Meetings during the Financial Year 2020-21:

Name of the Audit Committee Member	Meetings held during respective tenure of Members	No. of Meetings attended	% of Attendance of Audit Committee Meeting
Shri M. N. Venkatesan	10	10	100%
Shri Sunil Kumar Sharma	10	10	100%
Smt. A. R. Mahalakshmi (w.e.f. 12.09.2020)	05	05	100%
Shri Manoj Kumar Mittal (Upto 11.09.2020)	05	05	100%

In each of the meeting of Audit Committee at least two independent director were present.

3.2 Nomination and Remuneration Committee:

Your Company has constituted Nomination and Remuneration Committee in line with the provisions of Section 178 of the Companies Act, 2013 and Regulation 19 of SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015.

As on 31st March 2021, the Nomination and Remuneration Committee comprised the following Directors:

Shri Sunil Kumar Sharma	Independent Director	Chairman
Smt. A. R. Mahalakshmi	Independent Director	Member
Shri Mritunjay Kumar Narayan	Govt. Nominee Director	Member

The Nomination and Remuneration Committee decides the annual bonus/variable pay pool and policy for its distribution across the employees within the prescribed limits.

Appointment & remuneration of Directors are regulated in terms of Guidelines issued by Department of Public Enterprises, Government of India. Due to ongoing COVID-19 Pandemic, an agenda for release of provisional payment of Performance Related Pay (PRP) for FY 2019-20 to Board level and below Board level Executives and Non-unionised supervisors, was considered & recommended for approval of the Board by the Nomination and Remuneration Committee by way of circulation.

Performance Evaluation of Directors:

The requirement of performance evaluation of directors under Section 178(2) of the Companies Act, 2013 has been done away with for Government Companies vide Ministry of Corporate Affairs' (MCA) Notification dated 5th June, 2015. Further, MCA vide its notification dated 05th July, 2017 has made an amendment in the Schedule IV of the Act, whereby it has been exempted for Government Companies from complying with the requirement of performance evaluation by the Independent Director of non-independent directors and chairman and performance evaluation of the independent directors by the Board, if the concerned departments or ministries have specified these requirements. In this regard, the Department of Public Enterprises (DPE) has also laid down a mechanism for performance appraisal of all Functional Directors. DPE has also initiated evaluation of Independent Directors. The Company enters into Memorandum of Understanding (MoU) with Ministry of Power (MoP) every year wherein Company is evaluated on various financial and non-financial parameters. The performance of the Company & Board of Directors is evaluated by the DPE in terms of MoU entered into with MoP.

Separate Meeting of Independent Directors:

As per the Guidelines issued by DPE on Role & Responsibilities of Non-Official Directors (Independent Directors) of CPSEs, Code of Conduct for Independent Directors prescribed under the Companies Act, 2013 and Regulation 25 of SEBI LODR, a separate meeting of the Independent Directors is required to be held at least once in a year to, inter-alia:

- (i) review the performance of the non-independent directors and the Board as a whole;
- (ii) review the performance of the Chairperson of the Company, taking into account the views of executive directors and non-executive directors; and
- (iii) assess the quality, quantity and timeliness of flow of information between the management of the Company and the Board of Directors that is necessary for the Board to effectively and reasonably perform their duties.

A separate meeting of Independent Directors was held on 3rd September, 2020. The meeting was attended by all four Independent Directors. In this meeting, Independent Directors assessed the performance of the Board as a whole, the performance of Non-Independent Directors including Chairman & Managing Director and also the quality, quantity and timeliness of flow of information between the Company management and the Board which is necessary for the Board to effectively and reasonably perform their duties.

3.3 Stakeholders' Relationship Committee:

The Company has constituted Stakeholders' Relationship Committee in line with the provisions of Section 178 (5) of the Companies Act, 2013 and Regulation 20 of SEBI LODR.

Scope of the Committee

The scope of the Committee is to specifically consider and resolve the grievances of shareholders, debenture-holders, and other security holders of the company including the complaints related to transfer of shares, non-receipt of balance sheet, non-receipt of declared dividends, etc. of the Company.

Composition of Stakeholders' Relationship Committee during the F.Y. 2020-21.

As on 31st March 2021, the Stakeholders' Relationship Committee comprised the following Directors:

Smt. A. R. Mahalakshmi	Independent Director	Chairperson
Shri V. K. Singh	Director (Personnel)	Member
Shri M. Taj Mukarrum	Director (Finance)	Member

The Company Secretary is the Secretary of the Committee.

Two meetings of the Stakeholders' Relationship Committee were held during the financial year 2020-21 i.e. on 28th April, 2020 and 26th March, 2021.



Attendance at Stakeholders' Relationship Committee meeting during the Financial Year 2020-21:

Name	Shareholders'/Investors' Grievance Committee Meeting held during the tenure		% of Attendance of Stakeholders' Relationship Committee Meeting
	Held	Attended	
Smt. A. R. Mahalakshmi	2	2	100%
Shri V. K. Singh	2	2	100%
Shri M. Taj Mukarrum (w.e.f. 04.07.2020)	1	1	100%
Mrs. Seema Gupta (upto 04.07.2020)	1	1	100%

Name and designation of Compliance Officer

Shri Mrinal Shrivastava, Company Secretary is the Compliance Officer in terms of SEBI (LODR) Regulations, 2015.

Investors' Grievances

During the financial year ending 31st March 2021, the Company has attended to investors' grievances expeditiously. The details of the complaints received and disposed of during the year are as under:

S. No.	Description	Opening Balance	Received	Attended	Pending
1	Non receipt of refund orders	0	0	0	0
2	Non receipt of dividend warrants	0	2993	2993	0
3	Non receipt of share certificate	0	15	15	0
4	SEBI	0	9	9	0
5	Stock Exchange	0	3	3	0
6	Advocate Notices	0	0	0	0
7	Consumer Forum/Court cases	0	0	0	0
	Total	0	3,020	3,020	0

Shares lying in Share Escrow Account

In pursuance of Schedule V (F) of SEBI LODR, details of shares lying in the shares escrow account are as under:

SHARES IN THE SHARE ESCROW ACCOUNT						
Event	IPO		FPO [2010]		FPO [2013]	
	No. of Shareholders	No. of Shares	No. of Shareholders	No. of Shares	No. of Shareholders	No. of Shares
As on 01.04.2020	4	970	0	0	0	0
Transfers during the year 2020-21	0	0	0	0	0	0
As on 31.03.2021	4	970	0	0	0	0

The voting rights on the shares in the Escrow Account will remain frozen till the rightful owner of such shares claims the shares. These shares are lying in Demat form in a Pool Account with the Registrars i.e. M/s KFin Technologies Private Limited and the benefits accrued on them are being properly accounted for.

Centralized Web Based Complaint Redressal System- SCORES.

The centralized web based Complaint Redressal System of SEBI i.e. SCORES (SEBI Complaints Redress System) is in place since June 2011. Through SCORES, shareholders can register their complaints against the Company for redressal. When the complaint is registered, a unique complaint registration number is allotted for future reference and tracking. Status of every complaint lodged can also be viewed online and the Shareholder can send reminder for their complaint. Your Company takes action for redressal of the complaints and uploads Action Taken Report on line. SEBI disposes off the complaints if it is satisfied that the complaints have been redressed adequately. A Shareholder, who is not accessing SCORES can lodge his/her complaint in physical form also.

3.4 CSR Committee:

POWERGRID has constituted a CSR Committee in line with the requirements of the Companies Act, 2013 and Department of Public Enterprises' Guidelines on Corporate Social Responsibility and Sustainability for Central Public Sector Enterprises'. As on 31st March 2021, the CSR Committee comprised following directors as members:

Shri K. Sreekant	CMD	Chairman
Shri V. K. Singh	Director (Personnel)	Member
Smt. A. R. Mahalakshmi	Independent Director	Member

Five meetings of the CSR Committee were held during the financial year 2020-21.

3.5 Risk Management Committee:

POWERGRID had constituted Risk Management Committee in line with the requirement of SEBI LODR. As on 31st March 2021, the Committee comprises of following Directors as members:

Shri Abhay Choudhary	Director (Projects)	Chairman
Mrs. Seema Gupta	Director (Operations)	Member
Shri M. Taj Mukarrum	Director (Finance)	Member
Shri M. N. Venkatesan	Independent Director	Member

Three meetings of Risk Management Committee were held during the Financial Year 2020-21.

The 'Enterprise Risk Management Framework' (ERM framework) has been implemented in POWERGRID. The details of the same are given in Management Discussion and Analysis.

Apart from the constitution of mandatory committees, the Board has constituted various committees viz. (i) Committee on Investment on Projects (ii) Committee on Award of Contracts (iii) Committee for Transfer/Split/Rematerialization etc. of Shares (iv) Committee for Bonds (v) Committee for monetization of assets through InviT (vi) Committee of Directors for New Businesses for facilitating the day to day business of the company.

4. Remuneration of Directors:

POWERGRID, being a Government Company, the appointment, tenure and remuneration of Directors is decided by the President of India. Remuneration paid to Chairman & Managing Director and Functional Directors during the Year 2020-21 was as per terms and conditions of their appointment. Independent Directors are paid only sitting fee per Board / Committee meeting attended {rate fixed by the Board within the ceiling fixed for payment of sitting fee without Government approval under the Rule 4 of the Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014 read with the Section 197 of the Companies Act, 2013} and in accordance with the Government Guidelines for attending the Board Meeting as well as Committee Meetings.



The remuneration paid to the Whole time Directors during the year 2020-21 is as under:

S. No.	Directors	Designation	Salary (in ₹)	Benefits (in ₹)	Bonus / Commission (in ₹)	Performance Linked Incentive (in ₹)	Total (in ₹)
1.	Shri K. Sreekant	CMD	43,64,010	11,49,275	-	10,26,371	65,39,656
2.	Mrs. Seema Gupta	Director (Operations)	50,92,965	14,38,293	-	16,27,291	81,58,549
3.	Shri V. K. Singh	Director (Personnel)	47,27,276	19,47,073	-	18,24,501	84,98,850
4.	Shri M. Taj Mukarrum (w.e.f. 04.07.2020)	Director (Finance)	31,85,694	15,94,651	-	16,02,779	63,83,124
5.	Shri Abhay Choudhary (w.e.f. 01.11.2020)	Director (Projects)	24,75,301	4,45,357	-	16,45,572	45,66,230
6.	Shri R. K. Chauhan (Up to 31.10.2020)	Director (Projects)	51,08,642	11,36,360	-	19,89,960	82,34,962

The Government Nominees Directors on the POWERGRID's Board do not draw any remuneration/sitting fee for attending Board/ Committee meetings from the Company.

Details of Payment made towards sitting fee to Independent Directors during the year 2020-21 are given below:

Independent Directors	Sitting Fee		Total (₹)
	Board Meeting (₹)	Committee of Board of Directors Meeting (₹)	
Shri Sunil Kumar Sharma	4,00,000/-	5,70,000/-	9,70,000/-
Smt. A. R. Mahalakshmi	4,00,000/-	6,00,000/-	10,00,000/-
Shri M. N. Venkatesan	4,00,000/-	5,40,000/-	9,40,000/-
Shri Manoj Kumar Mittal (upto 11.09.2020)	1,20,000/-	1,80,000/-	3,00,000/-

As on 31.03.2021, the Directors' Shareholding were as under:

Sr. No.	Name of Directors	No. of Equity Shares Held
1	Shri K. Sreekant	1,029
2	Mrs. Seema Gupta	8,807
3	Shri V. K. Singh	19
4	Shri M. Taj Mukarrum	Nil
5	Shri Abhay Choudhary	802
6	Shri Mritunjay Kumar Narayan	11
7	Shri Dilip Nigam	Nil
8	Shri Sunil Kumar Sharma	Nil
9	Smt. A. R. Mahalakshmi	Nil
10	Shri M. N. Venkatesan	Nil

5. **Monitoring of Subsidiaries:**

The Company does not have any material unlisted Subsidiary Company in terms of SEBI LODR or the subsidiaries as defined under Guidelines on Corporate Governance for Central Public Sector Enterprises issued by Department of Public Enterprises, Govt. of India. However, minutes of the meeting of the Board of Directors of the subsidiaries are placed before the Company's Board periodically along with status of subsidiaries. Further, pursuant to Regulations 16 (c) and 43 of the SEBI LODR, POWERGRID has formulated a policy for determining 'material' subsidiaries and the policy has been disclosed on the company's website and a web link thereto is also given as under: <https://www.powergrid.in/code-conductpolicies>

6. **General Body Meetings:**

Date, time and location where the last three Annual General Meetings were held are as under:

Year	Date	Time	Venue	Special Resolution
2017-18	18 September, 2018	11.00 a.m.	Manekshaw Centre, Parade Road, Delhi Cantt., New Delhi	1
2018-19	27 th August, 2019	11.00 a.m.	Manekshaw Centre, Parade Road, Delhi Cantt., New Delhi	2
2019-20	22 nd September, 2020	11.00 a.m.	Though Video Conferencing / other Audio Visual Mean	1

7. **Credit Rating:**

POWERGRID has availed the following rating from the credit rating agencies during the FY 2020-21:

Rating by Domestic Rating Agency:

Sr. No.	Credit Rating Agency	Rating for Long term Debt Instrument / Bank Borrowing	Rating for Short term Bank Borrowing	Rating for Commercial Paper
1	ICRA	(ICRA) AAA (Stable)	(ICRA) A1+	(ICRA) A1+
2	CRISIL	CRISIL AAA / Stable	CRISIL A+	CRISIL A+
3	CARE	CERE AAA; Stable	CARE A+	CARE A1+

Rating by Foreign Rating Agency:

Sr. No.	Credit Rating Agency	Rating Assigned
1	Moody's Investor Service	Baa2 Outlook: Stable
2	S&P	BBB (-) Outlook: Stable
3	Fitch	BBB (-) Outlook: Stable

8. **Disclosures:**

- (I) The transactions with related parties contain (i) payment to Companies under Joint Venture Agreement and on account of contracts for works/services, (ii) remuneration to key management personnel and (iii) equity contribution to subsidiaries, which are not in the nature of potential conflicts of interest of the Company at large. Details of related party transactions are included in the Notes to the Accounts as per Indian Accounting Standards – IndAS-24 notified by the Central Government.
- (II) POWERGRID does not have any material unlisted Indian Subsidiary Company.
- (III) POWERGRID has established Enterprise Risk Management Framework and Internal Control Framework for CEO/CFO Certification. Chief General Manager (Corporate Planning) has been appointed as Chief Risk Officer of the Company.



- (IV) There are no material individual transactions with related parties which are not in the normal course of business.
- (V) There are no material individual transactions with related parties or others, which are not on an arm's length basis. Further, pursuant to Regulation 23 SEBI LODR, POWERGRID has formulated a policy on materiality of related party transactions and disclose the same on the website of POWERGRID and a web link is provided as under:

<https://www.powergrid.in/code-conductpolicies>

- (VI) The Company has complied with the requirements of the SEBI LODR and Guidelines on Corporate Governance for Central Public Sector Enterprises issued by Ministry of Heavy Industries and Public Enterprises, Department of Public Enterprises, Government of India except that the Company is non-compliant w.r.t. composition of Board of Directors due to non-nomination of the requisite number of Independent Directors by the Government of India.

NSE has levied monetary fine(s) for non-compliance with the requirements pertaining to the composition of the Board as per Regulation 17(1) of SEBI LODR for the Quarters ended June 30th 2020, September 30th 2020, December 31st 2020 and March 31st, 2021. BSE has levied monetary fine(s) for non-compliance with the requirements pertaining to the composition of the Board as per Regulation 17(1) of SEBI LODR the Quarters ended September 30th 2020 and December 31st 2020. POWERGRID requested NSE & BSE for waiver of fine that, POWERGRID, being a Govt. Company within the meaning of Section 2(45) of the Companies Act, 2013 and the power to appoint functional / Official Part-time Directors / Non-Official Part-time Directors (Independent Directors) vests with the Government of India. BSE vide e-mail dated April 19th, 2021 has communicated that based upon the company's representation, the "Committee for Reviewing Representations for Waiver of Fines Levied under Standard Operating Procedure (SOP)", decided to waive the fines levied for the quarter ended September 30th, 2020 and December 31st, 2020 for non-compliance of Reg. 17 of SEBI (LODR) Regulations, 2015.

- (VII) The Company has separate Vigilance Department which deals with fraud or suspected fraud involving employees / representatives of suppliers, contractors, consultants, service provider, or any other party doing business with POWERGRID. Whistle Blower and Fraud Prevention Policy have been approved by the Board of Directors and the same has been uploaded on the website of POWERGRID. The web link of the Whistle Blower and Fraud Prevention Policy is as under:

<https://www.powergrid.in/code-conductpolicies>

- (VIII) The Financial Statements for the financial year 2020-21 have been prepared as per the Indian Accounting Standards notified under Section 133 of the Companies Act, 2013.
- (IX) Information on adoption (and compliance) / Non-adoption of the non-mandatory requirements is at Annexure - A.
- (X) The compliance with Corporate Governance requirements specified in Regulation 17 to 27 and Clauses (b) to (i) of sub-regulation (2) of regulation 46 of SEBI LODR have been made.
- (XI) Certificate Pursuant to Regulation 34 (3) and Schedule V Para C clause (10) (i) of SEBI LODR has been obtained from Company Secretary in Practice that none of the directors on the Board of the Company have been debarred or disqualified from being appointed or continuing as directors of the companies by the Securities and Exchange Board of India / Ministry of Corporate Affairs or any such statutory authority.
- (XII) The Detail of fees paid to the Statutory Auditors by POWERGRID during FY 2020-21 Standalone is shown in "Note 40-Other Expenses" under sub-head "Payments to Statutory Auditors".

CEO/CFO Certification

As required by Regulation 17 (8) of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015, the Compliance Certificate as specified in Part B of Schedule II of the said Regulation duly signed by Shri K. Sreekant, CMD and Shri M. Taj Mukarrum, Director (Finance & CFO) was placed before the Board of Directors at the meeting held on 17th June, 2021.

9. Means of Communication:

The Company communicates with its shareholders through its Annual Report, General Meeting, Newspapers and disclosure through website.

The Company also communicates with its Institutional shareholders through Analysts and Investors meets held during the end of each quarter where Directors and Senior Officials of the Company interact with the investing community.

Information and latest updates and announcements made by the Company can be accessed at Company's website: www.powergrid.in including the following:

- Quarterly /Half-Yearly /Annual Financial Results
- Quarterly Shareholding Pattern
- Quarterly Corporate Governance Report
- Corporate disclosures made from time to time to Stock Exchanges

Quarterly Results

Publication of Financial Results in Newspapers & Magazine.			
Sl. No.	Publication of Financial Results for the quarter ended	Date(s) of publication	Newspapers & Magazine
1	30.06.2020	11.08.2020	Times of India, Economic Times, Mint, Financial Express & Jansatta.
		12.08.2020	Hindustan Times, Pioneer, Mid Day, Free Press Journal, Navshakti & Amar Ujala.
		August, 2020 issue	Magazine - Infra Log, Nivesh Manthan, Dalal Street Investment Journal, Outlook Business.
2	30.09.2020	12.11.2020	Times of India, Economic Times, Mint, New Indian Express, The Morning Standard, Business Standard & Hindustan.
		13.11.2020	Hindustan Times, Business Standard, Statesman, Aaj & Divya Bhaskar.
		Dec, 2020 issue	Magazine - Wealth Insight & Economy India.
3	31.12.2020	12.02.2021	Times of India, Economic Times, Hindustan Times, Mint, Business Line, Free Press Journal, Dainik Jagran & Khabre Aaj Tak.
		13.02.2021	Pioneer, Indian Express, Financial Express, Jansatta, Business Standard, Mid Day, Navshakti, Divya Bhaskar & Millennium Post.
		March, 2021 issue	Magazine - Infra Log, Hindustan Opinion, Nivesh Manthan, Dalal Street Investment Journal, Outlook Money, Open Magazine & Wealth Insight.
4	31.03.2021	18.06.2021	Times of India, Economic Times, Mint, Business Line, Free Press Journal, Amar Ujala & Khabre Aaj Tak.
		19.06.2021	Hindustan Times, The Statesman, Pioneer, Mid Day, Millennium Post and Navshakti.
		5 th - 18 th July, 2021	Dalal Street Journal.
		June, 2021 issue	Infra Log.

These Results are also displayed at Company's website www.powergrid.in.

Official Releases and Presentations

The Company's official news releases, other press coverage, presentations made to institutional investors or to the analysts are also hosted on the Website.

10. Code of Conduct:

The Board of Directors have laid down two separate Codes of Conduct – one for Board Members and another for Senior Management Personnel in alignment with Company's Mission & Objectives and aims at enhancing ethical and transparent

process in managing the affairs of the Company. The 'Code of Business Conduct and Ethics for Board Members' and the 'Code of Business and Ethics for Senior Management Personnel' are available at the website of the Company.

Declaration required under Regulation 26 (3) of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015

All the members of the Board and Senior Management Personnel have affirmed compliance with the Code of Business Conduct and Ethics for the financial year ended 31st March, 2021.

Place: New Delhi
Date: 25th August, 2021

Sd/-
(K. Sreekant)
Chairman & Managing Director

11. Code of Insider Trading:

In pursuance of the Securities and Exchange Board of India (Prohibition of Insider Trading) Regulations, 2015 and as amended from time to time, POWERGRID Board has laid down "Code of Practices & Procedures for Fair Disclosure of Unpublished Price Sensitive Information and Conduct for Regulating, Monitoring & Reporting of Trading by Insiders of Power Grid Corporation of India Limited with an aim that 'Designated Persons' shall not derive any benefit or assist others to derive any benefit from the access to and possession of Unpublished Price Sensitive Information about the Company which is not in the public domain and thus constitutes insider information. Company Secretary has been designated as Compliance Officer for this Code.

12. Familiarization program for Independent Directors:

The Company familiarizes the independent directors with the activities and functioning of the company and their roles, rights, responsibilities in the company, nature of the industry in which the company operates, business model of the company, etc., through various programmes and presentations. The details of such familiarization programmes are disclosed on the company's website and a web link thereto is also given as under:

<https://www.powergrid.in/familiarisation-programme-independent-directors>

13. Disclosures in relation to the sexual Harassment of Women at Workplace (Prevention, Prohibition and Redressal) Act, 2013:

Sr. No.	Particulars	No. of Complaints
1.	Number of Complaints filed during FY 2020-21.	1
2.	Number of Complaints disposed of during FY 2020-21.	1
3.	Number of Complaints pending as on end of the FY 2020-21.	0

14. A chart or matrix setting out the skills / expertise / competencies identified of the board and name of directors having such skills/ expertise / competencies as required in the context of its business (es) and sector(s) for an efficient functioning:

POWERGRID, being a Govt. Company within the meaning of Section 2(45) of the Companies Act, 2013 and the power to appoint functional / Official Part-time Directors / non-Official Part-time Directors (Independent Directors) vests with the Government of India. Thus, skills / expertise / competencies of an incumbent are within the purview of Govt. of India.

15. General Shareholders' Information:

i) Annual General Meeting

Date : 24th September, 2021

Time : 11:00 AM

Venue : In view of the prevailing situation of Covid-19 pandemic, the Ministry of Corporate Affairs ("MCA") has vide its circular dated 13th January, 2021 read with circular dated 5th May, 2020 (collectively referred to as "MCA Circulars") and Securities and Exchange Board of India (SEBI) vide Circular dated 15th January, 2021 read with Circular dated 12th May, 2020 have permitted holding of the Annual General Meeting ("AGM") through VC / OAVM, without the physical presence of the Members at a common venue. In compliance with the provisions of the Companies Act, 2013 ("Act"), SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 ("SEBI Listing Regulations") and MCA Circulars, the AGM of the Company is being held through VC / OAVM.

ii) Financial Year

The Company's Financial Year is from 1st April to 31st March.

iii) Book Closure

The Register of Members and Share Transfer Books of the Company will remain closed from 10th September, 2021 to 24th September, 2021 (both days inclusive).

iv) Payment of dividend

The Board of Directors of the Company has recommended declaration of a final Dividend of ₹ 3 per share 30% for the financial year ended 31st March, 2021. In addition, an Interim Dividend of ₹ 5 per share (50%) and ₹ 4 per share (40%) was paid on 8th January, 2021 and 30th March, 2021 respectively. [Dividend paid in the previous year was ₹ 10 per share (100%)].

The date for the payment of Dividend is 8th October, 2021.

v) Dividend History

Year	Total Paid-up Capital as on 31 st March of the Year (₹ in Crore)	Total Amount of Dividend Paid for the Financial Year (₹ in Crore)	Date of AGM in which dividend was declared	Date of Payment of Final Dividend
2010-11	4,629.73	810.23	19.09.2011	07.10.2011
2011-12	4,629.73	976.87	19.09.2012	08.10.2012
2012-13	4,629.73	1,273.17	19.09.2013	10.10.2013
2013-14	5,231.59	1,349.75	18.09.2014	09.10.2014
2014-15	5,231.59	1,046.32	15.09.2015	06.10.2015
2015-16	5,231.59	1,208.50	16.09.2016	06.10.2016
2016-17	5,231.59	2,275.75	19.09.2017	04.10.2017
2017-18	5,231.59	2,746.58	18.09.2018	26.09.2018
2018-19	5,231.59	4,357.91	27.08.2019	04.09.2019
2019-20	5,231.59	5,231.59	22.09.2020	09.10.2020
2020-21	5,231.59	2,615.80 [^]	12.12.2020 ^{^^}	08/01/2021 ^{^^^}
2020-21	5,231.59	2,092.64 [^]	01.03.2020 ^{^^}	30/03/2021 ^{^^^}

[^]Amount of Interim Dividend

^{^^}Date of Board Meeting declaring Interim Dividend

^{^^^} Date of Payment of Interim Dividend

vi) Listing on Stock Exchange

POWERGRID equity shares are listed on the following Stock Exchanges:

National Stock Exchange of India Limited. Exchange Plaza, Plot No. C/1, G Block, Bandra-Kurla Complex, Bandra (E), Mumbai - 400 051.	BSE Limited Phiroze Jeejeebhoy Towers, Dalal Street, Mumbai - 400 001
Scrip Code : POWERGRID EQ	Scrip Code: 532898
Stock Code: ISIN - INE752E01010	

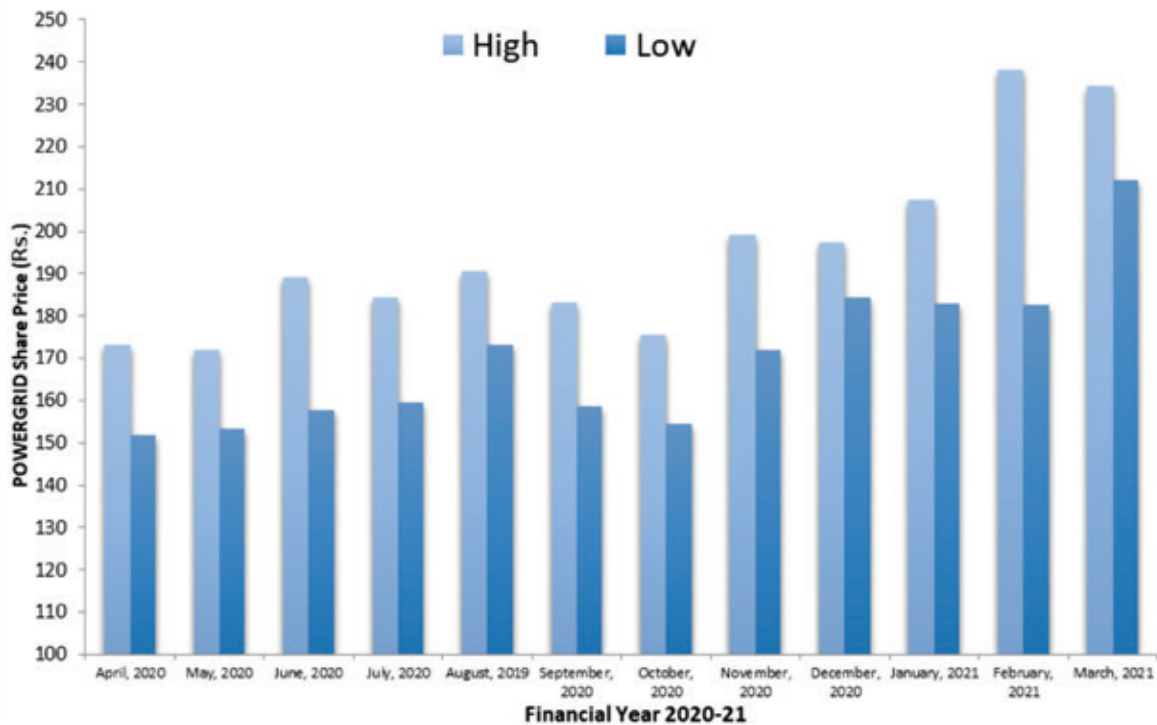
The payment of annual listing fee for the Financial Year 2020-21 has been made to National Stock Exchange of India Limited and BSE Ltd.



vii) POWERGRID's Shares Market Price Data - NSE

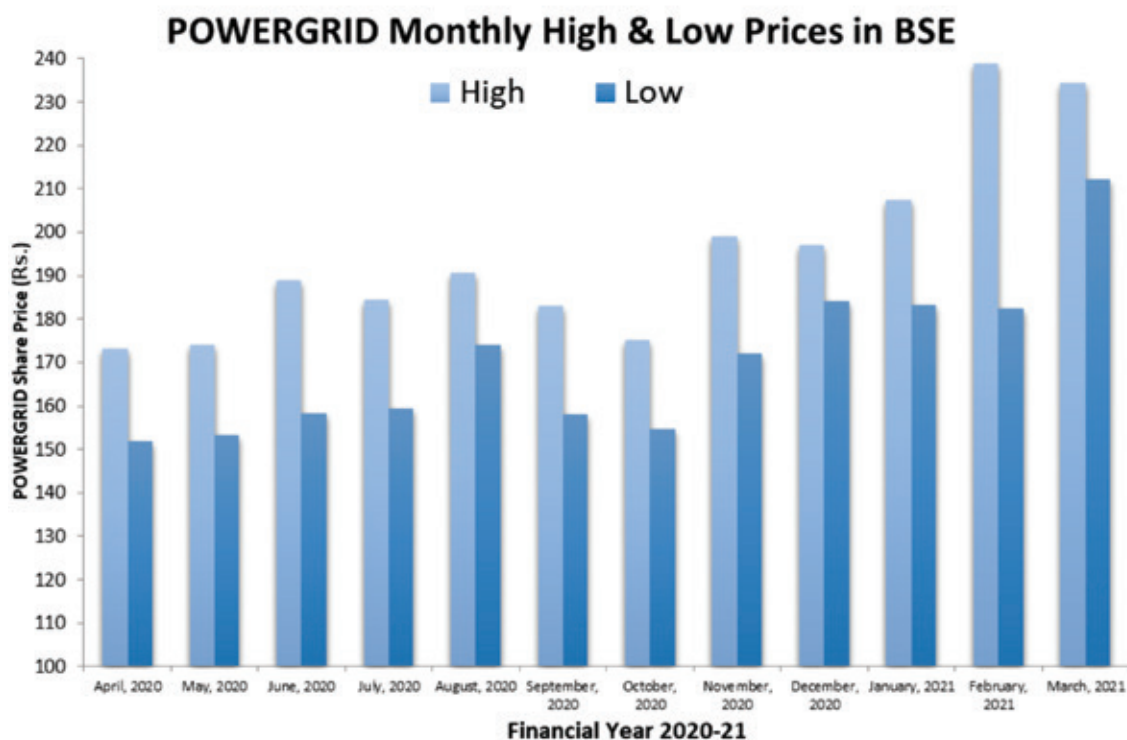
	High (₹)	Low (₹)	Sum of Turnover in Lac (₹) during the Month
April, 2020	173.25	151.75	3,42,429.94
May, 2020	171.9	153.3	3,84,523.75
June, 2020	189	157.7	4,72,512.98
July, 2020	184.5	159.5	4,01,886.09
August, 2020	190.65	173.2	3,65,911.92
September, 2020	183.1	158.5	3,33,946.97
October, 2020	175.35	154.6	3,78,276.62
November, 2020	199.15	171.95	4,41,001.68
December, 2020	197.25	184.45	4,28,721.06
January, 2021	207.5	183	4,34,236.95
February, 2021	238.3	182.5	7,53,623.92
March, 2021	234.4	212.15	6,50,816.12

POWERGRID Shares Monthly High & Low Prices in NSE



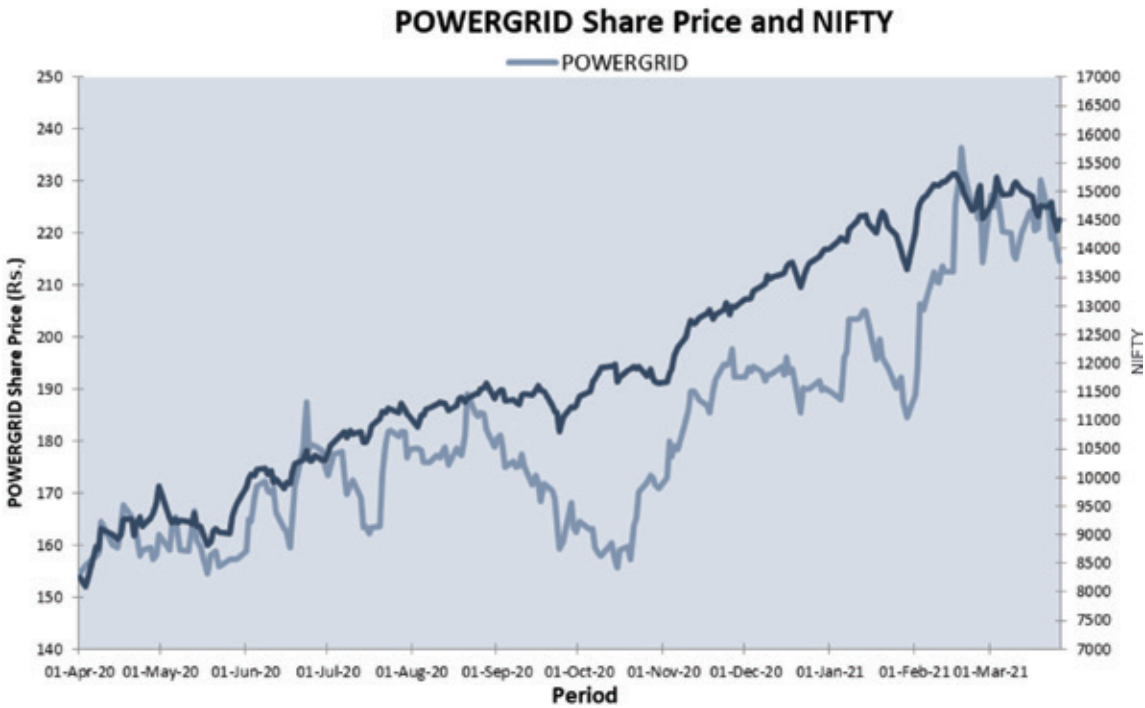
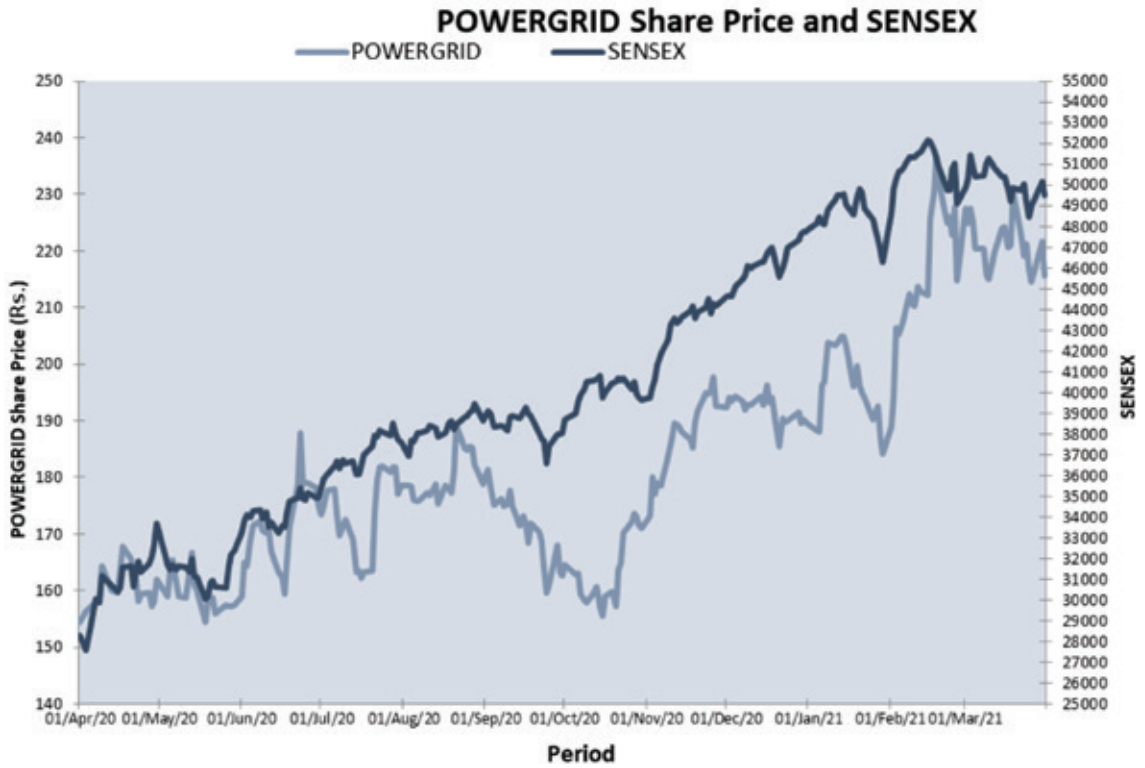
viii) POWERGRID's Shares Market Price Data - BSE

	High (₹)	Low (₹)	Sum of Turnover in Lac (₹) during the Month
April, 2020	173.15	152.00	10,631.77
May, 2020	174.00	153.30	15,975.39
June, 2020	188.80	158.30	24,601.80
July, 2020	184.40	159.55	19,424.98
August, 2020	190.65	174.15	13,961.14
September, 2020	183.00	158.00	7,446.65
October, 2020	175.25	154.65	16,777.93
November, 2020	198.95	172.15	45,977.58
December, 2020	197.10	184.05	19,581.91
January, 2021	207.40	183.30	28,057.51
February, 2021	239.00	182.50	40,028.88
March, 2021	234.30	212.10	21,552.07





ix) Performance in comparison to indices NSE NIFTY, BSE Sensex and POWERGRID



x) **Registrar and Transfer Agents.**

EQUITY SHARES	BONDS
KFin Technologies Pvt. Ltd Karvy Selenium Tower B, Plot No. 31& 32, Gachibowli, Financial District, Nanakramguda, Serilingampally, Hyderabad - 500 032. Tele: +91-40-67162222, Fax: +91- 40-23420814, Toll free No.1800-345-4001. E-mail: einward.ris@karvy.com	BEETAL Financial & Computer Services Pvt Ltd. BEETAL HOUSE, 3rd Floor, 99, Madangir, Behind LSC, New Delhi - 110062. Ph. 011-29961281-283, 26051061, 26051064 Telefax.: 011-29961284 E-mail: beetalrta@gmail.com , beetal@beetalfinancial.com

xi) **Share Transfer System**

As per Regulation 40 of SEBI Listing Regulations, as amended, securities of listed companies can be transferred only in dematerialized form with effect from 1st April, 2019, except in case of request received for transmission or transportation of securities.

Pursuant to SEBI LODR, certificate on half-yearly basis confirmation due compliance of shares transfer formalities by the Company from a Practicing Company Secretary have been submitted to Stock Exchanges within stipulated time.

xii) **Shareholding as on 31st March, 2021**

Shares held by different categories of shareholders and according to the size of the holdings as on 31st March, 2021 are given below:

According to Size

a. Distribution of shareholding according to size, % of holding as on 31st March, 2021:

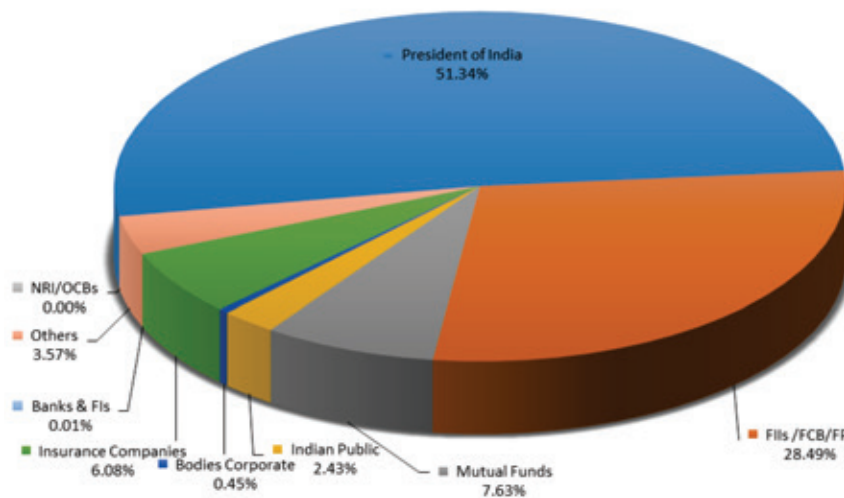
Category	Total Cases	Total Cases %	Total Shares	Total Amount (₹)	Total Amount %
1 - 5000	5,38,906	91.10	7,11,56,094	71,15,60,940	1.36
5001 - 10000	33,047	5.59	2,29,25,148	22,92,51,480	0.44
10001 - 20000	14,179	2.40	1,86,68,617	18,66,86,170	0.36
20001 - 30000	2,019	0.34	49,86,927	4,98,69,270	0.10
30001 - 40000	786	0.13	27,89,782	2,78,97,820	0.05
40001 - 50000	535	0.09	24,84,828	2,48,48,280	0.05
50001 - 100000	742	0.12	52,96,762	5,29,67,620	0.10
100001 & Above	1,371	0.23	5,10,32,81,490	51,03,28,14,900	97.54
TOTAL	5,91,585	100.00	5,23,15,89,648	52,31,58,96,480	100.00

b. Shareholding pattern as on 31st March, 2021

Sl. No.	Category	Total Shares	% To Equity
1	President of India	2,68,58,72,408	51.34
2	FII's /FCB/FPI/NRI	1,49,06,00,480	28.49
3	Mutual Funds	39,94,01,902	7.63
4	Indian Public	12,72,78,314	2.43
5	Bodies Corporate	2,32,60,567	0.45
6	Insurance Companies	31,81,12,675	6.08
7	Banks & IFIs	3,84,208	0.01
8	Others	18,66,78,420	3.57
9	NRI/OCBs	674	0.00
Total		5,23,15,89,648	100.00



Shareholding Pattern as on 31st March, 2021



c. Major Shareholders

Details of Shareholders holding more than 1% of the paid-up capital of the Company as on 31st March, 2021 are given below:

S. No.	Name of the shareholder	Shares	% equity	Category
1	President of India [^]	2584602608	49.40	POI
2	Life Insurance Corporation of India	310294907	5.93	INS
3	Capital Income Builder	165734802	3.17	FPC
4	CPSE Exchange Traded Scheme (CPSE ETF)	120662852	2.31	MUT
5	President of India ^{^^}	101269800	1.94	POI
6	Government of Singapore	99572434	1.90	FPC

[^] represented through Ministry of Power

^{^^} represented through Ministry of DoNER

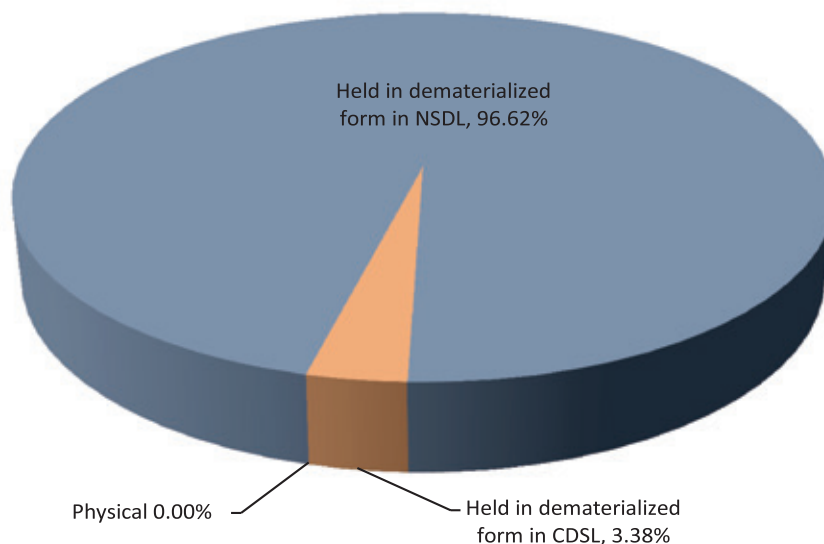
xiii) Dematerialization of Shares

The shares of the Company are in compulsory dematerialized segment and are available for trading system of both National Securities Depository Limited (NSDL) and Central Depository Services (India) Limited (CDSL).

No. of shares held in dematerialized and physical mode:

S. No	Physical/Demat	Number of Holders	Number of Shares	% of total capital issued
1	Physical	1,204	29,775	0.00
2	Held in dematerialized form in NSDL	3,59,889	5,05,46,16,154	96.62
3	Held in dematerialized form in CDSL	2,34,804	17,69,43,719	3.38
Total		5,95,897	₹ 5,23,15,89,648	100.00

No. of shares held in dematerialized and physical mode



The name and addresses of the Depositories are as under:

1. National Securities Depository Limited

Trade World, 4th Floor,
 Kamala Mills Compound, Senapathi Bapat Marg,
 Lower Parel, Mumbai – 400 013.

2. Central Depository Services (India) Limited

Phiroze Jeejeebhoy Towers,
 17th Floor, Dalal Street, Mumbai – 400 023.

xiv) Outstanding GDRs/ADRs/Warrants or any Convertible instruments, conversion date and likely impact on equity

No GDRs/ADRs/Warrants or any Convertible instruments have been issued by the Company.

xv) Location of POWERGRID Plants

POWERGRID has no plants as it is in the business of Transmission of Power.

xvi) Address for correspondence:

Power Grid Corporation of India Limited,
 B-9, Qutab Institutional Area,
 Katwaria Sarai, New Delhi – 110 016.

	Telephone No.	Fax No.
Registered Office	011-26560121, 26564812, 26564892	011-26601081
E-mail ID	investors@powergrid.co.in	

Dispatch of Documents in electronic form:

Sections 101 and 136 of the Companies Act, 2013 read with the Companies (Management and Administration) Rules, 2014 and Regulation 36 of SEBI LODR and the Circular dated 13th January, 2021 read with circular dated 5th May, 2020 of Ministry of Corporate Affairs read with SEBI circular dated 15th January, 2021 read with Circular dated 12th May, 2020 requirement of sending physical copies of Annual Report to the Shareholders of the Company had been dispensed for the financial year 2020-21 and also permitted to send Annual Report containing notice of AGM, Board's Report, Financial Statements and other documents etc. through emails only to its shareholders who have registered their e-mail address(es) with their DP/the company.



Annexure-I

Non-Mandatory Requirements

- 1. The Board:** The Company is headed by an executive Chairman. No person has been appointed as independent director who has been a Director, in the aggregate, exceeding a period of nine years on the Board of POWERGRID.
- 2. Shareholder Rights:** The financial results for the half year ended 30th September, 2020 were published in Times of India and Economics Times dated 12th November, 2020 and also put up on website. Separate half year report has, however, not been sent to each household of shareholders. Significant events have been disclosed on the Company website: www.powergrid.in.
- 3. Modified opinion(s) in audit report:** The Statutory Auditors have issued unmodified opinion on the standalone and the consolidated financial statements of the Company for the year ended 31st March, 2021.
- 4. Reporting of Internal Auditor:** The Internal auditor directly report to the Audit Committee.

Certificate on Corporate Governance:

The Certificate on Corporate Governance is being published as an annexure to the Directors' Report.

For and on behalf of the Board of Directors

(K. Sreekant)

Chairman & Managing Director

DIN: 06615674

Date: 26th August, 2021

Place: New Delhi

ANNEXURE VII TO THE DIRECTORS' REPORT

KUMAR NARESH SINHA & ASSOCIATES
Company Secretaries

121, Vinayak Apartment
Plot No.: C-58/19, Sector-62
Noida-201309 (U.P)
Mobile: 9868282032, 9810184269
Email: kumarnareshsinha@gmail.com

**CERTIFICATE ON COMPLIANCE OF CONDITIONS OF
CORPORATE GOVERNANCE FOR THE FY 2020-21**

To,
The Members

Power Grid Corporation of India Limited

1. We have examined the compliance of conditions of Corporate Governance by **Power Grid Corporation of India Limited** ("the Company"), for the financial year ended on **31st March 2021**, as stipulated in the Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015 ("the Listing Regulations") and as stipulated in the guidelines of Department of Public Enterprises (DPE) on Corporate Governance for Central Public Sector Undertakings issued in May 2010.
2. The compliance of conditions of Corporate Governance is the responsibility of the Management. This responsibility includes the design, implementation and maintenance of internal control and procedures to ensure compliance with the conditions of the Corporate Governance stipulated in the Listing Regulations and DPE guidelines on Corporate Governance.
3. Our responsibility is limited to examining the procedures and implementation thereof, adopted by the Company for ensuring compliance with the conditions of the Corporate Governance as stipulated in the Listing Regulations and DPE guidelines on Corporate Governance. It is neither an audit nor an expression of opinion on the financial statements of the Company.
4. Based on our examination of the relevant records and according to the information and explanations provided to us and the representations provided by the Management, we certify that the Company has complied with the conditions of Corporate Governance as stipulated in regulations 17 to 27 and clauses (b) to (i) of regulation 46(2) and para C and D of Schedule V of the SEBI Listing Regulations and DPE guidelines on Corporate Governance during the year ended **31st March 2021** subject to the following:

The Company did not have:

- **requisite number of Independent Directors on its Board as required under Regulation 17 (1) of Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015 and Para 3.1.4 of DPE Guidelines on Corporate Governance with regard to Composition of the Board of Directors.**
5. We further state that such compliance is neither an assurance as to the future viability of the Company nor the efficiency or effectiveness with which the Management has conducted the affairs of the Company.
 6. In view of the situation of COVID-19 Pandemic, we could not examine physical documents, records & other papers etc. of the Company for the year ended **31st March, 2021** and the documents/information required by us were provided through electronic Mode.

For Kumar Naresh Sinha & Associates
Company Secretaries

Sd/-
CS Naresh Kumar Sinha
(Proprietor)
FCS: 1807; C P No.: 14984
PR: 610/2019
UDIN: F001807C000794797

Place: Noida
Date: 17.08.2021



ANNEXURE - VIII TO THE DIRECTORS' REPORT

FORM NO. AOC -2

(Pursuant to clause (h) of sub-section (3) of section 134 of the Act and Rule 8(2) of the Companies (Accounts) Rules, 2014.
 Form for Disclosure of particulars of contracts/arrangements entered into by the company with related parties referred to in sub section (1) of section 188 of the Companies Act, 2013 including certain arms length transaction under third proviso thereto.

1	Details of contracts or arrangements or transactions not at arm's length basis	
	a) Name(s) of the related party and nature of relationship	-
	b) Nature of contracts / arrangements / transactions	-
	c) Duration of the contracts / arrangements / transactions	-
	d) Salient terms of the contracts or arrangements or transactions including the value, if any	-
	e) Justifications for entering into such contracts or arrangements or transactions	-
	f) Date(s) of approval by the Board	-
	g) Amount paid as advances, if any :	-
	h) Date on which the special resolution was passed in general meeting as required under first proviso to section 188	-
2	Details of material contracts or arrangement or transactions at arm's length basis	
(A)	a) Name(s) of the related party and nature of relationship	<ol style="list-style-type: none"> 1. POWERGRID NM Transmission Limited 2. POWERGRID Vizag Transmission Limited 3. POWERGRID Unchahar Transmission Limited 4. POWERGRID Kala Amb Transmission Limited 5. POWERGRID Jabalpur Transmission Limited 6. POWERGRID Warora Transmission Limited 7. POWERGRID Parli Transmission Limited 8. POWERGRID Southern Interconnector Transmission System Limited 9. POWERGRID Medinipur Jeerat Transmission Limited 10. POWERGRID Mithilanchal Transmission Limited 11. POWERGRID Varanasi Transmission System Limited 12. POWERGRID Jawaharpur Firozabad Transmission Limited 13. POWERGRID Khetri Transmission System Limited 14. POWERGRID Ajmer Phagi Transmission Limited 15. POWERGRID Bhind Guna Transmission Limited 16. POWERGRID Bhuj Transmission Limited 17. POWERGRID Fatehgarh Transmission Limited 18. POWERGRID Meerut Simbhavali Transmission Limited 19. POWERGRID Rampur Sambhal Transmission Limited 20. POWERGRID Ramgarh Transmission Limited 21. POWERGRID Bikaner Transmission System Limited <p>The aforementioned Project SPVs are 100% wholly owned subsidiaries of POWERGRID acquired by POWERGRID under Tariff Based Competitive Bidding (TBCB).</p>

b) Nature of contracts / arrangements / transactions	<p>Part (A) POWERGRID to provide security (ies) / guarantee(s) in connection with loan (s) an / or any form of debt including ECBs and / or to provide inter corporate loan (s) on cost to cost basis, or a combination thereof, upto an amount of ₹ 22,880.32 Crores (Rupees Twenty-Two Thousand Eight Hundred Eighty and Thirty Two Paise Crore only) to aforementioned Project SPVs.</p> <p>However, the agreements entered are presently limited to ₹ 20,933 crores (Rupees Twenty Thousand Nine Hundred and Thirty-Three Crore only) as per the following amounts:</p> <ol style="list-style-type: none"> 1. POWERGRID NM Transmission Limited ₹ 1150 Cr 2. POWERGRID Vizag Transmission Limited ₹ 1200 Cr 3. POWERGRID Unchahar Transmission Limited ₹ 90 Cr 4. POWERGRID Kala Amb Transmission Limited ₹ 300 Cr 5. POWERGRID Jabalpur Transmission Limited ₹ 1400 Cr 6. POWERGRID Warora Transmission Limited ₹ 2020 Cr 7. POWERGRID Parli Transmission Limited ₹ 1780 Cr 8. POWERGRID Southern Interconnector Transmission System Limited ₹ 2924 Cr 9. POWERGRID Medinipur Jeerat Transmission Limited ₹ 2800 Cr 10. POWERGRID Mithilanchal Transmission Limited ₹ 1000 Cr 11. POWERGRID Varanasi Transmission System Limited ₹ 756 Cr 12. POWERGRID Jawaharpur Firozabad Transmission Limited ₹ 378 Cr 13. POWERGRID Khetri Transmission System Limited ₹ 854 Cr 14. POWERGRID Ajmer Phagi Transmission Limited ₹ 506 Cr 15. POWERGRID Bhind Guna Transmission Limited ₹ 485 Cr 16. POWERGRID Bhuj Transmission Limited ₹ 885 Cr 17. POWERGRID Fatehgarh Transmission Limited ₹ 570 Cr 18. POWERGRID Meerut Simbhavali Transmission Limited ₹ 854 Cr 19. POWERGRID Rampur Sambhal Transmission Limited ₹ 691 Cr 20. POWERGRID Ramgarh Transmission Limited – ₹ 290 Cr <p>Part (B) POWERGRID to render all inputs and services as may be required by the aforementioned Projects SPVs.</p> <p>Part (C) POWERGRID to provide Post-CoD activities including O&M consultancy as may be required by the Project SPVs</p>
a) Duration of the contracts / arrangements / transactions	<p>Part (A) As mutually agreed Part (B) As mutually agreed Part (C) As mutually agreed</p>
b) Salient terms of the contracts or arrangements or transactions including the value, if any	<p>Refer (b)</p>
c) Date(s) of approval by the Board, if any	<p>29th May, 2014, 4th March 2015, 27th January 2016, 5th August 2016, 29th March 2017, 2nd November, 2017, 16th March, 2018, 7th March 2019, 2nd August 2019, 1st October 2019, 19th December 2019, 28th March 2020, 20th June, 2020, 10th August, 2020, 12th September, 2020 and 11th February, 2021</p>
d) Amount paid as advances, if any:	<p>NIL</p>
(B) a) Name(s) of the related party and nature of relationship	<p>Bihar Grid Company Limited (BGCL), Joint Venture Company</p>
b) Nature of contracts / arrangements / transactions	<p>Consultancy for post-award Techno Managerial services for Strength-ening of Transmission System in Bihar-Phase-IV, (Part-II).</p>
c) Duration of the contracts / arrangements / transactions	<p>24 months (Extendable automatically in case of delay till completion of the scope as per Agreement).</p>



	d) Salient terms of the contracts or arrangements or transactions including the value, if any	Providing post-award engineering, design, quality assurance & inspection related services for the packages awarded by BGCL under strengthening of Transmission System in Bihar-Phase-IV, (Part-II). Agreement signed on 24 th Apr'18. The estimated cost of the project is ₹ 1370.0 Cr. (excluding IEDC & IDC) and service charges payable to POWERGRID @ 2% of the actual executed cost of the project.
	e) Date(s) of approval by the Board, if any	16 th Mar'18 (351 st Board meeting of POWERGRID)
	f) Amount paid as advances, if any:	No amount was paid to BGCL as advance for this contract
(C)	a) Name(s) of the related party and nature of relationship	Bihar Grid Company Limited (BGCL), Joint Venture Company
	b) Nature of contracts / arrangements / transactions	Consultancy for Post-award Techno Managerial services (Post-award Engineering & QA&I only) for Strengthening of Transmission System in Bihar-Phase-IV (Part-I).
	c) Duration of the contracts / arrangements / transactions	24 months (Extendable automatically in case of delay till completion of the scope as per Agreement).
	d) Salient terms of the contracts or arrangements or transactions including the value, if any	Providing post-award engineering, quality assurance & inspection related services for the packages awarded by BGCL under strengthening of Transmission System in Bihar-Phase-IV, (Part-1). Agreement signed on 1 st Jan'15. The estimated cost of the project is ₹ 1700.0 Cr. and service charges @ 2% of the actual executed cost of the project.
	e) Date(s) of approval by the Board, if any	24 th Dec'14 (308 th Board meeting of POWERGRID)
	f) Amount paid as advances, if any:	No amount was paid to BGCL as advance for this contract.
(D)	a) Name(s) of the related party and nature of relationship	Bihar Grid Company Limited (BGCL), Joint Venture Company
	b) Nature of contracts / arrangements / transactions	Consultancy for pre-award Techno Managerial services for Strengthening of Transmission System in Bihar-Phase-IV, (Part-II).
	c) Duration of the contracts / arrangements / transactions	Mutually agreed
	d) Salient terms of the contracts or arrangements or transactions including the value, if any	Providing pre-award engineering services to BGCL under strengthening of Transmission System in Bihar-Phase-IV, (Part-II). Agreement signed on 30 th May'19. The consultancy service charges are ₹ 93 Lakhs.
	e) Date(s) of approval by the Board, if any	7 th May'19 (365 th Board meeting of POWERGRID)
	f) Amount paid as advances, if any:	No amount was paid to BGCL as advance for this contract.
(E)	a) Name(s) of the related party and nature of relationship	Teestavalley Power Transmission Company Limited (TPTL), Joint Venture Company
	b) Nature of contracts / arrangements / transactions	Consultancy for execution of 2 nos. 400 kV AIS bays and 2x63 MVAR Reactors at Kishenganj POWERGRID S/S (Subsequently, scope revised to GIS from AIS)
	c) Duration of the contracts / arrangements / transactions	26 months (Extendable automatically in case of delay till completion of the scope as per Agreement)
	d) Salient terms of the contracts or arrangements or transactions including the value, if any	Providing all services i.e. procurement, engineering, implementation including testing and commissioning for 2 nos. 400 kV GIS bays and 2x63 MVAR reactors at Kishenganj. Agreement signed on 1 st Sep'09 having estimated project cost of ₹ 26.78 Cr. and consultancy fee @15% of the actual executed cost of the project.
	e) Date(s) of approval by the Board, if any	Not applicable
	f) Amount paid as advances, if any:	No amount was paid to TPTL as advance for this contract.


(F)	a) Name(s) of the related party and nature of relationship	North East Transmission Company Limited (NETC), Joint Venture Company
	b) Nature of contracts / arrangements / transactions	Consultancy for Establishment of Office cum Store Complex at Guwahati.
	c) Duration of the contracts / arrangements / transactions	18 months (Mutually extendable)
	d) Salient terms of the contracts or arrangements or transactions including the value, if any	Agreement signed on 24 th August, 2018 having estimated project cost of ₹ 3.08 Cr. and consultancy fee @10% of the final actual executed cost of the project.
	e) Date(s) of approval by the Board, if any	Not applicable
	f) Amount paid as advances, if any:	No amount was paid to TPTL as advance for this contract.
(G)	a) Name(s) of the related party and nature of relationship	North East Transmission Company Limited (NETC), Joint Venture Company
	b) Nature of contracts / arrangements / transactions	Consultancy for Operation & Maintenance of 400 KV D/C Pallatana-Silchar-Byrnihat line (about 461.8 km).
	c) Duration of the contracts / arrangements / transactions	Extendable mutually.
	d) Salient terms of the contracts or arrangements or transactions including the value, if any	Providing all services for Operation & Maintenance of 400 KV D/C Pallatana-Silchar-Byrnihat line (about 461.8 km). Agreement signed on 26 th Aug'19. The consultancy fee is as per CERC tariff norms.
	e) Date(s) of approval by the Board, if any	2 nd Aug'19 (368 th Board meeting of POWERGRID)
	f) Amount paid as advances, if any:	No amount was paid to NETC as advance for this contract.
(H)	a) Name(s) of the related party and nature of relationship	National High Power Test Laboratory Pvt. Ltd. (NHPTL), Joint Venture Company
	b) Nature of contracts / arrangements / transactions	Consultancy for establishment of On-line High Power Short Circuit Test Facility at Bina Substation
	c) Duration of the contracts / arrangements / transactions	Mutually agreed
	d) Salient terms of the contracts or arrangements or transactions including the value, if any	Providing all services i.e. procurement, engineering, implementation including testing and commissioning for establishment of On-line High Power Short Circuit Test Facility at Bina Substation. Agreement Signed on 25 th Nov'10 having estimated project cost of ₹ 247.06 Cr. and Consultancy fee @ 10% of the actual executed cost of the project.
	e) Date(s) of approval by the Board, if any	Not applicable
	f) Amount paid as advances, if any:	No amount was paid to NHPTL as advance for this contract.
(I)	a) Name(s) of the related party and nature of relationship	Power Transmission Company Nepal Ltd, JV Company
	b) Nature of contracts / arrangements / transactions	To provide Project Management Consultancy for execution of 400kV D/C Dhalkebar Bittamod (42.1 km) section (Nepal Portion) of 400kV D/C Muzaffarpur (India)- Dhalkebar (Nepal) Transmission Line.
	c) Duration of the contracts / arrangements / transactions	24 months from 13 th Aug'2012 (Extended automatically in case of delay till completion of the scope as per agreement)



	d) Salient terms of the contracts or arrangements or transactions including the value, if any	Providing project management consultancy i.e. preparation of Master N/w design & Engineering, Preparation of technical specifications including BOQ, NIT and cost estimate; preparation of technical & commercial bid documents, preparation of draft NIT, evaluation of bid draft LOA, post contract Engg. and project management activities and supervision of site work, opening of site offices and other work incidental to execution of work. Value: Consultancy fee shall be 10% of the final actual executed cost of the project plus applicable taxes/duties in India/ Nepal.
	e) Date(s) of approval by the Board, if any	6 th Jan'2010
	f) Amount paid as advances, if any:	₹ 0.53 Cr. received on 25 th Jul'14. No amount paid as advances thereafter.
(J)	a) Name(s) of the related party and nature of relationship	Cross-Border Power Transmission Company Ltd, JV Company
	b) Nature of contracts / arrangements / transactions	To provide Project Management Consultancy for execution of 400kV D/C Muzaffarpur-Sursand (85.55 km) section (India Portion) of 400kV D/C Muzaffarpur (India)- Dhalkebar (Nepal) Transmission Line
	c) Duration of the contracts / arrangements / transactions	30 months from 10 th Aug'2012 (Extended automatically in case of delay till completion of the scope as per agreement)
	d) Salient terms of the contracts or arrangements or transactions including the value, if any	Providing project management consultancy i.e. preparation of Master N/w design & Engineering, Preparation of technical specifications including BOQ, NIT and cost estimate; preparation of technical & commercial bid documents, preparation of draft NIT, evaluation of bid draft LOA, award of the Contract, post contract Engg. and project management activities and supervision of site work, opening of site offices and other work incidental to execution of work Value: Consultancy fee shall be 12% of the final actual executed cost of the project plus applicable taxes/duties in India/ Nepal.
	e) Date(s) of approval by the Board, if any	24 th Aug'2009
	f) Amount paid as advances, if any:	₹ 1.31 Cr. received on 19 th Apr'2013. No amount paid as advances thereafter.
(K)	a) Name(s) of the related party and nature of relationship	Cross-Border Power Transmission Company Ltd, JV Company
	b) Nature of contracts / arrangements / transactions	To provide Project Management Consultancy for execution of 02 nos. line bays at Muzaffarpur (POWERGRID) S/s of 400kV D/C Muzaffarpur (India)- Dhalkebar (Nepal) Transmission Line
	c) Duration of the contracts / arrangements / transactions	15 months from 06 th Feb'2019 (Extended automatically in case of delay till completion of the scope as per agreement)
	d) Salient terms of the contracts or arrangements or transactions including the value, if any	Providing project management consultancy i.e. preparation of Master N/w design & Engineering, Preparation of technical specifications including BOQ, NIT and cost estimate; preparation of technical & commercial bid documents, preparation of draft NIT, evaluation of bid draft LOA, award of the Contract, post contract Engg. and project management activities and supervision of site work, opening of site offices and other work incidental to execution of work Value: Consultancy Fee is INR 80 Lakhs
	e) Date(s) of approval by the Board, if any	31 st Jan'2019
	f) Amount paid as advances, if any:	₹ 8 lakh received on 06 th Feb'2019. No amount paid as advances thereafter.

(L)	a) Name(s) of the related party and nature of relationship	Cross-Border Power Transmission Company Ltd, JV Company
	b) Nature of contracts / arrangements / transactions	To provide O&M of Indian portion (Muzaffarpur to Sursand) of 400KV D/C Muzaffarpur (India) - Dhalkebar (Nepal) transmission line along with 2 nos of 220KV bays at Muzaffarpur substation
	c) Duration of the contracts / arrangements / transactions	03 years from 01 st Apr'2019 (old contract dated 23 rd Jun'16 expired on 31 st Mar'19 and renewed from 01 st Apr'19 on 22 nd May'19)
	d) Salient terms of the contracts or arrangements or transactions including the value, if any	<p>Routine and preventive maintenance of the above Transmission line i.e. works not requiring shut down such as a) Routine patrolling of the Transmission line at regular intervals and maintaining the records b) Inspection of the foundation and checking the completeness of the tower members. c) Loping & Chopping and bush clearance not involving Tree cutting / chopping and right of way issues. d) Attending to minor repairs of chimney and removal of excess soil. e) Replacement of missing tower members / damaged tower members. f) Tightening of fasteners in the towers up to safe working level / height. g) Visual inspection of Jumpers and Insulators. h) Special patrolling of the line in case of any tripping or Auto reclose.</p> <p>Minor shutdown nature works such as: a) Replacement of missing Spacers / Spacer dampers, Conductor Vibration dampers, Arcing horns, broken insulators, tower members and tightening of the fasteners in the towers above the safe working height / level, earth wire VD. b) Rectification in respect of conductor and earth wire snapping not involving tower collapse, jumper cut. c) Attending to displacement of Conductor Vibration dampers. d) Repair to Conductor.</p>
	e) Date(s) of approval by the Board, if any	27 th Aug'2019
	f) Amount paid as advances, if any:	₹ 50 lakh received on 16 th Aug'2016 as revolving funds. No amount paid as advances thereafter.

For and on behalf of the Board of Directors



(K. Sreekant)

Chairman & Managing Director

DIN: 06615674

Date: 26th August, 2021

Place: New Delhi

(Pursuant to first proviso to sub-section (3) of section 129 read with rule 5 of Companies (Accounts) Rules, 2014)

Statement containing salient features of the financial statement of subsidiaries or associate companies or joint ventures**Part "A": Subsidiaries**

(₹ in crore)

Sl. No.	Name of Subsidiaries	Reporting period for the subsidiary concerned, if different from the holding company's reporting period	Reporting currency and Exchange rate as on the last date of the relevant Financial year in the case of foreign subsidiaries	Share capital	Reserves & surplus	Total assets	Total Liabilities	Investments	Turnover	Profit before taxation	Provision for taxation	Profit after taxation	Proposed Dividend	% of share holding
1	Powergrid Vemagiri Transmission Limited	N.A.	N.A.	0.05	(19.46)	-	19.41	Nil	-	-	-	-	Nil	100%
2	Powergrid NM Transmission Limited	N.A.	N.A.	485.05	(232.18)	1,163.72	910.85	Nil	122.36	6.92	43.97	(37.05)	Nil	100%
3	Powergrid Vizag Transmission Limited	N.A.	N.A.	209.73	113.03	1,141.32	818.56	Nil	303.77	206.67	97.47	109.20	Nil	100%
4	Powergrid Unchahar Transmission Limited	N.A.	N.A.	12.96	8.65	63.42	41.81	Nil	21.37	10.93	5.99	4.94	Nil	100%
5	Powergrid Kala Amb Transmission Limited	N.A.	N.A.	61.00	22.73	302.14	218.41	Nil	72.69	44.58	15.10	29.48	Nil	100%
6	Powergrid Jabalpur Transmission Limited	N.A.	N.A.	226.91	29.38	1,506.76	1,250.47	Nil	250.61	119.80	30.10	89.70	Nil	100%
7	Powergrid Warora Transmission Limited	N.A.	N.A.	393.30	71.76	2,132.18	1,667.12	Nil	398.92	214.15	73.87	140.28	Nil	100%
8	Powergrid Parli Transmission Limited	N.A.	N.A.	322.10	62.46	1,789.42	1,404.86	Nil	354.15	198.54	62.00	136.54	Nil	100%
9	Powergrid Southern Interconnector Transmission System Limited	N.A.	N.A.	709.00	115.78	3,614.90	2,790.12	Nil	463.84	144.70	36.02	108.68	28.36	100%
10	Powergrid Medinipur Jeerat Transmission Limited	N.A.	N.A.	549.63	19.15	3,106.68	2,537.90	Nil	45.72	25.74	6.59	19.15	16.49	100%
11	Powergrid Mithilanchal Transmission Limited	N.A.	N.A.	213.50	0.94	1,161.71	947.27	Nil	2.32	1.27	0.32	0.95	Nil	100%
12	Powergrid Varanasi Transmission System Limited	N.A.	N.A.	168.05	0.01	900.87	732.81	Nil	-	0.02	-	0.02	Nil	100%
13	Powergrid Jawaharpur Firozabad Transmission Limited	N.A.	N.A.	77.20	1.05	443.16	364.91	Nil	3.57	1.40	0.35	1.05	Nil	100%
14	Powergrid Khetri Transmission System Limited	N.A.	N.A.	161.40	(0.38)	894.37	733.35	Nil	-	(0.05)	-	(0.05)	Nil	100%
15	Powergrid Bhuj Transmission Limited	N.A.	N.A.	97.71	-	531.12	433.41	Nil	-	-	-	-	Nil	100%

Sl. No.	Name of Subsidiaries	Reporting period for the subsidiary concerned, if different from the holding company's reporting period	Reporting currency and Exchange rate as on the last date of the relevant Financial year in the case of foreign subsidiaries	Share capital	Reserves & surplus	Total assets	Total Liabilities	Investments	Turnover	Profit before taxation	Provision for taxation	Profit after taxation	Proposed Dividend	% of share holding
16	Powergrid Bhind Guna Transmission Limited	N.A.	N.A.	50.05	(0.64)	374.28	324.87	Nil	-	-	-	-	Nil	100%
17	Powergrid Ajmer Phagi Transmission Limited	N.A.	N.A.	112.00	(0.34)	579.10	467.44	Nil	-	(0.02)	-	(0.02)	Nil	100%
18	Powergrid Fatehgarh Transmission Limited	N.A.	N.A.	113.41	-	621.44	508.03	Nil	-	-	-	-	Nil	100%
19	Powergrid Rampur Sambhal Transmission Limited	N.A.	N.A.	21.52	(0.88)	141.93	121.29	Nil	-	-	-	-	Nil	100%
20	Powergrid Meerut Simbhavali Transmission Limited	N.A.	N.A.	32.01	-	241.10	209.09	Nil	-	-	-	-	Nil	100%
21	Central Transmission Utility of India Limited	N.A.	N.A.	0.05	(0.03)	0.05	0.03	Nil	-	(0.03)	-	(0.03)	Nil	100%
22	Powergrid Rangarh Transmission Limited	N.A.	N.A.	0.05	(0.51)	6.34	6.80	Nil	-	(0.68)	(0.17)	(0.51)	Nil	100%
23	Jaypee Powergrid Limited	N.A.	N.A.	300.00	155.05	593.27	138.22	Nil	2.43	1.19	(10.95)	(25.03)	Nil	100%
24	Bikaner-II Bhiwadi Transco Limited	N.A.	N.A.	0.01	-	24.84	24.83	Nil	-	-	-	-	Nil	100%

Names of subsidiaries which are yet to commence operations:

1. Powergrid Vemagiri Transmission Limited (not a going concern)
2. Powergrid Varanasi Transmission System Limited
3. Powergrid Khetri Transmission System Limited
4. Powergrid Bhuj Transmission Limited
5. Powergrid Bhind Guna Transmission Limited
6. Powergrid Ajmer Phagi Transmission Limited
7. Powergrid Fatehgarh Transmission Limited
8. Powergrid Rampur Sambhal Transmission Limited
9. Powergrid Meerut Simbhavali Transmission Limited
10. Central Transmission Utility of India Limited
11. Powergrid Ramgarh Transmission Limited
12. Bikaner-II Bhiwadi Transco Limited

Part "B": Associates and Joint Ventures

Statement pursuant to Section 129 (3) of the Companies Act, 2013 related to Associate Companies and Joint Ventures:

(₹ in crore)

Name of Associates/ Joint Ventures	Powerlinks Transmission Limited	Torrent Power Grid Limited	Parbati Koldam Transmission Company Limited	Teestavalley Power Transmission Limited	North East Transmission Company Limited	National High Power Test Laboratory Private Limited	Bihar Grid Company Limited	Cross Border Power Transmission Company Limited	RINL Powergrid TLT Private Limited	Power Transmission Company Nepal Limited
1. Latest audited Balance Sheet Date	31.03.2021	31.03.2021	Unaudited	Unaudited	31.03.2021	Unaudited	Unaudited	Unaudited	Unaudited	Unaudited
2. Shares of Associate / Joint Ventures held by the company on the year end										
Number	229320000	23400000	70937620	120120000	106964000	30400000	290296935	12612473	4000000	1170000
Amount of Investment in Associates / Joint Venture	229.32	23.40	70.94	120.12	106.96	30.40	290.30	12.62	4.00	6.50
Extend of Holding %	49%	26%	26%	30.92%	26%	20%	50%	26%	50%	26%
3. Description of how there is significant influence	Shareholding is more than 20%	Shareholding is more than 20%	Shareholding is more than 20%	Shareholding is more than 20%	Shareholding is more than 20%	Shareholding is more than 20%	Shareholding is more than 20%	Shareholding is more than 20%	Shareholding is more than 20%	Shareholding is more than 20%
4. Reason why the associate/joint venture is not consolidated	N.A.	N.A.	N.A.	N.A.	N.A.	N.A.	N.A.	N.A.	N.A.	N.A.
5. Net worth attributable to Shareholding as per latest audited Balance Sheet	469.63	34.67	86.60	140.02	124.62	18.22	431.29	29.97	-	11.83
6. Profit / Loss for the year										
i. Considered in Consolidation	50.04	5.02	15.95	14.22	19.57	(3.84)	100.83	3.84	-	2.02
ii. Not Considered in Consolidation	N.A.	N.A.	N.A.	N.A.	N.A.	N.A.	N.A.	N.A.	N.A.	N.A.

Names of associates or joint ventures which are yet to commence operations: RINL Powergrid TLT Pvt Limited (not a going concern)

Names of associates or joint ventures which have been liquidated or sold during the year: Kalinga Vidyut Prasaran Nigam Private Limited

For and on behalf of the Board of Directors

Mrinal Srivastava
Company Secretary

Mohammed Taj Mukarrum
Director (Finance)

K. Sreekant
Chairman & Managing Director

For T R CHADHA & CO LLP
Chartered Accountants
FRN : 006711N/N500028

For UMAMAHESWARA RAO & CO
Chartered Accountants
FRN : 004453S

As per our report of even date

For B M CHATRATH & CO LLP
Chartered Accountants
FRN : 301011E/E300025

For PSD & ASSOCIATES
Chartered Accountants
FRN : 004501C

CA Neena Goel
Partner
M. No. 057986
Place: Gurugram

CA G. Sivaramakrishna Prasad
Partner
M. No. 024860
Place: Gurugram

CA Sanjay Sarkar
Partner
M. No. 064305
Place: Kolkata

Satish Chandra Sharma
Partner
M. No. 072846
Place: Jaipur

Place: Gurugram
Date: 17 June 2021

Annual Report on Corporate Social Responsibility

1. Brief outline on CSR Policy of the Company.

CSR Policy of the Company was approved by the Board of Directors in its 307th meeting held on 11.11.2014 and was modified in its 323rd meeting held on 30.11.2015. Major changes were incorporated in the Name of the Policy, inclusion of Vision and Mission Statements, defining local area and communication strategy. The Policy is available on Company's website <https://www.powergrid.in/sites/default/files/CSR%26S%20policy.pdf>

The main features of the Policy are:

The Policy is named as POWERGRID's Corporate Social Responsibility and Sustainability Policy.

Vision

To be a Corporate that sets a long term strategy for Social & Economic Development of communities through initiatives in rural development, school education, healthcare, skill development and other areas of national importance and adhere to sustainable environmental practices.

Mission

To align CSR and Sustainability Policy with the business policy so as to conduct business in a sustainable manner, adhering to the principles of Avoidance, Minimization and Mitigation in dealing with environmental & social issues and to undertake high impact community development projects of national & local importance in consultation with stakeholders.

Activities under CSR

The activities proposed to be undertaken under CSR shall include all the activities mentioned in Schedule VII of Section 135 (3) (a) of the Company's Act, 2013.

The Corporation will give preference to the stakeholders who are directly impacted by its operation for CSR activities. Since such stakeholders are generally located in the periphery of the commercial operations of the Corporation, POWERGRID will accord priority for CSR activities in local areas and neighborhood areas of its operations.

The Geographical limits of a District where POWERGRID has its presence shall be considered as "local area" for CSR&S activities. In addition, POWERGRID shall also undertake CSR activities outside it. Ratio of CSR spends between local areas and outside would be approximately 75:25. However, projects/activities executed under directives of Government of India or of foremost concern of the national development agenda will be outside the purview of this ratio. The CSR&S Committee is authorized to approve any project, irrespective of the amount involved, which is beyond the above ratio.

Priority will be given for CSR activities to the stakeholders directly impacted by operations of the Corporation.

CSR Projects or Programmes or activities undertaken in India shall only amount to CSR expenditure.

Endeavour shall be made to promote sustainable development through initiatives by conducting business in a manner that is beneficial to both business and society.

Mode of Execution of CSR activities

CSR activities shall preferably be implemented in a project mode. Implementation of various activities will normally be done through placement of award by the Corporation as per Works & Procurement Policy of the Corporation. Services of various departments of Central, State Governments, Panchayati Raj Institutions, etc. may also be availed for implementation of CSR activities on deposit work basis.

CSR activities/projects/programmes, may also be taken up in association with a registered trust or a registered society or a company established by the Corporation or its holding or subsidiary or associate company, submitted to fulfilling requirements, as mentioned in Companies Act.

Communication Strategy

The electronic media shall be used for broader communication with the stakeholders. Display in website, emails, Annual CSR booklet, Annual Report, etc. will be key instruments to decipher the CSR initiatives of POWERGRID.

Funding of CSR activities

The Corporation will be required to spend annually on CSR, two percent of the average net profit made during last three immediately preceding financial years.



2. Composition of CSR Committee: As on 31st March, 2021, the CSR committee comprises the following Directors.

S.No.	Name of Director	Designation / Nature of Directorship	Number of meetings of CSR Committee held during the year	Number of meetings of CSR Committee attended during the year
1.	Shri K.Sreekant	CMD & Chairman of the Committee	Five	Five
2.	Shri V.K.Singh	Director (Pers)	Five	Five
3.	Shri Manoj Kumar Mittal (upto 11.09.2020)	Director (Independent)	Five	One
4.	Ms. A. R. Mahalaxmi (upto 25.07.2021)	Director (Independent)	Five	Five

3. Provide the web-link where Composition of CSR Committee, CSR Policy and CSR Projects approved by the board are disclosed on the website of the company. <https://www.powergrid.in/sites/default/files/CSR%26S%20policy.pdf>
4. Provide the details of Impact Assessment of CSR projects carried out in pursuance of sub-rule (3) of rule 8 of the Companies (Corporate Social Responsibility Policy) Rules, 2014, if applicable (attach the report) Not applicable for current financial year under review.
5. Details of the amount available for set off in pursuance of sub-rule (3) of rule 7 of the Companies (Corporate Social Responsibility Policy) Rule, 2014 and the amount required for set off for the financial year, if any. Nil

S.No.	Financial Year	Amount available for set-off from preceding financial years (in ₹)	Amount required to be set-off for the financial year, if any (in ₹)
1	2018-19	NIL	NIL
2	2019-20	NIL	NIL
3	2020-21	NIL	NIL
	TOTAL	NIL	NIL

6. Average net profit of the company as per section 135(5) ₹ 11,689.51 Cr.
7. (a) Two percent of average net profit of the company as per section 135(5) ₹ 233.79 Cr.
 (b) Surplus arising out of the CSR projects or programmes or activities of the previous financial years. ₹ 0
 (c) Amount required to be set off for the financial year, If any. ₹ 0
 (d) Total CSR obligation for the financial year (7a+7b-7c). ₹ 233.79 Cr.

8 (a) CSR amount spent or unspent for the financial year: 2020-21

Total Amount Spent for the Financial Year (in ₹ Cr.)	Amount unspent (in ₹)			
	Total Amount transferred to Unspent CSR Account as per section 135(6).	Date of Transfer	Name of the fund	Amount
240.48 Cr.	0	NIL	NIL	0
Date of transfer				NIL

8 (b) Details of CSR amount spent against ongoing projects for the financial year:

S.No.	(2) Name of the project	(3) Item from the list of activities in Schedule-VII to the act	(4) Local area Yes/No	(5) Location of the project		(6) Project duration	(7) Amount allocated for the project (in ₹)	(8) Amount spent in the current financial year (in ₹ Cr.)	(9) Amount transferred to the unspent CSR account for the project as per Section 135 (6) (in ₹)	(10) Mode of implementation - Direct Yes/No	(11) Mode of implementation - Through implementing Agency	
				State	District						Name	CSR Registration Number
				Details attached at Annexure -A				90.36				

8 (c) Details of CSR amount spent against other than ongoing projects for the financial year:

(1)	(2) Name of the Project	(3) Item from the list of the activities in Schedule VII to the Act	(4) Local Area (Yes/No)		(5) Location of the Project		(6) Amount spent for the Project (in ₹ .Cr.)	(7) Mode of implementation -Direct (Yes/No)	(8) Mode of implementation - Through Implementing agency	
			State	District	State	District			Name	CSR Registration Number
			Details attached at Annexure-B				145.65			

(d) Amount spent in Administrative Overheads ₹ 4.47 Cr.

(e) Amount spent on Impact Assessment, if applicable ₹ 0

(f) Total amount spent for the Financial Year (8b+8c+8d+8e) ₹ 240.48 Cr.

(g) Excess amount for set off, if any ₹ 0



S.No.	Particulars	Amount (In ₹)
(i)	Two percent of average net profit of the company as per Section 135 (5)	233.79 Cr.
(ii)	Total amount spent for the Financial Year	240.48 Cr.
(iii)	Excess amount spent for the Financial Year (ii-i)	6.69 Cr.
(iv)	Surplus arising out of the CSR projects or programmes or activities of the previous financial year, if any.	0
(v)	Amount available for set off in succeeding financial years (iv-iii)	0

9 (a) Details of Unspent CSR amount for the preceding three financial years:

S. No.	Preceding financial year	Amount transferred to unspent CSR Account under Section 135 (6) in ₹ Cr.	Amount spent in the reporting Financial Year (₹ in Cr.)	Amount transferred to any fund specified under Schedule VII as per Section 135 (6), if any.			Amount remaining to be spent in succeeding financial years (in ₹)
				Name of the fund	Amount (in ₹)	Date of transfer	
1	2018-19	0	195.99 Cr.	NIL	0	NIL	NIL
2	2019-20	0	346.21 Cr.	NIL	0	NIL	NIL
3	2020-21	0	240.48 Cr.	NIL	0	NIL	NIL
	Total						

9 (b) Details of CSR amount spent in the financial year for ongoing projects of the preceding financial year(s):

S.No.	Project ID	Name of the project	Financial Year in which the project was commenced	Project duration	Total amount allocated for the project (In ₹ Cr.)	Amount spent on the project in the reporting financial year (in ₹)	Cummulative amount spent at the end of the Financial Year (in ₹)	Status of the project - completed / ongoing
				Details attached at Annexure -C				
	TOTAL							

10. In case of creation or acquisition of capital asset, furnish the details relating to the asset so created or acquired through CSR spent in the financial year (asset-wise details). : Nil
- (a) Date of creation or acquisition of the capital asset(s). : NIL
- (b) Amount of CSR spent for creation or acquisition of capital asset. : NIL
- (c) Details of the entity or public authority or beneficiary under whose name such capital asset is registered, their address etc. :
- (d) Provide details of the capital asset(s) created or acquired (including complete address and location of the capital asset) :
11. Specify the reason(s), if the company has failed to spend two percent of the average net profit as per section 135(5). : N.A.

Sd/-
(Chief Executive Officer or
Managing Director or Director)

Sd/-
(Chairman CSR
Committee)

Sd/-
[Person specified under clause (d) of sub section (1)
of section 380 of the Act] (Wherever applicable)

8 (b) Details of CSR amount spent against ongoing projects for the financial year

(1) S. No.	(2) Name of the project	(3) Item from the list of activities in Schedule-VII to the act	(4) Local area Yes/No	(5) Location of the project		(6) Project duration	(7) Amount allocated for the project (in ₹ lakhs)	(8) Amount spent in the current financial year (in ₹ lakhs)	(9) Amount transferred to the unspent account for the project as per Section 135 (6) (in ₹ lakhs)	(10) Mode of implementation - Direct Yes/No	(11) Mode of implementation - Through implementing Agency	
				State	District						Name	CSR Registration Number
1	Imparting Skill Development for Training to 6000 youths in the area of Power Sector and related areas in 50 locations across India through NSDC.	Skill Development	Local Area	various States of the Region	various Districts of the State	2 years	1,490.77	298.15	0.00	No	NSDC	NIL
2	Installation of Pre-fabricated toilets in circulating areas of Railway Stations of east central Indian Railways (Bihar) on the land of Indian Railways.	Sanitation	Other	Bihar	All Districts of Bihar	3 years	2,503.00	1,752.01	0.00	No	M/s RITES Ltd.	NIL
3	Providing one truck mounted sweeping machine with vacuum cleaner, one truck mounted sewer jetting machine, one litter picking machine, one truck mounted compactor and 20 nos. of garbage dumper for Municipal Corporation, Shimla	sanitation	Other	Himachal Pradesh	Shimla	1 year	198.86	120.33	0.00	No	MoU with Municipal Corporation, Shimla	NIL
4	Providing one no. of Road Sweeping machine to VMC Vadodara.	Sanitation	Other	Gujarat	Vadodara	1 year	186.59	79.31	0.00	Yes	POWERGRID	NIL
5	Providing one no. of Road Sweeping machine to Bhopal smart city development corporation limited.(BMC), Govt of MP	Sanitation	Other	Madhya Pradesh	Bhopal	1 year	185.59	79.08	0.00	No	POWERGRID	NIL
6	Construction of Toilets in 17 nos. of Govt. Schools in West Bengal and Sikkim Under भारत	Sanitation	Local Area	West Bengal & Sikkim	Jaipalguri, Uttar Dmaipur, South Sikkim, East Sikkim, Alipurduar	2 years	142.23	13.04	0.00	No	MoU with GVT	NIL



S. No.	Name of the project	Item from the list of activities in Schedule-VII to the act	Local area Yes/No	Location of the project		Project duration	Amount allocated for the project (in ₹ lakhs)	Amount spent in the current financial year (in ₹ lakhs)	Amount transferred to the unspent account for the project as per Section 135 (6) (in ₹ lakhs)	Mode of implementation - Direct Yes/No	Mode of implementation - Through implementing Agency	
				State	District						Name	CSR Registration Number
7	Procurement of one truck mounted sweeping machine with vacuum cleaner, one truck mounted sewer jetting machine, one litter picking machine, for Municipal Council and I&PH, Manali, Himachal Pradesh	Sanitation	Other	Himachal Pradesh	Manali	1 year	136.53	110.96	0.00	No	thru MoU with SDM Manali	NIL
8	Construction of 06 Nos. of community toilet complex at Karakat Constituency, Rohtas.	Sanitation	Local Area	Bihar	Rohtas	2 years	127.68	66.24	0.00	Yes	Dist. Administration Karakat	NIL
9	04 Nos. CC drains, 2 Nos. Community hall, 01 No. Kalyanamandapam and 01 No. Compound wall at Gandepalli Mandal, East Godavari District	Sanitation	Local Area	Andhra Pradesh	East Godavari	2 years	105.00	25.18	0.00	No	MOU-EE, Panchayat Raj, Rajamahendravaram	NIL
10	Construction of drainage at Dhakwa Bazaar of Pratapgarh District	Sanitation	Other	Uttar Pradesh	Pratapgarh	2 years	104.98	26.12	0.00	No	Rural Engineering Department	NIL
11	Procurement of 04 no. OWC and 500 nos. Twin Bin Dustbins with Stand for Vadodara Municipal Corporation, Vadodara	Sanitation	Local Area	Gujarat	Vadodara	2 years	91.90	21.32	0.00	Yes	POWERGRID	NIL
12	Carrying out a study on Assessing the impacts of power lines on Avian species in the arid plains of Western Gujarat by wildlife Institute of India (WII)	Environment & Sustainability	Local Area	Gujarat	Western Gujarat	2 years	90.00	24.66	0.00	No	Wildlife Institute of India (WII)	NIL
13	Construction of drainages in Varanasi	Sanitation	Local Area	Uttar Pradesh	Varanasi	2 years	280.76	182.50	0.00	No	UP Engineering and Labour Cooperative Ltd	NIL
14	Rural Development in Bhojpur District of Bihar	Rural Development	Local Area	Bihar	Bhojpur	3 years	1,109.14	87.28	0.00	Yes	POWERGRID	NIL

S. No.	Name of the project	Item from the list of activities in Schedule-VII to the act	Local area Yes/No	Location of the project		Project duration	Amount allocated for the project (in ₹ lakhs)	Amount spent in the current financial year (in ₹ lakhs)	Amount transferred to the unspent CSR account for the project as per Section 135 (6) (in ₹ lakhs)	Mode of implementation - Direct Yes/No	Mode of implementation - Through implementing Agency	
				State	District						Name	CSR Registration Number
15	Transformation of Aspirational District Baran - Renovation of Anganwadis & PHCs	Rural Development	Local Area	Rajasthan	Baran	3 years	938.68	168.30	0.00	No	Gramin Vikas Trust (GVT)	NIL
16	स्वच्छ और भव्य कुरुक्षेत्र programme for carrying out renovation of civic infrastructure and aesthetic look of the city	Rural Development	Local Area	Haryana	Kurukshetra	3 years	724.29	70.36	0.00	No	District Administration, Kurukshetra, Haryana	NIL
17	Improviding Rural Livelihood through Integrated Watershed Management at Jaipatna Block of Kalahandi district in Odisha through ICRISAT	Rural Development	Other	Odisha	Kalahandi	3 years	402.00	113.37	0.00	No	MoU with ICRISAT	NIL
18	Construction of 2.4 KM village road from Pamra Chowk to Parmanandpur, Sitamarhi.	Rural Development	Local Area	Bihar	Sitamarhi	2 years	344.35	177.73	0.00	No	District Administration, Sitamarhi	NIL
19	Construction of 15 No. Community Hall in Basti District.	Rural Development	Local Area	Uttar Pradesh	Basti	2 years	195.85	38.97	0.00	No	Bhartiya Co-operative grameen vikas evam nirman ltd	NIL
20	Improvement of 1.6 Km Inter-Village Road leading from NH-37 to Yurenbam Makhra Leikai at Imphal West District	Rural Development	Local Area	Manipur	Imphal West Dist	2 years	179.00	71.68	0.00	No	RED/MSRRDA, Govt. of Manipur	NIL
21	Developmental activities in 11 villages of Bhojpur District of Bihar.	Rural Development	Local Area	Bihar	Bhojpur	3 years	159.62	62.95	0.00	Yes	POWERGRID	NIL
22	Construction of Chhatt Ghat (07) and Community Centres (04) at different villages of Darbhanga and Madhubani.	Rural Development	Other	Bihar	Darbhanga and Madhubani	2 years	122.33	19.36	0.00	Yes	POWERGRID	NIL



S. No.	Name of the project	Item from the list of activities in Schedule-VII to the act	Local area Yes/No	Location of the project		Project duration	Amount allocated for the project (in ₹ lakhs)	Amount spent in the current financial year (in ₹ lakhs)	Amount transferred to the unspent CSR account for the project as per Section 135 (6) (in ₹ lakhs)	Mode of implementation - Direct Yes/No	Mode of implementation - Through implementing Agency	
				State	District						Name	CSR Registration Number
23	Construction of RCC culvert span 5x4 m in Sant kabir Nagar	Rural Development	Other	Uttar Pradesh	Sant Kabir Nagar	2 years	113.49	77.19	0.00	No	UP engineering and Labour Cooperative Ltd	NIL
24	Fruit garden Saiblu, Manipur	Rural Development	Other	Manipur	Churachandpur	2 years	110.83	17.86	0.00	No	Autonomous Council of Churachandpur, Manipur	NIL
25	Upgradation of Crematorium complex in Gorakhpur	Rural Development	Local Area	Uttar Pradesh	Gorakhpur	2 years	99.34	40.27	0.00	No	Rural Engineering Department	NIL
26	Construction of village road, park at East Champaran .	Rural Development	Other	Bihar	East Champaran	2 years	60.12	2.58	0.00	Yes	POWERGRID	NIL
27	Rest Shed, approach road, Bio-Toilet, tractor, Steel Water Tank etc. in Paschim Medinipur	Rural Development	Local Area	West Bengal	Paschim Medinipur	2 years	54.60	26.35	0.00	Yes	POWERGRID	NIL
28	Construction of four community centres at Bidsingh basu, Taiabahali, Similadandi and Ghodabandhuvi villages in Athmalik Block, Angul District, Odisha	Rural Development	Local Area	Odisha	Angul	3 years	36.00	5.55	0.00	No	BDO, Athamallick	NIL
29	Construction of Community Centre at Sankhapur village & Rahasbadi at Kusumdhara village at Athamallick Block of Angul	Rural Development	Local Area	Odisha	Angul	3 years	17.00	3.77	0.00	No	BDO, Athamallick, Kishorenagar & Angul	NIL
30	Construction of Check Dam at Taidar village in Kishore Nagar Block in district Angul, Odisha	Rural Development	Local Area	Odisha	Angul	3 years	10.00	8.00	0.00	No	BDO, Kishorenagar	NIL
31	Providing of Visitors Chairs at Kokrajhar	Rural Development	Other	Assam	Kokrajhar	1 year	4.92	0.49	0.00	Yes	POWERGRID	NIL
32	Construction of Community Center at Barpali, Tamnar	Rural Development	Local Area	Chhattisgarh	Tamnar	2 years	32.50	18.56	0.00	Yes	POWERGRID	NIL

S. No.	Name of the project	Item from the list of activities in Schedule-VII to the act	Local area Yes/No	Location of the project		Project duration	Amount allocated for the project (in ₹ lakhs)	Amount spent in the current financial year (in ₹ lakhs)	Amount transferred to the unspent CSR account for the project as per Section 135 (6) (in ₹ lakhs)	Mode of implementation - Direct Yes/No	Mode of implementation - Through implementing Agency	
				State	District						Name	CSR Registration Number
33	Construction of 150 bedded Anyabhatta Boy's Hostel and development of park at C.M. Science College, Darbhanga, Bihar	Promoting Education	Local Area	Bihar	Darbhanga	3 years	750.00	9.24	0.00	Yes	POWERGRID	NIL
34	Construction of Schedule Caste Senior Girls Hostel (50 seater) at Tehsil Sarai in Singrauli District	Promoting Education	Local Area	Madhya Pradesh	Singrauli	2 years	242.51	41.97	0.00	No	Collector Singrauli .	NIL
35	Development of Playground with all necessary facilities at K.B. Women's Govt. College, Hazaribagh, Jharkhand.	Promoting Education	Local Area	Jharkhand	Hazaribagh	3 years	188.47	9.78	0.00	Yes	POWERGRID	NIL
36	Provision of smart class education in Govt. Jagannath Excellence School, Mandla	Promoting Education	Other	Madhya Pradesh	Mandla	1 year	52.09	5.20	0.00	No	School Management Committee Headed by Collector Mandla	NIL
37	Providing 350 nos. combined Benches & Desks and One No. Water Cooler (capacity – 120 litre) for Adarsh Middle School, Meeraganj, Ara Bihar	Promoting Education	Local Area	Bihar	Bhojpur	1 year	37.30	0.41	0.00	Yes	POWERGRID	NIL
38	"POWERGRID Vishram Sadan" in Guwahati Medical College & Hospital	Healthcare	Local Area	Assam	Kamrup (Metro)	3 years	1,500.00	317.06	0.00	No	HSOC, Noida	NIL
39	Repairing & Renovation of 100 Bedded SK Roy Civil Hospital Hailakandi (Aspirational District)	Healthcare	Local Area	Assam	Hailakandi	3 years	379.91	176.40	0.00	No	DC, Hailakandi	NIL
40	Construction of 20 Bedded OPD at SK Roy Civil Hospital Hailakandi	Healthcare	Local Area	Assam	Hailakandi	2 years	87.60	2.71	0.00	No	DC, Hailakandi	NIL



S. No.	Name of the project	Item from the list of activities in Schedule-VII to the act	Local area Yes/No	Location of the project		Project duration	Amount allocated for the project (in ₹ lakhs)	Amount spent in the current financial year (in ₹ lakhs)	Amount transferred to the unspent CSR account for the project as per Section 135 (6) (in ₹ lakhs)	Mode of implementation - Direct Yes/No	Mode of implementation - Through implementing Agency	
				State	District						Name	CSR Registration Number
41	Setting up of Tele-ICU under Hub and Spoke model at SGGIMS Lucknow	Health / Covid-19	Local Area	Uttar Pradesh	Lucknow, Kanpur, Prayagraj, Agra, Jhansi, Meerut and Gorakhpur	3 years	708.00	70.80	0.00	No	Sanjay Gandhi Post Graduate Institute of Medical Sciences	NIL
42	Installation of 195 Hndpump Machhalishar/ Varanasi	Drinking Water	Local Area	Uttar Pradesh	Jaunpur	3 years	99.84	19.93	0.00	No	UP Jai Nigam	NIL
43	Supply of 3 nos. Ambulances and construction of PHC buildings at Mallanwala & Kassowanna at Firozpur district, Punjab	Healthcare	Local Area	Punjab	Firozpur	3 years	463.83	43.89	0.00	Yes	POWERGRID	NIL
44	Financial Assistance for creating a Nuclear Medicine Theranostics facility for Patients undergoing Radioisotope Treatment at TMC/ACTREC, Mumbai for cancer at TATA, Mumbai.	Healthcare	Local Area	Maharashtra	Mumbai	3 years	3,000.00	46.80	0.00	No	TMC	NIL
45	Financial assistance for Equipping Modular Operation Theatre at Women and Child Hospital, ACTREC campus, TMC, Navi Mumbai	Healthcare	Local Area	Maharashtra	Thane	3 years	2,640.00	1,166.65	0.00	No	TMC	NIL
46	Construction of Dharamshala/ Night Shelter - NIMHANS	Healthcare	Local Area	Karnataka	Bangalore	3 years	2,300.00	346.93	0.00	No	HSCC Ltd.	NIL
47	Construction of Vishram Sadan at RIIMS, Ranchi.	Healthcare	Local Area	Jharkhand	Ranchi	3 years	1,500.00	298.85	0.00	No	HSCC Ltd.	NIL
48	Construction of Vishram Sadan at DMCH, Darbhanga.	Healthcare	Local Area	Bihar	Darbhanga	3 years	1,500.00	362.31	0.00	No	HSCC Ltd.	NIL
49	Construction of Vishram Sadan at MKCG Govt, Medical college and Hospital, Berhampur Odisha.	Healthcare	Other	Odisha	Ganjam	3 years	1,500.00	6.77	0.00	Yes	POWERGRID	NIL

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				State	District						Name	CSR Registration Number
50	Construction of "POWERGRID Vishram Sadan" at Sir Sayajirao General (SSG) Hospital, Vadodara	Healthcare	Local Area	Gujarat	Vadodara	3 years	1,495.00	426.00	0.00	No	MOU to be signed with HSSC and SSG Hospital.	NIL
51	Providing medical equipment and instruments at various Hospitals in Kalahandi District (Aspirational District), Odisha	Healthcare	Other	Odisha	Kalahandi	2 years	854.06	247.14	0.00	Yes	POWERGRID	NIL
52	Providing 4 nos. Medical Mobile units to Bilaspur Distt. Authorities, Himachal Pradesh	Healthcare	Local Area	Himachal Pradesh	Bilaspur	2 years	219.11	27.82	0.00	No	MOU with Distt. Adm. Bilaspur	NIL
53	Renovation work of ICU ward and General ward in Jayarogya Hospital, Gajraraja medical college, Gwalior	Healthcare	Local Area	Madhya Pradesh	Gwalior	2 years	178.76	151.09	0.00	Yes	POWERGRID	NIL
54	Supply of Medical Equipment to Medinipur Medical College & Hospital	Healthcare	Local Area	West Bengal	Paschim Medinipur	1 year	168.74	142.59	0.00	No	District Administration, Paschim Medinipur	NIL
55	Supply of equipment for lab and hospitals strengthening at community health centers and district hospitals in district Rajnandgaon	Healthcare	Local Area	Chhattisgarh	Rajnandgaon	2 years	149.93	112.83	0.00	Yes	POWERGRID	NIL
56	Medical Equipments being set up in Govt. Hospitals, Tiruvannamalai, Tamil Nadu	Healthcare	Local Area	Tamil Nadu	Tiruvannamalai	1 year	110.00	38.36	0.00	No	DC, Tiruvannamalai	NIL
57	Supply of 1 number Color Doppler ultrasound machine with 6 Probs, 1 number Sonography machine with basic features & 1 number Ambulance with basic life support medical equipment to Shree Kalyan Government Hospital, Sikar, Rajasthan	Healthcare	Local Area	Rajasthan	Sikar	1 year	66.68	16.27	0.00	Yes	POWERGRID	NIL



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				State	District						Name	CSR Registration Number
58	Providing basic Amenities and Medical equipment's for Govt. Primary Health Centers /Government Hospital in Namakkal District	Healthcare	Other	Tamil Nadu	Namakkal	1 year	59.35	10.06	0.00	No	DC, Namakkal	NIL
59	Dwargieria Rural Hospital (i) Construction of Male and Female Wards under progress (ii) Installation of High Mast light by EESL (iii) 40 Kva Green Generator (iv) X-Ray Machine being procured by the hospital	Healthcare	Local Area	West Bengal	Paschim Medinipur	2 years	48.46	38.78	0.00	Yes	POWERGRID	NIL
60	Distribution of high end Aids & Appliances to Divyangjan (PwDs) at Rajnandgaon through ALIMCO	Healthcare	Local Area	Chhattisgarh	Raipur	1 year	39.00	20.70	0.00	No	ALIMCO	NIL
61	Distribution of High end Aids & Appliances to Divyangjan (PwDs) through M/s Artificial Limbs Manufacturing Corporation of India (ALIMCO) in five Aspirational Districts	Healthcare	Local Area	Madhya Pradesh	Damoh	1 year	39.00	5.85	0.00	No	ALIMCO	NIL
62	Construction of OT Light & Smart Nutrition Centre at CHC at Block Dhamdha and Jheet, Durg	Healthcare	Local Area	Chhattisgarh	Durg	1 year	4.30	1.81	0.00	Yes	POWERGRID	NIL
63	Supply and installation of 20 Solar lights at 19 locations on NH-16 of Kasbugga sub-division, Srikakulam District.	Environment & Sustainability	Other	Andhra Pradesh	Srikakulam	2 years	34.89	18.18	0.00	No	MOU-NERDCAP, AP	NIL
64	Supply and installation of 310 solar street lights in different villages of Mahubbubnagar, Wanapathy, Rangareddy and Vikrabad District, Telangana	Environment & Sustainability	Other	Telangana	Mahubbubnagar, Rangareddy, Vikrabad and Wanaparthly, Telangana	2 years	75.42	3.77	0.00	No	MOU-TSREDCO	NIL

S. No.	Name of the project	Item from the list of activities in Schedule-VII to the act	Local area Yes/No	Location of the project		Project duration	Amount allocated for the project (in ₹ lakhs)	Amount spent in the current financial year (in ₹ lakhs)	Amount transferred to the unspent CSR account for the project as per Section 135 (6) (in ₹ lakhs)	Mode of implementation - Direct Yes/No	Mode of Implementation - Through implementing Agency	
				State	District						Name	CSR Registration Number
65	Automatic PET bottle flaking and reverse vending machine to Vijayawada Municipal Corporation, Vijayawada, Andhra Pradesh	Environment & Sustainability	Local Area	Andhra Pradesh	Krishna	1 year	81.24	36.76	0.00	No	MOU-Chief Engineer, Municipal Corporation, Vijayawada	NIL
66	Rejuvenation of Pond at village Daulatabad & Dharampur, Gurugram, Haryana	Environment & Sustainability	Local Area	Haryana	Gurgaon	2 years	199.97	28.96	0.00	Yes	POWERGRID	NIL
67	Construction of GUL (Pond- Waterbody) for Fafrin/ Sauntiyaa village Koteswar, Uttarakhnad	Environment & Sustainability	Local Area	Uttarakhand	Koteswar	2 years	50.49	15.74	0.00	No	Minor Irrigation Dept. Tehri Garhwal	NIL
68	Construction of Boundary wall for Khas Colony L.P.S. at Hailakandi, Assam	Promoting Education	Local Area	Assam	Hailakandi	1 year	7.87	4.87	0.00	Yes	POWERGRID	NIL
69	Providing Wi-Fi Hotspots at 105 nos. of Railway Stations (100 Stations in Mumbai Suburban area & 5 Stations in Samastipur Railway Division)	Promoting Education	Other	various States of the Region	various Districts of the State	3 years	1,537.00	39.92	0.00	No	Indian Railway	NIL
70	Setting up Industrial Training Institutes (ITIs) at Kancheepuram	Promoting Education	Local Area	Tamil Nadu	Chengalpattu	3 years	1,000.00	54.05	0.00	Yes	POWERGRID	NIL
71	Construction of 120 bedded Hostel for Government Queens College, Varanasi	Promoting Education	Local Area	Uttar Pradesh	Varanasi	3 years	490.52	41.58	0.00	No	UP Project Corporation Ltd	NIL
72	Upgradation of 10 Army Goodwill schools in J&K- Introduction of digital learning solution.	Promoting Education	Local Area	Jammu & Kashmir	Jammu	2 years	309.65	61.22	0.00	No	MOU with Indian Army	NIL
73	Construction of 16 no. Double storey class rooms and providing benches for Govt Senior Secondary Girl School, Moga (Punjab)	Promoting Education	Local Area	Punjab	Moga	2 years	174.92	112.90	0.00	Yes	POWERGRID	NIL



S. No.	Name of the project	Item from the list of activities in Schedule-VII to the act	Local area Yes/No	Location of the project		Project duration	Amount allocated for the project (in ₹ lakhs)	Amount spent in the current financial year (in ₹ lakhs)	Amount transferred to the unspent CSR account for the project as per Section 135 (6) (in ₹ lakhs)	Mode of implementation - Direct Yes/No	Mode of implementation - Through implementing Agency	
				State	District						Name	CSR Registration Number
74	Providing Table and Chairs (Dual Desk) at 28 nos. of Government schools (Middle level) of Damoh District, Madhya Pradesh	Promoting Education	Local Area	Madhya Pradesh	Damoh	2 years	122.53	36.75	0.00	No	MOU with District Collector, Damoh	NIL
75	Construction of Researchers' Hostel at Jorhat Engineering College, Assam	Promoting Education	Local Area	Assam	Jorhat	2 years	106.45	18.31	0.00	Yes	POWERGRID	NIL
76	Construction of school building with 04 nos. of classrooms in the ground floor and one auditorium at first floor in Govt. Higher Secondary school at K. Paramathi village, Karur District (Tamilnadu)	Promoting Education	Other	Tamil Nadu	Karur	2 years	104.50	87.05	0.00	No	DC, Karur & PWD, Karur	NIL
77	Construction of compound walls in 15 schools in Nandigama constituency, Krishna District in Andhra Pradesh	Promoting Education	Local Area	Andhra Pradesh	Vijayawada	2 years	101.20	69.17	0.00	No	MOU-Executive Engineer, Samagra Shiksha, Krishna	NIL
78	Construction of Administrative Block in Shrawasti	Promoting Education	Other	Uttar Pradesh	Shrawasti	2 years	100.06	9.98	0.00	No	RED	NIL
79	Providing fund for setting up of 44 nos. of Smart class rooms at 44 schools/higher secondary schools/Jr. Colleges under Bodoland Territorial Council area, Kokrajhar, Assam	Promoting Education	Local Area	Assam	Kokrajhar	2 years	99.00	68.99	0.00	No	Dir. Of Education, BTC, Kokrajhar	NIL
80	Construction of classrooms, toilets and supply of study desks at Govt. Schools in Kota, Rajasthan	Promoting Education	Local Area	Rajasthan	Kota	2 years	92.99	17.26	0.00	Yes	POWERGRID	NIL
81	Construction of five class rooms and toilets at Bhiringi T.N. Institution (H.S. School) at Bhiringi, Durgapur Sub Division, Paschim Bardhaman District, West Bengal	Promoting Education	Local Area	West Bengal	Paschim Bardhaman	2 years	81.13	24.53	0.00	Yes	POWERGRID	NIL

S. No.	Name of the project	Item from the list of activities in Schedule-VII to the act	Local area Yes/No	Location of the project		Project duration	Amount allocated for the project (in ₹ lakhs)	Amount spent in the current financial year (in ₹ lakhs)	Amount transferred to the unspent CSR account for the project as per Section 135 (6) (in ₹ lakhs)	Mode of implementation - Direct Yes/No	Mode of implementation - Through implementing Agency	
				State	District						Name	CSR Registration Number
82	Repair, maintenance, supply of furniture & lab equipments, renovation of Govt. Boys Higher Secondary School, Leh	Promoting Education	Local Area	Ladakh	Ladakh	2 years	64.17	31.89	0.00	No	MOU with Education Dept., Leh	NIL
83	Providing items at Nepura Bijli Rani High School, Paschim Medinipur	Promoting Education	Local Area	West Bengal	Paschim Medinipur	2 years	69.10	29.27	0.00	Yes	POWERGRID	NIL
84	Construction of Conference hall cum Heritage Building at Kabi Prasanna Patsanni High School at Muninda of Delang Block, Puri, Odisha	Promoting Education	Other	Odisha	Puri	2 years	38.99	7.80	0.00	No	BDO, Delang	NIL
85	Construction of 4 nos. Class Rooms at Govt. Senior Secondary School, Dhira, Pathankot	Promoting Education	Other	Punjab	Pathankot	2 years	29.98	13.13	0.00	Yes	POWERGRID	NIL
86	Construction of Boundary wall - 400 Meters & CC road- 100 Metres at MPP School, Veligallu Village, Kadapa District	Promoting Education	Local Area	Andhra Pradesh	Kadapa	2 years	28.00	11.89	0.00	No	MOU-Chief Planning Officer, District Collectorate, Kadapa	NIL
87	ii) Construction of Brick Boundary Wall & Gate at Baligaon Miri L.P. School	Promoting Education	Other	Assam	Sonitpur	2 years	18.12	7.25	0.00	No	DC, Sonitpur	NIL
88	Providing fund to Ganga Dutt Sharma Govt ITI Pithoragarh for purchase of furniture etc	Promoting Education	Local Area	Uttar Pradesh	Pithoragarh	1 year	15.00	12.09	0.00	Yes	POWERGRID	NIL
89	Construction of Toilets (Boys & Girls) for Govt. Primary School at Alesur Village and Repairing of School Boundary Wall, Bhatapara	Promoting Education	Local Area	Chhattisgarh	Bhatapara	2 years	14.85	7.19	0.00	Yes	POWERGRID	NIL
90	Renovation work at Govt. Boys Hostel, Orail	Promoting Education	Local Area	Uttar Pradesh	Jalaun	2 years	14.55	2.42	0.00	No	PWD	NIL



S. No.	Name of the project	Item from the list of activities in Schedule-VII to the act	Local area Yes/No	Location of the project		Project duration	Amount allocated for the project (in ₹ lakhs)	Amount spent in the current financial year (in ₹ lakhs)	Amount transferred to the unspent CSR account for the project as per Section 135 (6) (in ₹ lakhs)	Mode of implementation - Direct Yes/No	Mode of implementation - Through implementing Agency	
				State	District						Name	CSR Registration Number
91	Providing minimum required facilities to underprivileged children at Lande Ke School at Moga.	Promoting Education	Local Area	Punjab	Moga	1 year	4.96	0.28	0.00	Yes	POWERGRID	NIL
92	Developmental works at Urala Free Primary School, Amdanga Block, North 24 Paraganas (Rajarhat)	Promoting Education	Local Area	West Bengal	North 24 Paragana	1 year	3.81	4.18	0.00	Yes	POWERGRID	NIL
93	Installation of 250 India mark-II Hand pumps in Deoria District.	Drinking water	Other	Uttar Pradesh	Deoria	3 years	103.93	51.17	0.00	No	UP Agro	NIL
94	Supply of 100 handpumps in Lakheempur Kheri	Drinking Water	Other	Uttar Pradesh	Lakhimpur Kheri	3 years	47.81	9.54	0.00	No	UP Small Industries Corporation	NIL
95	Providing piped water supply system at Chakramal and Rangaimunda of Sundergarh District, Odisha	Drinking Water	Local Area	Odisha	Sundargarh	2 years	20.00	8.00	0.00	No	BDO, Sundargarh	NIL
96	Development & Upgradation of Dichenling Crematorium Complex Gangtok	Art & Culture	Local Area	Sikkim	East Sikkim	2 years	192.65	115.59	0.00	No	District Administration, East Sikkim	NIL
	Total						36,140.75	9,036.21	0.00			

8 (c) Details of CSR amount spent against other than ongoing projects for the financial year

(1) S. No.	(2) Name of the Project	(3) Item from the list of the activities in Schedule VII to the Act	(4) Local Area (Yes/No)	(5) Location of the Project		(6) Amount spent for the Project (in ₹ lakhs)	(7) Mode of implementation -Direct (Yes/No)	(8) Mode of implementation - Through Implementing agency	
				State	District			Name	CSR Registration Number
1	Providing furniture and other items required for making Working Women Hostel operational in Mewat District, Haryana	Women Empowerment	Other	Haryana	Nuh, Mewat	22.59	No	Mewat Development Authority (MDA), Nuh	NIL
2	Distribution of 20 Sewing Machines and imparting 6 months training in tailoring for girls & women belonging to BPL family at Sector 10-A, Gurugram district	Women Empowerment	Local Area	Haryana	Gurgaon	1.01	Yes	POWERGRID	NIL
3	Providing 19 sewing machine and imparting 6 months training in tailoring for girls and women near Koteshwar pooling station	Women Empowerment	Local Area	Uttarakhand	Koteshwar	0.99	Yes	POWERGRID	NIL
4	Providing and fixing water supply pipe line in 7 wards of Taga village, Akaitara Tehsil, Jaigar Champa District, Chhattisgarh	Water Conservation	Local Area	Chhattisgarh	Champa	9.99	No	Collector, Champa	NIL
5	Construction of Stadium at Village Barikhard Babupur, Tehsil Raghuraj Nagar, Dist Satna	Sports	Local Area	Madhya Pradesh	Satna	62.39	No	RES Satna	NIL
6	Purchase of colour TV to Tufanganj Correctional Home	Social Development	Local Area	West Bengal	Coochbehar	0.20	No	POWERGRID	NIL
7	Apprentice_Stipend_CSR_Above_2.5% Total Manpower	Skill Development	Local Area	various States of the Region	various Districts of the State	691.17	Yes	POWERGRID	NIL
8	Imparting Skill Development training to 5000 youths in 33 locations across India through NSDC	Skill Development	Local Area	various States of the Region	various Districts of the State	-3.97	No	NSDC	NIL
9	Capacity Building Programme on Power transmission line Tower Erection and Stringing	Skill Development	Local Area	West Bengal	Malda	10.46	Yes	POWERGRID	NIL



S. No.	Name of the Project	Item from the list of the activities in Schedule VII to the Act	Local Area (Yes/No)	Location of the Project		Amount spent for the Project (in ₹ lakhs)	Mode of implementation -Direct (Yes/No)	Mode of implementation - Through implementing agency	
				State	District			Name	CSR Registration Number
10	Training of 275 nos. of unemployed youths of Damoh District, Madhya Pradesh through CEDMAP (Centre for Entrepreneurship Development Madhya Pradesh).	Skill Development	Local Area	Madhya Pradesh	Damoh	14.43	No	CEDMAP	NIL
11	Providing 20 no. laptops to Police Department Mahendragarh	Skill Development	Other	Haryana	Gurgaon	9.58	Yes	POWERGRID	NIL
12	Expenses on programmes/workshops-CSR activities.	Skill Development	Local Area	Haryana	Gurugram	1.55	No	POWERGRID	NIL
13	Conducting Swacchta Programme at Baidyanath Dham, Deoghar, for a period of 02 years.	Sanitation	Other	Jharkhand	Deoghar	135.78	Yes	POWERGRID	NIL
14	Construction of toilet blocks in 19 Govt. Schools of West Sikkim district	Sanitation	Local Area	Sikkim	West Sikkim	94.90	No	GVT	NIL
15	Construction of drainages in Chandauli	Sanitation	Other	Uttar Pradesh	Chandauli	37.14	No	UP Engineering and Labour Cooperative Ltd	NIL
16	Maintenance of toilets constructed by POWERGRID under Swachh Vidyalaya Abhiyan in schools of Keonjhar District, Odisha	Sanitation	Local Area	Odisha	Keonjhar	3.63	Yes	POWERGRID	NIL
17	Construction of 43 toilets blocks at 43 Govt. Girls Schools at Pratapgarh district, Uttar Pradesh	Sanitation	Other	Uttar Pradesh	Pratapgarh	6.52	No	IRCON	NIL
18	Construction of Toilets at Bus Stands, Allahabad	Sanitation	Local Area	Uttar Pradesh	prayagraj	4.24	No	UPSRTC	NIL
19	Construction of 14 Nos. (Boys & Girls) Toilets in 9 Govt. schools nearby Bassi	Sanitation	Local Area	Rajasthan	Bassi	0.98	Yes	POWERGRID	NIL
20	Providing 05 nos. Semi-Automatic Sanitary Napkin Manufacturing machines and 100 sewing machines at District Damoh	Sanitation	Local Area	Madhya Pradesh	Damoh	0.45	Yes	POWERGRID	NIL

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				State	District			Name	CSR Registration Number
21	Construction of 05 nos. Girls Toilets in 05 different Govt. Schools in Sikar District, Rajasthan	Sanitation	Local Area	Rajasthan	Sikar	9.68	Yes	POWERGRID	NIL
22	Construction of toilet at Ara Railway Station.	Sanitation	Local Area	Bihar	Ara	3.29	Yes	POWERGRID	NIL
23	Construction of toilet complex at Anugrah Magadh Medical College, Gaya, Bihar.	Sanitation	Local Area	Bihar	Gaya	-0.15	Yes	POWERGRID	NIL
24	Construction of 08 no. Ladies toilet and construction of mid day meal room at Zila Parisad school of rampur village under C&P activities of Solapur Ss and construction of mid day meal room	Sanitation	Local Area	Maharashtra	Solapur	4.49	Yes	POWERGRID	NIL
25	Construction of 6 nos. toilets at Govt. Girls Higher Secondary School, Muthi	Sanitation	Local Area	Jammu & Kashmir	Jammu	2.03	Yes	POWERGRID	NIL
26	Hiring of Vehicle for Conducting survey of Dysfunctional toilets constructed under SVA (Swachh Vidyalaya Abhiyaan)	Sanitation	Other	Bihar	Kishenganj, Purnea, Patna, Araria, Gaya	6.26	Yes	POWERGRID	NIL
27	Construction of 01 No. Toilets at Primary School at Potia village (Distt.-Durg)	Sanitation	Local Area	Chattisgarh	Durg	0.25	Yes	POWERGRID	NIL
28	Observance of Swachhta Pakhwada 2020 from 16 th to 31 st May, 2020	Sanitation	Local Area	various parts of the State	various parts of the State	58.80	Yes	POWERGRID	NIL
29	Construction of RCC Side Drain of about 119 m long in Uppatia Village, Peddapalli District, Telangana	Sanitation	Other	Telangana	Peddapalli	3.63	No	MOU-Mission Bhagiratha Intra Division, Peddapalli, Telangana	NIL
30	Deployment of Vehicle for survey of toilets in Govt schools under Keonjhar district.	Sanitation	Local Area	Odisha	Keonjhar	4.68	Yes	POWERGRID	NIL



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				State	District			Name	CSR Registration Number
31	Operation & Maintenance of 40 nos. toilets at Ballia.	Sanitation	Local Area	Uttar Pradesh	Ballia	0.75	No	BSA Ballia	NIL
32	Providing Paver Block in and around pathway for Boxing stadium in District Anna Sports stadium in Trichy District.	Rural Sports	Local Area	Tamil Nadu	Trichy	1.82	No	DC Trichy	NIL
33	Display of 1700 Nos. of Saubhagya Hoardings in State of Bihar.	Rural Development	Other	Bihar	various districts	51.97	Yes	POWERGRID	NIL
34	Display of 800 hoardings for "Pradhan Mantri Sahaj Bijli Har Ghar Yojna" (SAUBHAGYA SCHEME) in State of Bihar.	Rural Development	Other	Bihar	various districts	25.44	Yes	POWERGRID	NIL
35	Improvement/upgradation of Inner link road (Approx 7 km) at Wagoora, J&K.	Rural Development	Local Area	Jammu & Kashmir	Budgam	174.96	No	MOU with PWD (R&B), J&K	NIL
36	Carrying out rural developmental works in Jalaisar village of Bikaner District, Rajasthan	Rural Development	Local Area	Rajasthan	Bikaner	96.26	Yes	POWERGRID	NIL
37	Construction of village road at Kishanganj District.	Rural Development	Local Area	Bihar	Kishanganj	15.46	No	District Admin, Kishanganj.	NIL
38	Display of 3000 Hoardings in State of Bihar.	Rural Development	Other	Bihar	various districts	41.23	Yes	POWERGRID	NIL

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				State	District			Name	CSR Registration Number
39	(1) Construction of 14 nos. Community Centre (Panjiasahi, Hamamria, Champatimunda, Bantala, Baniasahi, Amantapur-Harjian Basti, Sanahinsar, Badahinsar, Phulpaada, Kansara, Para, Tangiaghasa, Nakachaipal & Tapdhol) (2) Repair & Construction of Road-02 nos at Champatimunda & Bandalisahi (3)Construction of village mandap-01 no at Sardhapur. (4) construction of Approach road-02 nos at Kansara & Tangiaghasa (5) Digging of Pond -03 nos at Kansara, Tapdhol & Tangiaghasa (6) Construction of Rahsbadi- 01 no at Badadhipa	Rural Development	Local Area	Odisha	Angul	7.43	No	BDO, Athamallick, Kishorenagar & Angul	NIL
40	Construction of Panchayat Ghar at 6 locations in Agra	Rural Development	Local Area	Uttar Pradesh	Agra	10.00	No	Rural Engineering Department	NIL
41	Construction of Drainage System of Jehanabad District.	Rural Development	Other	Bihar	Jehanabad	42.23	No	Distt. Admin. Jehanabad.	NIL
42	Construction of 2.2 KM road at Kaimur (Bhabua) District.	Rural Development	Local Area	Bihar	Bhabua	64.05	No	RURAL WORK DEPARTMENT	NIL
43	Construction of Road- 1.25 Kms Near Guntupalli Village, Krishna District	Rural Development	Local Area	Andhra Pradesh	Krishna	61.89	No	MOU-EE, Panchayat Raj, Vijayawada, Krishna	NIL



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				State	District			Name	CSR Registration Number
44	(1) Construction of 06 nos. of Community Hall, (Paikasahi, Kalapatnali, Pidhasahi, Gochhayat Sahi, Antulia & Tabeda) (2) 01 no. Rahasbari at Satyabadipur (3) Digging & Renovation of Ponds 04 nos. (Paikasahi, Pidhasahi, Gadatalmul & Barham Kolh Sahi) (4) Construction of CC Road alongwith culvert & drain at Rankasingha (5) Construction of Road Guard wall 64 mts. at Tabeda in Athamalik Block, Banarpal Block and Angul Block Odisha.	Rural Development	Local Area	Odisha	Angul	6.44	No	BDO, Athamallick, Kishorenagar & Angul	NIL
45	(1) Construction of 2 nos. community centre at Tasar & Guranga (2) Construction of 01 no Rahasbadi (open shed) at maratira (3) Digging/Renovation of ponds of 04 nos. (Gadtarash, Ogi, Ogi(Chudakhia) & Talmul) (4) drinking water system in Project U.P. School Surab (5) Construction of 01 no. drain at Maratira (6) Construction of school class room in village in Banarpala Block, Angul Block and Chhendipada Boick along the 765 kV Angul-Jharsuguda Transmission line	Rural Development	Local Area	Odisha	Angul	2.16	No	BDO, Athamallick, Kishorenagar, Banarpal, Chhendipada & Angul	NIL
46	Construction of community centre with 2 KVA Solar Light at 7 place in Kushinagar	Rural development	Other	Uttar Pradesh	Kushinagar	22.46	No	Rural Engineering department	NIL

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				State	District			Name	CSR Registration Number
47	1) Construction of five no. community hall (Badadandasahi, Sorispal, Matiasahi, Amantapur & Kanjara) (2) Renovation of 3 nos. of community centre (Kanjara, Routal & Rejburi Sahi) (3) construction of two nos. of rahasbadi (open shed) at Ragudiapada & Palasanali (4) construction of 127 mts cc road along with culvert widening & drains at Banarpal (5) supply of furnitures for phulpada Panchayat high school at villages in Banarpal block and angul block of Angul district.	Rural Development	Local Area	Odisha	Angul	4.11	No	BDO, Athamallick, Kishorenagar & Angul	NIL
48	Construction of concrete road (1.85km) from NH-34 Dakhsingram more to Majjigram Aivashipara village under Nabagram Block, Murshidabad District	Rural Development	Local Area	West Bengal	Murshidabad	0.64	Yes	POWERGRID	NIL
49	Construction of 08 community centers, Dhanbad, Jharkhand.	Rural Development	Local Area	Jharkhand	Dhanbad	5.87	Yes	POWERGRID	NIL
50	Construction of Community Hall at Medikeri for Police	Rural Development	Local Area	Karnataka	Kodagu	5.00	Yes	POWERGRID	NIL
51	CSR works in vicinity of HVDC BNC School near School, Construction of weaving Centre for Tribal women, Renovation of Community Centre, Construction of, market shed, construction of additional classroom) and const of 5 toilets in public place in vicinity of HVDC Biswanath Chariali)	Rural Development	Local Area	Assam	Biswanath	28.95	No	DC, Biswanath	NIL



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				State	District			Name	CSR Registration Number
52	Construction of five community centres at Urukula, Kadalimunda, Badarohila, Garuda and Barpali villages in Kishore Nagar Block, and Barpali in Athmalik Block, Angul District, Odisha	Rural Development	Local Area	Odisha	Angul	6.27	No	BDO, Athamallick, Kishorenagar & Angul	NIL
53	PCC road at Karbigahya, Patna (Construction of Road)	Rural Development	Local Area	Bihar	Patna	12.51	Yes	POWERGRID	NIL
54	Construction of Chhatt Ghat at Ladania Village in Madhubani District	Rural Development	Local Area	Bihar	Madhubani	0.75	Yes	POWERGRID	NIL
55	Construction of Boundary wall in Govt. Middle School, Bhendra village	Rural Development	Local Area	Chhatisgarh	Raigarh	-0.18	Yes	POWERGRID	NIL
56	Construction of Canteen for Public purpose in 1200sq.ft at the Office of Superintendent of Police Premises, Tirupur	Rural Development	Other	Tamil Nadu	Tirupur	21.57	Yes	POWERGRID	NIL
57	Construction of community hall at village Newali, Tehsil-Panvel, Navi Mumbai	Rural Development	Local Area	Maharashtra	Mumbai	9.66	Yes	POWERGRID	NIL
58	(1) Renovation & digging of ponds in Pokonda village, Paikasahi GP and (2) Mandarbahal village, Kurumtop GP, Athmalik Block, Angul District, Odisha	Rural Development	Local Area	Odisha	Angul	2.87	No	BDO, Athamallick	NIL
59	Construction of culvert, retaining wall & damaged approach road at Elapully gram Panchayat, Palakkad District	Rural Development	Local Area	Kerala	Palakkad	17.60	Yes	POWERGRID	NIL
60	Construction/ Upgradation of approach road to Zawngam Village Aizawl, Mizoram	Rural Development	Local Area	Mizoram	Aizawl	11.02	No	DC, Aizawl	NIL
61	Construction of 02 nos Pachari (Staircase) at DOMA talaab in village Kotra, Raigarh	Rural Development	Local Area	Chattisgarh	Raigarh	0.52	Yes	POWERGRID	NIL

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				State	District			Name	CSR Registration Number
62	Construction of two Rahasbadi at Bidsingbasu, Pokonda villages in Athmallik Block, Angul District, Odisha	Rural Development	Local Area	Odisha	Angul	1.37	No	BDO, Athamallik	NIL
63	Construction of Rahasvadi in place of Community centre at Raibahal village in Kishore Nagar Block, Angul District, Odisha	Rural Development	Local Area	Odisha	Angul	6.00	No	BDO, Angul	NIL
64	Infrastructure Development at District Police Conference Hall at Udaiguri, BTAD, Assam	Rural Development	Other	Assam	Udaiguri, BTAD	4.95	Yes	POWERGRID	NIL
65	Construction of open stage in-front of Community Hall including painting of hall at Pusaui Kalan & Chhath Ghat at Baniyanwan Pond nearby Pusaui Sub-station	Rural Development	Local Area	Bihar	Kaimur	4.25	Yes	POWERGRID	NIL
66	Construction of community centre in Banarnali village of Kishorenagar Block, Athmallik	Rural Development	Local Area	Odisha	Angul	4.85	No	BDO, Kishorenagar	NIL
67	Repair of steel bridge over Gingia stream, Biswanath	Rural Development	Other	Assam	Biswanath	4.39	Yes	POWERGRID	NIL
68	Construction of pakka path with cement concreting over existing kachha path of village chowki along boundary wall in Hamirpur	Rural Development	Local Area	Himachal Pradesh	Hamirpur	4.36	Yes	POWERGRID	NIL
69	Supply of traffic barricades at Karur substation for handing over to K.Paramathi	Rural Development	Other	Tamil Nadu	Karur	2.95	Yes	POWERGRID	NIL
70	Construction of 40 Mtr Guard Wall over the Culvert near Tolokbeda, Sarthipal & Munda-hutting village in approach road to POWERGRID, under Kaniha block	Rural Development	Local Area	Odisha	Angul	3.24	Yes	POWERGRID	NIL
71	Construction of community hall at Badagovindpur of Kishorenagar block in Angul District	Rural Development	Local Area	Odisha	Angul	1.50	No	BDO, Kishorenagar	NIL
72	Repairing of " Two nos. LED outdoor video wall installed at Baidyanath Dham, Deoghar	Protection of national heritage	Other	Jharkhand	Deoghar	0.60	Yes	POWERGRID	NIL



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				State	District			Name	CSR Registration Number
73	Procurement of Centralized equipment for monitoring CC cameras at Nagarjunasagar Vijayapuri South Police station	Protection of National Heritage	Local Area	Andhra Pradesh	Guntur	0.63	Yes	POWERGRID	NIL
74	Construction of Dining with Kitchen and provision of table and bench at Govt. Blind, Deaf & Dumb school at Damoh	Promoting education	Local Area	Madhya Pradesh	Damoh	1.51	Yes	POWERGRID	NIL
75	Supply and installations of 3250 solar LED street lights in Himachal Pradesh	Environment & Sustainability	Local Area	Himachal Pradesh	Hamirpur	60.86	No	MoU with EESL	NIL
76	Providing medical equipment, mobile medical unit and setting up of 02 nos. Tele-Consultancy Centres to be operated by Ramakrishna Mission Charitable Dispensary, Shillong, Meghalaya	Healthcare	Local Area	Meghalaya	East Khasi Hills	19.78	No	DC, East Khasi Hills	NIL
77	Providing of Hospital Furniture and fixtures/ furnishing of the reception area and Day-care ward of the DAE-Civil Hospital Cancer Wing at Civil Hospital, Shillong	Healthcare	Local Area	Meghalaya	East Khasi Hills	46.71	No	DAE-Civil Hospital Cancer Wing, Civil Hospital, Shillong	NIL
78	Providing of 30 nos. beds at Bongaigaon Civil Hospital	Healthcare	Local Area	Assam	Bongaigaon	4.64	No	District Health Society, Bongaigaon	NIL
79	Construction of Vishram Sadan at IGIMS, Patna.	Healthcare	Local Area	Bihar	Patna	84.42	No	HSCC Ltd.	NIL
80	Upgradation of CHC-Manpur,Rajnandgaon, Chattisgarh	Healthcare	Local Area	Chhattisgarh	Rajnandgaon	37.06	Yes	POWERGRID	NIL
81	Expansion of POWERGRID Vishram Sadan at (KGMU) in Lucknow by additional 2 floors,	Healthcare	Local Area	Uttar Pradesh	Lucknow	146.08	No	UP Rajkiya Nirman Nigam	NIL
82	Supply of 6 nos. Advanced Life Support Ambulances for District Hospital in Haryana	Healthcare	Local Area	Haryana	Haryana	39.80	No	HCSRAB	NIL

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83	Construction of Waiting Hall for Patients and Attendants visiting IGGMC & Mayo Hospital, Nagpur	Healthcare	Local Area	Maharashtra	Nagpur	33.79	Yes	POWERGRID	NIL
84	Renovation of General Ward and supply of Medical Equipment, Furniture, AC, at Netaji Subhash Chandra Bose Medical College (NSCBMC), Jabalpur	Healthcare	Local Area	Madhya Pradesh	Jabalpur	5.07	Yes	POWERGRID	NIL
85	Medical Camp by IRCS - 23 locations	Healthcare	Other	Andhra Pradesh, Telangana & Karnataka	District of AP, Telangana & 2 Karnataka	0.02	No	MOU-IRCS	NIL
86	Procurement of Ambulances for 10 locations in NR-II	Healthcare	Local Area	various parts of the State	various parts of the State	0.17	Yes	POWERGRID	NIL
87	Multi Speciality Medical Camps in AP & Telangana - 17 Nos.	Healthcare	Other	Andhra Pradesh, Telangana	Districts of AP & Telangana	2.00	No	MOU-IRCS	NIL
88	Construction of (i) sub health centre and ii) veterinary hospital in village badhadhar near Sikar	Healthcare	Local Area	Rajasthan	Sikar	4.16	No	BDO, Badhadhar	NIL
89	2 nos. of Ambulance in Paschim Midnapur and Purulia	Healthcare	Local Area	West Bengal	Paschim Midnapur & Purulia	30.10	Yes	POWERGRID	NIL
90	Supply of two equipped Ambulances to 'District Hospital, Ballia'	Healthcare	Local Area	Uttar Pradesh	Ballia	30.48	Yes	POWERGRID	NIL
91	Providing laundry equipments and portable USG to Govt. Dharmapuri Medical College, Dharmapuri	Healthcare	Local Area	Tamil Nadu	Dharmapuri	24.82	No	DC, Dharmapuri	NIL
92	Providing various items to Govt Community Health Centre (CHC), Nalagarh	Healthcare	Local Area	Himachal Pradesh	Nalagarh	1.96	Yes	POWERGRID	NIL
93	Supply of 01 no. ambulance to Community Health centre, Bahraich	Healthcare	Other	Uttar Pradesh	behraich	14.71	Yes	POWERGRID	NIL
94	Supply of Ophthalmology Equipment at Community Health Centre, Sardarpur, Rajgarh MP	Healthcare	Local Area	Madhya Pradesh	Dhar	10.87	Yes	POWERGRID	NIL
95	Providing 1 no. ambulance to Govt Chest Disease Hospital Jammu	Healthcare	Local Area	Jammu & Kashmir	Jammu	0.11	Yes	POWERGRID	NIL



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96	Providing of medical equipment to Primary Health Centre, MADA, Singrauli	Healthcare	Local Area	Madhya Pradesh	Singrauli	8.96	Yes	POWERGRID	NIL
97	Development of Health Infrastructure, Skill and Sports under Rupnarayanpur GP, Maithon	Healthcare	Local Area	West Bengal	Paschim Bardhwan	5.00	No	Govt of West Bengal	NIL
98	Repairing of NBSU (New born stabilization unit) ward and providing general facilities for Govt hospital Phalodi block in Jodhpur	Healthcare	Local Area	Rajasthan	Phalodi	4.99	Yes	POWERGRID	NIL
99	Repairing of NBSU (New born stabilization unit) ward and providing general facilities for Govt hospital Phalodi block in Jodhpur	Healthcare	Local Area	Rajasthan	Phalodi	4.18	Yes	POWERGRID	NIL
100	Providing medical equipments to Govt. Primary Health Centre (PHC) Inamkulathur & Nagamangalam District Tiruchirappalli, Tamil Nadu	Healthcare	Other	Tamil Nadu	Trichy	4.98	No	Block Medical Officer, Inamkulathur, Trichy	NIL
101	Conducting Medical camp at Adilabad, Telangana for Ex-servicemen and their families	Healthcare	Local Area	Telangana	Adilabad	1.24	No	MOU-IRCS	NIL
102	Procurement of 500 gas stove for CSR activities	Healthcare	Local Area	Haryana	Gurugram	4.91	Yes	POWERGRID	NIL
103	Providing foldable type wheel chairs to the persons with disabilities in Dharmapuri District, Tamil Nadu	Healthcare	Local Area	Tamil Nadu	Dharmapuri	4.91	No	District Administration, Dharmapuri	NIL
104	Supply and installation of EEG Machine and 2 air conditioner at regional mental hospital Nagpur	Healthcare	Local Area	Maharashtra	Nagpur	1.88	Yes	POWERGRID	NIL
105	Providing 4 no Automatic sanitary vending machines, 4 no sanitary napkin incinerator & 30 no. study chair with writing Pad in Faridabad.	Healthcare	Local Area	Haryana	Faridabad	1.80	Yes	POWERGRID	NIL

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106	To provide disposable bedsheets, globs and surgical masks in the hospital in the midst of Covid-19 in Government Hospital, Itarsi	Healthcare	Local Area	Madhya Pradesh	Hoshangabad	1.16	Yes	POWERGRID	NIL
107	Providing 3 no. of 7 kg capacity top loading washing machines for Vasundhara patients hostel at Advance Centre for Treatment Research & Education in Cancer (ACTREC), Tata Memorial Centre, Mumbai, Maharashtra	Healthcare	Local Area	Maharashtra	Mumbai	0.45	Yes	POWERGRID	NIL
108	Supply of One Water Cooler and One RO Machine at Community Health Centre, Kumhari, CSR work " for Powergrid Raipur SS	Healthcare	Local Area	Chhattisgarh	Raipur	0.52	Yes	POWERGRID	NIL
109	Procurement of 2000 Nos of Tree Guards for Revenue Department in 31 Layouts in and around Macherla Mandai, Guntur District	Environment & Sustainability	Local Area	Andhra Pradesh	Guntur	1.60	Yes	POWERGRID	NIL
110	Installation of 200 solar lights in Pilibhit	Environment & Sustainability	Other	Uttar Pradesh	Pilibhit	7.14	No	UP Rajkiya Nirman Sahkari Sangh	NIL
111	Organising painting competition of Bureau of energy efficiency (BEE) for promoting energy Conservation	Environment & Sustainability	Other	various States of the Region	various Districts of the State	-0.17	No	Govt. of India	NIL
112	Green Belt CSR Work Sector -43 Chain link fencing	Environment & Sustainability	Local Area	Haryana	Gurugram	4.55	Yes	POWERGRID	NIL
113	Plantation of 1000 Nos. 8' to 9' height Neem/Pilkhani plants along the periphery of ground (open space) in Sector-29, Gurugram	Environment & Sustainability	Local Area	Haryana	Gurugram	10.31	No	Forest Department	NIL
114	125 Nos. Tree Plantation at Auriya	Environment & Sustainability	Local Area	Uttar Pradesh	Auraiya	0.44	No	DFO Auraiya	NIL
115	Supply of batteries to Old age home, Gangtok	Environment & Sustainability	Local Area	Sikkim	Gangtok	0.24	Yes	POWERGRID	NIL
116	Maintenance of Horticulture Development at green belt in front of township at Sector- 43, Gurgaon	Environment & Sustainability	Local Area	Haryana	Gurugram	12.45	Yes	POWERGRID	NIL
117	Development and Maintenance of Green Belt in front of POWERGRID Township Sec-43, Gurgaon,	Environment & Sustainability	Local Area	Haryana	Gurugram	12.07	Yes	POWERGRID	NIL



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118	Installation and operationalization of 330 nos. Smart class rooms at 165 Government Schools in Haryana	Promoting Education	Other	Haryana	various parts of the State	780.91	No	HCSRAB	NIL
119	Ladies Hostel at Agricultural University Thrissur, Kerala	Promoting Education	Local Area	Kerala	Thrissur	200.50	No	KAU, Thrissur	NIL
120	Construction of a Boys Hostel for Pt.Ravishankar Shukla University, Raipur, Chattisgarh	Promoting Education	Local Area	Chhattisgarh	Raipur	0.10	Yes	POWERGRID	NIL
121	Providing financial assistance to National Foundation for Communal Harmony (NFCH)	Promoting Education	Local Area	Assam, Manipur & Chhattisgarh	Cachar, Imphal and Raipur	196.17	No	National Foundation for Communal Harmony (NFCH)	NIL
122	Setting up of 100 smart classrooms in Govt. Schools of Rajasthan	Promoting Education	Other	Rajasthan	Rajasthan	179.89	Yes	POWERGRID	NIL
123	Providing desk bench in 50 Nos. Govt. schools of Supaul District	Promoting Education	Other	Bihar	Sapaul	56.43	Yes	POWERGRID	NIL
124	Providing toilets/RO/ Submersible Pump in 26 Schools of District Gautam Budhnagar.	Promoting Education	Local Area	Uttar Pradesh	Gautam Budh Nagar	20.84	No	BSA, G.B.Nagar	NIL
125	Construction of New Classrooms for Plus two classes and upgrading of existing 04 classrooms to smart classrooms at Munderi Govt., Hr. Sec. School, Kannur, Kerala	Promoting Education	Local Area	Kerala	Kannur	1.13.40	No	District Administration, Kannur	NIL
126	Providing benches and desks to Govt. schools, Salem, Tamil Nadu	Promoting Education	Local Area	Tamil Nadu	Salem	52.45	Yes	POWERGRID	NIL
127	Construction of 7 Classrooms at Govt. Higher Secondary School at Kehli Mandi, Samba	Promoting Education	Other	Jammu & Kashmir	Samba	0.44	No	thru MOU with JK PWD (R&B)	NIL
128	i) Construction of Assam Type Classroom(04 nos.) at Rangapara College,	Promoting Education	Other	Assam	Sonitpur	25.54	No	DC, Sonitpur	NIL
129	Supply of Dual Desk, Teacher Desk, Chairs and Green Chalk Boards to schools and Junior College for Girls in Nalgonda District, Telangana	Promoting Education	Local Area	Telangana	Nalgonda	32.54	No	MOU-Central Prison, Chanchalguda	NIL

S. No.	Name of the Project	Item from the list of the activities in Schedule VII to the Act	Local Area (Yes/No)	Location of the Project		Amount spent for the Project (in ₹ lakhs)	Mode of implementation -Direct (Yes/No)	Mode of implementation - Through implementing agency	
				State	District			Name	CSR Registration Number
130	Construction of 8 nos. classrooms at Govt. high School, Singhawala Moga	Promoting Education	Local Area	Punjab	Moga	7.83	Yes	POWERGRID	NIL
131	Construction of 6 nos. class rooms for Govt. school, Damodarapura, Bassi	Promoting Education	Local Area	Rajasthan	Jaipur	34.61	Yes	POWERGRID	NIL
132	Providing furniture in 12 Government school in Bhinmal	Promoting Education	Local Area	Rajasthan	Bhinmal	0.02	Yes	POWERGRID	NIL
133	Construction of 4 classrooms and Installation of 7.92 KWP solar Generator system for Govt Model Hr. Secondary School, Jari Kodalampatti, Salem	Promoting Education	Local Area	Tamil Nadu	Salem	36.59	No	CEO, Salem	NIL
134	CSR Project on e-governance learning with Haryana CSR Society	Promoting Education	Local Area	Haryana	Gurugram	10.87	No	District Administration, Gurugram	NIL
135	Construction of four Classrooms at Zila Parishad School at Burunjwadi, Shikrapur Pune District of Maharashtra	Promoting Education	Local Area	Maharashtra	Pune	10.00	Yes	POWERGRID	NIL
136	Construction of 2 nos. of class rooms at Zila Parishad High School at Dichpally, Nizamabadad Dist. of Telengana	Promoting Education	Local Area	Telangana	Nizambad	3.15	Yes	POWERGRID	NIL
137	Misc. works at Govt. Sr. Secondary School, Sukhraili, Gurgaon	Promoting Education	Local Area	Haryana	Gurugram	1.02	No	District Administration, Gurugram	NIL
138	Construction of toilets and carrying out electrification work at Govt. Schools in Rajsamand District, Rajasthan	Promoting Education	Local Area	Rajasthan	Rajsamand	12.80	Yes	POWERGRID	NIL
139	Various CSR works at Govt Primary and Higher Secondary schools at Vill: Taga, Champa	Promoting Education	Local Area	Chhattisgarh	Durg	8.15	Yes	POWERGRID	NIL
140	Public library POWERGRID Gyan kendra -EDCIL India Ltd.	Promoting Education	Local Area	various States of the Region	various Districts of the State	11.77	Yes	POWERGRID	NIL
141	Construction of Smart Class Room for Primary / Junior High School at Medesara Village, Durg.	Promoting Education	Local Area	Chhattisgarh	Durg	0.29	Yes	POWERGRID	NIL



S. No.	Name of the Project	Item from the list of the activities in Schedule VII to the Act	Local Area (Yes/No)	Location of the Project		Amount spent for the Project (in ₹ lakhs)	Mode of implementation -Direct (Yes/No)	Mode of implementation - Through implementing agency	
				State	District			Name	CSR Registration Number
142	Supply of Weather Station equipment at Kashi vidyapith Varanasi	Promoting Education	Local Area	Uttar Pradesh	Varanasi	5.50	No	Mahatama Gandhi Kashi vidyapith	NIL
143	Repair and renovation of Baligaon Miri L.P. School	Promoting Education	Other	Assam	Sonitpur	5.12	No	DC, Sonitpur	NIL
144	Supply and Development of Sustainable Interactive Play spaces in four Govt. Schools in Dharapuram Taluk, Tirupur District, Tamil Nadu	Promoting Education	Other	Tamil Nadu	Tirupur	9.58	No	District Administration, Tiruppur	NIL
145	Repair and whitewash work in "Rajkiya Senior Secondary School" Mohammadpur, Jharsa, Gurgaon, Haryana	Promoting Education	Local Area	Haryana	Gurugram	10.44	Yes	POWERGRID	NIL
146	Construction of Cement Concrete Flooring (Pavement) And Shed on Stage Platform at Assembly/Prayer Ground in Government Inter College, Pokhri, Tehsil - Gajja, Tehri Garhwal District	Promoting Education	Local Area	Uttarakhand	Pauri Garhwal	4.94	Yes	POWERGRID	NIL
147	Repair & maintenance of existing Building of Primary School and Junior High School at Samauli-Salempur village, Meerut District, Uttar Pradesh	Promoting Education	Local Area	UP	Meerut	0.99	Yes	POWERGRID	NIL
148	Boundry wall in LP school Chachar	Promoting Education	Other	Assam	Cachar	5.53	Yes	POWERGRID	NIL
149	Providing bench and desk at primary school Pratapgarh	Promoting Education	Other	Uttar Pradesh	Pratapgarh	4.64	Yes	POWERGRID	NIL
150	Distribution of Blankets for Girl Student of Rajkiya Ambedkar 10+2 Residential Girl School & Poor people nearby Railway Station and Bus Stand, Patna	Promoting Education	Local Area	Bihar	Patna	4.76	Yes	POWERGRID	NIL
151	Supply and fixing water cooler cum purifier at Govt. high school (Vill. Taga), Govt. junior high school (vill. Chorbhatti), Govt. primary school (vill. Taga), Govt. Unyan Primary school(vill. Taga), Janpat panchayat CEO office (The.- Akaitara) and Community Centre at Village Taga	Promoting Education	Local Area	Chhattisgarh	Tamnar	4.47	Yes	POWERGRID	NIL

S. No.	Name of the Project	Item from the list of the activities in Schedule VII to the Act	Local Area (Yes/No)	Location of the Project		Amount spent for the Project (in ₹ lakhs)	Mode of implementation - Direct (Yes/No)	Mode of implementation - Through implementing agency	
				State	District			Name	CSR Registration Number
152	Supply and delivery of furniture in Govt. Primary school at onkaripali village (under Barpali panchayat) near Tamnar	Promoting Education	Local Area	Chhattisgarh	Tamnar	3.02	Yes	POWERGRID	NIL
153	Providing 2 Nos. water treatment plants at Govt. Primary School, Pavagada	Promoting Education	Other	Karnataka	Pavagada	2.91	Yes	POWERGRID	NIL
154	Painting and mural works of school buildings at Zilla Parishad School of Shikrapur near 765/400 KV GIS Substation at Pune (Shikrapur)	Promoting Education	Local Area	Maharashtra	Pune	2.38	Yes	POWERGRID	NIL
155	Providing benches and desks to Govt. schools in Tirunelveli, Tamil Nadu	Promoting Education	Local Area	Tamil Nadu	Tirunelveli	2.15	Yes	POWERGRID	NIL
156	Provided various items to Govt Girls Higher Secondary School, Nowabad, Jammu	Promoting Education	Local Area	Jammu & Kashmir	Jammu	0.05	Yes	POWERGRID	NIL
157	Providing science laboratory equipments at Khit Secondary School	Promoting Education	Local Area	Meghalaya	East Jaintia Hills	1.92	No	DC, East Jaintia Hills	NIL
158	Supply of Sports and miscellaneous items to govt. Primary School at Onkaripali village, Barpali, Tamnar Pooling Station, Raigarh	Promoting Education	Local Area	Chhattisgarh	Tamnar	0.65	Yes	POWERGRID	NIL
159	Repairing of Anganwadi Center at Rategarh, B292 Khandwa Urban, Khandwa, Madhya Pradesh	Promoting Education	Other	Madhya Pradesh	Khandwa	0.75	Yes	POWERGRID	NIL
160	Painting of Lotus Secondary School Building (Govt. aided), Diengsynrum, Khiliehriat	Promoting Education	Local Area	Meghalaya	East Jaintia Hills	0.48	Yes	POWERGRID	NIL
161	Procurement of 01 No. 32" AGE Make LED Smart Tv for Primary School Mataur.	Promoting Education	Other	Uttar Pradesh	Meerut	0.09	Yes	POWERGRID	NIL



S. No.	Name of the Project	Item from the list of the activities in Schedule VII to the Act	Local Area (Yes/No)	Location of the Project		Amount spent for the Project (in ₹ lakhs)	Mode of implementation -Direct (Yes/No)	Mode of implementation - Through implementing agency	
				State	District			Name	CSR Registration Number
162	Providing 1 no. inverter & battery to Govt. Girls Higher Secondary School, Bakshi Nagar, Jammu	Promoting Education	Local Area	Jammu & Kashmir	Jammu	0.18	Yes	POWERGRID	NIL
163	Installation of 258 submersible pumps at Lucknow	Drinking Water	Local Area	Uttar Pradesh	Lucknow	65.78	No	UP State Industrial development corporation	NIL
164	Installation of 100 submersible pumps in Etawah	Drinking Water	Other	Uttar Pradesh	Etawah	145.73	No	UP small insustries corporation	NIL
165	Installation of 100 nos. of hand pumps at Azamgarh	Drinking Water	Local Area	Uttar Pradesh	Azamgarh	4.98	No	UP Agro	NIL
166	Installation of 100 Handpumps in Pratapgarh	Drinking water	Other	Uttar Pradesh	Pratapgarh	18.69	No	UP Agro	NIL
167	Construction of 6 nos Submersible water pumps in the villages of Ney & Basgo of distt. Leh, J&K	Drinking water	Local Area	Leh	Leh	18.62	Yes	POWERGRID	NIL
168	Installation of Cluster based RO Plants with Mother plant - 0.1 MLD capacity & Remote dispensing units with 5 KL capacity with card based dispensation	Drinking Water	Other	Andhra Pradesh	Guntur	16.71	No	MOU- SE,RWS&S,Guntur	NIL
169	Providing drinking water facility to Vakapailli village, East Godavari District, Andhra Pradesh	Drinking Water	Other	Andhra Pradesh	East Godavari	2.02	No	MOU-EE, RWS&S, Kakinada	NIL
170	Installation of 05 Nos. Water ATM at Baba Baidyanath Dham, Deoghar	Drinking Water	Other	Jharkhand	Deoghar	5.35	Yes	POWERGRID	NIL
171	Providing 500 LPH water treatment plant at Kythagachacherlu village, Pavagada, Karnataka	Drinking Water	Other	Karnataka	Pavagada	5.09	Yes	POWERGRID	NIL
172	Supply of Water coolers in police station in Paschim Midnapur district	Drinking water	Local Area	West Bengal	Paschim Midnapur	3.95	Yes	POWERGRID	NIL

S. No.	Name of the Project	Item from the list of the activities in Schedule VII to the Act	Local Area (Yes/No)	Location of the Project		Amount spent for the Project (in ₹ lakhs)	Mode of implementation -Direct (Yes/No)	Mode of implementation - Through implementing agency	
				State	District			Name	CSR Registration Number
173	Supply, installation of 2 nos. of UV based water purified cum chiller for installation in the offices of SDO & SDPO, Ghataal	Drinking Water	Local Area	West Bengal	Paschim Midnapur	1.58	Yes	POWERGRID	NIL
174	Amphan Restoration Work (WBSEDCL/WBSETCL)	Disaster Management	Local Area	West Bengal	Various districts of West Bengal	180.32	No	WBSEDCL & WBSETCL	NIL
175	Supply of fitters for Amphan related restoration work	Disaster Management	Local Area	West Bengal	Various districts of West Bengal	33.05	Yes	POWERGRID	NIL
176	Beautification of NAAWA Pond (Talab) at village Bansia, Raigarh district, Chhattisgarh	Conservation of Natural Resources	Local Area	Chhattisgarh	Raigarh	19.85	Yes	POWERGRID	NIL
177	Contribution towards PM CARES FUND	Health / Covid-19	Other	various States of the Region	various Districts of the State	7,000.00	Yes	Govt. of India	NIL
178	Providing Food Ration relief - Expenses on Health activities under COVID-19	Health / Covid-19	Local Area	Haryana	Gurugram	1,605.32	Yes	POWERGRID	NIL
179	Distribution of PPE Kits/medical equipment during COVID-19	Health / Covid-19	Other	Haryana	various parts of the State	890.64	Yes	POWERGRID	NIL
	Total					14,565.01			

9 (b) Details of CSR amount spent in the financial year for ongoing projects of the preceding financial year(s):

S.No.	Project ID	Name of the projects	Financial Year in which the project was commenced	Project duration	Total amount allocated for the project	Amount spent on the project in the reporting financial year	Cummulative amount spent at the end of the Financial Year	Status of the project - the completed / ongoing
1	SR-2019084	Providing furniture and other items required for making Working Women Hostel operational in Mewat District, Haryana	2019-20	1 year	34.02	22.59	22.59	completed
2	SR-2019124	Distribution of 20 Sewing Machines and imparting 6 months training in tailoring for girls & women belonging to BPL family at Sector 10-A, Gurugram district	2019-20	1 year	4.93	1.01	1.01	completed
3	SR-2019179	Providing 19 sewing machine and imparting 6 months training in tailoring for girls and women near Koteswar pooling station	2019-20	1 year	3.44	0.99	0.99	completed
4	SR-2018158	Providing and fixing water supply pipe line in 7 wards of Taga village, Akaltara Tehsil, Jajgir Champa District, Chhattisgarh	2019-20	1 year	49.93	9.99	49.93	completed
5	SR-2017124	Construction of Stadium at Village Barikurd Babupur, Tehsil Raghuraj Nagar, Dist Satna	2018-19	2 years	129.89	62.39	75.38	completed
6	SR-2014002	Imparting Skill Development training to 5000 youths in 33 locations across India through NSDC	2014-15	3 years	652.97	-3.97	652.97	completed
7	SR-2014037	Capacity Building Programme on Power transmission line Tower Erection and Stringing	2019-20	3 years	28.88	10.46	14.43	completed
8	SR-2020073	Providing 20 no. laptops to Police Department Mahendragarh	2019-20	1 year	9.99	9.58	9.58	completed
9	SR-2018270	Installation of Pre-fabricated toilets in circulating areas of Railway Stations of east central Indian Railways (Bihar) on the land of Indian Railways.	2018-19	3 years	2,503.00	1,752.01	1,752.01	ongoing

S.No.	Project ID	Name of the projects	Financial Year in which the project was commenced	Project duration	Total amount allocated for the project	Amount spent on the project in the reporting financial year	Cummulative amount spent at the end of the Financial Year	Status of the project - the completed / ongoing
10	SR-2018227	Conducting Swacchta Programme at Baidyanath Dham, Deoghar, for a period of 02 years.	2018-19	2 years	335.45	135.78	287.88	completed
11	SR-2018239	Construction of toilet blocks in 19 Govt. Schools of West Sikkim district	2018-19	2 years	288.45	94.90	234.12	completed
12	SR-2018165	Construction of drainages in Chandauli	2018-19	2 years	208.38	37.14	208.38	completed
13	SR-2018217	Providing one truck mounted sweeping machine with vacuum cleaner, one truck mounted sewer jetting machine, one litter picking machine, one truck mounted compactor and 20 nos. of garbage dumper for Municipal Corporation, Shimla	2018-19	1 year	198.86	120.33	120.33	ongoing
14	SR-2019014	Providing one no. of Road Sweeping machine to VMC Vadodara.	2019-20	1 year	186.59	79.31	79.31	ongoing
15	SR-2019009	Providing one no. of Road Sweeping machine to Bhopal smart city development corporation limited.(BMC), Govt of MP	2019-20	1 year	185.59	79.08	79.08	ongoing
16	SR-2018136	Maintenance of toilets constructed by POWERGRID under Swachh Vidyalaya Abhiyan in schools of Keonjhar District, Odisha	2018-19	1 year	144.00	3.63	67.00	completed
17	SR-2018239	Construction of Toilets in 17 nos. of Govt. Schools in West Bengal and Sikkim Under स्वच्छ भारत	2018-19	2 years	142.23	13.04	134.51	ongoing
18	SR-2019016	Procurement of one truck mounted sweeping machine with vacuum cleaner, one truck mounted sewer jetting machine, one litter picking machine, for Municipal Council and I&PH, Manali, Himachal Pradesh	2019-20	1 year	136.53	110.96	110.96	ongoing
19	SR-2017118	Construction of 43 toilets blocks at 43 Govt. Girls Schools at Pratapgarrh district, Uttar Pradesh	2017-18	3 years	132.45	6.52	129.78	completed



S.No.	Project ID	Name of the projects	Financial Year in which the project was commenced	Project duration	Total amount allocated for the project	Amount spent on the project in the reporting financial year	Cummulative amount spent at the end of the Financial Year	Status of the project - the completed / ongoing
20	SR-2018173	Construction of 06 Nos. of community toilet complex at Karakat Constituency, Rohtas.	2018-19	2 years	127.68	66.24	78.96	ongoing
21	SR-2018170	04 Nos. CC drains, 2 Nos. Community hall, 01 No. Kalyanamandapam and 01 No.Compound wall at Gandepalli Mandal, East Godavari District	2018-19	2 years	105.00	25.18	75.54	ongoing
22	SR-2019031	Construction of drainage at Dhakwa Bazaar of Pratapgarn District	2019-20	2 years	104.98	26.12	73.12	ongoing
23	SR-2018256	Procurement of 04 no. OWC and 500 nos. Twin Bin Dustbins with Stand for Vadodara Municipal Corporation, Vadodara	2018-19	2 years	91.90	21.32	63.97	ongoing
24	SR-2017012	Carrying out a study on Assessing the impacts of power lines on Avian species in the arid plains of Western Gujarat by wildlife Institute of India (WII)	2017-18	2 years	90.00	24.66	79.70	ongoing
25	SR-2017101	Construction of Toilets at Bus Stands, Allahabad	2017-18	3 years	61.07	4.24	39.23	completed
26	SR-2018078	Construction of 14 Nos. (Boys & Girls) Toilets in 9 Govt. schools nearby Bassi	2018-19	3 years	57.14	0.98	48.69	completed
27	SR-2018197	Providing 05 nos. Semi-Automatic Sanitary Napkin Manufacturing machines and 100 sewing machines at District Damoh	2018-19	3 years	53.89	0.45	40.65	completed
28	SR-2019080	Construction of 05 nos. Girls Toilets in 05 different Govt. Schools in Sikar District, Rajasthan	2019-20	1 year	38.77	9.68	9.68	completed
29	SR-2018244	Construction of toilet at Ara Railway Station.	2018-19	2 years	31.94	3.29	28.17	completed

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30	SR-2018105	Construction of toilet complex at Anugrah Magadh Medical College, Gaya, Bihar.	2018-19	2 years	21.94	-0.15	21.32	completed
31	SR-2018074	Construction of 08 no. Ladies toilet and construction of mid day meal room at Zila Parisad school of rampur village under C&P activities of Solapur Ss and construction of mid day meal room	2018-19	2 years	17.92	4.49	17.92	completed
32	SR-2018064	Construction of 6 nos. toilets at Govt. Girls Higher Secondary School, Muthi	2018-19	2 years	11.19	2.03	11.19	completed
33	SR-2017128	Construction of 01 No. Toilets at Primary School at Potia village (Distt.-Durg)	2017-18	2 years	5.04	0.25	4.56	completed
34	SR-2019083	Construction of RCC Side Drain of about 119 m long in Uppatla Village, Peddapalli District, Telangana	2019-20	1 year	5.00	3.63	3.63	completed
35	SR-2019042	Construction of drainages in Varanasi	2019-20	2 years	280.76	182.50	182.50	ongoing
36	SR-2018055	Operation & Maintenance of 40 nos. toilets at Ballia.	2018-19	1 year	3.08	0.75	3.08	completed
37	SR-2018046	Rural Development in Bhojpur District of Bihar	2018-19	3 years	1,109.14	87.28	808.65	ongoing
38	SR-2018247	Transformation of Aspirational District Baran - Renovation of Anganwadis & PHCs	2018-19	3 years	938.68	168.30	255.63	ongoing
39	SR-2018083	programme for carrying out renovation of civic infrastructure and aesthetic look of the city	2018-19	3 years	724.29	70.36	369.61	ongoing
40	SR-2018186	Display of 1700 Nos. of Saubhagya Hoardings in State of Bihar.	2018-19	1 year	701.93	51.97	181.86	completed
41	SR-2018043	Display of 800 hoardings for "Pradhan Mantri Sahaj Bijli Har Ghar Yojna" (SAUBHAGYA SCHEME) in State of Bihar.	2018-19	1 year	422.72	25.44	237.07	completed



S.No.	Project ID	Name of the projects	Financial Year in which the project was commenced	Project duration	Total amount allocated for the project	Amount spent on the project in the reporting financial year	Cummulative amount spent at the end of the Financial Year	Status of the project - the completed / ongoing
42	SR-2018048	Improving Rural Livelihood through Integrated Watershed Management at Jaipatna Block of Kalahandi district in Odisha through ICRISAT	2018-19	3 years	402.00	113.37	113.37	ongoing
43	SR-2018271	Construction of 2.4 KM village road from Pamra Chowk to Parmanandpur, Sitamarhi.	2018-19	2 years	344.35	177.73	300.94	ongoing
44	SR-2019056	Improvement/upgradation of Inner link road (Approx 7 km) at Wagoora, J&K.	2019-20	2 years	269.76	174.96	175.09	completed
45	SR-2018241	Carrying out rural developmental works in Jalalsar village of Bikaner District, Rajasthan	2018-19	2 years	224.08	96.26	201.80	completed
46	SR-2017081	Construction of village road at Kishanganj District.	2017-18	2 years	199.87	15.46	154.58	completed
47	SR-2018243	Display of 3000 Hoardings in State of Bihar.	2018-19	1 year	199.79	41.23	83.09	completed
48	SR-2019185	Construction of 15 No. Community Hall in Basti District.	2019-20	1 year	195.85	38.97	38.97	ongoing
49	SR-2014030	Community Development works in village in Banharpal Block, Angul Block, Chhendipada block & athamallik block, Odisha	2014-15	2 years	180.37	7.43	163.28	completed
50	SR-2016028	Construction of Panchayat Ghar at 6 locations in Agra	2016-17	3 years	163.08	10.00	132.46	completed
51	SR-2018258	Developmental activities in 11 villages of Bhojpur District of Bihar.	2019-20	3 years	159.62	62.95	95.67	ongoing

S.No.	Project ID	Name of the projects	Financial Year in which the project was commenced	Project duration	Total amount allocated for the project	Amount spent on the project in the reporting financial year	Cummulative amount spent at the end of the Financial Year	Status of the project - the completed / ongoing
52	SR-2018187	Construction of Drainage System of Jehanabad District.	2018-19	2 years	157.43	42.23	140.76	completed
53	SR-2018221	Construction of 2.2 KM road at Kaimur (Bhabua) District.	2018-19	2 years	146.44	64.05	127.90	completed
54	SR-2018193	Construction of Road- 1.25 Kms Near Guntupalli Village, Krishna District	2018-19	2 years	125.00	61.89	93.98	completed
55	SR-2018084	Construction of Chatth Ghat (07) and Community Centres (04) at different villages of Darbhanga and Madhubani.	2018-19	2 years	122.33	19.36	88.23	ongoing
56	SR-2016131	(1) Construction of 06 nos. of Community Hall, (Paikasahi, Kalapatnali, Pidhasahi, Gochhayat Sahi, Antulia & Tabela) (2) 01 no. Rahasbari at Satyabadipur (3) Digging & Renovation of Ponds 04 nos. (Paikasahi, Pidhasahi, Gadatalmul & Barham Kolh Sahi) (4) Construction of CC Road alongwith culvert & drain at Rankasingha (5) Construction of Road Guard wall 64 mts. at Tabela in Athamalik Block, Banarpal Block and Angul Block Odisha.	2016-17	3 years	115.67	6.44	114.62	completed
57	SR-2019037	Construction of RCC culvert span 5x4 m in Sant kabir Nagar	2019-20	2 years	113.49	77.19	77.19	ongoing
58	SR-2019067	Developing Sialbu Community Fruit Trees Garden alongwith construction of one garden cottage and maintained for a period of 5 years as well as at Churachandpur District, Manipur	2019-20	2 years	110.83	17.86	41.68	ongoing
59	SR-2019047	Upgradation of Crematorium complex, in, Gorakhpur	2019-20	2 years	99.34	40.27	40.27	ongoing



S.No.	Project ID	Name of the projects	Financial Year in which the project was commenced	Project duration	Total amount allocated for the project	Amount spent on the project in the reporting financial year	Cummulative amount spent at the end of the Financial Year	Status of the project - the completed / ongoing
60	SR-2015028	Rural Development projects [(1) Construction of 2 nos. community centre (2) Construction of 01 no. Rahashbade (open shed) (3) Digging / Renovation of Ponds of 04 nos. (4) Drinking Water System (5) Construction of 01 no. drain (6) construction of School Class Room] in village in Banharpal Block, Angul Block & Chhendipada Block	2015-16	2 years	98.94	2.16	98.93	completed
61	SR-2017116	Construction of community centre with 2 KVA Solar Light at 7 place in Kushinagar	2017-18	3 years	92.67	22.46	92.47	completed
62	SR-2014029	Community development works in villages of Bonarpal Block and Angul Block, Odisha	2014-15	5 years	74.26	4.11	69.11	completed
63	SR-2018228	Construction of concrete road (1.85km) from NH-34 Dakhsingram more to Majigram Adivashipara village under Nabagram Block, Murshidabad District	2018-19	2 years	64.43	0.64	64.14	completed
64	SR-2018237	Construction of village road, park at East Champaran .	2018-19	2 years	60.12	2.58	39.63	ongoing
65	SR-2016179	Construction of 08 community centers, Dhanbad, Jharkhand.	2016-17	3 years	59.83	5.87	58.39	completed
66	SR-2019049	Rest Shed, approach road, Bio-Toilet, tractor, Steel Water Tank etc. in Paschim Medinipur	2019-20	2 years	54.60	26.35	26.35	ongoing
67	SR-2015007	Construction of Community Hall at Medikeri	2015-16	3 years	50.00	5.00	50.00	completed

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68	SR-2017005	Taking up CSR works in vicinity of HVDC NEA projects at B.Chariali. (i) Open stage & green room near East Kalajuli LP School (ii) Construction of weaving centre for tribal women at B.Chariali Ghat link road. (iii) Renovation of community centre, at Narun Gaon Development Committee. (iv) Construction of market shed at Baghmari Tea Estate. (v) Construction of additional class room at Baghmari Telp school.	2017-18	3 years	48.26	28.95	48.25	completed
69	SR-2018155	Construction of four community centres at Bidsingbasu, Talabahali, Similladandi and Ghodabandhuvi villages in Athmalik Block, Angul District, Odisha	2018-19	3 years	36.00	5.55	32.55	ongoing
70	SR-2018146	Construction of five community centres at Urukula, Kadalununda, Badarohila, Garuda and Barpali villages in Kishore Nagar Block, and Barpali in Athmalik Block, Angul District, Odisha	2018-19	3 years	30.21	6.27	30.21	completed
71	SR-20191	PCC road at Karbigahiya, Patna (Construction of Road)	2019-20	2 years	24.91	12.51	15.95	completed
72	SR-2018214	Construction of Chatth Ghat at Ladanania Village in Madhubani District.	2018-19	3 years	23.92	0.75	21.20	completed
73	SR-2018214	Construction of Boundary wall in Govt. Middle School, Bhendra village	2018-19	2 years	22.13	-0.18	22.13	completed



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74	SR-2019145	Construction of Canteen for Public purpose in 1200sq.ft at the Office of Superintendent of Police Premises, Tirupur	2019-20	2 years	22.00	21.57	21.57	completed
75	SR-2017123	Construction of community hall at village Newali, Tehsil-Panvel, Navi Mumbai	2018-19	3 years	21.88	9.66	21.88	completed
76	SR-2018162	(1) Renovation & digging of ponds in Pokonda village, Paikasahi GP and (2) Mandarbahal village, Kurumtop GP, Athmallik Block, Angul District, Odisha	2018-19	3 years	21.00	2.87	9.00	completed
77	SR-2019160	Construction of culvert, retaining wall & damaged approach road at Elapully gram Panchayat, Palakkad District	2019-20	2 years	18.53	17.60	17.60	completed
78	SR-2016260	Construction of Community Centre at Sankhapur village & Rahasbadi at Kusumdhara village at Athmallik Block of Angul	2016-17	3 years	17.00	3.77	13.27	ongoing
79	SR-2018188	Construction/ Upgradation of approach road to Zawngram Village Aizawl, Mizoram	2018-19	3 years	13.78	11.02	13.78	completed
80	SR-2018141	Construction of Check Dam at Taidar village in Kishore Nagar Block in district Angul, Odisha	2018-19	3 years	10.00	8.00	8.00	ongoing
81	SR-2018045	Construction of 02 nos Pachari (Staircase) at DOMA talaab in village Kotra, Raigarh	2018-19	2 years	8.82	0.52	4.63	completed
82	SR-2018168	Construction of two Rahasbadi at Bidsinghasu, Pokonda villages in Athmallik Block, Angul District, Odisha	2018-19	2 years	6.00	1.37	6.00	completed
83	SR-2018147	Construction of Rahasvadi in place of Community centre at Raibahal village in Kishore Nagar Block, Angul District, Odisha	2018-19	2 years	6.00	6.00	6.00	completed

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84	SR-2018013	Construction of community centre in Banarnali village of Kishorenagar Block, Athmallik	2018-19	2 years	4.85	4.85	4.85	completed
85	SR-2019104	Repair of steel bridge over Gingia stream, Biswanath	2019-20	1 year	4.39	4.39	4.39	completed
86	SR-2019121	Supply of traffic barricades at Karur substation for handing over to K.Paramathi	2019-20	1 year	3.30	2.95	3.27	completed
87	SR-2019025	Construction of community hall at Badagovindpur of Kishorenagar block in Angul District	2019-20	1 year	3.00	1.50	3.00	completed
88	SR-2018196	Construction of Community Center at Barpali, Tamnar	2018-19	2 years	32.50	18.56	18.56	ongoing
89	SR-2019107	Procurement of Centralized equipment for monitoring CC cameras at Nagarjunasagar Vijayapuri South Police staton	2019-20	1 year	2.07	0.63	0.63	completed
90	SR-2019175	Construction of 150 bedded Aryabhata Boy's Hostel and development of park at C.M. Science College, Darbhanga, Bihar	2019-20	3 years	750.00	9.24	9.24	ongoing
91	SR-2019141	Construction of Schedule Caste Senior Girls Hostel (50 seater) at Tehsil Sarai in Singrauli District	2019-20	2 years	242.51	41.97	41.97	ongoing
92	SR-2016109	Development of Playground with all necessary facilities at K.B. Women's Govt. College, Hazaribagh, Jharkhand.	2015-16	3 years	188.47	9.78	157.47	ongoing
93	SR-2019130	Provision of smart class education in Govt. Jagannath Excellence School, Mandla	2019-20	1 year	52.09	5.20	5.20	ongoing
94	SR-2018215	Construction of Dining with Kitchen and provision of table and bench at Govt. Blind, Deaf & Dumb school at Damoh	2019-20	1 year	16.96	1.51	15.00	completed



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95	SR-2017058	Supply and installations of 3250 solar LED street lights in Himachal Pradesh	2017-18	3 years	737.10	60.86	461.41	completed
96	SR-2017075	"POWERGRID Vishram Sadan" in Guwahati Medical College & Hospital	2017-18	3 years	1,500.00	317.06	392.59	ongoing
97	SR-2018220	Repairing & Renovation of 100 Bedded SK Roy Civil Hospital Hailakandi (Aspirational District)	2018-19	3 years	379.91	176.40	211.68	ongoing
98	SR-2018222	Construction of 20 Bedded OPD at SK Roy Civil Hospital hailakadi	2018-19	2 years	87.60	2.71	2.71	ongoing
99	SR-2018167	Providing medical equipment, mobile medical unit and setting up of 02 nos. Tele-Consultancy Centres to be operated by Ramakrishna Mission Charitable Dispensary, Shillong, Meghalaya	2018-19	1 year	49.47	19.78	49.47	completed
100	SR-2019071	Providing of Hospital Furniture and fixtures/ furnishing of the reception area and Day-care ward of the DAE-Civil Hospital Cancer Wing at Civil Hospital, Shillong	2019-20	1 year	46.71	46.71	46.71	completed
101	SR-2019151	Providing of 30 nos. beds at Bongaigaon Civil Hospital	2019-20	1 year	4.74	4.64	4.64	completed
102	SR-2018149	Supply, installation & commissioning of 195 hand pumps in Machhishahar, Uttar Pradesh	2018-19	3 years	99.84	19.93	60.17	ongoing
103	SR-2019051	Supply of 3 nos. Ambulances and construction of PHC buildings at Mallanwala & Kassowanna at Firozpur district, Punjab	2019-20	2 years	463.83	43.89	43.89	ongoing
104	SR-2016046	Financial Assistance for creating a Nuclear Medicine Theranostics facility for Patients undergoing Radioisotope Treatment at TMC/ACTREC, Mumbai for cancer at TATA, Mumbai.	2016-17	3 years	3,000.00	46.80	2,699.80	ongoing
105	SR-2018175	Construction of Dharamshala/Night Shelter - NIMHANS	2018-19	3 years	2,300.00	346.93	584.42	ongoing

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106	SR-2017074	Construction of Vishram Sadan at IGIMS, Patna.	2017-18	3 years	1,653.97	84.42	1,653.97	completed
107	SR-2018053	Construction of Vishram Sadan at RIMS, Ranchi.	2018-19	3 years	1,500.00	298.85	674.30	ongoing
108	SR-2018176	Construction of Vishram Sadan at DMCH, Darbhanga.	2018-19	3 years	1,500.00	362.31	509.19	ongoing
109	SR-2019114	Construction of Vishram Sadan at MKCG Govt, Medical college and Hospital, Berhampur Odisha.	2019-20	3 years	1,500.00	6.77	6.77	ongoing
110	SR-2018246	Construction of "POWERGRID Vishram Sadan" at Sir Sayajirao General (SSG) Hospital, Vadodara	2018-19	3 years	1,495.00	426.00	516.41	ongoing
111	SR-2018248	Providing medical equipments and instruments at various Hospitals in Kalahandi District (Aspirational District), Odisha	2018-19	2 years	854.06	247.14	247.14	ongoing
112	SR-2018240	Upgradation of CHC-Manpur, Rajnandgaon, Chattisgarh	2018-19	3 years	481.00	37.06	313.84	completed
113	SR-2018225	Expansion of POWERGRID Vishram Sadan at (KGMU) in Lucknow by additional 2 floors,	2018-19	3 years	477.30	146.08	477.30	completed
114	SR-2018224	Providing 4 nos. Medical Mobile units to Bilaspur Distt. Authorities, Himachal Pradesh	2018-19	2 years	219.11	27.82	103.46	ongoing
115	SR-2019086	Supply of 6 nos. Advanced Life Support Ambulances for District Hospital in Haryana	2019-20	2 years	199.51	39.80	199.00	completed
116	SR-2019062	Supply of Medical Equipment to Manipur Medical College & Hospital	2019-20	2 years	168.74	142.59	142.59	ongoing
117	SR-2019096	Supply of equipment for lab and hospitals strengthening at community health centers and district hospitals in district Rajnandgaon	2019-20	2 years	149.93	112.83	112.83	ongoing
118	SR-2016246	Construction of Waiting Hall for Patients and Attendants visiting IGGMC & Mayo Hospital, Nagpur	2017-18	3 years	115.81	33.79	79.22	completed



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119	SR-2018192	Renovation of General Ward and supply of Medical Equipment, Furniture, AC, at Netaji Subhash Chandra Bose Medical College (NSCBMC), Jabalpur	2018-19	2 years	115.63	5.07	89.83	completed
120	SR-2017080	Medical Camp by IRCS - 23 locations	2017-18	1 year	115.12	0.02	115.12	completed
121	SR-2016011	Procurement of Ambulances for 10 locations in NR-II	2016-17	2 years	111.34	0.17	99.92	completed
122	SR-2018235	Multi Speciality Medical Camps in AP & Telangana - 17 Nos.	2018-19	1 year	86.42	2.00	86.42	completed
123	SR-2019139	Supply of 1 number Color Doppler ultrasound machine with 6 Probs, 1 number Sonography machine with basic features & 1 number Ambulance with basic life support medical equipment to Shree Kalyan Government Hospital, Sikar, Rajasthan	2019-20	1 year	66.68	16.27	16.27	ongoing
124	SR-2016143	Construction of (i) sub health centre and ii) veterinary hospital in village badhadhar near Sikar	2016-17	3 years	52.31	4.16	50.18	completed
125	SR-2019108	Distribution of high end Aids & Appliances to Divyangjan (PwDs) at Rajnandgaon through ALIMCO	2019-20	1 year	39.00	20.70	20.70	ongoing
126	SR-2019108	Distribution of High end Aids & Appliances to Divyangjan (PwDs) through M/s Artificial Limbs Manufacturing Corporation of India (ALIMCO) in five Aspirational Districts	2019-20	1 year	39.00	5.85	5.85	ongoing
127	SR-2019070	Supply of two equipped Ambulances to 'District Hospital, Ballia'	2019-20	1 year	30.53	30.48	30.48	completed
128	SR-2019161	Providing laundry equipments and portable USG to Govt. Dharmapuri Medical College, Dharmapuri	2019-20	1 year	24.82	24.82	24.82	completed
129	SR-2018132	Providing various items to Govt Community Health Centre (CHC), Nalagarh	2018-19	2 years	22.26	1.96	15.03	completed

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130	SR-2018132	Supply of Ophthalmology Equipment at Community Health Centre, Sardarpur, Rajgarh MP	2019-20	1 year	10.87	10.87	10.87	completed
131	SR-2018148	Providing 1 no. ambulance to Govt Chest Disease Hospital Jammu	2018-19	1 year	11.85	0.11	11.85	completed
132	SR-2019064	Providing of medical equipment to Primary Health Centre, MADA, Singrauli	2019-20	1 year	8.96	8.96	8.96	completed
133	SR-2020057	Repairing of NBSU (New born stabilization unit) ward and providing general facilities for Govt hospital Phalodi block in Jodhpur	2019-20	1 year	4.99	4.18	4.95	completed
134	SR-2019164	Providing medical equipments to Govt. Primary Health Centre (PHC) Inamkulathur & Nagamangalam District Tiruchirappalli, Tamil Nadu	2019-20	1 year	4.98	4.98	4.98	completed
135	SR-2019137	Conducting Medical camp at Adilabad, Telangana for Ex- servicemen and their families	2019-20	1 year	4.96	1.24	1.24	completed
136	SR-2019127	Providing foldable type wheel chairs to the persons with disabilities in Dharmapuri District, Tamil Nadu	2019-20	1 year	4.91	4.91	4.91	completed
137	SR-2018060	Supply and installation of EEG Machine and 2 air conditioner at regional mental hospital Nagpur	2019-20	1 year	4.62	1.88	1.88	completed
138	SR-2019123	Providing 4 no Automatic sanitary vending machines, 4 no sanitary napkin incinerator & 30 no. study chair with writing Pad in Faridabad.	2019-20	1 year	2.80	1.80	1.80	completed
139	SR-2019135	providing 3 no. of 7 kg capacity top loading washing machines for Vasundhara patients hostel at Advance Centre for Treatment Research & Education in Cancer (ACTREC), Tata Memorial Centre, Mumbai, Maharashtra	2019-20	1 year	0.79	0.45	0.45	completed



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140	SR-2018166	Supply and installation of 20 Solar lights at 19 locations on NH-16 of Kasibugga sub-division, Srikakulam District.	2018-19	2 years	34.89	18.18	18.18	ongoing
141	SR-2018219	Supply and installation of 310 solar street lights in different vilalges of Mahbubnagar, Wanapathy, Rangareddy and Vikrabad District, Telengana	2018-19	2 years	75.42	3.77	71.66	ongoing
142	SR-2019097	Automatic PET bottle flaking and reverse vending machine to Vijayawada Municipal Corporation, Vijaywada, Andhra Pradesh	2019-20	1 year	81.24	36.76	36.76	ongoing
143	SR-2016257	Installation of 200 solar lights in Pilibhit	2017-18	2 years	42.00	7.14	42.00	completed
144	SR-2019140	Rejuvenation of Pond at village Daulatabad & Dharampur, Gurugram, Haryana	2019-20	1 year	199.97	28.96	28.96	ongoing
145	SR-2017018	Organising painting competition of Bureau of energy efficiency (BEE) for promoting energy Conservation	2017-18	1 year	124.52	-0.17	104.94	completed
146	SR-2019128	Green Belt CSR Work Sector -43 Chain link fencing	2019-20	2 years	55.86	4.55	55.86	completed
147	SR-2019184	Construction of GUL (Pond-Waterbody) for Fafran/Sauntiyaa village Koteswar, Uttarakhnad	2019-20	2 years	50.49	15.74	15.74	ongoing
148	SR-2018056	125 Nos. Tree Plantation at Auriya	2018-19	1 year	2.88	0.44	2.88	completed
149	SR-2020047	Supply of batteries to Old age home, Gangtok	2019-20	1 year	0.38	0.24	0.24	completed
150	SR-2018179	Maintenance of Horticulture Development at green belt in front of township at Sector- 43, Gurgaon	2018-19	1 year	41.16	12.45	12.45	completed
151	SR-2019128	Development and Maintenance of Green Belt in front of POWERGRID Township Sec-43, Gurgaon,	2018-19	1 year	51.54	12.07	34.29	completed
152	SR-2019110	Construction of Boundary wall for Khas Colony L.P.S. at Hailakandi, Assam	2019-20	1 year	7.87	4.87	4.87	ongoing

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153	SR-2017100	Providing Wi-Fi Hotspots at 105 nos. of Railway Stations (100 Stations in Mumbai Suburban area & 5 Stations in Samastipur Railway Division)	2017-18	3 years	1,537.00	39.92	1,082.88	ongoing
154	SR-2019076	Setting up Industrial Training Institutes (ITIs) at Kancheepuram	2019-20	3 years	1,000.00	54.05	54.05	ongoing
155	SR-2019073	Installation and operationalization of 330 nos. Smart classrooms at 165 Government Schools in Haryana	2019-20	2 years	787.59	780.91	780.91	completed
156	SR-2019115	Construction of 120 bedded Hostel for Government Queens College, Varanasi	2019-20	3 years	490.52	41.58	41.58	ongoing
157	SR-2017110	Ladies Hostel at Agricultural University Thrissur, Kerala	2017-18	3 years	445.00	200.50	445.00	completed
158	SR-2014013	Construction of a Boys Hostel for Pt.Ravishankar Shukla University, Raipur, Chattisgarh	2014-15	3 years	400.00	0.10	357.75	completed
159	SR-2017076	Upgradation of 10 Army Goodwill schools in J&K- Introduction of digital learning solution.	2019-20	2 years	309.65	61.22	213.22	ongoing
160	SR-2019176	Setting up of 100 smart classrooms in Govt. Schools of Rajasthan	2019-20	2 years	186.06	179.89	179.89	completed
161	SR-2019043	Construction of 16 no. Double storey classrooms and providing benches for Govt Senior Secondary Girl School, Moga (Punjab)	2019-20	2 years	174.92	112.90	131.02	ongoing
162	SR-2019095	Providing desk bench in 50 Nos. Govt. schools of Supaul District	2019-20	2 years	128.00	56.43	56.53	completed
163	SR-2017057	Providing toilets/RO/ Submersible Pump in 26 Schools of District Gautam Budhnagar.	2017-18	2 years	127.59	20.84	127.41	completed
164	SR-2019088	Construction of New Classrooms for Plus two classes and upgrading of existing 04 classrooms to smart classrooms at Munderi Govt., Hr. Sec. School, Kannur, Kerala	2019-20	2 years	126.00	113.40	126.00	completed



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165	SR-2019021	Providing benches and desks to Govt. schools, Salem, Tamil Nadu	2019-20	2 years	115.15	52.45	76.84	completed
166	SR-2018092	Construction of Researchers' Hostel at Jorhat Engineering College, Assam	2018-19	2 years	106.45	18.31	73.23	ongoing
167	SR-2019026	Construction of school building with 04 nos. of classrooms in the ground floor and one auditorium at first floor in Govt. Higher Secondary school at K. Paramathi village, Karur District (Tamilnadu)	2019-20	2 years	104.50	87.05	87.05	ongoing
168	SR-2019099	Construction of compound walls in 15 schools in Nandigama constituency, Krishna District in Andhra Pradesh	2019-20	2 years	101.20	69.17	89.41	ongoing
169	SR-2018174	Construction of Administrative Block in Shrawasti	2018-19	2 years	100.06	9.98	9.98	ongoing
170	SR-2019126	Providing fund for setting up of 44 nos. of Smart class rooms at 44 schools/ higher secondary schools/Jr. Colleges under Bodoland Territorial Council area, Kokrajhar, Assam	2019-20	2 years	99.00	68.99	68.99	ongoing
171	SR-2019072	Construction of classrooms, toilets and supply of study desks at Govt. Schools in Kota, Rajasthan	2019-20	2 years	92.99	17.26	17.26	ongoing
172	SR-2018201	Construction of five class rooms and toilets at Bhiringi T.N. Institution (H.S. School) at Bhiringi, Durgapur Sub Division, Paschim Bardhaman District, West Bengal	2018-19	2 years	81.13	24.53	33.03	ongoing
173	SR-2018137	Construction of 7 Classrooms at Govt. Higher Secondary School at Kehli Mandi, Samba	2018-19	2 years	69.52	0.44	40.60	completed
174	SR-2016256	Construction of Assam Type Classroom (04 nos.) at Rangapara College,	2017-18	3 years	65.00	25.54	51.61	completed
175	SR-2019120	Repair, maintenance, supply of furniture & lab equipments, renovation of Govt. Boys Higher Secondary School, Leh	2019-20	2 years	64.17	31.89	31.89	ongoing

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176	SR-2019119	Supply of Dual Desk, Teacher Desk, Chairs and Green Chalk Boards to schools and Junior College for Girls in Naigonda District, Telangana	2019-20	2 years	63.42	32.54	62.82	completed
177	SR-2018057	Construction of 8 nos. classrooms at Govt. high School, Singhawala Moga	2018-19	2 years	61.29	7.83	66.06	completed
178	SR-2019053	Providing items at Nepura Bijli Rani High School, Paschim Medinipur	2019-20	2 years	69.10	29.27	29.88	ongoing
179	SR-2019032	Construction of 6 nos. class rooms for Govt. school, Damodarpura, Bassi	2019-20	2 years	46.83	34.61	44.20	completed
180	SR-2019022	Providing furniture in 12 Government school in Bhinmal	2019-20	2 years	43.31	0.02	36.86	completed
181	SR-2019092	Construction of 4 classrooms and Installation of 7.92 KWP solar Generator system for Govt Model Hr. Secondary School, Jari Kodalampatti, Salem	2019-20	2 years	40.60	36.59	40.64	completed
182	SR-2018252	Construction of Conference hall cum Heritage Building at Kabi Prasanna Patsanni High School at Munda of Delang Block, Puri, Odisha	2018-19	2 years	38.99	7.80	7.80	ongoing
183	SR-2019011	CSR Project on e-governance learning with Haryana CSR Society	2019-20	1 year	34.10	10.87	31.72	completed
184	SR-2019129	Construction of 4 nos. Class Rooms at Govt. Senior Secondary School, Dhira, Pathankot	2019-20	2 years	29.98	13.13	13.13	ongoing
185	SR-2018194	Construction of four Classrooms at Zila Parishad School at Burunjwadi, Shikrapur Pune District of Maharashtra	2018-19	2 years	28.87	10.00	28.87	completed
186	SR-2018169	Construction of Boundary wall - 400 Meters & CC road- 100 Metres at MPP School, Veligallu Village, Kadapa District	2018-19	2 years	28.00	11.89	11.89	ongoing
187	SR-2018171	Construction of 2 nos. of class rooms at Zila Parishad High School at Dichpally, Nizamabad Dist. of Telengana	2018-19	2 years	27.61	3.15	24.08	completed
188	SR-2018062	Misc. works at Govt. Sr. Secondary School, Sukhrali, Gurgaon	2018-19	2 years	26.25	1.02	26.25	completed



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189	SR-2019046	Construction of toilets and carrying out electrification work at Govt. Schools in Rajsamand District, Rajasthan	2019-20	2 years	21.75	12.80	12.80	completed
190	SR-2016256	Construction of Brick Boundary Wall & Gate at Baligaon Miri L.P. School	2017-18	2 years	18.12	7.25	7.25	ongoing
191	SR-2018138	Various CSR works at Govt Primary and Higher Secondary schools at Vill: Taga, Champa	2019-20	2 years	17.17	8.15	11.56	completed
192	SR-2018024	Providing fund to Ganga Dutt Sharma Govt ITI Pithoragarh for purchase of furniture etc	2018-19	2 years	15.00	12.09	12.09	ongoing
193	SR-2019098	Construction of Toilets (Boys & Girls) for Govt. Primary School at Alesur Village and Repairing of School Boundary Wall, Bhatapara	2019-20	2 years	14.85	7.19	7.19	ongoing
194	SR-2019050	Renovation work at Govt. Boys Hostel, Orai	2019-20	2 years	14.55	2.42	2.42	ongoing
195	SR-2018206	Construction of Smart Class Room for Primary / Junior High School at Medesara Village, Durg.	2019-20	2 years	14.42	0.29	10.22	completed
196	SR-2016135	Supply of Weather Station equipment at Kashi vidyapith Varanasi	2016-17	2 years	14.00	5.50	12.60	completed
197	SR-2016256	Repair and renovation of Baligaon Miri L.P. School	2017-18	2 years	12.80	5.12	11.52	completed
198	SR-2019174	Supply and Development of Sustainable Interactive Play spaces in four Govt. Schools in Dharapuram Taluk, Tirupur District, Tamil Nadu	2019-20	2 years	11.00	9.58	9.58	completed
199	SR-2019116	Repair and whitewash work in "Rajkiya Senior Secondary School" Mohammadpur, Jharsa, Gurgaon, Haryana	2019-20	2 years	10.44	10.44	10.44	completed

S.No.	Project ID	Name of the projects	Financial Year in which the project commenced	Project duration	Total amount allocated for the project	Amount spent on the project in the reporting financial year	Cummulative amount spent at the end of the Financial Year	Status of the project - the completed / ongoing
200	SR-2020034	Construction of Cement Concrete Flooring (Pavement) And Shed on Stage Platform at Assembly/Prayer Ground in Government Inter College, Pokhri, Tehsil - Gaja, Tehri Garhwal District	2019-20	1 year	5.98	4.94	4.94	completed
201	SR-2019075	Repair & maintenance of existing Building of Primary School and Junior High School at Samauli-Salempur village, Meerut District, Uttar Pradesh	2019-20	1 year	5.74	0.99	5.15	completed
202	SR-2016256	Boundary wall in LP school Chachar	2019-20	1 year	5.53	5.53	5.53	completed
203	SR-2020101	Providing minimum required facilities to underprivileged children at Lande Ke School at Moga.	2020-21	1 year	4.96	0.28	0.28	ongoing
204	SR-2019190	Providing bench and desk at primary school Pratapgarh	2019-20	1 year	4.85	4.64	4.64	completed
205	SR-2020068	Supply and fixing water cooler cum purifier at Govt. high school (Vill. Taga), Govt. junior high school (vill. Chorbhatti), Govt. primary school (vill. Taga), Govt. Unyan Primary school(vill. Taga), Janpat panchayat CEO office (The.- Akaltara) and Community Centre at Village Taga	2019-20	1 year	4.47	4.47	4.47	completed
206	SR-2019101	Providing benches and desks to Govt. schools in Tirunelveli, Tamil Nadu	2019-20	1 year	2.64	2.15	2.15	completed
207	SR-2018125	Provided various items to Govt Girls Higher Secondary School, Nowabad, Jammu	2018-19	1 year	2.51	0.05	2.51	completed
208	SR-2019177	Providing science laboratory equipments at Khliehriat Secondary School	2019-20	1 year	1.92	1.92	1.92	completed
209	SR-2019134	Repairing of Anganwadi Center at Ratagarh, B292 Khandwa Urban, Khandwa, Madhya Pradesh	2019-20	1 year	0.75	0.75	0.75	completed
210	SR-2020036	Painting of Lotus Secondary School Building (Govt. aided), Diengshynrum, Khliehriat	2019-20	1 year	0.48	0.48	0.48	completed
211	SR-2020097	Procurement of 01 No. 32" AGE Make LED Smart Tv for Primary School Mataur.	2018-19	1 year	0.20	0.09	0.09	completed



S.No.	Project ID	Name of the projects	Financial Year in which the project was commenced	Project duration	Total amount allocated for the project	Amount spent on the project in the reporting financial year	Cummulative amount spent at the end of the Financial Year	Status of the project - the completed / ongoing
212	SR-2020031	Providing 1 no. inverter & battery to Govt. Girls Higher Secondary School, Bakshi Nagar, Jammu	2019-20	1 year	0.18	0.18	0.18	completed
213	SR-2018177	Installation of 258 submersible pumps at Lucknow	2018-19	3 years	329.15	65.78	328.95	completed
214	SR-2019158	Installation of 100 submersible pumps in Etawah	2019-20	2 years	146.23	145.73	145.23	completed
215	SR-2018195	Installation of 250 India marka-II Hand pumps in Deoria District.	2017-18	3 years	103.93	51.17	61.54	ongoing
216	SR-2019036	Supply of 100 handpumps in Lakheempur Kheri	2018-19	3 years	47.81	9.54	28.43	ongoing
217	SR-2017117	Installation of 100 nos. of hand pumps at Azamgarh	2017-18	3 years	47.41	4.98	47.21	completed
218	SR-2018200	Installation of 100 Handpumps in Pratapgarh	2017-18	3 years	47.10	18.69	46.90	completed
219	SR-2017034	Construction of 6 nos Submersible water pumps in the villages of Ney & Basgo of distt. Leh, J&K	2018-19	2 years	25.44	18.62	18.62	completed
220	SR-2017004	Installation of Cluster based RO Plants with Mother plant - 0.1 MLD capacity & Remote dispensing units with 5 KL capacity with card based dispensation	2018-19	2 years	220.00	16.71	189.71	completed
221	2018044	Providing drinking water facility to Vakapailli village, East Godavari District, Andhra Pradesh	2018-19	2 years	55.95	2.02	52.37	completed
222	SR-2018199	Providing piped water supply system at Chakramal and Rangaimunda of Sundergarh District, Odisha	2019-20	2 years	20.00	8.00	12.00	ongoing
223	SR-2019081	Installation of 05 Nos. Water ATM at Baba Baidyanath Dham, Deoghar	2019-20	1 year	8.87	5.35	5.35	completed
224	SR-2020041	Amphan Restoration Work (WBSEDCL/ WBSETCL)	2019-20	1 year	181.00	180.32	180.32	completed
225	SR-2020001	Providing Food Ration relief - Expenses on Health activities under COVID-19	2019-20	1 year	1,634.29	1,605.32	1,605.32	completed
		Total				12,550.98		

Balance Sheet as at 31 March 2021

(₹ in crore)

Particulars	Note No	As at 31 March 2021	As at 31 March 2020
ASSETS			
Non-current assets			
Property Plant and Equipment	4	175,392.06	168,339.02
Capital work-in-progress	5	17,896.67	30,180.08
Investment Property	6	0.03	0.03
Intangible assets	7	1,551.44	1,497.41
Intangible assets under development	8	74.86	219.55
Financial Assets			
Investments	9	4,265.36	3,763.66
Loans	10	10,474.09	12,783.75
Other non-current financial assets	11	4,186.58	4,106.80
Other non-current assets	12	4,874.42	6,127.18
		218,715.51	227,017.48
Assets Classified as Held for Sale	19A	260.86	-
		218,976.37	227,017.48
Current assets			
Inventories	13	1,362.82	1,400.56
Financial Assets			
Trade receivables	14	3,621.34	4,867.90
Cash and cash equivalents	15	4,430.05	4,805.14
Bank balances other than Cash and cash equivalents	16	843.49	604.26
Loans	17	5,428.83	879.41
Other current financial assets	18	7,940.04	5,631.40
Other current assets	19	170.46	220.45
		23,797.03	18,409.12
Assets Classified as Held for Sale	19A	952.18	-
		24,749.21	18,409.12
Regulatory Deferral Account Balances	20	10,606.35	10,123.06
Total Assets		254,331.93	255,549.66
EQUITY AND LIABILITIES			
Equity			
Equity Share capital	21	5,231.59	5,231.59
Other Equity	22	64,347.25	59,208.10
		69,578.84	64,439.69



Balance Sheet as at 31 March 2021 (Contd.)

(₹ in crore)

Particulars	Note No	As at 31 March 2021	As at 31 March 2020
Liabilities			
Non-current liabilities			
Financial Liabilities			
Borrowings	23	129,080.07	135,421.11
Other non-current financial liabilities	24	3,587.01	3,515.63
Provisions	25	461.93	424.71
Deferred tax liabilities(Net)	26	11,941.88	11,381.85
Other non-current liabilities	27	345.10	361.04
		145,415.99	151,104.34
Current liabilities			
Financial Liabilities			
Borrowings	28	1,800.00	3,000.00
Trade payables			
(A) total outstanding dues of micro enterprises and small enterprises	29	29.76	11.59
(B) total outstanding dues of creditors other than micro enterprises and small enterprises	29	156.54	214.13
Other current financial liabilities	30	22,463.57	20,831.62
Other current liabilities	31	3,871.69	4,267.54
Provisions	32	835.88	741.95
Current Tax Liabilities (Net)	33	425.51	22.78
		29,582.95	29,089.61
Deferred Revenue	34	9,754.15	10,916.02
Total Equity and Liabilities		254,331.93	255,549.66

The accompanying notes (1 to 66) form an integral part of financial statements

For and on behalf of the Board of Directors

Mrinal Srivastava
Company Secretary

Mohammed Taj Mukarrum
Director (Finance)

K. Sreekant
Chairman & Managing Director

As per our report of even date

For T R CHADHA & CO LLP
Chartered Accountants
FRN : 006711N/N500028

For UMAMAHESWARA RAO & CO
Chartered Accountants
FRN : 004453S

For B M CHATRATH & CO LLP
Chartered Accountants
FRN : 301011E/E300025

For PSD & ASSOCIATES
Chartered Accountants
FRN : 004501C

CA Neena Goel
Partner
M. No. 057986
Place: Gurugram

CA G. Sivaramkrishna Prasad
Partner
M. No. 024860
Place: Gurugram

CA Sanjay Sarkar
Partner
M. No. 064305
Place: Kolkata

CA Satish Chandra Sharma
Partner
M. No. 072846
Place: Jaipur

Date: 17 June 2021
Place: Gurugram

Statement of Profit and Loss for the year ended 31 March 2021

(₹ in crore)

Particulars	Note No.	For the year ended 31 March 2021	For the year ended 31 March 2020
Revenue From Operations	35	37,665.65	36,185.54
Other Income	36	2,861.46	2,132.43
Total Income		40,527.11	38,317.97
EXPENSES			
Employee benefits expense	37	2,110.74	1,959.47
Finance costs	38	8,501.01	9,813.62
Depreciation and amortization expense	39	11,711.68	11,073.18
Other expenses	40	2,498.97	2,824.35
Total expenses		24,822.40	25,670.62
Profit before Exceptional Items, Tax and Regulatory Deferral Account Balances		15,704.71	12,647.35
Exceptional Items		1,078.64	-
Profit Before Tax & Regulatory Deferral Account Balances		14,626.07	12,647.35
Tax expense:			
Current tax - Current Year		2,527.55	2,108.83
- Earlier Years		1.56	121.91
Deferred tax	26	560.03	1,288.83
		3,089.14	3,519.57
Profit for the period before Regulatory Deferral Account Balances		11,536.93	9,127.78
Net movement in Regulatory Deferral Account Balances- Income/(Expenses) (net of tax)	41	398.85	1,683.40
Profit for the period		11,935.78	10,811.18
Other Comprehensive Income			
Items that will not be reclassified to profit or loss (net of tax)	42	25.36	(104.02)
Total Comprehensive Income for the period		11,961.14	10,707.16
Earnings per equity share including movement in Regulatory Deferral Account Balances (Par value ₹ 10/- each):			
Basic & Diluted (₹)	60	22.81	20.67
Earnings per equity share excluding movement in Regulatory Deferral Account Balances (Par value ₹ 10/- each):			
Basic & Diluted (₹)	60	22.05	17.45

The accompanying notes (1 to 66) form an integral part of financial statements

For and on behalf of the Board of Directors
Mrinal Srivastava
 Company Secretary

Mohammed Taj Mukarrum
 Director (Finance)

K. Sreekant
 Chairman & Managing Director

As per our report of even date
For T R CHADHA & CO LLP
 Chartered Accountants
 FRN : 006711N/N500028

For UMAMAHESWARA RAO & CO
 Chartered Accountants
 FRN : 004453S

For B M CHATRATH & CO LLP
 Chartered Accountants
 FRN : 301011E/E300025

For PSD & ASSOCIATES
 Chartered Accountants
 FRN : 004501C

CA Neena Goel
 Partner
 M. No. 057986
 Place: Gurugram

CA G. Sivaramakrishna Prasad
 Partner
 M. No. 024860
 Place: Gurugram

CA Sanjay Sarkar
 Partner
 M. No. 064305
 Place: Kolkata

CA Satish Chandra Sharma
 Partner
 M. No. 072846
 Place: Jaipur

 Date: 17 June 2021
 Place: Gurugram



Statement of Changes in Equity

Statement of Changes in Equity for the year ended 31 March 2021

A. Equity Share Capital

	(₹ in crore)
As at 01 April 2020	5,231.59
Changes during the year	-
As at 31 March 2021	5,231.59
As at 01 April 2019	5,231.59
Changes during the year	-
As at 31 March 2020	5,231.59

B. Other Equity

(₹ in crore)

Particulars	Reserves and Surplus					Other Comprehensive Income		Total
	Securities Premium	Bond Redemption Reserve	Self Insurance Reserve	CSR Reserve	General Reserve	Retained Earnings	Equity instruments through other comprehensive income	
As at 01 April 2020	9,578.29	8,638.92	807.93	-	36,828.05	3,327.57	27.34	59,208.10
Profit for the year						11,935.78		11,935.78
Other Comprehensive Income						(14.44)	39.80	25.36
Total Comprehensive Income						11,921.34	39.80	11,961.14
Adjustments during the year								
Transfer to General Reserve					6,000.00	(6,000.00)		-
Transfer to Bond redemption reserve								-
Transfer from Bond Redemption Reserve		(1,250.95)				1,250.95		-
Transfer to Self Insurance Reserve			278.79			(278.79)		-
Transfer from Self Insurance Reserve			(363.73)					-
Transfer from CSR Reserve								-
Final Dividend F.Y. 2019-20						(2,113.56)		(2,113.56)
Interim Dividend F.Y. 2020-21						(4,708.43)		(4,708.43)
As at 31 March 2021	9,578.29	7,387.97	722.99	-	43,191.78	3,399.08	67.14	64,347.25

Statement of Changes in Equity (Contd.)

B. Other Equity (contd.)

Particulars	Reserves and Surplus						Other Comprehensive Income		Total
	Securities Premium	Bond Redemption Reserve	Self Insurance Reserve	CSR Reserve	General Reserve	Retained Earnings	Equity instruments through other comprehensive income		
As at 01 April 2019	9,578.29	9,884.80	882.18	114.54	31,376.63	1,872.42	76.69	53,785.55	
Profit for the year						10,811.18		10,811.18	
Other Comprehensive Income						(54.67)	(49.35)	(104.02)	
Total Comprehensive Income						10,756.51	(49.35)	10,707.16	
Adjustments during the year									
Transfer to General Reserve					5,000.00	(5,000.00)		-	
Transfer to Bond redemption reserve		439.88			(439.88)			-	
Transfer from Bond Redemption Reserve		(1,685.76)			1,685.76			-	
Transfer to Self Insurance Reserve			262.63			(262.63)		-	
Transfer from Self Insurance Reserve			(336.88)		336.88			-	
Transfer from CSR Reserve				(114.54)	114.54			-	
Final Dividend F.Y. 2018-19						(1,307.90)		(1,307.90)	
Tax on Final Dividend F.Y. 2018-19						(256.76)		(256.76)	
Interim Dividend F.Y. 2019-20						(3,118.02)		(3,118.02)	
Tax on Interim dividend F.Y. 2019-20						(601.93)		(601.93)	
As at 31 March 2020	9,578.29	8,638.92	807.93	-	36,828.05	3,327.57	27.34	59,208.10	

The accompanying notes (1 to 66) form an integral part of financial statements.

Refer to Note No 22 for nature and movement of Reserve and Surplus.

For and on behalf of the Board of Directors

Mirinal Srivastava
Company Secretary

Mohammed Taj Mukarrum
Director (Finance)

K. Sreekanth
Chairman & Managing Director

For T R CHADHA & CO LLP
Chartered Accountants
FRN : 006711N/N500028

CA Neena Goel
Partner
M. No. 057986
Place: Gurugram

Date: 17 June 2021
Place: Gurugram

For UMAMAHESWARA RAO & CO
Chartered Accountants
FRN : 004453S

CA G. Sivaramakrishna Prasad
Partner
M. No. 024860
Place: Gurugram

As per our report of even date

For B M CHATRATH & CO LLP
Chartered Accountants
FRN : 301011E/E300025

CA Sanjay Sarkar
Partner
M. No. 064305
Place: Kolkata

For PSD & ASSOCIATES
Chartered Accountants
FRN : 004501C

CA Satish Chandra Sharma
Partner
M. No. 072846
Place: Jaipur



Statement of Cash Flows for the year ended 31 March 2021

(₹ in crore)

Particulars	For the year ended 31 March 2021	For the year ended 31 March 2020
A. CASH FLOW FROM OPERATING ACTIVITIES		
Profit Before Tax & Regulatory Deferral Account Balances	14,626.07	12,647.35
Add: Net movement in Regulatory Deferral Account Balances (net of tax)	398.85	1,683.40
Add: Tax on Net movement in Regulatory Deferral Account Balances	84.44	356.39
Profit Before Tax (including net movement in Regulatory Deferral Account Balances)	15,109.36	14,687.14
Adjustment for :		
Depreciation & amortization expenses	11,711.68	11,073.18
Transfer from Grants in Aid	(328.89)	(260.25)
Deferred revenue - Advance against Depreciation	(160.05)	(152.65)
Provisions	7.49	6.34
Changes in fair value of financial assets through profit or loss	(16.92)	(39.85)
Net Loss on Disposal / Write off of Property, Plant & Equipment	2.49	17.20
Deferred Foreign Currency Fluctuation Asset	1,022.09	(1,572.74)
Deferred Income from Foreign Currency Fluctuation	(780.92)	1,637.95
Regulatory Deferral Account Debit Balances	(483.29)	(2,039.79)
Finance Costs	8,501.01	9,813.62
Provisions Written Back	(24.55)	(147.56)
FERV loss / (gain)	(0.02)	(0.31)
Interest income on Deposits, Bonds and loans to Subsidiaries & JVs	(1,126.07)	(1,088.35)
Surcharge income	(714.15)	(297.54)
Dividend income	(662.78)	(303.02)
	16,947.12	16,646.23
Operating profit before Changes in Assets and Liabilities	32,056.48	31,333.37
Adjustment for Changes in Assets and Liabilities:		
(Increase)/Decrease in Inventories	38.67	(169.43)
(Increase)/Decrease in Trade Receivables	1,258.22	(196.44)
(Increase)/Decrease in Other Financial Assets	(2,591.62)	1,622.35
(Increase)/Decrease in Other Non-current Assets	3.15	(48.48)
(Increase)/Decrease in Other Current Assets	49.99	108.33
Increase/(Decrease) in Liabilities & Provisions	(1,074.67)	(934.48)
	(2,316.26)	381.85
Cash generated from operations	29,740.22	31,715.22
Direct taxes paid	(2,207.76)	(2,475.75)
Net Cash from Operating Activities	27,532.46	29,239.47

Statement of Cash Flows for the year ended 31 March 2021 (Contd.)

(₹ in crore)

Particulars	For the year ended 31 March 2021	For the year ended 31 March 2020
B. CASH FLOW FROM INVESTING ACTIVITIES		
Property, Plant & Equipment and Capital Work in Progress (Including Advances for Capital Expenditure)	(6,389.23)	(8,006.12)
Receipt of Grant	8.13	233.94
(Increase)/Decrease in Assets held for Sale	(1,213.04)	-
Investments in Subsidiaries, JVs & others	(459.05)	(1,056.47)
Loans & Advances to Subsidiaries & JVs (Including repayments)	(2,141.35)	(2,262.33)
Lease receivables	(4.78)	(13.82)
Interest received on Deposits, Bonds and Loans to Subsidiaries & JVs	1,100.67	1,136.20
Surcharge received	714.15	297.54
Dividend received	662.78	303.02
Net Cash used in Investing Activities	(7,721.72)	(9,368.04)
C. CASH FLOW FROM FINANCING ACTIVITIES		
Proceeds from Borrowings		
Non Current	7,840.14	10,325.96
Current	11,750.00	18,020.00
Repayment of Borrowings		
Non Current	(10,954.02)	(10,765.64)
Current	(12,950.00)	(19,320.00)
Adjustment for Fair Valuation of Long Term Loans	40.93	12.80
Repayment of Lease Liabilities (Including interest)	(6.23)	(4.23)
Finance Costs paid	(9,084.66)	(11,696.27)
Dividend paid	(6,821.99)	(4,425.92)
Dividend Tax paid	-	(858.69)
Net Cash used in Financing Activities	(20,185.83)	(18,711.99)
D. Net change in Cash and Cash equivalents (A+B+C)	(375.09)	1,159.44
E. Cash and Cash equivalents (Opening balance)	4,805.14	3,645.70
F. Cash and Cash equivalents (Closing balance) (Refer Note No 15)*	4,430.05	4,805.14

The accompanying notes (1 to 66) form an integral part of financial statements

* Includes ₹ 3122.48 crore (Previous Year ₹ 4668.32 crore) held in designated accounts which is not available for use by the Company.

Further Notes:

- Cash and cash equivalents consist of cheques, drafts, stamps in hands, balances with banks and deposits with original maturity of upto three months.
- Previous year figures have been re-grouped / re-arranged wherever necessary.
- Reconciliation between the opening and closing balances in the balance sheet for liabilities arising from financing activities.

**Statement of Cash Flows for the year ended 31 March 2021 (Contd.)**

(₹ in crore)

Particulars	Non-current borrowings	Current borrowings
Opening Balance as at 1st April, 2020	148,233.26	3,000.00
Net Cash Flows during the year	(11,918.49)	(1,200.00)
Non-cash changes due to :		
- Interest on borrowings	8,652.51	
- Variation in exchange rates	(655.21)	
- Fair value adjustments	40.93	
Closing Balance as at 31 March, 2021	144,353.00	1,800.00

(₹ in crore)

Particulars	Non-current borrowings	Current borrowings
Opening Balance as at 1st April, 2019	145,141.56	4,300.00
Net Cash Flows during the year	(10,290.10)	(1,300.00)
Non-cash changes due to :		
- Interest on borrowings	9,748.84	
- Variation in exchange rates	3,620.16	
- Fair value adjustments	12.80	
Closing Balance as at 31st March, 2020	148,233.26	3,000.00

For and on behalf of the Board of Directors

Mrinal Srivastava
Company Secretary

Mohammed Taj Mukarrum
Director (Finance)

K. Sreekant
Chairman & Managing Director

As per our report of even date

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M. No. 024860
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CA Sanjay Sarkar
Partner
M. No. 064305
Place: Kolkata

CA Satish Chandra Sharma
Partner
M. No. 072846
Place: Jaipur

Date: 17 June 2021
Place: Gurugram

Notes to Separate Financial Statements

1. Corporate and General Information

Power Grid Corporation of India Limited ('the Company') is a public company domiciled and incorporated in India under the provisions of The Companies Act and its shares are listed on the National Stock Exchange (NSE) and BSE Limited (BSE) in India. The registered office of the Company is situated at B-9, Qutab Institutional Area, Katwaria Sarai, New Delhi, India and its Corporate Office is located at Saudamini, Plot No.2, Sector-29, Gurgaon, Haryana.

The Company is notified as the Central Transmission Utility (CTU) under The Electricity Act, 2003. It is principally engaged in planning, implementation, operation and maintenance of Inter-State Transmission System (ISTS), Telecom and consultancy services.

The financial statements of the company for the year ended 31 March 2021 were approved for issue by the Board of Directors on 17 June 2021.

2. Significant Accounting Policies

A summary of the significant accounting policies applied in the preparation of the financial statements are as given below. These accounting policies have been applied consistently to all periods presented in the financial statements.

2.1 Basis of Preparation

i) Compliance with Ind AS

The financial statements are prepared in compliance with Indian Accounting Standards (Ind AS) notified under Section 133 of the Companies Act, 2013 (the Act), Companies (Indian Accounting Standards) Rules, 2015, the relevant provisions of the Companies Act, 2013 (to the extent notified), The Companies Act, 1956 and the provisions of Electricity Act, 2003, in each case, to the extent applicable and as amended thereafter.

ii) Basis of Measurement

The financial statements have been prepared on accrual basis and under the historical cost convention except following which have been measured at fair value:

- Certain financial assets and liabilities measured at fair value (refer Note no. 2.13 for accounting policy regarding financial instruments),
- Defined benefit plans – plan assets measured at fair value

iii) Functional and presentation currency

The financial statements are presented in Indian Rupees (Rupees or ₹), which is the Company's functional and presentation currency and all amounts are rounded to the nearest crore and two decimals thereof, except as stated otherwise.

iv) Use of estimates

The preparation of financial statements requires estimates and assumptions that affect the reported amount of assets, liabilities, revenue and expenses during the reporting period. Although, such estimates and assumptions are made on a reasonable and prudent basis taking into account all available information, actual results could differ from these estimates. The estimates and underlying assumptions are reviewed on an on-going 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 years (refer Note no. 3 on critical accounting estimates, assumptions and judgments).

v) Current and non-current classification

The Company presents assets and liabilities in the balance sheet based on current/non-current classification.

An asset is current when it is:

- Expected to be realized or intended to be sold or consumed in normal operating cycle;
- Held primarily for the purpose of trading;
- Expected to be realized within twelve months after the reporting period; or
- Cash or cash equivalent unless restricted from being exchanged or used to settle a liability for at least twelve months after the reporting period.

All other assets are classified as non-current.

A liability is current when:



- It is expected to be settled in normal operating cycle;
- It is held primarily for the purpose of trading;
- It is due to be settled within twelve months after the reporting period; or
- There is no unconditional right to defer settlement of the liability for at least twelve months after the reporting period.

All other liabilities are classified as non-current.

Deferred tax assets/liabilities are classified as non-current.

The Company recognizes twelve months period as its operating cycle.

2.2 Property, Plant and Equipment

The Company had opted to consider the carrying value of Property, Plant and Equipment as per previous GAAP on the date of transition to Ind AS (1st April, 2015) to be the deemed cost as per Ind AS 101 'First time Adoption of Indian Accounting Standards'.

Initial Recognition and Measurement

Property, Plant and Equipment is initially measured at cost of acquisition/construction including any costs directly attributable to bringing the asset to the location and condition necessary for it to be capable of operating in the manner intended by management. After initial recognition, Property, Plant and Equipment is carried at cost less accumulated depreciation / amortisation and accumulated impairment losses, if any.

Property, Plant and Equipment acquired as replacement of the existing assets are capitalized and its corresponding replaced assets removed/ retired from active use are derecognized.

If the cost of the replaced part or earlier inspection component is not available, the estimated cost of similar new parts/ inspection component is used as an indication of what the cost of the existing part/ inspection component was when the item was acquired or inspection was carried out.

In the case of commissioned assets, deposit works/cost- plus contracts where final settlement of bills with contractors is yet to be effected, capitalization is done on provisional basis subject to necessary adjustments in the year of final settlement.

Assets and systems common to more than one transmission system are capitalized on the basis of technical estimates/ assessments.

Transmission system assets are considered as ready for intended use from the date of commercial operation declared in terms of CERC Tariff Regulations and capitalized accordingly.

The cost of land includes provisional deposits, payments/liabilities towards compensation, rehabilitation and other expenses wherever possession of land is taken.

Expenditure on levelling, clearing and grading of land is capitalized as part of cost of the related buildings.

Spares parts whose cost is ₹5,00,000/- and above, standby equipment and servicing equipment which meets the recognition criteria of Property, Plant and Equipment are capitalized.

The acquisition or construction of some items of property, plant and equipment although not directly increasing the future economic benefits of any particular existing item of property, plant and equipment, may be necessary for the company to obtain future economic benefits from its other assets. Such items are recognized as property, plant and equipment.

Subsequent costs

Subsequent expenditure is recognized as an increase in carrying amount of assets when it is probable that future economic benefits deriving from the cost incurred will flow to the company and cost of the item can be measured reliably.

The cost of replacing part of an item of Property, Plant & Equipment is recognized in the carrying amount of the item if it is probable that future economic benefits embodied within the part will flow to the company and its cost can be measured reliably. The carrying amount of the replaced part is derecognized. The costs of the day-to-day servicing of property, plant and equipment are recognised in the Statement of Profit & Loss as incurred.

Derecognition

An item of Property, Plant and Equipment is derecognized when no future economic benefits are expected from their use or upon their disposal.

The gain or loss arising on the disposal or retirement of an item of property, plant and equipment is determined as the difference between the net disposal proceeds and the carrying amount of the asset and is recognised in the Statement of Profit and Loss on the date of disposal or retirement.

2.3 Capital Work-In-Progress (CWIP)

Cost of material, erection charges and other expenses incurred for the construction of Property, Plant and Equipment are shown as CWIP based on progress of erection work till the date of capitalization.

Expenditure of Corporate office, Regional Offices and Projects, directly attributable to construction of property, plant and equipment are identified and allocated on a systematic basis to the cost of the related assets.

Interest during construction and expenditure (net) allocated to construction as per policy above are kept as a separate item under CWIP and apportioned to the assets being capitalized in proportion to the closing balance of CWIP.

Deposit works/cost-plus contracts are accounted for on the basis of statement received from the contractors or technical assessment of work completed.

Unsettled liability for price variation/exchange rate variation in case of contracts is accounted for on estimated basis as per terms of the contracts.

2.4 Intangible Assets and Intangible Assets under development

The Company had opted to consider the carrying value of Intangible Assets as per previous GAAP on the date of transition to Ind AS (1st April, 2015) to be the deemed cost as per Ind AS 101 'First time Adoption of Indian Accounting Standards'.

Intangible assets are measured on initial recognition at cost. After initial recognition, intangible assets are carried at cost less any accumulated amortisation and accumulated impairment losses.

Subsequent expenditure on already capitalized Intangible assets is capitalised when it increases the future economic benefits embodied in an existing asset and is amortised prospectively.

The cost of software (which is not an integral part of the related hardware) acquired for internal use and resulting in significant future economic benefits is recognized as an intangible asset when the same is ready for its use.

Afforestation charges for acquiring right-of-way for laying transmission lines are accounted for as intangible assets on the date of capitalization of related transmission lines.

Expenditure incurred, eligible for capitalization under the head Intangible Assets, are carried as "Intangible Assets under Development" till such assets are ready for their intended use.

Expenditure on research is recognised as an expense when it is incurred.

Expenditure on development activities shall be recognised as Intangible asset if it meets the eligibility criteria as per Ind AS 38 'Intangible Assets', otherwise it shall be recognised as an expense.

An item of Intangible asset is derecognised upon disposal or when no future economic benefits are expected from its use or disposal. Gains or losses arising from derecognition of an intangible asset are measured as the difference between the net disposal proceeds and the carrying amount of the asset and are recognised in the Statement of Profit and Loss when the asset is derecognised.

2.5 Investment property

The Company had opted to consider the carrying value of Investment Property as per previous GAAP on the date of transition to Ind AS (1st April, 2015) to be the deemed cost as per Ind AS 101 'First time Adoption of Indian Accounting Standards'.

Investment property comprises portions of land and/or buildings that are held for long term rental yields and/or for capital appreciation.

Investment properties are initially measured at cost, including transaction costs. Subsequent to initial recognition, investment properties are carried at cost less accumulated depreciation and accumulated impairment loss, if any.

Transfers to or from investment property is made when there is a change in use i.e. an asset meets or ceases to meet the definition of investment property and there is evidence of the change in use.

Investment properties are derecognised either when they have been disposed off or when they are permanently withdrawn from use and no future economic benefit is expected from their disposal. The difference between the net disposal proceeds and the carrying amount of the asset is recognised as profit or loss in the period of derecognition.

2.6 Depreciation / Amortisation

Property, Plant and Equipment

Depreciation/amortisation on the items of property, plant and equipment related to transmission business is provided on straight line method following the rates and methodology notified by the CERC for the purpose of recovery of tariff and on property, plant and equipment of telecom and consultancy business is provided on straight line method as per useful life specified in Schedule II of the Companies Act, 2013 except for property, plant and equipment specified in the following paragraphs.



ULDC assets commissioned prior to 1st April 2014 are depreciated on Straight Line Method @ 6.67% per annum. Such assets commissioned on or after 1st April 2014 are depreciated on straight line method following the rates and methodology notified by the CERC for the purpose of recovery of tariff.

In the case of property, plant and equipment of National Thermal Power Corporation Limited (NTPC), National Hydro-Electric Power Corporation Limited (NHPC), North-Eastern Electric Power Corporation Limited (NEEPCO), Neyveli Lignite Corporation Limited (NLC) transferred w.e.f. April 1, 1992, Jammu and Kashmir Lines w.e.f. April 1, 1993, and Tehri Hydro Development Corporation Limited (THDC) w.e.f. August 1, 1993, depreciation is charged based on gross block as indicated in transferor's books with necessary adjustments so that the life of the assets as laid down in the CERC notification for tariff is maintained.

Depreciation on buildings held as investment property is provided on straight line method as specified in Schedule II of The Companies Act, 2013.

Depreciation on spares parts, standby equipment and servicing equipment which are capitalized, is provided on straight line method from the date they are available for use over the remaining useful life of the related assets of transmission business, following the rates and methodology notified by the CERC.

Depreciation on following items of property, plant and equipment is provided based on estimated useful life as per technical assessment.

Particulars	Useful life
a. Computers & Peripherals	3 Years
b. Servers & Network Components	5 years

Residual value of above assets is considered as Nil.

Mobile phones are charged off in the year of purchase.

Property, plant and equipment costing ₹ 5,000/- or less, are fully depreciated in the year of acquisition.

Where the cost of depreciable property, plant and equipment has undergone a change due to increase/decrease in long term monetary items on account of exchange rate fluctuation, price adjustment, change in duties or similar factors, the unamortized balance of such asset is depreciated prospectively at the rates and methodology as specified by the CERC Tariff Regulations, except for telecom and consultancy business assets where residual life is determined on the basis of useful life of property, plant and equipment as specified in Schedule II of the Companies Act, 2013.

Depreciation on additions to/deductions from Property, Plant and Equipment during the year is charged on pro-rata basis from/up to the date on which the asset is available for use/disposed.

The residual values, useful lives and methods of depreciation for items of property, plant and equipment other than items of property, plant and equipment related to transmission business are reviewed at each financial year-end and adjusted prospectively, wherever required.

Right of Use Assets:

Right of Use assets are fully depreciated from the lease commencement date on a straight line basis over the lease term.

Leasehold land is fully amortized over lease period or life of the related plant whichever is lower in accordance with the rates and methodology specified in CERC Tariff Regulation. Leasehold land acquired on perpetual lease is not amortized.

Intangible Assets

Cost of software capitalized as intangible asset is amortized over the period of legal right to use or 3 years, whichever is less with Nil residual value.

Afforestation charges are amortized over thirty five years from the date of capitalization of related transmission assets following the rates and methodology notified by Central Electricity Regulatory Commission (CERC) Tariff Regulations.

Telecom Licenses are amortised on straight line basis over their respective useful lives.

Expenditure on development of 1200kv Transmission System shall be amortised over a period of 10 years.

Amortisation on additions to/deductions from Intangible Assets during the year is charged on pro-rata basis from/up to the date on which the asset is available for use/disposed.

The amortization period and the amortization method for an intangible asset are reviewed at each financial year-end and are accounted for as change in accounting estimates in accordance with Ind AS 8 "Accounting Policies, Changes in Accounting Estimates and Errors".

2.7 Borrowing Costs

All the borrowed funds (except short term funds for working capital) are earmarked to specific projects. The borrowing costs (including bond issue expenses, interest, discount on bonds, front end fee, guarantee fee, management fee etc.) are allocated to the projects in proportion to the funds so earmarked.

Exchange differences arising from foreign currency borrowing to the extent regarded as an adjustment to interest costs are treated as borrowing cost.

Borrowing costs directly attributable to the acquisition or construction of qualifying assets are capitalised (net of income on temporary deployment of funds) as part of the cost of such assets till the assets are ready for the intended use. Qualifying assets are assets which take a substantial period of time to get ready for their intended use.

All other borrowing costs are recognised in Statement of Profit and Loss in the period in which they are incurred.

2.8 Impairment of non-financial assets

The carrying amounts of the Company's non-financial assets are reviewed at each reporting date to determine whether there is any indication of impairment considering the provisions of Ind AS 36 'Impairment of Assets'. If any such indication exists, then the asset's recoverable amount is estimated.

The recoverable amount of an asset or cash-generating unit is the higher of its fair value less costs to disposal and its value in use. In assessing value in use, the estimated future cash flows are discounted to their present value using a pre-tax discount rate that reflects current market assessments of the time value of money and the risks specific to the asset for which the estimates of future cash flows have not been adjusted. For the purpose of impairment testing, assets that cannot be tested individually are grouped together into the smallest group of assets that generates cash inflows from continuing use that are largely independent of the cash inflows of other assets or groups of assets (the "cash-generating unit", or "CGU").

An impairment loss is recognized if the carrying amount of an asset or its CGU exceeds its estimated recoverable amount. Impairment losses are recognized in the statement of profit and loss. Impairment losses recognized in respect of CGUs are reduced from the carrying amounts of the assets of the CGU.

Impairment losses recognized in prior periods are assessed at each reporting date for any indications that the loss has decreased or no longer exists. An impairment loss is reversed if there has been a change in the estimates used to determine the recoverable amount. An impairment loss is reversed only to the extent that the asset's carrying amount does not exceed the carrying amount that would have been determined, net of depreciation or amortization, if no impairment loss had been recognized.

2.9 Cash and cash equivalents

Cash and cash equivalents include cash on hand and at bank, and deposits held at call with banks having a maturity of three months or less from the date of acquisition that are readily convertible to a known amount of cash and are subject to an insignificant risk of changes in value.

2.10 Inventories

Inventories are valued at lower of the cost, determined on weighted average basis and net realizable value.

Steel scrap and conductor scrap are valued at estimated realizable value or book value, whichever is less.

Spares which do not meet the recognition criteria as Property, Plant and Equipment, including spare parts whose cost is less than ₹5,00,000/- are recorded as inventories.

Surplus materials as determined by the management are held for intended use and are included in the inventory.

The diminution in the value of obsolete/unserviceable/surplus stores and spares and non-moving unserviceable inventories is ascertained on review and provided for.

2.11 Leases

Lease is a contract that conveys the right to control the use of an identified asset for a period of time in exchange for consideration.

To assess whether a contract conveys the right to control the use of an identified asset, the Company assesses whether: (i) the contract involves use of an identified assets, (ii) the customer has substantially all the economic benefits from the use of the asset through the period of the lease and (iii) the customer has the right to direct the use of the asset.

**i) As a Lessee**

At the date of commencement of the lease, the Company recognises a right-of-use asset (ROU) and a corresponding lease liability for all lease arrangements in which it is a lessee, except for lease with a term of twelve months or less (i.e. short term leases) and leases for which the underlying asset is of low value. For these short-term and leases for which the underlying asset is of low value, the Company recognizes the lease payments on straight-line basis over the term of the lease.

Certain lease arrangements includes the options to extend or terminate the lease before the end of the lease term. ROU assets and lease liabilities includes these options when it is reasonably certain that they will be exercised.

The right-of-use assets are initially recognized at cost, which comprises the amount of the initial measurement of the lease liability adjusted for any lease payments made at or before the inception date of the lease along with any initial direct costs, restoration obligations and lease incentives received.

Subsequently, the right-of-use assets is measured at cost less any accumulated depreciation, accumulated impairment losses, if any and adjusted for any remeasurement of the lease liability. The Company applies Ind AS 36 to determine whether a ROU asset is impaired and accounts for any identified impairment loss as described in the accounting policy 2.8 on "Impairment of non-financial assets".

The lease liability is initially measured at present value of the lease payments that are not paid at that date.

The interest cost on lease liability is expensed in the Statement of Profit and Loss, unless eligible for capitalization as per accounting policy 2.7 on "Borrowing costs".

Lease liability and ROU asset have been separately presented in the financial statements and lease payments have been classified as financing cash flows.

ii) As a Lessor

A lease is classified at the inception date as a finance lease or an operating lease.

a) Finance leases

A lease that transfers substantially all the risks and rewards incidental to ownership of an asset is classified as a finance lease.

State sector Unified Load Dispatch Centre (ULDC)/ Fiber Optic Communication Assets (FOC)/Bilateral line assets leased to the beneficiaries are considered as Finance Lease. Net investment in such leased assets are recorded as receivable at the lower of the fair value of the leased property and the present value of the minimum lease payments along with accretion in subsequent years is accounted for as Lease Receivables under current and non-current other financial assets. Wherever grant-in-aid is received for construction of State Sector ULDC, lease receivable is accounted for net of such grant.

The interest element of lease is accounted in the Statement of Profit and Loss over the lease period based on a pattern reflecting a constant periodic rate of return on the net investment as per the tariff notified by CERC.

FERV on foreign currency loans relating to leased assets is adjusted to the amount of lease receivables and is amortised over the remaining tenure of lease. FERV recovery (as per CERC norms) from the constituents is recognised net of such amortised amount.

b) Operating leases

An operating lease is a lease other than a finance lease. Leases in which a significant portion of the risks and rewards of ownership are retained by the lessor are classified as operating leases.

For operating leases, the asset is capitalized as property, plant and equipment and depreciated over its economic life. Rental income from operating lease is recognized over the term of the arrangement.

2.12 Employee benefits**2.12.1 Defined contribution plans**

A defined contribution plan is a post-employment benefit plan under which an entity pays fixed contributions into separate entities (Funds) and will have no legal or constructive obligation to pay further contributions, if the Fund does not hold sufficient assets to pay all employee's benefits related to employee service in the current and prior periods. Obligations for contribution to defined contribution plans are recognized as an employee benefits expense in the statement of profit and loss in the period during which services are rendered by employees.

The Company has a defined contribution pension scheme which is administered through a separate trust. The obligation of the Company is to contribute to the trust to the extent of amount not exceeding 30% of basic pay and dearness allowance less employer's contribution towards provident fund, gratuity, post-retirement medical facility (PRMF) or any other retirement benefits. The contributions to the fund for the year are recognized as an expense and charged to the statement of profit and loss.

2.12.2 Defined benefit plans

A defined benefit plan is a post-employment benefit plan other than a defined contribution plan. The Company's liability towards gratuity, post-retirement medical facility, baggage allowance for settlement at home town after retirement, long service award on retirement and provident fund scheme to the extent of interest liability on provident fund contribution are in the nature of defined benefit plans.

The gratuity is funded by the Company and is managed by separate trust. The Company has Post-Retirement Medical Facility (PRMF), under which retired employee and the spouse are provided medical facilities in the Company empanelled hospitals. They can also avail treatment as out-patient subject to a ceiling fixed by the Company.

The Company pays fixed contribution to Provident Fund at predetermined rates to a separate trust, which invests the funds in permitted securities. The contributions to the fund for the year are recognized as expense and are charged to the statement of profit and loss. The obligation of the Company is limited to such fixed contributions and to ensure a minimum rate of interest on contributions to the members as specified by the Government of India (GoI).

The Company has schemes for payment of baggage allowance towards expenses for settlement at hometown for the superannuated employees & their dependents and for providing a Long Service Award to all regular employees of the Company on superannuation.

The Company's net obligation in respect of defined benefit plans is calculated separately for each plan by estimating the amount of future benefit that employees have earned in return for their service in the current and prior periods; that benefit is discounted to determine its present value. Any unrecognized past service costs and the fair value of any plan assets are deducted. The discount rate is based on the prevailing market yields of Indian government securities as at the reporting date that have maturity dates approximating the terms of the Company's obligations and that are denominated in the same currency in which the benefits are expected to be paid.

The calculation is performed annually by a qualified actuary using the projected unit credit method. When the calculation results in a benefit to the Company, the recognized asset is limited to the total of any unrecognized past service costs and the present value of economic benefits available in the form of any future refunds from the plan or reductions in future contributions to the plan. An economic benefit is available to the Company if it is realizable during the life of the plan, or on settlement of the plan liabilities. Any actuarial gains or losses are recognized in OCI in the period in which they arise and subsequently not reclassified to profit or loss.

When the benefits of a plan are improved, the portion of the increased benefit relating to past service by employees is recognized in the statement of profit and loss on a straight-line basis over the average period until the benefits become vested. To the extent that the benefits vest immediately, the expense is recognized immediately in the statement of profit and loss.

2.12.3 Other long-term employee benefits

Benefits under the Company's leave encashment and employee family economic rehabilitation scheme constitute other long term employee benefits.

The Company's net obligation in respect of leave encashment is the amount of future benefit that employees have earned in return for their service in the current and prior periods; that benefit is discounted to determine its present value. The discount rate is based on the prevailing market yields of Indian government securities as at the reporting date that have maturity dates approximating the terms of the Company's obligations. The calculation is performed using the projected unit credit method. Any actuarial gains or losses are recognized in the statement of profit and loss in the period in which they arise.

As per 'POWERGRID Employee Family Economic Rehabilitation Scheme', which is optional, in the event of death or permanent total disability of an employee, the dependent(s) or the employee, as the case may be, is paid a fixed amount based on the last salary drawn by the employee till the notional date of superannuation of the employee upon depositing the final provident fund and gratuity amount which will be interest free.



2.12.4 Short-term benefits

Short term employee benefit obligations are measured on an undiscounted basis and are expensed as the related service is provided.

A liability is recognized for the amount expected to be paid under performance related pay if the Company has a present legal or constructive obligation to pay this amount as a result of past service provided by the employee and the obligation can be estimated reliably.

2.13 Financial instruments

A financial instrument is any contract that gives rise to a financial asset of one entity and a financial liability or equity instrument of another entity.

Financial Assets

Classification

The Company classifies its financial assets in the following categories:

- at amortised cost,
- at fair value through other comprehensive income

The classification depends on the following:

- the entity's business model for managing the financial assets and
- the contractual cash flow characteristics of the financial asset

Initial recognition and measurement

All financial assets are recognised initially at fair value plus, in the case of financial assets not recorded at fair value through profit or loss, transaction costs, if any, that are attributable to the acquisition of the financial asset.

Subsequent measurement

Debt Instruments at Amortised cost: Assets that are held for collection of contractual cash flows where those cash flows represent solely payments of principal and interest are measured at amortised cost. A gain or loss on a debt investment that is subsequently measured at amortised cost is recognised in profit or loss when the asset is derecognised or impaired. Interest income from these financial assets is included in finance income using the effective interest rate method.

Debt Instruments at Fair value through other comprehensive income (FVOCI): Assets that are held for collection of contractual cash flows and for selling the financial assets, where the assets' cash flows represent solely payments of principal and interest, are measured at fair value through other comprehensive income (FVOCI). On derecognition of the asset, cumulative gain or loss previously recognised in OCI is reclassified from the equity to profit and loss. Interest income from these financial assets is included in finance income using the effective interest rate method.

Equity investments

All equity investments in scope of Ind AS 109 'Financial Instruments' are measured at fair value. The company may, on initial recognition, make an irrevocable election to present subsequent changes in the fair value in other comprehensive income (FVOCI) on an instrument by-instrument basis.

For equity instruments classified as at FVOCI, all fair value changes on the instrument, excluding dividends are recognized in the OCI. There is no recycling of the amounts from OCI to Profit or Loss, even on sale of investment. However, the Company may transfer the cumulative gain or loss within equity.

Derecognition of financial assets

A financial asset is derecognized only when

- The right to receive cash flows from the asset have expired, or
- a) The company has transferred the rights to receive cash flows from the financial asset (or) retains the contractual rights to receive the cash flows of the financial assets, but assumes a contractual obligation to pay the cash flows to one or more recipients and

b) the company has transferred substantially all the risks and rewards of the asset (or) the company has neither transferred nor retained substantially all the risks and rewards of the asset, but has transferred control of the asset.

The difference between the carrying amount and the amount of consideration received/receivable is recognised in the Statement of Profit and Loss.

Impairment of financial assets:

For trade receivables and unbilled revenue, the company applies the simplified approach required by Ind AS 109 Financial Instruments, which requires expected lifetime losses to be recognised from initial recognition of the receivables.

For recognition of impairment loss on other financial assets and risk exposure, the company determines whether there has been a significant increase in the credit risk since initial recognition. If credit risk has not increased significantly, 12-month Expected Credit Loss (ECL) is used to provide for impairment loss. However, if credit risk has increased significantly, lifetime ECL is used. If, in a subsequent period, credit quality of the instrument improves such that there is no longer a significant increase in credit risk since initial recognition, then the entity reverts to recognizing impairment loss allowance based on 12-month ECL.

Financial Liabilities

Financial liabilities of the Company are contractual obligation to deliver cash or another financial asset to another entity or to exchange financial assets or financial liabilities with another entity under conditions that are potentially unfavourable to the Company.

The Company's financial liabilities include loans & borrowings, trade and other payables.

Classification, initial recognition and measurement

Financial liabilities are recognised initially at fair value minus, in the case of financial liabilities not recorded at fair value through profit or loss, transaction costs that are directly attributable to the issue of financial liabilities.

Subsequent measurement

After initial recognition, financial liabilities are subsequently measured at amortised cost using the EIR method. Amortised cost is calculated by taking into account any discount or premium on acquisition and fees or costs that are an integral part of the effective interest rate (EIR). Any difference between the proceeds (net of transaction costs) and the redemption amount is recognised in the Statement of Profit and Loss over the period of the borrowings using the EIR. Gains and losses are recognised in Statement of Profit and Loss when the liabilities are derecognised.

The EIR amortisation is included as finance costs in the Statement of Profit and Loss.

Derecognition of financial liability

A financial liability is derecognised when the obligation under the liability is discharged or cancelled or expires. When an existing liability is replaced by another from the same lender on substantially different terms, or the terms of an existing liability are substantially modified, such an exchange or modification is treated as the derecognition of the original liability and the recognition of a new liability. The difference between the carrying amount of a financial liability that has been extinguished or transferred to another party and the consideration paid, including any non-cash assets transferred or liabilities assumed, is recognised in Statement of Profit and Loss as other income or finance cost.

Offsetting of financial instruments

Financial assets and financial liabilities are offset and the net amount is reported in the Balance Sheet if there is a currently enforceable legal right to offset the recognised amounts and there is an intention to settle on a net basis, to realise the assets and settle the liabilities simultaneously.

2.14 Investment in Subsidiaries

A subsidiary is an entity controlled by the Company. Control exists when the Company has power over the entity, is exposed, or has rights to variable returns from its involvement with the entity and has the ability to affect those returns by using its power over the entity.

Power is demonstrated through existing rights that give the ability to direct relevant activities, those which significantly affect the entity's returns.

Investments in subsidiaries are carried at cost less impairment, if any. The cost comprises price paid to acquire investment and directly attributable cost.



2.15 Investment in Joint Ventures and Associates

A joint venture is a type of joint arrangement whereby the parties that have joint control of the arrangement have rights to the net assets of the joint venture. Joint control is the contractually agreed sharing of control of an arrangement, which exists only when decisions about the relevant activities require unanimous consent of the parties sharing control.

The investment in joint ventures and associates are carried at cost less impairment, if any. The cost comprises price paid to acquire investment and directly attributable cost.

2.16 Foreign Currency Translation

(a) Functional and presentation currency

Items included in the financial statements of the Company are measured using the currency of the primary economic environment in which the Company operates ('the functional currency'). The financial statements are presented in Indian Rupees (Rupees or ₹), which is the Company's functional and presentation currency.

(b) Transactions and balances

Transactions in foreign currencies are initially recorded at the exchange rates prevailing on the date of the transaction. Foreign currency monetary items are translated with reference to the rates of exchange ruling on the date of the Balance Sheet. Non-Monetary items denominated in foreign currency are reported at the exchange rate ruling on the date of initial recognition of the non-monetary prepayment asset or deferred income liability, or the date that related item is recognized in the financial statements, whichever is earlier. In case the transaction is recognized in stages, then transaction date is established for each stage.

Foreign exchange gains and losses (other than related to foreign currency loans outstanding) are presented in the statement of profit and loss on a net basis within other gains/ (losses).

The Company has availed the exemption available in Ind AS 101, to continue the policy adopted for accounting for exchange differences arising from translation of long-term foreign currency monetary liabilities outstanding as on March 31, 2016.

Foreign currency loans outstanding as on March 31, 2016:

Foreign Exchange Rate Variation (FERV) arising on settlement / translation of such foreign currency loans relating to property, plant and equipment/ capital work-in-progress is adjusted to the carrying cost of related assets and is recoverable/payable from the beneficiaries on actual payment basis as per Central Electricity Regulatory Commission (CERC) norms w.e.f. 1st April, 2004 or Date of Commercial Operation (DOC0) whichever is later. The above FERV to the extent recoverable or payable as per the CERC norms is accounted for as follows:

- i) FERV recoverable/payable adjusted to carrying cost of property, plant and equipment is accounted for as 'Deferred foreign currency fluctuation asset/liability a/c' with a corresponding credit/debit to 'Deferred income/expenditure from foreign currency fluctuation a/c'.
- ii) 'Deferred income/expenditure from foreign currency fluctuation a/c' is amortized in the proportion in which depreciation is charged on such FERV.
- iii) The amount recoverable/payable as per CERC norms on year to year basis is adjusted to the 'Deferred foreign currency fluctuation asset/liability a/c' with corresponding debit / credit to the trade receivables.

FERV earlier charged to Statement of Profit and Loss & included in the capital cost for the purpose of tariff is adjusted against 'Deferred foreign currency fluctuation asset/liability a/c'.

FERV arising out of settlement/translation of long term monetary items (other than foreign currency loans) relating to Property Plant & Equipment /CWIP is adjusted in the carrying cost of related assets.

FERV arising during the construction period from settlement/translation of monetary items (other than non-current loans) denominated in foreign currency to the extent recoverable/payable to the beneficiaries as capital cost as per CERC tariff Regulation are accounted as Regulatory Deferral Account Balances. Transmission charges recognised on such amount is adjusted against above account. Other exchange differences are recognized as income or expenses in the period in which they arise.

Foreign currency loans drawn on or after April 1, 2016:

Exchange differences arising from foreign currency borrowing to the extent regarded as an adjustment to interest costs are treated as borrowing cost. Other exchange differences are recognized in the Statement of Profit and Loss.

Exchange difference to the extent recoverable as per CERC tariff regulations are recognized as Regulatory Deferral Account Balances through Statement of Profit and Loss.

2.17 Income Tax

Income tax expense represents the sum of current and deferred tax. Tax is recognised in the Statement of Profit and Loss, except to the extent that it relates to items recognised directly in equity or other comprehensive income. In this case the tax is also recognised directly in equity or in other comprehensive income.

Current income tax

The Current Tax is based on taxable profit for the year under the tax laws enacted and applicable to the reporting period in the countries where the company operates and generates taxable income and any adjustment to tax payable in respect of previous years.

Deferred tax

Deferred tax is recognised on temporary differences between the carrying amounts of assets and liabilities in the company's financial statements and the corresponding tax bases used in the computation of taxable profit and is accounted for using the Balance Sheet method. Deferred tax assets are generally recognised for all deductible temporary differences, unused tax losses and unused tax credits to the extent that it is probable that future taxable profits will be available against which those deductible temporary differences, unused tax losses and unused tax credits can be utilised. The carrying amount of deferred tax assets is reviewed at each Balance Sheet date and reduced to the extent that it is no longer probable that sufficient taxable profits will be available against which the temporary differences can be utilised.

Deferred tax assets and liabilities 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 Balance Sheet date.

Deferred tax assets and liabilities are offset if there is a legally enforceable right to offset current tax liabilities and assets, and they relate to income taxes levied by the same tax authority.

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. 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.

2.18 Regulatory Deferral Account Balances

Certain expenses and income, allowed under CERC regulations to be reimbursed by/passed on to beneficiaries in future, are to be accounted in the Statement of Profit and Loss as per the provisions of Ind AS 114 'Regulatory Deferral Accounts' and Guidance Note on "Accounting for Rate Regulated Activities" issued by the Institute of Chartered Accountants of India (ICAI). Such expenses and income, to the extent recoverable /payable as part of tariff under CERC Regulations are treated as Regulatory Deferral Assets/Liabilities.

The Company presents separate line items in the Balance Sheet for:

- (a) the total of all Regulatory Deferral Account Debit Balances; and
- (b) the total of all Regulatory Deferral Account Credit Balances.

A separate line item is presented in the profit or loss section of the Statement of Profit and Loss for the net movement in all Regulatory Deferral Account Balances for the reporting period.

Regulatory deferral accounts balances are adjusted in the year in which the same become recoverable from or payable to the beneficiaries.

2.19 Revenue

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.

Significant Financing Component

Where the period between the transfer of the promised goods or services to the customer and payment by the customer exceeds one year, the Company assesses the effects of significant financing component in the contract. As a consequence, the Company makes adjustment in the transaction prices for the effects of time value of money.

2.19.1 Revenue from Operations

Transmission



Transmission Income is accounted for based on tariff orders notified by the CERC. In case of transmission projects where final tariff orders are yet to be notified, transmission income is accounted for on provisional basis as per tariff regulations and orders of the CERC in similar cases. Difference, if any, is accounted on issuance of final tariff orders by the CERC. Transmission Income in respect of additional capital expenditure incurred after the date of commercial operation is accounted for based on expenditure incurred on year to year basis as per CERC tariff regulations. As at each reporting date, transmission income includes an accrual for services rendered to the customers but not yet billed i.e. Unbilled Revenue.

Rebates allowed to beneficiaries as early payment incentives are deducted from the amount of revenue.

The Transmission system incentive / disincentive is accounted for based on certification of availability by the respective Regional Power Committees (RPCs) and in accordance with the CERC tariff regulations. Where certification by RPCs is not available, incentive/disincentive is accounted for on provisional basis as per estimate of availability by the company and differences, if any is accounted upon certification by RPCs.

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

Telecom Services

Income from Telecom Services, net of downtime credit, is recognised on the basis of terms of agreements/purchase orders from the customers. Upfront fee received in advance under long term contracts providing Indefeasible Right to Use (IRU), is recognised as revenue on the basis of estimation of revenue over the period of contract.

Consultancy Services

In respect of 'Cost-plus-consultancy contracts', involving execution on behalf of the client, revenue is recognized in proportion to the stage of completion of the work performed at the reporting date, which is determined based on input method.

Income from other consultancy contracts are accounted for on technical assessment of progress of services rendered.

2.19.2 Other Income

Interest income is recognized, when no significant uncertainty as to measurability or collectability exists, on a time proportion basis taking into account the amount outstanding and the applicable interest rate, using the effective interest rate method (EIR).

Surcharge recoverable from trade receivables, liquidated damages, warranty claims and interest on advances to suppliers are recognized when no significant uncertainty as to measurability and collectability exists.

Application Fees towards Long Term Open Access (LTOA) as per CERC Guidelines is accounted for on receipt.

Scrap other than steel scrap & conductor scrap are accounted for as and when sold.

Dividend income is recognized when right to receive payment is established.

Insurance claims for loss of profit are accounted for in the year of acceptance. Other insurance claims are accounted for based on certainty of realization.

Revenue from rentals and operating leases is recognized on an accrual basis in accordance with the substance of the relevant agreement.

2.20 Government Grants

Grants-in-aid from Central Government or other authorities towards capital expenditure for projects, betterment of transmission systems and specific depreciable assets initially are treated as deferred income when there is a reasonable assurance that they will be received and the Company will comply with the conditions associated with the grant. Deferred Income is recognized in the Statement of Profit and Loss over the useful life of related asset in proportion to which depreciation on these assets is provided. In case of non-monetary government grants, both asset and grant are recorded at nominal value.

Grants that compensate the Company for expenses incurred are recognized over the period in which the related costs are incurred and deducted from the related expenses.

2.21 Dividends

Annual dividend distribution to the shareholders is recognised as a liability in the period in which the dividends are approved by the shareholders. Any interim dividend paid is recognised on approval by Board of Directors. Dividend payable and corresponding tax on dividend distribution is recognised directly in equity.

2.22 Provisions and Contingencies

a) Provisions

Provisions are recognised when the Company has a present obligation (legal or constructive) as a result of a past event, it is probable that an outflow of resources embodying economic benefits will be required to settle the obligation and a reliable estimate can be made of the amount of the obligation. If the effect of the time value of money is material, provisions are discounted. Unwinding of the discount is recognised in the Statement of Profit and Loss as a finance cost. Provisions are reviewed at each Balance Sheet date and are adjusted to reflect the current best estimate.

b) Contingencies

Contingent liabilities are disclosed on the basis of judgment of the management / independent experts. These are reviewed at each balance sheet date and are adjusted to reflect the current management estimate.

Contingent liabilities are disclosed when there is a possible obligation arising from past events, the existence of which will be confirmed only by the occurrence or non-occurrence of one or more uncertain future events not wholly within the control of the Company or a present obligation that arises from past events where it is either not probable that an outflow of resources will be required to settle or a reliable estimate of the amount cannot be made. Information on contingent liability is disclosed in the Notes to the Financial Statements.

Contingent assets are possible assets that arise from past events and whose existence will be confirmed only by the occurrence or non-occurrence of one or more uncertain future events not wholly within the control of the Company. Contingent assets are disclosed in the financial statements when inflow of economic benefits is probable on the basis of judgment of management. These are assessed continually to ensure that developments are appropriately reflected in the financial statements.

2.23 Share capital and Other Equity

Ordinary shares are classified as equity.

Incremental costs directly attributable to the issue of new shares are shown in equity as a deduction, net of tax, from the proceeds.

Self-insurance reserve is created @ 0.12% p.a. on Original Gross Block of Property, Plant and Equipment and value of Inventory except ROU assets and assets covered under insurance as at the end of the year by appropriation of current year profit to mitigate future losses from un-insured risks and for taking care of contingencies in future by procurement of towers and other transmission line materials including strengthening of towers and equipment of AC substation. The Reserve created as above is shown as "Self Insurance Reserve" under 'Other Equity'.

2.24 Prior Period Items

Material prior period errors are corrected retrospectively by restating the comparative amounts for prior period presented in which the error occurred or if the error occurred before the earliest period presented, by restating the opening statement of financial position.

2.25 Operating Segments

The Board of Directors is the Company's 'Chief Operating Decision Maker' or 'CODM' within the meaning of Ind AS 108 'Operating Segments'. CODM monitors the operating results of its business segments separately for the purpose of making decisions about resource allocation and performance assessment. Segment performance is evaluated based on profit or loss and is measured consistently with profit or loss in the financial statements.

The operating segments have been identified on the basis of the nature of products / services.

- Segment revenue includes sales and other income directly identifiable with / allocable to the segment including inter-segment transactions.
- Expenses that are directly identifiable with / allocable to segments are considered for determining the segment result. Expenses which relate to the Company as a whole and not allocable to segments are included under unallocable expenditure.
- Income which relates to the Company as a whole and not allocable to segments is included in unallocable income.
- Segment assets and liabilities include those directly identifiable with the respective segments. Unallocable assets and liabilities represent the assets and liabilities that relate to the Company as a whole and not allocable to any segment.
- Segment capital expenditure is the total cost incurred during the period to acquire property, plant and equipment, and intangible assets.



2.26 Earnings per Share

Basic earnings per share is computed using the net profit or loss for the year attributable to the shareholders and weighted average number of shares outstanding during the year.

Diluted earnings per share is computed using the net profit or loss for the year attributable to the shareholders and weighted average number of equity and potential equity shares outstanding during the year, except where the result would be anti-dilutive.

Additionally, basic and diluted earnings per share are computed using the earnings amounts excluding the movements in Regulatory Deferral Account Balances.

2.27 Statement of Cash Flows

Statement of Cash flows is prepared as per indirect method prescribed in the Ind AS 7 'Statement of Cash Flows'.

2.28 Non-current assets (or disposal groups) held for sale

Non-current assets and disposal groups are classified as held for sale if their carrying amount will be recovered principally through a sale transaction rather than through continuing use. This condition is regarded as met only when the asset (or disposal group) is available for immediate sale in its present condition subject only to terms that are usual and customary for sale of such assets (or disposal groups) and its sale is highly probable.

Assets and liabilities classified as held for sale are measured at the lower of their carrying amount and fair value less costs to sell and presented separately in the Balance Sheet. An impairment loss is recognised for any initial or subsequent write-down of the asset (or disposal group) to fair value less costs to sell. A gain is recognised for any subsequent increases in fair value less costs to sell of an asset (or disposal group), but not in excess of any cumulative impairment loss previously recognised. A gain or loss not previously recognised by the date of the sale of the non-current asset (or disposal group) is recognised at the date of de-recognition.

3. Critical Estimates and Judgments

The preparation of financial statements requires the use of accounting estimates which may significantly vary from the actual results. Management also needs to exercise judgment while applying the company's accounting policies.

This note provides an overview of the areas that involved a higher degree of judgment or complexity, and of items which are more likely to be materially adjusted due to estimates and assumptions turning out to be different than those originally assessed.

The areas involving critical estimates or judgments are:

Revenue Recognition:

Transmission income is accounted for based on tariff orders notified by the CERC. In case of transmission projects where final tariff orders are yet to be notified, transmission income is accounted for as per tariff regulations and other orders of the CERC in similar cases. Differences, if any, are accounted on issuance of final tariff orders by the CERC. Transmission income in respect of additional capital expenditure incurred after the date of commercial operation is accounted for based on expenditure incurred on year to year basis as per CERC tariff regulations.

Regulatory Deferral Balances:

Recognition of Regulatory Deferral Balances involves significant judgments including about future tariff regulations since these are based on estimation of the amounts expected to be recoverable/payable through tariff in future.

Estimation of defined benefit obligation:

Estimation of defined benefit obligation involves certain significant actuarial assumptions which are listed in Note 63.

Estimates and judgments are periodically 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.

Useful life of property, plant and equipment:

The estimated useful life of property, plant and equipment is based on a number of factors including the effects of obsolescence, demand, competition and other economic factors (such as the stability of the industry and known technological advances) and the level of maintenance expenditures required to obtain the expected future cash flows from the asset.

The Company reviews at the end of each reporting date the useful life of plant and equipment, other than the assets of transmission business which are governed by CERC Regulations, and are adjusted prospectively, if appropriate.

Provisions and contingencies:

The assessments undertaken in recognizing provisions and contingencies have been made in accordance with Ind AS 37 “Provisions, Contingent Liabilities and Contingent Assets”. The evaluation of the likelihood of the contingent events has required best judgment by management regarding the probability of exposure to potential loss. Should circumstances change following unforeseeable developments, this likelihood could alter.

Estimation of uncertainties relating to the global health pandemic from COVID-19:

In assessing the recoverability of trade receivables, unbilled revenue and investments, the company has considered internal and external information up to the date of approval of these financial statements including credit reports and economic forecasts. In view of the nature of the Company’s business, the regulated tariff mechanism applicable to the major part of the company’s revenue and based on the current indicators of future economic conditions, the company expects to recover the carrying amount of these assets.

Assets held for sale:

Significant judgment is required to apply the accounting of non-current assets held for sale under Ind AS 105 – “Noncurrent assets held for sale and discontinued operations”. In assessing the applicability, management has exercised judgment to evaluate the availability of the asset for immediate sale, management’s commitment for the sale and probability of sale within one year to conclude if their carrying amount will be recovered principally through a sale transaction rather than through continuing use.

Income Taxes:

Significant estimates are involved in determining the provision for current and deferred tax, including amount expected to be paid/recovered for uncertain tax positions.



Note 4: Property Plant and Equipment

(₹ in crore)

Particulars	Cost						Accumulated depreciation				Net Book Value	
	As at 01 April 2020	Additions during the year	Disposal	Adjustment during the year	As at 31 March 2021	As at 01 April 2020	Additions during the year	Disposal	Adjustment during the year	As at 31 March 2021	As at 31 March 2021	As at 31st March 2020
Land												
Freehold	2,252.71	5.07	-	(6.71)	2,264.49	-	-	-	-	-	2,264.49	2,252.71
Buildings												
a) Sub-Stations & Office	1,667.58	610.63	-	(2.79)	2,281.00	217.49	69.74	-	(0.02)	287.25	1,993.75	1,450.09
b) Township	635.39	52.04	-	-	687.43	114.35	29.08	-	(0.05)	143.48	543.95	521.04
Temporary Erection	1.19	0.03	-	0.03	1.19	1.14	0.06	-	0.03	1.17	0.02	0.05
Roads & Bridges	182.97	80.40	-	-	263.37	36.66	8.18	-	-	44.84	218.53	146.31
Water Supply Drainage & Sewerage	101.00	19.58	-	0.02	120.56	21.50	4.72	-	(0.21)	26.43	94.13	79.50
Plant & Equipment												
a) Transmission	129,322.45	10,151.16	34.00	408.11	139,034.50	28,188.01	7,153.35	7.16	(0.92)	35,335.12	103,696.38	101,134.44
b) Sub-station	74,781.19	7,765.01	77.99	43.70	82,424.51	15,088.01	4,353.32	69.11	(5.99)	19,378.21	63,046.30	59,693.18
c) Unified Load Despatch & Communication	1,116.69	238.50	-	(93.40)	1,448.59	274.44	76.65	-	(15.49)	366.58	1,082.01	842.25
d) Telecom	1,281.23	125.26	-	101.11	1,305.38	507.22	104.67	-	16.00	595.89	709.49	774.01
Furniture Fixtures	140.78	19.12	0.31	(0.16)	159.75	38.27	10.29	0.08	(0.38)	48.86	110.89	102.51
Vehicles	2.78	0.70	0.46	(0.02)	3.04	1.19	0.15	0.09	(0.02)	1.27	1.77	1.59
Office equipment	228.07	19.28	0.47	0.37	246.51	55.55	15.36	0.21	(0.45)	71.15	175.36	172.52
Electronic Data Processing & Word Processing Machines	165.21	85.34	6.83	0.15	243.57	100.20	43.09	4.34	0.44	138.51	105.06	65.01
Construction and Workshop equipment	344.14	255.96	0.52	0.04	599.54	78.78	25.48	0.03	(0.10)	104.33	495.21	265.36
Electrical Installation	144.89	10.00	-	0.32	154.57	31.61	6.32	-	(1.61)	39.54	115.03	113.28
Laboratory Equipments	80.91	1.96	0.33	(5.31)	87.85	16.93	4.20	0.25	(1.56)	22.44	65.41	63.98
Workshop & Testing Equipments	292.31	33.19	-	(0.40)	325.90	40.13	16.71	-	(0.44)	57.28	268.62	252.18
Miscellaneous Assets/Equipments	0.43	0.03	-	-	0.46	0.06	0.02	-	-	0.08	0.38	0.37
Right-of-use (ROU) Assets												
a) ROU Assets- Land	460.43	38.00	-	28.77	469.66	55.83	14.58	-	-	70.41	399.25	404.60
b) ROU Asset- Buildings	9.51	7.32	3.03	0.26	13.54	3.76	5.45	2.97	0.26	5.98	7.56	5.75
c) ROU Asset- Plant & Machinery- Telecom	0.06	0.21	-	-	0.27	0.03	0.03	-	-	0.06	0.21	0.03
Total	213,211.92	19,518.79	123.94	474.09	232,132.68	44,871.16	11,941.45	84.24	(10.51)	56,738.88	175,393.80	168,340.76
Less: Provision for assets discarded	1.74	-	-	-	1.74	-	-	-	-	-	1.74	1.74
Grand Total	213,210.18	19,518.79	123.94	474.09	232,130.94	44,871.16	11,941.45	84.24	(10.51)	56,738.88	175,392.06	168,339.02

Note 4: Property, Plant and Equipment (Contd.)

(₹ in crore)

Particulars	Cost					Accumulated depreciation					Net Book Value			
	As at 01 April 2019	Initial recognition/Reclassification on account of adoption of Ind AS 116	Additions during the year	Disposal	Adjustment during the year	As at 31 March 2020	As at 01 April 2019	Reclassification on account of adoption of Ind AS 116	Additions during the year	Disposal	Adjustment during the year	As at 31 March 2020	As at 31 March 2020	As at 31 March 2019
Land														
Freehold	2,227.26	-	24.94	-	(0.51)	2,252.71	-	-	-	-	-	2,252.71	2,227.26	
Leasehold	438.18	(438.18)	-	-	-	-	42.75	(42.75)	-	-	-	-	395.43	
Buildings														
a) Sub-Stations & Office	1,510.04	-	157.51	-	(0.03)	1,667.58	157.26	-	60.24	-	0.01	217.49	1,352.78	
b) Township	587.80	-	49.20	-	1.61	635.39	87.67	-	26.68	-	-	114.35	500.13	
Temporary Erection	1.02	-	0.16	-	(0.01)	1.19	0.95	-	0.18	-	(0.01)	1.14	0.07	
Roads & Bridges	172.67	-	8.93	-	(1.37)	182.97	29.15	-	7.44	-	(0.07)	36.66	143.52	
Water Supply Drainage & Sewerage	98.40	-	2.56	-	(0.04)	101.00	17.19	-	4.31	-	-	21.50	81.21	
Plant & Equipment														
a) Transmission	121,779.93	-	6,267.34	14.44	(1,289.62)	129,322.45	21,262.21	-	6,929.95	3.71	0.44	28,188.01	100,517.72	
b) Sub-station	65,811.96	-	8,345.63	18.01	(641.61)	74,781.19	11,096.12	-	3,989.40	-	(2.49)	15,088.01	54,715.84	
c) Unified Load Despatch & Communication	950.03	-	164.76	-	(1.90)	1,116.69	203.93	-	70.51	-	-	274.44	746.10	
d) Telecom	1,117.92	-	150.05	0.40	(13.66)	1,281.23	401.07	-	106.05	0.22	(0.32)	507.22	716.85	
Furniture Fixtures	130.34	-	10.84	0.20	0.20	140.78	28.96	-	9.41	0.08	0.02	38.27	101.38	
Vehicles	2.90	-	0.25	0.37	-	2.78	1.32	-	0.21	0.30	0.04	1.19	1.58	
Office equipment	210.93	-	17.39	0.18	0.07	228.07	41.04	-	14.57	0.03	0.03	55.55	169.89	
Electronic Data Processing & Word Processing/Machines	110.69	-	55.48	0.88	0.08	165.21	75.83	-	24.84	0.43	0.04	100.20	34.86	
Construction and Workshop equipment	298.14	-	46.75	-	0.75	344.14	59.64	-	19.07	-	(0.07)	78.78	238.50	
Electrical Installation	106.03	-	38.90	0.01	0.03	144.89	23.41	-	8.22	-	0.02	31.61	82.62	
Laboratory Equipments	47.50	-	33.43	0.02	-	80.91	12.52	-	4.41	-	-	16.93	34.98	
Workshop & Testing Equipments	233.46	-	58.85	-	-	292.31	25.70	-	14.40	-	(0.03)	40.13	207.76	
Miscellaneous Assets/Equipments	0.16	-	0.30	-	0.03	0.43	0.02	-	0.04	-	-	0.06	0.14	
Right-of-use (ROU) Assets														
a) ROU Assets- Leasehold Land	-	449.58	8.51	-	(2.34)	460.43	-	42.75	-	-	0.03	55.83	404.60	
b) ROU Asset- Buildings	-	8.41	0.93	0.01	(0.18)	9.51	-	-	3.73	0.01	(0.04)	3.76	5.75	
c) ROU Asset- Plant & Machinery- Telecom	-	0.05	0.45	-	0.14	0.06	-	-	0.06	-	0.03	0.03	-	
Total	195,835.36	19.86	15,442.86	34.52	(1,948.36)	213,211.92	33,566.74	-	11,306.83	4.78	(2.37)	44,871.16	162,268.62	
Less: Provision for assets discarded	1.74	-	-	-	-	1.74	-	-	-	-	-	1.74	1.74	
Grand Total	195,833.62	19.86	15,442.86	34.52	(1,948.36)	213,210.18	33,566.74	-	11,306.83	4.78	(2.37)	44,871.16	162,266.88	



Note 4: Property, Plant and Equipment (Contd.)

Further Notes:

- a) The Company owns 7,368.00 hectare (Previous Year 7,350.00 hectare) of land amounting to ₹ 2,734.15 crore (Previous Year ₹ 2,713.14 crore) which has been classified into freehold land 6,256.00 hectare (Previous Year 6,257.00 hectare) amounting to ₹ 2,264.49 crore (Previous Year ₹ 2,252.71 crore) and Right of Use - Land 1,112.00 hectare (Previous Year 1,093.00 hectare) amounting to ₹ 469.66 crore (Previous Year ₹ 460.43 crore) based on available documentation.
- b) Freehold land acquired by the company includes 170.26 hectare (Previous Year 188.93 hectare) amounting to ₹ 151.63 crore (Previous Year ₹ 149.17 crore) in respect of which conveyance deed in favour of the company is pending and 80.57 hectare (Previous Year 84.59 hectare) amounting to ₹ 49.92 crore (Previous Year ₹ 52.03 crore) in respect of land acquired by the company for which only mutation in revenue records is pending.
- c)
 - i) The land classified as Right of Use - Land held in the state of Jammu and Kashmir with area of 113.88 hectare (Previous Year 113.88 hectare) amounting to ₹ 129.18 crore (Previous Year ₹ 94.01 crore) is acquired by state government as per procedures under State Land Acquisition Act. As per prevailing law the state government remains the owner of the land so acquired and company is only given possession for the specific use.
 - ii) The transmission system situated in the state of Jammu and Kashmir have been taken over by the company w.e.f. 01.04.1993 from National Hydroelectric Power Corporation of India Limited (NHPC) upon mutually agreed terms pending completion of legal formalities.
 - iii) Right of Use - Land includes area of 2.65 hectare (Previous Year 2.65 hectare) amounting to ₹ 12.36 crore (Previous Year ₹ 12.36 crore) in respect of land in Chamba (HP) acquired from NHPC by the company for which legal formalities are pending.
 - iv) Right of Use - Land other than above includes 135.28 hectare (Previous Year 142.87 hectare) amounting to ₹ 134.83 crore (Previous Year ₹ 185.88 crore) in respect of which lease agreements/ legal formalities are pending.
- d) Right of Use - Land includes area of 0.41 hectare (Previous Year 0.41 hectare) amounting to ₹ 7.64 crore (Previous Year ₹ 7.64 crore) in respect of land acquired for office complex on perpetual lease basis and hence not amortised.
- e) Township building includes ₹ 2.96 crore (Previous Year ₹ 2.96 crore) for 28 flats (Previous Year 28 flats) at Mumbai, for which registration in favour of the company is pending. Out of the above flats, 17 flats are occupied by employees of M/S Power System Operation Corporation Ltd.
- f) 5.63 hectare (Previous Year 5.63 hectare) having value of ₹ 0.04 crore (Previous Year ₹ 0.04 crore) has been transferred to National High Power Test Laboratory Pvt. Ltd. on right to use without granting ownership.
- g) Refer note no. 50 for disclosure on Right of Use Assets as per Ind AS 116 – “Leases”.
- h) Refer note no. 23 for information on property, plant and equipment pledged as security by the company.

Note 5: Capital work in progress

(₹ in crore)

Particulars	As at 01 April 2020	Additions during the year	Adjustments	Capitalised during the year	As at 31 March 2021
Land					
Development of land	0.18	35.18	-	35.18	0.18
Buildings					
a) Sub-Stations & Office	95.67	41.03	(534.73)	596.43	75.00
b) Township	136.77	57.06	-	34.99	158.84
Roads & Bridges	25.34	6.87	(73.99)	77.34	28.86
Water Supply Drainage and Sewerage	5.17	1.95	1.55	1.45	4.12
Plant & Equipments (including associated civil works)					
a) Transmission	9,616.82	2,966.94	-	7,614.17	4,969.59
b) Sub-Station	11,873.21	2,910.44	630.57	6,649.84	7,503.24
c) Unified Load Despatch & Communication	370.65	170.56	47.10	239.25	254.86
d) Telecom	99.67	91.99	-	61.59	130.07
Other office equipments	1.99	0.50	0.05	2.24	0.20
Electrical Installations	2.61	2.78	2.02	0.73	2.64
Construction Stores (Net of Provision)	4,457.49	2,775.07	4,784.22	-	2,448.34
Expenditure pending allocation					
i) Survey, investigation, consultancy & supervision Charges	6.16	1.72	0.17	5.08	2.63
ii) Difference in Exchange on foreign currency loans	79.03	(12.68)	1.60	28.29	36.46
iii) Expenditure during construction period(net) (Note 43)	3,411.58	978.11	(47.44)	2,153.23	2,283.90
	30,182.34	10,027.52	4,811.12	17,499.81	17,898.93
Less: Provision for unserviceable Assets	2.26	-	-	-	2.26
Grand Total	30,180.08	10,027.52	4,811.12	17,499.81	17,896.67



Note 5: Capital work in progress (Contd.)

(₹ in crore)

Particulars	As at 01 April 2019	Additions during the year	Adjustments	Capitalised during the year	As at 31 March 2020
Land					
Development of land	6.44	3.68	-	9.94	0.18
Buildings					
a) Sub-Stations & Office	98.15	60.68	2.13	61.03	95.67
b) Township	115.73	73.84	11.46	41.34	136.77
Roads & Bridges	18.27	8.94	0.69	1.18	25.34
Water Supply Drainage and Sewerage	3.54	1.85	-	0.22	5.17
Plant & Equipments (including associated civil works)					
a) Transmission	9,597.94	5,390.72	-	5,371.84	9,616.82
b) Sub-Station	9,864.47	9,543.74	-	7,535.00	11,873.21
c) Unified Load Despatch & Communication	478.34	145.78	-	253.47	370.65
d) Telecom	75.32	110.34	-	85.99	99.67
Furniture & Fixtures	-	-	-	-	-
Other office equipments	9.83	23.81	31.65	-	1.99
Electrical Installations	3.44	2.09	-	2.92	2.61
Construction Stores (Net of Provision)	10,462.16	5,738.53	11,743.20	-	4,457.49
Expenditure pending allocation					
i) Survey, investigation, consultancy & supervision Charges	6.43	2.70	-	2.97	6.16
ii) Difference in Exchange on foreign currency loans	127.33	84.76	-	133.06	79.03
iii) Expenditure during construction period(net) (Note 43)	2,498.89	2,321.37	(82.38)	1,491.06	3,411.58
	33,366.28	23,512.83	11,706.75	14,990.02	30,182.34
Less: Provision for unserviceable Assets	2.26	-	-	-	2.26
Grand Total	33,364.02	23,512.83	11,706.75	14,990.02	30,180.08

Note 5: Capital work in progress (Contd.)

(Details of Construction stores) (At cost)

(₹ in crore)

Particulars	As at 31 March 2021	As at 31 March 2020
Construction Stores		
Towers	245.96	518.17
Conductors	432.22	1,001.54
Other Line Materials	152.15	263.18
Sub-Station Equipments	974.73	1,253.79
High Voltage Direct Current (HVDC) Equipments	328.85	1,087.60
Unified Load Despatch & Communication(ULDC) Materials	205.20	197.95
Telecom Materials	71.78	60.00
Others	37.45	75.26
Total	2,448.34	4,457.49
Construction Stores include:		
i) Material in transit		
Towers	-	21.09
Conductors	-	6.22
Other Line Materials	2.12	1.03
Sub-Station Equipments	99.44	122.66
High Voltage Direct Current (HVDC) Equipments	34.78	138.09
Unified Load Despatch & Communication(ULDC) Materials	0.86	-
Telecom Materials	0.25	-
Others	0.70	-
Total	138.15	289.09
ii) Material with Contractors		
Towers	245.96	497.08
Conductors	432.22	995.32
Other Line Materials	150.03	262.15
Sub-Station Equipments	875.29	1,131.13
High Voltage Direct Current (HVDC) Equipments	294.07	949.51
Unified Load Despatch & Communication (ULDC) Materials	204.34	197.95
Telecom Materials	71.53	60.00
Others	36.75	75.26
Total	2,310.19	4,168.40
Grand total	2,448.34	4,457.49

Further Notes:

Materials with Contractors amounting to ₹ 175.71 crore (Previous Year ₹ 229.28 crore) in respect of commissioned lines is pending for reconciliation. However reconciliation are carried out on ongoing basis.



Note 6: Investment Property

(₹ in crore)

Particulars	Cost				Accumulated Amortisation				Net Book Value		
	As at 01 April 2020	Additions during the year	Disposal	Adjustment during the year	As at 31 March 2021	As at 01 April 2020	Additions during the year	Disposal	Adjustment during the year	As at 31 March 2021	As at 31 March 2020
Land (Freehold)	0.02	-	-	-	0.02	-	-	-	-	0.02	0.02
Buildings	0.01	-	-	-	0.01	-	-	-	-	0.01	0.01
Total	0.03	-	-	-	0.03	-	-	-	-	0.03	0.03

(₹ in crore)

Particulars	Cost				Accumulated Amortisation				Net Book Value		
	As at 01 April 2019	Additions during the year	Disposal	Adjustment during the year	As at 31 March 2020	As at 01 April 2019	Additions during the year	Disposal	Adjustment during the year	As at 31 March 2020	As at 31 March 2019
Land (Freehold)	0.02	-	-	-	0.02	-	-	-	-	0.02	0.02
Buildings	0.01	-	-	-	0.01	-	-	-	-	0.01	0.01
Total	0.03	-	-	-	0.03	-	-	-	-	0.03	0.03

6. Investment Property (Contd.)

Further Notes:

(i) Amount recognised in profit or loss for investment property (₹ in crore)

Particulars	For the year ended 31.03.2021	For the year ended 31.03.2020
Rental income	Nil	Nil
Direct operating expenses from property that generated rental income	Nil	Nil
Direct operating expenses from property that did not generate rental income	Nil	Nil
Profit from investment property before depreciation	Nil	Nil
Depreciation	Nil	Nil
Profit from investment property	Nil	Nil

(ii) There is no contractual obligation for future repairs and maintenance which not recognised as a liability as at 31.03.2021 and 31.03.2020.

(iii) There are no Leasing arrangements as at 31.03.2021 and 31.03.2020.

(iv) Fair value

(₹ in crore)

Particulars	As at 31.03.2021	As at 31.03.2020
Investment property	3.52	2.87

Estimation of fair value

The fair value of investment property has been determined by independent valuer. The main inputs used are the rental growth rates, expected vacancy rates, terminal yields and discount rates based on comparable transactions and industry data. All resulting fair value estimates for investment property are included in level 2.

Note 7: Intangible assets

(₹ in crore)

Particulars	Cost				Accumulated Amortisation				Net Book Value			
	As at 01 April 2020	Additions during the year	Disposal	Adjustment during the year	As at 31 March 2021	As at 01 April 2020	Additions during the year	Disposal	Adjustment during the year	As at 31 March 2021	As at 31 March 2020	
Electronic Data Processing Software	57.87	10.17	0.03	-	68.01	51.52	5.94	0.03	-	57.43	10.58	6.35
Right of Way-Afforestation Expenses	1,848.13	163.28	-	0.70	2,010.71	403.83	105.41	-	-	509.24	1,501.47	1,444.30
Telecom Licenses	2.80	-	-	-	2.80	0.41	0.14	-	-	0.55	2.25	2.39
Development of 1200 KV TS*	71.86	-	-	-	71.86	27.49	7.23	-	-	34.72	37.14	44.37
Total	1,980.66	173.45	0.03	0.70	2,153.38	483.25	118.72	0.03	-	601.94	1,551.44	1,497.41

*Internally generated intangible asset

(₹ in crore)

Particulars	Cost				Accumulated Amortisation				Net Book Value			
	As at 01 April 2019	Additions during the year	Disposal	Adjustment during the year	As at 31 March 2020	As at 01 April 2019	Additions during the year	Disposal	Adjustment during the year	As at 31 March 2020	As at 31 March 2019	
Electronic Data Processing Software	54.86	3.01	-	-	57.87	47.10	4.42	-	-	51.52	6.35	7.76
Right of Way-Afforestation Expenses	1,829.55	18.20	-	(0.38)	1,848.13	298.35	105.50	-	0.02	403.83	1,444.30	1,531.20
Telecom Licenses	2.80	-	-	-	2.80	0.27	0.14	-	-	0.41	2.39	2.53
Development of 1200 KV TS*	71.86	-	-	-	71.86	20.25	7.24	-	-	27.49	44.37	51.61
Total	1,959.07	21.21	-	(0.38)	1,980.66	365.97	117.30	-	0.02	483.25	1,497.41	1,593.10

*Internally generated intangible asset

Note 8: Intangible assets under development

(₹ in crore)

Particulars	As at 01 April 2020	Additions	Adjustments	Capitalised during the year	As at 31 March 2021
Right of Way-Afforestation expenses	219.55	13.15	-	157.84	74.86
Total	219.55	13.15	-	157.84	74.86

(₹ in crore)

Particulars	As at 01 April 2019	Additions	Adjustments	Capitalised during the year	As at 31 March 2020
Right of Way-Afforestation expenses	214.06	9.53	-	4.04	219.55
Total	214.06	9.53	-	4.04	219.55

Note 9: Investments

(₹ in crore)

Particulars	As at 31 March 2021	As at 31 March 2020
Investments in Equity Instruments (Fully paid up)		
Investments at Fair Value through Other Comprehensive Income (OCI)		
Quoted		
PTC India Limited		
12000006 (Previous Year 12000006) Equity Shares of ₹ 10/- each	93.30	46.50
Unquoted		
Energy Efficiency Services Limited		
56118350 (Previous Year 56118350) Equity Shares of ₹ 10/- each	45.40	52.40
Investments at Cost (Fully paid up)		
Unquoted		
i) Subsidiary Companies		
Powergrid NM Transmission Limited		
485050000 (Previous Year 278400000) Equity Shares of ₹ 10 each.	485.05	278.40
Powergrid Vemagiri Transmission Limited		
50000 (Previous Year 50000) Equity Shares of ₹ 10 each. (Refer further note 6 below)	0.05	0.05
Less: Provision for diminution in the value of Investment	0.05	0.05
	-	-
Powergrid Vizag Transmission Limited		
209730000 (Previous Year 209730000) Equity Shares of ₹ 10 each. (Refer Note 19A)	-	209.73
Powergrid Unchahar Transmission Limited		
12961067 (Previous Year 12961067) Equity Shares of ₹ 10 each.	12.96	12.96



Note 9: Investments (Contd.)

(₹ in crore)

Particulars	As at 31 March 2021	As at 31 March 2020
Powergrid Kala Amb Transmission Limited 61000000 (Previous Year 61000000) Equity Shares of ₹ 10 each. (Refer Note 19A)	-	61.00
Powergrid Jabalpur Transmission Limited 226910000 (Previous Year 217150000) Equity Shares of ₹ 10 each (Refer Note 19A)	-	217.15
Powergrid Warora Transmission Limited 393300000 (Previous Year 393300000) Equity Shares of ₹ 10 each (Refer Note 19A)	-	393.30
Powergrid Parli Transmission Limited 322100000 (Previous Year 319500000) Equity Shares of ₹ 10 each (Refer Note 19A)	-	319.50
Powergrid Southern Interconnector Transmission System Limited 709004000 (Previous Year 709004000) Equity Shares of ₹ 10 each.	709.00	709.00
Powergrid Medinipur Jeerat Transmission Limited 549630000 (Previous Year 289330000) Equity Shares of ₹ 10 each.	549.63	289.33
Powergrid Mithilanchal Transmission Limited 213500000 (Previous Year 120000000) Equity Shares of ₹ 10 each.	213.50	120.00
Powergrid Varanasi Transmission System Limited 168050000 (Previous Year 125050000) Equity Shares of ₹ 10 each.	168.05	125.05
Powergrid Jawaharpur Firozabad Transmission Limited 77200000 (Previous Year 50000) Equity Shares of ₹ 10 each.	77.20	0.05
Powergrid Khetri Transmission System Limited 161400000 (Previous year 50000) Equity Shares of ₹ 10 each	161.40	0.05
Powergrid Bhind Guna Transmission Limited 50050000 (Previous year 50000) Equity Shares of ₹ 10 each	50.05	0.05
Powergrid Ajmer Phagi Transmission Limited 112000000 (Previous Year 50000) Equity Shares of ₹ 10 each.	112.00	0.05
Powergrid Fatehgarh Transmission Limited 113410000 (Previous Year 10000) Equity Shares of ₹ 10 each	113.41	0.01
Powergrid Bhuj Transmission Limited 97710000 (Previous Year 10000) Equity Shares of ₹ 10 each	97.71	0.01
Powergrid Rampur Sambhal Transmission Limited 21520000 (Previous Year 50000) Equity Shares of ₹ 10 each	21.52	0.05
Powergrid Meerut Simbhavali Transmission Limited 32010000 (Previous Year 10000) Equity Shares of ₹ 10 each	32.01	0.01
Central Transmission Utility of India Ltd. 50000 (Previous Year NIL) Equity Shares of ₹ 10 each	0.05	-

Note 9: Investments (Contd.)

(₹ in crore)

Particulars	As at 31 March 2021	As at 31 March 2020
Powergrid Ramgarh Transmission Limited 50000 (Previous Year NIL) Equity Shares of ₹ 10 each	0.05	-
Jaypee Powergrid Limited 300000000 Equity Shares of ₹ 10 each (Refer further note 7 below)	432.50	-
Bikaner-II Bhiwadi Transco Limited 10000 (Previous Year NIL) Equity Shares of ₹ 10 each	0.01	-
	3,236.10	2,735.70
ii) Joint Venture Companies		
Torrent Power Grid Limited 23400000 (Previous Year 23400000) Equity Shares of ₹ 10/- each.	23.40	23.40
Jaypee Powergrid Limited Previous Year 78000000 Equity Shares of ₹ 10/- each. (Refer further note 7 below)	-	78.00
Parbati Koldam Transmission Company Limited 70937620 (Previous Year 70937620) Equity Shares of ₹ 10/- each.	70.94	70.94
Teestavalley Power Transmission Limited 120120000 (Previous Year 120120000) Equity Shares of ₹ 10/- each.	120.12	120.12
Powerlinks Transmission Limited 229320000 (Previous Year 229320000) Equity Shares of ₹ 10/- each.	229.32	229.32
North East Transmission Company Limited 106964000 (Previous Year 106964000) Equity Shares of ₹ 10/- each.	106.96	106.96
National High Power Test Laboratory Private Limited 30400000 (Previous Year 30400000) Equity Shares of ₹ 10/- each.	30.40	30.40
Cross Border Power Transmission Company Limited 12612473 (Previous Year 12612473) Equity Shares of ₹ 10/- each.	12.62	12.62
Kalinga Bidyut Prasaran Nigam Private Limited Nil (Previous Year NIL) Equity Shares of ₹ 10/- each. (Refer further note 4 below)	-	-
Less: Provision for diminution in the value of Investment	-	-
	-	-
Bihar Grid Company Limited 290296935 (Previous Year 250795526) Equity Shares of ₹ 10/- each.	290.30	250.80
Power Transmission Company Nepal Limited 1170000 (Previous Year 1170000) Equity Shares of Nepali ₹100/- each.	6.50	6.50
RINL POWERGRID TLT Private Limited 4000000 (Previous Year 4000000) Equity Shares of ₹ 10/- each. (Refer further note 5 below)	4.00	4.00
Less: Provision for diminution in the value of Investment	4.00	4.00
	-	-
	890.56	929.06



Note 9: Investments (Contd.)

(₹ in crore)

Particulars	As at 31 March 2021	As at 31 March 2020
iii) Others		
Bharat Broadband Network Limited (₹ 10/-) 1 (Previous Year 1) share of ₹ 10/- each.	-	-
Total	4,265.36	3,763.66

Further notes:

(₹ in crore)

- 1) a) Aggregate amount of Quoted Investments

At Cost	12.00	12.00
Market Value	93.30	46.50
- b) Aggregate amount of Unquoted Investments 3,717.16
- c) Aggregate amount of impairment in value of Investment 4.05
- 2) During the previous financial year, the pledge on 229319997 equity shares held by POWERGRID in M/s Powerlinks Transmission Limited has been released from IDFC FIRST Bank (formerly IDFC Ltd) being the Trustee on behalf of Security lenders in terms of Share pledge agreement dated 15.04.2004.
- 3) Investments have been valued as per accounting policy no. 2.13, 2.14 & 2.15.
- 4) The present status of the M/s Kalinga Bidyut Prasaran Nigam Private Limited as per MCA website is “ Strike Off”. Investment of ₹ 0.01 crore in Kalinga Bidyut Prasaran Nigam Private Limited has been written off during the Previous Year.
- 5) POWERGRID’s Board of Directors in its meeting held on 01.05.2018 accorded in principle approval to close RINL Powergrid TLT Private Limited (RPTPL) and seek consent of other JV Partner Rashtriya Ispat Nigam Limited (RINL). RINL’s Board of Directors in its meeting held on 08.03.2019 has agreed in principle for winding up proceedings of RPTPL & to seek the approval from Ministry of Steel, Government of India, for closure of RPTPL. RINL’s Board of Directors in its meeting held on 05.11.2019 has advised to put up the closure proposal again to Ministry of steel for onward submission to NITI Ayog. The Ministry of Steel vide letter dated 29.09.2020 informed RINL that closure of RPTPL is being examined and seeks further clarifications from RINL. Accordingly, relevant information was forwarded by RINL to The Ministry of Steel. The Approval from Government is still awaited.
- 6) Refer remarks at Note No 11 for Powergrid Vemagiri Transmission Limited.
- 7) Wholly owned subsidiary w.e.f. 26.03.2021 (Joint venture till 25.03.2021)

Note 10: Loans (considered good unless otherwise stated)

(₹ in crore)

Particulars	As at 31 March 2021	As at 31 March 2020
Loans to Related Parties **		
Loans to Subsidiaries-Unsecured	10,151.51	12,512.17
Loans to JVs-Unsecured	12.40	18.40
Loan to Directors & Key Managerial Personnel (KMP)		
Secured #	0.02	0.02
Unsecured	0.04	0.03
	10,163.97	12,530.62
Loans to Employees (including interest accrued)		
Secured #	278.39	218.92
Unsecured	31.73	34.21
	310.12	253.13
Total	10,474.09	12,783.75

Note 10: Loans (considered good unless otherwise stated) (Contd.)

Further notes:

** Details of loans to related parties is provided in Note 55.

House building loans and conveyance advance to Directors, KMP and Employees are secured against the mortgage of the house properties or hypothecation of vehicles for which such loans have been given in line with the policies of the Company.

Note 11: Other Non-current Financial Assets

(Unsecured considered good unless otherwise stated)

(₹ in crore)

Particulars	As at 31 March 2021	As at 31 March 2020
Lease receivables	606.42	601.69
Bank deposits with more than 12 months maturity #	92.66	11.11
Recoverable for GOI fully serviced bonds ##	3,487.50	3,487.50
Advances to related parties (Subsidiaries and Others)*		
Considered good	-	-
Considered doubtful**	19.41	19.40
	19.41	19.40
Less: Provision for Doubtful advances**	19.41	19.40
	-	-
Share Application Money		
Joint Venture Companies		
Bihar Grid Company Limited ###	-	6.50
Total	4,186.58	4,106.80

Further notes:

Bank deposits against designated accounts for consultancy work.

In the FY 2018-19, the Company issued 'Gol fully serviced bonds' for an amount of ₹ 3487.50 crore for raising of Extra Budgetary Resources (EBR) for Gol scheme of Power System Development Fund (PSDF) in terms of letter No: 7/1/2018-OM dated 21st January, 2019 of Ministry of Power, Govt. of India (Gol) for meeting accrued liabilities for creation of Capital Assets. The repayment of principal and the interest payment on such bonds shall be met by Gol. An amount of ₹ 3487.50 Crore from bond issue has been recognised as Grant in aid in Previous Years.

*Details of advances to related parties are provided in Note 55.

**CERC vide order dated 06/04/2015 in petition no.127/2012 had directed that 80% of the acquisition price incurred by the Company for Vemagiri Transmission Company Limited (VTSL) shall be reimbursed by the Long Term Transmission Customers (LTTCS) and balance 20% along with the expenditure incurred by VTSL from the date of acquisition till the liquidation of the company shall be borne by the Company. Subsequently, on a review petition filed by the Company, CERC vide order dated 20/10/2016 held that there are sufficient reasons to review the liability of the Company to pay 20% of the acquisition price and accordingly, directed that the issue shall be decided afresh by taking a holistic view in the matter after disposal of appeals filed by the LTTCS on the issue in Appellate Tribunal of Electricity (ATE).

The final hearing in the appeals filed in APTEL was held on 02.03.2020 and Hon'ble APTEL directed all parties to file written submission and reserved the Judgement. However, due to Covid pandemic lock down during Mar'20-May'20, the matter was relisted & heard on 24.08.2020 and Hon'ble APTEL directed all the parties to file concise comprehensive written submissions through email and reserved the Judgement again. Accordingly, concise comprehensive written submissions were filed in APTEL.

As one of the Hon'ble Members of APTEL retired during Dec'20 before pronouncement of the judgement, the matter may need to be heard again. An application for early hearing of the appeal was filed in APTEL in Mar'21 to expedite the matter, which is still to be listed for hearing.

Equity Share allotted on 5th May, 2020.



Note 12: Other non-current Assets

(Unsecured considered good unless otherwise stated)

(₹ in crore)

Particulars	As at 31 March 2021	As at 31 March 2020
Advances for Capital Expenditure		
Unsecured		
a. Against bank guarantees	260.06	487.52
b. Others	84.87	84.93
Unsecured considered doubtful	1.19	1.19
	346.12	573.64
Less: Provision for bad & doubtful Advances	1.19	1.19
	344.93	572.45
Advances other than for Capital Expenditure		
Security Deposits	22.24	19.34
Deferred Employee Cost	49.09	61.05
Deferred Foreign currency Fluctuation Asset	4,225.87	5,247.96
Advances recoverable in kind or for value to be received		
Employees	0.09	2.77
Balance with Customs Port Trust and other authorities	10.25	23.93
Advance tax and Tax deducted at source #	-	-
Other Taxes	2.82	1.67
Others**	219.13	198.01
	232.29	226.38
Considered doubtful	0.91	0.91
	233.20	227.29
Less: Provision for doubtful Advances	0.91	0.91
	232.29	226.38
Total	4,874.42	6,127.18

Further notes:

**Others include amount recoverable from Customers & State Governments, insurance claims etc.

Net of Current Tax Liabilities - Note 33.

Note 13: Inventories

(₹ in crore)

Particulars	As at 31 March 2021	As at 31 March 2020
(For mode of valuation refer Note 2.10)		
Components, Spares & other spare parts	1,346.18	1,383.78
Loose tools	23.70	23.52
Consumable stores	11.44	11.17
	1,381.32	1,418.47
Less Provision for Shortages/damages etc.	18.50	17.91
Total	1,362.82	1,400.56
Inventories includes material in transit		
Components, Spares & other spare parts	-	0.23

Note 14: Trade receivables

(₹ in crore)

Particulars	As at 31 March 2021	As at 31 March 2020
Trade receivables - Unsecured		
Considered good	3,592.06	4,798.30
Credit Impaired	300.40	315.82
	3,892.46	5,114.12
Receivable from related parties - Unsecured *		
Considered good	29.28	69.60
	3,921.74	5,183.72
Less: Loss Allowance	300.40	315.82
Total	3,621.34	4,867.90

Further notes:

*Details of trade receivables from related parties are provided in Note 55.

Refer Note 46 for disclosure as per Ind AS 115 'Revenue from Contracts with Customers'.

Based on arrangements between the Company, banks and beneficiaries, the bills of the beneficiaries have been discounted. Accordingly, trade receivables have been disclosed net off bills discounted amounting to ₹ 2871.49 crore (Previous Year ₹ 1060.24 crore). Refer Note No 58 for details.

Note 15: Cash and Cash Equivalents

(₹ in crore)

Particulars	As at 31 March 2021	As at 31 March 2020
Balance with banks-		
-In Current accounts	928.52	136.79
-In designated Current accounts (For Consultancy clients and others)	71.64	433.90
In term deposits (with maturity less than 3 months)(including interest accrued)*	3,429.87	4,234.42
Drafts/Cheques in hand/Remittances in transit	-	0.02
Others (Stamps and Imprest)	0.02	0.01
Total	4,430.05	4,805.14

Further notes:

*Term deposit includes ₹ 3050.84 crore (Previous Year ₹ 4234.42 crore) for Consultancy clients and others.

Note 16: Bank Balances other than Cash & Cash Equivalents

(₹ in crore)

Particulars	As at 31 March 2021	As at 31 March 2020
Earmarked balance with banks*	152.91	21.35
In Term Deposits having maturity over 3 months but upto 12 months (For Consultancy clients and others) (including interest accrued)	690.58	582.91
Total	843.49	604.26

Further notes:

*Earmarked balance with Bank includes unpaid dividend, dividend payable, TDS on Dividend and refund of FPO proceeds.



Note 17: Loans

(₹ in crore)

Particulars	As at 31 March 2021	As at 31 March 2020
Loans to Related Parties (including interest accrued)**		
Loans to Subsidiaries - Unsecured	5,301.78	723.00
Loans to Joint Venture - Unsecured	40.48	81.16
Loan to Directors & Key Managerial Personnel (KMP)		
Secured #	0.01	0.01
Unsecured Considered good	0.07	0.03
	5,342.34	804.20
Loans to Employees (including interest accrued)		
Secured #	46.08	35.64
Unsecured Considered good	40.41	39.57
	86.49	75.21
Total	5,428.83	879.41

Further notes:

**Details of loan to related parties is provided in Note 55.

House building loans and conveyance advance to Directors, KMP and Employees are secured against the mortgage of the house properties or hypothecation of vehicles for which such loans have been given in line with the policies of the Company.

Note 18: Other Current Financial Assets

(Unsecured considered good unless otherwise stated)

(₹ in crore)

Particulars	As at 31 March 2021	As at 31 March 2020
Lease Receivables	48.33	48.28
Unbilled Revenue*	7,065.68	5,163.51
Recoverable for GOI fully Service Bonds (including interest accrued)	36.22	36.90
Advance to/Receivable from Related Parties #	24.66	1.04
Others ##		
Considered Good	765.15	381.67
Total	7,940.04	5,631.40

Further notes:

*Unbilled revenue includes transmission charges for the month of March including bill 3 for previous quarter, of the financial year amounting to ₹ 2512.28 crore (Previous Year ₹ 3924.36 crore) billed to beneficiaries in the month of April of subsequent financial year. Further refer note no 46 for disclosure as per Ind AS 115 'Revenue from Contracts with Customers'. Unbilled revenue includes ₹ 6.54 Crore (Previous Year ₹ Nil) from related parties (refer Note 55).

Details of related parties are provided in Note 55.

Others include:-

- an amount of ₹ 59.88 crore (Previous Year ₹ 30.85 crore) recoverable from M/s Delhi Transco Limited towards transfer of 2.427 hectare (Previous Year 1.167 hectare) land at Tughlaqabad and Dwarka Sub-station pending completion of legal formalities for transfer of title.
- amount recoverable from Customers, Advance rent for Residential and Office accommodation, Other advance etc.

Note 19: Other Current Assets

(Unsecured considered good unless otherwise stated)

(₹ in crore)

Particulars	As at 31 March 2021		As at 31 March 2020	
	Current	Non-Current	Current	Non-Current
Advances other than for Capital Expenditure				
Advances recoverable in kind or for value to be received				
Contractors & Suppliers	9.75	-	3.02	-
Employees	5.98	-	24.77	-
Balance with Customs Port Trust and other authorities	35.34	-	54.29	-
Claims recoverable	0.54	-	0.54	-
	51.61		82.62	
Others*				
Considered Good	118.85	-	137.83	-
Considered Doubtful	0.01	-	0.01	-
	118.86		137.84	
Less: Provision for Doubtful Advances	0.01		0.01	
	118.85		137.83	
Total	170.46		220.45	

Further notes:

*Others include advance given for CSR activities, prepaid expenses and input tax credit - GST.

Note 19A: Assets classified as held for sale

(₹ in crore)

Particulars	As at 31 March 2021		As at 31 March 2020	
	Current	Non-Current	Current	Non-Current
Investments in Equity Instruments (fully paid up)				
Subsidiary Companies				
Powergrid Vizag Transmission Limited 209730000 Equity Shares of ₹10 each	209.73	-	-	-
Powergrid Kala Amb Transmission Limited 61000000 Equity Shares of ₹10 each	45.14	15.86	-	-
Powergrid Jabalpur Transmission Limited 226910000 Equity Shares of ₹10 each	167.91	59.00	-	-
Powergrid Warora Transmission Limited 393300000 Equity Shares of ₹10 each	291.04	102.26	-	-
Powergrid Parli Transmission Limited 322100000 Equity Shares of ₹10 each	238.36	83.74	-	-
Total	952.18	260.86		

Further Notes:

The company has monetised five (05) of its Subsidiaries, namely Powergrid Vizag Transmission Limited, Powergrid Kala Amb Transmission Limited, Powergrid Jabalpur Transmission Limited, Powergrid Warora Transmission Limited and Powergrid Parli Transmission Limited through POWERGRID Infrastructure Investment Trust ('PGInvIT/ Trust'). PGInvIT has been registered by SEBI under SEBI (Infrastructure Investment Trusts) Regulations, 2014 ('InvIT Regulations') as an Infrastructure Investment Trust vide registration no. IN/InvIT/20-21/0016 dated 07.01.2021. The company is the Sponsor of PGInvIT and shall also act as the Project Manager to PGInvIT. IDBI Trusteeship Services Limited is the Trustee and Powergrid Unchahar Transmission Limited (PUTL), a wholly owned subsidiary of the company, has been appointed as Investment Manager to PGInvIT. The Offer Document for initial public offer has been filed by PGInvIT with the SEBI and Stock Exchanges on 22.04.2021 and units got listed on stock exchanges on 14.05.2021. The 74% shares in the above five SPVs have been transferred to PGInvIT in May, 2021 and balance 26% will be transferred in line with Transmission Service Agreement (TSA). In lieu of consideration of shareholding so transferred, 41,06,50,900 Units were allotted by PGInvIT to the company. The company retained 13,65,00,100 units being 15% of total units of PGInvIT outstanding on post issue basis. pursuant to InvIT Regulations and remaining 27,41,50,800 units were sold by way of 'Offer for Sale (OFS)'. The company received an amount of ₹ 2736.02 crore (net of STT) against the OFS.

As the said investments are being sold in FY 2021-22, the investments in the above mentioned five Subsidiaries have been classified as "Assets Classified as Held for Sale" as on 31.03.2021.



Note 20: Regulatory Deferral Account Balances

(₹ in crore)

Particulars	As at 31 March 2021	As at 31 March 2020
Assets		
Deferred assets for deferred tax liability	9,382.65	8,814.19
Foreign Currency Fluctuation	1,089.54	1,174.71
Employee Benefits Expense	134.16	134.16
Total	10,606.35	10,123.06

Further Note:

Refer to note no 51 for detailed disclosure on Regulatory Deferral Account Balances.

Note 21: Equity Share capital

(₹ in crore)

Particulars	As at 31 March 2021	As at 31 March 2020
Equity Share Capital		
Authorised		
10,00,00,00,000 (Previous Year 10,00,00,00,000) equity shares of ₹10/- each at par	10,000.00	10,000.00
Issued, subscribed and paid up		
5,23,15,89,648 (Previous Year 5,23,15,89,648) equity shares of ₹10/- each at par fully paid up	5,231.59	5,231.59

Further Notes:

- 1) Reconciliation of number and amount of share capital outstanding at the beginning and at the end of the reporting period

Particulars	For the year ended 31 March 2021		For the year ended 31 March 2020	
	No. of Shares	Amount (₹ in crore)	No. of Shares	Amount (₹ in crore)
Shares outstanding at the beginning of the year	5231589648	5,231.59	5231589648	5,231.59
Additions during the year	-	-	-	-
Deduction during the year	-	-	-	-
Shares outstanding at the end of the year	5231589648	5,231.59	5231589648	5,231.59

- 2) The Company has only one class of equity shares having a par value of ₹10/- per share.
- 3) The holders of equity shares are entitled to receive dividends as declared from time to time and to voting rights proportionate to their shareholding at meetings of the Shareholders.
- 4) Shareholders holding more than 5% equity shares of the Company

Particulars	As at 31 March 2021		As at 31 March 2020	
	No. of Shares	% of holding	No. of Shares	% of holding
Government of India	2685872408	51.34	2685872408	51.34
Life Insurance Corporation of India	310294907	5.93	274430207	5.25

Note 22: Other Equity

(₹ in crore)

Particulars	As at 31 March 2021	As at 31 March 2020
Reserves and Surplus		
Securities Premium	9,578.29	9,578.29
Bonds Redemption Reserve	7,387.97	8,638.92
Self Insurance Reserve	722.99	807.93
Corporate Social Responsibility (CSR) Activity Reserve	-	-
General Reserve	43,191.78	36,828.05
Retained Earnings	3,399.08	3,327.57
Other Reserves		
Other Comprehensive Income Reserve	67.14	27.34
Total	64,347.25	59,208.10

22.1 Securities Premium

(₹ in crore)

Particulars	As at 31 March 2021	As at 31 March 2020
Balance at the beginning of the year	9,578.29	9,578.29
Addition during the year	-	-
Deduction during the year	-	-
Balance at the end of the year	9,578.29	9,578.29

Securities premium is used to record the premium on issue of shares/securities. This amount is utilised in accordance with the provision of the Companies Act 2013.

22.2 Bonds Redemption Reserve

(₹ in crore)

Particulars	As at 31 March 2021	As at 31 March 2020
Balance at the beginning of the year	8,638.92	9,884.80
Addition during the year	-	439.88
Deduction during the year	1,250.95	1,685.76
Balance at the end of the year	7,387.97	8,638.92

Bonds Redemption Reserve is created for the purpose of redemption of debentures in term of the Companies Act 2013. As per the Companies (Share Capital and Debentures) rule 2014, listed companies are not required to create Bonds Redemption Reserve w.e.f. 16.08.2019.

22.3 Self Insurance Reserve

(₹ in crore)

Particulars	As at 31 March 2021	As at 31 March 2020
Balance at the beginning of the year	807.93	882.18
Addition during the year	278.79	262.63
Deduction during the year	363.73	336.88
Balance at the end of the year	722.99	807.93

Self-Insurance Reserve is created @ 0.12% p.a. (0.12% p.a. in previous year) on the Original Gross Block of Property, Plant and Equipment and value of Inventory except ROU assets and assets covered under insurance as at the end of the year to meet future losses which may arise from un-insured risks and for procurement of towers and other transmission line materials including strengthening of towers and equipments of AC sub-station to take care of future contingencies. From current year, the Company has included inventories also for the calculation of self insurance reserve and the same does not have any material impact on the Company.



Note 22: Other Equity (Contd.)

22.4 Corporate Social Responsibility (CSR) Activity Reserve

(₹ in crore)

Particulars	As at 31 March 2021	As at 31 March 2020
Balance at the beginning of the year	-	114.54
Addition during the year	-	-
Deduction during the year	-	114.54
Balance at the end of the year	-	-

Corporate Social Responsibility Reserve is created to the extent of shortfall in the actual expenditure in any year vis-à-vis the amount stipulated as per the Companies Act, 2013.

22.5 General Reserve

(₹ in crore)

Particulars	As at 31 March 2021	As at 31 March 2020
Balance at the beginning of the year	36,828.05	31,376.63
Addition during the year	6,363.73	5,451.42
Deduction during the year	-	-
Balance at the end of the year	43,191.78	36,828.05

General Reserve is retained earnings of the company which are kept aside out of company's profits. It is a free reserve which can be utilized to meet any unknown future contingencies and to pay dividends to shareholders.

22.6 Retained Earnings

(₹ in crore)

Particulars	As at 31 March 2021	As at 31 March 2020
Balance at the beginning of the year	3,327.57	1,872.42
Add: Additions		
Net Profit for the period	11,935.78	10,811.18
Items of other comprehensive income recognised directly in surplus balance		
- Remeasurements of post employment benefit obligations	(14.44)	(54.67)
Transfer from Bond Redemption Reserve	1,250.95	1,685.76
Less: Appropriations		
General Reserve	6,000.00	5,000.00
Bonds Redemption Reserve	-	439.88
Self Insurance Reserve	278.79	262.63
Interim dividend paid	4,708.43	3,118.02
Tax on Interim dividend	-	601.93
Final Dividend (refer note 59(b))	2,113.56	1,307.90
Tax on Final Dividend	-	256.76
Balance at the end of the year	3,399.08	3,327.57

Note 22: Other Equity (Contd.)**22.7 Other Comprehensive Income Reserve**

(₹ in crore)

Particulars	As at 31 March 2021	As at 31 March 2020
Balance at the beginning of the year	27.34	76.69
Addition during the year	39.80	(49.35)
Deduction during the year	-	-
Balance at the end of the year	67.14	27.34

Other Comprehensive Income Reserve is created from increase/decrease in valuation of Non Current Investments in Equity instruments classified as fair valued through Other Comprehensive Income (FVOCI).

Note 23: Borrowings

(₹ in crore)

Particulars	As at 31 March 2021	As at 31 March 2020
A) BONDS		
A1) Secured (Taxable, Redeemable, Non-Cumulative, Non-Convertible)		
A1.1 i) Bonds of ₹10 Lakh each		
LV Issue-7.55% Redeemable at par on 21.09.2031	1,289.04	1,288.30
LX Issue-7.20% Redeemable at par on 09.08.2027	3,201.67	3,201.86
LIX Issue-7.30% Redeemable at par on 19.06.2027	3,245.43	3,245.54
XXXIX Issue-9.40% redeemable at par on 29.03.2027	1,801.33	1,801.26
LVIII Issue-7.89% redeemable at par on 09.03.2027	2,070.07	2,069.69
XXXVIII Issue-9.25% redeemable at par on 09.03.2027	859.92	859.71
LVI Issue-7.36% redeemable at par on 18.10.2026	1,100.06	1,099.67
LXII Issue-8.36% Redeemable at par in 05 (five) equal installments w.e.f. 07.01.2025	2,038.28	2,038.61
XLII Issue-8.80% redeemable at par on 13.03.2023	1,999.05	1,998.66
LVII Issue-7.20% redeemable at par on 21.12.2021	2,162.20	2,161.38
ii) Bonds of ₹30 Lakh each consisting of 3 STRPPs of ₹10 lakh each redeemable at par in 3 (Three) equal installments on 15.07.2021, 15.07.2026 and 15.07.2031		
LIV Issue-7.97% Redeemable w.e.f. 15.07.2021	3,170.17	3,168.45
iii) Bonds of ₹30 Lakh each consisting of 3 STRPPs of ₹10 lakh each redeemable at par in 3 (Three) equal installments on 23.12.2020, 23.12.2025 and 23.12.2030		
LII Issue-8.32% redeemable w.e.f. 23.12.2020	952.89	1,428.83
iv) Bonds of ₹1.20 crore each consisting of 12 STRPPs of ₹10 lakh each redeemable at par in 12 (Twelve) equal installments		
LIII Issue-8.13% Redeemable w.e.f 25.04.2020	3,939.45	4,299.65
v) Bonds of ₹30 Lakh each consisting of 3 STRPPs of ₹10 lakh each redeemable at par in 3 (Three) equal installments on 09.03.2020, 09.03.2025 and 09.03.2030		
XLIX Issue-8.15% redeemable w.e.f. 09.03.2020	874.34	874.17



Note 23: Borrowings (Contd.)

(₹ in crore)

Particulars	As at 31 March 2021	As at 31 March 2020
vi) Bonds of ₹40 Lakh each consisting of 4 STRPPs of ₹10 lakh each redeemable at par in 4 (Four) equal installments on 23.01.2020, 23.01.2022, 23.01.2025 and 23.01.2030 XLVIII Issue-8.20% redeemable w.e.f. 23.01.2020	1,963.59	1,963.99
vii) Bonds of ₹1.20 crore each consisting of 12 STRPPs of ₹10 lakh each redeemable at par in 12 (Twelve) equal installments LI Issue-8.40% redeemable w.e.f. 14.09.2019	2,614.37	2,872.53
viii) Bonds of ₹30 Lakh each consisting of 3 STRPPs of ₹10 lakh each redeemable at par in 3 (Three) equal installments on 04.09.2019, 04.09.2024 and 04.09.2029 XLVI Issue-9.30% redeemable w.e.f. 04.09.2019	3,062.74	3,060.18
ix) Bonds of ₹1.20 crore each consisting of 12 STRPPs of ₹10 lakh each redeemable at par in 12 (Twelve) equal installments L Issue-8.40% redeemable w.e.f. 27.05.2019	2,613.39	2,873.90
x) Bonds of ₹1.20 crore each consisting of 12 STRPPs of ₹10 lakh each redeemable at par in 12 (Twelve) equal installments XLVII Issue-8.93% redeemable w.e.f. 20.10.2018	2,058.85	2,285.25
xi) Bonds of ₹30 Lakh each redeemable at par in 3 equal instalments on 15.07.2018, 15.07.2023 and 15.07.2028 XLIV Issue-8.70% redeemable w.e.f. 15.07.2018	2,807.76	2,805.95
xii) Bonds of ₹1.2 crores each consisting of 12 STRPPs of ₹10 lakhs each redeemable at par in 12 (Twelve) equal annual instalments XLV Issue-9.65% redeemable w.e.f. 28.02.2018 XLIII Issue-7.93% redeemable w.e.f. 20.05.2017	1,343.63 2,227.00	1,512.37 2,504.60
xiii) Bonds of ₹1.5 crores each consisting of 12 STRPPs of ₹ 12.50 Lakhs each redeemable at par in 12 (Twelve) equal annual instalments. XLI Issue-8.85% redeemable w.e.f. 19.10.2016	1,724.01	1,968.79
xiv) Bonds of ₹1.50 crores each, consisting of 15 STRPPs of ₹10.00 Lakhs each redeemable at par in 15 (Fifteen) equal annual instalments XXXVI Issue- 9.35% redeemable w.e.f. 29.08.2016	2,173.42	2,388.76
xv) Bonds of ₹1.5 crores each consisting of 12 STRPPs of ₹12.50 Lakhs each redeemable at par in 12 (Twelve) equal annual instalments. XL Issue-9.30% redeemable w.e.f. 28.06.2016 XXXVII Issue- 9.25% redeemable w.e.f 26.12.2015 XXXV Issue- 9.64% redeemable w.e.f 31.05.2015 XXXIV Issue- 8.84% redeemable w.e.f 21.10.2014 XXXIII Issue- 8.64% redeemable w.e.f 08.07.2014	2,496.43 1,021.74 1,057.57 1,510.12 1,275.83	2,851.19 1,191.33 1,233.18 1,810.77 1,530.06

Note 23: Borrowings (Contd.)

(₹ in crore)

Particulars	As at 31 March 2021	As at 31 March 2020
XXXII Issue- 8.84% redeemable w.e.f 29.03.2014	345.24	431.53
XXXI Issue- 8.90% redeemable w.e.f 25.02.2014	688.31	860.29
XXX Issue- 8.80% redeemable w.e.f 29.09.2013	811.98	1,014.19
XXIX Issue- 9.20% redeemable w.e.f 12.03.2013	326.00	434.58
XXVIII Issue- 9.33% redeemable w.e.f 15.12.2012	616.40	821.33
XXVII Issue- 9.47% redeemable w.e.f 31.03.2012	117.53	176.25
XXVI Issue- 9.30% redeemable w.e.f 07.03.2012	167.56	251.27
XXV Issue- 10.10% redeemable w.e.f 12.06.2011	191.89	287.64
XXIV Issue- 9.95% redeemable w.e.f 26.03.2011	66.73	133.46
XXIII Issue- 9.25% redeemable w.e.f 09.02.2011	25.96	51.90
XXII Issue- 8.68% redeemable w.e.f 07.12.2010	59.07	118.07
XXI Issue- 8.73% redeemable w.e.f 11.10.2010	44.25	88.43
XX Issue- 8.93% redeemable w.e.f 07.09.2010	131.30	262.39
XIX Issue- 9.25% redeemable w.e.f 24.07.2010	43.87	87.68
XVIII Issue- 8.15% redeemable w.e.f 09.03.2010	-	83.66
	62,290.44	67,491.30
A2) Unsecured		
A2.1 Redeemable Domestic Bonds		
i) Bonds of ₹10 Lakh each		
LXVIII Issue-6.28% redeemable at par on 11.04.2031	520.54	-
LXVI Issue-7.38% Redeemable at par on 12.04.2030	508.16	508.22
ii) Bonds of ₹50 Lakhs each consisting of 05 STRPPs of ₹10.00 Lakhs each redeemable at par in 05 (Five) equal annual instalments.		
LXI Issue-7.74% redeemable w.e.f. 12.12.2028	3,069.77	3,070.20
iii) Bonds of ₹ 10 Lakh each		
LXVII Issue-6.85% redeemable at par on 15.04.2025	2,984.24	-
iv) Bonds of ₹10 Lakhs each consisting of 03 STRPPs of ₹ 3.00 Lakhs, ₹ 3.00 Lakhs & ₹ 4.00 Lakhs each redeemable at par in 03 (Three) equal annual instalments.		
LXIV Issue-7.49% redeemable w.e.f. 25.10.2024	2,601.48	2,601.75
v) Bonds of ₹ 30 Lakhs each consisting of 03 STRPPs of ₹10.00 Lakhs each redeemable at par in 03 (Three) equal annual instalments.		
LXIII Issue-7.34% redeemable w.e.f. 15.07.2024	1,893.90	1,893.98
vi) Bonds of ₹10 Lakh each		
LXV Issue-6.35% Redeemable at par on 14.04.2023	202.82	202.82



Note 23: Borrowings (Contd.)

(₹ in crore)

Particulars	As at 31 March 2021	As at 31 March 2020
A2.2 Redeemable Foreign Currency Bonds		
3.875% Foreign Currency Bonds to be redeemed at par on 17.01.2023	3,723.90	3,819.03
	15,504.81	12,096.00
Total (A)	77,795.25	79,587.30
B) Term Loans		
From Banks		
Secured		
Foreign Currency Loans (Guaranted by Government of India (GOI))	25,983.53	27,947.23
Other Foreign Currency Loans	7,256.11	7,192.24
Rupee Loans	10,230.00	12,184.00
	43,469.64	47,323.47
Unsecured		
Foreign Currency Loans (Guaranted by GOI)	3,891.20	4,048.52
Other Foreign Currency Loans	3,222.26	3,350.56
Rupee Loans	15,974.65	13,923.41
	23,088.11	21,322.49
Total (B)	66,557.75	68,645.96
Total (A to B)	144,353.00	148,233.26
Less: Current maturities of Non Current Borrowing (refer note 30)	12,171.41	9,558.53
Less: Interest accrued but not due on borrowings (refer note 30)	3,101.52	3,253.62
Total	129,080.07	135,421.11

Further notes:

Details of terms of repayment and rate of interest

- 1 Secured Foreign Currency Loans (Guaranteed by GoI) carry floating rate of interest linked to 6M LIBOR. These loans are repayable in semi annual installment, as per terms of the respective loan agreement, commencing after moratorium period of 3 to 5 years except for one loan ₹ 364.64 Crore (Previous year ₹ 374.16 Crore) which carry fixed rate of interest of 0.25% p.a.
- 2 Secured other Foreign Currency Loans carry floating rate of interest linked to 6M (LIBOR /EURIBOR/STIBOR). These loans are repayable in semi annual installment, as per terms of the respective loan agreements, commencing after moratorium period of 3 to 5 years.
- 3 Secured Rupee loan from banks carry floating rate of interest linked to 3M MCLR. These loans are repayable in semi annual installments, as per terms of the respective loan agreements, commencing after moratorium period of 5 years.
- 4 Unsecured Foreign Currency Loans (Guaranteed by GoI) carry fixed rate of interest ranging from 1.63%p.a. to 2.30%p.a. These loans are repayable in semi annual installments as per terms of the respective loan agreements.
- 5 Unsecured Foreign Currency Loans carry floating rate of interest linked to 6M (STIBOR/EURIBOR). These loans are repayable in semi annual installments as per terms of the respective loan agreements, commencing after moratorium period as per terms of the respective loan agreements.
- 6 Unsecured Foreign Currency Loans carry floating rate of interest linked to 6M JPYLIBOR. This loan is repayable in five equal annual installment as per the terms of the loan agreement.
- 7 Unsecured Rupee loan from bank carry floating rate of interest linked to 3 months MCLR or Repo rate. These loans are repayable in semi annual installments, as per terms of the respective loan agreements, commencing after moratorium period as per terms of the respective loan agreements.
- 8 There has been no default in repayment of loans or payment of interest thereon as at the end of the year.

Note 23: Borrowings (Contd.)

Details of Securities

- 1 Domestic Bonds are Secured by way of Registered Bond Trust Deed ranking pari passu on immovable property situated at Mouje Ambheti Taluka Kaparada in district Valsad Gujarat and floating charge on the assets of the company.
- 2 Secured Foreign Currency Loans (Guaranteed by GoI) are secured by pari passu interest in the lien created on the assets as security for the debts.
- 3 Secured Other Foreign Currency Loans and Rupee Loans are secured by the way of
 - (i) pari passu charge on the assets of the company except investments, land and building, roads and bridges, water supply, drainage and sewerage and current assets or
 - (ii) pari passu charge on the assets of the company except investments and current assets or
 - (iii) floating charge on the immovable properties of the company.
as per the terms of respective loan agreements.

Note 24: Other Non-current financial liabilities

(₹ in crore)

Particulars	As at 31 March 2021	As at 31 March 2020
Deposits/Retention money from contractors and others	69.37	15.43
Govt. of India fully serviced bonds*	3,487.50	3,487.50
Dues for Capital Expenditure	12.48	-
Lease Liabilities #	17.66	12.70
Total	3,587.01	3,515.63

Further Notes:

Disclosure with regard to Micro and Small enterprises as required under "The Micro, Small and Medium Enterprises Development Act, 2006" is given in Note No 49.

* Govt. of India fully serviced bonds issued @ 8.24% redeemable at par on 14.02.2029. Refer Note No 11 for details.

Refer note no 50 for disclosure on Lease liabilities as per Ind AS 116 – "Leases".

Note 25: Provisions

(₹ in crore)

Particulars	As at 31 March 2021	As at 31 March 2020
Employee Benefits		
As per last balance sheet	424.71	368.15
Additions/(adjustments) during the year	37.22	56.56
Closing Balance	461.93	424.71

Further Notes:

Provision is created for the purpose of leave encashment, Settlement Allowance, Long Service Award and other benefits. Refer Note No 63 for detailed disclosure related to Employee Benefit Obligations.

Note 26: Deferred tax liabilities (Net)

(₹ in crore)

Particulars	As at 31 March 2021	As at 31 March 2020
A. Deferred Tax Liability		
Difference in book depreciation and tax depreciation	22,623.11	19,898.33
Finance lease assets	72.47	76.96
Others	23.42	43.15
Deferred Tax Liability (A)	22,719.00	20,018.44



Note 26: Deferred tax liabilities (Net) (Contd.)

(₹ in crore)

Particulars	As at 31 March 2021	As at 31 March 2020
B. Deferred Tax Assets		
Income during Construction Period	17.95	24.88
Provisions allowable on payment basis	514.70	467.85
Advance Against Depreciation	353.20	409.12
MAT Credit Entitlement	9,869.07	7,710.30
Others	22.20	24.44
Deferred Tax Assets (B)	10,777.12	8,636.59
Deferred Tax Liability (Net) (A-B)	11,941.88	11,381.85

Further Notes:

Movement in Deferred Tax Liabilities

(₹ in crore)

Particulars	Property Plant and Equipment	Finance Leased Assets	Others	Total
As at 01.04.2019	16,894.24	83.23	37.60	17,015.07
Charged/(credited) to profit or loss	3,004.09	(6.27)	5.55	3,003.37
As at 31.03.2020	19,898.33	76.96	43.15	20,018.44
Charged/(credited) to profit or loss	2,724.78	(4.49)	(19.73)	2,700.56
As at 31.03.2021	22,623.11	72.47	23.42	22,719.00

Movement in Deferred Tax Asset

(₹ in crore)

Particulars	Property Plant & Equipment- Income during construction period	Provisions allowable on payment basis	Advance against depreciation	MAT Credit	Others	Total
As at 01.04.2019	20.95	481.93	462.47	5,935.70	21.00	6,922.05
Charged/(credited) to profit or loss	3.93	(14.08)	(53.35)	1,774.60	3.44	1,714.54
As at 31.03.2020	24.88	467.85	409.12	7,710.30	24.44	8,636.59
Charged/(credited) to profit or loss	(6.93)	46.85	(55.92)	2,158.77	(2.24)	2,140.53
As at 31.03.2021	17.95	514.70	353.20	9,869.07	22.20	10,777.12

Recognised in Statement of Profit and Loss

(₹ in crore)

Particulars	For the year ended 31.03.2021	For the year ended 31.03.2020
Increase/ (Decrease) in Deferred Tax Liabilities	2,700.56	3,003.37
Decrease / (Increase) in Deferred Tax Assets	(2,140.53)	(1,714.54)
Total	560.03	1,288.83

a) In the opinion of the management, it is probable that future economic benefits will flow to the company in the form of availability of set off against future income tax liability by recognizing MAT credit as follows:

Future taxable profits will be adjusted against (a) tax holiday u/s 80-IA of Income Tax Act, 1961 for the projects commissioned upto 31.03.2017 (b) initial depreciation on the assets to be commissioned in future and (c) regular income tax depreciation u/s 32 of Income Tax Act, 1961 and thereafter tax amount will be set off against MAT credit to the extent of ₹ 2,158.77 crore (Previous Year ₹ 1,774.60 crore). Hence, the same has been recognised as Deferred Tax Assets during the year.

Note 26: Deferred tax liabilities (Net) (Contd.)

b) MAT credit available to the company in future but not recognised in the books: (₹ in crore)

For the Financial Year	As at 31.03.2021	Expiry Date	As at 31.03.2020	Expiry Date
2015-16	1,421.20	31.03.2026	1,421.20	31.03.2026
2014-15	1,281.23	31.03.2025	1,281.23	31.03.2025
2013-14	1,085.14	31.03.2024	1,085.14	31.03.2024
2012-13	1,071.31	31.03.2023	1,071.31	31.03.2023
2011-12	239.01	31.03.2022	239.01	31.03.2022
2010-11	-	31.03.2021	9.36	31.03.2021

Note 27: Other non-current liabilities

(₹ in crore)

Particulars	As at 31 March 2021	As at 31 March 2020
Advance from customers (Consultancy/Telecom services) \$	215.76	233.51
Others*	129.34	127.53
Total	345.10	361.04

Further Notes:

\$ Refer Note 46 for disclosure as per Ind AS 115 'Revenue from Contracts with Customers'.

*Others includes amount payable to Customers upon recovery.

Note 28: Borrowings

(₹ in crore)

Particulars	As at 31 March 2021	As at 31 March 2020
Short Term - Unsecured		
From Banks	600.00	-
Commercial Paper	1,200.00	3,000.00
Total	1,800.00	3,000.00

Further Notes:

- Commercial Papers/short term loan are unsecured in nature, with rate of interest ranging from 3.07% to 5.59% (Previous Year from 5.08% to 6.93%) and repayable within 44 days to 270 days (Previous Year in 28 days to 90 days) from the date of drawl.
- There has been no default in repayment of loans or payment of interest thereon as at the end of the year.

Note 29: Trade payables

(₹ in crore)

Particulars	As at 31 March 2021	As at 31 March 2020
For goods and services		
(A) total outstanding dues of micro enterprises and small enterprises	29.76	11.59
(B) total outstanding dues of creditors other than micro enterprises and small enterprises	156.54	214.13
Total	186.30	225.72

Further Notes:

Disclosure with regard to Micro and Small enterprises as required under "Division II of Schedule III of The Companies Act, 2013" and "The Micro, Small and Medium Enterprises Development Act, 2006" is given in Note No 49.



Note 30: Other Current Financial Liabilities

(₹ in crore)

Particulars	As at 31 March 2021	As at 31 March 2020
Current maturities of long term borrowings		
Secured		
Bonds	8,223.72	5,007.96
Rupee Term Loans	954.00	1,454.00
Foreign Currency Loans	2,722.35	2,434.48
	11,900.07	8,896.44
Un-secured		
Foreign Currency Loans	271.34	662.09
	12,171.41	9,558.53
Interest accrued but not due on borrowings from		
Foreign Banks & Financial Institutions	94.09	225.00
Secured/Unsecured redeemable Bonds	3,007.43	3,028.62
	3,101.52	3,253.62
Interest accrued but not due from Govt. of India fully serviced bonds	36.22	36.90
Others		
Dues for capital expenditure	1,060.31	1,400.86
Employee related liabilities	72.90	70.57
Unclaimed dividends & FPO*	20.88	15.95
Deposits/Retention money from contractors and others	3,510.37	4,215.39
Related parties**	-	2.78
Dividend Payable	2.85	5.40
Lease liabilities ##	3.93	3.70
Others ###	2,483.18	2,267.92
	7,154.42	7,982.57
Total	22,463.57	20,831.62

Further notes:

Disclosure with regard to Micro and Small enterprises as required under “The Micro, Small and Medium Enterprises Development Act, 2006” is given in Note No 49.

* No amount is due for payment to Investor Education and Protection Fund.

** Details of amount payable to related parties are provided in Note 55.

Refer note no 50 for disclosure on Lease liabilities as per Ind AS 116 – “Leases”.

Others include liability for payment against Long Term Access (LTA), Short Term Open Access (STOA), ISTS License recovery, dead cheques, Price variation, etc.

Note 31: Other current liabilities

(₹ in crore)

Particulars	As at 31 March 2021	As at 31 March 2020
Advances from customers *	3,531.15	4,008.88
Advances from customers - related parties #	81.45	79.27
Statutory dues	259.09	179.39
Total	3,871.69	4,267.54

Further notes:

* Refer Note 46 for disclosure as per Ind AS 115 ‘Revenue from Contracts with Customers’.

Details of amount payable to related parties are provided in Note 55.

Note 32: Provisions

(₹ in crore)

Particulars	As at 31 March 2021	As at 31 March 2020
A) Employee Benefits		
i) Performance related pay /special incentive		
As per last balance sheet	461.00	444.50
Addition during the year	509.83	461.00
Amount paid/adjusted during the year	461.00	444.50
Closing Balance	509.83	461.00
ii) Other Employee Benefits (Leave Encashment, Settlement Allowance and Long Service Award etc.)		
As per last balance sheet	76.77	68.11
Additions/(adjustments) during the year	(9.12)	8.66
Closing Balance	67.65	76.77
Total (A)	577.48	537.77
B) Others		
i) Downtime Service Credit-Telecom		
As per last balance sheet	11.36	17.95
Additions during the year	12.38	4.25
Amounts adjusted during the year	14.88	10.84
Closing Balance	8.86	11.36
ii) Provision Others		
As per last balance sheet	192.82	170.03
Additions/(adjustments) during the year	56.72	22.79
Closing Balance	249.54	192.82
Total (B)	258.40	204.18
Total (A+B)	835.88	741.95

Further Notes:**A) Employee Benefits**i) Performance Related Pay/Special Incentive:

Provision is created for Performance Related Pay to Executives and Non-Executives

ii) Other Employee Benefits:

Provision is created for the purpose of meeting out leave encashment, settlement allowance, long service award and POWERGRID Employee Family Rehabilitation Scheme.

B) Others:i) Downtime Service Credit –Telecom:

Provision is created in case when actual downtime is in excess of the permissible service level agreement, in such cases the necessary credit is passed on to the customer on demand.

However, in some case, the downtime is not claimed by the customer then in such cases necessary provision on account of downtime is made in the books of accounts as per the links availability reports received from National Telecom Control Centre (NTCC) for the period of non-operation of links given to the customers. The calculation of downtime credit is based on the SLA signed with various customers.

ii) Provision Others:

It includes provision for entry tax ₹ 156.98 crore (Previous Year ₹ 147.69 crore) as per demand raised by revenue authorities disputed by the company and are under litigation. An amount of ₹ 8.24 crore (Previous Year ₹ 8.24 crore) has been paid under court order and shown as "Balance with custom port trust and other authorities" in note no. 19.

Also includes provision of ₹ 0.46 crore (Previous Year ₹ 0.46 crore) towards demand raised by the commercial taxes department of Telangana in relation to absence of statutory form and other evidence on account of inter-state sale not covered by 'C' form. The Company has filed the appeal before Appellate Deputy Commissioner (ADC) and later on ADC remanded back to the assessing authority for reassessment & decision is awaited.


Note 33: Current Tax Liabilities (Net)

(₹ in crore)

Particulars	As at 31 March 2021	As at 31 March 2020
Taxation (Including interest on tax)		
As per last balance sheet	6,453.47	6,001.82
Additions during the year	2,610.49	2,575.56
Amount adjusted during the year	2.20	2,123.91
Total	9,061.76	6,453.47
Net off against Advance tax and TDS	8,636.25	6,430.69
Closing Balance	425.51	22.78

Note 34: Deferred Revenue

(₹ in crore)

Particulars	As at 31 March 2021	As at 31 March 2020
Advance against depreciation	1,010.75	1,170.80
Grants in aid (Refer Further Notes)		
As per last Balance Sheet	4,147.01	4,173.32
Addition during the year	107.99	233.94
Adjustments during the year	328.89	260.25
Closing balance	3,926.11	4,147.01
Deferred income from foreign currency fluctuation (Net)	4,817.29	5,598.21
Total	9,754.15	10,916.02

Further Notes:

- Grant in Aid of ₹ 5.95 crore (Previous Year ₹ 74.68 crore) was received from Power System Development Fund (PSDF) under Ministry of Power (MoP), Govt. of India (GoI) for installation of STATCOM in ER (ERSS-XI) and SR (System Strengthening in SR-XXI). In addition to Grant received, an interest of ₹ 1.43 crore (Previous Year ₹ 4.44 crore) credited to the Grant.
- Grant in Aid of ₹ 0.00 crore (Previous Year ₹ 30.27 crore) was received from Power System Development Fund (PSDF) under MoP, GoI for establishment of Unified Real Time Dynamic State Measurement (URTDSM). In addition to Grant received, an interest of ₹ 0.75 crore (Previous Year ₹ 1.41 crore) credited to the Grant.
- Grant in Aid, of ₹ 99.83 crore (Previous Year ₹ 122.89 crore) including interest has been recognised, from Ministry of New & Renewable Energy (MNRE), GoI for establishment of transmission system associated with Ultra Mega Solar Parks in Andhra Pradesh, Karnataka, Madhya Pradesh, Rajasthan and Gujarat.
- Grant in Aid of ₹ 0.03 crore (Previous Year ₹ 0.25 crore) has been recognised under achievement linked/incentive award scheme for Government Sector by Ministry of New & Renewable Energy (MNRE), GoI for establishing solar roof top plants in various buildings of the company.

Note 35: Revenue from operations

(₹ in crore)

Particulars	For the year ended 31 March 2021	For the year ended 31 March 2020
Sales of services		
Transmission Business		
Transmission Charges	35,960.86	33,780.29
Add: Revenue recognised out of Advance Against Depreciation	160.06	152.65
	36,120.92	33,932.94

Note 35: Revenue from operations (Contd.)

(₹ in crore)

Particulars	For the year ended 31 March 2021	For the year ended 31 March 2020
Other Operating Revenue		
Interest on differential Provisional and Final Tariff	2.48	676.04
Income from lease lines	4.63	7.12
Recognised from deferred revenue - Grant in aid	328.89	260.25
	336.00	943.41
	36,456.92	34,876.35
Telecom Business	707.45	698.21
Consultancy Project Management and Supervision	501.28	610.98
Total	37,665.65	36,185.54

Further Notes:

- In exercise of powers u/s 178 of the Electricity Act 2003, Central Electricity Regulatory Commission (CERC) has notified "CERC (Terms and Conditions of Tariff) Regulations, 2019" vide order dated 07.03.2019 for the determination of transmission tariff for the block period 2019-24.
- The company has recognised transmission income during the year as per the following:
 - ₹ 9,407.16 crore (Previous Year ₹ 0.00 crore) as per final tariff orders issued by CERC for block period 2019-24 and
 - ₹ 26,713.76 crore (Previous Year ₹ 33,932.94 crore) provisionally as per CERC Tariff Regulations for the block period 2019-24 and other orders in similar cases, in respect of transmission assets for which final tariff orders are yet to be issued.
- Consequent to the final order issued by CERC, transmission income includes ₹ 538.30 crore (increase) (Previous Year ₹ 173.30 crore (increase)) pertaining to earlier years.
- Refer note no. 65 for disclosure on formation of wholly owned subsidiary of the company to undertake Telecommunications and Digital Technology Business of the company and wholly owned subsidiary of the company to undertake Energy Management services and Consultancy Business of the company.
- Refer note no. 46 for disclosure as per Ind AS 115 "Revenue from Contracts with Customer".

Note 36: Other income

(₹ in crore)

Particulars	For the year ended 31 March 2021	For the year ended 31 March 2020
Interest income from financial assets at amortised cost		
Indian Banks	58.59	154.23
Interest on loan to Subsidiaries	1,055.77	920.12
Interest on Loan to Joint Ventures (JVs)	11.71	14.00
Others*	99.78	30.47
	1,225.85	1,118.82
Interest from advances to contractors	13.68	17.05
	1,239.53	1,135.87
Dividend income from investment in		
Subsidiaries	546.63	228.26
Joint Ventures	107.15	69.41
Equity investments designated at fair value through other comprehensive income	9.00	5.35
	662.78	303.02



Note 36: Other income (Contd.)

(₹ in crore)

Particulars	For the year ended 31 March 2021	For the year ended 31 March 2020
Others		
Profit on sale of Property, Plant and Equipment	12.60	1.14
Finance Income from finance lease	81.18	85.13
Surcharge	714.15	297.54
FERV gain	0.02	0.31
Provisions written back	24.55	147.56
Fair Value gain on initial recognition of Financial liability/investment	19.31	69.74
Miscellaneous income **	129.41	147.58
	981.22	749.00
	2,883.53	2,187.89
Less: Transferred to expenditure during construction (Net) - Note 43	22.07	55.46
Total	2,861.46	2,132.43

Further Notes:

* Others include interest on employee loans, unwinding of finance cost on employee loans etc.

** Miscellaneous income include Sale of Scrap, Insurance Claim Recovery, UI Charges etc.

Note 37: Employee benefits expense

(₹ in crore)

Particulars	For the year ended 31 March 2021	For the year ended 31 March 2020
Salaries, wages, allowances & benefits	2,068.18	2,019.71
Contribution to provident and other funds	322.95	185.21
Staff Welfare expenses (Including Deferred Employee cost)	203.24	243.37
	2,594.37	2,448.29
Less: Transferred to Expenditure during Construction (Net) - Note 43	483.63	486.25
Transferred to CSR expenses - Note 40	-	2.57
Total	2,110.74	1,959.47

Further Notes:

a) Refer note no. 55 for Remuneration to Key Managerial Personnel (KMPs).

b) Refer note no. 63 for details of Employee Benefit Obligations.

Note 38: Finance costs

(₹ in crore)

Particulars	For the year ended 31 March 2021	For the year ended 31 March 2020
Interest and finance charges on financial liabilities at amortised cost		
Indian Banks & Financial Institutions	1,870.82	2,353.69
Foreign Banks and Financial Institutions	562.31	1,047.19
Secured/Unsecured redeemable Bonds	6,062.56	6,197.47
Foreign Currency Bonds	156.82	150.49
Unwinding of discount on financial liabilities	60.17	96.17
Interest - Others	5.26	0.27
Interest on Lease Liability	1.75	1.30
	8,719.69	9,846.58

Note 38: Finance costs (Contd.)

(₹ in crore)

Particulars	For the year ended 31 March 2021	For the year ended 31 March 2020
Other Finance charges		
Commitment charges	1.28	4.92
Guarantee Fee	376.44	363.69
Others*	58.25	36.22
	435.97	404.83
Exchange differences regarded as adjustment to Borrowing Cost	(223.10)	1,343.96
	212.87	1,748.79
	8,932.56	11,595.37
Less: Transferred to Expenditure during Construction (Net) - Note 43	431.55	1,781.75
Total	8,501.01	9,813.62

Further Notes:

*Others includes agency fees, trustee fees, RTA & Listing Fees, Rating Fees, interest on land compensation, tree & crop compensation etc.

Note 39: Depreciation and amortization expense

(₹ in crore)

Particulars	For the year ended 31 March 2021	For the year ended 31 March 2020
Depreciation of Property, Plant and Equipment	11,921.39	11,289.93
Amortization of Intangible assets	118.72	117.30
Depreciation on ROU Assets	20.06	16.90
	12,060.17	11,424.13
Less: Transferred to Expenditure During Construction (Net) - Note 43	12.56	10.40
	12,047.61	11,413.73
Less: Depreciation amortised due to FERV adjustment	335.93	340.55
Charged to Statement of Profit & Loss	11,711.68	11,073.18

Note 40: Other expenses

(₹ in crore)

Particulars	For the year ended 31 March 2021	For the year ended 31 March 2020
Repair & Maintenance		
Buildings	90.00	92.21
Plant & Machinery		
Sub-Stations	385.10	434.49
Transmission lines	204.36	153.11
Telecom equipments	45.02	38.85
Others	39.10	43.14
	673.58	669.59
System and Market Operation Charges	55.24	61.03
Power charges	264.42	285.82



Note 40: Other expenses (Contd.)

(₹ in crore)

Particulars	For the year ended 31 March 2021	For the year ended 31 March 2020
Less: Recovery from contractors	2.68	3.07
	261.74	282.75
Expenses of Diesel Generating sets	3.52	4.54
Stores consumed	5.45	7.02
Water charges	4.51	4.01
Right of Way charges-Telecom	62.59	10.27
Patrolling Expenses-Telecom	0.68	0.39
Last Mile connectivity-Telecom	7.44	7.27
Training & Recruitment Expenses	17.78	35.85
Less:Fees for training and application	0.12	0.76
	17.66	35.09
Legal expenses	13.23	19.14
Professional charges	20.95	20.52
Consultancy expenses	0.40	2.00
Communication expenses	20.92	23.49
Inland Travelling Expenses	90.32	119.29
Foreign travel	1.78	8.94
	92.10	128.23
Tender expenses	1.93	2.99
Less: Sale of tenders	1.53	1.00
	0.40	1.99
Payments to Statutory Auditors		
Audit Fees	1.43	1.29
Tax Audit Fees	0.40	0.36
In Other Capacity	1.15	2.83
Arrears	-	0.04
Out of pocket Expenses	0.13	1.05
	3.11	5.57
Advertisement and publicity	6.97	17.44
Printing and stationery	4.41	6.92
Books Periodicals and Journals	0.84	1.30
EDP hire and other charges	10.51	11.88
Entertainment expenses	3.78	2.97
Brokerage & Commission	0.91	1.53
Research & Development expenses	4.55	9.54
Cost Audit and Physical verification Fees	1.39	1.23
Rent #	39.80	50.89
CERC petition & Other charges	73.55	82.28

Note 40: Other expenses (Contd.)

(₹ in crore)

Particulars	For the year ended 31 March 2021	For the year ended 31 March 2020
Miscellaneous expenses	58.17	77.47
Horticulture Expenses	33.64	32.70
Security Expenses	290.98	284.36
Hiring of Vehicle	117.98	113.73
Insurance	110.44	96.78
Rates and taxes	36.93	45.68
License Fees to DOT	62.47	62.28
Bandwidth charges dark fibre lease charges (Telecom)	23.15	20.51
Corporate Social Responsibility (CSR) Expenses *	240.48	346.21
Transit Accomodation Expenses	32.21	29.03
Less : Income from Transit Accomodation	0.97	1.92
	31.24	27.11
Foreign Exchange Rate Variation	60.68	221.95
Provisions for		
Doubtful loans, advances, debts, claims etc.	7.49	6.34
Obsolescence in Stores	-	-
Shortages in Stores	-	-
Others	-	-
	7.49	6.34
	2,553.88	2,896.21
Less:Transferred to Expenditure during Construction (Net) - Note 43	70.00	90.20
	2,483.88	2,806.01
Loss on Disposal/Write off of Property, Plant & Equipment	15.09	18.34
Total	2,498.97	2,824.35

Further Notes:

* Includes an amount of ₹ NIL (Previous Year ₹ 2.57 crore) transferred from Note No 37- 'Employee Benefits Expense'

Refer Note No 50 for Short-term leases expenses.

Note 41: Net Movement in Regulatory Deferral Account Balances-Incomes/(expenses) (net of tax)

(₹ in crore)

Particulars	For the year ended 31 March 2021	For the year ended 31 March 2020
Deferred assets for deferred tax liability	568.46	1,297.69
Foreign Currency Fluctuation	(85.17)	742.10
	483.29	2,039.79
Tax on net movement in regulatory deferral account balances	84.44	356.39
Total	398.85	1,683.40

Further Note:

Refer to note no 51 for detailed disclosure on Regulatory Deferral Account Balances.



Note 42: Other Comprehensive Income

(₹ in crore)

Particulars	For the year ended 31 March 2021	For the year ended 31 March 2020
Items that will not be reclassified to Profit or Loss		
Gain/(Loss) on valuation of Investment in Equity	39.80	(49.35)
Provisions for actuarial valuation	(19.94)	(74.47)
	19.86	(123.82)
Less: Transferred to Expenditure during Construction(Net) - Note 43	(2.44)	(8.23)
	22.30	(115.59)
Income Tax relating to items that will not be reclassified to Profit or Loss	(3.06)	(11.57)
Items that will not be reclassified to Profit or Loss (net of tax)	25.36	(104.02)

Note 43: Expenditure during Construction (Net)

(₹ in crore)

Particulars	For the year ended 31 March 2021	For the year ended 31 March 2020
A. Employees Remuneration & Benefits		
Salaries wages allowances and benefits	419.65	421.35
Contribution to provident and other funds	41.13	39.18
Welfare expenses	22.85	25.72
Total (A)	483.63	486.25
B. Other Expenses		
Repair and maintenance	7.39	7.11
Power charges	7.22	5.37
Less: Recovery from contractors	2.22	1.82
	5.00	3.55
Expenses on Diesel Generating sets	0.06	0.01
Water charges	0.04	0.65
Legal expenses	1.61	3.07
Professional charges	1.32	1.86
Consultancy expenses	0.04	0.51
Communication expenses	2.96	3.32
Travelling & Conv.exp. (Including Foreign Travel)	17.81	26.14
Tender expenses	1.84	1.61
Less: Sale of tenders	1.46	0.94
	0.38	0.67
Payment to Auditors	0.10	0.08
Advertisement and Publicity	0.07	-
Printing and stationery	0.32	0.57
Books, Periodicals and Journals	-	0.03

Note 43: Expenditure during Construction (Net) (Contd.)

(₹ in crore)

Particulars	For the year ended 31 March 2021	For the year ended 31 March 2020
EDP hire and other charges	0.11	0.19
Entertainment expenses	0.31	0.24
Brokerage and commission	0.16	0.10
Rent	2.40	2.49
Miscellaneous expenses	1.79	4.93
Horticulture Expenses	0.17	0.72
Security Expenses	11.13	13.10
Hiring of Vehicles	14.04	15.82
Insurance	0.01	-
Rates and taxes	1.94	3.87
Bandwidth charges, dark fibre lease charges(Telecom)	0.01	0.06
Transit Accomodation Expenses	0.83	1.23
Less : Income from Transit Accomodation	-	0.12
	0.83	1.11
Total (B)	70.00	90.20
C. Depreciation/Amortisation	12.56	10.40
Total (C)	12.56	10.40
D. Finance Costs		
a) Interest and finance charges on financial liabilities at amortised cost		
Indian Banks and Financial Institutions	199.64	341.47
Foreign Banks and Financial Institutions	128.42	299.10
Secured/Unsecured Redeemable Bonds	190.65	221.42
Foreign Currency Bonds	0.80	-
Others	8.19	44.42
	527.70	906.41
b) Other finance charges		
Commitment charges	0.85	3.81
Guarantee fee	45.40	76.25
Others	0.90	0.17
	47.15	80.23
c) FERV adjustment to borrowing cost	(143.30)	795.11
Total (D)	431.55	1,781.75



Note 43: Expenditure during Construction (Net) (Contd.)

(₹ in crore)

Particulars	For the year ended 31 March 2021	For the year ended 31 March 2020
E. Less: Other Income		
Interest from		
Contractors	13.05	14.19
	13.05	14.19
Miscellaneous income	9.02	41.27
Total (E)	22.07	55.46
F. Less: Other Comprehensive Income		
Other Comprehensive Income	(2.44)	(8.23)
Total (F)	(2.44)	(8.23)
Grand Total (A+B+C+D-E-F)	978.11	2,321.37

44. Cash equivalent of deemed export benefits availed of ₹ 209.99 crore in respect of supplies effected for East South Inter Connector-II Transmission Project (ESI) and Sasaram Transmission Project (STP), were paid to the Customs and Central Excise Authorities in accordance with direction from Ministry of Power (GOI) during 2002-03 due to non-availability of World Bank loan for the entire supplies in respect of ESI project and for the supplies prior to March 2000 in respect of STP project and the same was capitalised in the books of accounts. Thereafter, World Bank had financed both the ESI project and STP project as originally envisaged and they became eligible for deemed export benefits. Consequently, the company has lodged claims with the Customs and Excise Authorities.

In this regard the Cumulative amount received and de-capitalized upto 31.03.2021 is ₹ 12.12 crore (Previous Year ₹ 12.12 crore). The company continued to show the balance of ₹ 197.87 crore (Previous Year ₹ 197.87 crore) in the capital cost of the respective assets / projects pending receipt of the same from Customs and Excise Authorities.

- 45.** a) Some balances of Trade Receivables and recoverable shown under Assets and Trade and Other Payables shown under Liabilities include balances subject to confirmation/ reconciliation and consequential adjustments if any. However, reconciliations are carried out on ongoing basis. The management does not expect any material adjustment in the books of accounts as a result of the reconciliation.
- b) In the opinion of the management, the value of any of the assets other than Property, Plant and Equipment and non-current investments on realization in the ordinary course of business will not be less than the value at which they are stated in the Balance Sheet.

46. Disclosure as per Ind AS 115 - “Revenue from Contracts with Customer”

- a) For milestone-based contracts (consultancy contracts), unsatisfied performance obligations are as follows:

(₹ in crore)

Particulars	As at 31.03.2021	As at 31.03.2020
Transaction price related to unsatisfied (or partially satisfied) performance obligation	2,477.46	2,611.14
These performance obligations are expected to be satisfied within	3 Years	4 Years

46. Disclosure as per Ind AS 115 - “Revenue from Contracts with Customer” (Contd.)

b) The movement in unbilled revenue during the year is as follows: (₹ in crore)

Particulars	For the year ended 31.03.2021	For the year ended 31.03.2020
Balance at the beginning	5,163.51	6,461.64
Add: Revenue recognised during the period	6,277.14	2,423.74
Less: Invoiced during the period	4,374.97	3,827.58
Less: Impairment/reversal during the period	-	(105.71)
Add: Translation gain/(Loss)	-	-
Balance at the end	7,065.68	5,163.51

c) The movement in contract liability during the year is as follows: (₹ in crore)

Particulars	For the year ended 31.03.2021	For the year ended 31.03.2020
Balance at the beginning	1,164.02	1,261.19
Add: Advance billing during the period	548.83	537.01
Less: revenue recognised during the period		
a) From contract liability as at beginning of the period	588.09	558.07
b) From contract liability recognised during the period	89.45	76.37
Add: Translation gain/(Loss)	(0.17)	0.26
Balance at the end	1,035.14	1,164.02

d) The entity determines transaction price based on expected value method considering its past experiences of refunds or significant reversals in amount of revenue. In estimating significant financing component, management considers the financing element inbuilt in the transaction price based on imputed rate of return. Reconciliation of Contracted Price vis-a-vis revenue recognized in profit or loss statement is as follows:

(₹ in crore)

Particulars	For the year ended 31.03.2021	For the year ended 31.03.2020
Contracted price	36,790.75	34,748.04
Add/ (Less)- Discounts/ rebates provided to customer	(107.79)	(130.99)
Add/ (Less)- Performance bonus	413.53	375.73
Add/ (Less)- Adjustment for significant financing component	73.10	96.70
Add/ (Less)- Other adjustments	496.06	1,096.06
Revenue recognized in profit or loss statement	37,665.65	36,185.54

47. (i) FERV Gain ₹ 450.57 crore (Previous Year FERV Loss ₹ 2,079.72 crore) has been adjusted in the respective carrying amount of Property, Plant and Equipment/Capital work in Progress (CWIP)/Lease Receivables.

(ii) FERV Loss of ₹ 60.66 crore (Previous Year ₹ 221.64 crore) has been recognised in the Statement of Profit and Loss.

48. Borrowing cost capitalised during the year is ₹ 431.55 crore (Previous Year ₹ 1,781.75 crore) in the respective carrying amount of Property, Plant and Equipment/Capital work in Progress (CWIP) as per Ind AS 23 ‘Borrowing Costs’.



49. Based on information available with the company, there are few suppliers/service providers who are registered as micro, small or medium enterprise under The Micro, Small and Medium Enterprises Development Act, 2006 (MSMED Act, 2006). Information in respect of micro and small enterprises as required by Companies Act 2013 and MSMED Act, 2006 is given as under:

(₹ in crore)

Sr. No	Particulars	Trade Payables		Others	
		As at 31.03.2021	As at 31.03.2020	As at 31.03.2021	As at 31.03.2020
1	Principal amount and interest due thereon remaining unpaid to any supplier as at end of each accounting year: Principal Interest	29.75 0.01	11.58 0.01	3.65 -	2.98 -
2	The amount of Interest paid by the buyer in terms of section 16 of the MSMED Act, 2006 along with the amount of the payment made to the supplier beyond the appointed day during each accounting year	-	0.04	-	-
3	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 MSMED Act, 2006	0.01	-	-	-
4	The amount of interest accrued and remaining unpaid at the end of each accounting year	0.01	0.01	-	-
5	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	-	-	-	-

50. Disclosure as per Ind AS 116 - "Leases"

a) As a Lessor - Finance Leases:

The Company has classified and accounted for the arrangements for state sector ULDC assets and bilateral assets as finance leases. Agreements for State Sector ULDC are for a period of 15 years and Bilateral Line Assets with the beneficiary are for the period as specified in CERC Regulations.

Other Non-Current Financial Assets and Other Current Financial Assets include lease receivables representing the present value of future lease rentals receivable on the finance lease transactions entered into by the company with the constituents in respect of State Sector ULDC and Bilateral Line Assets. Disclosure requirements of Ind AS 116 'Leases' notified under the Companies Act, 2013 are given as under:

(i) Details of gross investment in lease, un-earned finance income and present value of minimum lease payments receivables at the end of financial year are given as under:

(₹ in crore)

Particulars	As at 31.03.2021	As at 31.03.2020
Gross investment in Lease	1452.27	1547.26
Un-earned Finance Income	902.54	980.06
Present value of Minimum Lease Payment (MLP)	549.73	567.20

50. Disclosure as per Ind AS 116 - "Leases" (Contd.)

(ii) The value of contractual maturity of such leases is as under: (₹ in crore)

Particulars	Gross Investment in Lease		Present Value of MLPs	
	As at	As at	As at	As at
	31.03.2021	31.03.2020	31.03.2021	31.03.2020
Not later than one year	129.19	132.37	48.46	50.15
Later than one year and not later than two years	129.00	127.38	49.27	46.21
Later than two years and not later than three years	129.00	127.19	50.39	47.02
Later than three years and not later than four years	129.00	127.19	51.65	48.14
Later than four years and not later than five years	129.00	127.19	53.07	49.39
Later than five years	807.08	905.94	296.89	326.29
Total	1,452.27	1,547.26	549.73	567.20

(iii) There are differences in balance lease receivable as at year end as per accounts and tariff records on account of:

- Undischarged liabilities amounting to ₹ 53.36 crore (Previous Year ₹ 61.30 crore). Such cost become part of project cost only on discharge of such liabilities.
- Unamortized FERV on loans included in lease receivable amounting to ₹ 51.66 crore (Previous Year ₹ 21.47 crore). Such FERV are allowed to be recovered as part of tariff on actual payment basis.

b) As a Lessee:

The company has taken assets on lease such as dark fibre, colocation & repeater shelter spaces and office buildings etc. for various periods which are assessed and accounted as per the requirements of Ind AS 116 - "Leases" and required disclosures as per the said Ind AS are as follows:

(i) ROU Assets:

Additions, termination/disposal and depreciation charge on right of use assets for the year and carrying amount of the same as at the end of the financial year by class of underlying asset has been disclosed in note no. 4 as a separate line item.

(ii) Lease Liabilities:

Interest expense on lease liabilities for the year is shown under note no. 38 and total cash outflow for leases for the year has been disclosed in statement of cash flow under financing activities as separate line item and maturity analysis of lease liabilities has been disclosed in note no. 61.

(iii) Short term leases:

The company, during the financial year, has incurred ₹ 37.56 crore (Previous Year ₹ 48.85 crore) with respect to short term leases.

The company was committed to short term leases and the total commitment of such leases at the end of financial year was ₹ 5.94 crore (Previous Year ₹ 4.83 crore).

51. Disclosures relating to Regulatory Deferral Account Balances

i) Nature of rate regulated activities

The company is mainly engaged in the business of transmission of power. The tariff for transmission of power is determined by the CERC through tariff regulations. The tariff is based on capital cost admitted by CERC and provides for transmission charges recovery of annual fixed cost consisting of Return on equity, Interest on loan capital, Depreciation, interest on working capital and Operation & Maintenance expenses.

ii) Recognition and measurement

FERV arising during the construction period for settlement/translation of monetary items (other than non-current loans) denominated in foreign currency to the extent recoverable/payable to the beneficiaries as capital cost as per CERC Tariff Regulations are accounted as Regulatory Deferral Account Balances. In respect of long term foreign currency loan drawn on or after 01.04.2016, exchange difference to the extent recoverable as per CERC Tariff Regulations are recognised as Regulatory Deferral Account Balances. The company expects to recover these amounts through depreciation component of the tariff over the life of the asset or as exchange rate variation on repayment of the loan.

The tariff norms for the block period 2019-2024 notified by the Central Electricity Regulatory Commission (CERC) provide for grossing up of the return on equity based on effective tax rate for the financial year based on the actual tax paid during the



51. Disclosures relating to Regulatory Deferral Account Balances (Contd.)

year on the transmission income. Accordingly, deferred tax provided during the year ended 31.03.2021 on the transmission income is accounted as 'Deferred Assets against Deferred Tax Liability'. Deferred Assets against Deferred Tax Liability for the year will be reversed in future years (including tax holiday period) when the related deferred tax liability forms a part of current tax.

The cumulative amount of ₹ 134.16 crore (cumulative previous year amount of ₹ 134.16 crore) on account of pay revision is recoverable from the beneficiaries is included in Regulatory Deferral Account Balances and will be adjusted in the year in which they become recoverable from beneficiaries as per CERC. Amount of regulatory deferral account balances is on undiscounted basis.

iii) Risk associated with future recovery/ reversal of regulatory deferral account balances

(a) regulatory risk on account of changes in regulations.

(b) other risks including currency or other market risks, if any.

Any change in the Tariff regulations beyond the current tariff period ending on 31.03.2024 may have an impact on the recovery of Regulatory Deferral Account Balances.

The Regulatory Deferral Account Balances (assets) recognized in the books to be recovered from the beneficiaries in future periods are as follows:

(₹ in crore)

Particulars	As at 31.03.2021	As at 31.03.2020
A. Opening Balance	10,123.06	8,083.27
B. Addition/(deduction) during the year	553.94	2,045.17
C. Amount collected/refunded during the year	70.65	5.38
D. Regulated Income/(Expense) recognized in the statement of Profit and Loss (B-C)	483.29	2,039.79
E. Closing Balance (A+D)	10,606.35	10,123.06
F. Tax on Regulated Income/(Expense) recognized in the statement of Profit and Loss	84.44	356.39

52. Disclosure as required by Regulation 34 (3) of SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015

A. Loans and Advances in nature of Loans:

1. To Subsidiary Companies and Joint Ventures

(₹ in crore)

Name of the Company	Outstanding balance		Maximum amount outstanding	
	As at 31.03.2021	As at 31.03.2020	For the year ended 31.03.2021	For the year ended 31.03.2020
Subsidiary				
Powergrid NM Transmission Limited	891.36	1,088.90	1,094.41	1,088.90
Powergrid Vizag Transmission Limited	783.99	531.50	813.31	614.50
Powergrid Unchahar Transmission Limited	36.06	40.32	40.32	46.32
Powergrid Kala Amb Transmission Limited	186.00	203.26	203.26	225.28
Powergrid Jabalpur Transmission Limited	1,183.00	1,221.56	1,221.56	1,289.58
Powergrid Warora Transmission Limited	1,540.00	1,564.00	1,567.50	1,682.00
Powergrid Parli Transmission Limited	1,300.50	1,366.50	1,366.50	1,475.50
Powergrid Southern Interconnector Transmission System Limited	2,745.28	2,863.66	2,923.66	2,863.66
Powergrid Medinipur Jeerat Transmission Limited	2,373.02	2,082.26	2,373.02	2,082.26

52. Disclosure as required by Regulation 34 (3) of SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 (Contd.)

(₹ in crore)

Name of the Company	Outstanding balance		Maximum amount outstanding	
	As at 31.03.2021	As at 31.03.2020	For the year ended 31.03.2021	For the year ended 31.03.2020
Powergrid Mithilanchal Transmission Limited	864.16	647.97	864.16	647.97
Powergrid Varanasi Transmission System Limited	658.05	536.26	658.05	536.26
Powergrid Jawaharpur Firozabad Transmission Limited	325.66	211.34	325.66	211.34
Powergrid Khetri Transmission System Limited	632.97	212.47	632.97	212.47
Powergrid Bhuj Transmission Limited	331.53	83.01	331.53	83.01
Powergrid Bhind Guna Transmission Limited	241.90	48.05	241.90	48.05
Powergrid Ajmer Phagi Transmission Limited	432.32	162.70	432.32	162.70
Powergrid Fatehgarh Transmission Limited	446.86	146.79	446.86	146.79
Powergrid Rampur Sambhal Transmission Limited	105.38	15.14	105.38	15.14
Powergrid Meerut Simbhavali Transmission Limited	161.99	30.98	161.99	30.98
Central Transmission Utility of India Limited	-	-	-	-
Powergrid Ramgarh Transmission Limited	5.82	-	5.82	-
Joint Ventures				
National High Power Test Laboratory Private Limited	18.40	18.40	18.40	18.40
Teestavalley Power Transmission Limited	29.29	77.12	95.00	191.72
Total	15,293.54	13,152.19	15,923.57	13,672.83

2. To firms/companies in which directors are interested: NIL

B. Investment by the loanee (as detailed above) in the shares of Power Grid Corporation of India Ltd: NIL
53. Corporate Social Responsibility (CSR) Expenses

As per Section 135 of the Companies Act, 2013 along with Companies (Corporate Social Responsibility Policy) Rules, 2014 read with DPE guidelines no F.No.15 (13)/2013-DPE (GM), the Company is required to spend, in every financial year, at least two per cent of the average net profits of the Company made during the three immediately preceding financial years in accordance with its CSR Policy. The details of CSR expenses for the year are as under:-

(₹ in crore)

Sl. No.	Particulars	For the year ended 31.03.2021	For the year ended 31.03.2020
A	Amount required to be spent during the year	233.79	209.92
B	Amount spent on CSR –		
	(i) Construction or acquisition of any asset	115.72	111.12
	(ii) on Purpose other than (i) above	124.76	235.09
C	Total Shortfall/(Excess) amount	(6.69)	(136.29)
D	Break-up of the amount spent on CSR		
	1. Education and Skill Development expenses	37.54	46.89
	2. Ecology and Environment Expenses	7.26	37.30
	3. Health and Sanitation expenses	171.96	219.30
	4. Sports, Art and Culture expenses	1.85	0.09



53. Corporate Social Responsibility (CSR) Expenses (Contd.)

(₹ in crore)

Sl. No.	Particulars	For the year ended 31.03.2021	For the year ended 31.03.2020
5.	Protection of national heritage, art and culture including restoration of building and sites of historical importance	0.01	2.32
6.	Other CSR activities	21.50	36.97
7.	Salaries, wages and other benefits of Company's own CSR personnel limited to 5% of total amount required to be spent on CSR	0.36	3.34
	Total Amount spent on CSR	240.48	346.21
	Amount spent in Cash out of above	233.67	337.65
	Amount yet to be spent in Cash	6.81	8.56

54. Fair Value Measurement

(₹ in crore)

Financial Instruments by category	As at 31.03.2021		As at 31.03.2020	
	FVOCI	Amortised cost	FVOCI	Amortised cost
Financial Assets				
<u>Investments</u>				
<u>Equity Instruments</u>				
PTC India Limited (12000006 shares of ₹ 10 each)	93.30		46.50	
Energy Efficiency Services Limited (56118350 shares of ₹ 10 each)	45.40		52.40	
Trade Receivables		3,621.34		4,867.90
Loans		15,902.92		13,663.16
Cash & cash Equivalents		4,430.05		4,805.14
Bank Balance		936.15		615.37
<u>Other Financial Assets</u>				
Current		7,940.04		5,631.40
Non-Current		4,093.92		4,095.69
Total Financial Assets	138.70	36,924.42	98.90	33,678.66
Financial Liabilities				
<u>Borrowings</u>				
Trade Payables		1,46,153.00		1,51,233.26
<u>Other Financial Liabilities</u>				
Current		186.30		225.72
Non-Current		7,190.64		8,019.47
		3,587.01		3,515.63
Total Financial Liabilities	-	1,57,116.95	-	1,62,994.08

This section explains the judgements and estimates made in determining the fair values of the financial instruments that are measured at fair value and financial instruments that are measured at amortised cost and for which fair values are disclosed in the financial statements. To provide an indication about the reliability of the inputs used in determining fair value, the company has classified its financial instruments into the three levels prescribed under the accounting standard. An explanation of each level follows underneath the table.

54. Fair Value Measurement (Contd.)

Financial instruments that are measured at Fair value:

(₹ in crore)

Particulars	Level 1	Level 2	Level 3	Total
As at 31.03.2021				
Financial Assets				
<u>Investments</u>				
Equity Instruments				
PTC India Limited (12000006 shares of ₹ 10 each)	93.30	-	-	93.30
Energy Efficiency Services Limited (56118350 shares of ₹ 10 each)	-	45.40	-	45.40
Total Financial Assets	93.30	45.40	-	138.70

(₹ in crore)

Particulars	Level 1	Level 2	Level 3	Total
As at 31.03.2020				
Financial Assets				
<u>Investments</u>				
Equity Instruments				
PTC India Limited (12000006 shares of ₹ 10 each)	46.50	-	-	46.50
Energy Efficiency Services Limited (56118350 shares of ₹ 10 each)	-	52.40	-	52.40
Total Financial Assets	46.50	52.40	-	98.90

Financial instruments that are measured at Amortised Cost:

(₹ in crore)

Particulars	Level	As at 31.03.2021		As at 31.03.2020	
		Carrying Amount	Fair value	Carrying Amount	Fair value
Financial Assets					
Loans					
Loans to Subsidiaries	2	15,453.29	15,421.01	13,235.17	13,042.90
Loan to Joint Venture	2	52.88	49.04	99.56	92.59
Loans to employees	2	396.75	379.82	328.43	320.73
Total Financial Assets		15,902.92	15,849.87	13,663.16	13,456.22
Financial Liabilities					
Borrowings	2	1,46,153.00	1,52,058.52	1,51,233.26	1,56,200.86
Deposits/retention money from contractors and others	2	3,605.57	3,955.61	3,539.83	3,846.38
Total Financial Liabilities		1,49,758.57	1,56,014.13	1,54,773.09	1,60,047.24

The carrying amounts of trade receivables, trade payables, cash and cash equivalents and other current financial liabilities are considered to be the same as their fair values, due to their short-term nature.

For financial assets that are measured at fair value, the carrying amounts are equal to the fair values.

Level 1: Level 1 hierarchy includes financial instruments measured using quoted prices. This includes listed equity bonds which are traded in the stock exchanges, valued using the closing price as at the reporting period.

Level 2: The fair value of financial instruments that are not traded in an active market (for example, traded bonds) is determined using valuation techniques which maximise the use of observable market data and rely as little as possible on entity-specific estimates. If all significant inputs required to fair value an instrument are observable, the instrument is included in level 2.



54. Fair Value Measurement (Contd.)

Level 3: If one or more of the significant inputs is not based on observable market data, the instrument is included in level 3. This is the case for unlisted equity securities, contingent consideration and indemnification assets included in level 3.

There are no transfers between levels 1 and 2 during the year. The company's policy is to recognise transfers into and transfers out of fair value hierarchy levels as at the end of the reporting period.

Valuation technique used to determine fair value:

Specific valuation techniques used to value financial instruments include:

- the use of quoted market prices or dealer quotes for similar instruments
- the fair value of Energy Efficiency Services Limited has been determined by making qualitative adjustment to trading multiples such as P/E, EV/EBITDA of comparable listed prices. The same has been included in Level 2 fair value hierarchy.
- the fair value of the remaining financial instruments is determined using discounted cash flow analysis.

All of the resulting fair value estimates are included in level 2 apart from equity instruments of PTC India Limited which is included in Level 1 fair value hierarchy.

Fair value of financial instruments has been determined by an independent valuer.

55. Disclosure as per Ind AS 24 - "Related Party Disclosures"

(a) Subsidiaries

Name of entity	Place of business/ country of incorporation	Proportion of Ownership Interest	
		As at 31.03.2021	As at 31.03.2020
Powergrid Vizag Transmission Limited ⁵	India	100%	100%
Powergrid NM Transmission Limited	India	100%	100%
Powergrid Unchahar Transmission Limited	India	100%	100%
Powergrid Kala Amb Transmission Limited ⁵	India	100%	100%
Powergrid Jabalpur Transmission Limited ⁵	India	100%	100%
Powergrid Warora Transmission Limited ⁵	India	100%	100%
Powergrid Parli Transmission Limited ⁵	India	100%	100%
Powergrid Southern Interconnector Transmission System Limited	India	100%	100%
Powergrid Vemagiri Transmission Limited	India	100%	100%
Powergrid Medinipur Jeerat Transmission Limited	India	100%	100%
Powergrid Mithilanchal Transmission Limited (Erstwhile ERSS XXI Transmission Limited)	India	100%	100%
Powergrid Varanasi Transmission System Limited (Erstwhile WR-NR Power Transmission Limited)	India	100%	100%
Powergrid Jawaharpur Firozabad Transmission Limited (Erstwhile Jawaharpur Firozabad Transmission Limited)	India	100%	100%
Powergrid Khetri Transmission System Limited (Erstwhile Khetri Transco Limited)	India	100%	100%
Powergrid Bhuj Transmission Limited (Erstwhile Bhuj-II Transmission Limited)	India	100%	100%
Powergrid Bhind Guna Transmission Limited (Erstwhile Bhind Guna Transmission Limited)	India	100%	100%
Powergrid Ajmer Phagi Transmission Limited (Erstwhile Ajmer Phagi Transco Limited)	India	100%	100%
Powergrid Fatehgarh Transmission Limited (Erstwhile Fatehgarh-II Transco Limited)	India	100%	100%

55. Disclosure as per Ind AS 24 - “Related Party Disclosures” (Contd.)

Name of entity	Place of business/ country of incorporation	Proportion of Ownership Interest	
		As at 31.03.2021	As at 31.03.2020
Powergrid Rampur Sambhal Transmission Limited (Erstwhile Rampur Sambhal Transco Limited)	India	100%	100%
Powergrid Meerut Simbhavali Transmission Limited (Erstwhile Meerut-Simbhavali Transmission Limited)	India	100%	100%
Central Transmission Utility of India Limited ¹	India	100%	Not Applicable
Powergrid Ramgarh Transmission Limited (Erstwhile Ramgarh New Transmission Limited) ²	India	100%	Not Applicable
Jaypee Powergrid Limited ³	India	100%	Not Applicable
Bikaner-II Bhiwadi Transco Limited ⁴	India	100%	Not Applicable

¹Incorporated on 28.12.2020.

²100% equity acquired from REC Power Distribution Company Limited on 09.03.2021.

³Wholly owned subsidiary from 26.03.2021 (Joint venture till 25.03.2021).

⁴100% equity acquired from PFC Consulting Limited on 25.03.2021.

⁵Refer note 19A “Assets classified as held for sale”.

(b) Joint Ventures

Name of entity	Place of business/ country of incorporation	Proportion of Ownership Interest	
		As at 31.03.2021	As at 31.03.2020
Powerlinks Transmission Limited	India	49%	49%
Torrent Power Grid Limited	India	26%	26%
Jaypee Powergrid Limited ¹	India	NA	26%
Parbati Koldam Transmission Company Limited	India	26%	26%
Teestavalley Power Transmission Limited ²	India	30.92%	30.92%
North East Transmission Company Limited	India	26%	26%
National High Power Test Laboratory Private Limited	India	20%	20%
Bihar Grid Company Limited	India	50%	50%
Kalinga Bidyut Prasaran Nigam Private Limited ³	India	NA	50%
Cross Border Power Transmission Company Limited	India	26%	26%
RINL Powergrid TLT Private Limited ⁴	India	50%	50%
Power Transmission Company Nepal Limited	Nepal	26%	26%

¹Joint venture till 25.03.2021 (Wholly owned subsidiary from 26.03.2021).

²POWERGRID & Teesta Urja Ltd are the Joint venture partners in Teestavalley Power Transmission Limited & holds 26% & 74 % equity, respectively as per Shareholding agreement. On call of additional equity by Teestavalley Power Transmission limited, POWERGRID contributed their share while the other JV partner has not yet contributed their share of money. Consequently, the holding of POWERGRID increased to 30.92% against 26% provided in shareholding agreement.

³The present status of the Company (M/s KBPNL) as per MCA website is “Strike Off”.

⁴POWERGRID’s Board of Directors in its meeting held on 01.05.2018 accorded in principle approval to close RINL Powergrid TLT Private Limited (RPTPL) and seek consent of other JV Partner Rashtriya Ispat Nigam Limited (RINL). RINL’s Board of Directors in its meeting held on 08.03.2019 has agreed in principle for winding up proceedings of RPTPL & to seek the approval from Ministry of Steel, Government of India, for closure of RPTPL. RINL’s Board of Directors in its meeting held on 05.11.2019 has advised to put up the closure proposal again to Ministry of steel for onward submission to NITI Ayog. The Ministry of Steel vide letter dated 29.09.2020 informed RINL that closure of RPTPL is being examined and seeks further clarifications from RINL. Accordingly, relevant information was forwarded by RINL to The Ministry of Steel. The Approval from Government is still awaited.

**55. Disclosure as per Ind AS 24 - “Related Party Disclosures” (Contd.)****(c) Key Managerial Personnel****Whole Time Directors**

Name	Designation
Shri K. Sreekant	Chairman & Managing Director
Smt. Seema Gupta	Director (Operations) [Additional Charge of Director (Finance) w.e.f. 06.02.2020 to 05.05.2020 & 14.05.2020 to 03.07.2020]
Shri Rajeev Kumar Chauhan	Director (Projects) [ceased to be director on 31.10.2020]
Shri Vinod Kumar Singh	Director (Personnel)
M. Taj Mukarrum	Director (Finance) w.e.f. 04.07.2020 and CFO w.e.f. 01.08.2020
Shri Abhay Choudhary	Director (Projects) w.e.f. 01.11.2020

Independent Directors

Name	Designation
Shri Manoj Kumar Mittal	Independent Director upto 11.09.2020
Shri Sunil Kumar Sharma	Independent Director
Smt. A.R. Mahalakshmi	Independent Director
Shri M.N. Venkatesan	Independent Director

Government Nominee Directors and other KMP

Name	Designation
Shri Dilip Nigam	Government Nominee Director [ceased to be director on 30.04.2020] & Government Nominee Director w.e.f. 04.01.2021
Shri Tanmay Kumar	Government Nominee Director [ceased to be director on 05.11.2020]
Shri Mritunjay Kumar Narayan	Government Nominee Director w.e.f. 05.11.2020
Smt. Divya Tandon	Company Secretary [ceased to be Company Secretary w.e.f. 30.06.2020]
Shri Mrinal Srivastava	Company Secretary w.e.f. 01.07.2020
Shri K. S. R. Murty	CFO [ceased to be CFO on 31.07.2020]

(d) List of Other Related Parties

Name of Entity	Place of business/ country of incorporation	Nature of Relationship
Powergrid Employees P.F. Trust	India	Post-employment benefit plan of Powergrid
Powergrid Self Contributory Superannuation Benefit (Pension) Fund Trust	India	Post-employment benefit plan of Powergrid
Powergrid Employees Gratuity Fund Trust	India	Post-employment benefit plan of Powergrid
Powergrid Employees Post-Retirement Medical Benefit Trust	India	Post Retirement Benefit plan of Powergrid

55. Disclosure as per Ind AS 24 - “Related Party Disclosures” (Contd.)

(e) Government Related Entities

The company is controlled by the Government of India (GOI), being a Central Public Sector Enterprise (CPSE) under the Ministry of Power, with GOI holding 51.34% (Previous Year 51.34%) of equity shares capital issued and paid up.

The Company has business transactions with other entities controlled by the GOI for procurement of capital equipment, spares and services. Transactions with these entities are carried out at market terms on arms-length basis through a transparent price discovery process against open tenders, except in a few cases of procurement of spares/services from Original Equipment Manufacturer (OEM) for proprietary items/or on single tender basis due to urgency, compatibility or other reasons. Such single tender procurements are also done through a process of negotiation with prices benchmarked against available price data of same/similar items.

The above transactions are in the course of normal day-to-day business operations and are not considered to be significant keeping in view the size, either individually or collectively.

(f) Outstanding balances arising from sales/purchases of goods and services

The following balances are outstanding at the end of the reporting period in relation to transactions with related parties:

(₹ in crore)

Particulars	As at 31.03.2021	As at 31.03.2020
Amounts Receivable		
Loans to Subsidiaries		
Powergrid NM Transmission Limited	891.36	1,088.90
Powergrid Vizag Transmission Limited	783.99	531.50
Powergrid Unchahar Transmission Limited	36.06	40.32
Powergrid Kala Amb Transmission Limited	186.00	203.26
Powergrid Jabalpur Transmission Limited	1,183.00	1,221.56
Powergrid Warora Transmission Limited	1,540.00	1,564.00
Powergrid Parli Transmission Limited	1,300.50	1,366.50
Powergrid Southern Interconnector Transmission System Limited	2,745.28	2,863.66
Powergrid Medinipur Jeerat Transmission Limited	2,373.02	2,082.26
Powergrid Mithilanchal Transmission Limited	864.16	647.97
Powergrid Varanasi Transmission System Limited	658.05	536.26
Powergrid Jawaharpur Firozabad Transmission Limited	325.66	211.34
Powergrid Khetri Transmission System Limited	632.97	212.47
Powergrid Bhuj Transmission Limited	331.53	83.01
Powergrid Bhind Guna Transmission Limited	241.90	48.05
Powergrid Ajmer Phagi Transmission Limited	432.32	162.70
Powergrid Fatehgarh Transmission Limited	446.86	146.79
Powergrid Rampur Sambhal Transmission Limited	105.38	15.14
Powergrid Meerut Simbhavali Transmission Limited	161.99	30.98
Powergrid Ramgarh Transmission Limited	5.82	-
Total	15,245.85	13,056.67
Loans to Joint Ventures		
National High Power Test Laboratory Private Limited	18.40	18.40
Teestavalley Power Transmission Limited	29.29	77.12
Total	47.69	95.52



55. Disclosure as per Ind AS 24 - “Related Party Disclosures” (Contd.)

(₹ in crore)

Particulars	As at 31.03.2021	As at 31.03.2020
Interest Accrued on loan to Subsidiaries		
Powergrid NM Transmission Limited	53.35	78.55
Powergrid Southern Interconnector Transmission System Limited	-	39.68
Powergrid Medinipur Jeerat Transmission Limited	50.67	34.29
Powergrid Mithilanchal Transmission Limited	18.33	8.63
Powergrid Varanasi Transmission System Limited	14.34	7.59
Powergrid Jawaharpur Firozabad Transmission Limited	10.68	4.46
Powergrid Khetri Transmission System Limited	16.13	2.40
Powergrid Bhuj Transmission Limited	8.25	0.53
Powergrid Bhind Guna Transmission Limited	5.48	0.21
Powergrid Ajmer Phagi Transmission Limited	13.01	0.92
Powergrid Fatehgarh Transmission Limited	12.17	1.12
Powergrid Rampur Sambhal Transmission Limited	1.37	0.02
Powergrid Meerut Simbhavali Transmission Limited	3.64	0.10
Powergrid Ramgarh Transmission Limited	0.02	-
Total	207.44	178.50
Interest Accrued on loan to Joint Ventures		
National High Power Test Laboratory Private Limited	1.58	0.83
Teestavalley Power Transmission Limited	3.61	3.21
Total	5.19	4.04
Share Application Money		
<u>Joint Ventures:</u>		
Bihar Grid Company Limited (allotted on 05.05.2020)	-	6.50
Loans to Key Managerial Personnel	0.14	0.09
Other Receivables		
<u>Subsidiaries</u>		
Powergrid Vemagiri Transmission Limited (fully provided refer note no. 11)	19.41	19.40
Powergrid NM Transmission Limited	0.40	10.51
Powergrid Vizag Transmission Limited	-	0.15
Powergrid Unchahar Transmission Limited	1.39	0.72
Powergrid Kala Amb Transmission Limited	1.88	-
Powergrid Jabalpur Transmission Limited	-	0.52
Powergrid Warora Transmission Limited	-	2.93
Powergrid Parli Transmission Limited	0.07	1.36
Powergrid Southern Interconnector Transmission System Limited	0.14	2.34
Powergrid Medinipur Jeerat Transmission Limited	5.24	7.29
Powergrid Mithilanchal Transmission Limited	1.83	9.10
Powergrid Varanasi Transmission System Limited	-	6.36
Powergrid Jawaharpur Firozabad Transmission Limited	0.80	3.04
Powergrid Khetri Transmission System Limited	3.58	3.94
Powergrid Bhuj Transmission Limited	2.89	1.06

55. Disclosure as per Ind AS 24 - “Related Party Disclosures” (Contd.)

(₹ in crore)

Particulars	As at 31.03.2021	As at 31.03.2020
Powergrid Bhind Guna Transmission Limited	1.77	0.85
Powergrid Ajmer Phagi Transmission Limited	0.43	3.01
Powergrid Fatehgarh Transmission Limited	1.61	2.51
Powergrid Rampur Sambhal Transmission Limited	0.80	2.45
Powergrid Meerut Simbhavali Transmission Limited	1.30	3.43
Central Transmission Utility of India Limited	0.03	-
Powergrid Ramgarh Transmission Limited	1.05	-
Jaypee Powergrid Limited	0.49	-
Bikaner-II Bhiwadi Transco Limited	24.55	-
Total	69.66	80.97
Joint Ventures		
Powerlinks Transmission Limited	0.21	0.02
Torrent Power Grid Limited	0.44	0.19
Jaypee Powergrid Limited	-	0.02
Parbati Koldam Transmission Company Limited	0.38	0.38
Teestavalley Power Transmission Limited	6.12	5.75
North East Transmission Company Limited	0.25	1.42
National High Power Test Laboratory Private Limited	0.46	0.62
Bihar Grid Company Limited	1.63	-
Cross Border Power Transmission Company Limited	0.74	0.67
Total	10.23	9.07
Other receivables	79.89	90.04
Advances /Amounts Payable		
<u>Subsidiaries</u>		
Powergrid Kala Amb Transmission Limited	1.67	-
<u>Joint Ventures</u>		
Powerlinks Transmission Limited	0.54	2.78
Torrent Power Grid Limited	0.20	-
Teestavalley Power Transmission Limited	48.03	47.56
North East Transmission Company Limited	19.73	20.29
Bihar Grid Company Limited	0.01	0.30
Cross Border Power Transmission Company Limited	11.27	11.12
Total payables to related parties	81.45	82.05
Other Related Parties		
<u>Outstanding balances with Employees Benefit Trust</u>		
Powergrid Employees P.F. Trust	0.01	34.74
Powergrid Self Contributory Superannuation Benefit (Pension) Fund Trust	-	11.01
Powergrid Employees Gratuity Fund Trust	(0.42)	16.22
Powergrid Employees Post-Retirement Medical Benefit Trust	3.44	27.14
Total	3.03	89.11

Refer note no. 58 for guarantee given on behalf of related parties.


55. Disclosure as per Ind AS 24 - “Related Party Disclosures” (Contd.)
(g) Transactions with related parties

The following transactions occurred with related parties:

(₹ in crore)

Particulars	For the year ended 31.03.2021	For the year ended 31.03.2020
Services provided by the Company		
Consultancy Income		
<u>Subsidiaries</u>		
Powergrid NM Transmission Limited	2.88	2.38
Powergrid Vizag Transmission Limited	3.43	4.05
Powergrid Unchahar Transmission Limited	1.27	0.36
Powergrid Kala Amb Transmission Limited	3.63	5.86
Powergrid Jabalpur Transmission Limited	3.89	4.14
Powergrid Warora Transmission Limited	9.20	13.78
Powergrid Parli Transmission Limited	8.16	13.69
Powergrid Southern Interconnector Transmission System Limited	10.36	8.06
Powergrid Medinipur Jeerat Transmission Limited	13.32	42.00
Powergrid Mithilanchal Transmission Limited	10.67	24.69
Powergrid Varanasi Transmission System Limited	0.60	19.14
Powergrid Jawaharpur Firozabad Transmission Limited	4.24	6.38
Powergrid Khetri Transmission System Limited	10.62	6.43
Powergrid Bhuj Transmission Limited	6.72	3.29
Powergrid Bhind Guna Transmission Limited	4.44	1.99
Powergrid Ajmer Phagi Transmission Limited	6.38	4.55
Powergrid Fatehgarh Transmission Limited	7.58	4.30
Powergrid Rampur Sambhal Transmission Limited	1.80	2.26
Powergrid Meerut Simbhavali Transmission Limited	3.45	3.18
Powergrid Ramgarh Transmission Limited	1.00	-
Jaypee Powergrid Limited	0.01	-
Bikaner-II Bhiwadi Transco Limited	3.78	-
Total	117.43	170.53
<u>Joint Ventures</u>		
Torrent Power Grid Limited	0.67	0.64
Jaypee Powergrid Limited	0.66	0.64
Teestavalley Power Transmission Limited	1.12	1.61
North East Transmission Company Limited	2.49	4.49
National High Power Test Laboratory Private Limited	0.81	0.84
Bihar Grid Company Limited	3.98	13.11
Cross Border Power Transmission Company Limited	1.75	2.02
Total	11.48	23.35
Consultancy Income	128.91	193.88
<u>Interest on Loan</u>		
<u>Subsidiaries</u>		
Powergrid NM Transmission Limited	79.31	89.55
Powergrid Vizag Transmission Limited	58.02	47.30
Powergrid Unchahar Transmission Limited	3.14	3.61
Powergrid Kala Amb Transmission Limited	14.51	16.56

55. Disclosure as per Ind AS 24 - “Related Party Disclosures” (Contd.)

(₹ in crore)

Particulars	For the year ended 31.03.2021	For the year ended 31.03.2020
Powergrid Jabalpur Transmission Limited	89.06	101.62
Powergrid Warora Transmission Limited	114.99	126.71
Powergrid Parli Transmission Limited	99.47	110.93
Powergrid Southern Interconnector Transmission System Limited	211.73	217.90
Powergrid Medinipur Jeerat Transmission Limited	162.92	133.41
Powergrid Mithilanchal Transmission Limited	54.58	32.13
Powergrid Varanasi Transmission System Limited	42.96	26.82
Powergrid Jawaharpur Firozabad Transmission Limited	20.22	5.45
Powergrid Khetri Transmission System Limited	28.96	3.23
Powergrid Bhuj Transmission Limited	13.55	1.17
Powergrid Bhind Guna Transmission Limited	9.27	0.40
Powergrid Ajmer Phagi Transmission Limited	22.61	1.30
Powergrid Fatehgarh Transmission Limited	21.40	1.61
Powergrid Rampur Sambhal Transmission Limited	2.84	0.16
Powergrid Meerut Simbhavali Transmission Limited	6.21	0.26
Powergrid Ramgarh Transmission Limited	0.02	-
Total	1,055.77	920.12
<u>Joint Ventures</u>		
National High Power Test Laboratory Private Limited	1.89	1.40
Teestavalley Power Transmission Limited	9.82	12.60
Total	11.71	14.00
Interest on Loan	1,067.48	934.12
Dividend Received		
<u>Subsidiaries</u>		
Powergrid Vizag Transmission Limited	159.39	71.31
Powergrid Unchahar Transmission Limited	7.78	8.10
Powergrid Kala Amb Transmission Limited	27.15	10.52
Powergrid Jabalpur Transmission Limited	85.08	28.01
Powergrid Warora Transmission Limited	154.17	38.91
Powergrid Parli Transmission Limited	113.06	71.41
Total	546.63	228.26
<u>Joint Ventures</u>		
Powerlinks Transmission Limited	45.86	34.40
Torrent Power Grid Limited	4.21	5.38
Jaypee Powergrid Limited	1.95	4.29
Parbati Koldam Transmission Company Limited	35.11	9.93
North East Transmission Company Limited	16.05	12.83
Cross Border Power Transmission Company Limited	2.65	1.26
Power Transmission Company Nepal Limited	1.32	1.32
Total	107.15	69.41
Dividend received	653.78	297.67
Other income		
Powergrid Unchahar Transmission Limited	0.28	0.03



55. Disclosure as per Ind AS 24 - “Related Party Disclosures” (Contd.)

(₹ in crore)

Particulars	For the year ended 31.03.2021	For the year ended 31.03.2020
<u>Investments made during the year (Equity)</u>		
<u>Subsidiaries</u>		
Powergrid NM Transmission Limited	206.65	14.40
Powergrid Jabalpur Transmission Limited	9.76	44.00
Powergrid Warora Transmission Limited	-	67.00
Powergrid Parli Transmission Limited	2.60	91.00
Powergrid Southern Interconnector Transmission System Limited	-	193.50
Powergrid Medinipur Jeerat Transmission Limited	260.30	289.32
Powergrid Mithilanchal Transmission Limited	93.50	119.95
Powergrid Varanasi Transmission System Limited	43.00	125.00
Powergrid Jawaharpur Firozabad Transmission Limited	77.15	-
Powergrid Khetri Transmission System Limited	161.35	0.05
Powergrid Bhuj Transmission Limited	97.70	0.01
Powergrid Bhind Guna Transmission Limited	50.00	0.05
Powergrid Ajmer Phagi Transmission Limited	111.95	0.05
Powergrid Fatehgarh Transmission Limited	113.40	0.01
Powergrid Rampur Sambhal Transmission Limited	21.47	0.05
Powergrid Meerut Simbhavali Transmission Limited	32.00	0.01
Central Transmission Utility of India Limited	0.05	-
Powergrid Ramgarh Transmission Limited	0.05	-
Jaypee Powergrid Limited	354.50	-
Bikaner-II Bhiwadi Transco Limited	0.01	-
Total	1,635.44	944.40
<u>Joint Ventures</u>		
Teestavalley Power Transmission Limited	-	14.56
Bihar Grid Company Limited	33.00	85.61
Total	33.00	100.17
<u>Investments made during the year (Equity)</u>	1,668.44	1,044.57
<u>Loans given during the year</u>		
<u>Subsidiaries</u>		
Powergrid NM Transmission Limited	6.00	3.00
Powergrid Vizag Transmission Limited	315.81	-
Powergrid Kala Amb Transmission Limited	7.57	4.06
Powergrid Warora Transmission Limited	11.60	12.40
Powergrid Southern Interconnector Transmission System Limited	79.87	156.10
Powergrid Medinipur Jeerat Transmission Limited	290.76	812.48
Powergrid Mithilanchal Transmission Limited	216.20	444.44
Powergrid Varanasi Transmission System Limited	121.79	334.07
Powergrid Jawaharpur Firozabad Transmission Limited	114.32	206.75
Powergrid Khetri Transmission System Limited	420.50	229.06
Powergrid Bhuj Transmission Limited	248.51	83.01
Powergrid Bhind Guna Transmission Limited	193.85	53.34
Powergrid Ajmer Phagi Transmission Limited	269.62	172.89
Powergrid Fatehgarh Transmission Limited	300.07	161.32
Powergrid Rampur Sambhal Transmission Limited	90.24	22.74

55. Disclosure as per Ind AS 24 - “Related Party Disclosures” (Contd.)

(₹ in crore)

Particulars	For the year ended 31.03.2021	For the year ended 31.03.2020
Powergrid Meerut Simbhavali Transmission Limited	131.01	38.47
Powergrid Ramgarh Transmission Limited	5.82	-
Total	2,823.54	2,734.13
<u>Joint Ventures</u>		
National High Power Test Laboratory Private Limited	-	12.40
Teestavalley Power Transmission Limited	95.00	114.60
Total	95.00	127.00
Loans given during the year	2,918.54	2,861.13
<u>Loans repayment received during the year</u>		
<u>Subsidiaries</u>		
Powergrid NM Transmission Limited	203.55	-
Powergrid Vizag Transmission Limited	63.32	83.00
Powergrid Unchahar Transmission Limited	4.25	6.00
Powergrid Kala Amb Transmission Limited	24.83	26.08
Powergrid Jabalpur Transmission Limited	38.56	68.02
Powergrid Warora Transmission Limited	35.60	130.40
Powergrid Parli Transmission Limited	66.00	109.00
Powergrid Southern Interconnector Transmission System Limited	198.25	-
Powergrid Khetri Transmission System Limited	-	16.59
Powergrid Bhind Guna Transmission Limited	-	5.29
Powergrid Ajmer Phagi Transmission Limited	-	10.20
Powergrid Fatehgarh Transmission Limited	-	14.53
Powergrid Rampur Sambhal Transmission Limited	-	7.60
Powergrid Meerut Simbhavali Transmission Limited	-	7.49
Total	634.36	484.20
<u>Joint Ventures</u>		
Teestavalley Power Transmission Limited	142.83	114.60
Total	142.83	114.60
<u>Loans repayment received during the year</u>	777.19	598.80
<u>Reimbursement of Expenses</u>		
<u>Subsidiaries:</u>		
Powergrid Vizag Transmission Limited	3.92	-
Powergrid Unchahar Transmission Limited	-	0.30
Powergrid Kala Amb Transmission Limited	1.28	-
Powergrid Jabalpur Transmission Limited	4.38	0.03
Powergrid Warora Transmission Limited	7.61	0.07
Powergrid Parli Transmission Limited	6.00	0.14
Powergrid Southern Interconnector Transmission System Limited	0.60	0.12
Powergrid Medinipur Jeerat Transmission Limited	0.24	-
Powergrid Khetri Transmission System Limited	0.01	0.14
Powergrid Bhuj Transmission Limited	-	0.11
Powergrid Bhind Guna Transmission Limited	-	0.21
Powergrid Ajmer Phagi Transmission Limited	0.02	0.03
Powergrid Fatehgarh Transmission Limited	0.03	0.03



55. Disclosure as per Ind AS 24 - “Related Party Disclosures” (Contd.)

(₹ in crore)

Particulars	For the year ended 31.03.2021	For the year ended 31.03.2020
Powergrid Rampur Sambhal Transmission Limited	-	0.25
Powergrid Meerut Simbhavali Transmission Limited	-	0.29
Central Transmission Utility of India Limited	0.03	-
Powergrid Ramgarh Transmission Limited	0.37	-
Bikaner-II Bhiwadi Transco Limited	0.52	-
Total	25.01	1.72
Other Related Parties		
<u>Contribution made during the year</u>		
Powergrid Employees P.F. Trust	114.14	110.45
Powergrid Self Contributory Superannuation Benefit (Pension) Fund Trust	120.46	33.43
Powergrid Employees Gratuity Fund Trust	21.81	30.42
Powergrid Employees Post-Retirement Medical Benefit Trust	12.02	62.77
Total	268.43	237.07
Recovery for Deputation of Employees		
<u>Subsidiaries:</u>		
Powergrid Unchahar Transmission Limited	3.71	-
<u>Joint Ventures:</u>		
Torrent Power Grid Limited	0.51	0.15
Jaypee Powergrid Limited (wholly owned subsidiary from 26.03.2021).	1.11	0.98
Teestavalley Power Transmission Limited	0.95	0.33
North East Transmission Company Limited	0.90	0.65
Cross Border Power Transmission Company Limited	0.77	0.94
Total	7.95	3.05

Terms and Conditions

The loans to key management personnel are on the same terms and conditions as applicable to all other employees.

All other transactions were made on normal commercial terms and conditions and at market rates. All outstanding balances are unsecured and are repayable in cash.

Loans to Subsidiaries are given on cost to cost basis.

h) Transaction in the capacity of Central Transmission Utility (CTU) with the related parties

(₹ in crore)

Particulars	For the year ended 31.03.2021	For the year ended 31.03.2020
<u>Subsidiaries:</u>		
Powergrid NM Transmission Limited	126.94	105.65
Powergrid Vizag Transmission Limited	323.60	313.24
Powergrid Unchahar Transmission Limited	22.73	22.20
Powergrid Kala Amb Transmission Limited	12.71	13.21
Powergrid Jabalpur Transmission Limited	263.29	239.85
Powergrid Warora Transmission Limited	191.41	110.56
Powergrid Parli Transmission Limited	346.28	337.85
Powergrid Southern Interconnector Transmission System Limited	458.42	128.57
<u>Joint Ventures:</u>		
Powerlinks Transmission Limited	237.70	227.61
Torrent Power Grid Limited	50.96	48.68

55. Disclosure as per Ind AS 24 - "Related Party Disclosures" (Contd.)

(₹ in crore)

Particulars	For the year ended 31.03.2021	For the year ended 31.03.2020
Jaypee Powergrid Limited	171.94	110.87
Parbati Koldam Transmission Company Limited	192.00	247.05
Teestavalley Power Transmission Limited	341.63	176.40
North East Transmission Company Limited	388.15	350.55
Total	3,127.76	2,432.29

i) Remuneration to Key Managerial Personnel

(₹ in crore)

Particulars	For the year ended 31.03.2021	For the year ended 31.03.2020
Short Term Employee Benefits	4.68	4.09
Post-Employment Benefits	0.67	0.24
Long Term Employee Benefits	0.46	1.76
Arrears to KMPs	-	-
Total	5.81	6.09
Sitting fee	0.32	0.35

In addition to the above remuneration, the whole time directors have been allowed to use the staff car (including for private journeys) on payment of ₹ 2000/- p.m. as contained in the Department of Public Enterprises (DPE) OM No. 2 (23)/11-DPE (WC)-GL-V/13 dated 21/01/2013.

56. Operating Segments**a) Business Segment**

The Board of Directors is the Company's Chief Operating Decision Maker (CODM) who monitors the operating results of its business segments separately for the purpose of making decisions about resource allocation and performance assessment. Three reportable segments have been identified on the basis of services provided.

- **Transmission Services-** Company's principal business is transmission of bulk power across different states of India.
- **Telecom Services-** The Company utilizes the spare Optical fibres available in the Optical Ground Wire (OPGW) laid on the transmission network for providing telecom services. It operates as a neutral carrier in the point to point bandwidth leasing business. Refer note no. 65 for disclosure on formation of wholly owned subsidiary of the company to undertake Telecommunications and Digital Technology Business of the company.
- **Consultancy Services-** provides Consultancy Services in the Transmission, Distribution and Telecom sectors, including Planning Design, Engineering, Load Dispatch, OPGW on intra state Transmission network, Procurement Management, Operation & Maintenance, Financing and Project Management. Refer note no. 65 for disclosure on formation of wholly owned subsidiary of the company to undertake Energy Management services and Consultancy Business of the company.

b) The operations of the company are mainly carried out within the country and therefore there is no reportable geographical segment.

c) Information about major customer: Revenue from any single customer is not equal to or exceeds 10% of the company's total revenue.

d) Segment Revenue and Expenses

Revenue directly attributable to the segments is considered as Segment Revenue. Expenses directly attributable to the segments and common expenses allocated on a reasonable basis are considered as segment expenses.

Revenue from external customer in India is ₹ 38,615.03 crore (Previous Year ₹ 36,850.28 crore) and outside India is ₹ 22.86 crore (Previous Year ₹ 42.99 crore).

e) Segment Assets and Liabilities

Segment assets include all operating assets comprising of Property, Plant and Equipment, current assets and loan and advances. Construction, Work-in-progress, construction stores and advances and investments are included in unallocated assets. Segment facilities include operating liabilities and provisions.



56. Operating Segments (Contd.)

(₹ in crore)

Particulars	Transmission Services		Consultancy Services		Telecom Services		Elimination		Total	
	31.03.2021	31.03.2020	31.03.2021	31.03.2020	31.03.2021	31.03.2020	31.03.2021	31.03.2020	31.03.2021	31.03.2020
Revenue:										
Revenue from Operations (including allocable other income)	37,418.50	35,562.96	506.16	618.02	713.23	712.29	-	-	38,637.89	36,893.27
Inter Segment Revenue					69.96	69.94	(69.96)	(69.94)	-	-
Net Revenue from Operations	37,418.50	35,562.96	506.16	618.02	783.19	782.23	(69.96)	(69.94)	38,637.89	36,893.27
Segment results	22,283.23	22,369.95	150.84	277.00	365.72	429.11			22,799.79	23,076.06
Exceptional Item-Transmission									(1,078.64)	
Unallocated Interest and Other Income									1,889.22	1,424.70
Unallocated Finance Costs									8,501.01	9,813.62
Profit before Tax (including movement in Regulatory Deferral Account Balances)									15,109.36	14,687.14
Provision for Taxes									3,173.58	3,875.96
Profit after Tax									11,935.78	10,811.18
Other information:										
Segment Assets	2,08,099.12	1,99,636.30	2,426.61	3,269.56	981.46	1,161.54			2,11,507.19	2,04,067.40
Unallocated Assets									41,611.70	51,482.26
Asset Classified as Held for Sale									1,213.04	-
Total Assets									2,54,331.93	2,55,549.66
Segment Liabilities	14,182.01	14,930.71	3,428.90	3,850.16	454.85	538.88			18,065.76	19,319.75
Unallocated Other Liabilities (including loans)									1,66,687.33	1,71,790.22
Total liabilities									1,84,753.09	1,91,109.97
Depreciation and Amortisation	11,609.32	10,972.59	5.60	3.59	96.76	97.00			11,711.68	11,073.18
Non-cash expenditure other than Depreciation	14.36	18.32	7.12	3.16	1.10	3.20			22.58	24.68
Capital Expenditure	19,000.84	17,261.36	82.50	7.10	10.13	129.69			19,093.47	17,398.15

57. Capital and other Commitments

(₹ in crore)

Particulars	As at 31.03.2021	As at 31.03.2020
Estimated amount of contracts remaining to be executed on capital account and not provided for (net of advances)	3,867.64	6,301.76
Company's commitment towards further investment/loan in joint venture entities	148.92	276.85
Company's commitment towards further investment/loan in subsidiary companies	4,809.38	9,793.99
Company's commitment towards further investment in other entities	713.17	23.17

58. Contingent Liabilities and contingent assets

A. Contingent Liabilities

1. Claims against the Company not acknowledged as debts in respect of:

(i) Capital Works

Some of the contractors for supply and installation of equipments and execution of works at our projects have lodged claims on the company seeking enhancement of the contract price, revision of work schedule with price escalation, compensation for the extended period of work, idle charges etc. These claims are being contested by the Company as being not admissible in terms of the provisions of the respective contracts.

The company is pursuing various options under the dispute resolution mechanism available in the contract for settlement of these claims. In such cases, contingent liability of ₹ 2,540.73 crore (Previous Year ₹ 3,401.71 crore) has been estimated.

(ii) Land compensation cases

In respect of land acquired for the projects, the land losers have claimed higher compensation before various authorities/courts which are yet to be settled. In such cases, contingent liability of ₹ 1,604.98 crore (Previous Year ₹ 1,893.16 crore) has been estimated.

(iii) Other claims

In respect of claims made by various State/Central Government Departments/Authorities towards building permission fees, penalty on diversion of agriculture land to non-agriculture use, Nala tax, water royalty etc. and by others, contingent liability of ₹ 19.90 crore (Previous Year ₹ 27.41 crore) has been estimated.

(iv) Disputed Income Tax/Sales Tax/Excise/Municipal Tax Matters

Disputed Income Tax/Sales Tax/Excise/Municipal Tax Matters amounting to ₹ 224.66 crore (Previous Year ₹ 290.18 crore) are being contested before various Appellate Authorities. Many of these matters have been disposed of in favour of the company but are disputed before higher authorities by the concerned departments. Against total claim of ₹ 191.42 crore (Previous Year ₹ 182.13 crore), provision of ₹ 156.98 crore (Previous Year ₹ 147.69 crore) is made and balance of ₹ 34.44 crore (Previous Year ₹ 34.44 crore) towards penalty is shown as contingent liability as it is not a wilful default and in management opinion, same is not expected to be upheld by the court.

(v) Others

- Contingent liability in respect of bills discounted with banks against trade receivables is amounting to ₹ 2,533.96 crore (Previous Year ₹ 1,030.24 crore). In case of any claim on the company from the banks in this regard, entire amount shall be recoverable from the beneficiaries along with surcharge.
- Other contingent liabilities amounts to ₹ 793.50 crore (Previous Year ₹ 722.17 crore) which includes claim of ₹ 397.01 crore (Previous Year ₹ 417.46 crore) related to Arbitration cases/ROW cases.
- Some of the beneficiaries have filed appeals against the tariff orders of the CERC. The amount of contingent liability in this regard is not ascertainable.
- Under the Transmission Service Agreement (TSA) with Powerlinks Transmission Ltd, the company has an obligation to purchase the JV company (Powerlinks Transmission Ltd) at a buyout price determined in accordance with the TSA. Such an obligation may result in case JV company (Powerlinks Transmission Ltd) serves a termination notice either on "POWERGRID event of default" or on "force majeure event" prescribed under TSA. No contingent liability on this account has been considered as the same is not ascertainable.

**58. Contingent Liabilities and contingent assets (Contd.)**

2. a) Details of Bank guarantees given by the company on behalf of SPV companies, which were taken over to carry out the business awarded under tariff based bidding, towards performance of the work awarded are as under:

(₹ in crore)

Name of SPV	As at 31.03.2021	As at 31.03.2020
Powergrid Jabalpur Transmission Limited	6.09	31.50
Powergrid Southern Interconnector Transmission System Limited	110.04	110.04
Powergrid Medinipur Jeerat Transmission Limited	141.89	141.89
Powergrid Mithilanchal Transmission Limited	84.32	84.32
Powergrid Varanasi Transmission System Limited	30.38	30.38
Powergrid Jawaharpur Firozabad Transmission Limited	41.85	41.85
Powergrid Khetri Transmission System Limited	66.15	66.15
Powergrid Bhuj Transmission Limited	58.95	58.95
Powergrid Bhind Guna Transmission Limited	65.48	65.48
Powergrid Ajmer Phagi Transmission Limited	14.85	14.85
Powergrid Fatehgarh Transmission Limited	17.55	17.55
Powergrid Rampur Sambhal Transmission Limited	70.65	70.65
Powergrid Meerut Simbhavali Transmission Limited	85.05	85.05
Powergrid Ramgarh Transmission Limited	35.46	-
Bikaner-II Bhiwadi Transco Limited	89.10	-

- b) The Company has given guarantee for the dues & punctual payment and discharge of the obligations amounting to ₹ 0.00 crore (Previous Year ₹ 290.00 crore) against bond issued by Powergrid Vizag Transmission Company Ltd(PVTL). PVTL has redeemed the said bonds along with interest on 10.06.2020 and the guarantee has been released by IDBI trustees in current year.

B. Contingent Assets

While determining the tariff for some of the Company's Transmission Systems, CERC has disallowed certain capital expenditure incurred by the Company. The Company aggrieved over such issues has filed appeals with the Appellate Tribunal for Electricity (APTEL)/Hon'ble Supreme Court against the tariff orders issued by the CERC. Based on past experience, the Company believes that a favourable outcome is probable. However, it is impracticable to estimate the financial effect of the same as its receipt is dependent on the outcome of the judgement.

59. Capital management**a) Risk Management**

The company's objectives when managing capital are to

- maximize the shareholder value;
- safeguard its ability to continue as a going concern;
- maintain an optimal capital structure to reduce the cost of capital.

For the purpose of the company's capital management, equity capital includes issued equity capital, securities premium Account and all other equity reserves attributable to the equity holders of the company. The company manages its capital structure and makes adjustments in light of changes in economic conditions, regulatory framework and requirements of financial covenants with lenders. To maintain or adjust the capital structure, the company may adjust the dividend payment to shareholders, regulate investments in new projects, return capital to shareholders or issue new shares. The company monitors capital using debt-equity ratio, which is the ratio of long term debt to total net worth. The policy is to keep the debt-equity ratio wherein the debt is less than 75% of total capital employed (i.e. debt to equity ratio less than 75:25). The company includes within long term debt, interest bearing loans and borrowings and current maturities of long term debt.

59. Capital management (Contd.)

The debt–equity ratio of the Company was as follows:-

Particulars	As at 31.03.2021	As at 31.03.2020
Long term debt (₹ in crore)	1,41,251.48	1,44,979.64
Equity (₹ in crore)	69,578.84	64,439.69
Long term debt to Equity ratio	67:33	69:31

Under the terms of the major borrowing facilities, the company is required to comply with the financial covenants. Breaches in meeting the financial covenants would permit the lenders to immediately call loans and borrowings. There have been no breaches in the financial covenants of any interest-bearing loans and borrowing in the current reporting period.

No changes were made in the objectives, policies or processes for managing capital during the years ended 31.03.2021 and 31.03.2020.

b) Dividends

(₹ in crore)

Particular	As at 31.03.2021	As at 31.03.2020
(i) Equity shares		
Final dividend for the year ended 31.03.2020 of ₹4.04 (31.03.2019 – ₹2.50) per fully paid up share	2,113.56	1,307.90
Interim dividend for the year ended 31.03.2021 of ₹9.00 (31.03.2020 – ₹5.96) per fully paid up share	4,708.43	3,118.02

Dividend not recognized at the end of the reporting period:

In addition to above dividend, the Board of Directors on 17.06.2021 recommended the payment of a final dividend of ₹ 3.00 per fully paid up equity share. This proposed dividend is subject to the approval of shareholders in the ensuing Annual general meeting.

60. Earnings per share

(Amount in ₹)

(a) Basic and diluted earnings per share attributable to the equity holders of the company	For the year ended 31.03.2021	For the year ended 31.03.2020
Including movement in Regulatory Deferral Account Balances	22.81	20.67
Excluding movement in Regulatory Deferral Account Balances	22.05	17.45
Total basic and diluted earnings per share attributable to the equity holders of the company	22.81	20.67

(₹ in crore)

(b) Reconciliation of earnings used as numerator in calculating earnings per share	For the year ended 31.03.2021	For the year ended 31.03.2020
Earnings attributable to the equity holders of the company including movement in Regulatory Deferral Account Balances	11,935.78	10,811.18
Earnings attributable to the equity holders of the company excluding movement in Regulatory Deferral Account Balances	11,536.93	9,127.78
Total Earnings attributable to the equity holders of the company	11,935.78	10,811.18

(c) Weighted average number of shares used as the denominator	As at 31.03.2021	As at 31.03.2020
Weighted average number of equity shares used as the denominator in calculating basic earnings per share	5231589648	5231589648
Adjustments for calculation of diluted earnings per share	-	-
Total weighted average number of equity shares used as the denominator in calculating basic earnings per share	5231589648	5231589648



61. Financial Risk Management

The Company's principal financial liabilities comprise loans and borrowings denominated in Indian rupees or foreign currencies, trade payables and other payables. The main purpose of these financial liabilities is to finance the Company's capital investments and operations.

The Company's principal financial assets include loans and advances, trade and other receivables, and cash and cash equivalents that are generated from its operations.

The Company's activities expose it to the following financial risks, namely,

- (A) Credit risk,
- (B) Liquidity risk,
- (C) Market risk.

This note presents information regarding the company's exposure, objectives, policies and processes for measuring and managing these risks.

Risk management framework

The Company has a duly constituted Risk Management Committee headed by Director (Projects) with Director (Operations), Director (Finance) and independent director as members. For the purpose of evaluating and managing the uncertainties the enterprise faces, Enterprise Risk Management framework has been implemented in the Company. The framework is a structured, consistent and continuous process for identification, assessment, monitoring and management of risks. As per this framework, the significant business processes / risks are monitored and controlled through various Key Performance Indicators (KPIs). The Committee meets at regular intervals and reviews KPIs and provides updates to the Audit Committee/Board.

The management of financial risks by the Company is summarized below:-

(A) CREDIT RISK:

Credit risk is the risk that counterparty will not meet its obligations under a financial instrument or customer contract, leading to a financial loss. The Company is exposed to credit risk from its operating activities on account of trade receivables and loans and advances and from its financing activities due to deposits with banks and financial institutions, foreign exchange transactions and other financial instruments.

A default on a financial asset is when the counterparty fails to make contractual payments within 3 years of when they fall due. This definition of default is determined considering the business environment in which the Company operates and other macro-economic factors.

Assets are written-off when there is no reasonable expectation of recovery, such as a debtor declaring bankruptcy or failing to engage in a repayment plan with the Company. Where loans or receivables have been written off, the Company continues to engage in enforcement activity to attempt to recover the receivable due. Where such recoveries are made, these are recognized in the statement of profit and loss.

(i) Trade Receivables and Unbilled Revenue

The Company primarily provides transmission facilities to inter-state transmission service customers (DICs) comprising mainly state utilities owned by State Governments and the main revenue is from transmission charges. CERC (Sharing of Inter-State Transmission Charges and Losses) Regulations, 2020 ("CERC Sharing Regulations") allow payment against monthly bills towards transmission charges within due date i.e., 45 days from the date of presentation of the bill and levy of surcharge on delayed payment beyond 45 days. However, in order to improve the cash flows of company, a graded rebate is provided for payments made within 45 days. If a DIC fails to pay any bill or part thereof by the Due Date, the Central Transmission Utility (CTU) may encash the Letter of Credit provided by the DIC and utilise the same towards the amount of the bill or part thereof that is overdue plus Late Payment Surcharge, if applicable.

The Company has a robust payment security mechanism in the form of Letter of Credit (LC) backed by the Tri-Partite Agreements (TPA). The TPA was signed among the GOI, Reserve Bank of India and the individual State Governments subsequent to the issuance of the One Time Settlement Scheme of State Electricity Boards dues during 2001-02 by the GOI. The TPA also provides that if there is any default in payment of current dues by any State Utility, the outstanding dues can be deducted from the State's RBI account and paid to the concerned CPSU.

As per provisions of CERC Sharing Regulations, in case tripartite agreement exists, the Letter of Credit shall be for an amount equal to 1.05 (one point zero five) times the average amount of the first bill of a year; Provided that where such tripartite agreement does not exist, the DIC shall open the Letter of Credit for an amount equal to 2.10 (two point one times) the average amount of the first bill of a year.

61. Financial Risk Management (Contd.)

In addition to the encashment of letter of credit, on non-payment of outstanding dues, the CTU has power to Regulate the power supply on the defaulting entity as per CERC (Regulation of Power Supply) Regulation, 2010 or deny Short Term Open Access.

Trade receivables consist of receivables relating to transmission services of ₹ 3,441.14 crore (Previous Year ₹ 4,664.93 crore), receivables relating to consultancy services of ₹ 176.55 crore (Previous Year ₹ 197.77 crore) and receivables relating to telecom business of ₹ 304.05 crore (Previous Year ₹ 321.02 crore).

Unbilled revenue primarily relates to the Company's right to consideration for work completed but not billed at the reporting date and has substantially the same risk characteristics as the trade receivables for the same type of contracts.

(ii) Other Financial Assets (excluding trade receivables and unbilled revenue)

- **Cash and cash equivalents**

The Company held cash and cash equivalents of ₹ 1,000.18 crore (Previous Year ₹ 570.72 crore). The cash and cash equivalents are held with public sector banks and high rated private sector banks and do not have any significant credit risk.

- **Deposits with banks and financial institutions**

The Company held deposits with banks and financial institutions of ₹ 4,366.02 crore (Previous Year ₹ 4,849.79 crore). Term deposits are placed with public sector banks and have negligible credit risk.

- **Loans**

The Company has given loans to employees, subsidiaries, Joint Venture companies, Government of India and other parties. House building loans and conveyance advance to the employees are secured against the mortgage of the house properties or hypothecation of vehicles for which such loans have been given in line with the policies of the Company. The loans provided to group companies are for projects under Tariff Based Competitive Bidding route and Public private partnership. The risk of default in respect of these loans is considered negligible.

(iii) Exposure to credit risk

(₹ in crore)

Particulars	As at 31.03.2021	As at 31.03.2020
Financial assets for which loss allowance is measured using 12 months Expected Credit Losses (ECL)		
Non-Current Loans	10,474.09	12,783.75
Other non-current financial assets	4,113.33	4,115.09
Cash and cash equivalents	1,000.18	570.72
Deposits with banks and financial institutions	4,366.02	4,849.79
Current loans	5,428.83	879.41
Other current financial assets	874.36	467.89
Total	26,256.81	23,666.65
Financial assets for which loss allowance is measured using Life time Expected Credit Losses (ECL)		
Trade receivables	3,921.74	5,183.72
Unbilled Revenue	7,065.68	5,163.51

(iv) Provision for expected credit losses

(a) Financial assets for which loss allowance is measured using 12 month expected credit losses

The Company has assets where the counter- parties have sufficient capacity to meet the obligations and where the risk of default is very low. At initial recognition, financial assets (excluding trade receivables and unbilled revenue) are considered as having negligible credit risk and the risk has not increased from initial recognition. Therefore, no loss allowance for impairment has been recognised.

(b) Financial assets for which loss allowance is measured using life time expected credit losses

In respect of trade receivables and unbilled revenue from Telecom and Consultancy, customer credit risk is managed by regular monitoring of the outstanding receivables and follow-up with the consumer for realization.



61. Financial Risk Management (Contd.)

With regard to transmission segment, the Company has customers most of whom are state government utilities with capacity to meet the obligations and therefore the risk of default is negligible. Further, management believes that the unimpaired amounts that are 30 days past due date are still collectible in full, based on the payment security mechanism in place and historical payment behaviour.

Considering the above factors and the prevalent regulations, the trade receivables and unbilled revenue continue to have a negligible credit risk on initial recognition and thereafter on each reporting date.

(v) Ageing analysis of trade receivables

The ageing analysis of the trade receivables is as below:

(₹ in crore)

Ageing	Not due	0-30 days past due	31-60 days past due	61-90 days past due	91-120 days past due	More than 120 days past due	Total
Gross carrying amount as on 31.03.2021	1,742.88	375.46	135.38	133.83	113.70	1,420.49	3,921.74
Gross carrying amount as on 31.03.2020	3.02	2,004.44	889.52	767.18	309.64	1,209.92	5,183.72

(vi) Reconciliation of impairment loss provisions

The movement in the allowance for impairment in respect of financial assets during the year was as follows:

(₹ in crore)

Particulars	Trade receivables	Investments	Advances	Unbilled Debtors	Total
Balance as at 01.04.2019	337.48	4.05	19.40	105.71	466.64
Impairment loss recognized/ (reversed)	(21.66)	-	-	-	(21.66)
Amounts written off	-	-	-	105.71	105.71
Balance as at 31.03.2020	315.82	4.05	19.40	-	339.27
Impairment loss recognized/ (reversed)	(15.42)	-	0.01	-	(15.41)
Amounts written off	-	-	-	-	-
Balance as at 31.03.2021	300.40	4.05	19.41	-	323.86

Based on historic default rates, the Company believes that, apart from the above, no impairment allowance is necessary in respect of any other assets as the amounts are insignificant.

(B) LIQUIDITY RISK

Liquidity risk management implies maintaining sufficient cash and marketable securities and the availability of funding through an adequate amount of committed credit facilities to meet obligations when due. The Company monitors its risk of a shortage of funds using a liquidity planning tool. The Company has access to a variety of sources of funding such as commercial paper, bank loans, bonds and external commercial borrowings and retains flexibility in funding by maintaining availability under committed credit lines.

Management monitors rolling forecasts of the Company's liquidity position comprising the undrawn borrowing facilities below and cash and cash equivalents on the basis of expected cash flows.

The Company depends on both internal and external sources of liquidity to provide working capital and to fund capital expenditure.

61. Financial Risk Management (Contd.)

(i) Financial Arrangement

The Company had access to the following undrawn borrowing facilities at the end of the reporting period.

(₹ in crore)

Particulars	As at 31.03.2021	As at 31.03.2020
Expiring within 1 year (bank overdraft and other facilities)	-	388.15
Expiring beyond one year (bank loans)	6,125.35	5,363.29

The bank overdraft facilities may be drawn at any time and may be terminated by the bank without notice. Subject to the continuance of satisfactory credit ratings, the bank loan facilities may be drawn at any time and have remaining availability period of 1 to 5 years (Previous Year 1 to 5 years).

(ii) Maturities of financial liabilities

The table below analyses the Company's financial liabilities into relevant maturity groupings based on their contractual maturities for all non-derivative financial liabilities.

The amount disclosed in the table is the contractual undiscounted cash flows.

(₹ in crore)

Contractual maturities of financial liabilities	Within a year	Between 1-5 years	Beyond 5 years	Total
As at 31.03.2021				
Borrowings (including interest outflows)	22,041.83	76,725.17	89,916.93	1,88,683.93
Trade payables	186.30			186.30
<u>Other Financial Liabilities</u>				
Lease liabilities	3.93	9.96	69.26	83.15
Others	7,437.86	1,227.23	4,360.31	13,025.40
Total	29,669.92	77,962.36	94,346.50	2,01,978.78
As at 31.03.2020				
Borrowings (including interest outflows)	21,669.02	81,187.92	1,02,699.76	2,05,556.70
Trade payables	225.72			225.72
<u>Other Financial Liabilities</u>				
Lease liabilities	4.53	5.21	64.38	74.12
Others	8,266.24	1,164.91	4,636.98	14,068.13
Total	30,165.51	82,358.04	1,07,401.12	2,19,924.67

(C) MARKET RISK

Market risk is the risk that the fair value of future cash flows of a financial instrument will fluctuate because of changes in market prices. Market risk comprises three types of risk:

- (i) Currency risk
- (ii) Interest rate risk
- (iii) Other price risk, such as equity price risk and commodity risk.

(i) Currency risk

The Company is exposed to currency risk mainly in respect of foreign currency denominated loans and borrowings and procurement of goods and services whose purchase consideration is denominated in foreign currency. Transmission tariff is regulated by the CERC. According to the CERC tariff regulations for the block 2019-24 the Company may hedge foreign exchange exposure in respect of the interest on foreign currency loan and repayment of foreign loan acquired for the transmission system, in part or full in its discretion and recover the cost of hedging of foreign exchange rate variation corresponding to the normative foreign debt, in the relevant year.



61. Financial Risk Management (Contd.)

If hedging of the foreign exchange exposure is not undertaken, the extra rupee liability towards interest payment and loan repayment corresponding to the normative foreign currency loan in the relevant year is permissible to be recovered as part of transmission tariff provided it is not attributable to the generating Company or the transmission licensee or its suppliers or contractors. During the Current financial year, no hedging for foreign exchange exposure has been undertaken by the Company. In respect of goods and services procured for Capital Investment, the exchange rate variation is part of the project cost, for determination of transmission tariff. The currency risk in respect of goods and services procured for operation activities is not significant.

The Company's exposure to foreign currency risk not hedged by a derivative instrument or otherwise at the end of the reporting period is as follows:

Particulars	Amount in Foreign Currency (in Crore)			Amount (₹ in Crore)	
		As at 31.03.2021	As at 31.03.2020	As at 31.03.2021	As at 31.03.2020
Borrowings	USD	474.37	493.62	35,131.99	37,544.72
	EURO	66.13	62.88	5,772.18	5,309.08
	SEK	175.51	211.80	1,495.34	1,613.88
	JPY	2,309.06	2,327.24	1,554.00	1,645.13
Interest accrued but not due thereon including Agency Fee, Commitment Fee & other Charges	USD	1.35	3.01	100.24	229.27
	EURO	0.19	0.22	16.41	18.51
	SEK	0.95	1.27	8.05	9.68
	JPY	5.37	5.57	3.61	3.94
Trade Payables/deposits and retention money	USD	4.95	5.39	361.18	391.30
	EURO	3.27	3.80	275.42	314.54
	SEK	15.79	22.52	127.31	177.76
	CHF	0.04	0.02	3.36	1.94
	GBP	1.75	1.90	178.60	179.43
	JPY	76.75	95.43	50.06	63.07
	CAD	0.01	0.01	0.61	0.32
Trade receivables and Bank balances	USD	0.05	0.03	3.73	2.18
	NPR	15.26	23.95	9.54	14.97
	EURO	0.01	-	0.60	-
	BDT	1.25	1.25	0.90	0.90
Amount of contracts remaining to be executed	USD	1.70	2.12	126.48	156.55
	EURO	1.39	2.57	120.96	216.03
	SEK	1.41	3.44	12.05	26.18
	GBP	0.72	1.04	73.41	98.25
	JPY	1.72	9.70	1.16	6.85

Sensitivity Analysis

Since the impact of strengthening or weakening of Indian rupee against USD, Euro, JPY and other currencies on the statement of profit and loss would not be very significant; therefore, sensitivity analysis for currency risk is not disclosed.

(ii) Interest rate risk

The Company is exposed to interest rate risk arising mainly from long term borrowings with floating interest rates. The Company is exposed to interest rate risk because the cash flows associated with floating rate borrowings will fluctuate with changes in interest

61. Financial Risk Management (Contd.)

rates. The Company manages the interest rate risks by maintaining a debt portfolio comprising a mix of fixed and floating rate borrowings in domestic and foreign currencies.

At the reporting date, the interest rate profile of the Company's variable interest rate-bearing financial instruments is as follows:

(₹ in crore)

Particulars	As at 31.03.2021	As at 31.03.2020
Long Term Debt with floating rate of interest		
- Domestic	26,204.65	26,107.40
- Foreign	36,018.86	37,907.16
Sub Total	62,223.51	64,014.56
Long Term Debt with fixed rate of interest		
- Domestic	71,093.40	72,769.95
- Foreign	7,934.57	8,195.13
Sub Total	79,027.97	80,965.08
Total Long Term Debt	1,41,251.48	1,44,979.64
% of Floating Interest Rate Debt to Total Long Term Debt	44.05%	44.15%

Fair value sensitivity analysis for interest-rate risk

As per CERC Regulations, interest on loan during construction forms part of project cost for the purpose of tariff and after the date of commercial operation, interest on loans is recoverable through tariff calculated on the normative average loan of the year by applying the weighted average rate of interest of the actual loan portfolio.

Accordingly, the Company's interest rate risk is not considered significant; hence sensitivity analysis for the risk is not disclosed.

(iii) Other price risk

The Company's exposure to equity securities price risk arises from investments held by the Company and classified in the balance sheet as fair value through OCI.

Considering the magnitude of equity investments, no significant risk is expected to arise.

62. Income Tax expense

This note provides an analysis of the company's income tax expense, and how the tax expense is affected by non-assessable and non-deductible items. It also explains significant estimates made in relation to the Company's tax position.

(a) Income tax expense

(₹ in crore)

Particulars	For the year ended 31.03.2021	For the year ended 31.03.2020
Current Tax		
Current tax on profits for the year	2,527.55	2,108.83
Adjustments for current tax of prior periods	1.56	121.91
Pertaining to regulatory deferral account balances (A)	84.44	356.39
Total Current Tax Expense (B)	2,613.55	2,587.13
Deferred Tax Expense		
Origination and reversal of temporary differences	560.03	1,288.83
Previously unrecognized tax credit recognized as Deferred Tax Asset this year		
Total Deferred Tax Expense /Benefit (C)	560.03	1,288.83
Income tax expense (B+C-A)	3,089.14	3,519.57
Pertaining to regulatory deferral account balances	84.44	356.39
Total tax expense including tax on movement in regulatory deferral account balances	3,173.58	3,875.96



62. Income Tax expense (Contd.)

(b) Income Tax recognized in Regulatory Deferral Account Balances:

(₹ in crore)

Particulars	For the year ended 31.03.2021	For the year ended 31.03.2020
Deferred assets for Deferred tax liability	568.46	1,297.69
Foreign Currency Fluctuation	(85.17)	742.10
Employee Benefits Expenses	-	-
Total Regulatory Deferral Account Balances Before Tax - Income / (Expenses)	483.29	2,039.79
Current Tax on Regulatory Deferral Account Balances	84.44	356.39
Net Movement in Regulatory Deferral Account Balances - Income / (Expenses) (net of Tax)	398.85	1,683.40

(c) Income Tax recognized in other comprehensive income:

(₹ in crore)

Particulars	For the year ended 31.03.2021			For the year ended 31.03.2020		
	Before Tax	Tax expense/ (benefit)	Net of Tax	Before Tax	Tax expense/ (benefit)	Net of Tax
Net gains/(losses) on fair valuation of equity instruments	39.80	-	39.80	(49.35)	-	(49.35)
Net actuarial losses on defined benefit plans	(19.94)	(3.49)	(16.45)	(74.47)	(13.01)	(61.46)
Less: Transferred to expenditure during construction (net)	(2.44)	(0.43)	(2.01)	(8.23)	(1.44)	(6.79)
Other Comprehensive Income (Net of Tax)	22.30	(3.06)	25.36	(115.59)	(11.57)	(104.02)

(d) Reconciliation of tax expense and the accounting profit multiplied by India's tax rate:

(₹ in crore)

Particulars	For the year ended 31.03.2021	For the year ended 31.03.2020
Profit before income tax expense including movement in Regulatory Deferral Account Balances	15,109.36	14,687.14
Tax at the Company's domestic tax rate of 34.944 %	5,279.81	5,132.27
Tax effect of:		
Non Deductible tax items	(2,563.68)	(2,567.00)
Tax exempt income	(2,116.44)	(1,899.30)
Previous Years tax liability	1.56	121.91
Deferred Tax expense/(income)	560.03	1,288.83
Minimum alternate tax adjustments	2,012.30	1,799.25
Income tax expense	3,173.58	3,875.96

63. Employee Benefit Obligations

(₹ in crore)

Particulars	31 March 2021			31 March 2020		
	Current	Non-current	Total	Current	Non-current	Total
Leave Obligations	56.33	411.66	467.99	41.96	382.50	424.46
Post-Retirement Medical Facility (PRMF)	22.58	579.62	602.20	20.82	522.05	542.87
Other Employee benefits /Long Service Award	1.46	20.31	21.77	1.12	15.91	17.03
Gratuity	77.40	514.20	591.60	74.08	527.83	601.91
Other Defined retirement benefits (ODRB)/ Baggage Allowance	2.37	21.10	23.47	2.06	18.90	20.96
Total employee benefit obligations	160.14	1546.89	1707.03	140.04	1467.19	1607.23

(i) Long Term Employee Benefits

A. Leave Obligations

The Company provides for earned leave benefit (including compensated absences) and half-pay leave to the employees of the company which accrue annually at 30 days and 20 days respectively. Earned leave is encashable while in service. Half pay leaves (HPL) are encashable only on separation beyond the age of 55 years upto the maximum of 300 days (HPL). However, total number of leave that can be encashed on superannuation shall be restricted to 300 days and no commutation of half pay leave shall be permissible. The liability for same is recognized on the basis of actuarial valuation.

B. Other employee benefits – POWERGRID Employee Family Rehabilitation Scheme

The company has introduced POWERGRID Employees Family Economic Rehabilitation Scheme on 24.06.2017. The Objective of the scheme is to provide monetary assistance and support to an employee in case of his/her permanent total disablement and to his/her family in case of death while in service. The beneficiary would be entitled to monthly payment equivalent to the employee's 50% of one month pay last drawn provided the beneficiary deposits with the company an amount equal to PF (excluding VPF) balance, Gratuity amount and Group Insurance (EDLI) amount. Such monthly payment would continue till the normal notional date on which the employee concerned would have attained the age of superannuation had the employee continued in the service of the company. The scheme is optional. Provision for POWERGRID Employees Family Economic Rehabilitation Scheme amounting to ₹ 1.58 crore (up to Previous Year ₹ 8.09 crore) for the year has been made during the year based on actuarial valuation.

(ii) Post-employment obligations (Defined Employee Benefit/Contribution Schemes)

A. Post-Retirement Medical Facility (PRMF)

The Company has Post-Retirement Medical Facility (PRMF), under which retired employees and the spouse are provided medical facilities in the empaneled hospitals. They can also avail treatment as Out-Patient subject to a ceiling fixed by the company. The liability for the same is recognized on the basis of actuarial valuation on annual basis on the Balance Sheet date. The scheme is funded by the company and is managed by a separate trust constituted on 01 May 2018.

B. Other employee benefits – Long Service Award

This benefit is applicable to all regular employees of the company (except for Directors and CMD) who have superannuated after completing at least 10 years of service. This scheme is unfunded and liability for the same is recognised on the basis of actuarial valuation on annual basis on the balance sheet date.

C. Gratuity

The company has a defined benefit gratuity plan. Every employee who has rendered continuous service of five years or more is entitled to get gratuity at 15 days salary (15/26 x last drawn basic salary plus, dearness allowance) for each completed year of service on superannuation, resignation, termination, disablement or on death subject to a maximum of ₹ 20 lacs. The scheme is funded by the company and is managed by a separate trust. The liability for the same is recognized on the basis of actuarial valuation on annual basis on the Balance Sheet date. Company has carried out the actuarial valuation of Gratuity benefit considering ceiling of ₹ 20 Lakhs.



63. Employee Benefit Obligations (Contd.)

D. Other Defined Retirement Benefits (ODRB)/Baggage Allowance

The Company has a scheme for settlement at the time of superannuation at anywhere in India and dependents to superannuated employees. The scheme is unfunded and liability for the same is recognized on the basis of actuarial valuation on annual basis on the Balance Sheet date.

E. Provident Fund

Company pays fixed contribution to Provident Fund at predetermined rate to a separate trust, which invests the funds in permitted securities. Contribution to family pension scheme is paid to the appropriate authorities. The contribution to the fund and EPS scheme for the year amounting to ₹ 128.30 crore (previous year ₹ 124.43 crore) has been recognized as expense and is charged to Statement of Profit and Loss. The obligation of the company is limited to such fixed contribution and to ensure a minimum rate of interest on contributions to the members as specified by GOI. As per the report of actuary overall interest earning and cumulative surplus is more than statutory interest payment requirement. Hence, no further provision is considered necessary. Since the company does not have unconditional right over the PF corpus, the surplus has not been recognized in the Balance Sheet.

(₹ in crore)

Particulars	31 March 2021			31 March 2020		
	Current	Non-current	Total	Current	Non-current	Total
Provident Fund (PF)	438.42	2821.90	3260.32	376.22	2679.65	3055.87

(₹ in crore)

Particulars	PF		
	Present value of obligation	Fair value of plan assets	Net amount
01 April 2020	3055.87	3146.09	(90.22)
Service cost	115.35	-	115.35
Interest expense (income)	254.71	207.78	46.93
Total	370.06	207.78	162.28
Re measurements			
Return on plan assets, excluding amount included in interest expense/(income)	-	-	-
(Gain)/Loss from change in demographic assumptions	-	-	-
(Gain)/Loss from change in financial assumptions	-	-	-
Experience (Gain)/ Losses	1.72	-	1.72
Total	1.72	-	1.72
Employee contributions	256.88	372.23	(115.35)
Benefits payments	(424.21)	(424.21)	-
31 March 2021	3260.32	3301.89	(41.57)

(₹ in crore)

Particulars	PF		
	Present value of obligation	Fair value of plan assets	Net amount
01 April 2019	2757.58	2844.43	(86.85)
Service cost	111.20	-	111.20
Interest expense (income)	235.36	248.49	(13.13)
Total	346.56	248.49	98.07
Re measurements			
Return on plan assets, excluding amount included in interest expense/(income)	-	-	-
(Gain)/Loss from change in demographic assumptions	0.01	-	0.01

63. Employee Benefit Obligations (Contd.)

(₹ in crore)

Particulars	PF		Net amount
	Present value of obligation	Fair value of plan assets	
(Gain)/Loss from change in financial assumptions	0.59	-	0.59
Experience (Gain)/ Losses	9.16	-	9.16
Total	9.76	-	9.76
Employee contributions	250.63	361.83	(111.20)
Benefits payments	(308.66)	(308.66)	-
31 March 2020	3055.87	3146.09	(90.22)

The net liability disclosed above relates to Provident Fund is as follows:

(₹ in crore)

Particulars	PF	
	31 March 2021	31 March 2020
Present value of funded obligations	3260.32	3055.87
Fair value of plan assets	3301.89	3146.09
Deficit/(Surplus) of funded plan	(41.57)	(90.22)

Sensitivity Analysis of Provident Fund:

(₹ in crore)

Particulars	PF
a) Impact of change in discount rate	
Present value of Obligation at the end of period	3260.32
- Impact due to increase of 0.5%	(0.46)
- Impact due to decrease of 0.5%	0.49

The major categories of plan assets (PF) are as follows:

(₹ in crore)

Particulars	31 March 2021				31 March 2020			
	Quoted	Unquoted	Total	In %	Quoted	Unquoted	Total	In %
Equity instruments (ETF)	60.56	-	60.56	2%	30.49	-	30.49	1%
Debt instruments								
Govt/State Bonds	1774.95	-	1774.95	54%	1689.26	-	1689.26	54%
PSU and Private Bonds	1308.56	-	1308.56	40%	1238.94	-	1238.94	39%
Bank Balance	51.12	-	51.12	1%	25.09	-	25.09	1%
Other Receivables	106.70	-	106.70	3%	162.31	-	162.31	5%
Total	3301.89	-	3301.89		3146.09	-	3146.09	

Fair value of company's own transferable financial instruments held as plan assets is ₹ 73.52 crore as on 31 March 2021 (₹ 79.28 crore as on 31 March 2020).

The expected maturity analysis of provident fund is as follows:

(₹ in crore)

Particulars	Less than a year	Between 1-2 year	Between 2-5 years	Over 5 years	Total
31 March 2021	438.42	338.33	737.81	1745.76	3260.32
31 March 2020	376.21	242.77	677.75	1759.14	3055.87



63. Employee Benefit Obligations (Contd.)

F. Pension

The Company has scheme of employees defined Pension Contribution. Company contribution is paid to separate trust. Amount of contribution paid/payable for the year is ₹ 62.63 crore (previous year ₹ 114.82 crore) has been recognized as expense and is charged to Statement of Profit & Loss.

The summarized position of various employee benefit obligations is as follows:

Particulars	Gratuity			ODRB			Leaves			PRMF		
	Present value of obligation	Fair value of plan assets	Net amount	Present value of obligation	Fair value of plan assets	Net amount	Present value of obligation	Fair value of plan assets	Net amount	Present value of obligation	Fair value of plan assets	Net amount
01 April 2020	601.91	554.99	46.92	20.96	-	20.96	424.46	-	424.46	542.87	518.16	24.71
Service cost	24.57	-	24.57	1.44	-	1.44	47.35	-	47.35	18.15	-	18.15
Interest expense (income)	40.63	39.91	0.72	1.41	-	1.41	28.65	-	28.65	36.65	-	36.65
Total amount recognized in profit or loss	65.20	39.91	25.29	2.85	-	2.85	76.00	-	76.00	54.80	0.00	54.80
Re measurements												
Return on plan assets, excluding amount included in interest expense/(income)	-	-	-	-	-	-	-	-	-	-	73.33	(73.33)
(Gain)/Loss from change in demographic assumptions	-	-	-	-	-	-	-	-	-	-	-	-
(Gain)/Loss from change in financial assumptions	-	-	-	-	-	-	-	-	-	-	-	-
Experience (Gain)/Losses	(3.46)	-	(3.46)	(0.31)	-	(0.31)	47.97	-	47.97	29.77	-	29.77
Total amount recognized in other comprehensive income	(3.46)	0.00	(3.46)	(0.31)	-	(0.31)	47.97	-	47.97	29.77	73.33	(43.56)
Employer contributions	-	69.81	(69.81)	-	-	-	-	-	-	-	9.64	(9.64)
Benefits payments	(72.05)	(72.05)	-	(0.03)	-	(0.03)	(80.44)	-	(80.44)	(25.24)	-	(25.24)
31 March 2021	591.60	592.66	(1.06)	23.47	-	23.47	467.99	-	467.99	602.20	601.13	1.07

63. Employee Benefit Obligations (Contd.)

(₹ in crore)

Particulars	Gratuity			ODRB			Leaves			PRMF		
	Present value of obligation	Fair value of plan assets	Net amount	Present value of obligation	Fair value of plan assets	Net amount	Present value of obligation	Fair value of plan assets	Net amount	Present value of obligation	Fair value of plan assets	Net amount
01 April, 2019	626.44	590.28	36.16	18.74	-	18.74	371.69	-	371.69	438.98	418.68	20.30
Service cost	25.51	-	25.51	1.24	-	1.24	31.39	-	31.39	11.55	-	11.55
Interest expense (income)	48.55	47.22	1.33	1.45	-	1.45	28.80	-	28.80	34.02	39.58	(5.56)
Total amount recognized in profit or loss	74.06	47.22	26.84	2.69	-	2.69	60.19	-	60.19	45.57	39.58	5.99
Re measurements												
Return on plan assets, excluding amount included in interest expense/ (income)	-	0.93	(0.93)	-	-	-	-	-	-	-	22.57	(22.57)
(Gain)/Loss from change in demographic assumptions	(0.37)	-	(0.37)	(0.01)	-	(0.01)	0.09	-	0.09	(0.28)	-	(0.28)
(Gain)/Loss from change in financial assumptions	42.77	-	42.77	1.81	-	1.81	36.83	-	36.83	55.69	-	55.69
Experience (Gain)/ Losses	(37.70)	-	(37.70)	(2.18)	-	(2.18)	22.91	-	22.91	23.99	-	23.99
Total amount recognized in other comprehensive income	4.70	0.93	3.77	(0.38)	-	(0.38)	59.83	-	59.83	79.40	22.57	56.83
Employer contributions	-	19.85	(19.85)	-	-	-	-	-	-	-	58.41	(58.41)
Benefits payments	(103.29)	(103.29)	-	(0.09)	-	(0.09)	(67.25)	-	(67.25)	(21.08)	(21.08)	-
31 March 2020	601.91	554.99	46.92	20.96	-	20.96	424.46	-	424.46	542.87	518.16	24.71



63. Employee Benefit Obligations (Contd.)

The net disclosed above relates to funded and unfunded plans are as follows: -

(₹ in crore)

Particulars	Gratuity		ODRB		Leaves		PRMF	
	31 March 2021	31 March 2020	31 March 2021	31 March 2020	31 March 2021	31 March 2020	31 March 2021	31 March 2020
Present value of funded obligations	591.60	601.91	-	-	-	-	602.20	542.87
Fair value of plan assets	592.66	554.99	-	-	-	-	601.13	518.16
Deficit/(Surplus) of funded plan	(1.06)	46.92	-	-	-	-	1.07	24.71
Unfunded plans	-	-	23.47	20.96	467.99	424.46	-	-

The company expects to contribute ₹ 36.07 crore to the gratuity trust during the FY 2021-22.

(iii) Significant actuarial assumptions for Post-Employment Benefits:

Economic Assumptions

Particulars	Gratuity, ODRB, Pension, PRMF, PF	
	31 March 2021	31 March 2020
Discount rate	6.75%	6.75%
Salary growth rate (except for PF)	6.50%	6.50%

The discount rate is generally based upon the market yields available on Govt. Bonds at the accounting date relevant to currency of benefit payments for a term that matches the liabilities. Salary growth rate is companies' long term best estimate as to salary increases and takes account of inflation, seniority, promotion, business plan, HR Policy and other relevant factors on long term basis.

Demographic Assumptions

Particulars	31 March 2021	31 March 2020
i) Retirement Age	60	60
ii) Mortality rates inclusive of provision for disability	100% of IALM (2012-14)	100% of IALM (2012-14)
iii) Ages		
	Withdrawal rate %	Withdrawal %
Upto 30 years	3	3
From 31 to 44 years	2	2
Above 44 years	1	1

Mortality rates for specimen ages

Age	Mortality rate	Age	Mortality rate	Age	Mortality rate
15	0.000698	45	0.002579	75	0.038221
20	0.000924	50	0.004436	80	0.061985
25	0.000931	55	0.007513	85	0.100979
30	0.000977	60	0.011162	90	0.163507
35	0.001202	65	0.015932	95	0.259706
40	0.00168	70	0.024058	100	0.397733

63. Employee Benefit Obligations (Contd.)

(iv) Sensitivity Analysis of the defined benefit obligation

(₹ in crore)

Particulars	Gratuity	ODRB	Leave	PRMF
a) Impact of change in discount rate				
Present value of Obligation at the end of period	591.60	23.47	467.99	602.20
- Impact due to increase of 0.5%	(22.79)	(0.89)	(22.19)	(33.27)
- Impact due to decrease of 0.5%	24.85	0.96	24.24	35.08
b) Impact of change in salary increase				
Present value of Obligation at the end of period	591.60	23.47	467.99	602.20
- Impact due to increase of 0.5%	8.60	0.98	24.12	35.83
- Impact due to decrease of 0.5%	(9.11)	(0.90)	(22.21)	(33.61)

Although the analysis does not take account of the full distribution of cash flows expected under the plan, it does provide an approximation of the sensitivity of the assumptions shown.

The sensitivity analysis above has been determined based on a method that extrapolates the impact on defined benefit obligation as a result of reasonable changes in key assumptions occurring at the end of the reporting period. This analysis may not be representative of the actual change in the defined benefit obligations as it is unlikely that the change in assumptions would occur in isolation of one another as some of the assumptions may be correlated.

(v) The major categories of plan assets (Gratuity) are as follows:

(₹ in crore)

Particulars	31 March 2021				31 March 2020			
	Quoted	Unquoted	Total	In %	Quoted	Unquoted	Total	In %
Equity instruments (ETF)	3.14	-	3.14	1%	3.14	-	3.14	1%
Debt instruments								
Govt/State Bonds	316.42	-	316.42	54%	280.98	-	280.98	49%
PSU and Private Bonds	266.28	-	266.28	45%	286.85	-	286.85	50%
Total*	585.84	-	585.84		570.97	-	570.97	

*Fair valuation as per actuarial valuation is ₹ 592.66 crore (Previous Year ₹ 554.99 crore).

Fair value of company's own transferable financial instruments held as plan assets is ₹ 56.03 (Previous Year ₹ 65.11 crore).

(vi) The major categories of plan assets (PRMF) are as follows:

(₹ in crore)

Particulars	31 March 2021				31 March 2020			
	Quoted	Unquoted	Total	In %	Quoted	Unquoted	Total	In %
Equity instruments (ETF)	-	-	-	-	-	-	-	-
Debt instruments								
Govt/State Bonds	296.17	-	296.17	51%	265.64	-	265.64	52%
PSU and Private Bonds	288.93	-	288.93	49%	240.87	-	240.87	48%
Total#	585.10	-	585.10		506.51	-	506.51	

#Fair valuation as per actuarial valuation is ₹ 601.13 crore (Previous Year ₹ 518.16 crore)



63. Employee Benefit Obligations (Contd.)

(vii) Description of Risk exposures

Valuation is based on certain assumptions which are dynamic in nature and vary over time. As such company is exposed to various risks as follows:

- A) Salary Increases (except for PF) – Actual salary increase will increase the plan’s liability. Increase in salary increase rate assumptions in future valuation will also increase the liability.
- B) Investment risk – If plan is funded then assets liabilities mismatch and actual investment return on assets lower than the discount rate assumed at the last valuation date can impact the liability
- C) Discount Rate – Reduction in discount rate in subsequent valuations can increase the plan’s liability.
- D) Mortality & disability – Actual deaths and disability cases proving lower or higher than assumed in the valuation can impact the liabilities.
- E) Withdrawals – Actual withdrawals proving higher or lower than assumed withdrawals and change of withdrawal rates at subsequent valuations can impact Plan’s liability.

(viii) Defined benefit liability and employee contribution

The weighted average duration of the defined benefit obligations is 39.57 years (Previous Year 40.18years). The expected maturity analysis of undiscounted pension, gratuity, other defined retirement benefit and post-employment medical benefits is as follows:

(₹ in crore)

Particulars	Less than a year	Between 1-2 year	Between 2-5 years	Over 5 years	Total
31 March 2021					
Defined benefit obligation (Gratuity)	77.40	73.30	148.99	291.91	591.60
Post-employment medical benefits	22.58	28.78	112.44	438.40	602.20
ODRB	2.37	2.42	5.27	13.41	23.47
Other employee benefits (LSA)	1.46	1.46	3.42	15.43	21.77
Total	103.81	105.96	270.12	759.15	1239.04
31 March 2020					
Defined benefit obligation (Gratuity)	74.08	67.03	170.22	290.58	601.91
Post-employment medical benefits	20.82	26.55	103.69	391.81	542.87
ODRB	2.06	1.95	5.37	11.58	20.96
Other employee benefits (LSA)	1.12	1.11	3.11	11.69	17.03
Total	98.08	96.64	282.39	705.66	1182.77

64. Disclosure of material impact of COVID-19 pandemic on listed entities under SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015

The Company is mainly engaged in the business of transmission of electricity and the tariffs for the transmission services are regulated in terms of the CERC Tariff Regulations which provide for recovery of the annual transmission charges based on system availability.

Due to the continuing COVID-19 pandemic, various lockdowns were declared by the Central/ State Governments/ Local Authorities from time to time. However, as per the Government guidelines, transmission units and services were exempted from the said lockdown restrictions. The Company has issued guidelines and protocols to be followed by its various units for the operation and maintenance of its transmission network during the pandemic. The Company has also implemented digital solutions such as e-office, ERP systems, Virtual Private Network, Video Conferencing etc. to facilitate Work from Home of its employees. Due to the various steps taken by the Company, there has been no significant impact due to the pandemic on the availability of the transmission system of the Company.

In the above backdrop, the Company has considered various internal and external information available up to the date of approval of financial statements in assessing the impact of COVID-19 pandemic on the financial statements for the year ended 31 March 2021.

64. Disclosure of material impact of COVID-19 pandemic on listed entities under SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 (Contd.)

Based on the above, there has been no material impact on the operations or profitability of the company during the financial year due to the pandemic except a consolidated one-time rebate of ₹ 1,078.64 crore given to DISCOMs and Power Departments of States / Union Territories for passing on to end consumers on account of COVID-19 pandemic against the billing of April 2020 and May 2020. Due to said consolidated one-time rebate, there is a reduction in the profit for the year and the same has been disclosed under “Exceptional items” in the Statement of Profit and loss.

The Company has made an assessment of the liquidity position for the next one year and of the recoverability and carrying value of its assets comprising of Property Plant and equipment, trade receivables and investments as at Balance Sheet date and the management is of the view that there are no material adjustments required in the financial statements. However, the impact assessment of COVID 19 is a continuing process given the uncertainties associated with its nature and duration. The Company will continue to monitor any material changes to future economic conditions.

65. Other Notes

A. Incorporation of wholly owned subsidiary of POWERGRID to undertake Telecommunications and Digital Technology Business of the company

Board of Directors has accorded in-principal approval on 07.11.2019 to form a wholly owned subsidiary of the Company to undertake Telecommunications and Digital Technology business. The Ministry of Power, Govt. of India, in consultation with NITI Aayog has given approval for incorporation of wholly owned subsidiary of the Company on 05.03.2020. Further, as per regulation 8 (4) of Central Electricity Regulatory Commission (Sharing of Revenue Derived from Utilization of Transmission Assets for Other Business) Regulations, 2020, a petition has been filed with CERC on 04.05.2020 for prior approval of the Hon`ble Commission. The petition was admitted by CERC on 14.07.2020, further hearing was held on 15.04.2021 and approval of CERC is awaited. The Company is evaluating the methodology/ Transaction Scheme for transfer of said business including but not limited to identification of assets and liabilities.

The Company will continue to operate the Telecommunication and Digital Technology business until the above significant activities are completed. As the said business is not available for immediate sale in its present condition, hence the same is not classified as “disposal group held for sale”.

B. Incorporation of wholly owned subsidiary of POWERGRID to undertake Energy Management services and Consultancy Business of the company

Board of Directors has accorded in-principle approval on 28.03.2020 to form a wholly owned subsidiary of the Company to undertake the Energy Management Projects in India and abroad as an investor and/or Project Management Consultant (PMC) to provide services, products, investment & consultancy related to Energy Management. Ministry of Power, Govt. of India, in consultation with NITI Aayog has given approval for incorporation of wholly owned subsidiary of the Company on 08.02.2021.

The Company is evaluating the methodology/ Transaction Scheme for transfer of consultancy business including but not limited to identification of assets and liabilities. The Company will continue to operate the Consultancy business until the incorporation of the new subsidiary.

As the said business is not available for immediate sale in its present condition, hence the same is not classified as “disposal group held for sale”.

C. Acquisitions under process

The Company being the successful bidder in TBCB Projects under the SPVs namely Fatehgarh Bhadla Transco Limited, Sikar New Transmission Limited, Sikar II Aligarh Transmission Limited has received Letters of Intent from concerned Bid Process Coordinators (REC Power Distribution Company Limited/ PFC Consulting Limited) and is in the process of acquiring the above stated 3 SPVs as on 31.03.2021.

D. Transfer of function of Central Transmission Utility (CTU) from the company

Ministry of Power vide Gazette notification dated 09.03.2021 notified that, with effect from 01.04.2021, “Central Transmission Utility of India Limited (CTUIL), a wholly owned subsidiary of the company incorporated on 28.12.2020”

**65. Other Notes (Contd.)**

to undertake and discharge all functions of CTU pursuant to the provisions of the Electricity Act, 2003 or any regulations or directions of the central commission or authority or any other directions or functions prescribed by the Central Government in that regard. In pursuant to referred notification, the functions of CTU are transferred to CTUIL w.e.f. 01.04.2021.

- E.** “Transmission capacities in the Inter State Transmission System (ISTS) are granted by CTU in form of Long Term Access (LTA) and Medium Term Open Access (MTOA) to Designated ISTS Customers (‘DIC’). LTA Customers had filed petitions, from time to time, in the CERC with regard to relinquishment of their LTAs citing force majeure events. CERC vide its Order dated 08.03.2019 in Petition 92/MP/2015 has directed CTU to determine the relinquishment charges for the stranded capacity due to relinquishment of their LTA. Accordingly, the relinquishment charges were computed by the CTU as per the mechanism given in the Order and demand has been raised on all the relinquished LTA customers. As per Clause (3) of Regulation 18 of the CERC Connectivity Regulations, on receipt of the relinquished charges from the relinquished LTA customers, the same shall be passed on to the DIC’s. However, some of the LTA customers had filed appeals in Appellate Tribunal (APTEL) against the above CERC Order or against the demand for relinquishment charges raised by the CTU and appeals are still to be disposed by the Court.

The above relinquishment charges are neither an asset nor liability of the company as per the definition of assets and liability given in “Conceptual Framework for Financial Reporting under Indian Accounting Standards” issued by Institute of Chartered Accountants of India (ICAI). Hence, there is no financial impact to the company.

Further, Ministry of Power vide Gazette notification dated 09.03.2021 notified that, with effect from 01.04.2021, “Central Transmission Utility of India Limited (CTUIL), a wholly owned subsidiary of the company incorporated on 28.12.2020” to undertake and discharge all functions of CTU.

F. Recent Pronouncements

The Ministry of Corporate Affairs (“MCA”) through a notification dated 24.03.2021, amended Division II of Schedule III of the Companies Act, 2013 w.e.f. 01.04.2021. The Company will assess and implement the amendments to Division II in the FY 2021-22, as applicable.

- G.** The Code on Social Security, 2020 (‘Code’) relating to employee benefits during employment and post-employment benefits received Presidential assent in September 2020. The Code has been published in the Gazette of India. However, the date on which the Code will come into effect has not been notified. The Company will assess the impact of the Code when it comes into effect and will record any related impact in the period the Code becomes effective.

- 66.** a) Figures have been rounded off to nearest rupees in crore up to two decimals.
b) Previous year figures have been regrouped/ rearranged wherever considered necessary.

For and on behalf of the Board of Directors

Mrinal Srivastava
Company Secretary

Mohammed Taj Mukarrum
Director (Finance)

K. Sreekant
Chairman & Managing Director

As per our report of even date

For T R CHADHA & CO LLP
Chartered Accountants
FRN : 006711N/N500028

For UMAMAHESWARA RAO & CO
Chartered Accountants
FRN : 004453S

For B M CHATRATH & CO LLP
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Partner
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CA Sanjay Sarkar
Partner
M. No. 064305
Place: Kolkata

CA Satish Chandra Sharma
Partner
M. No. 072846
Place: Jaipur

Date: 17 June 2021
Place: Gurugram

INDEPENDENT AUDITOR'S REPORT

TO THE MEMBERS OF POWER GRID CORPORATION OF INDIA LIMITED

Report on the Audit of the Standalone Financial Statements

Opinion

We have audited the accompanying standalone financial statements of Power Grid Corporation of India Limited ("the Company"), which comprise the Balance Sheet as at 31 March 2021, the Statement of Profit and Loss (including Other Comprehensive Income), the Statement of Changes in Equity and the Statement of Cash Flows for the year ended on that date, and notes to the financial statements including a summary of the significant accounting policies and other explanatory information (hereinafter referred to as "the standalone financial statements").

In our opinion and to the best of our information and according to the explanations given to us, the aforesaid standalone financial statements give the information required by the Companies Act, 2013 ("the Act") in the manner so required and give a true and fair view in conformity with the accounting principles generally accepted in India, of the state of affairs of the Company as at 31 March 2021, the profit & total comprehensive income, changes in equity and its cash flows for the year ended on that date.

Basis for Opinion

We conducted our audit of the standalone financial statements in accordance with the Standards on Auditing (SAs) specified under section 143(10) of the Act. Our responsibilities under those Standards are further described in the Auditor's Responsibilities for the Audit of the Standalone Financial Statements section of our report. We are independent of the Company in accordance with the Code of Ethics issued by the Institute of Chartered Accountants of India (ICAI) together with the independence requirements that are relevant to our audit of the standalone financial statements under the provisions of the Act and the Rules made thereunder, and we have fulfilled our other ethical responsibilities in accordance with these requirements and the ICAI's Code of Ethics. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our audit opinion on the standalone financial statements.

Emphasis of Matter

We draw attention to the following matter in the notes to the Standalone financial statements:

- In respect of provisional recognition of revenue from transmission assets for which final tariff orders are yet to be issued by the CERC [Refer Note No. 35(b)]

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

Key Audit Matters

Key audit matters are those matters that, in our professional judgment, were of most significance in our audit of the standalone financial statements for the year ended 31 March 2021. These matters were addressed in the context of our audit of the standalone financial statements as a whole, and in forming our opinion thereon, and we do not provide a separate opinion on these matters. We have determined the matters described below to be the key audit matters to be communicated in our report.

Sr. No.	Key Audit Matters	How the matter was addressed in our audit
1	<p>Recognition of Revenue from Transmission Income</p> <p>Transmission Income is accounted for based on tariff orders notified by the CERC. In case of transmission projects where final tariff orders are yet to be notified, transmission income is accounted for on provisional basis as per Tariff Regulations and Orders of the CERC in earlier cases. Difference, if any, is accounted for on issuance of final Tariff Orders by the CERC. As at each reporting date, transmission income also includes an accrual for services rendered to the customers but not yet billed i.e. Unbilled Revenue.</p>	<p>Our audit approach involved:</p> <p>Obtaining an understanding of the CERC Tariff Regulations, Orders, Circulars, Guidelines and the Company's internal circulars and procedures in respect of recognition and measurement of revenue from transmission of power.</p> <ul style="list-style-type: none"> • Evaluated and tested the effectiveness of the design of Internal controls relating to recognition and measurement of revenue from Transmission. • Verified the transmission revenue based on the CERC Tariff Regulation, Orders, Circulars, Guidelines and the company's internal circulars.



	<p>This is considered as Key Audit Matter due to the nature and extent of estimates made as per CERC Tariff Regulations and contracts with customers for recognition of revenue.</p> <p>(Refer Note No. 35(b) Standalone Financial Statement)</p>	<ul style="list-style-type: none"> • Verified on test basis, the income recognised on provisional basis as per the regulatory guidelines and orders of the CERC in recent cases where tariff orders were issued, for the assets whose final orders are yet to be notified by CERC, based on the date of commercial operation (DOC0) letters issued by Regional technical heads, and capital cost, as certified by the Management.
<p>2</p>	<p><u>Deferred Tax Assets relating to MAT credit entitlement</u></p> <p>The Company has considered MAT credit in anticipation of set off against the tax payable in future years and created Deferred Tax Asset for the same during the year. Corresponding to the said MAT Credit Entitlement, a Deferred Regulatory liability payable to the beneficiaries in subsequent periods as per CERC Tariff Regulations has been recognized.</p> <p>We identified this as a key audit matter because of the importance of this matter to the intended users of the financial statements and its materiality and requirement of judgement in assessing future taxable profits for recognition of MAT credit entitlement.</p> <p>(Refer Note No.26 of Standalone financial statements.)</p>	<p>Our audit approach involved:</p> <ul style="list-style-type: none"> • Reviewing the current status of availability of MAT credits. • Assessing the related forecasts of future taxable profits, evaluated the reasonableness and consistency of the considerations/assumptions underlying the preparation of these forecasts. • Based on the above procedures performed, the recognition and measurement of Deferred tax asset relating to MAT credit entitlement and corresponding Regulatory Deferral Liability towards customers, is considered adequate and reasonable.
<p>3</p>	<p><u>Assessment of Contingent liabilities in respect of certain litigations including land compensation, direct and indirect taxes, various claims filed by other parties not acknowledged as debt.</u></p> <p>There is a high level of judgement required in estimating the contingent liabilities. The company's assessment of contingent liabilities is supported by the facts of the matter, Company's judgement thereon, past experience and advices from legal and independent tax consultants wherever necessary.</p> <p>We identified the above area as Key Audit Matters in view of associated uncertainty relating to the outcome of these matter.</p> <p>(Refer Note No. 58 of Standalone financial statements)</p>	<p>We have obtained an understanding of the Company's procedure in respect of estimation and disclosure of contingent liabilities and adopted the following audit procedure:</p> <ul style="list-style-type: none"> • Reviewing the current status and material developments of legal matters. • Examining recent orders from competent authorities and/or communication received from various authorities, judicial forums and follow-up action thereon. • Review and analysis of evaluation of the contentions of the company through discussions, collection of details of the subject matter under consideration, the likely outcome and consequent potential outflows on those issues.

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

The Company's Board of Directors is responsible for the preparation of the other information. The other information comprises the information included in the Management Discussion and Analysis, Board's Report including Annexures to Board's Report, Business Responsibility Report, Corporate Governance and Shareholder's Information, but does not include the standalone financial statements and our Auditor's Report thereon. The other information as identified above is expected to be made available to us after the date of this Auditor's Report.

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

In connection with our audit of the standalone financial statements, our responsibility is to read the other information identified above when it becomes available and, in doing so, consider whether the other information is materially inconsistent with the standalone financial statements or our knowledge obtained during the course of our audit or otherwise appears to be materially misstated.

When we read those documents including annexures, if any thereon, if we conclude that there is a material misstatement therein, we shall communicate the matter to those charged with the governance.

Management's Responsibility for the Standalone Financial Statements

The Company's Board of Directors is responsible for the matters stated in section 134(5) of the Act with respect to the preparation of these standalone financial statements that give a true and fair view of the financial position, financial performance including other comprehensive income, changes in equity and cash flows of the Company in accordance with the Ind AS and other accounting principles generally accepted in India, including the Indian Accounting Standards (Ind AS) specified under section 133 of the Act read with the Companies (Indian Accounting Standards) Rules, 2015, as amended

This responsibility also includes maintenance of adequate accounting records in accordance with the provisions of the Act for safeguarding the assets of the Company and for preventing and detecting frauds and other irregularities; selection and application of appropriate accounting policies; making judgments and estimates that are reasonable and prudent; and design, implementation and maintenance of adequate internal financial controls, that were operating effectively for ensuring the accuracy and completeness of the accounting records, relevant to the preparation and presentation of the standalone financial statements that give a true and fair view and are free from material misstatement, whether due to fraud or error.

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

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

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

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

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

- Identify and assess the risks of material misstatement of the standalone financial statements, whether due to fraud or error, design and perform audit procedures responsive to those risks, and obtain audit evidence that is sufficient and appropriate to provide a basis for our opinion. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control.
- Obtain an understanding of internal financial controls relevant to the audit in order to design audit procedures that are appropriate in the circumstances. Under section 143(3)(i) of the Act, we are also responsible for expressing our opinion on whether the Company has adequate internal financial controls system in place and the operating effectiveness of such controls.
- Evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by 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 standalone financial statements or, if such disclosures are inadequate, to modify our opinion. Our conclusions are based on the audit evidence obtained up to the date of our auditor's report. However, future events or conditions may cause the Company to cease to continue as a going concern.
- Evaluate the overall presentation, structure and content of the standalone financial statements, including the disclosures, and whether the standalone financial statements represent the underlying transactions and events in a manner that achieves fair presentation.

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

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

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



From the matters communicated with those charged with governance, we determine those matters that were of most significance in the audit of the standalone financial statements of the current period and are therefore the key audit matters. We describe these matters in our auditor's report unless law or regulation precludes public disclosure about the matter or when, in extremely rare circumstances, we determine that a matter should not be communicated in our report because the adverse consequences of doing so would reasonably be expected to outweigh the public interest benefits of such communication.

Report on Other Legal and Regulatory Requirements

1. As required by the Companies (Auditor's Report) Order, 2016 ("the Order") issued by the Central Government in terms of Section 143(11) of the Act, we give in **Annexure '1'** a statement on the matters specified in paragraphs 3 and 4 of the Order, to the extent applicable.
2. In terms of section 143(5) of the Companies Act, 2013, we give in the **Annexure '2'** our report on the directions issued by the Comptroller and Auditor General of India.
3. As required by Section 143(3) of the Act, based on our audit we report that:
 - (a) We have sought and obtained all the information and explanations which to the best of our knowledge and belief were necessary for the purposes of our audit;
 - (b) In our opinion, proper books of account as required by law have been kept by the Company so far as it appears from our examination of those books;
 - (c) The Balance Sheet, the Statement of Profit and Loss including Other Comprehensive Income, Statement of Changes in Equity and the Statement of Cash Flow dealt with by this Report are in agreement with the relevant books of account;
 - (d) In our opinion, the aforesaid standalone financial statements comply with the Ind AS specified under Section 133 of the Act, read with the relevant rules issued thereunder;
 - (e) In view of exemption given vide notification no. G.S.R. 463(E) dated June 5, 2015, issued by the Ministry of Corporate Affairs, provisions of Section 164(2) of the Act regarding disqualification of Directors, are not applicable to the Company;
 - (f) With respect to the adequacy of the internal financial controls over financial reporting with reference to standalone financial statements of the company and the operating effectiveness of such controls, refer to our separate report in **Annexure '3'**. Our report expresses an unmodified opinion on the adequacy and operating effectiveness of the Company's internal financial controls with reference to Standalone financial statements.
 - (g) Pursuant to the Notification No. GSR 463(E) dated 5th June 2015 issued by the Ministry of Corporate Affairs, Government of India, provisions of Section 197 of the Companies Act, 2013, are not applicable to the Company, being a Government Company; and
 - (h) 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 Standalone financial statements – Refer Note 58 to the Standalone financial statements.
 - ii) The Company has made provision, as required under the applicable law or accounting standards, for material foreseeable losses, if any, on long-term contracts including derivative contracts.
 - iii) There has been no delay in transferring amounts, required to be transferred, to the Investor Education and Protection Fund by the Company.

For T R CHADHA & CO LLP

Chartered Accountants
FRN : 006711N/N500028

For UMAMAHESWARA RAO & CO

Chartered Accountants
FRN : 004453S

For B M CHATRATH & CO LLP

Chartered Accountants
FRN : 301011E/E300025

For PSD & ASSOCIATES

Chartered Accountants
FRN : 004501C

Neena Goel

Partner
M. No. 057986
UDIN: 21057986AAAAGF5951
Place: Gurugram

G. Sivaramakrishna Prasad

Partner
M. No. 024860
UDIN: 21024860AAAAAQ1523
Place: Gurugram

Sanjay Sarkar

Partner
M. No. 064305
UDIN: 21064305AAAABQ6921
Place: Kolkata

Satish Chandra Sharma

Partner
M. No. 072846
UDIN: 21072846AAAAG4522
Place: Jaipur

Date: 17 June 2021

Annexure '1' to the Independent Auditors' Report

As referred to in our Independent Auditors' Report of even date to the members of the **Power Grid Corporation of India Limited**, on the standalone Ind AS financial statements for the year ended 31 March 2021, we report that:

- (i) a) The Company has generally maintained records, showing full particulars including quantitative details and situation of Fixed Assets (Property, Plant & Equipment).
- b) The fixed assets (Property, Plant & Equipment) have been physically verified by the management during the year. In our opinion, frequency of verification is reasonable having regard to the size of the Company and nature of its business. No material discrepancies were noticed on such verification.
- c) In our opinion and according to information and explanations given to us and on the basis of an examination of the records of the Company, the title deeds of immovable properties are held in the name of the Company except:

	No. of Cases	Cost (₹ in Crores)	Net Block (₹ in Crores)
Leasehold Land	10	147.19	139.67
Freehold Land	23	151.63	151.63
Buildings (Flats in Mumbai)	28	2.96	1.02

- (ii) The inventories have been physically verified by the management during the year. In our opinion, frequency of verification is reasonable having regard to the size of the Company and nature of its business. No material discrepancies were noticed on such verification.
- (iii) According to the information and explanations given to us, the Company has not granted loans, secured or unsecured, during the year, to any companies, firms, limited liability partnerships or other parties covered in the register maintained under section 189 of the Act. In view of the above, the clause 3(iii) (a), clause 3(iii) (b) and clause 3(iii) (c) of the Order are not applicable.
- (iv) In our opinion and according to information and explanation given to us, the company has complied with the provisions of section 185 and 186 of the Act in respect of loans, investments, guarantees and security.
- (v) In our opinion and according to the information and explanations given to us, the company has not accepted any deposit from the public in accordance with the provisions of the sections 73 to 76 or any other relevant provisions of the Act, and the rules framed thereunder. Accordingly, paragraph 3(v) of the Order is not applicable to the company.
- (vi) We have broadly reviewed the cost records maintained by the company specified by the Central Government under sub section (1) of section 148 of the Companies Act, 2013, in respect of Transmission & Telecom Operations of the Company and we are of the opinion that prima facie the prescribed records have been made and maintained. However, we have not made detailed examination of the cost records with a view to determine whether they are accurate or complete.
- (vii) a) According to the information and explanations given to us, the Company is generally regular in depositing undisputed statutory dues with appropriate authorities including Provident Fund, Income Tax, Goods and Services Tax, Sales Tax, Wealth Tax, Service Tax, Duty of Custom, Duty of Excise, Value Added Tax, Cess and other statutory dues applicable to the Company and that there are no undisputed statutory dues outstanding as at 31 March 2021 for a period of more than six months from the date they became payable. As informed, provisions of the Employees State Insurance Act are not applicable to the Company.
- b) According to information and explanations given to us, there are no disputed dues of Duty of Customs or Duty of Excise which have not been deposited. However, the following disputed demands of Income Tax, Sales Tax, Service Tax, Value Added Tax and Cess dues have not been deposited:

Name of the Statute	Nature of dues	Amount* (₹ in Crores)	Period to which the amount relates	Forum where dispute is pending
Income Tax Act, 1961	Income Tax	4.58	For the F.Y. 2007-08 to F.Y. 2016-17 & F.Y. 2018-19 to F.Y. 2020-21	Jurisdictional Assessing Officers of TANS
Chhattisgarh Entry Tax Act, 1976	Entry Tax	183.18	For the F.Y. 2011-12 to 2017-18	Chhattisgarh High Court
Finance Act, 1994	Service Tax	0.28	For the F.Y. 2003-04	Patna High Court
Central Sales Tax and Sales Tax/VAT Acts of various states	Sales Tax	6.47	From F.Y. 1996-97 to 2013-14	Sales Tax Authority and Appellate Tribunal, J&K



Name of the Statute	Nature of dues	Amount* (₹ in Crores)	Period to which the amount relates	Forum where dispute is pending
Punjab VAT Act, 2005 (Entry Tax)	Entry Tax	9.64	From F.Y. 2011-12 to F.Y. 2013-14	Hon'ble High Court Punjab, Haryana & Chandigarh
Central Sales Tax and Sales Tax/VAT Acts of various states	Service Tax	37.57	From F.Y. 2014-15 to F.Y. 2015-16	Sales Tax Authority Appeal
Building & Other Construction Workers (BOCW) Cess Act, 1996	BOCW	3.71	For F.Y. 2007-08	Hon'ble High Court Himachal Pradesh, Shimla
Central Sales Tax Act	Sales Tax	0.46	For F.Y. 2015-16	Appellate Deputy Commissioner
	Total	245.89		

* Demand amount including interest, net of amount paid under protest.

- (viii) In our opinion and according to the information and explanations given to us the Company has not defaulted during the year in repayment of loans to its financial institutions, bankers and dues to the Bond holders.
- (ix) The company has not raised money by way of initial public offer or further public offer during the year. The company has raised funds by issuance of debt instruments (bonds) during the year. In our opinion, on an overall basis and according to the information and explanations given to us, the company has applied the term loans including funds raised through bonds for the purpose they were obtained.
- (x) According to the information and explanations given to us and as represented by the management, we have been informed that no case of fraud has been committed on or by the company during the year.
- (xi) In view of exemption given vide notification no. G. S. R. 463(E) dated June 5, 2015, issued by Ministry of Corporate Affairs, provisions of Section 197 read with Schedule V of the Act regarding managerial remuneration are not applicable to the Company. Accordingly, paragraph 3(xi) of the Order is not applicable to the company.
- (xii) The company is not a Nidhi Company as prescribed under section 406 of the Act. Accordingly, paragraph 3(xii) of the Order is not applicable to the company.
- (xiii) According to the information and explanations given to us and as represented by the management, all transactions with the related parties are in compliance with sections 177 and 188 of the Act, where applicable and the details have been disclosed in the standalone Ind AS financial statements as required by the applicable Indian Accounting Standards.
- (xiv) According to the information and explanations given to us and based on our examination of the records of the company, the company has not made any preferential allotment or private placement of shares or fully or partly convertible debentures during the year. Accordingly, paragraph 3(xiv) is not applicable to the company.
- (xv) According to the information and explanations given to us and based on our examination of the records of the company, the company has not entered into non-cash transactions with directors or persons connected with them. Accordingly, paragraph 3(xv) is not applicable to the company.
- (xvi) According to the information and explanations given to us the company is not required to be registered under section 45 IA of the Reserve Bank of India Act, 1934. Accordingly, paragraph 3(xvi) is not applicable to the company.

For T R CHADHA & CO LLP

Chartered Accountants
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For UMAMAHESWARA RAO & CO

Chartered Accountants
FRN : 004453S

For B M CHATRATH & CO LLP

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For PSD & ASSOCIATES

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Place: Kolkata

Satish Chandra Sharma

Partner
M. No. 072846
UDIN: 21072846AAAAG4522
Place: Jaipur

Date: 17 June 2021

Annexure '2' to the Auditors Report

As referred to in our Independent Auditors' Report of even date to the members of the **Power Grid Corporation of India Limited**, on the standalone Ind AS financial statements for the year ended 31 March 2021

S. No.	Directions	Auditors' Comments
1.	Whether the Company has a system in place to process all the accounting transactions through IT system? If yes, the implications of processing of accounting transactions outside IT system on the integrity of the accounts along with the financial implications, if any, may be stated.	The company is having ERP system (SAP) in place for processing all accounting transactions. Based on our verification, no accounting transaction is being recorded/processed other than through the ERP system in place.
2.	Whether there is any restructuring of an existing loan or cases of waiver/write off of debts/loans/interest etc. made by a lender to the company due to the company's inability to repay the loan? If yes, the financial impact may be stated. Whether such cases are properly accounted for? (Incase, lender is a Government company, then this direction is also applicable for Statutory Auditor of lender company).	Based on our verification and explanations and information given to us, there were no cases of restructuring of an existing loan or cases of waiver/ write off of debts/loan/interest etc. made by a lender to the company due to the company's inability to repay the loan.
3.	Whether funds(grants/subsidy etc.) received/receivable for specific schemes from Central/State or its agencies were properly accounted for/utilized as per its term and conditions? List the cases of deviation.	Based on our verification and explanations and information given to us, funds received/receivable for specific scheme from Central/State agencies were properly accounted for and utilized as per its terms and conditions. No deviations were noticed by us.

For T R CHADHA & CO LLP

Chartered Accountants
FRN : 006711N/N500028

For UMAMAHESWARA RAO & CO

Chartered Accountants
FRN : 004453S

For B M CHATRATH & CO LLP

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Place: Kolkata

Satish Chandra Sharma

Partner
M. No. 072846
UDIN: 21072846AAAAG4522
Place: Jaipur

Date: 17 June 2021



Annexure '3' to the Auditors' Report

As referred to in our Independent Auditors' Report of even date to the members of the **Power Grid Corporation of India Limited**, on the standalone Ind AS financial statements for the year ended 31 March 2021

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

We have audited the internal financial controls over financial reporting with reference to Ind AS financial statements of the company as at 31 March 2021 in conjunction with our audit of the standalone 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 controls 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 with reference to Ind AS financial statements that were operating effectively for ensuring the orderly and efficient conduct of business, including adherence to Company's policies, the safeguarding of its assets, the prevention and detection of frauds and errors, the accuracy and completeness of the accounting records, and the timely preparation of reliable financial information, as required under the Act.

Auditors' Responsibility

Our responsibility is to express an opinion on the Company's internal financial controls over financial reporting with reference to Ind AS financial statements based on our audit. We conducted our audit in accordance with the Guidance Note on Audit of Internal Financial Control over Financial Reporting (the "Guidance Note") and the Standards on Auditing, issued by ICAI and deemed to be prescribed under section 143(10) of the Companies Act, 2013, to the extent applicable to an audit of internal financial controls and, both issued by the Institute of Chartered Accountants of India. Those Standards and the Guidance Note require that we comply with ethical requirements and plan and perform the audit to obtain reasonable assurance about whether adequate internal financial controls over financial reporting with reference to 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 system over financial reporting with reference to Ind AS financial statements and their operating effectiveness. Our audit of internal financial controls over financial reporting with reference to Ind AS financial statements included obtaining an understanding of internal financial controls over financial reporting with reference to Ind AS financial statements, assessing the risk that a material weakness exists and testing and evaluating the design and operating effectiveness of internal controls 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 standalone 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 system over financial reporting with reference to Ind AS financial statements.

Meaning of Internal Financial Controls Over Financial Reporting With Reference to Ind AS Financial Statements

A company's internal financial control over financial reporting 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 financial statements for external purposes in accordance with generally accepted accounting principles. A company's internal financial control over financial reporting 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 financial statements in accordance with generally accepted accounting principles, and that receipts and expenditures of the Company are being made only in accordance with authorizations of management and directors of the company; and
- (3) provide reasonable assurance regarding prevention or timely detection of unauthorized acquisition, use, or dispositions of the Company's assets that could have a material effect on the standalone Ind AS financial statements.

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

Because of the inherent limitations of internal financial controls over financial reporting with reference to 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 over financial reporting with reference to Ind AS financial statements to future periods are subject to the risk that the internal financial controls over financial reporting with reference to 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, an adequate internal financial controls system over financial reporting with reference to Ind AS financial statements and such internal financial controls over financial reporting with reference to Ind AS financial statements were operating effectively as at 31 March 2021, based on the internal financial controls 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.

For T R CHADHA & CO LLP

Chartered Accountants
 FRN : 006711N/N500028

Neena Goel

Partner
 M. No. 057986
 UDIN: 21057986AAAAGF5951
 Place: Gurugram

Date: 17 June 2021

For UMAMAHESWARA RAO & CO

Chartered Accountants
 FRN : 004453S

G. Sivaramakrishna Prasad

Partner
 M. No. 024860
 UDIN: 21024860AAAAAQ1523
 Place: Gurugram

For B M CHATRATH & CO LLP

Chartered Accountants
 FRN : 301011E/E300025

Sanjay Sarkar

Partner
 M. No. 064305
 UDIN: 21064305AAAABQ6921
 Place: Kolkata

For PSD & ASSOCIATES

Chartered Accountants
 FRN : 004501C

Satish Chandra Sharma

Partner
 M. No. 072846
 UDIN: 21072846AAAAG4522
 Place: Jaipur


Consolidated Balance Sheet as at 31 March 2021

(₹ in crore)

Particulars	Note No	As at 31 March 2021	As at 31 March 2020
ASSETS			
Non-current assets			
Property, Plant and Equipment	4	182,108.99	179,449.82
Capital work-in-progress	5	24,679.80	34,904.41
Investment Property	6	0.03	0.03
Intangible assets	7	1,616.95	1,662.28
Intangible assets under development	8	157.99	273.00
Investments in Joint Ventures accounted for using the equity method	9A	1,346.85	1,332.18
Financial Assets			
Investments	9	138.70	98.90
Loans	10	322.58	271.58
Other non-current financial assets	11	4,433.70	4,100.30
Other non-current assets	12	4,925.46	6,325.73
		219,731.05	228,418.23
Current assets			
Inventories	13	1,366.94	1,433.46
Financial Assets			
Trade receivables	14	3,675.53	5,040.71
Cash and cash equivalents	15	4,487.23	4,849.59
Bank balances other than Cash and cash equivalents	16	871.48	604.31
Loans	17	127.05	156.41
Other current financial assets	18	8,038.97	5,799.43
Other current assets	19	174.69	228.02
		18,741.89	18,111.93
Assets Classified as Held for Sale	19A	6,701.05	-
		25,442.94	18,111.93
Regulatory Deferral Account Balances	20	10,575.13	10,123.06
Total Assets		255,749.12	256,653.22
EQUITY AND LIABILITIES			
Equity			
Equity Share capital	21	5,231.59	5,231.59
Other Equity	22	64,704.48	59,463.76
		69,936.07	64,695.35

Consolidated Balance Sheet as at 31 March 2021 (Contd.)

(₹ in crore)

Particulars	Note No	As at 31 March 2021	As at 31 March 2020
Liabilities			
Non-current liabilities			
Financial Liabilities			
Borrowings	23	129,174.79	135,421.11
Other non-current financial liabilities	24	3,625.14	3,523.13
Provisions	25	462.02	424.71
Deferred tax liabilities (Net)	26	11,836.62	11,228.78
Other non-current liabilities	27	347.10	362.54
		145,445.67	150,960.27
Current liabilities			
Financial Liabilities			
Borrowings	28	1,800.00	3,000.00
Trade payables			
(A) total outstanding dues of micro enterprises and small enterprises	29	29.76	11.59
(B) total outstanding dues of creditors other than micro enterprises and small enterprises	29	157.72	214.95
Other current financial liabilities	30	23,106.44	21,784.15
Other current liabilities	31	3,884.70	4,305.93
Provisions	32	845.12	742.04
Current Tax Liabilities (Net)	33	425.51	22.92
		30,249.25	30,081.58
Liabilities directly associated with Assets Classified as Held for Sale	19A	363.98	-
		30,613.23	30,081.58
Deferred Revenue	34	9,754.15	10,916.02
Total Equity and Liabilities		255,749.12	256,653.22

The accompanying notes (1 to 69) form an integral part of financial statements

For and on behalf of the Board of Directors
Mrinal Srivastava
Company Secretary

Mohammed Taj Mukarrum
Director (Finance)

K. Sreekant
Chairman & Managing Director
As per our report of even date
For T R CHADHA & CO LLP
Chartered Accountants
FRN : 006711N/N500028

For UMAMAHESWARA RAO & CO
Chartered Accountants
FRN : 004453S

For B M CHATRATH & CO LLP
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FRN : 301011E/E300025

For PSD & ASSOCIATES
Chartered Accountants
FRN : 004501C

CA Neena Goel
Partner
M. No. 057986
Place: Gurugram

CA G. Sivaramkrishna Prasad
Partner
M. No. 024860
Place: Gurugram

CA Sanjay Sarkar
Partner
M. No. 064305
Place: Kolkata

CA Satish Chandra Sharma
Partner
M. No. 072846
Place: Jaipur

Date: 17 June 2021
Place: Gurugram


Consolidated Statement of Profit and Loss for the year ended 31 March 2021

(₹ in crore)

Particulars	Note No.	For the year ended 31 March 2021	For the year ended 31 March 2020
Revenue From Operations	35	39,639.79	37,743.54
Other Income	36	1,183.74	927.42
Total Income		40,823.53	38,670.96
EXPENSES			
Employee benefits expense	37	2,114.76	1,959.75
Finance costs	38	8,134.69	9,509.00
Depreciation and amortization expense	39	12,039.19	11,607.04
Other expenses	40	2,531.92	2,843.55
Total expenses		24,820.56	25,919.34
Profit before share of net profits of investments in Joint Ventures accounted for using Equity Method, Exceptional items, tax and Regulatory Deferral Account Balances		16,002.97	12,751.62
Share of net profits of investments in Joint Ventures accounted for using Equity Method		214.70	155.13
Profit before Exceptional items, tax and Regulatory Deferral Account Balances		16,217.67	12,906.75
Exceptional items		1,078.64	-
Profit Before Tax and Regulatory Deferral Account Balances		15,139.03	12,906.75
Tax expense:			
Current tax - Current Year		2,565.27	2,198.54
- Earlier Years		(56.68)	121.91
Deferred tax	26	955.66	1,210.30
		3,464.25	3,530.75
Profit for the period before Regulatory Deferral Account Balances		11,674.78	9,376.00
Net movement in Regulatory Deferral Account Balances- Income/ (Expenses) (net of tax)	41	361.68	1,683.40
Profit for the period		12,036.46	11,059.40

Consolidated Statement of Profit and Loss for the year ended 31 March 2021 (Contd.)

(₹ in crore)

Particulars	Note No.	For the year ended 31 March 2021	For the year ended 31 March 2020
Other Comprehensive Income			
Items that will not be reclassified to profit or loss (net of tax)	42	25.36	(104.02)
Share of other comprehensive income of Joint Ventures accounted for using Equity Method		0.13	-
Total Comprehensive Income for the period		12,061.95	10,955.38
Earnings per equity share including movement in Regulatory Deferral Account Balances (Par value ₹ 10/- each):			
Basic & Diluted (₹)	63	23.01	21.14
Earnings per equity share excluding movement in Regulatory Deferral Account Balances (Par value ₹ 10/- each):			
Basic & Diluted (₹)	63	22.32	17.92

The accompanying notes (1 to 69) form an integral part of financial statements

For and on behalf of the Board of Directors
Mrinal Srivastava

Company Secretary

Mohammed Taj Mukarrum

Director (Finance)

K. Sreekant

Chairman & Managing Director

As per our report of even date
For T R CHADHA & CO LLP

Chartered Accountants

FRN : 006711N/N500028

For UMAMAHESWARA RAO & CO

Chartered Accountants

FRN : 004453S

For B M CHATRATH & CO LLP

Chartered Accountants

FRN : 301011E/E300025

For PSD & ASSOCIATES

Chartered Accountants

FRN : 004501C

CA Neena Goel

Partner

M. No. 057986

Place: Gurugram

CA G. Sivaramakrishna Prasad

Partner

M. No. 024860

Place: Gurugram

CA Sanjay Sarkar

Partner

M. No. 064305

Place: Kolkata

CA Satish Chandra Sharma

Partner

M. No. 072846

Place: Jaipur

Date: 17 June 2021

Place: Gurugram



Consolidated Statement of Changes in Equity for the year ended 31 March 2021

A. Equity Share Capital

	(₹ in crore)
As at 01 April 2020	5,231.59
Changes during the year	-
As at 31 March 2021	5,231.59
As at 01 April 2019	5,231.59
Changes during the year	-
As at 31 March 2020	5,231.59

B. Other Equity

Particulars	Reserves and Surplus						Other Comprehensive Income (OCI)	Total
	Capital Reserve	Securities Premium	Bond Redemption Reserve	Self Insurance Reserve	General Reserve	Retained Earnings		
As at 01 April 2020	-	9,578.29	8,696.91	832.09	36,905.49	3,423.64	27.34	59,463.76
Profit for the year						12,036.46		12,036.46
Other Comprehensive Income						(14.31)	39.80	25.49
Total Comprehensive Income						12,022.15	39.80	12,061.95
Adjustments during the year								
On account of business combination	0.76							0.76
Transfer to General Reserve					6,000.00	(6,000.00)		
Transfer from Bond Redemption Reserve			(1,308.94)			1,308.94		
Transfer to Self Insurance Reserve				289.31		(289.31)		
Transfer from Self Insurance Reserve				(387.33)	363.73	23.60		
Final Dividend F.Y. 2019-20						(2,113.56)		(2,113.56)
Interim Dividend F.Y. 2020-21						(4,708.43)		(4,708.43)
As at 31 March 2021	0.76	9,578.29	7,387.97	734.07	43,269.22	3,667.03	67.14	64,704.48

Consolidated Statement of Changes in Equity for the year ended 31 March 2021 (Contd.)

B. Other Equity Share Capital (Contd.)

Particulars	Reserves and Surplus						Other Comprehensive Income (OCI)		Total
	Securities Premium	Bond Redemption Reserve	Self Insurance Reserve	CSR Reserve	General Reserve	Retained Earnings	Equity Instruments through OCI	Total	
As at 01 April 2019	9,578.29	9,942.79	893.37	114.54	31,454.07	1,797.05	76.69	53,856.80	
Profit for the year						11,059.40		11,059.40	
Other Comprehensive Income						(54.67)	(49.35)	(104.02)	
Total Comprehensive Income						11,004.73	(49.35)	10,955.38	
Adjustments during the year									
Transfer to General Reserve					5,000.00	(5,000.00)		-	
Transfer to Bond redemption reserve		439.88				(439.88)		-	
Transfer from Bond Redemption Reserve		(1,685.76)				1,685.76		-	
Transfer to Self Insurance Reserve			275.60			(275.60)		-	
Transfer from Self Insurance Reserve			(336.88)			-		-	
Transfer from CSR Reserve				(114.54)		-		-	
Final Dividend F.Y. 2018-19						(1,307.90)		(1,307.90)	
Tax on Final Dividend F.Y. 2018-19						(280.14)		(280.14)	
Interim Dividend F.Y. 2019-20						(3,118.02)		(3,118.02)	
Tax on Interim dividend F.Y. 2019-20						(637.94)		(637.94)	
Other Changes						(4.42)		(4.42)	
As at 31 March 2020	9,578.29	8,696.91	832.09	-	36,905.49	3,423.64	27.34	59,463.76	

The accompanying notes (1 to 69) form an integral part of financial statements
Refer to Note No. 22 for nature and movement of Reserves and Surplus

Mrinal Srivastava
Company Secretary

For and on behalf of the Board of Directors
Mohammed Taj Mukarrum
Director (Finance)

K. Sreekant
Chairman & Managing Director

For T R CHADHA & CO LLP
Chartered Accountants
FRN : 006711N/N500028

CA Neena Goel
Partner
M. No. 057986
Place: Gurugram
Date: 17 June 2021
Place: Gurugram

As per our report of even date
For UMAMAHESWARA RAO & CO
Chartered Accountants
FRN : 0044533

CA G. Sivaramakrishna Prasad
Partner
M. No. 024860
Place: Gurugram

For B M CHATRATH & CO LLP
Chartered Accountants
FRN : 301011E/E300025

CA Sanjay Sarkar
Partner
M. No. 064305
Place: Kolkata

For PSD & ASSOCIATES
Chartered Accountants
FRN : 004501C

CA Satish Chandra Sharma
Partner
M. No. 072846
Place: Jaipur


Consolidated Statement of Cash Flows for the year ended 31 March 2021

(₹ in crore)

Particulars	For the year ended 31 March 2021	For the year ended 31 March 2020
A. CASH FLOW FROM OPERATING ACTIVITIES		
Profit Before Tax and Regulatory Deferral Account Balances	15,139.03	12,906.75
Add: Net movement in Regulatory Deferral Account Balances (net of tax)	361.68	1,683.40
Add: Tax on Net movement in Regulatory Deferral Account Balances	74.60	356.39
Net Profit Before Tax (including Net movement in regulatory deferral account balances)	15,575.31	14,946.54
Adjustment for :		
Depreciation & amortization expenses	12,039.19	11,607.04
Transfer from Grants in Aid	(328.89)	(260.25)
Deferred revenue - Advance against Depreciation	(160.05)	(152.65)
Provisions	7.78	6.34
Changes in fair value of financial assets through profit or loss	(7.68)	(39.89)
Share of net profits of joint ventures accounted for using equity method	(214.70)	(155.13)
Net Loss on Disposal / Write off of Property, Plant & Equipment	2.49	17.20
Deferred Foreign Currency Fluctuation Asset	1,022.09	(1,572.74)
Deferred Income from Foreign Currency Fluctuation	(780.92)	1,637.95
Regulatory Deferral Account Debit Balances	(436.28)	(2,039.79)
Finance Costs	8,134.69	9,509.00
Provisions Written Back	(24.82)	(147.56)
FERV loss / (gain)	(0.02)	(0.31)
Interest income on Deposits, Bonds and loans to JVs	(71.47)	(168.33)
Surcharge income	(744.06)	(308.76)
Dividend income	(9.00)	(5.35)
	18,428.35	17,926.77
Operating profit before Changes in Assets and Liabilities	34,003.66	32,873.31
Adjustment for Changes in Assets and Liabilities:		
(Increase)/Decrease in Inventories	36.46	(181.36)
(Increase)/Decrease in Trade Receivables	1,297.52	(290.95)
(Increase)/Decrease in Other Financial Assets	(2,719.76)	1,672.88
(Increase)/Decrease in Other Non-current Assets	(55.20)	(55.41)
(Increase)/Decrease in Other Current Assets	40.09	109.84
Increase/(Decrease) in Liabilities & Provisions	(1,104.12)	(820.97)
	(2,505.01)	434.03
Cash generated from operations	31,498.65	33,307.34
Direct taxes paid	(2,186.50)	(2,568.71)
Net Cash from Operating Activities	29,312.15	30,738.63

Consolidated Statement of Cash Flows for the year ended 31 March 2021 (Contd.)

(₹ in crore)

Particulars	For the year ended 31 March 2021	For the year ended 31 March 2020
B. CASH FLOW FROM INVESTING ACTIVITIES		
Property, Plant & Equipment and Capital Work in Progress (Including Advances for Capital Expenditure)	(9,363.55)	(11,367.12)
Receipt of Grant	8.13	233.94
Acquisition of subsidiary, net of cash acquired	(308.39)	-
Investments in joint venture companies	(33.00)	(100.17)
(Increase)/Decrease in Investments in other companies	-	(18.40)
Loans & Advances to JVs (including repayments)	47.83	(12.40)
Lease receivables	(259.16)	(13.82)
Interest received on Deposits, Bonds & loans to JVs	74.98	160.96
Surcharge received	744.06	308.76
Dividend received from joint venture companies	107.15	69.41
Dividend received from other investments	9.00	5.35
Net Cash used in Investing Activities	(8,972.95)	(10,733.49)
C. CASH FLOW FROM FINANCING ACTIVITIES		
Proceeds from Borrowings		
Non Current	7,840.14	10,325.96
Current	11,750.00	18,020.00
Repayment of Borrowings		
Non Current	(11,260.10)	(10,765.64)
Current	(12,950.00)	(19,320.00)
Adjustment for Fair Valuation of Long Term Loans	40.93	12.80
Repayment of Lease Liabilities (Including interest)	(6.32)	(4.82)
Finance Costs paid	(9,113.71)	(11,730.14)
Dividend paid	(6,821.99)	(4,425.92)
Dividend Tax paid	-	(918.08)
Net Cash used in Financing Activities	(20,521.05)	(18,805.84)
D. Net change in Cash and Cash equivalents (A+B+C)	(181.85)	1,199.30
E. Cash and Cash equivalents (Opening balance)	4,849.59	3,650.29
Less: Cash and Cash equivalents classified as held for sale	(180.51)	-
F. Cash and Cash equivalents (Closing balance) (Refer Note No 15)*	4,487.23	4,849.59

The accompanying notes (1 to 69) form an integral part of financial statements

* Includes ₹ 3122.48 crore (Previous Year ₹ 4668.32 crore) held in designated accounts which is not available for use by the Group.

Notes:

- Cash and cash equivalents consist of cheques, drafts, stamps in hands, balances with banks and deposits with original maturity of upto three months.
- Previous year figures have been re-grouped / re-arranged wherever necessary.



Consolidated Statement of Cash Flows for the year ended 31 March 2021 (Contd.)

3. Reconciliation between the opening and closing balances in the balance sheet for liabilities arising from financing activities.

(₹ in crore)

Particulars	Non-current borrowings	Current borrowings
Opening Balance as at 1st April, 2020	148,544.13	3,000.00
Net Cash Flows during the year	(12,075.71)	(1,200.00)
Non-cash changes due to :		
- Interest on borrowings	8,657.71	
- Variation in exchange rates	(655.21)	
- Fair value adjustments	40.93	
Closing Balance as at 31st March, 2021	144,511.85	1,800.00

(₹ in crore)

Particulars	Non-current borrowings	Current borrowings
Opening Balance as at 1st April, 2019	145,452.36	4,300.00
Net Cash Flows during the year	(10,315.92)	(1,300.00)
Non-cash changes due to :		
- Interest on borrowings	9,774.73	
- Variation in exchange rates	3,620.16	
- Fair value adjustments	12.80	
Closing Balance as at 31st March, 2020	148,544.13	3,000.00

For and on behalf of the Board of Directors

Mrinal Srivastava
Company Secretary

Mohammed Taj Mukarrum
Director (Finance)

K. Sreekant
Chairman & Managing Director

As per our report of even date

For T R CHADHA & CO LLP
Chartered Accountants
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Place: Gurugram
Date: 17 June 2021
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CA Sanjay Sarkar
Partner
M. No. 064305
Place: Kolkata

CA Satish Chandra Sharma
Partner
M. No. 072846
Place: Jaipur

Notes to Consolidated Financial Statements

1. Group Information

Power Grid Corporation of India Limited ('the Company') is a public company domiciled and incorporated in India under the provisions of The Companies Act and its shares are listed on the National Stock Exchange (NSE) and BSE Limited (BSE) in India. The Registered Office of the Company is situated at B-9, Qutab Institutional Area, Katwaria Sarai, New Delhi, India and its Corporate Office is located at Saudamini, Plot No.2, Sector-29, Gurgaon, Haryana.

The Company is notified as the Central Transmission Utility (CTU) under The Electricity Act, 2003. It is principally engaged in planning, implementation, operation and maintenance of Inter-State Transmission System (ISTS), Telecom and consultancy services.

The consolidated financial statements of the group for the year ended 31 March 2021 were approved for issue by the Board of Directors on 17 June 2021.

2. Significant Accounting Policies

A summary of the significant accounting policies applied in the preparation of the consolidated financial statements are as given below. These accounting policies have been applied consistently to all periods presented in the consolidated financial statements. The Consolidated financial statements of the group are consisting of the Company and its subsidiaries and the Group's interest in joint ventures.

2.1 Basis of Preparation

i) Compliance with Ind AS

The consolidated financial statements are prepared in compliance with Indian Accounting Standards (Ind AS) notified under Section 133 of the Companies Act, 2013 (the Act), Companies (Indian Accounting Standards) Rules, 2015, the relevant provisions of the Companies Act, 2013 (to the extent notified), The Companies Act, 1956 and the provisions of Electricity Act, 2003, in each case, to the extent applicable and as amended thereafter.

ii) Basis of Measurement

The consolidated financial statements have been prepared on accrual basis and under the historical cost convention except following which have been measured at fair value:

- Certain financial assets and liabilities measured at fair value (refer Note no. 2.14 for accounting policy regarding financial instruments),
- Defined benefit plans – plan assets measured at fair value.

iii) Functional and presentation currency

The consolidated financial statements are presented in Indian Rupees (Rupees or ₹), which is the Company's functional and presentation currency and all amounts are rounded to the nearest crore and two decimals thereof, except as stated otherwise.

iv) Use of estimates

The preparation of consolidated financial statements requires estimates and assumptions that affect the reported amount of assets, liabilities, revenue and expenses during the reporting period. Although, such estimates and assumptions are made on a reasonable and prudent basis taking into account all available information, actual results could 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 effects only that period or in the period of the revision and future periods if the revision affects both current and future years (refer Note no. 3 on critical accounting estimates, assumptions and judgments).

v) Current and non-current classification

The Group presents assets and liabilities in the balance sheet based on current/non-current classification.

An asset is current when it is:

- Expected to be realized or intended to be sold or consumed in normal operating cycle;
- Held primarily for the purpose of trading;
- Expected to be realized within twelve months after the reporting period; or
- Cash or cash equivalent unless restricted from being exchanged or used to settle a liability for at least twelve months after the reporting period.



All other assets are classified as non-current.

A liability is current when:

- It is expected to be settled in normal operating cycle;
- It is held primarily for the purpose of trading;
- It is due to be settled within twelve months after the reporting period; or
- There is no unconditional right to defer settlement of the liability for at least twelve months after the reporting period.

All other liabilities are classified as non-current.

Deferred tax assets/liabilities are classified as non-current.

The Group recognizes twelve months period as its operating cycle.

2.2 Principle of Consolidation and Equity Accounting

Subsidiaries

Subsidiaries are entities over which the Group has control. The Group controls an entity when the Group is exposed to, or has right to, variable returns from its involvement with the entity and has the ability to affect those returns through its power to direct the relevant activities of the entity. Subsidiaries are fully consolidated from the date on which control is transferred to the Group. They are deconsolidated from the date that control ceases.

The acquisition method of accounting is used to account for business combination by the group.

The Group combines the financial statement of the subsidiaries line by line adding together like items of assets, liabilities, equity, income, and expenses. Inter Group transactions, balances and unrealized gains on transactions between companies are eliminated. Unrealized losses are also eliminated unless the transaction provides evidence of an impairment of the transferred asset. Accounting policies of subsidiaries have been changed where necessary to ensure consistency with the policies adopted by the Group.

The consolidated financial statements have been prepared in accordance with Indian Accounting Standard (Ind AS) 110 – ‘Consolidated Financial Statements’ and Indian Accounting Standard (Ind AS) 28 – ‘Investments in Associates and Joint Ventures.

Joint Arrangements

Under Ind AS 111 Joint Arrangements, investment in joint arrangements is classified as either joint operation or joint ventures. The classification depends on the contractual right and obligations of each investor, rather than the legal structure of the joint arrangement. The Group has only joint ventures.

Joint Ventures

Interest in joint ventures is accounted for using the equity method, after initially being recognised at cost in the consolidated balance sheet.

Equity Method

Under the equity method of accounting, the investments are initially recognised at cost and adjusted thereafter to recognize the Group’s share of the post – acquisition profits or losses of the investee company in Statement of Profit and Loss, and the Group’s share of other comprehensive income of the investee Company in other comprehensive income. Dividends received from joint ventures are recognised as reduction in the carrying amount of the investment.

When the Group’s share of losses in an investment accounted under Equity method equals or exceeds its interest in the entity, including any other unsecured long term receivables, the Group does not recognise further losses, unless it has incurred obligations or made payments on behalf of the Joint Venture Entities.

Unrealized gains on transactions between the Group and its joint ventures are eliminated to the extent of the Group’s interest in these entities. Unrealized losses are also eliminated unless the transaction provides evidence of an impairment of asset transferred. Accounting policies of equity accounted investees have been changed where necessary.

The financial statements of the subsidiary companies and joint venture companies in the consolidation are drawn up to the same reporting date as of the Group.

Changes in ownership interests

When the group ceases to consolidate or to account for an investment under equity method due to loss of control or joint control, the retained interest in the entity is remeasured to its fair value with the change in carrying amount recognised in Statement of Profit and Loss. The fair value becomes the initial carrying amount for the purpose of subsequent accounting of the retained interest as an associate or a financial asset.

Difference in Accounting Policies and Impact thereon:

For certain items the Group and joint venture entities have followed different accounting policies. However, the impact of same is not material.

2.3 Property, Plant and Equipment

The Group had opted to consider the carrying value of Property, Plant and Equipment as per previous GAAP on the date of transition to Ind AS (1st April 2015) to be the deemed cost as per Ind AS 101 'First-time Adoption of Indian Accounting Standards'.

Initial Recognition and Measurement

Property, Plant and Equipment is initially measured at cost of acquisition/construction including any costs directly attributable to bringing the asset to the location and condition necessary for it to be capable of operating in the manner intended by management. After initial recognition, Property, Plant and Equipment is carried at cost less accumulated depreciation / amortisation and accumulated impairment losses, if any.

Property, Plant and Equipment acquired as replacement of the existing assets are capitalized and its corresponding replaced assets removed/ retired from active use are derecognized.

If the cost of the replaced part or earlier inspection component is not available, the estimated cost of similar new parts/ inspection component is used as an indication of what the cost of the existing part/ inspection component was when the item was acquired or inspection was carried out.

In the case of commissioned assets, deposit works/cost- plus contracts where final settlement of bills with contractors is yet to be effected, capitalization is done on provisional basis subject to necessary adjustments in the year of final settlement.

Assets and systems common to more than one transmission system are capitalized on the basis of technical estimates/ assessments.

Transmission system assets are considered as ready for intended use from the date of commercial operation declared in terms of CERC Tariff Regulations and capitalized accordingly. However in case of subsidiaries, transmission system assets are considered as ready for intended use after meeting the conditions as stipulated in Transmission Service Agreement (TSA) and capitalized accordingly.

The cost of land includes provisional deposits, payments/liabilities towards compensation, rehabilitation and other expenses wherever possession of land is taken.

Expenditure on levelling, clearing and grading of land is capitalized as part of cost of the related buildings.

Spares parts whose cost is ₹ 5,00,000/- and above, standby equipment and servicing equipment which meets the recognition criteria of Property, Plant and Equipment are capitalized.

The acquisition or construction of some items of property, plant and equipment although not directly increasing the future economic benefits of any particular existing item of property, plant and equipment, may be necessary for the company to obtain future economic benefits from its other assets. Such items are recognized as property, plant and equipment.

Subsequent costs

Subsequent expenditure is recognized as an increase in carrying amount of assets when it is probable that future economic benefits deriving from the cost incurred will flow to the Group and cost of the item can be measured reliably.

The cost of replacing part of an item of Property, Plant & Equipment is recognized in the carrying amount of the item if it is probable that future economic benefits embodied within the part will flow to the Group and its cost can be measured reliably. The carrying amount of the replaced part is derecognized. The costs of the day-to-day servicing of property, plant and equipment are recognised in the Statement of Profit & Loss as incurred.

Derecognition

An item of Property, Plant and Equipment is derecognized when no future economic benefits are expected from their use or upon their disposal.

The gain or loss arising on the disposal or retirement of an item of property, plant and equipment is determined as the difference between the net disposal proceeds and the carrying amount of the asset and is recognised in the Statement of Profit and Loss on the date of disposal or retirement.

2.4 Capital Work-In-Progress (CWIP)

Cost of material, erection charges and other expenses incurred for the construction of Property, Plant and Equipment are shown as CWIP based on progress of erection work till the date of capitalization.



Expenditure of Corporate office, Regional Offices and Projects, directly attributable to construction of property, plant and equipment are identified and allocated on a systematic basis to the cost of the related assets.

Interest during construction and expenditure (net) allocated to construction as per policy above are kept as a separate item under CWIP and apportioned to the assets being capitalized in proportion to the closing balance of CWIP.

Deposit works/cost-plus contracts are accounted for on the basis of statement received from the contractors or technical assessment of work completed.

Unsettled liability for price variation/exchange rate variation in case of contracts is accounted for on estimated basis as per terms of the contracts.

2.5 Intangible Assets and Intangible Assets under development

The Group had opted to consider the carrying value of Intangible Assets as per previous GAAP on the date of transition to Ind AS (1st April 2015) to be the deemed cost as per Ind AS 101 'First-time Adoption of Indian Accounting Standards'.

Intangible assets are measured on initial recognition at cost. After initial recognition, intangible assets are carried at cost less any accumulated amortisation and accumulated impairment losses.

Subsequent expenditure on already capitalized Intangible assets is capitalised when it increases the future economic benefits embodied in an existing asset and is amortised prospectively.

The cost of software (which is not an integral part of the related hardware) acquired for internal use and resulting in significant future economic benefits is recognized as an intangible asset when the same is ready for its use.

Afforestation charges for acquiring right-of-way for laying transmission lines are accounted for as intangible assets on the date of capitalization of related transmission lines.

Expenditure incurred, eligible for capitalization under the head Intangible Assets, are carried as "Intangible Assets under Development" till such assets are ready for their intended use.

Expenditure on research is recognised as an expense when it is incurred.

Expenditure on development activities shall be recognised as Intangible asset if it meets the eligibility criteria as per Ind AS 38 'Intangible Assets', otherwise it shall be recognised as an expense.

An item of Intangible asset is derecognised upon disposal or when no future economic benefits are expected from its use or disposal. Gains or losses arising from derecognition of an intangible asset are measured as the difference between the net disposal proceeds and the carrying amount of the asset and are recognised in the Statement of Profit and Loss when the asset is derecognised.

2.6 Investment property

The Group had opted to consider the carrying value of Investment Property as per previous GAAP on the date of transition to Ind AS (1st April 2015) to be the deemed cost as per Ind AS 101 'First-time Adoption of Indian Accounting Standards'.

Investment property comprises portions of land and/or buildings that are held for long term rental yields and/or for capital appreciation.

Investment properties are initially measured at cost, including transaction costs. Subsequent to initial recognition, investment properties are carried at cost less accumulated depreciation and accumulated impairment loss, if any.

Transfers to or from investment property is made when there is a change in use - i.e. an asset meets or ceases to meet the definition of investment property and there is evidence of the change in use.

Investment properties are derecognised either when they have been disposed off or when they are permanently withdrawn from use and no future economic benefit is expected from their disposal. The difference between the net disposal proceeds and the carrying amount of the asset is recognised as profit or loss in the period of derecognition.

2.7 Depreciation / Amortisation

Property, Plant and Equipment

Depreciation/amortisation on the items of property, plant and equipment related to transmission business is provided on straight line method following the rates and methodology notified by the CERC for the purpose of recovery of tariff and on property, plant and equipment of telecom, consultancy business and subsidiaries acquired through Tariff Based Competitive Bidding (TBCB) process is provided on straight line method as per useful life specified in Schedule II of the Companies Act, 2013 except for property, plant and equipment specified in the following paragraphs.

ULDC assets commissioned prior to 1st April 2014 are depreciated on Straight Line Method @ 6.67% per annum. Such assets commissioned on or after 1st April 2014 are depreciated on straight line method following the rates and methodology notified by the CERC for the purpose of recovery of tariff.

In the case of property, plant and equipment of National Thermal Power Corporation Limited (NTPC), National Hydro-Electric Power Corporation Limited (NHPC), North-Eastern Electric Power Corporation Limited (NEEPCO), Neyveli Lignite Corporation Limited (NLC) transferred w.e.f. April 1, 1992, Jammu and Kashmir Lines w.e.f. April 1, 1993, and Tehri Hydro Development Corporation Limited (THDC) w.e.f. August 1, 1993, depreciation is charged based on gross block as indicated in transferor's books with necessary adjustments so that the life of the assets as laid down in the CERC notification for tariff is maintained.

Depreciation on buildings held as investment property is provided on straight line method as specified in Schedule II of The Companies Act, 2013.

Depreciation on spares parts, standby equipment and servicing equipment which are capitalized, is provided on straight line method from the date they are available for use over the remaining useful life of the related assets of transmission business, following the rates and methodology notified by the CERC.

Depreciation on following items of property, plant and equipment (PPE) is provided based on estimated useful life as per technical assessment.

Particulars	Useful life
a. Computers & Peripherals	3 Years
b. Servers & Network Components	5 years
c. PPE of Subsidiaries acquired through TBCB process:	
Buildings	35 years
Transmission line	35 years
Substation Equipment	35 years

Residual value of above assets is considered as Nil.

Mobile phones are charged off in the year of purchase.

Property, plant and equipment costing ₹ 5,000/- or less, are fully depreciated in the year of acquisition.

Where the cost of depreciable property, plant and equipment has undergone a change due to increase/decrease in long term monetary items on account of exchange rate fluctuation, price adjustment, change in duties or similar factors, the unamortized balance of such asset is depreciated prospectively at the rates and methodology as specified by the CERC Tariff Regulations, except for telecom and consultancy business assets where residual life is determined on the basis of useful life of property, plant and equipment as specified in Schedule II of the Companies Act, 2013.

Depreciation on additions to/deductions from Property, Plant and Equipment during the year is charged on pro-rata basis from/up to the date on which the asset is available for use/disposed.

The residual values, useful lives and methods of depreciation for items of property, plant and equipment other than items of property, plant and equipment related to transmission business are reviewed at each financial year-end and adjusted prospectively, wherever required.

Right of Use Assets:

Right of Use assets are fully depreciated from the lease commencement date on a straight line basis over the lease term.

Leasehold land is fully amortized over lease period or life of the related plant whichever is lower in accordance with the applicable methodology. Leasehold land acquired on perpetual lease is not amortized.

Intangible Assets

Cost of software capitalized as intangible asset is amortized over the period of legal right to use or 3 years, whichever is less with Nil residual value.

Afforestation charges other than related to subsidiaries acquired through TBCB process are amortized over thirty five years from the date of capitalization of related transmission assets following the rates and methodology notified by Central Electricity Regulatory Commission (CERC) Tariff Regulations.

Afforestation charges related to subsidiaries acquired through TBCB process are amortized over thirty -five years from the date of capitalization of related transmission assets following straight line method with Nil Residual Value.

Telecom Licenses are amortised on straight line basis over their respective useful lives.

Expenditure on development of 1200kv Transmission System shall be amortised over a period of 10 years.

Amortisation on additions to/deductions from Intangible Assets during the year is charged on pro-rata basis from/up to the date on which the asset is available for use/disposed.



The amortization period and the amortization method for an intangible asset are reviewed at each financial year-end and are accounted for as change in accounting estimates in accordance with Ind AS 8 “Accounting Policies, Changes in Accounting Estimates and Errors”.

2.8 Borrowing Costs

All the borrowed funds (except short term funds for working capital) are earmarked to specific projects. The borrowing costs (including bond issue expenses, interest, discount on bonds, front end fee, guarantee fee, management fee etc.) are allocated to the projects in proportion to the funds so earmarked.

Exchange differences arising from foreign currency borrowing to the extent regarded as an adjustment to interest costs are treated as borrowing cost.

Borrowing costs directly attributable to the acquisition or construction of qualifying assets are capitalised (net of income on temporary deployment of funds) as part of the cost of such assets till the assets are ready for the intended use. Qualifying assets are assets which take a substantial period of time to get ready for their intended use.

All other borrowing costs are recognised in Statement of Profit and Loss in the period in which they are incurred.

2.9 Impairment of non-financial assets

The carrying amounts of the Group’s non-financial assets are reviewed at each reporting date to determine whether there is any indication of impairment considering the provisions of Ind AS 36 ‘Impairment of Assets’. If any such indication exists, then the asset’s recoverable amount is estimated.

The recoverable amount of an asset or cash-generating unit is the higher of its fair value less costs to disposal and its value in use. In assessing value in use, the estimated future cash flows are discounted to their present value using a pre-tax discount rate that reflects current market assessments of the time value of money and the risks specific to the asset for which the estimates of future cash flows have not been adjusted. For the purpose of impairment testing, assets that cannot be tested individually are grouped together into the smallest group of assets that generates cash inflows from continuing use that are largely independent of the cash inflows of other assets or groups of assets (the “cash-generating unit”, or “CGU”).

An impairment loss is recognized if the carrying amount of an asset or its CGU exceeds its estimated recoverable amount. Impairment losses are recognized in the statement of profit and loss. Impairment losses recognized in respect of CGUs are reduced from the carrying amounts of the assets of the CGU.

Impairment losses recognized in prior periods are assessed at each reporting date for any indications that the loss has decreased or no longer exists. An impairment loss is reversed if there has been a change in the estimates used to determine the recoverable amount. An impairment loss is reversed only to the extent that the asset’s carrying amount does not exceed the carrying amount that would have been determined, net of depreciation or amortization, if no impairment loss had been recognized.

2.10 Cash and cash equivalents

Cash and cash equivalents include cash on hand and at bank, and deposits held at call with banks having a maturity of three months or less from the date of acquisition that are readily convertible to a known amount of cash and are subject to an insignificant risk of changes in value.

2.11 Inventories

Inventories are valued at lower of the cost, determined on weighted average basis and net realizable value.

Steel scrap and conductor scrap are valued at estimated realizable value or book value, whichever is less.

Spares which do not meet the recognition criteria as Property, Plant and Equipment including spare parts whose cost is less than ₹ 5,00,000/- are recorded as inventories.

Surplus materials as determined by the management are held for intended use and are included in the inventory.

The diminution in the value of obsolete, unserviceable and surplus stores and spares is ascertained on review and provided for.

2.12 Leases

Lease is a contract that conveys the right to control the use of an identified asset for a period of time in exchange for consideration.

To assess whether a contract conveys the right to control the use of an identified asset, the Group assesses whether: (i) the contract involves use of an identified assets, (ii) the customer has substantially all the economic benefits from the use of the asset through the period of the lease and (iii) the customer has the right to direct the use of the asset.

i) As a Lessee

At the date of commencement of the lease, the Group recognises a right-of-use asset (ROU) and a corresponding lease liability for all lease arrangements in which it is a lessee, except for lease with a term of twelve months or less (i.e. short term leases) and leases for which the underlying asset is of low value. For these short-term and leases for which the underlying asset is of low value, the Group recognizes the lease payments on straight-line basis over the term of the lease.

Certain lease arrangements includes the options to extend or terminate the lease before the end of the lease term. ROU assets and lease liabilities includes these options when it is reasonably certain that they will be exercised.

The right-of-use assets are initially recognized at cost, which comprises the amount of the initial measurement of the lease liability adjusted for any lease payments made at or before the inception date of the lease along with any initial direct costs, restoration obligations and lease incentives received.

Subsequently, the right-of-use assets is measured at cost less any accumulated depreciation, accumulated impairment losses, if any and adjusted for any remeasurement of the lease liability. The Group applies Ind AS 36 to determine whether a ROU asset is impaired and accounts for any identified impairment loss as described in the accounting policy 2.9 on "Impairment of non-financial assets".

The lease liability is initially measured at present value of the lease payments that are not paid at that date.

The interest cost on lease liability is expensed in the Statement of Profit and Loss, unless eligible for capitalization as per accounting policy 2.8 on "Borrowing costs".

Lease liability and ROU asset have been separately presented in the financial statements and lease payments have been classified as financing cash flows.

ii) As a Lessor

A lease is classified at the inception date as a finance lease or an operating lease.

a) Finance leases

A lease that transfers substantially all the risks and rewards incidental to ownership of an asset is classified as a finance lease.

State sector Unified Load Dispatch Centre (ULDC)/ Fibre Optic Communication Assets (FOC)/Bilateral line assets leased to the beneficiaries are considered as Finance Lease. Net investment in such leased assets are recorded as receivable at the lower of the fair value of the leased property and the present value of the minimum lease payments along with accretion in subsequent years is accounted for as Lease Receivables under current and non-current other financial assets. Wherever grant-in-aid is received for construction of State Sector ULDC, lease receivable is accounted for net of such grant.

The interest element of lease is accounted in the Statement of Profit and Loss over the lease period based on a pattern reflecting a constant periodic rate of return on the net investment as per the tariff notified by CERC.

FERV on foreign currency loans relating to leased assets is adjusted to the amount of lease receivables and is amortised over the remaining tenure of lease. FERV recovery (as per CERC norms) from the constituents is recognised net of such amortised amount.

b) Operating leases

An operating lease is a lease other than a finance lease. Leases in which a significant portion of the risks and rewards of ownership are retained by the lessor are classified as operating leases.

For operating leases, the asset is capitalized as property, plant and equipment and depreciated over its economic life. Rental income from operating lease is recognized over the term of the arrangement.

2.13 Employee benefits**2.13.1 Defined contribution plans**

A defined contribution plan is a post-employment benefit plan under which an entity pays fixed contributions into separate entities (Funds) and will have no legal or constructive obligation to pay further contributions, if the Fund does not hold sufficient assets to pay all employee's benefits related to employee service in the current and prior periods. Obligations for contributions to defined contribution plans are recognized as an employee benefits expense in the statement of profit and loss in the period during which services are rendered by employees.



The Group has a defined contribution pension scheme which is administered through a separate trust. The obligation of the Group is to contribute to the trust to the extent of amount not exceeding 30% of basic pay and dearness allowance less employer's contribution towards provident fund, gratuity, post retirement medical facility (PRMF) or any other retirement benefits. The contributions to the fund for the year are recognized as an expense and charged to the statement of profit and loss.

2.13.2 Defined benefit plans

A defined benefit plan is a post-employment benefit plan other than a defined contribution plan. The Group's liability towards gratuity, post-retirement medical facility, baggage allowance for settlement at home town after retirement, long service award on retirement and provident fund scheme to the extent of interest liability on provident fund contribution are in the nature of defined benefit plans.

The gratuity is funded by the Group and is managed by separate trust. The Group has Post-Retirement Medical Facility (PRMF), under which retired employee and the spouse are provided medical facilities in the Group empanelled hospitals. They can also avail treatment as out-patient subject to a ceiling fixed by the Group.

The Group pays fixed contribution to Provident Fund at predetermined rates to a separate trust, which invests the funds in permitted securities. The contributions to the fund for the year are recognized as expense and are charged to the statement of profit and loss. The obligation of the Group is limited to such fixed contributions and to ensure a minimum rate of interest on contributions to the members as specified by the Government of India (GoI).

The Group has schemes for payment of baggage allowance towards expenses for settlement at hometown for the superannuated employees & their dependents and for providing a Long Service Award to all regular employees of the Group on superannuation.

The Group's net obligation in respect of defined benefit plans is calculated separately for each plan by estimating the amount of future benefit that employees have earned in return for their service in the current and prior periods; that benefit is discounted to determine its present value. Any unrecognized past service costs and the fair value of any plan assets are deducted. The discount rate is based on the prevailing market yields of Indian government securities as at the reporting date that have maturity dates approximating the terms of the Group's obligations and that are denominated in the same currency in which the benefits are expected to be paid.

The calculation is performed annually by a qualified actuary using the projected unit credit method. When the calculation results in a benefit to the Group, the recognized asset is limited to the total of any unrecognized past service costs and the present value of economic benefits available in the form of any future refunds from the plan or reductions in future contributions to the plan. An economic benefit is available to the Group if it is realizable during the life of the plan, or on settlement of the plan liabilities. Any actuarial gains or losses are recognized in OCI in the period in which they arise and subsequently not reclassified to profit or loss.

When the benefits of a plan are improved, the portion of the increased benefit relating to past service by employees is recognized in the statement of profit and loss on a straight-line basis over the average period until the benefits become vested. To the extent that the benefits vest immediately, the expense is recognized immediately in the statement of profit and loss.

2.13.3 Other long-term employee benefits

Benefits under the Group's leave encashment and Employee Family Economic Rehabilitation Scheme constitute other long term employee benefits.

The Group's net obligation in respect of leave encashment is the amount of future benefit that employees have earned in return for their service in the current and prior periods; that benefit is discounted to determine its present value. The discount rate is based on the prevailing market yields of Indian government securities as at the reporting date that have maturity dates approximating the terms of the Group's obligations. The calculation is performed using the projected unit credit method. Any actuarial gains or losses are recognized in the statement of profit and loss in the period in which they arise.

As per the Group's Employee Family Economic Rehabilitation scheme, which is optional, in the event of death or permanent total disability of an employee, the dependent(s) or the employee, as the case may be, is paid a fixed amount based on the last salary drawn by the employee till the notional date of superannuation of the employee upon depositing the final provident fund and gratuity amount which will be interest free.

2.13.4 Short-term benefits

Short term employee benefit obligations are measured on an undiscounted basis and are expensed as the related service is provided.

A liability is recognized for the amount expected to be paid under performance related pay if the Group has a present legal or constructive obligation to pay this amount as a result of past service provided by the employee and the obligation can be estimated reliably.

2.14 Financial instruments

A financial instrument is any contract that gives rise to a financial asset of one entity and a financial liability or equity instrument of another entity.

Financial Assets

Classification

The Group classifies its financial assets in the following categories:

- at amortised cost,
- at fair value through other comprehensive income

The classification depends on the following:

- the entity's business model for managing the financial assets and
- the contractual cash flow characteristics of the financial asset.

Initial recognition and measurement

All financial assets are recognised initially at fair value plus, in the case of financial assets not recorded at fair value through profit or loss, transaction costs, if any, that are attributable to the acquisition of the financial asset.

Subsequent measurement

Debt Instruments at Amortised cost: Assets that are held for collection of contractual cash flows where those cash flows represent solely payments of principal and interest are measured at amortised cost. A gain or loss on a debt investment that is subsequently measured at amortised cost is recognised in profit or loss when the asset is derecognised or impaired. Interest income from these financial assets is included in finance income using the effective interest rate method.

Debt Instruments at Fair value through other comprehensive income (FVOCI): Assets that are held for collection of contractual cash flows and for selling the financial assets, where the assets' cash flows represent solely payments of principal and interest, are measured at fair value through other comprehensive income (FVOCI). On derecognition of the asset, cumulative gain or loss previously recognised in OCI is reclassified from the equity to profit and loss. Interest income from these financial assets is included in finance income using the effective interest rate method.

Equity investments

All equity investments in scope of Ind AS 109 'Financial Instruments' are measured at fair value. The Group may, on initial recognition, make an irrevocable election to present subsequent changes in the fair value in other comprehensive income (FVOCI) on an instrument by-instrument basis.

For equity instruments classified as at FVOCI, all fair value changes on the instrument, excluding dividends are recognized in the OCI. There is no recycling of the amounts from OCI to Profit or Loss, even on sale of investment. However, the Group may transfer the cumulative gain or loss within equity.

De-recognition of financial assets

A financial asset is derecognized only when

- i) The right to receive cash flows from the assets have expired, or
- ii)
 - a) The group has transferred the rights to receive cash flows from the financial asset (or) retains the contractual rights to receive the cash flows of the financial assets, but assumes a contractual obligation to pay the cash flows to one or more recipients and
 - b) the group has transferred substantially all the risks and rewards of the asset (or) the group has neither transferred nor retained substantially all the risks and rewards of the asset, but has transferred control of the asset.



The difference between the carrying amount and the amount of consideration received/receivable is recognised in the Statement of Profit and Loss.

Impairment of financial assets:

For trade receivables and unbilled revenue, the group applies the simplified approach required by Ind AS 109 Financial Instruments, which requires expected lifetime losses to be recognised from initial recognition of the receivables.

For recognition of impairment loss on other financial assets and risk exposure, the Group determines whether there has been a significant increase in the credit risk since initial recognition. If credit risk has not increased significantly, 12-month Expected Credit Loss (ECL) is used to provide for impairment loss. However, if credit risk has increased significantly, lifetime ECL is used. If, in a subsequent period, credit quality of the instrument improves such that there is no longer a significant increase in credit risk since initial recognition, then the entity reverts to recognizing impairment loss allowance based on 12 -month ECL.

Financial Liabilities

Financial liabilities of the Group are contractual obligation to deliver cash or another financial asset to another entity or to exchange financial assets or financial liabilities with another entity under conditions that are potentially unfavourable to the Group.

The Group's financial liabilities include loans & borrowings, trade and other payables.

Classification, initial recognition and measurement

Financial liabilities are recognised initially at fair value minus, in the case of financial liabilities not recorded at fair value through profit or loss, transaction costs that are directly attributable to the issue of financial liabilities.

Subsequent measurement

After initial recognition, financial liabilities are subsequently measured at amortised cost using the EIR method. Amortised cost is calculated by taking into account any discount or premium on acquisition and fees or costs that are an integral part of the effective interest rate (EIR). Any difference between the proceeds (net of transaction costs) and the redemption amount is recognised in the Statement of Profit and Loss over the period of the borrowings using the EIR. Gains and losses are recognised in Statement of Profit and Loss when the liabilities are derecognised.

The EIR amortisation is included as finance costs in the Statement of Profit and Loss.

De-recognition of financial liability

A financial liability is derecognised when the obligation under the liability is discharged or cancelled or expires. When an existing liability is replaced by another from the same lender on substantially different terms, or the terms of an existing liability are substantially modified, such an exchange or modification is treated as the derecognition of the original liability and the recognition of a new liability. The difference between the carrying amount of a financial liability that has been extinguished or transferred to another party and the consideration paid, including any non-cash assets transferred or liabilities assumed, is recognised in Statement of Profit and Loss as other income or finance cost.

Offsetting of financial instruments

Financial assets and financial liabilities are offset and the net amount is reported in the Balance Sheet if there is a currently enforceable legal right to offset the recognised amounts and there is an intention to settle on a net basis, to realise the assets and settle the liabilities simultaneously.

2.15 Foreign Currency Translation**(a) Functional and presentation currency**

Items included in the financial statements of the Group are measured using the currency of the primary economic environment in which the Group operates ('the functional currency'). The financial statements are presented in Indian Rupees (Rupees or ₹), which is the Group's functional and presentation currency.

(b) Transactions and balances

Transactions in foreign currencies are initially recorded at the exchange rates prevailing on the date of the transaction. Foreign currency monetary items are translated with reference to the rates of exchange ruling on the date of the Balance Sheet. Non-Monetary items denominated in foreign currency are reported at the exchange rate ruling on the date of initial

recognition of the non-monetary prepayment asset or deferred income liability, or the date that related item is recognized in the financial statements, whichever is earlier. In case the transaction is recognized in stages, then transaction date is established for each stage.

Foreign exchange gains and losses (other than related to foreign currency loans outstanding) are presented in the statement of profit and loss on a net basis within other gains/(losses).

The Group has availed the exemption available in Ind AS 101, to continue the policy adopted for accounting for exchange differences arising from translation of long-term foreign currency monetary liabilities outstanding as on March 31, 2016.

Foreign currency loans outstanding as on March 31, 2016:

Foreign Exchange Rate Variation (FERV) arising on settlement / translation of such foreign currency loans relating to property, plant and equipment/ capital work-in-progress is adjusted to the carrying cost of related assets and is recoverable/payable from the beneficiaries on actual payment basis as per Central Electricity Regulatory Commission (CERC) norms w.e.f. 1st April, 2004 or Date of Commercial Operation (DOC) whichever is later. The above FERV to the extent recoverable or payable as per the CERC norms is accounted for as follows:

- i) FERV recoverable/payable adjusted to carrying cost of property, plant and equipment is accounted for as 'Deferred foreign currency fluctuation asset/liability a/c' with a corresponding credit/debit to 'Deferred income/expenditure from foreign currency fluctuation a/c'.
- ii) 'Deferred income/expenditure from foreign currency fluctuation a/c' is amortized in the proportion in which depreciation is charged on such FERV.
- iii) The amount recoverable/payable as per CERC norms on year to year basis is adjusted to the 'Deferred foreign currency fluctuation asset/liability a/c' with corresponding debit / credit to the trade receivables.

FERV earlier charged to Statement of Profit and Loss & included in the capital cost for the purpose of tariff is adjusted against 'Deferred foreign currency fluctuation asset/liability a/c'.

FERV arising out of settlement/translation of long term monetary items (other than foreign currency loans) relating to Property Plant & Equipment /CWIP is adjusted in the carrying cost of related assets.

FERV arising during the construction period from settlement/translation of monetary items (other than non current loans) denominated in foreign currency to the extent recoverable/payable to the beneficiaries as capital cost as per CERC tariff Regulation are accounted as Regulatory Deferral Account Balances. Transmission charges recognised on such amount is adjusted against above account. Other exchange differences are recognized as income or expenses in the period in which they arise.

Foreign currency loans drawn on or after April 1, 2016:

Exchange differences arising from foreign currency borrowing to the extent regarded as an adjustment to interest costs are treated as borrowing cost. Other exchange differences are recognized in the Statement of Profit and Loss.

Exchange difference to the extent recoverable as per CERC tariff regulations are recognized as Regulatory Deferral Account Balances through Statement of Profit and Loss.

(c) Foreign Group Companies

The results and financial position of foreign operations (none of which has the currency of a hyper inflationary economy) that have a functional currency different from the presentation currency are translated into the presentation currency as follows:

- i) Assets and liabilities are translated at closing rate at the date of that balance sheet.
- ii) Income and expenses are translated at average exchange rates (unless this is not the reasonable approximation of the cumulative effect of the rates prevailing on the transaction date in which case income and expenses are translated at the date of transactions) and
- iii) All the exchange differences are recognised in other comprehensive income.

2.16 Income Tax

Income tax expense represents the sum of current and deferred tax. Tax is recognised in the Statement of Profit and Loss, except to the extent that it relates to items recognised directly in equity or other comprehensive income. In this case the tax is also recognised directly in equity or in other comprehensive income.

**Current income tax**

The current tax is based on taxable profit for the year under the tax laws enacted and applicable to the reporting period in the countries where the group operate and generate taxable income and any adjustment to tax payable in respect of previous years.

Deferred tax

Deferred tax is recognised on temporary differences between the carrying amounts of assets and liabilities in the Group's financial statements and the corresponding tax bases used in the computation of taxable profit and is accounted for using the Balance Sheet method. Deferred tax assets are generally recognised for all deductible temporary differences, unused tax losses and unused tax credits to the extent that it is probable that future taxable profits will be available against which those deductible temporary differences, unused tax losses and unused tax credits can be utilised. The carrying amount of deferred tax assets is reviewed at each Balance Sheet date and reduced to the extent that it is no longer probable that sufficient taxable profits will be available against which the temporary differences can be utilised.

Deferred tax assets and liabilities 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 Balance Sheet date.

Deferred tax liabilities are not recognised for temporary differences between the carrying amount and tax bases of investment in subsidiaries where the group is able to control the timing of the reversal of the temporary differences and it is probable that the differences will not reverse in foreseeable future.

Deferred tax assets and liabilities are offset if there is a legally enforceable right to offset current tax liabilities and assets, and they relate to income taxes levied by the same tax authority.

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. 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.

2.17 Regulatory Deferral Account Balances

Certain expenses and income, allowed under CERC regulations to be reimbursed by/passed on to beneficiaries in future, are to be accounted in the Statement of Profit and Loss as per the provisions of Ind AS 114 'Regulatory Deferral Accounts' and Guidance Note on "Accounting for Rate Regulated Activities" issued by the Institute of Chartered Accountants of India (ICAI). Such expenses and income, to the extent recoverable /payable as part of tariff under CERC Regulations are treated as Regulatory Deferral Assets/Liabilities.

The Group presents separate line items in the Balance Sheet for:

- (a) the total of all Regulatory Deferral Account Debit Balances; and
- (b) the total of all Regulatory Deferral Account Credit Balances.

A separate line item is presented in the profit or loss section of the Statement of Profit and Loss for the net movement in all Regulatory Deferral Account Balances for the reporting period.

Regulatory deferral accounts balances are adjusted in the year in which the same become recoverable from or payable to the beneficiaries.

2.18 Revenue

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

Significant Financing Component

Where the period between the transfer of the promised goods or services to the customer and payment by the customer exceeds one year, the Group assesses the effects of significant financing component in the contract. As a consequence, the Group makes adjustment in the transaction prices for the effects of time value of money.

2.18.1 Revenue from Operations

Transmission

Transmission Income is accounted for based on tariff orders notified by the CERC. In case of transmission projects where final tariff orders are yet to be notified, transmission income is accounted for on provisional basis as per tariff regulations and orders of the CERC in similar cases. Difference, if any, is accounted on issuance of final tariff orders by the CERC. Transmission Income in respect of additional capital expenditure incurred after the date of commercial operation is accounted for based on expenditure incurred on year to year basis as per CERC tariff regulations. As at each reporting date, transmission income includes an accrual for services rendered to the customers but not yet billed i.e. Unbilled Revenue. However in case of subsidiaries transmission income is accounted for based on orders issued by CERC u/s 63 of Electricity Act 2003 for adoption of transmission charges.

Rebates allowed to beneficiaries as early payment incentives are deducted from the amount of revenue.

The Transmission system incentive / disincentive is accounted for based on certification of availability by the respective Regional Power Committees (RPCs) and in accordance with the CERC tariff regulations. Where certification by RPCs is not available, incentive/disincentive is accounted for on provisional basis as per estimate of availability by the Group and differences, if any is accounted upon certification by RPCs.

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

Telecom Services

Income from Telecom Services, net of downtime credit, is recognised on the basis of terms of agreements/purchase orders from the customers. Upfront fee received in advance under long term contracts providing Indefeasible Right to Use (IRU), is recognised as revenue on the basis of estimation of revenue over the period of contract.

Consultancy Services

In respect of 'Cost-plus-consultancy contracts', involving execution on behalf of the client, revenue is recognized in proportion to the stage of completion of the work performed at the reporting date, which is determined based on input method.

Income from other consultancy contracts are accounted for on technical assessment of progress of services rendered.

2.18.2 Other Income

Interest income is recognized, when no significant uncertainty as to measurability or collectability exists, on a time proportion basis taking into account the amount outstanding and the applicable interest rate, using the effective interest rate method (EIR).

Surcharge recoverable from trade receivables, liquidated damages, warranty claims and interest on advances to suppliers are recognized when no significant uncertainty as to measurability and collectability exists.

Application Fees towards Long Term Open Access (LTOA) as per CERC Guidelines is accounted for on receipt.

Scrap other than steel scrap & conductor scrap are accounted for as and when sold.

Dividend income is recognized when right to receive payment is established.

Insurance claims for loss of profit are accounted for in the year of acceptance. Other insurance claims are accounted for based on certainty of realization.

Revenue from rentals and operating leases is recognized on an accrual basis in accordance with the substance of the relevant agreement.

2.19 Government Grants

Grants-in-aid from Central Government or other authorities towards capital expenditure for projects, betterment of transmission systems and specific depreciable assets initially are treated as deferred income when there is a reasonable assurance that they will be received and the Group will comply with the conditions associated with the grant. Deferred Income is recognized in the Statement of Profit and Loss over the useful life of related asset in proportion to which depreciation on these assets is provided. In case of non-monetary government grants, both asset and grant are recorded at nominal value.

Grants that compensate the Group for expenses incurred are recognized over the period in which the related costs are incurred and deducted from the related expenses.



2.20 Dividends

Annual dividend distribution to the shareholders is recognised as a liability in the period in which the dividends are approved by the shareholders. Any interim dividend paid is recognised on approval by Board of Directors. Dividend payable and corresponding tax on dividend distribution is recognised directly in equity.

2.21 Provisions and Contingencies

a) Provisions

Provisions are recognised when the Group has a present obligation (legal or constructive) as a result of a past event, it is probable that an outflow of resources embodying economic benefits will be required to settle the obligation and a reliable estimate can be made of the amount of the obligation. If the effect of the time value of money is material, provisions are discounted. Unwinding of the discount is recognised in the Statement of Profit and Loss as a finance cost. Provisions are reviewed at each Balance Sheet date and are adjusted to reflect the current best estimate.

b) Contingencies

Contingent liabilities are disclosed on the basis of judgment of the management/ independent experts. These are reviewed at each balance sheet date and are adjusted to reflect the current management estimate.

Contingent liabilities are disclosed when there is a possible obligation arising from past events, the existence of which will be confirmed only by the occurrence or non-occurrence of one or more uncertain future events not wholly within the control of the Group or a present obligation that arises from past events where it is either not probable that an outflow of resources will be required to settle or a reliable estimate of the amount cannot be made. Information on contingent liability is disclosed in the Notes to the Financial Statements.

Contingent assets are possible assets that arise from past events and whose existence will be confirmed only by the occurrence or non-occurrence of one or more uncertain future events not wholly within the control of the Company. Contingent assets are disclosed in the financial statements when inflow of economic benefits is probable on the basis of judgment of management. These are assessed continually to ensure that developments are appropriately reflected in the financial statements.

2.22 Share capital and Other Equity

Ordinary shares are classified as equity.

Incremental costs directly attributable to the issue of new shares are shown in equity as a deduction, net of tax, from the proceeds.

Self-insurance reserve is created @ 0.12% p.a. on Original Gross Block of Property, Plant and Equipment and value of Inventory except ROU assets and assets covered under insurance as at the end of the year by appropriation of current year profit to mitigate future losses from un-insured risks and for taking care of contingencies in future by procurement of towers and other transmission line materials including strengthening of towers and equipment of AC substation. The Reserve created as above is shown as "Self Insurance Reserve" under 'Other Equity'.

2.23 Prior Period Items

Material prior period errors are corrected retrospectively by restating the comparative amounts for prior period presented in which the error occurred or if the error occurred before the earliest period presented, by restating the opening statement of financial position.

2.24 Operating Segments

The Board of Directors is the Group's 'Chief Operating Decision Maker' or 'CODM' within the meaning of Ind AS 108 'Operating Segments'. CODM monitors the operating results of its business segments separately for the purpose of making decisions about resource allocation and performance assessment. Segment performance is evaluated based on profit or loss and is measured consistently with profit or loss in the financial statements.

The operating segments have been identified on the basis of the nature of products / services.

- Segment revenue includes sales and other income directly identifiable with / allocable to the segment including inter-segment transactions.
- Expenses that are directly identifiable with / allocable to segments are considered for determining the segment result. Expenses which relate to the Group as a whole and not allocable to segments are included under un-allocable expenditure.

- Income which relates to the Group as a whole and not allocable to segments is included in un-allocable income.
- Segment assets and liabilities include those directly identifiable with the respective segments. Un-allocable assets and liabilities represent the assets and liabilities that relate to the Group as a whole and not allocable to any segment.
- Segment capital expenditure is the total cost incurred during the period to acquire property, plant and equipment, and intangible assets.

2.25 Earnings per Share

Basic earnings per share is computed using the net profit or loss for the year attributable to the shareholders and weighted average number of shares outstanding during the year.

Diluted earnings per share is computed using the net profit or loss for the year attributable to the shareholders and weighted average number of equity and potential equity shares outstanding during the year, except where the result would be anti-dilutive.

Additionally, basic and diluted earnings per share are computed using the earnings amounts excluding the movements in Regulatory Deferral Account Balances.

2.26 Statement of Cash Flows

Statement of Cash flows is prepared as per indirect method prescribed in the Ind AS 7 'Statement of Cash Flows'.

2.27 Non-current assets (or disposal groups) held for sale

Non-current assets and disposal groups are classified as held for sale if their carrying amount will be recovered principally through a sale transaction rather than through continuing use. This condition is regarded as met only when the asset (or disposal group) is available for immediate sale in its present condition subject only to terms that are usual and customary for sale of such assets (or disposal groups) and its sale is highly probable.

Assets and liabilities classified as held for sale are measured at the lower of their carrying amount and fair value less costs to sell and presented separately in the Balance Sheet. An impairment loss is recognised for any initial or subsequent write-down of the asset (or disposal group) to fair value less costs to sell. A gain is recognised for any subsequent increases in fair value less costs to sell of an asset (or disposal group), but not in excess of any cumulative impairment loss previously recognised. A gain or loss not previously recognised by the date of the sale of the non-current asset (or disposal group) is recognised at the date of de-recognition.

When the Group is committed to a sale plan involving loss of control of a subsidiary, all of the assets and liabilities of that subsidiary are classified as held for sale when the criteria described above are met, regardless of whether the Group will retain a non-controlling interest in its former subsidiary after the sale.

2.28 Business Combination

Business combinations are accounted for using the acquisition accounting method as at the date of the acquisition, which is the date at which control is transferred to the Group. The consideration transferred in the acquisition and the identifiable assets acquired and liabilities assumed are recognized at fair values on their acquisition date. Goodwill is initially measured at cost, being the excess of the consideration transferred over the net identifiable assets acquired and liabilities assumed. Where the fair value of net identifiable assets acquired and liabilities assumed exceed the consideration transferred, after reassessing the fair values of the net assets and contingent liabilities, the excess is recognized as capital reserve. Acquisition related costs are expensed as incurred.

3. Critical Estimates and Judgments

The preparation of consolidated financial statements requires the use of accounting estimates which may significantly vary from the actual results. Management also needs to exercise judgment while applying the group's accounting policies.

This note provides an overview of the areas that involved a higher degree of judgment or complexity, and of items which are more likely to be materially adjusted due to estimates and assumptions turning out to be different than those originally assessed.

**The areas involving critical estimates or judgments are:****Revenue Recognition:**

Transmission income is accounted for based on tariff orders notified by the CERC. In case of transmission projects where final tariff orders are yet to be notified, transmission income is accounted for as per tariff regulations and other orders of the CERC in similar cases. Differences, if any, are accounted on issuance of final tariff orders by the CERC. Transmission income in respect of additional capital expenditure incurred after the date of commercial operation is accounted for based on expenditure incurred on year to year basis as per CERC tariff regulations.

Regulatory Deferral Balances:

Recognition of Regulatory Deferral Balances involves significant judgments including about future tariff regulations since these are based on estimation of the amounts expected to be recoverable/payable through tariff in future.

Estimation of defined benefit obligation:

Estimation of defined benefit obligation involves certain significant actuarial assumptions which are listed in Note 66.

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

Useful life of property, plant and equipment:

The estimated useful life of property, plant and equipment is based on a number of factors including the effects of obsolescence, demand, competition and other economic factors (such as the stability of the industry and known technological advances) and the level of maintenance expenditures required to obtain the expected future cash flows from the asset.

The Group reviews at the end of each reporting date the useful life of plant and equipment, other than the assets of transmission business which are governed by CERC Regulations, and are adjusted prospectively, if appropriate.

Provisions and contingencies:

The assessments undertaken in recognizing provisions and contingencies have been made in accordance with Ind AS 37- 'Provisions, Contingent Liabilities and Contingent Assets'. The evaluation of the likelihood of the contingent events has required best judgment by management regarding the probability of exposure to potential loss. Should circumstances change following unforeseeable developments, this likelihood could alter.

Estimation of uncertainties relating to the global health pandemic from COVID-19:

In assessing the recoverability of trade receivables, unbilled revenue and investments, the group has considered internal and external information up to the date of approval of these financial statements including credit reports and economic forecasts. In view of the nature of the Group's business, the regulated tariff mechanism applicable to the major part of the group's revenue and based on the current indicators of future economic conditions, the group expects to recover the carrying amount of these assets.

Assets held for sale:

Significant judgment is required to apply the accounting of non-current assets held for sale under Ind AS 105 – "Noncurrent assets held for sale and discontinued operations". In assessing the applicability, management has exercised judgment to evaluate the availability of the asset for immediate sale, management's commitment for the sale and probability of sale within one year to conclude if their carrying amount will be recovered principally through a sale transaction rather than through continuing use.

Income Taxes:

Significant estimates are involved in determining the provision for current and deferred tax, including amount expected to be paid/recovered for uncertain tax positions.

Note 4: Property, Plant and Equipment

Particulars	Cost						Accumulated depreciation						Net Book Value	
	As at 01 April 2020	Additions during the year	Disposal	Adjustment during the year	Classified as held for sale	As at 31 March 2021	As at 01 April 2020	Additions during the year	Disposal	Adjustment during the year	Classified as held for sale	As at 31 March 2021	As at 31 March 2020	
Land														
Freehold	2,369.01	29.98	-	(6.71)	20.12	2,385.58	-	-	-	-	-	2,385.58	2,369.01	
Buildings														
a) Sub-Stations & Office	1,686.08	618.40	-	(2.79)	18.87	2,288.40	218.99	70.41	-	(0.02)	2.16	2,001.14	1,467.09	
b) Township	635.39	52.04	-	-	-	687.43	114.35	29.08	-	(0.05)	-	543.95	521.04	
Temporary Erection	1.19	0.22	-	0.03	-	1.38	1.14	0.25	-	0.03	-	0.02	0.05	
Roads & Bridges	182.97	80.90	-	-	-	263.87	36.66	8.18	-	-	-	219.03	146.31	
Water Supply Drainage & Sewerage	101.88	19.58	-	0.02	0.88	120.56	21.56	4.74	-	(0.21)	0.08	94.13	80.32	
Plant & Equipment														
a) Transmission	139,845.27	11,438.91	34.00	404.84	5,888.76	144,956.58	29,134.86	7,434.28	7.16	0.36	821.85	109,216.81	110,710.41	
b) Sub-station	76,202.08	8,339.56	78.02	37.75	1,014.90	83,410.97	15,204.03	4,392.14	69.11	(6.16)	135.60	64,013.35	60,998.05	
c) Unified Load Despatch & Communication	1,142.64	245.11	-	(97.63)	3.01	1,482.37	275.97	78.50	-	(15.47)	0.43	369.51	866.67	
d) Telecom	1,291.41	125.26	-	111.29	-	1,305.38	507.37	104.67	-	16.15	-	709.49	784.04	
Furniture Fixtures	142.01	19.13	0.31	(0.16)	0.83	160.16	38.46	10.41	0.08	(0.38)	0.21	111.20	103.55	
Vehicles	2.78	1.06	0.46	(0.02)	-	3.40	1.19	0.16	0.09	(0.02)	-	2.12	1.59	
Office equipment	228.95	19.27	0.47	0.37	0.18	246.60	55.57	15.44	0.21	(0.45)	0.07	175.42	172.78	
Electronic Data Processing & Word Processing Machines	165.29	85.35	6.83	0.15	0.07	243.59	100.27	43.09	4.34	0.44	0.06	105.07	65.02	
Construction and Workshop equipment	344.15	256.29	0.52	0.04	0.01	599.87	78.78	25.48	0.03	(0.10)	-	495.54	265.37	
Electrical Installation	145.16	10.00	-	0.32	0.27	154.57	31.65	6.35	-	(1.61)	0.07	115.03	113.51	
Laboratory Equipments	80.91	1.96	0.33	(5.31)	-	87.85	16.93	4.20	0.25	(1.56)	-	65.41	63.98	
Workshop & Testing Equipments	292.45	34.17	-	(0.40)	1.05	325.97	40.14	16.74	-	(0.44)	0.04	268.69	252.31	
Miscellaneous Assets/Equipments	0.44	0.03	-	-	0.01	0.46	0.06	0.02	-	-	-	0.38	0.38	
Right-of-use (ROU) Assets														
a) ROU Assets- Land	521.10	47.55	-	28.77	-	599.88	56.80	15.33	-	(0.01)	-	467.74	464.30	
b) ROU Asset- Buildings	9.51	7.33	3.03	0.26	-	13.55	3.76	5.46	2.97	0.26	-	7.56	5.75	
c) ROU Asset- Plant & Machinery- Telecom	0.06	0.21	-	-	-	0.27	0.03	0.03	-	-	-	0.21	0.03	
Total	225,390.13	21,432.31	123.97	470.82	6,948.96	239,278.69	45,938.57	12,264.96	84.24	(9.24)	960.57	182,110.73	179,451.56	
Less: Provision for assets discarded	1.74	-	-	-	-	1.74	-	-	-	-	-	1.74	1.74	
Grand Total	225,388.39	21,432.31	123.97	470.82	6,948.96	239,276.95	45,938.57	12,264.96	84.24	(9.24)	960.57	182,108.99	179,449.82	



Note 4: Property, Plant and Equipment (Contd.)

(₹ in crore)

Particulars	Cost					Accumulated depreciation					Net Book Value		
	As at 01 April 2019	Initial recognition/Reclassification on account of adoption of Ind AS 116	Additions during the year	Disposal	Adjustment during the year	As at 31 March 2020	As at 01 April 2019	Reclassification on account of adoption of Ind AS 116	Additions during the year	Disposal	Adjustment during the year	As at 31 March 2020	As at 31 March 2019
Land													
a) Freehold	2,330.78	-	37.73	-	(0.50)	2,369.01	-	-	-	-	-	2,369.01	2,330.78
b) Leasehold	491.28	(491.28)	-	-	-	-	43.24	(43.24)	-	-	-	-	448.04
Buildings													
a) Sub-Stations & Office	1,528.46	-	157.59	-	(0.03)	1,686.08	158.14	60.86	-	0.01	218.99	1,467.09	1,370.32
b) Township	587.80	-	49.20	-	1.61	635.39	87.67	26.68	-	-	114.35	521.04	500.13
Temporary Erection	1.02	-	0.16	-	(0.01)	1.19	0.95	0.18	-	(0.01)	1.14	0.05	0.07
Roads & Bridges	172.67	-	8.93	-	(1.37)	182.97	29.15	7.44	-	(0.07)	36.66	146.31	143.52
Water Supply Drainage & Sewerage	99.28	-	2.56	-	(0.04)	101.88	17.22	4.34	-	-	21.56	80.32	82.06
Plant & Equipment													
a) Transmission	129,913.92	-	8,696.79	14.44	(1,249.00)	139,845.27	21,743.47	7,395.55	3.71	0.45	29,134.86	110,710.41	108,170.45
b) Sub-station	66,824.94	-	8,753.51	18.01	(641.64)	76,202.08	11,152.96	4,048.58	-	(2.49)	15,204.03	60,998.05	55,671.98
c) Unified Load Despatch & Communication	956.97	-	183.78	-	(1.89)	1,142.64	204.70	71.28	-	0.01	275.97	866.67	752.27
d) Telecom	1,117.92	-	160.23	0.40	(13.66)	1,291.41	401.07	106.20	0.22	(0.32)	507.37	784.04	716.85
Furniture Fixtures	131.56	-	40.84	0.20	0.19	142.01	29.07	9.49	0.08	0.02	38.46	103.55	102.49
Vehicles	2.90	-	0.25	0.37	-	2.78	1.32	0.21	0.30	0.04	1.19	1.59	1.58
Office equipment	211.01	-	17.58	0.18	0.06	228.35	41.05	14.58	0.03	0.03	55.57	172.78	169.96
Electronic Data Processing & Word Processing Machines	110.77	-	55.48	0.88	0.08	165.29	75.88	24.85	0.43	0.03	100.27	65.02	34.89
Construction and Workshop equipment	298.17	-	46.75	-	0.77	344.15	59.63	19.07	-	(0.08)	78.78	265.37	238.54
Electrical Installation	106.30	-	38.90	0.01	0.03	145.16	23.44	8.24	-	0.03	31.65	113.51	82.86
Laboratory Equipments	47.50	-	33.43	0.02	-	80.91	12.52	4.41	-	-	16.93	63.98	34.98
Workshop & Testing Equipments	233.51	-	58.91	-	(0.03)	292.45	25.70	14.41	-	(0.03)	40.14	252.31	207.81
Miscellaneous Assets/Equipments	0.17	-	0.30	-	0.03	0.44	0.02	0.04	-	-	0.06	0.38	0.15
Right-of-use (ROU) Assets													
a) ROU Assets- Land	-	503.27	15.50	-	(2.33)	521.10	-	43.24	-	0.04	56.80	464.30	-
b) ROU Asset- Buildings	-	8.41	0.93	0.01	(0.18)	9.51	-	3.73	0.01	(0.04)	3.76	5.75	-
c) ROU Asset- Plant & Machinery- Telecom	-	0.05	0.15	-	0.14	0.06	-	0.06	-	0.03	0.03	0.03	-
Total	205,166.93	20.45	18,329.50	34.52	(1,907.77)	225,390.13	34,107.20	11,833.80	4.78	(2.35)	45,938.57	179,451.56	171,059.73
Less: Provision for assets discarded	1.74	-	-	-	-	1.74	-	-	-	-	-	1.74	1.74
Grand Total	205,165.19	20.45	18,329.50	34.52	(1,907.77)	225,388.39	34,107.20	11,833.80	4.78	(2.35)	45,938.57	179,449.82	171,057.99

Note 4: Property, Plant and Equipment (Contd.)

Further Notes:

- a) The Group owns 7714 hectare (Previous Year 7598 hectare) of land amounting to ₹ 2,945.58 crore (Previous Year ₹ 2,890.11 crore) which has been classified into freehold land 6476 hectare (Previous Year 6421 hectare) amounting to ₹ 2,405.70 crore (Previous Year ₹ 2,369.01 crore) and Right of Use - Land 1238 hectare (Previous Year 1177 hectare) amounting to ₹ 539.88 crore (Previous Year ₹ 521.10 crore) based on available documentation. Out of above Freehold land, land of 72.53 hectare amounting to ₹ 20.12 crore is classified as Asset held for Sale.
- b) Freehold land acquired by the group includes 170.26 hectare (Previous Year 241.46 hectare) amounting to ₹ 151.63 crore (Previous Year ₹ 219.44 crore) in respect of which conveyance deed in favour of the group is pending and 115.68 hectare (Previous Year 86.70 hectare) amounting to ₹ 113.85 crore (Previous Year ₹ 54.34 crore) in respect of land acquired by the group for which only mutation in revenue records is pending.
- c)
 - i) The land classified as Right of Use - Land held in the state of Jammu and Kashmir with area of 113.88 hectare (Previous Year 113.88 hectare) amounting to ₹ 129.18 crore (Previous Year ₹ 94.01 crore) is acquired by state government as per procedures under State Land Acquisition Act. As per prevailing law the state government remains the owner of the land so acquired and group is only given possession for the specific use.
 - ii) The transmission system situated in the state of Jammu and Kashmir have been taken over by the group w.e.f. 01 April 1993 from National Hydroelectric Power Corporation of India Limited (NHPC) upon mutually agreed terms pending completion of legal formalities.
 - iii) Right of Use - Land includes area of 2.65 hectare (Previous Year 2.65 hectare) amounting to ₹ 12.36 crore (Previous Year ₹ 12.36 crore) in respect of land in Chamba (HP) acquired from NHPC by the group for which legal formalities are pending.
 - iv) Right of Use - Land other than above includes 139.10 hectare (Previous Year 171.86 hectare) amounting to ₹ 139.67 crore (Previous Year ₹ 217.32 crore) in respect of which lease agreements/ legal formalities are pending.
- d) Right of Use - Land includes area of 66.68 hectare (Previous Year 44.28 hectare) amounting to ₹ 48.87 crore (Previous Year ₹ 48.87 crore) in respect of land acquired for office complex and substation on perpetual lease basis and hence not amortised.
- e) Township building includes ₹ 2.96 crore (Previous Year ₹ 2.96 crore) for 28 flats (Previous Year 28 flats) at Mumbai, for which registration in favour of the group is pending. Out of the above flats, 17 flats are occupied by employees of M/S Power System Operation Corporation Ltd.
- f) 5.63 hectare (Previous Year 5.63 hectare) having value of ₹ 0.04 crore (Previous Year ₹ 0.04 crore) has been transferred to National High Power Test Laboratory Pvt. Ltd. on right to use without granting ownership.
- g) Refer note no. 51 for disclosure on Right of Use Assets as per Ind AS 116 – “Leases”.
- h) Refer note no. 23 for information on property, plant and equipment pledged as security by the group.
- i) Refer note no. 19A for disclosure on Assets classified as held for sale.


Note 5: Capital work in progress

(₹ in crore)

Particulars	As at 01 April 2020	Additions during the year	Adjustments	Capitalised during the year	Classified as held for sale	As at 31 March 2021
Land						
Development of land	0.18	42.13	-	35.18	-	7.13
Buildings						
a) Sub-Stations & Office	95.67	41.03	(534.73)	596.43	-	75.00
b) Township	142.13	61.98	-	34.99	2.88	166.24
Roads & Bridges	25.34	6.87	(73.99)	77.34	-	28.86
Water Supply Drainage and Sewerage	5.17	1.95	1.55	1.45	-	4.12
Plant & Equipments (including associated civil works)						
a) Transmission	11,242.50	5,708.46	-	8,585.34	-	8,365.62
b) Sub-Station	12,341.32	3,787.88	630.57	7,253.69	3.72	8,241.22
c) Unified Load Despatch & Communication	370.65	170.56	47.10	239.25	-	254.86
d) Telecom	99.67	91.99	-	61.59	-	130.07
Other office equipments	1.99	0.50	0.05	2.24	-	0.20
Electrical Installations	2.61	2.78	2.02	0.73	-	2.64
Construction Stores (Net of Provision)	6,728.26	4,320.95	6,761.18	-	-	4,288.03
Expenditure pending allocation						
i) Survey, investigation, consultancy & supervision Charges	6.16	1.72	0.17	5.08	-	2.63
ii) Difference in Exchange on foreign currency loans	79.03	(12.68)	1.60	28.29	-	36.46
iii) Expenditure during construction period(net) (Note 43)	3,765.99	1,448.55	(47.46)	2,183.02	-	3,078.98
	34,906.67	15,674.67	6,788.06	19,104.62	6.60	24,682.06
Less: Provision for unserviceable Assets	2.26	-	-	-	-	2.26
Grand Total	34,904.41	15,674.67	6,788.06	19,104.62	6.60	24,679.80

Note 5: Capital work in progress (Contd.)

(₹ in crore)

Particulars	As at 01 April 2019	Additions during the year	Adjustments	Capitalised during the year	As at 31 March 2020
Land					
Development of land	6.44	5.48	-	11.74	0.18
Buildings					
a) Sub-Stations & Office	98.15	63.37	2.13	63.72	95.67
b) Township	117.19	77.74	11.46	41.34	142.13
Roads & Bridges	18.27	8.94	0.69	1.18	25.34
Water Supply Drainage and Sewerage	3.54	1.85	-	0.22	5.17
Plant & Equipments (including associated civil works)					
a) Transmission	11,999.74	6,632.32	20.23	7,369.33	11,242.50
b) Sub-Station	10,210.84	10,002.25	(0.01)	7,871.78	12,341.32
c) Unified Load Despatch & Communication	478.34	145.78	-	253.47	370.65
d) Telecom	75.32	110.34	-	85.99	99.67
Other office equipments	9.83	23.81	31.65	-	1.99
Electrical Installations	3.44	2.09	-	2.92	2.61
Construction Stores (Net of Provision)	11,399.93	7,188.90	11,860.57	-	6,728.26
Expenditure pending allocation					
i) Survey, investigation, consultancy & supervision Charges	6.43	2.70	-	2.97	6.16
ii) Difference in Exchange on foreign currency loans	127.33	84.76	-	133.06	79.03
iii) Expenditure during construction period(net) (Note 43)	2,835.94	2,813.51	(82.43)	1,965.89	3,765.99
	37,390.73	27,163.84	11,844.29	17,803.61	34,906.67
Less: Provision for unserviceable Assets	2.26	-	-	-	2.26
Grand Total	37,388.47	27,163.84	11,844.29	17,803.61	34,904.41



Note 5: Capital work in progress (Contd.)

Details of Construction stores (At cost)

(₹ in crore)

Particulars	As at 31 March 2021	As at 31 March 2020
Construction Stores		
Towers	642.71	1,203.12
Conductors	1,128.88	1,845.49
Other Line Materials	275.24	434.43
Sub-Station Equipments	1,559.59	1,788.77
High Voltage Direct Current (HVDC) Equipments	328.86	1,087.74
Unified Load Despatch & Communication(ULDC) Materials	232.95	209.93
Telecom Materials	76.53	80.75
Others	43.27	78.03
Total	4,288.03	6,728.26
Construction Stores include:		
i) Material in transit		
Towers	27.95	68.94
Conductors	19.32	31.42
Other Line Materials	2.39	1.03
Sub-Station Equipments	158.40	170.61
High Voltage Direct Current (HVDC) Equipments	34.78	138.09
Unified Load Despatch & Communication(ULDC) Materials	0.86	-
Telecom Materials	0.25	-
Others	0.70	-
Total	244.65	410.09
ii) Material with Contractors		
Towers	614.76	1,134.18
Conductors	1,109.56	1,814.07
Other Line Materials	272.85	433.40
Sub-Station Equipments	1,401.19	1,618.16
High Voltage Direct Current (HVDC) Equipments	294.08	949.65
Unified Load Despatch & Communication (ULDC) Materials	232.09	209.93
Telecom Materials	76.28	80.75
Others	42.57	78.03
Total	4,043.38	6,318.17
Grand total	4,288.03	6,728.26

Further Notes:

Materials with Contractors amounting to ₹ 175.71 crore (Previous Year ₹ 229.28 crore) in respect of commissioned lines is pending for reconciliation. However reconciliation are carried out on ongoing basis.

Note 6: Investment Property

Particulars	Cost					Accumulated Amortisation					Net Book Value	
	As at 01 April 2020	Additions during the year	Disposal	Adjustment during the year	As at 31 March 2021	As at 01 April 2020	Additions during the year	Disposal	Adjustment during the year	As at 31 March 2021	As at 31 March 2021	As at 31 March 2020
	(₹ in crore)											
Land (Freehold)	0.02	-	-	-	0.02	-	-	-	-	-	0.02	0.02
Buildings	0.01	-	-	-	0.01	-	-	-	-	-	0.01	0.01
Total	0.03	-	-	-	0.03	-	-	-	-	-	0.03	0.03

Particulars	Cost					Accumulated Amortisation					Net Book Value	
	As at 01 April 2019	Additions during the year	Disposal	Adjustment during the year	As at 31 March 2020	As at 01 April 2019	Additions during the year	Disposal	Adjustment during the year	As at 31 March 2020	As at 31 March 2019	
	(₹ in crore)											
Land (Freehold)	0.02	-	-	-	0.02	-	-	-	-	-	0.02	0.02
Buildings	0.01	-	-	-	0.01	-	-	-	-	-	0.01	0.01
Total	0.03	-	-	-	0.03	-	-	-	-	-	0.03	0.03

**Note 6: Investment Property (Contd.)****Further Notes:**

(i) Amount recognised in profit or loss for investment property (₹ in crore)

Particulars	For the year ended 31.03.2021	For the year ended 31.03.2020
Rental income	Nil	Nil
Direct operating expenses from property that generated rental income	Nil	Nil
Direct operating expenses from property that did not generate rental income	Nil	Nil
Profit from investment property before depreciation	Nil	Nil
Depreciation	Nil	Nil
Profit from investment property	Nil	Nil

(ii) There is no contractual obligation for future repairs and maintenance which not recognised as a liability as at 31.03.2021 and 31.03.2020.

(iii) There are no Leasing arrangements as at 31.03.2021 and 31.03.2020.

(iv) Fair value

(₹ in crore)

Particulars	As at 31.03.2021	As at 31.03.2020
Investment property	3.52	2.87

Estimation of fair value

The fair value of investment property has been determined by independent valuer. The main inputs used are the rental growth rates, expected vacancy rates, terminal yields and discount rates based on comparable transactions and industry data. All resulting fair value estimates for investment property are included in level 2.

Note 7: Intangible assets

Particulars	Cost						Accumulated Amortisation						Net Book Value	
	As at 01 April 2020	Additions during the year	Disposal	Adjustment during the year	Classified as held for sale	As at 31 March 2021	As at 01 April 2020	Additions during the year	Disposal	Adjustment during the year	Classified as held for sale	As at 31 March 2021	As at 31 March 2021	As at 31 March 2020
	(₹ in crore)	(₹ in crore)	(₹ in crore)	(₹ in crore)	(₹ in crore)	(₹ in crore)	(₹ in crore)	(₹ in crore)	(₹ in crore)	(₹ in crore)	(₹ in crore)	(₹ in crore)	(₹ in crore)	(₹ in crore)
Electronic Data Processing Software	57.88	10.17	0.03	-	0.01	68.01	51.53	5.94	0.03	-	0.01	57.43	10.58	6.35
Right of Way-Afforestation Expenses	2,022.25	180.93	-	0.70	123.88	2,078.60	413.08	110.31	-	(1.29)	13.06	511.62	1,566.98	1,609.17
Telecom Licenses	2.80	-	-	-	-	2.80	0.41	0.14	-	-	-	0.55	2.25	2.39
Development of 1200 KV TS*	71.86	-	-	-	-	71.86	27.49	7.23	-	-	-	34.72	37.14	44.37
Total	2,154.79	191.10	0.03	0.70	123.89	2,221.27	492.51	123.62	0.03	(1.29)	13.07	604.32	1,616.95	1,662.28

* Internally generated intangible asset

Particulars	Cost						Accumulated Amortisation						Net Book Value	
	As at 01 April 2019	Additions during the year	Disposal	Adjustment during the year	As at 31 March 2020	As at 01 April 2019	Additions during the year	Disposal	Adjustment during the year	As at 31 March 2020	As at 31 March 2020	As at 31 March 2020	As at 31 March 2019	
	(₹ in crore)	(₹ in crore)	(₹ in crore)	(₹ in crore)	(₹ in crore)	(₹ in crore)	(₹ in crore)	(₹ in crore)	(₹ in crore)	(₹ in crore)	(₹ in crore)	(₹ in crore)	(₹ in crore)	
Electronic Data Processing Software	54.87	3.01	-	-	57.88	47.10	4.42	-	(0.01)	51.53	6.35	7.77	7.77	
Right of Way-Afforestation Expenses	1,919.85	61.29	-	(41.11)	2,022.25	300.16	112.90	-	(0.02)	413.08	1,609.17	1,619.69	1,619.69	
Telecom Licenses	2.80	-	-	-	2.80	0.27	0.14	-	-	0.41	2.39	2.53	2.53	
Development of 1200 KV TS*	71.86	-	-	-	71.86	20.25	7.24	-	-	27.49	44.37	51.61	51.61	
Total	2,049.38	64.30	-	(41.11)	2,154.79	367.78	124.70	-	(0.03)	492.51	1,662.28	1,681.60	1,681.60	

* Internally generated intangible asset


Note 8: Intangible assets under development

(₹ in crore)

Particulars	As at 01 April 2020	Additions	Adjustments	Capitalised during the year	As at 31 March 2021
Right of Way-Afforestation expenses	273.00	57.61	-	172.62	157.99
Total	273.00	57.61	-	172.62	157.99

(₹ in crore)

Particulars	As at 01 April 2019	Additions	Adjustments	Capitalised during the year	As at 31 March 2020
Right of Way-Afforestation expenses	242.59	69.94	-	39.53	273.00
Total	242.59	69.94	-	39.53	273.00

Note 9A: Investments in Joint Ventures accounted for using the equity method

(₹ in crore)

Particulars	As at 31 March 2021	As at 31 March 2020
Investments in Equity Instruments (fully paid up)		
Unquoted		
Joint Venture Companies		
Torrent Power Grid Limited		
23400000 (Previous Year 23400000) Equity Shares of ₹10/- each.	34.67	33.86
Jaypee Powergrid Limited		
Previous Year 78000000 Equity Shares of ₹10/- each. (Refer further note 3 below)	-	112.46
Parbati Koldam Transmission Company Limited		
70937620 (Previous Year 70937620) Equity Shares of ₹10/- each.	86.60	105.39
Teestavalley Power Transmission Limited		
120120000 (Previous Year 120120000) Equity Shares of ₹10/- each.	140.02	128.67
Powerlinks Transmission Limited		
229320000 (Previous Year 229320000) Equity Shares of ₹10/- each. (Refer further note 1 below)	469.63	465.45
North East Transmission Company Limited		
106964000 (Previous Year 106964000) Equity Shares of ₹10/- each.	124.62	121.10
National High Power Test Laboratory Private Limited		
30400000 (Previous Year 30400000) Equity Shares of ₹10/- each.	18.22	21.96
Cross Border Power Transmission Company Limited		
12612473 (Previous Year 12612473) Equity Shares of ₹10/- each.	29.97	28.57
Kalinga Bidyut Prasaran Nigam Private Limited		
Nil (Previous Year Nil) Equity Shares of ₹10/- each. (Refer further note 4 below)	-	-
Less: Provision for diminution in the value of Investment	-	-
	-	-
Bihar Grid Company Limited		
290296935 (Previous Year 250795526) Equity Shares of ₹10/- each.	431.29	303.59

Note 9A: Investments in Joint Ventures accounted for using the equity method (Contd.)

(₹ in crore)

Particulars	As at 31 March 2021	As at 31 March 2020
Power Transmission Company Nepal Limited 1170000 (Previous Year 1170000) Equity Shares of Nepali ₹100/- each.	11.83	11.13
RINL POWERGRID TLT Private Limited 4000000 (Previous Year 4000000) Equity Shares of ₹10/- each. (Refer further note 5 below)	-	-
Less: Provision for diminution in the value of Investment	-	-
Total	1,346.85	1,332.18

Further notes:

- During the previous financial year, the pledge on 229319997 equity shares held by POWERGRID in M/s Powerlinks Transmission Limited has been released from IDFC FIRST Bank (formerly IDFC Ltd) being the Trustee on behalf of Security lenders in terms of Share pledge agreement dated 15.04.2004.
- Investments have been valued as per accounting policy no. 2.2 & 2.14.
- Wholly owned subsidiary w.e.f. 26.03.2021 (Joint venture till 25.03.2021) (Refer note no. 52).
- The present status of the M/s Kalinga Bidyut Prasaran Nigam Private Limited as per MCA website is "Strike Off". Investment of ₹ 0.01 crore in Kalinga Bidyut Prasaran Nigam Private Limited has been written off during the Previous Year.
- POWERGRID's Board of Directors in its meeting held on 01.05.2018 accorded in principle approval to close RINL Powergrid TLT Private Limited (RPTPL) and seek consent of other JV Partner Rashtriya Ispat Nigam Limited (RINL). RINL's Board of Directors in its meeting held on 08.03.2019 has agreed in principle for winding up proceedings of RPTPL & to seek the approval from Ministry of Steel, Government of India, for closure of RPTPL. RINL's Board of Directors in its meeting held on 05.11.2019 has advised to put up the closure proposal again to Ministry of steel for onward submission to NITI Ayog. The Ministry of Steel vide letter dated 29.09.2020 informed RINL that closure of RPTPL is being examined and seeks further clarifications from RINL. Accordingly, relevant information was forwarded by RINL to The Ministry of Steel. The Approval from Government is still awaited.

Note 9: Investments

(₹ in crore)

Particulars	As at 31 March 2021	As at 31 March 2020
Investments in Equity Instruments (fully paid up)		
Investments at Fair Value through Other Comprehensive Income (OCI)		
Quoted		
PTC India Limited 12000006 (Previous Year 12000006) Equity Shares of ₹10/- each	93.30	46.50
Unquoted		
Energy Efficiency Services Limited 56118350 (Previous Year 56118350) Equity Shares of ₹10/- each	45.40	52.40
Others		
1 (Previous Year 1) share of ₹10/- each in Bharat Broadband Network Limited (₹ 10/-)	0.00	0.00
Total	138.70	98.90



Note 9: Investments (Contd.)

Further notes:

(₹ in crore)

	As at 31 March 2021	As at 31 March 2020
1) a) Aggregate amount of Quoted Investments		
At Cost	12.00	12.00
Market Value	93.30	46.50
b) Aggregate amount of Unquoted Investments	45.40	52.40
2) Investments have been valued as per accounting policy no. 2.2 & 2.14.		

Note 10: Loans (considered good unless otherwise stated)

(₹ in crore)

Particulars	As at 31 March 2021	As at 31 March 2020
Loans to Related Parties **		
Loans to JVs-Unsecured	12.40	18.40
Loan to Directors & Key Managerial Personnel (KMP)		
Secured #	0.02	0.02
Unsecured	0.04	0.03
	12.46	18.45
Loans to Employees (including interest accrued)		
Secured #	278.39	218.92
Unsecured	31.73	34.21
	310.12	253.13
Total	322.58	271.58

Further notes:

** Details of loans to related parties is provided in Note 58.

House building loans and conveyance advance to Directors, KMP and Employees are secured against the mortgage of the house properties or hypothecation of vehicles for which such loans have been given in line with the policies of the Company.

Note 11: Other Non-current Financial Assets

(Unsecured considered good unless otherwise stated)

(₹ in crore)

Particulars	As at 31 March 2021	As at 31 March 2020
Lease receivables	853.54	601.69
Bank deposits with more than 12 months maturity #	92.66	11.11
Recoverable for GOI fully serviced bonds ##	3,487.50	3,487.50
Total	4,433.70	4,100.30

Further notes:

Bank deposits against designated accounts for consultancy work.

In the FY 2018-19, the Company issued 'GoI fully serviced bonds' for an amount of ₹ 3487.50 crore for raising of Extra Budgetary Resources (EBR) for GoI scheme of Power System Development Fund (PSDF) in terms of letter No: 7/1/2018-OM dated 21st January, 2019 of Ministry of Power, Govt. of India (GoI) for meeting accrued liabilities for creation of Capital Assets. The repayment of principal and the interest payment on such bonds shall be met by GoI. An amount of ₹ 3487.50 Crore from bond issue has been recognised as Grant in aid in Previous Years.

Note 12: Other non-current Assets

(Unsecured considered good unless otherwise stated)

(₹ in crore)

Particulars	As at 31 March 2021	As at 31 March 2020
Advances for Capital Expenditure		
Unsecured		
a. Against bank guarantees	293.35	671.05
b. Others	84.87	84.93
Unsecured considered doubtful	1.19	1.19
	379.41	757.17
Less: Provision for bad & doubtful Advances	1.19	1.19
	378.22	755.98
Advances other than for Capital Expenditure		
Security Deposits	22.91	19.78
Deferred Employee Cost	49.09	61.05
Deferred Foreign currency Fluctuation Asset	4,225.87	5,247.96
Advances recoverable in kind or for value to be received		
Employees	0.09	2.77
Balance with Customs Port Trust and other authorities	10.78	25.12
Advance tax and Tax deducted at source #	15.46	7.10
Other Taxes	2.82	1.67
Others*	220.22	204.30
	249.37	240.96
Considered doubtful	0.91	0.91
	250.28	241.87
Less: Provision for doubtful Advances	0.91	0.91
	249.37	240.96
Total	4,925.46	6,325.73

Further notes:

*Others include amount recoverable from Customers & State Governments, insurance claims etc.

Net of Current Tax Liabilities - Note 33.

Note 13: Inventories

(₹ in crore)

Particulars	As at 31 March 2021	As at 31 March 2020
(For mode of valuation refer Note 2.11)		
Components, Spares & other spare parts	1,350.30	1,416.61
Loose tools	23.70	23.59
Consumable stores	11.44	11.17
	1,385.44	1,451.37
Less Provision for Shortages/damages etc	18.50	17.91
Total	1,366.94	1,433.46
Inventories includes material in transit		
Components, Spares & other spare parts	-	0.23


Note 14: Trade Receivables

(₹ in crore)

Particulars	As at 31 March 2021	As at 31 March 2020
Trade receivables - Unsecured		
Considered good	3,666.65	5,031.81
Credit Impaired	300.44	317.70
	3,967.09	5,349.51
Receivable from related parties - Unsecured *		
Considered good	8.88	8.90
	3,975.97	5,358.41
Less: Loss Allowance	300.44	317.70
Total	3,675.53	5,040.71

Further notes:

*Details of trade receivables from related parties are provided in Note 58.

Refer Note 47 for disclosure as per Ind AS 115 'Revenue from Contracts with Customers'.

Based on arrangements between the Company, banks and beneficiaries, the bills of the beneficiaries have been discounted. Accordingly, trade receivables have been disclosed net off bills discounted amounting to ₹ 2871.49 crore (Previous Year ₹ 1060.24 crore). Refer Note 61 for contingent liabilities relating to bill discounting.

Note 15: Cash and Cash Equivalents

(₹ in crore)

Particulars	As at 31 March 2021	As at 31 March 2020
Balance with banks-		
- In Current accounts	985.58	147.71
- In designated Current accounts (For Consultancy clients and others)	71.64	433.90
In term deposits (with maturity less than 3 months) (including interest accrued)*	3,429.87	4,267.95
Drafts/Cheques in hand/Remittances in transit	0.09	0.02
Cash in hand	0.03	-
Others (Stamps and Imprest)	0.02	0.01
Total	4,487.23	4,849.59

Further notes:

*Term deposit includes ₹ 3050.84 crore (Previous Year ₹ 4234.42 crore) for Consultancy clients and others.

Note 16: Bank Balances other than Cash & cash equivalents

(₹ in crore)

Particulars	As at 31 March 2021	As at 31 March 2020
Earmarked balance with banks*	152.91	21.35
In Term Deposits having maturity over 3 months but upto 12 months (For Consultancy clients and others) (including interest accrued)	718.57	582.96
Total	871.48	604.31

Further notes:

*Earmarked balance with Bank includes unpaid dividend, dividend payable, TDS on Dividend and refund of FPO proceeds.

Note 17: Loans

(₹ in crore)

Particulars	As at 31 March 2021	As at 31 March 2020
Loans to Related Parties (including interest accrued)**		
Loans to Joint Venture - Unsecured	40.48	81.16
Loan to Directors & Key Managerial Personnel (KMP)		
Secured #	0.01	0.01
Unsecured Considered good	0.07	0.03
	40.56	81.20
Loans to Employees (including interest accrued)		
Secured #	46.08	35.64
Unsecured Considered good	40.41	39.57
	86.49	75.21
Total	127.05	156.41

Further notes:

** Details of loans to related parties is provided in Note No 58.

House building loans and conveyance advance to Directors, KMP and Employees are secured against the mortgage of the house properties or hypothecation of vehicles for which such loans have been given in line with the policies of the Company.

Note 18: Other Current Financial Assets

(Unsecured considered good unless otherwise stated)

(₹ in crore)

Particulars	As at 31 March 2021	As at 31 March 2020
Lease Receivables	55.59	48.28
Unbilled Revenue*	7,194.13	5,351.17
Less: Provision for Unbilled revenue	18.92	18.92
	7,175.21	5,332.25
Recoverable for GOI fully Service Bonds (including interest accrued)	36.22	36.90
Advances to/Recoverable from Related Parties #	0.82	0.17
Others ##		
Considered Good	771.13	381.83
Total	8,038.97	5,799.43

Further notes:

* Unbilled revenue includes transmission charges for the month of March in the financial year amounting to ₹2627.82crore (Previous Year ₹4063.20crore) billed to beneficiaries in the month of April of subsequent financial year. Further refer note no 47 for disclosure as per Ind AS 115 'Revenue from Contracts with Customers'. Unbilled revenue includes ₹ 0.53 crore (previous year nil) from related parties (refer note 58)

Details of advances to related parties are provided in Note 58.

Others include:-

(a) an amount of ₹ 59.88 crore (Previous Year ₹ 30.85 crore) recoverable from M/s Delhi Transco Limited towards transfer of 2.427 hectare (Previous Year 1.167 hectare) land at Tughlaqabad and Dwarka Sub-station pending completion of legal formalities for transfer of title.

(b) amount recoverable from Customers, Advance rent for Residential and Office accommodation, Other advance etc.


Note 19: Other Current Assets

(Unsecured considered good unless otherwise stated)

(₹ in crore)

Particulars	As at 31 March 2021	As at 31 March 2020
Advances other than for Capital Expenditure		
Advances recoverable in kind or for value to be received		
Contractors & Suppliers	9.75	3.29
Employees	5.98	24.77
Balance with Customs Port Trust and other authorities	39.27	58.22
Claims recoverable	0.54	0.54
	55.54	86.82
Others*		
Considered Good	119.15	141.20
Considered Doubtful	0.01	0.01
	119.16	141.21
Less: Provision for Doubtful Advances	0.01	0.01
	119.15	141.20
Total	174.69	228.02

Further notes:

*Others include advance given for CSR activities, prepaid expenses and input tax credit - GST.

Note 19A: Assets Classified as Held for Sale and related Liabilities

(₹ in crore)

Particulars	As at 31 March 2021
Non-current assets	
Property, Plant and Equipment	5,988.39
Capital work-in-progress	6.60
Intangible assets	110.82
Other non-current assets	63.98
	6,169.79
Current assets	
Inventories	30.99
Financial Assets	
(i) Trade receivables	107.49
(ii) Cash and cash equivalents	180.51
(iii) Other current financial assets	197.01
Other current assets	15.26
	531.26
Assets Classified as Held for Sale	6,701.05

Note 19A: Assets Classified as Held for Sale and related Liabilities (Contd.)

(₹ in crore)

Particulars	As at 31 March 2021
Non-current liabilities	
Deferred tax liabilities(Net)	327.25
	327.25
Current liabilities	
Financial Liabilities	
(i) Trade payables - MSE	-
- Other Than MSE	0.36
(ii) Other current financial liability	36.23
Other current liabilities	0.06
Provisions	0.08
Current Tax Liabilities (Net)	-
	36.73
Liabilities directly associated with Assets Classified as held for Sale	363.98

Further notes:

The Group has monetised five (05) of its Subsidiaries, namely Powergrid Vizag Transmission Limited, Powergrid Kala Amb Transmission Limited, Powergrid Jabalpur Transmission Limited, Powergrid Warora Transmission Limited and Powergrid Parli Transmission Limited through POWERGRID Infrastructure Investment Trust ('PGInvIT/ Trust'). PGInvIT has been registered by SEBI under SEBI (Infrastructure Investment Trusts) Regulations, 2014 ('InvIT Regulations') as an Infrastructure Investment Trust vide registration no. IN/InvIT/20-21/0016 dated 07.01.2021. The company is the Sponsor of PGInvIT and shall also act as the Project Manager to PGInvIT. IDBI Trusteeship Services Limited is the Trustee and Powergrid Unchahar Transmission Limited (PUTL), a wholly owned subsidiary of the company, has been appointed as Investment Manager to PGInvIT. The Offer Document for initial public offer has been filed by PGInvIT with the SEBI and Stock Exchanges on 22.04.2021 and units got listed on stock exchanges on 14.05.2021. The 74% shares in the above five SPVs have been transferred to PGInvIT in May, 2021 and balance 26% will be transferred in line with Transmission Service Agreement (TSA). In lieu of consideration of shareholding so transferred, 41,06,50,900 Units were allotted by PGInvIT to the company. The company retained 13,65,00,100 units being 15% of total units of PGInvIT outstanding on post issue basis. pursuant to InvIT Regulations and remaining 27,41,50,800 units were sold by way of 'Offer for Sale (OFS)'. The company received an amount of ₹ 2736.02 crore (net of STT) against the OFS.

As the control of these subsidiaries has been transferred in FY 2021-22, the assets and related liabilities of these subsidiaries have been classified as "Assets Classified as Held for Sale" and "Liabilities directly associated with Assets Classified as Held for Sale" respectively as on 31.03.2021.

Note 20: Regulatory Deferral Account Balances

(₹ in crore)

Particulars	As at 31 March 2021	As at 31 March 2020
Assets		
Deferred assets for deferred tax liability	9,351.43	8,814.19
Foreign Currency Fluctuation	1,089.54	1,174.71
Employee Benefits Expense	134.16	134.16
Total	10,575.13	10,123.06

Further Note:

Refer to note no. 53 for detailed disclosure on Regulatory Deferral Account Balances.



Note 21: Equity Share capital

(₹ in crore)

Particulars	As at 31 March 2021	As at 31 March 2020
Equity Share Capital		
Authorised		
10,00,00,00,000 (Previous Year 10,00,00,00,000) equity shares of ₹10/- each at par	10,000.00	10,000.00
Issued, subscribed and paid up		
5,23,15,89,648 (Previous Year 5,23,15,89,648) equity shares of ₹10/- each at par fully paid up	5,231.59	5,231.59

Further Notes:

1) Reconciliation of number and amount of share capital outstanding at the beginning and at the end of the reporting period

Particulars	For the year ended 31 March 2021		For the year ended 31 March 2020	
	No. of Shares	Amount (₹ in crore)	No. of Shares	Amount (₹ in crore)
Shares outstanding at the beginning of the year	5231589648	5,231.59	5231589648	5,231.59
Additions during the year	-	-	-	-
Deduction during the year	-	-	-	-
Shares outstanding at the end of the year	5231589648	5,231.59	5231589648	5,231.59

2) The Company has only one class of equity shares having a par value of ₹10/- per share.

3) The holders of equity shares are entitled to receive dividends as declared from time to time and to voting rights proportionate to their shareholding at meetings of the Shareholders.

4) Shareholders holding more than 5% equity shares of the Company

Particulars	As at 31 March 2021		As at 31 March 2020	
	No. of Shares	% of holding	No. of Shares	% of holding
Government of India	2685872408	51.34	2685872408	51.34
Life Insurance Corporation of India	310294907	5.93	274430207	5.25

Note 22: Other Equity

(₹ in crore)

Particulars	As at 31 March 2021	As at 31 March 2020
Reserves and Surplus		
Capital Reserve	0.76	-
Securities Premium	9,578.29	9,578.29
Bonds Redemption Reserve	7,387.97	8,696.91
Self Insurance Reserve	734.07	832.09
Corporate Social Responsibility (CSR) Activity Reserve	-	-
General Reserve	43,269.22	36,905.49
Retained Earnings	3,667.03	3,423.64
Other Reserves		
Other Comprehensive Income Reserve	67.14	27.34
Total	64,704.48	59,463.76

Note 22: Other Equity (Contd.)

22.1 Capital Reserve

(₹ in crore)

Particulars	As at 31 March 2021	As at 31 March 2020
Balance at the beginning of the year	-	-
Addition during the year	0.76	-
Deduction during the year	-	-
Balance at the end of the year	0.76	-

Addition during the year is on account of business combination.(Refer note no. 52)

22.2 Securities Premium

(₹ in crore)

Particulars	As at 31 March 2021	As at 31 March 2020
Balance at the beginning of the year	9,578.29	9,578.29
Addition during the year	-	-
Deduction during the year	-	-
Balance at the end of the year	9,578.29	9,578.29

Securities premium is used to record the premium on issue of shares/securities. This amount is utilised in accordance with the provision of the Companies Act, 2013.

22.3 Bonds Redemption Reserve

(₹ in crore)

Particulars	As at 31 March 2021	As at 31 March 2020
Balance at the beginning of the year	8,696.91	9,942.79
Addition during the year	-	439.88
Deduction during the year	1,308.94	1,685.76
Balance at the end of the year	7,387.97	8,696.91

Bonds Redemption Reserve is created for the purpose of redemption of debentures in term of the Companies Act, 2013.As per the Companies (Share Capital and Debentures) rule 2014, listed companies are not required to create Bonds Redemption Reserve w.e.f. 16.08.2019.

22.4 Self Insurance Reserve

(₹ in crore)

Particulars	As at 31 March 2021	As at 31 March 2020
Balance at the beginning of the year	832.09	893.37
Addition during the year	289.31	275.60
Deduction during the year	387.33	336.88
Balance at the end of the year	734.07	832.09

Self-Insurance Reserve is created @ 0.12% p.a. (0.12% p.a. in previous year) on the Original Gross Block of Property, Plant & Equipments and value of inventory except ROU Assets and assets covered under insurance as at the end of the year to meet future losses which may arise from un-insured risks and for procurement of towers and other transmission line materials including strengthening of towers and equipments of AC sub-station to take care of future contingencies. From current year, the Group has included inventories also for the calculation of self insurance reserve and the same does not have any material impact on the Group.



Note 22: Other Equity (Contd.)

22.5 Corporate Social Responsibility (CSR) Activity Reserve

(₹ in crore)

Particulars	As at 31 March 2021	As at 31 March 2020
Balance at the beginning of the year	-	114.54
Addition during the year	-	-
Deduction during the year	-	114.54
Balance at the end of the year	-	-

Corporate Social Responsibility Reserve is created to the extent of shortfall in the actual expenditure in any year vis-à-vis the amount stipulated as per the Companies Act, 2013.

22.6 General Reserve

(₹ in crore)

Particulars	As at 31 March 2021	As at 31 March 2020
Balance at the beginning of the year	36,905.49	31,454.07
Addition during the year	6,363.73	5,451.42
Balance at the end of the year	43,269.22	36,905.49

General Reserve is retained earnings of the company which are kept aside out of company's profits. It is a free reserve which can be utilized to meet any unknown future contingencies and to pay dividends to shareholders.

22.7 Retained Earnings

(₹ in crore)

Particulars	As at 31 March 2021	As at 31 March 2020
Balance at the beginning of the year	3,423.64	1,797.05
Add: Additions		
Net Profit for the period	12,036.46	11,059.40
Items of other comprehensive income recognised directly in surplus balance		
- Remeasurements of post employment benefit obligations	(14.31)	(54.67)
Transfer from Bond Redemption Reserve	1,308.94	1,685.76
Transfer from Self Insurance	23.60	-
Other Adjustments	-	(4.42)
Less: Appropriations		
General Reserve	6,000.00	5,000.00
Bonds Redemption Reserve	-	439.88
Self Insurance Reserve	289.31	275.60
Interim dividend paid	4,708.43	3,118.02
Tax on Interim dividend	-	637.94
Final Dividend (refer note 62(b))	2,113.56	1,307.90
Tax on Final Dividend	-	280.14
Balance at the end of the year	3,667.03	3,423.64

22.8 Other Comprehensive Income Reserve

(₹ in crore)

Particulars	As at 31 March 2021	As at 31 March 2020
Balance at the beginning of the year	27.34	76.69
Addition during the year	39.80	(49.35)
Balance at the end of the year	67.14	27.34

Other Comprehensive Income Reserve is created from increase/decrease in valuation of Non Current Investments in Equity instruments classified as fair valued through Other Comprehensive Income (FVOCI).

Note 23: Borrowings

(₹ in crore)

Particulars	As at 31 March 2021	As at 31 March 2020
A) BONDS		
A1) Secured (Taxable, Redeemable, Non-Cumulative, Non-Convertible)		
A1.1 i) Bonds of ₹10 Lakh each		
LV Issue-7.55% Redeemable at par on 21.09.2031	1,289.04	1,288.30
LX Issue-7.20% Redeemable at par on 09.08.2027	3,201.67	3,201.86
LIX Issue-7.30% Redeemable at par on 19.06.2027	3,245.43	3,245.54
XXXIX Issue-9.40% redeemable at par on 29.03.2027	1,801.33	1,801.26
LVIII Issue-7.89% redeemable at par on 09.03.2027	2,070.07	2,069.69
XXXVIII Issue-9.25% redeemable at par on 09.03.2027	859.92	859.71
LVI Issue-7.36% redeemable at par on 18.10.2026	1,100.06	1,099.67
LXII Issue-8.36% Redeemable at par in 05 (five) equal installments w.e.f. 07.01.2025	2,038.28	2,038.61
XLII Issue-8.80% redeemable at par on 13.03.2023	1,999.05	1,998.66
LVII Issue-7.20% redeemable at par on 21.12.2021	2,162.20	2,161.38
ii) Bonds of ₹30 Lakh each consisting of 3 STRPPs of ₹10 lakh each redeemable at par in 3 (Three) equal installments on 15.07.2021, 15.07.2026 and 15.07.2031		
LIV Issue-7.97% Redeemable w.e.f. 15.07.2021	3,170.17	3,168.45
iii) Bonds of ₹30 Lakh each consisting of 3 STRPPs of ₹10 lakh each redeemable at par in 3 (Three) equal installments on 23.12.2020, 23.12.2025 and 23.12.2030		
LII Issue-8.32% redeemable w.e.f. 23.12.2020	952.89	1,428.83
iv) Bonds of ₹1.20 crore each consisting of 12 STRPPs of ₹10 lakh each redeemable at par in 12 (Twelve) equal installments		
LIII Issue-8.13% Redeemable w.e.f 25.04.2020	3,939.45	4,299.65
v) Bonds of ₹30 Lakh each consisting of 3 STRPPs of ₹10 lakh each redeemable at par in 3 (Three) equal installments on 09.03.2020, 09.03.2025 and 09.03.2030		
XLIX Issue-8.15% redeemable w.e.f. 09.03.2020	874.34	874.17
vi) Bonds of ₹0.10 crore each redeemable at par at the end of 5th year 2900 Bonds-8.90% redeemable on 10.06.2020	-	310.87
vii) Bonds of ₹40 Lakh each consisting of 4 STRPPs of ₹10 lakh each redeemable at par in 4 (Four) equal installments on 23.01.2020, 23.01.2022, 23.01.2025 and 23.01.2030		
XLVIII Issue-8.20% redeemable w.e.f. 23.01.2020	1,963.59	1,963.99
viii) Bonds of ₹1.20 crore each consisting of 12 STRPPs of ₹10 lakh each redeemable at par in 12 (Twelve) equal installments		
LI Issue-8.40% redeemable w.e.f. 14.09.2019	2,614.37	2,872.53
ix) Bonds of ₹30 Lakh each consisting of 3 STRPPs of ₹10 lakh each redeemable at par in 3 (Three) equal installments on 04.09.2019, 04.09.2024 and 04.09.2029		
XLVI Issue-9.30% redeemable w.e.f. 04.09.2019	3,062.74	3,060.18


Note 23: Borrowings (Contd.)

(₹ in crore)

Particulars	As at 31 March 2021	As at 31 March 2020
x) Bonds of ₹1.20 crore each consisting of 12 STRPPs of ₹10 lakh each redeemable at par in 12 (Twelve) equal installments L Issue-8.40% redeemable w.e.f. 27.05.2019	2,613.39	2,873.90
xi) Bonds of ₹1.20 crore each consisting of 12 STRPPs of ₹10 lakh each redeemable at par in 12 (Twelve) equal installments XLVII Issue-8.93% redeemable w.e.f. 20.10.2018	2,058.85	2,285.25
xii) Bonds of ₹30 Lakh each redeemable at par in 3 equal instalments on 15.07.2018, 15.07.2023 and 15.07.2028 XLIV Issue-8.70% redeemable w.e.f. 15.07.2018	2,807.76	2,805.95
xiii) Bonds of ₹1.2 crores each consisting of 12 STRPPs of ₹10 lakhs each redeemable at par in 12 (Twelve) equal annual instalments XLV Issue-9.65% redeemable w.e.f. 28.02.2018 XLIII Issue-7.93% redeemable w.e.f. 20.05.2017	1,343.63 2,227.00	1,512.37 2,504.60
xiv) Bonds of ₹1.5 crores each consisting of 12 STRPPs of ₹ 12.50 Lakhs each redeemable at par in 12 (Twelve) equal annual instalments. XLI Issue-8.85% redeemable w.e.f. 19.10.2016	1,724.01	1,968.79
xv) Bonds of ₹1.50 crores each, consisting of 15 STRPPs of ₹10.00 Lakhs each redeemable at par in 15 (Fifteen) equal annual instalments XXXVI Issue- 9.35% redeemable w.e.f. 29.08.2016	2,173.42	2,388.76
xvi) Bonds of ₹1.5 crores each consisting of 12 STRPPs of ₹12.50 Lakhs each redeemable at par in 12 (Twelve) equal annual instalments. XL Issue-9.30% redeemable w.e.f. 28.06.2016 XXXVII Issue- 9.25% redeemable w.e.f 26.12.2015 XXXV Issue- 9.64% redeemable w.e.f 31.05.2015 XXXIV Issue- 8.84% redeemable w.e.f 21.10.2014 XXXIII Issue- 8.64% redeemable w.e.f 08.07.2014 XXXII Issue- 8.84% redeemable w.e.f 29.03.2014 XXXI Issue- 8.90% redeemable w.e.f 25.02.2014 XXX Issue- 8.80% redeemable w.e.f 29.09.2013 XXIX Issue- 9.20% redeemable w.e.f 12.03.2013 XXVIII Issue- 9.33% redeemable w.e.f 15.12.2012 XXVII Issue- 9.47% redeemable w.e.f 31.03.2012 XXVI Issue- 9.30% redeemable w.e.f 07.03.2012 XXV Issue- 10.10% redeemable w.e.f 12.06.2011 XXIV Issue- 9.95% redeemable w.e.f 26.03.2011 XXIII Issue- 9.25% redeemable w.e.f 09.02.2011 XXII Issue- 8.68% redeemable w.e.f 07.12.2010 XXI Issue- 8.73% redeemable w.e.f 11.10.2010 XX Issue- 8.93% redeemable w.e.f 07.09.2010 XIX Issue- 9.25% redeemable w.e.f 24.07.2010	2,496.43 1,021.74 1,057.57 1,510.12 1,275.83 345.24 688.31 811.98 326.00 616.40 117.53 167.56 191.89 66.73 25.96 59.07 44.25 131.30 43.87	2,851.19 1,191.33 1,233.18 1,810.77 1,530.06 431.53 860.29 1,014.19 434.58 821.33 176.25 251.27 287.64 133.46 51.90 118.07 88.43 262.39 87.68

Note 23: Borrowings (Contd.)

(₹ in crore)

Particulars	As at 31 March 2021	As at 31 March 2020
XVIII Issue- 8.15% redeemable w.e.f 09.03.2010	-	83.66
	62,290.44	67,802.17
A2) Unsecured		
A2.1 Redeemable Domestic Bonds		
i) Bonds of ₹10 Lakh each		
LXVIII Issue-6.28% redeemable at par on 11.04.2031	520.54	-
LXVI Issue-7.38% Redeemable at par on 12.04.2030	508.16	508.22
ii) Bonds of ₹50 Lakhs each consisting of 05 STRPPs of ₹10.00 Lakhs each redeemable at par in 05 (Five) equal annual instalments.		
LXI Issue-7.74% redeemable w.e.f. 12.12.2028	3,069.77	3,070.20
iii) Bonds of ₹10 Lakh each		
LXVII Issue-6.85% redeemable at par on 15.04.2025	2,984.24	-
iv) Bonds of ₹10 Lakhs each consisting of 03 STRPPs of ₹ 3.00 Lakhs, ₹ 3.00 Lakhs & ₹ 4.00 Lakhs each redeemable at par in 03 (Three) equal annual instalments.		
LXIV Issue-7.49% redeemable w.e.f. 25.10.2024	2,601.48	2,601.75
v) Bonds of ₹ 30 Lakhs each consisting of 03 STRPPs of ₹10.00 Lakhs each redeemable at par in 03 (Three) equal annual instalments.		
LXIII Issue-7.34% redeemable w.e.f. 15.07.2024	1,893.90	1,893.98
vi) Bonds of ₹10 Lakh each		
LXV Issue-6.35% Redeemable at par on 14.04.2023	202.82	202.82
A2.2 Redeemable Foreign Currency Bonds		
3.875% Foreign Currency Bonds to be redeemed at par on 17.01.2023	3,723.90	3,819.03
	15,504.81	12,096.00
Total (A)	77,795.25	79,898.17
B) Term Loan		
From Banks		
Secured		
Foreign Currency Loans (Guaranted by Government of India (GOI))	25,983.53	27,947.23
Other Foreign Currency Loans	7,256.11	7,192.24
Rupee Loans	10,388.85	12,184.00
	43,628.49	47,323.47
Unsecured		
Foreign Currency Loans (Guaranted by GOI)	3,891.20	4,048.52
Other Foreign Currency Loans	3,222.26	3,350.56
Rupee Loans	15,974.65	13,923.41
	23,088.11	21,322.49
Total (B)	66,716.60	68,645.96
Total (A to B)	144,511.85	148,544.13


Note 23: Borrowings (Contd.)

(₹ in crore)

Particulars	As at 31 March 2021	As at 31 March 2020
Less: Current maturities of Non Current Borrowing (refer note 30)	12,235.54	9,848.53
Less: Interest Accrued but not due on borrowings (refer note 30)	3,101.52	3,274.49
Total	129,174.79	135,421.11

Further notes:
Details of terms of repayment and rate of interest

- Secured Foreign Currency Loans (Guaranteed by Gol) carry floating rate of interest linked to 6M LIBOR . These loans are repayable in semi annual installment, as per terms of the respective loan agreement, commencing after moratorium period of 3 to 5 years except for one loan ₹ 364.64 Crore (Previous year ₹ 374.16 Crore) which carry fixed rate of interest of 0.25% p.a.
- Secured other Foreign Currency Loans carry floating rate of interest linked to 6M (LIBOR /EURIBOR/STIBOR) .These loans are repayable in semi annual installment, as per terms of the respective loan agreements, commencing after moratorium period of 3 to 5 years.
- Secured Rupee loan from banks carry floating rate of interest linked to 3M MCLR . These loans are repayable in semi annual installments, as per terms of the respective loan agreements, commencing after moratorium period of 5 years.
- Unsecured Foreign Currency Loans (Guaranteed by Gol) carry fixed rate of interest ranging from 1.63% p.a. to 2.30% p.a. These loans are repayable in semi annual installments as per terms of the respective loan agreements.
- Unsecured Foreign Currency Loans carry floating rate of interest linked to 6M (STIBOR/EURIBOR).These loans are repayable in semi annual installments as per terms of the respective loan agreements, commencing after moratorium period as per terms of the respective loan agreements.
- Unsecured Foreign Currency Loans carry floating rate of interest linked to 6M JPYLIBOR. This loan is repayable in five equal annual installment as per the terms of the loan agreement.
- Unsecured Rupee loan from bank carry floating rate of interest linked to 3 months MCLR or Repo rate. These loans are repayable in semi annual installments, as per terms of the respective loan agreements, commencing after moratorium period as per terms of the respective loan agreements.
- There has been no default in repayment of loans or payment of interest thereon as at the end of the year.

Details of Securities

- Domestic Bonds are Secured by way of Registered Bond Trust Deed ranking pari passu on immovable property situated at Mouje Ambheti Taluka Kaparada in district Valsad Gujarat and floating charge on the assets of the company.
- Secured Foreign Currency Loans (Guaranteed by Gol) are secured by pari passu interest in the lien created on the assets as security for the debts.
- Secured Other Foreign Currency Loans and Rupee Loans are secured by the way of
 - pari passu charge on the assets of the company except investments, land and building, roads and bridges, water supply, drainage and sewerage and current assets or
 - pari passu charge on the assets of the company except investments and current assets or
 - floating charge on the immovable properties of the company.
as per the terms of respective loan agreements.

Note 24: Other Non-current financial liabilities

(₹ in crore)

Particulars	As at 31 March 2021	As at 31 March 2020
Deposits/Retention money from contractors and others.	106.96	22.34
Govt. of India fully serviced bonds *	3,487.50	3,487.50
Dues for Capital Expenditure	12.48	-
Lease Liabilities#	18.20	13.29
Total	3,625.14	3,523.13

Note 24: Other Non-current financial liabilities (Contd.)

Further Notes:

Disclosure with regard to Micro and Small enterprises as required under “The Micro, Small and Medium Enterprises Development Act, 2006” is given in Note No 50.

* Govt of India fully serviced bonds issued @ 8.24% redeemable at par on 14.02.2029. Refer Note 11 for details.

Refer note no 51 for disclosure on Lease Liabilities as per Ind AS 116 – “Leases”.

Note 25: Provisions

(₹ in crore)

Particulars	As at 31 March 2021	As at 31 March 2020
Employee Benefits		
As per last balance sheet	424.71	368.15
Additions/(adjustments) during the year	37.31	56.56
Closing Balance	462.02	424.71

Further Notes:

Provision is created for the purpose of leave encashment, Settlement Allowance, Long Service Award and other benefits. Refer Note 66 for detailed disclosure related to Employee Benefit Obligations.

Note 26: Deferred tax liabilities (Net)

(₹ in crore)

Particulars	As at 31 March 2021	As at 31 March 2020
A. Deferred Tax Liability		
Difference in book depreciation and tax depreciation	23,007.06	20,961.12
Finance lease assets	72.47	76.96
Others	23.42	43.15
Share of undistributed dividends in Joint Ventures	-	-
Deferred Tax Liability (A)	23,102.95	21,081.23
B. Deferred Tax Assets		
Income during Construction Period	17.95	24.88
Provisions allowable on payment basis	514.70	467.85
Advance Against Depreciation	353.20	409.12
Unused Tax Losses	301.94	917.94
MAT Credit Entitlement	9,969.02	7,906.46
Others	109.52	126.20
Deferred Tax Assets (B)	11,266.33	9,852.45
Deferred Tax Liability (Net) (A-B)	11,836.62	11,228.78

Further Notes:

Movement in Deferred Tax Liabilities

(₹ in crore)

Particulars	Property Plant and Equipment	Finance Leased Assets	Others	Undistributed Dividend in JVs	Total
As at 01.04.2019	17,606.33	83.23	37.60	69.79	17,796.95
Charged/(credited) to profit or loss	3,354.79	(6.27)	5.55	(69.79)	3,284.28
As at 31.03.2020	20,961.12	76.96	43.15	-	21,081.23


Note 26: Deferred tax liabilities (Net) (Contd.)

(₹ in crore)

Particulars	Property Plant and Equipment	Finance Leased Assets	Others	Undistributed Dividend in JVs	Total
Charged/(credited) to profit or loss	2,596.43	(4.49)	(19.73)	-	2,572.21
Other Adjustments	(550.49)				(550.49)
As at 31.03.2021	23,007.06	72.47	23.42	-	23,102.95

Movement in Deferred Tax Asset

(₹ in crore)

Particulars	Property Plant & Equipment- Income during construction period	Provisions allowable on payment basis	Advance against depreciation	MAT Credit	Others	Total
As at 01.04.2019	20.95	481.93	462.47	6,043.80	769.32	7,778.47
Charged/(credited) to profit or loss	3.93	(14.08)	(53.35)	1,862.66	274.82	2,073.98
As at 31.03.2020	24.88	467.85	409.12	7,906.46	1,044.14	9,852.45
Charged/(credited) to profit or loss	(6.93)	46.85	(55.92)	2,066.46	(433.91)	1,616.55
Other Adjustments				(3.90)	(198.77)	(202.67)
As at 31.03.2021	17.95	514.70	353.20	9,969.02	411.46	11,266.33

Recognised in Statement of Profit and Loss

(₹ in crore)

Particulars	For the year ended 31.03.2021	For the year ended 31.03.2020
Increase/ (Decrease) in Deferred Tax Liabilities	2,572.21	3,284.28
Decrease / (Increase) in Deferred Tax Assets	(1,616.55)	(2,073.98)
Total	955.66	1,210.30

a) In the opinion of the management, it is probable that future economic benefits will flow to the group in the form of availability of set off against future income tax liability by recognizing MAT credit as follows:

Future taxable profits will be adjusted against (a) tax holiday u/s 80-IA of Income Tax Act, 1961 for the projects commissioned upto 31 March 2017 (b) initial depreciation on the assets to be commissioned in future and (c) regular income tax depreciation u/s 32 of Income Tax Act, 1961 and thereafter tax amount will be set off against MAT credit to the extent of ₹ 2,066.46 crore (Previous Year ₹ 1,862.66 crore). Hence, the same has been recognised as Deferred Tax Assets during the year.

b) MAT credit available to the group in future but not recognised in the books:

(₹ in crore)

For the Financial Year	As at 31.03.2021	Expiry Date	As at 31.03.2020	Expiry Date
2015-16	1,421.20	31.03.2026	1,421.20	31.03.2026
2014-15	1,281.23	31.03.2025	1,281.23	31.03.2025
2013-14	1,085.14	31.03.2024	1,085.14	31.03.2024
2012-13	1,071.31	31.03.2023	1,071.31	31.03.2023
2011-12	239.01	31.03.2022	239.01	31.03.2022
2010-11	-	31.03.2021	9.36	31.03.2021

Note 27: Other non-current liabilities

(₹ in crore)

Particulars	As at 31 March 2021	As at 31 March 2020
Advance from customers (Consultancy/Telecom services) \$	215.76	233.51
Others*	131.34	129.03
Total	347.10	362.54

Further Notes:

\$ Refer Note 47 for disclosure as per Ind AS 115 'Revenue from Contracts with Customers'.

*Others includes amount payable to Customers upon recovery.

Note 28: Borrowings

(₹ in crore)

Particulars	As at 31 March 2021	As at 31 March 2020
Short Term - Unsecured		
From Banks	600.00	-
Commercial Paper	1,200.00	3,000.00
Total	1,800.00	3,000.00

Further Notes:

- Commercial Papers/short term loan are unsecured in nature, with rate of interest ranging from 3.07% to 5.59% (Previous Year from 5.08% to 6.93%) and repayable within 44 days to 270 days (Previous Year in 28 days to 90 days) from the date of drawl.
- There has been no default in repayment of loans or payment of interest thereon as at the end of the year.

Note 29: Trade payables

(₹ in crore)

Particulars	As at 31 March 2021	As at 31 March 2020
For goods and services		
(A) total outstanding dues of micro enterprises and small enterprises	29.76	11.59
(B) total outstanding dues of creditors other than micro enterprises and small enterprises	157.72	214.95
Total	187.48	226.54

Further Notes:

Disclosure with regard to Micro and Small enterprises as required under "Division II of Schedule III of The Companies Act, 2013" and "The Micro, Small and Medium Enterprises Development Act, 2006" is given in Note No 50.

Note 30: Other Current Financial Liabilities

(₹ in crore)

Particulars	As at 31 March 2021	As at 31 March 2020
Current maturities of long term borrowings		
Secured		
Bonds	8,223.72	5,297.96
Rupee Term Loans	1,018.13	1,454.00
Foreign Currency Loans	2,722.35	2,434.48
	11,964.20	9,186.44


Note 30: Other Current Financial Liabilities (Contd.)

(₹ in crore)

Particulars	As at 31 March 2021	As at 31 March 2020
Un-secured		
Foreign Currency Loans	271.34	662.09
	12,235.54	9,848.53
Interest accrued but not due on borrowings from		
Foreign Banks & Financial Institutions	94.09	225.00
Secured/Unsecured redeemable Bonds	3,007.43	3,049.49
	3,101.52	3,274.49
Interest accrued but not due from Govt. of India fully serviced bonds	36.22	36.90
Others		
Dues for capital expenditure	1,235.08	1,640.64
Employee related liabilities	73.06	70.57
Unclaimed dividends & FPO*	20.88	15.95
Deposits/Retention money from contractors and others	3,889.69	4,603.44
Related parties**	-	2.78
Dividend Payable	2.85	5.40
Lease Liabilities#	3.97	3.74
Others ##	2,507.63	2,281.71
	7,733.16	8,624.23
Total	23,106.44	21,784.15

Further notes:

Disclosure with regard to Micro and Small enterprises as required under "The Micro, Small and Medium Enterprises Development Act, 2006" is given in Note No 50.

* No amount is due for payment to Investor Education and Protection Fund.

**Details of amount payable to related parties are provided in Note 58.

Refer note no 51 for disclosure on Lease Liabilities as per Ind AS 116 – "Leases".

Others include liability for payment against Long Term Access (LTA), Short Term Open Access (STOA), ISTS License recovery, dead cheques, Price variation etc.

Note 31: Other current liabilities

(₹ in crore)

Particulars	As at 31 March 2021	As at 31 March 2020
Advances from customers *	3,531.15	4,008.89
Advances from customers - related parties #	79.78	79.27
Statutory dues	273.77	217.77
Total	3,884.70	4,305.93

Further notes:

* Refer Note 47 for disclosure as per Ind AS 115 'Revenue from Contracts with Customers'.

#Details of amount payable to related party are provided in Note 58

Note 32: Provisions

(₹ in crore)

Particulars	As at 31 March 2021	As at 31 March 2020
A) Employee Benefits		
i) Performance related pay /special incentive		
As per last balance sheet	461.00	444.50
Addition during the year	509.83	3,148.03
Amount paid/adjusted during the year	461.00	3,131.53
Closing Balance	509.83	461.00
ii) Other Employee Benefits (Leave Encashment, Settlement Allowance and Long Service Award etc.)		
As per last balance sheet	76.77	68.11
Additions/(adjustments) during the year	(9.11)	8.66
Closing Balance	67.66	76.77
Total (A)	577.49	537.77
B) Others		
i) Downtime Service Credit-Telecom		
As per last balance sheet	11.36	17.95
Additions during the year	12.38	4.25
Amounts adjusted during the year	14.88	10.84
Closing Balance	8.86	11.36
ii) Provision Others		
As per last balance sheet	192.91	170.58
Add: on account of business combination	9.19	-
Additions/(adjustments) during the year	56.75	22.33
Less: Classified as Held for sale	0.08	-
Closing Balance	258.77	192.91
Total (B)	267.63	204.27
Total (A+B)	845.12	742.04

Further Notes:**A) Employee Benefits**i) Performance Related Pay/Special Incentive:

Provision is created for Performance Related Pay to Executives and Non-Executives

ii) Other Employee Benefits:

Provision is created for the purpose of meeting out leave encashment, settlement allowance, long service award and POWERGRID Employee Family Rehabilitation Scheme.

B) Others:i) Downtime Service Credit – Telecom:

Provision is created in case when actual downtime is in excess of the permissible service level agreement, in such cases the necessary credit is passed on to the customer on demand.

However, in some case, the downtime is not claimed by the customer then in such cases necessary provision on account of downtime is made in the books of accounts as per the links availability reports received from National Telecom Control Centre (NTCC) for the period of non-operation of links given to the customers. The calculation of downtime credit is based on the SLA signed with various customers.



Note 32: Provisions (Contd.)

ii) Provision Others:

It includes provision for entry tax ₹ 156.98 crore (Previous Year ₹ 147.69 crore) as per demand raised by revenue authorities disputed by the company and are under litigation. An amount of ₹ 8.24 crore (Previous Year ₹ 8.24 crore) has been paid under court order and shown as "Balance with custom port trust and other authorities" in note no. 19.

Also includes provision of ₹ 0.46 crore (Previous Year ₹ 0.46 crore) towards demand raised by the commercial taxes department of Telangana in relation to absence of statutory form and other evidence on account of inter-state sale not covered by 'C' form. The Company has filled the appeal before Appellate Deputy Commissioner (ADC) and later on ADC remanded back to the assessing authority for reassessment & decision is awaited.

Note 33: Current Tax Liabilities (Net)

(₹ in crore)

Particulars	As at 31 March 2021	As at 31 March 2020
Taxation (Including interest on tax)		
As per last balance sheet	6,624.18	6,117.42
Additions during the year	2,580.13	2,665.27
Amount adjusted during the year	34.42	2,158.51
Total	9,169.89	6,624.18
Net off against Advance tax and TDS	8,744.38	6,601.26
Closing Balance	425.51	22.92

Note 34: Deferred Revenue

(₹ in crore)

Particulars	As at 31 March 2021	As at 31 March 2020
Advance against depreciation	1,010.75	1,170.80
Grants in aid (Refer Further Notes)		
As per last Balance Sheet	4,147.01	4,173.32
Addition during the year	107.99	233.94
Adjustments during the year	328.89	260.25
Closing balance	3,926.11	4,147.01
Deferred income from foreign currency fluctuation (Net)	4,817.29	5,598.21
Total	9,754.15	10,916.02

Further Notes:

- Grant in Aid of ₹ 5.95 crore (Previous Year ₹ 74.68 crore) was received from Power System Development Fund (PSDF) under Ministry of Power (MoP), Govt. of India (GoI) for installation of STATCOM in ER (ERSS-XI) and SR (System Strengthening in SR-XXI). In addition to Grant received, an interest of ₹ 1.43 crore (Previous Year ₹ 4.44 crore) credited to the Grant.
- Grant in Aid of ₹ 0.00 crore (Previous Year ₹ 30.27 crore) was received from Power System Development Fund (PSDF) under MoP, GoI for establishment of Unified Real Time Dynamic State Measurement (URTDSM). In addition to Grant received, an interest of ₹ 0.75 crore (Previous Year ₹ 1.41 crore) credited to the Grant.
- Grant in Aid, of ₹ 99.83 crore (Previous Year ₹ 122.89 crore) including interest has been recognised, from Ministry of New & Renewable Energy (MNRE), GoI for establishment of transmission system associated with Ultra Mega Solar Parks in Andhra Pradesh, Karnataka, Madhya Pradesh, Rajasthan and Gujarat.
- Grant in Aid of ₹ 0.03 crore (Previous Year ₹ 0.25 crore) has been recognised under achievement linked/incentive award scheme for Government Sector by Ministry of New & Renewable Energy (MNRE), GoI for establishing solar roof top plants in various buildings of the company.

Note 35: Revenue from operations

(₹ in crore)

Particulars	For the year ended 31 March 2021	For the year ended 31 March 2020
Sales of services		
Transmission Business		
Transmission Charges	37,999.65	35,435.46
Add: Revenue recognised out of Advance Against Depreciation	160.06	152.65
	38,159.71	35,588.11
Other Operating Revenue		
Interest on differential Provisional and Final Tariff	2.48	676.04
Income from lease lines	7.59	7.12
Recognised from deferred revenue - Grant in aid	328.89	260.25
	338.96	943.41
	38,498.67	36,531.52
Telecom Business	707.45	698.21
Consultancy Project Management and Supervision	433.67	513.81
Total	39,639.79	37,743.54

Further Notes:

- In exercise of powers u/s 178 of the Electricity Act 2003, Central Electricity Regulatory Commission (CERC) has notified "CERC (Terms and Conditions of Tariff) Regulations, 2019" vide order dated 07.03.2019 for the determination of transmission tariff for the block period 2019-24.
- In respect of projects whose tariffs are determined by CERC, the company has recognised transmission income during the year as per the following:
 - ₹ 9,407.16 crore (Previous Year ₹ 0.00 crore) as per final tariff orders issued by CERC for block period 2019-24 and
 - ₹ 26,713.76 crore (Previous Year ₹ 33,932.94 crore) provisionally as per CERC Tariff Regulations for the block period 2019-24 and other orders in similar cases, in respect of transmission assets for which final tariff orders were yet to be issued.
- Consequent to the final order issued by CERC, transmission income includes ₹ 538.30 crore (increase) (Previous Year ₹ 173.30 crore (increase)) pertaining to earlier years.
- Refer note no. 68 for disclosure on formation of wholly owned subsidiary of the company to undertake Telecommunications and Digital Technology Business of the company and wholly owned subsidiary of the company to undertake Energy Management services and Consultancy Business of the company.
- Refer note no. 47 for disclosure as per Ind AS 115 "Revenue from Contracts with Customer".

Note 36: Other income

(₹ in crore)

Particulars	For the year ended 31 March 2021	For the year ended 31 March 2020
Interest income from financial assets at amortised cost		
Indian Banks	59.76	154.33
Interest on Loan to Joint Ventures (JVs)	11.71	14.00
Others*	99.90	30.47
	171.37	198.80
Interest from advances to contractors	16.83	27.56
	188.20	226.36


Note 36: Other income (Contd.)

(₹ in crore)

Particulars	For the year ended 31 March 2021	For the year ended 31 March 2020
Dividend income from investment in		
Equity investments designated at fair value through other comprehensive income	9.00	5.35
	9.00	5.35
Others		
Profit on sale of Property, Plant and Equipment	12.60	1.14
Finance Income from finance lease	81.18	85.13
Surcharge	744.06	308.76
FERV gain	0.02	0.31
Provisions written back	24.82	147.56
Fair Value gain on initial recognition of Financial liability/investment	21.64	75.76
Miscellaneous income **	130.11	149.91
	1,014.43	768.57
	1,211.63	1000.28
Less: Transferred to expenditure during construction(Net)-Note 43	27.89	72.86
Total	1,183.74	927.42

Further Notes:

* Others include interest on employee loans & unwinding of finance cost on employee loans.

** Miscellaneous income include Sale of Scrap, Insurance Claim Recovery, UI Charges etc.

Note 37: Employee benefits expense

(₹ in crore)

Particulars	For the year ended 31 March 2021	For the year ended 31 March 2020
Salaries, wages, allowances & benefits	2,071.81	2,019.95
Contribution to provident and other funds	323.28	185.24
Staff Welfare expenses (Including Deferred Employee cost)	203.35	243.38
	2,598.44	2,448.57
Less: Transferred to Expenditure during Construction(Net)-Note 43	483.68	486.25
Transferred to CSR expenses- Note 40	-	2.57
Total	2,114.76	1,959.75

Further Notes:

a) Refer note no. 58 for Remuneration to Key Managerial Personnel (KMPs).

b) Refer note no. 66 for details of Employee Benefit Obligations.

Note 38: Finance costs

(₹ in crore)

Particulars	For the year ended 31 March 2021	For the year ended 31 March 2020
Interest and finance charges on financial liabilities at amortised cost		
Indian Banks & Financial Institutions	1,871.08	2,353.74
Foreign Banks and Financial Institutions	562.31	1,047.19
Secured/Unsecured redeemable Bonds	6,067.50	6,223.31
Foreign Currency Bonds	156.82	150.49
Unwinding of discount on financial liabilities	62.86	102.13
Interest - Others	5.44	1.34
Interest on Lease Liability	1.79	0.50
	8,727.80	9,878.70
Other Finance charges		
Commitment charges	1.28	4.92
Guarantee Fee	376.44	363.69
Others*	58.32	38.04
	436.04	406.65
Exchange differences regarded as adjustment to Borrowing Cost	(223.10)	1,343.96
	212.94	1,750.61
Total	8,940.74	11,629.31
Less: Transferred to Expenditure during Construction(Net)-Note 43	806.05	2,120.31
Total	8,134.69	9,509.00

Further Notes:

*Others includes management fees, agency fees, trustee fees, front-end fees, interest on land compensation, tree & crop compensation etc

Note 39: Depreciation and amortization expense

(₹ in crore)

Particulars	For the year ended 31 March 2021	For the year ended 31 March 2020
Depreciation of Property, Plant and Equipment	12,244.14	11,816.41
Amortization of Intangible assets	123.62	124.70
Depreciation on ROU Assets	20.82	17.39
	12,388.58	11,958.50
Less: Transferred to Expenditure During Construction(Net)-Note 43	13.46	10.91
	12,375.12	11,947.59
Less: Depreciation amortised due to FERV adjustment	335.93	340.55
Charged to Statement of Profit & Loss	12,039.19	11,607.04

Further Notes:

Up to year ended 31 March 2020, the Subsidiaries acquired through TBCB process ("TBCB companies") have been charging depreciation as per the rates and methodology notified by CERC Tariff Regulations. During the year ended 31 March 2021, the TBCB Companies have conducted operational efficiency review of their plant and based on the technical evaluation performed, the TBCB companies have reassessed the useful life, residual value and methodology of depreciation of items of Property, Plant & Equipment (PP&E) and Intangible Assets. As per the technical evaluation, the pattern of consumption of economic benefits is assessed as straight-line basis over the period of respective useful life; and estimated residual value of items of Property, Plant & Equipment (PP&E) is assessed as 5% in line with the Companies Act, 2013.



Note 39: Depreciation and amortization expense (Contd.)

The above change in useful lives, residual value and method of depreciation is considered as change in accounting estimate and accordingly, the TBCB companies have charged the depreciation in the year ended 31 March 2021, based on revised useful lives on straight line basis prospectively. This has resulted in decrease in depreciation for the year ended 31 March 2021 by an amount of ₹ 329.85 crore with corresponding increase in Profit Before Tax and also lead to overall increase in depreciation by an amount of ₹ 606.30 crore over the remaining useful life of assets due to reduction in residual value.

Note 40: Other expenses

(₹ in crore)

Particulars	For the year ended 31 March 2021	For the year ended 31 March 2020
Repair & Maintenance		
Buildings	90.00	92.23
Plant & Machinery		
Sub-Stations	390.58	439.19
Transmission lines	204.44	154.81
Telecom equipments	45.02	38.85
Others	39.12	43.14
	679.16	675.99
System and Market Operation Charges	57.31	63.07
Power charges	266.82	286.17
Less: Recovery from contractors	2.68	3.14
	264.14	283.03
Expenses of Diesel Generating sets	3.52	4.54
Stores consumed	5.45	7.02
Water charges	4.56	4.01
Right of Way charges-Telecom	62.59	10.27
Patrolling Expenses-Telecom	0.68	0.39
Last Mile connectivity-Telecom	7.44	7.27
Training & Recruitment Expenses	17.78	35.85
Less:Fees for training and application	0.12	0.76
	17.66	35.09
Legal expenses	22.38	25.87
Professional charges	25.12	80.70
Consultancy expenses	81.02	100.16
Communication expenses	20.93	23.49
Inland Travelling Expenses	90.38	119.30
Foreign travel	1.78	8.94
	92.16	128.24
Tender expenses	1.93	3.25
Less: Sale of tenders	1.53	1.00
	0.40	2.25
Payments to Statutory Auditors		
Audit Fees	1.63	1.50

Note 40: Other expenses (Contd.)

(₹ in crore)

Particulars	For the year ended 31 March 2021	For the year ended 31 March 2020
Tax Audit Fees	0.41	0.36
In Other Capacity	1.16	2.83
Arrears	-	0.04
Out of pocket Expenses	0.13	1.07
	3.33	5.80
Advertisement and publicity	7.38	17.49
Printing and stationery	4.41	6.93
Books Periodicals and Journals	0.84	1.30
EDP hire and other charges	10.51	11.88
Entertainment expenses	3.78	2.97
Brokerage & Commission	0.91	1.53
Research & Development expenses	4.55	9.54
Cost Audit and Physical verification Fees	1.39	1.23
Rent #	39.85	50.89
CERC petition & Other charges	76.75	85.84
Miscellaneous expenses	60.97	85.09
Horticulture Expenses	33.64	32.70
Security Expenses	292.98	284.36
Hiring of Vehicle	117.98	113.83
Insurance	118.92	96.78
Rates and taxes	42.44	46.30
License Fees to DOT	62.47	62.28
Bandwidth charges dark fibre lease charges (Telecom)	23.15	20.51
Corporate Social Responsibility (CSR) Expenses*	247.22	349.36
Transit Accomodation Expenses	32.21	29.06
Less : Income from Transit Accomodation	0.97	1.92
	31.24	27.14
Foreign Exchange Rate Variation	60.63	222.17
Provisions for		
Doubtful loans, advances, debts, claims etc.	7.78	6.34
	2,687.64	3,085.88
Less:Transferred to Expenditure during Construction(Net)-Note 43	170.81	260.67
	2,516.83	2,825.21
Loss on Disposal/Write off of Property, Plant & Equipment	15.09	18.34
Total	2,531.92	2,843.55

Further Notes:

* Includes an amount of ₹ NIL (Previous Year ₹ 2.57 crore) transferred from Note No 37- 'Employee Benefits Expense'

Refer Note 51 for Short term lease expenses.



Note 41: Net Movement in Regulatory Deferral Account Balances-Incomes/(expenses) (net of tax)

(₹ in crore)

Particulars	For the year ended 31 March 2021	For the year ended 31 March 2020
Deferred assets for deferred tax liability	521.45	1,297.69
Foreign Currency Fluctuation	(85.17)	742.10
	436.28	2,039.79
Tax on net movement in regulatory deferral account balances	74.60	356.39
Total	361.68	1,683.40

Further Note:

Refer to note no 53 for detailed disclosure on Regulatory Deferral Account Balances.

Note 42: Other Comprehensive Income

(₹ in crore)

Particulars	For the year ended 31 March 2021	For the year ended 31 March 2020
Items that will not be reclassified to Profit or Loss		
Gain/(Loss) on valuation of Investment in Equity	39.80	(49.35)
Provisions for actuarial valuation	(19.94)	(74.47)
	19.86	(123.82)
Less: Transferred to Expenditure during Construction(Net)-Note 43	(2.44)	(8.23)
	22.30	(115.59)
Income Tax relating to items that will not be reclassified to Profit or Loss	(3.06)	(11.57)
Items that will not be reclassified to Profit or Loss (net of tax)	25.36	(104.02)

Note 43: Expenditure during Construction (Net)

(₹ in crore)

Particulars	For the year ended 31 March 2021	For the year ended 31 March 2020
A. Employees Remuneration & Benefits		
Salaries wages allowances and benefits	419.70	421.35
Contribution to provident and other funds	41.13	39.18
Welfare expenses	22.85	25.72
Total (A)	483.68	486.25
B. Other Expenses		
Repair and maintenance	7.39	7.13
Power charges	7.39	5.72
Less: Recovery from contractors	2.22	1.89
	5.17	3.83
Expenses on Diesel Generating sets	0.06	0.01
Water charges	0.09	0.65
Training & Recruitment Expenses	-	-

Note 43: Expenditure during Construction (Net) (Contd.)

(₹ in crore)

Particulars	For the year ended 31 March 2021	For the year ended 31 March 2020
Legal expenses	9.71	8.73
Professional charges	5.33	83.71
Consultancy expenses	80.27	75.79
Communication expenses	2.96	3.32
Travelling & Conv.exp. (Including Foreign Travel)	17.81	26.14
Tender expenses	1.84	1.63
Less: Sale of tenders	1.46	0.94
	0.38	0.69
Payment to Auditors	0.19	0.19
Advertisement and Publicity	0.29	0.05
Printing and stationery	0.32	0.57
Books, Periodicals and Journals	-	0.03
EDP hire and other charges	0.11	0.19
Entertainment expenses	0.31	0.24
Brokerage and commission	0.16	0.10
Rent	2.40	2.49
Miscellaneous expenses	4.86	11.88
Horticulture Expenses	0.17	0.72
Security Expenses	11.13	13.10
Hiring of Vehicles	14.04	15.82
Insurance	0.01	-
Rates and taxes	6.81	4.12
Bandwidth charges, dark fibre lease charges(Telecom)	0.01	0.06
Transit Accomodation Expenses	0.83	1.23
Less : Income from Transit Accomodation	-	0.12
	0.83	1.11
Total (B)	170.81	260.67
C. Depreciation/Amortisation	13.46	10.91
Total (C)	13.46	10.91
D. Finance Costs		
a) Interest and finance charges on financial liabilities at amortised cost		
Indian Banks and Financial Institutions	199.64	341.47
Foreign Banks and Financial Institutions	128.42	299.10
Secured/Unsecured Redeemable Bonds	190.65	351.82
Foreign Currency Bonds	0.80	-


Note 43: Expenditure during Construction (Net) (Contd.)

(₹ in crore)

Particulars	For the year ended 31 March 2021	For the year ended 31 March 2020
Others	382.68	250.81
	902.19	1,243.20
b) Other finance charges		
Commitment charges	0.85	3.81
Guarantee fee	45.40	76.25
Others	0.91	1.94
	47.16	82.00
c) FERV adjustment to borrowing cost	(143.30)	795.11
Total (D)	806.05	2,120.31
E. Less: Other Income		
Interest from		
Indian banks	-	-
Contractors	16.20	24.70
Others	1.71	-
	17.91	24.70
Miscellaneous income	9.98	48.16
Total (E)	27.89	72.86
F. Less: Other Comprehensive Income		
Other Comprehensive Income	(2.44)	(8.23)
Total (F)	(2.44)	(8.23)
GRAND Total (A+B+C+D-E-F)	1,448.55	2,813.51

44. Interest in Other Entities
1. Subsidiaries:

The Group's subsidiaries at 31.03.2021 are set out below. Unless otherwise stated, they have share capital consists solely of equity share that are held directly by the Group, and the proportion of ownership interest held equals the voting rights held by the Group:

Name of entity	Place of business/ country of incorporation	Proportion (%) of Shareholding as on		Principle activities
		As at 31.03.2021	As at 31.03.2020	
Powergrid Vizag Transmission Limited ⁵	India	100%	100%	Transmission
Powergrid NM Transmission Limited	India	100%	100%	Transmission
Powergrid Unchahar Transmission Limited	India	100%	100%	Transmission
Powergrid Kala Amb Transmission Limited ⁵	India	100%	100%	Transmission
Powergrid Jabalpur Transmission Limited ⁵	India	100%	100%	Transmission

44. Interest in Other Entities (Contd.)

Name of entity	Place of business/ country of incorporation	Proportion (%) of Shareholding as on		Principle activities
		As at 31.03.2021	As at 31.03.2020	
Powergrid Warora Transmission Limited ⁵	India	100%	100%	Transmission
Powergrid Parli Transmission Limited ⁵	India	100%	100%	Transmission
Powergrid Southern Interconnector Transmission System Limited	India	100%	100%	Transmission
Powergrid Vemagiri Transmission Limited*	India	100%	100%	Transmission
Powergrid Medinipur Jeerat Transmission Limited	India	100%	100%	Transmission
Powergrid Mithilanchal Transmission Limited (erstwhile ERSS XXI Transmission Limited)	India	100%	100%	Transmission
Powergrid Varanasi Transmission System Limited (erstwhile WR-NR Power Transmission Limited)	India	100%	100%	Transmission
Powergrid Jawaharpur Firozabad Transmission Limited (erstwhile Jawaharpur Firozabad Transmission Limited)	India	100%	100%	Transmission
Powergrid Khetri Transmission System Limited (Erstwhile Khetri Transco Limited)	India	100%	100%	Transmission
Powergrid Bhuj Transmission Limited (Erstwhile Bhuj-II Transmission Limited)	India	100%	100%	Transmission
Powergrid Bhind Guna Transmission Limited (Erstwhile Bhind Guna Transmission Limited)	India	100%	100%	Transmission
Powergrid Ajmer Phagi Transmission Limited (Erstwhile Ajmer Phagi Transco Limited)	India	100%	100%	Transmission
Powergrid Fatehgarh Transmission Limited (Erstwhile Fatehgarh-II Transco Limited)	India	100%	100%	Transmission
Powergrid Rampur Sambhal Transmission Limited (Erstwhile Rampur Sambhal Transco Limited)	India	100%	100%	Transmission
Powergrid Meerut Simbhavali Transmission Limited (Erstwhile Meerut-Simbhavali Transmission Limited)	India	100%	100%	Transmission
Central Transmission Utility of India Limited ¹	India	100%	Not Applicable	Transmission
Powergrid Ramgarh Transmission Limited (Erstwhile Ramgarh New Transmission Limited) ²	India	100%	Not Applicable	Transmission
Jaypee Powergrid Limited ³	India	100%	Not Applicable	Transmission
Bikaner-II Bhiwadi Transco Limited ⁴	India	100%	Not Applicable	Transmission

*The company was formed as SPV for execution of Vemagiri Transmission system allocated on Tariff Based Competitive Bidding (TBCB). CERC vide order dated 09.05.2013 and 27.09.2013 inter alia stated that Vemagiri Transmission system cannot be executed in its present form. In this scenario, the company is unable to do any further activity and ceased to be a going concern.

¹ Incorporated on 28.12.2020.

² 100% equity acquired from REC Power Distribution Company Limited on 09.03.2021.

³ Wholly owned subsidiary from 26.03.2021 (Joint venture till 25.03.2021).

⁴ 100% equity acquired from PFC Consulting Limited on 25.03.2021.

⁵ Refer note 19A "Assets classified as held for sale".



44. Interest in Other Entities (Contd.)

- a) All Subsidiary companies are unlisted entities.
- b) Financial statements used for consolidation are audited except Bikaner-II Bhiwadi Transco Limited.
- c) The group has made further Investment of ₹ 206.65 crore (Previous Year ₹ 14.40 crore) in Powergrid NM Transmission Limited which is wholly owned subsidiary company of the group.
- d) The group has made further Investment of ₹ 9.76 crore (Previous Year ₹ 44.00 crore) in Powergrid Jabalpur Transmission Limited which is wholly owned subsidiary company of the group.
- e) The group has made further Investment of ₹ Nil crore (Previous Year ₹ 67.00 crore) in Powergrid Warora Transmission Limited which is wholly owned subsidiary company of the group.
- f) The group has made further Investment of ₹ 2.60 crore (Previous Year ₹ 91.00 crore) in Powergrid Parli Transmission Limited which is wholly owned subsidiary company of the group.
- g) The group has made further Investment of ₹ Nil crore (Previous Year ₹ 193.50 crore) in Powergrid Southern Interconnector Transmission System Limited which is wholly owned subsidiary company of the group.
- h) The group has made further Investment of ₹ 260.30 crore (Previous Year ₹ 289.32 crore) in Powergrid Medinipur Jeerat Transmission Limited which is wholly owned subsidiary company of the group.
- i) The group has made further Investment of ₹ 93.50 crore (Previous Year ₹ 119.95 crore) in Powergrid Mithilanchal Transmission Limited which is wholly owned subsidiary company of the group.
- j) The group has made further Investment of ₹ 43.00 crore (Previous Year ₹ 125.00 crore) in Powergrid Varanasi Transmission System Limited which is wholly owned subsidiary company of the group.
- k) The group has made further Investment of ₹ 77.15 crore (Previous Year ₹ Nil crore) in Powergrid Jawaharpur Firozabad Transmission Limited which is wholly owned subsidiary company of the group.
- l) The group has made further Investment of ₹ 161.35 crore (Previous Year ₹ 0.05 crore) in Powergrid Khetri Transmission System Limited which is wholly owned subsidiary company of the group.
- m) The group has made further Investment of ₹ 97.70 crore (Previous Year ₹ 0.01 crore) in Powergrid Bhuj Transmission Limited which is wholly owned subsidiary company of the group.
- n) The group has made further Investment of ₹ 50.00 crore (Previous Year ₹ 0.05 crore) in Powergrid Bhind Guna Transmission Limited which is wholly owned subsidiary company of the group.
- o) The group has made further Investment of ₹ 111.95 crore (Previous Year ₹ 0.05 crore) in Powergrid Ajmer Phagi Transmission Limited which is wholly owned subsidiary company of the group.
- p) The group has made further Investment of ₹ 113.40 crore (Previous Year ₹ 0.01 crore) in Powergrid Fatehgarh Transmission Limited which is wholly owned subsidiary company of the group.
- q) The group has made further Investment of ₹ 21.47 crore (Previous Year ₹ 0.05 crore) in Powergrid Rampur Sambhal Transmission Limited which is wholly owned subsidiary company of the group.
- r) The group has made further Investment of ₹ 32.00 crore (Previous Year ₹ 0.01 crore) in Powergrid Meerut Simbhavali Transmission Limited which is wholly owned subsidiary company of the group.
- s) During the year group has made investment of ₹ 0.05 crore in Central Transmission Utility of India Limited which is wholly owned subsidiary company of the group. The Company was incorporated on 28.12.2020 to undertake and discharge all functions of CTU (Refer note no. 68).
- t) During the year group has made investment of ₹ 0.05 crore in Powergrid Ramgarh Transmission Limited (Erstwhile Ramgarh New Transmission Limited) which is wholly owned subsidiary company of the group. The Company was taken over from REC Power Distribution Company Limited vide share purchase agreement dated 09.03.2021 to carry over the business awarded under tariff based competitive bidding, after transfer Powergrid Ramgarh Transmission Limited became wholly owned subsidiary of the Group.
- u) During the year group has made investment of ₹ 354.50 crore in Jaypee Powergrid Limited to acquire 74% of stake from Jaiprakash Power Ventures Limited (Refer note no. 52) through which it became wholly owned subsidiary of the Group.
- v) During the year group has made investment of ₹ 0.01 crore in Bikaner-II Bhiwadi Transco Limited which is wholly owned subsidiary company of the group. The Company was taken over from PFC Consulting Limited vide share purchase agreement dated 25.03.2021 to carry over the business awarded under tariff based competitive bidding, after transfer Bikaner-II Bhiwadi Transco Limited became wholly owned subsidiary of the Group.

44. Interest in Other Entities (Contd.)

2. Joint Ventures

Set out below are joint ventures of the Group as at 31.03.2021, which in the opinion of the management, are material to the Group. The entities listed below have share capital consisting solely of equity shares, which are held directly by ownership interest in the same as the proportion of voting rights held:

(₹ in crore)

Name of the Entity	Place of business	Proportion (%) of Shareholding		Carrying amount		Nature of activity
		As at 31.03.2021	As at 31.03.2020	As at 31.03.2021	As at 31.03.2020	
Powerlinks Transmission Limited	India	49%	49%	469.63	465.45	Transmission system associated with Tala HEP in Bhutan - under successful operation since Aug' 06
Torrent Power Grid Limited	India	26%	26%	34.67	33.86	Transmission System associated with 1100 MW Sugem generating project at Surat - progressively commissioned in Mar'11
Jaypee Powergrid Limited ¹	India	NA	26%	-	112.46	Transmission system associated with 1000 MW Power Project at Karcham-Wangtoo in HP - progressively commissioned in Apr'12
Parbati Koldam Transmission Company Limited	India	26%	26%	86.60	105.39	Transmission Lines associated with Parbati-II (800 MW) and Koldam (800 MW) HEPs. - Progressively commissioned in Nov'15
Teestavalley Power Transmission Limited ²	India	30.92%	30.92%	140.02	128.67	Transmission System associated with 1200 MW Teesta - III HEP in Sikkim
North East Transmission Company Limited	India	26%	26%	124.62	121.10	Transmission system associated with 726.6 MW Gas Based Combined Cycle Power Project at Pallatana in Tripura. - Progressively commissioned in Feb'15
National High Power Test Laboratory Private Limited	India	20%	20%	18.22	21.96	To create high power short circuit test facility
Bihar Grid Company Limited	India	50%	50%	431.29	303.59	Establishment of Intra-State Transmission system in the State of Bihar
Kalinga Bidyut Prasaran Nigam Private Limited ³	India	NA	50%	-	-	Establishment of Intra-State Transmission system in the State of Odisha
Cross Border Power Transmission Company Limited	India	26%	26%	29.97	28.57	Establishment of Indian Portion of Indo-Nepal Cross Border Transmission Line from Muzaffarpur to Sursand
RINL Powergrid TLT Private Limited ⁴	India	50%	50%	-	-	Establishment of manufacturing of Transmission Line Tower parts plant
Power Transmission Company Nepal Limited	Nepal	26%	26%	11.83	11.13	Establishment of Nepal Portion of Indo-Nepal Cross Border Transmission Line from Dhalkebar to Bhattamod

¹ Joint venture till 25.03.2021 (Wholly owned subsidiary from 26.03.2021).

² POWERGRID & Teesta Urja Ltd are the Joint venture partners in Teestavalley Power Transmission Limited & holds 26% & 74 % equity, respectively as per Shareholding agreement. On call of additional equity by Teestavalley Power Transmission limited, POWERGRID contributed their share while the other JV partner has not yet contributed their share of money. Consequently, the holding of POWERGRID increased to 30.92% against 26% provided in shareholding agreement.

³ The present status of the Company (M/s KBPNL) as per MCA website is "Strike Off".



44. Interest in Other Entities (Contd.)

⁴ POWERGRID's Board of Directors in its meeting held on 01.05.2018 accorded in principle approval to close RINL Powergrid TLT Private Limited (RPTPL) and seek consent of other JV Partner Rashtriya Ispat Nigam Limited (RINL). RINL's Board of Directors in its meeting held on 08.03.2019 has agreed in principle for winding up proceedings of RPTPL & to seek the approval from Ministry of Steel, Government of India, for closure of RPTPL. RINL's Board of Directors in its meeting held on 05.11.2019 has advised to put up the closure proposal again to Ministry of steel for onward submission to NITI Ayog. The Ministry of Steel vide letter dated 29.09.2020 informed RINL that closure of RPTPL is being examined and seeks further clarifications from RINL. Accordingly, relevant information was forwarded by RINL to The Ministry of Steel. The Approval from Government is still awaited.

- All joint venture companies are unlisted entities.
- Financial statements used for consolidation are unaudited except for Powerlinks Transmission Limited, Torrent Power Grid Limited and North East Transmission Company Limited.
- During the year group has made investment of ₹ 354.50 crore in Jaypee Powergrid Limited to acquire 74% of stake from Jaiprakash Power Ventures Limited (Refer note no. 52) through which it became wholly owned subsidiary of the Group.
- The group has made further Investment of ₹ Nil crore (Previous Year ₹ 14.56 crore) in Teestavalley Power Transmission Limited, a joint venture company in which 30.92% share is held by the Group and balance 69.08% share is held by Teesta Urja Limited.
- The group has made further Investment of ₹ 33.00 crore (Previous Year ₹ 85.61 crore) in Bihar Grid Company Limited, a joint venture company in which 50% share is held by the Group and balance 50% share is held by Bihar State Power Holding Company.

Commitments and contingent liabilities in respect of joint venture:

(₹ in crore)

Particulars	As at 31.03.2021	As at 31.03.2020
Share of Group		
Commitment	170.87	390.29
Contingent Liabilities	53.54	51.32
Total commitments and contingent liabilities	224.41	441.61

Summarised financial information for joint ventures:

Table below provide summarised financial information for these joint ventures that are material to the Group. The information disclosed reflects the amounts presented in the financial statements of the relevant joint venture.

Summarised Balance Sheet

(₹ in crore)

Particulars	Powerlinks Transmission Limited		Torrent Power Grid Limited		Jaypee Powergrid Limited		Parbati Koldam Transmission Company Limited	
	31.03.2021	31.03.2020	31.03.2021	31.03.2020	31.03.2021	31.03.2020	31.03.2021	31.03.2020
Current Assets								
Cash & Cash Equivalent	8.23	0.11	3.51	0.46	-	7.59	39.50	95.58
Other Assets	155.71	189.51	34.58	45.55	-	67.54	134.63	123.64
Total Current Assets	163.94	189.62	38.09	46.01	-	75.13	174.13	219.22
Total Non-Current Assets	875.08	883.62	140.09	156.33	-	615.92	643.67	719.36
Current Liabilities								
Financial Liabilities	53.89	100.55	31.80	30.39	-	88.12	134.56	131.57
Other Liabilities	16.33	11.89	2.03	6.37	-	10.30	0.25	2.70
Total Current Liabilities	70.22	112.44	33.83	36.76	-	98.42	134.81	134.27
Non-Current Liabilities								
Financial Liabilities	8.72	8.90	5.20	25.67	-	159.98	349.93	398.39
Other Liabilities	1.65	2.00	5.82	9.68	-	0.11	-	0.57
Total Non-Current Liabilities	10.37	10.90	11.02	35.35	-	160.09	349.93	398.96
Net Assets	958.43	949.90	133.33	130.23	-	432.54	333.06	405.35

44. Interest in Other Entities (Contd.)**Summarised Balance Sheet (Contd.)**

(₹ in crore)

Particulars	Teestavalley Power Transmission Limited		North East Transmission Company Limited		National High Power Test Laboratory Private Limited		Bihar Grid Company Limited	
	31.03.2021	31.03.2020	31.03.2021	31.03.2020	31.03.2021	31.03.2020	31.03.2021	31.03.2020
Current Assets								
Cash & Cash Equivalent	38.42	1.98	59.57	0.40	4.09	2.48	110.06	164.20
Other Assets	83.74	102.44	211.47	226.51	5.53	10.42	571.56	217.80
Total Current Assets	122.16	104.42	271.04	226.91	9.62	12.90	681.62	382.00
Total Non-Current Assets	1,459.61	1,562.56	1,465.02	1,561.00	332.97	337.29	2,555.73	2,452.37
Current Liabilities								
Financial Liabilities	167.46	224.50	111.22	139.95	64.68	62.55	156.13	142.34
Other Liabilities	39.31	39.01	136.97	81.05	0.01	0.80	51.38	129.58
Total Current Liabilities	206.77	263.51	248.19	221.00	64.69	63.35	207.51	271.92
Non-Current Liabilities								
Financial Liabilities	895.77	986.41	945.01	1,048.74	186.54	176.77	2,036.08	1,823.27
Other Liabilities	26.40	0.92	63.55	52.39	0.28	0.25	131.18	132.01
Total Non-Current Liabilities	922.17	987.33	1,008.56	1,101.13	186.82	177.02	2,167.26	1,955.28
Net Assets	452.83	416.14	479.31	465.78	91.08	109.82	862.58	607.17

(₹ in crore)

Particulars	Cross Border Power Transmission Company Limited		RINL Powergrid TLT Private Limited		Power Transmission Company Nepal Limited	
	31.03.2021	31.03.2020	31.03.2021	31.03.2020	31.03.2021	31.03.2020
Current Assets						
Cash & Cash Equivalent	18.24	18.89	0.19	0.19	0.41	0.67
Other Assets	36.52	61.43	-	-	45.27	41.05
Total Current Assets	54.76	80.32	0.19	0.19	45.68	41.72
Total Non-Current Assets	203.31	186.89	-	-	74.70	79.73
Current Liabilities						
Financial Liabilities	15.56	15.85	1.49	0.56	4.31	4.18
Other Liabilities	1.38	2.42	0.08	-	2.56	3.41
Total Current Liabilities	16.94	18.27	1.57	0.56	6.87	7.59
Non-Current Liabilities						
Financial Liabilities	121.56	134.35	-	-	68.02	71.06
Other Liabilities	4.32	4.70	-	-	-	-
Total Non-Current Liabilities	125.88	139.05	-	-	68.02	71.06
Net Assets	115.25	109.89	(1.38)	(0.37)	45.49	42.80



44. Interest in Other Entities (Contd.)

Reconciliation to carrying amounts:

(₹ in crore)

Particulars	Powerlinks Transmission Limited		Torrent Power Grid Limited		Jaypee Powergrid Limited		Parbati Koldam Transmission Company Limited	
	31.03.2021	31.03.2020	31.03.2021	31.03.2020	31.03.2021	31.03.2020	31.03.2021	31.03.2020
Opening net assets	949.90	913.40	130.23	136.72	-	405.56	405.35	366.54
Investment by JV Partners	-	-	-	-	-	-	-	-
Profit for the year	102.01	121.14	19.31	18.48	-	57.28	60.97	84.73
Other Comprehensive income	0.12	(0.01)	(0.01)	(0.02)	-	(0.01)	0.36	0.13
Dividend Paid	93.60	84.63	16.20	24.95	-	19.89	135.04	46.05
Other Adjustments	-	-	-	-	-	(10.40)	1.42	-
Closing net assets	958.43	949.90	133.33	130.23	-	432.54	333.06	405.35
Group's share in %	49%	49%	26%	26%	-	26%	26%	26%
Group's share in INR	469.63	465.45	34.67	33.86	-	112.46	86.60	105.39
Carrying Amount	469.63	465.45	34.67	33.86	-	112.46	86.60	105.39

(₹ in crore)

Particulars	Teestavalley Power Transmission Limited		North East Transmission Company Limited		National High Power Test Laboratory Private Limited		Bihar Grid Company Limited	
	31.03.2021	31.03.2020	31.03.2021	31.03.2020	31.03.2021	31.03.2020	31.03.2021	31.03.2020
Opening net assets	416.14	359.43	465.78	483.51	109.82	130.38	607.17	391.85
Investment by JV Partners	-	14.56	-	-	-	-	66.00	171.21
Profit for the year	46.05	43.38	75.24	59.10	(19.22)	(21.86)	201.67	43.91
Other Comprehensive income	(0.07)	0.05	0.01	(0.02)	(0.01)	(0.05)	-	-
Dividend Paid	-	-	61.72	59.51	-	-	-	-
Other Adjustments	(9.29)	(1.28)	-	(17.30)	0.49	1.35	(12.26)	0.20
Closing net assets	452.83	416.14	479.31	465.78	91.08	109.82	862.58	607.17
Group's share in %	30.92%	30.92%	26%	26%	20%	20%	50%	50%
Group's share in INR	140.02	128.67	124.62	121.10	18.22	21.96	431.29	303.59
Carrying Amount	140.02	128.67	124.62	121.10	18.22	21.96	431.29	303.59

(₹ in crore)

Particulars	Cross Border Power Transmission Company Limited		RINL Powergrid TLT Private Limited		Power Transmission Company Nepal Limited	
	31.03.2021	31.03.2020	31.03.2021	31.03.2020	31.03.2021	31.03.2020
Opening net assets	109.89	88.57	(0.37)	7.94	42.80	40.20
Investment by JV Partners	-	-	-	-	-	-
Profit for the year	14.74	21.39	(1.01)	(8.31)	7.76	7.65
Other Comprehensive income	-	-	-	-	-	-
Dividend Paid	10.19	-	-	-	5.06	5.06
Other Adjustments	0.81	(0.07)	-	-	(0.01)	0.01
Closing net assets	115.25	109.89	(1.38)	(0.37)	45.49	42.80
Group's share in %	26%	26%	50%	50%	26%	26%
Group's share in INR	29.97	28.57	-	-	11.83	11.13
Carrying Amount	29.97	28.57	-	-	11.83	11.13

44. Interest in Other Entities (Contd.)

Summarised Statement of Profit and Loss

(₹ in crore)

Particulars	Powerlinks Transmission Limited		Torrent Power Grid Limited		Jaypee Powergrid Limited		Parbati Koldam Transmission Company Limited	
	31.03.2021	31.03.2020	31.03.2021	31.03.2020	31.03.2021	31.03.2020	31.03.2021	31.03.2020
Revenue From Operations	117.01	92.25	42.12	43.66	-	159.79	167.37	189.41
Other Income	10.31	7.02	2.12	2.24	-	3.71	8.75	19.62
Total Income	127.32	99.27	44.24	45.90	-	163.50	176.12	209.03
Employee benefits expense	7.84	6.91	2.16	2.05	-	3.59	3.27	3.43
Finance costs	0.77	0.75	2.85	4.81	-	33.88	44.10	47.46
Depreciation and amortization expense	0.71	0.68	16.45	16.45	-	53.54	49.32	49.24
Other expenses	6.68	7.91	3.39	3.74	-	5.58	5.88	5.46
Total Expenses	16.00	16.25	24.85	27.05	-	96.59	102.57	105.59
Tax Expenses	9.31	(38.12)	0.08	0.37	-	9.63	12.58	18.71
Profit for the year	102.01	121.14	19.31	18.48	-	57.28	60.97	84.73
Other Comprehensive income	0.12	(0.01)	(0.01)	(0.02)	-	(0.01)	0.36	0.13
Total Comprehensive income	102.13	121.13	19.30	18.46	-	57.27	61.33	84.86
Dividend Received	45.86	34.40	4.21	5.38	-	4.29	35.11	9.93

(₹ in crore)

Particulars	Teestavalley Power Transmission Limited		North East Transmission Company Limited		National High Power Test Laboratory Private Limited		Bihar Grid Company Limited	
	31.03.2021	31.03.2020	31.03.2021	31.03.2020	31.03.2021	31.03.2020	31.03.2021	31.03.2020
Revenue From Operations	299.42	268.69	306.63	314.15	15.39	11.37	460.20	212.36
Other Income	0.84	9.64	17.33	11.67	0.16	0.16	41.88	15.54
Total Income	300.26	278.33	323.96	325.82	15.55	11.53	502.08	227.90
Employee benefits expense	7.09	7.04	5.76	4.59	1.86	1.75	12.49	4.31
Finance costs	133.81	150.55	131.82	113.26	18.91	16.67	164.87	66.47
Depreciation and amortization expense	87.34	87.60	117.37	117.53	8.32	7.64	95.60	86.83
Other expenses	10.06	9.78	12.29	14.92	5.68	7.33	28.55	12.53
Total Expenses	238.30	254.97	267.24	250.30	34.77	33.39	301.51	170.14
Tax Expenses	15.91	(20.02)	(18.52)	16.42	-	-	(1.10)	13.85
Profit for the year	46.05	43.38	75.24	59.10	(19.22)	(21.86)	201.67	43.91
Other Comprehensive income	(0.07)	0.05	0.01	(0.02)	(0.01)	(0.05)	-	-
Total Comprehensive income	45.98	43.43	75.25	59.08	(19.23)	(21.91)	201.67	43.91
Dividend Received	-	-	16.05	12.83	-	-	-	-



44. Interest in Other Entities (Contd.)

Summarised Statement of Profit and Loss (Contd.)

(₹ in crore)

Particulars	Cross Border Power Transmission Company Limited		RINL Powergrid TLT Private Limited		Power Transmission Company Nepal Limited	
	31.03.2021	31.03.2020	31.03.2021	31.03.2020	31.03.2021	31.03.2020
Revenue From Operations	5.89	6.51	-	-	16.31	16.46
Other Income	27.55	34.23	-	-	3.48	3.06
Total Income	33.44	40.74	-	-	19.79	19.52
Employee benefits expense	1.35	1.14	-	-	0.83	0.75
Finance costs	13.61	14.89	-	-	4.02	3.90
Depreciation and amortization expense	0.03	0.02	-	-	5.20	5.20
Other expenses	3.71	3.30	1.01	8.31	1.25	1.49
Total Expenses	18.70	19.35	1.01	8.31	11.30	11.34
Tax Expenses	-	-	-	-	0.73	0.53
Profit for the year	14.74	21.39	(1.01)	(8.31)	7.76	7.65
Other Comprehensive income	-	-	-	-	-	-
Total Comprehensive income	14.74	21.39	(1.01)	(8.31)	7.76	7.65
Dividend Received	2.65	1.26	-	-	1.32	1.32

45. Cash equivalent of deemed export benefits availed of ₹ 209.99 crore in respect of supplies effected for East South Inter Connector-II Transmission Project (ESI) and Sasaram Transmission Project (STP), were paid to the Customs and Central Excise Authorities in accordance with direction from Ministry of Power (GOI) during 2002-03 due to non-availability of World Bank loan for the entire supplies in respect of ESI project and for the supplies prior to March 2000 in respect of STP project and the same was capitalised in the books of accounts. Thereafter, World Bank had financed both the ESI project and STP project as originally envisaged and they became eligible for deemed export benefits. Consequently, the group has lodged claims with the Customs and Excise Authorities.

In this regard the Cumulative amount received and de-capitalized upto 31 March 2021 is ₹ 12.12 crore (Previous Year ₹ 12.12 crore). The group continued to show the balance of ₹ 197.87 crore (Previous Year ₹ 197.87 crore) in the capital cost of the respective assets / projects pending receipt of the same from Customs and Excise Authorities.

46. a) Some balances of Trade Receivables and recoverable shown under Assets and Trade and Other Payables shown under Liabilities include balances subject to confirmation/ reconciliation and consequential adjustments if any. However, reconciliations are carried out on ongoing basis. The management does not expect any material adjustment in the books of accounts as a result of the reconciliation.
- b) In the opinion of the management, the value of any of the assets other than Property, Plant and Equipment and non-current investments on realization in the ordinary course of business will not be less than the value at which they are stated in the Balance Sheet.

47. Disclosure as per Ind AS 115 - "Revenue from Contracts with Customer"

- a) For milestone based contracts (consultancy contracts), unsatisfied performance obligations are as follows:

(₹ in crore)

Particulars	As at 31.03.2021	As at 31.03.2020
Transaction price related to unsatisfied (or partially satisfied) performance obligation	2,477.46	2,611.14
These performance obligations are expected to be satisfied within	3 Years	4 Years

47. Disclosure as per Ind AS 115 - “Revenue from Contracts with Customer” (Contd.)

- b) The movement in unbilled revenue during the year is as follows: (₹ in crore)

Particulars	For the year ended 31.03.2021	For the year ended 31.03.2020
Balance at the beginning	5,332.25	6,596.23
Add: Revenue recognised during the period	6,587.47	3,243.32
Less: Invoiced during the period	4,541.51	4,613.01
Less: Impairment/reversal during the period	-	(105.71)
Less: Classified as held for sale	196.99	-
Add/(Less): Other Adjustments	(6.01)	-
Balance at the end	7,175.21	5,332.25

- c) The movement in contract liability during the year is as follows: (₹ in crore)

Particulars	For the year ended 31.03.2021	For the year ended 31.03.2020
Balance at the beginning	1,164.02	1,261.19
Add: Advance billing during the period	548.83	537.01
Less: revenue recognised during the period		
a) From contract liability as at beginning of the period	588.09	558.07
b) From contract liability recognised during the period	89.45	76.37
Add: Translation gain/(Loss)	(0.17)	0.26
Balance at the end	1,035.14	1,164.02

- d) The entity determines transaction price based on expected value method considering its past experiences of refunds or significant reversals in amount of revenue. In estimating significant financing component, management considers the financing element inbuilt in the transaction price based on imputed rate of return. Reconciliation of Contracted Price vis-a-vis revenue recognized in profit or loss statement is as follows:

Particulars	For the year ended 31.03.2021	For the year ended 31.03.2020
Contracted price	38,703.41	36,260.84
Add/ (Less)- Discounts/ rebates provided to customer	(116.64)	(139.26)
Add/ (Less)- Performance bonus	480.90	429.20
Add/ (Less)- Adjustment for significant financing component	73.10	96.70
Add/ (Less)- Other adjustments	499.02	1,096.06
Revenue recognized in profit or loss statement	39,639.79	37,743.54

48. (i) FERV Gain ₹ 450.57 crore (Previous Year FERV Loss ₹ 2,079.72 crore) has been adjusted in the respective carrying amount of Property, Plant and Equipment/Capital work in Progress (CWIP)/Lease Receivables
(ii) FERV Loss of ₹ 60.61 crore (Previous Year ₹ 221.86 crore) has been recognised in the Statement of Profit and Loss.
49. Borrowing cost capitalised during the year is ₹ 806.05 crore (Previous Year ₹ 2,120.31 crore) in the respective carrying amount of Property, Plant and Equipment/Capital work in Progress (CWIP) as per Ind AS 23 ‘Borrowing Costs’.



- 50.** Based on information available with the group, there are few suppliers/service providers who are registered as micro, small or medium enterprise under The Micro, Small and Medium Enterprises Development Act, 2006 (MSMED Act, 2006). Information in respect of micro and small enterprises as required by Companies Act 2013 and MSMED Act, 2006 is given as under:

(₹ in crore)

Sr. No	Particulars	Trade Payables		Others	
		As at 31.03.2021	As at 31.03.2020	As at 31.03.2021	As at 31.03.2020
1	Principal amount and interest due thereon remaining unpaid to any supplier as at end of each accounting year:				
	Principal	29.75	11.58	3.65	2.98
	Interest	0.01	0.01	-	-
2	The amount of Interest paid by the buyer in terms of section 16 of the MSMED Act, 2006 along with the amount of the payment made to the supplier beyond the appointed day during each accounting year	-	0.04	-	-
3	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 MSMED Act, 2006	0.01	-	-	-
4	The amount of interest accrued and remaining unpaid at the end of each accounting year	0.01	0.01	-	-
5	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	-	-	-	-

51. Disclosure as per Ind AS 116 - "Leases"

a) As a Lessor - Finance Leases:

The group has classified and accounted for the arrangements for state sector ULDC assets and bilateral assets as finance leases. Agreements for State Sector ULDC are for a period of 15 years and Bilateral Line Assets with the beneficiary are for the period as specified in CERC Regulations and Transmission Service Agreements (TSA).

Other Non-Current Financial Assets and Other Current Financial Assets include lease receivables representing the present value of future lease rentals receivable on the finance lease transactions entered into by the group with the constituents in respect of State Sector ULDC and Bilateral Line Assets. Disclosure requirements of Ind AS 116 'Leases' notified under the Companies Act, 2013 are given as under:

- (i) Details of gross investment in lease, un-earned finance income and present value of minimum lease payments receivables at the end of financial year are given as under:

(₹ in crore)

Particulars	As at 31.03.2021	As at 31.03.2020
Gross investment in Lease	2127.52	1547.26
Un-earned Finance Income	1323.41	980.06
Present value of Minimum Lease Payment (MLP)	804.11	567.20

51. Disclosure as per Ind AS 116 - “Leases” (Contd.)

(ii) The value of contractual maturity of such leases is as under:

(₹ in crore)

Particulars	Gross Investment in Lease		Present Value of MLPs	
	As at 31.03.2021	As at 31.03.2020	As at 31.03.2021	As at 31.03.2020
Not later than one year	160.99	132.37	55.72	50.15
Later than one year and not later than two years	160.60	127.38	57.04	46.21
Later than two years and not later than three years	160.41	127.19	58.71	47.02
Later than three years and not later than four years	160.20	127.19	60.57	48.14
Later than four years and not later than five years	159.99	127.19	62.63	49.39
Later than five years	1,325.33	905.94	509.44	326.29
Total	2,127.52	1,547.26	804.11	567.20

(iii) There are differences in balance lease receivable as at year end as per accounts and tariff records on account of:

- Undischarged liabilities amounting to ₹ 53.36 crore (Previous Year ₹ 61.30 crore). Such cost become part of project cost only on discharge of such liabilities.
- Unamortized FERV on loans included in lease receivable amounting to ₹ 51.66 crore (Previous Year ₹ 21.47 crore). Such FERV are allowed to be recovered as part of tariff on actual payment basis.

b) As a Lessee:

The group has taken assets on lease such as dark fibre, colocation & repeater shelter spaces and office buildings etc. for various periods which are assessed and accounted as per the requirements of Ind AS 116 – “Leases” and required disclosures as per the said Ind AS are as follows:

(i) ROU Assets:

Additions, termination/disposal and depreciation charge on right of use assets for the year and carrying amount of the same as at the end of the financial year by class of underlying asset has been disclosed in note no. 4 as a separate line item.

(ii) Lease Liabilities:

Interest expense on lease liabilities for the year is shown under note no. 38 and total cash outflow for leases for the year has been disclosed in statement of cash flow under financing activities as separate line item and maturity analysis of lease liabilities has been disclosed in note no. 64.

(iii) Short term leases:

The group, during the financial year, has incurred ₹ 37.56 crore (Previous Year ₹ 48.85 crore) with respect to short term leases.

The group was committed to short term leases and the total commitment of such leases at the end of financial year was ₹ 5.94 crore (Previous Year ₹ 4.83 crore).

52. Disclosure as per Ind AS 103 - “Business Combinations”

The Group was having joint control and holding 26% of share capital of Jaypee Powergrid Limited (JPL) (a joint venture between the Group and Jaiprakash Power Ventures Limited). The Group acquired remaining interest (74%) from other joint venturer through share purchase agreement dated 25 March 2021 and terminated joint venture agreement. As JPL is in a regulated tariff mechanism having predictable returns similar to the company and with economies of scale of its operations, the Group will benefit in terms of cost optimisation and shared resources.

i) Consideration transferred:

Out of total Purchase consideration of ₹ 354.50 crore for acquisition of JPL, ₹ 351.65 crore has been paid in cash and cash equivalents in FY 2020-21 & remaining ₹ 2.85 crore is yet to be paid.

ii) Identifiable assets acquired and liabilities assumed:

The following table summarises the recognised amounts of assets and liabilities assumed as at the date of acquisition:

(₹ in crore)

Particulars	Amount
Property, Plant and Equipment	529.51
Other Non-current assets	0.02
Deferred Tax Assets	20.57



52. Disclosure as per Ind AS 103 - "Business Combinations" (Contd.)

(₹ in crore)

Particulars	Amount
Current assets	101.48
Regulatory deferral account balances	15.79
Non-current liabilities	(110.89)
Current liabilities	(76.40)
Total net identifiable assets acquired	480.08

iii) Capital Reserve:

(₹ in crore)

Particulars	Amount
Fair Value of Net identifiable Assets	480.08
Less: Fair Value of previously held equity interest	124.82
Less: Consideration for acquisition of 74% stake	354.50
Capital Reserve	0.76

iv) Revenue and profit contribution

Acquisition of JPL has contributed revenue of ₹ 2.43 crore and ₹1.19 crore to profit before tax, from 25 March 2021 to 31 March 2021. If the acquisition had occurred on 1 April 2020, consolidated pro-forma revenue and profit before tax of the Group for the year ended 31 March 2021 would have been ₹39,785.11 crore and ₹15,188.40 crore respectively.

v) Purchase consideration – cash outflow:

(₹ in crore)

Particulars	Amount
Outflow of cash to acquire subsidiary (net of cash acquired)	
Total Consideration	354.50
Less: Consideration yet to be paid	2.85
Less: Cash and Cash Equivalents acquired	43.26
Net outflow of cash - investing activities	308.39

vi) Contingent liabilities acquired on acquisition:

JPL has contingent liability amounting to ₹1.50 crore in respect of Land /Crop/Tree Compensation cases on the date of acquisition.

vii) Gain/(loss) on remeasurement of previously held equity interest:

The Group previously held 26% interest in JPL which was classified as investment in joint venture till the date of acquisition of 74% stake. There is no gain/(loss) recognised on existing equity interest in JPL by the Group as the acquisition date fair value is equal to the carrying value of the previously held equity interest.

53. Disclosures relating to Regulatory Deferral Account Balances

i) Nature of rate regulated activities

The group is mainly engaged in the business of transmission of power. The tariff for transmission of power is determined by the CERC through tariff regulations. The tariff is based on capital cost admitted by CERC and provides for transmission charges recovery of annual fixed cost consisting of Return on equity, Interest on loan capital, Depreciation, interest on working capital and Operation & Maintenance expenses.

ii) Recognition and measurement

FERV arising during the construction period for settlement/translation of monetary items (other than non-current loans) denominated in foreign currency to the extent recoverable/payable to the beneficiaries as capital cost as per CERC Tariff Regulations are accounted as Regulatory Deferral Account Balances. In respect of long-term foreign currency loan drawn on or after 01 April 2016, exchange difference to the extent recoverable as per CERC Tariff Regulations are recognised as Regulatory Deferral Account Balances. The group expects to recover these amounts through depreciation component of the tariff over the life of the asset or as exchange rate variation on repayment of the loan.

53. Disclosures relating to Regulatory Deferral Account Balances (Contd.)

The tariff norms for the block period 2019-2024 notified by the Central Electricity Regulatory Commission (CERC) provide for grossing up of the return on equity based on effective tax rate for the financial year based on the actual tax paid during the year on the transmission income. Accordingly, deferred tax provided during the year ended 31.03.2021 on the transmission income is accounted as 'Deferred Assets against Deferred Tax Liability'. Deferred Assets against Deferred Tax Liability for the year will be reversed in future years (including tax holiday period) when the related deferred tax liability forms a part of current tax.

The cumulative amount of ₹ 134.16 crore (cumulative previous year amount of ₹ 134.16 crore) on account of pay revision is recoverable from the beneficiaries is included in Regulatory Deferral Account Balances and will be adjusted in the year in which they become recoverable from beneficiaries as per CERC. Amount of regulatory deferral account balances is on undiscounted basis.

iii) Risk associated with future recovery/ reversal of regulatory deferral account balances

- regulatory risk on account of changes in regulations.
- other risks including currency or other market risks, if any.

Any change in the Tariff regulations beyond the current tariff period ending on 31.03.2024 may have an impact on the recovery of Regulatory Deferral Account Balances.

The Regulatory Deferral Account Balances (assets) recognized in the books to be recovered from the beneficiaries in future periods are as follows:

(₹ in crore)		
Particulars	As at 31.03.2021	As at 31.03.2020
A. Opening Balance	10,123.06	8,083.27
B. Addition/(deduction) during the year	506.93	2,045.17
C. Amount collected/refunded during the year	70.65	5.38
D. a) Regulated Income/(Expense) recognized in the statement of Profit and Loss (B-C)	436.28	2,039.79
b) Addition on business combination	15.79	-
E. Closing Balance (A+D)	10,575.13	10,123.06
F. Tax on Regulated Income/(Expense) recognized in the statement of Profit and Loss	74.60	356.39

54. Disclosure as required by Regulation 34 (3) of SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015

A. Loans and Advances in nature of Loans:

1. To Joint Ventures

(₹ in crore)

Name of the Company	Outstanding balance		Maximum amount outstanding	
	As at 31.03.2021	As at 31.03.2020	For the year ended 31.03.2021	For the year ended 31.03.2020
Joint Ventures				
National High Power Test Laboratory Private Limited	18.40	18.40	18.40	18.40
Teestavalley Power Transmission Limited	29.29	77.12	95.00	191.72
Total	47.69	95.52	113.40	210.12

2. To firms/companies in which directors are interested: NIL

B. Investment by the loanee (as detailed above) in the shares of Power Grid Corporation of India Ltd: NIL

55. Corporate Social Responsibility (CSR) Expenses

As per Section 135 of the Companies Act, 2013 along with Companies (Corporate Social Responsibility Policy) Rules, 2014 read with DPE guidelines no F.No.15 (13)/2013-DPE (GM), the group is required to spend, in every financial year, at least two per cent of the average net profits of the group made during the three immediately preceding financial years in accordance with its CSR Policy. Accordingly, the Group has spent ₹ 247.22 crore (Previous Year ₹ 349.36 crore) on CSR activities.



56. Additional Information as required under Schedule III of the Companies Act, 2013

(₹ in crore)

Particulars	Net Asset i.e. assets minus total liabilities		Share in profit or loss				Share in Other Comprehensive Income				Share in Total Comprehensive Income						
	As at 31.03.2021		As at 31.03.2020		For the year ended 31.03.2021		For the year ended 31.03.2020		For the year ended 31.03.2021		For the year ended 31.03.2020		For the year ended 31.03.2021		For the year ended 31.03.2020		
	As % of consol. net assets	Amount	As % of consol. net assets	Amount	As % of consol. profit or loss	Amount	As % of consol. OCI	Amount	As % of consol. OCI	Amount	As % of consol. OCI	Amount	As % of consol. Total Comp. Income	Amount	As % of consol. Total Comp. Income	Amount	
Parent																	
Power Grid Corporation of India Limited	91.41%	63,926.96	93.50%	60,492.60	95.32%	11,237.33	99.49%	10,542.18	25.36	100.00%	(104.02)	93.37%	11,262.69	95.28%	10,438.16		
Subsidiaries																	
Indian																	
Powergrid Jabalpur Transmission Limited	0.37%	256.29	0.37%	241.91	0.44%	89.70	0.00%	48.39	-	0.00%	-	0.74%	89.70	0.44%	48.39		
Powergrid Kala Amb Transmission Limited	0.12%	83.73	0.13%	81.40	0.21%	29.48	0.00%	23.37	-	0.00%	-	0.24%	29.48	0.21%	23.37		
Powergrid NM transmission Limited	0.36%	252.87	0.13%	83.27	-0.27%	(37.05)	0.00%	(29.48)	-	0.00%	-	-0.31%	(37.05)	-0.27%	(29.48)		
Powergrid Parli Transmission Limited	0.55%	384.56	0.55%	358.48	0.72%	136.54	0.00%	79.22	-	0.00%	-	1.13%	136.54	0.72%	79.22		
Powergrid Southern Interconnector Transmission System Ltd	1.18%	824.78	1.11%	716.10	0.08%	108.68	0.00%	8.68	-	0.00%	-	0.90%	108.68	0.08%	8.68		
Powergrid Uncharhar Transmission Limited	0.03%	21.61	0.04%	24.45	0.09%	4.94	0.00%	9.64	-	0.00%	-	0.04%	4.94	0.09%	9.64		
Powergrid Vemagiri transmission Limited	-0.03%	(19.41)	-0.03%	(19.41)	0.00%	-	0.00%	(0.01)	-	0.00%	-	0.00%	-	0.00%	(0.01)		
Powergrid Vizag Transmission Limited	0.46%	322.76	0.58%	372.95	1.37%	109.20	0.00%	151.75	-	0.00%	-	0.91%	109.20	1.39%	151.75		
Powergrid Warora Transmission Limited	0.66%	465.06	0.74%	478.95	0.69%	140.28	0.00%	76.09	-	0.00%	-	1.16%	140.28	0.69%	76.09		
Powergrid Medinipur Jeerat Transmission Limited	0.81%	568.78	0.45%	289.33	0.00%	19.15	0.00%	-	-	0.00%	-	0.16%	19.15	0.00%	-		
Powergrid Mithilanchal Transmission Limited	0.31%	214.44	0.19%	119.99	0.00%	0.95	0.00%	-	-	0.00%	-	0.01%	0.95	0.00%	-		
Powergrid Varanasi Transmission System Limited	0.24%	168.06	0.19%	125.04	0.00%	0.02	0.00%	-	-	0.00%	-	0.00%	0.02	0.00%	-		
Powergrid Jawaharpur Firozabad Transmission Limited	0.11%	78.25	0.00%	0.05	0.00%	1.05	0.00%	-	-	0.00%	-	0.01%	1.05	0.00%	-		
Powergrid Khetri Transmission System Limited	0.23%	161.02	0.00%	(0.28)	0.00%	(0.05)	0.00%	(0.33)	-	0.00%	-	0.00%	(0.05)	0.00%	(0.33)		
Powergrid Bhuji Transmission Limited	0.14%	97.71	0.00%	0.01	0.00%	-	0.00%	-	-	0.00%	-	0.00%	-	0.00%	-		
Powergrid Bhind Guna Transmission Limited	0.07%	49.41	0.00%	(0.59)	0.00%	-	0.00%	0.12	-	0.00%	-	0.00%	-	0.00%	0.12		
Powergrid Ajmer Phagi Transmission Limited	0.16%	111.66	0.00%	(0.27)	0.00%	(0.02)	0.00%	(0.32)	-	0.00%	-	0.00%	(0.02)	0.00%	(0.32)		

56. Additional Information as required under Schedule III of the Companies Act, 2013 (Contd.)

Particulars	Net Asset i.e. assets minus total liabilities		Share in profit or loss				Share in Other Comprehensive Income				Share in Total Comprehensive Income			
	As at 31.03.2021		For the year ended 31.03.2021		For the year ended 31.03.2020		For the year ended 31.03.2021		For the year ended 31.03.2020		For the year ended 31.03.2021		For the year ended 31.03.2020	
	As % of consol. net assets	Amount	As % of consol. profit or loss	Amount	As % of consol. profit or loss	Amount	As % of consol. OCI	Amount	As % of consol. OCI	Amount	As % of consol. Total Comp. Income	Amount	As % of consol. Total Comp. Income	Amount
Powergrid Fatehgarh Transmission Limited	0.16%	113.41	0.00%	-	0.00%	-	0.00%	-	0.00%	-	0.00%	-	0.00%	-
Powergrid Rampur Sambhal Transmission Limited	0.03%	20.64	0.00%	-	-0.01%	(0.88)	0.00%	-	0.00%	-	0.00%	-	-0.01%	(0.88)
Powergrid Meerut Simbhavali Transmission Limited	0.05%	32.01	0.00%	0.01	0.00%	-	0.00%	-	0.00%	-	0.00%	-	0.00%	-
Central Transmission Utility of India Limited	0.00%	0.02	0.00%	NA	0.00%	(0.03)	0.00%	NA	0.00%	NA	0.00%	(0.03)	0.00%	NA
Powergrid Ramgarh Transmission Limited	0.00%	(0.46)	0.00%	NA	0.00%	(0.51)	0.00%	NA	0.00%	NA	0.00%	(0.51)	0.00%	NA
Jaypee Powergrid Limited	0.65%	455.05	-0.21%	(25.03)	0.00%	(25.03)	0.00%	NA	0.00%	NA	-0.21%	(25.03)	0.00%	NA
Bikaner-II Bhiwadi Transco Limited	0.00%	0.01	0.00%	NA	0.00%	-	0.00%	NA	0.00%	NA	0.00%	-	0.00%	NA
Joint Ventures														
Indian														
Powerlinks Transmission Limited	0.67%	469.63	0.41%	49.98	0.54%	59.35	0.24%	0.06	0.01%	(0.01)	0.42%	50.04	0.54%	59.34
Torrent Powergrid Limited	0.05%	34.67	0.04%	5.02	0.04%	4.80	0.00%	-	0.01%	(0.01)	0.04%	5.02	0.05%	4.79
Jaypee Powergrid Limited	NA	NA	0.12%	14.31	0.13%	14.89	0.00%	-	0.01%	(0.01)	0.12%	14.31	0.14%	14.88
Parbati Koldam Transmission Company Limited	0.12%	86.60	0.13%	15.86	0.20%	22.03	0.35%	0.09	-0.03%	0.03	0.13%	15.95	0.20%	22.06
Teestavally Power Transmission Limited	0.20%	140.02	0.12%	14.24	0.12%	13.41	-0.08%	(0.02)	-0.02%	0.02	0.12%	14.22	0.12%	13.43
North East Transmission Company Limited	0.18%	124.62	0.16%	19.57	0.14%	15.37	0.00%	-	0.01%	(0.01)	0.16%	19.57	0.14%	15.36
National High Power Test Lab Pvt Limited	0.03%	18.22	-0.03%	(3.84)	-0.04%	(4.38)	0.00%	-	0.01%	(0.01)	-0.03%	(3.84)	-0.04%	(4.39)
Bihar Grid Company Limited	0.62%	431.29	0.84%	100.83	0.20%	21.94	0.00%	-	0.00%	-	0.84%	100.83	0.20%	21.94
Kalinga Bidyut Prasaran Nigam Pvt. Limited	0.00%	-	0.00%	-	0.00%	-	0.00%	-	0.00%	-	0.00%	-	0.00%	-
Cross Border Transmission Limited	0.04%	29.97	0.03%	3.84	0.05%	5.55	0.00%	-	0.00%	-	0.03%	3.84	0.05%	5.55
RINL POWERGRID TLT Pvt. Limited	0.00%	-	0.00%	-	-0.04%	(3.97)	0.00%	-	0.00%	-	0.00%	-	-0.04%	(3.97)
Foreign														
Power Transmission Company Nepal Ltd	0.02%	11.83	0.02%	2.02	0.02%	1.99	0.00%	-	0.00%	-	0.02%	2.02	0.02%	1.99
Total	100.00%	69,936.07	100.00%	12,036.46	100.00%	11,059.40	100.00%	25.49	100.00%	(104.02)	100.00%	12,061.95	100.00%	10,955.38

(₹ in crore)



57. Fair Value Measurement

(₹ in crore)

Financial Instruments by category	As at 31.03.2021		As at 31.03.2020	
	FVOCI	Amortised cost	FVOCI	Amortised cost
Financial Assets				
<u>Investments</u>				
<u>Equity Instruments</u>				
-PTC India Limited (12000006 shares of ₹ 10 each)	93.30		46.50	
Energy Efficiency Services Limited (56118350 shares of ₹ 10 each)	45.40		52.40	
Trade Receivables		3,675.53		5,040.71
Loans		449.63		427.99
Cash & cash Equivalents		4,487.23		4,849.59
Bank Balance		964.14		615.42
<u>Other Financial Assets</u>				
Current		8,038.97		5,799.43
Non-Current		4,341.04		4,089.19
Total Financial assets	138.70	21,956.54	98.90	20,822.33
Financial Liabilities				
Borrowings		1,46,311.85		1,51,544.13
Trade Payables		187.48		226.54
<u>Other Financial Liabilities</u>				
Current		7,769.38		8,661.13
Non-Current		3,625.14		3,523.13
Total financial liabilities	-	1,57,893.85	-	1,63,954.93

This section explains the judgements and estimates made in determining the fair values of the financial instruments that are measured at fair value and financial instruments that are measured at amortised cost and for which fair values are disclosed in the financial statements. To provide an indication about the reliability of the inputs used in determining fair value, the group has classified its financial instruments into the three levels prescribed under the accounting standard. An explanation of each level follows underneath the table.

Financial instruments that are measured at Fair value:

(₹ in crore)

Particulars	Level 1	Level 2	Level 3	Total
As at 31.03.2021				
Financial Assets				
<u>Investments</u>				
<u>Equity Instruments</u>				
-PTC India Limited (12000006 shares of ₹ 10 each)	93.30	-	-	93.30
Energy Efficiency Services Limited (56118350 shares of ₹ 10 each)	-	45.40	-	45.40
Total Financial Assets	93.30	45.40	-	138.70

57. Fair Value Measurement (Contd.)

(₹ in crore)

Particulars	Level 1	Level 2	Level 3	Total
As at 31.03.2020				
Financial Assets				
<u>Investments</u>				
<u>Equity Instruments</u>				
-PTC India Limited (12000006 shares of ₹ 10 each)	46.50	-	-	46.50
Energy Efficiency Services Limited (56118350 shares of ₹ 10 each)	-	52.40	-	52.40
Total Financial Assets	46.50	52.40	-	98.90

Financial instruments that are measured at Amortised Cost:

(₹ in crore)

Particulars	Level	As at 31.03.2021		As at 31.03.2020	
		Carrying Amount	Fair value	Carrying Amount	Fair value
Financial Assets					
Loans					
Loan to Joint Venture	2	52.88	49.04	99.56	92.59
Loans to employees	2	396.75	379.82	328.43	320.73
Total Financial Assets		449.63	428.86	427.99	413.32
Financial Liabilities					
Borrowings	2	1,46,311.85	1,52,217.37	1,51,544.13	1,56,511.73
Deposits/retention money from contractors and others	2	3,643.16	3,993.20	3,546.74	3,853.29
Total financial liabilities		1,49,955.01	1,56,210.57	1,55,090.87	1,60,365.02

The carrying amounts of trade receivables, trade payables, cash and cash equivalents and other current financial liabilities are considered to be the same as their fair values, due to their short-term nature.

For financial assets that are measured at fair value, the carrying amounts are equal to the fair values.

Level 1: Level 1 hierarchy includes financial instruments measured using quoted prices. This includes listed equity bonds which are traded in the stock exchanges, valued using the closing price as at the reporting period.

Level 2: The fair value of financial instruments that are not traded in an active market (for example, traded bonds) is determined using valuation techniques which maximise the use of observable market data and rely as little as possible on entity-specific estimates. If all significant inputs required to fair value an instrument are observable, the instrument is included in level 2.

Level 3: If one or more of the significant inputs is not based on observable market data, the instrument is included in level 3. This is the case for unlisted equity securities, contingent consideration and indemnification assets included in level 3.

There are no transfers between levels 1 and 2 during the year. The group's policy is to recognise transfers into and transfers out of fair value hierarchy levels as at the end of the reporting period.

Valuation technique used to determine fair value:

Specific valuation techniques used to value financial instruments include:

- the use of quoted market prices or dealer quotes for similar instruments
- the fair value of Energy Efficiency Services Limited has been determined by making qualitative adjustment to trading multiples such as P/E, EV/EBITDA of comparable listed prices. The same has been included in Level 2 fair value hierarchy.
- the fair value of the remaining financial instruments is determined using discounted cash flow analysis.

All of the resulting fair value estimates are included in level 2 apart from equity instruments of PTC India Limited which is included in Level 1 fair value hierarchy.

Fair value of financial instruments has been determined by an independent valuer.



58. Disclosure as per Ind AS 24 - “Related Party Disclosures”

(a) Joint Ventures

Name of entity	Place of business/ country of incorporation	Proportion of Ownership Interest	
		As at 31.03.2021	As at 31.03.2020
Powerlinks Transmission Limited	India	49%	49%
Torrent Power Grid Limited	India	26%	26%
Jaypee Powergrid Limited ¹	India	NA	26%
Parbati Koldam Transmission Company Limited	India	26%	26%
Teestavalley Power Transmission Limited ²	India	30.92%	30.92%
North East Transmission Company Limited	India	26%	26%
National High Power Test Laboratory Private Limited	India	20%	20%
Bihar Grid Company Limited	India	50%	50%
Kalinga Bidyut Prasaran Nigam Private Limited ³	India	NA	50%
Cross Border Power Transmission Company Limited	India	26%	26%
RINL Powergrid TLT Private Limited ⁴	India	50%	50%
Power Transmission Company Nepal Limited	Nepal	26%	26%

¹ Joint venture till 25.03.2021 (Wholly owned subsidiary from 26.03.2021).

² POWERGRID & Teesta Urja Ltd are the Joint venture partners in Teestavalley Power Transmission Limited & holds 26% & 74 % equity, respectively as per Shareholding agreement. On call of additional equity by Teestavalley Power Transmission limited, POWERGRID contributed their share while the other JV partner has not yet contributed their share of money. Consequently, the holding of POWERGRID increased to 30.92% against 26% provided in shareholding agreement.

³ The present status of the Company (M/s KBPNL) as per MCA website is “Strike Off”.

⁴ POWERGRID’s Board of Directors in its meeting held on 01.05.2018 accorded in principle approval to close RINL Powergrid TLT Private Limited (RPTPL) and seek consent of other JV Partner Rashtriya Ispat Nigam Limited (RINL). RINL’s Board of Directors in its meeting held on 08.03.2019 has agreed in principle for winding up proceedings of RPTPL & to seek the approval from Ministry of Steel, Government of India, for closure of RPTPL. RINL’s Board of Directors in its meeting held on 05.11.2019 has advised to put up the closure proposal again to Ministry of steel for onward submission to NITI Ayog. The Ministry of Steel vide letter dated 29.09.2020 informed RINL that closure of RPTPL is being examined and seeks further clarifications from RINL. Accordingly, relevant information was forwarded by RINL to The Ministry of Steel. The Approval from Government is still awaited.

(b) Key Managerial Personnel

Whole Time Directors

Name	Designation
Shri K. Sreekant	Chairman & Managing Director
Smt. Seema Gupta	Director (Operations) [Additional Charge of Director (Finance) w.e.f. 06.02.2020 to 05.05.2020 & 14.05.2020 to 03.07.2020]
Shri Rajeev Kumar Chauhan	Director (Projects) [ceased to be director on 31.10.2020]
Shri Vinod Kumar Singh	Director (Personnel)
M. Taj Mukarrum	Director (Finance) w.e.f. 04.07.2020 and CFO w.e.f. 01.08.2020
Shri Abhay Choudhary	Director (Projects) w.e.f. 01.11.2020

Independent Directors

Name	Designation
Shri Manoj Kumar Mittal	Independent Director upto 11.09.2020
Shri Sunil Kumar Sharma	Independent Director
Smt. A.R. Mahalakshmi	Independent Director
Shri M.N. Venkatesan	Independent Director

58. Disclosure as per Ind AS 24 - "Related Party Disclosures" (Contd.)

Government Nominee Directors and other KMP

Name	Designation
Shri Dilip Nigam	Government Nominee Director [ceased to be director on 30.04.2020] & Government Nominee Director w.e.f. 04.01.2021
Shri Tanmay Kumar	Government Nominee Director [ceased to be director on 05.11.2020]
Shri Mritunjay Kumar Narayan	Government Nominee Director w.e.f. 05.11.2020
Smt. Divya Tandon	Company Secretary [ceased to be Company Secretary w.e.f. 30.06.2020]
Shri Mrinal Srivastava	Company Secretary w.e.f. 01.07.2020
Shri K. S. R. Murty	CFO [ceased to be CFO on 31.07.2020]

(c) List of Other Related Parties

Name of Entity	Place of business/country of incorporation	Nature of Relationship
Powergrid Employees P.F. Trust	India	Post-employment benefit plan of Powergrid
Powergrid Self Contributory Superannuation Benefit (Pension) Fund Trust	India	Post-employment benefit plan of Powergrid
Powergrid Employees Gratuity Fund Trust	India	Post-employment benefit plan of Powergrid
Powergrid Employees Post-Retirement Medical Benefit Trust	India	Post Retirement Benefit plan of Powergrid

(d) Government Related Entities

The company is controlled by the Government of India (GOI), being a Central Public Sector Enterprise (CPSE) under the Ministry of Power, with GOI holding 51.34% (Previous Year 51.34%) of equity shares capital issued and paid up.

The Company has business transactions with other entities controlled by the GOI for procurement of capital equipment, spares and services. Transactions with these entities are carried out at market terms on arms-length basis through a transparent price discovery process against open tenders, except in a few cases of procurement of spares/services from Original Equipment Manufacturer (OEM) for proprietary items/or on single tender basis due to urgency, compatibility or other reasons. Such single tender procurements are also done through a process of negotiation with prices benchmarked against available price data of same/similar items.

The above transactions are in the course of normal day-to-day business operations and are not considered to be significant keeping in view the size, either individually or collectively.

(e) Outstanding balances arising from sales/purchases of goods and services

The following balances are outstanding at the end of the reporting period in relation to transactions with related parties:

(₹ in crore)

Particulars	As at 31.03.2021	As at 31.03.2020
Amounts Receivable		
Loans to Joint Ventures		
National High Power Test Laboratory Private Limited	18.40	18.40
Teestavalley Power Transmission Limited	29.29	77.12
Total	47.69	95.52
Interest Accrued on loan to Joint Ventures		
National High Power Test Laboratory Private Limited	1.58	0.83
Teestavalley Power Transmission Limited	3.61	3.21
Total	5.19	4.04
Loans to Key Managerial Personnel	0.14	0.09


58. Disclosure as per Ind AS 24 - “Related Party Disclosures” (Contd.)

(₹ in crore)

Particulars	As at 31.03.2021	As at 31.03.2020
Other Receivables		
<u>Joint Ventures:</u>		
Powerlinks Transmission Limited	0.21	0.02
Torrent Power Grid Limited	0.44	0.19
Jaypee Powergrid Limited	-	0.02
Parbati Koldam Transmission Company Limited	0.38	0.38
Teestavalley Power Transmission Limited	6.12	5.75
North East Transmission Company Limited	0.25	1.42
National High Power Test Laboratory Private Limited	0.46	0.62
Bihar Grid Company Limited	1.63	-
Cross Border Power Transmission Company Limited	0.74	0.67
Total	10.23	9.07
Advances /Amounts Payable		
<u>Joint Ventures</u>		
Powerlinks Transmission Limited	0.54	2.78
Torrent Power Grid Limited	0.20	-
Teestavalley Power Transmission Limited	48.03	47.56
North East Transmission Company Limited	19.73	20.29
Bihar Grid Company Limited	0.01	0.30
Cross Border Power Transmission Company Limited	11.27	11.12
Total payables to related parties	79.78	82.05
Other Related Parties		
Outstanding balances with Employees Benefit Trust		
Powergrid Employees P.F. Trust	0.01	34.74
Powergrid Self Contributory Superannuation Benefit (Pension) Fund Trust	-	11.01
Powergrid Employees Gratuity Fund Trust	(0.42)	16.22
Powergrid Employees Post-Retirement Medical Benefit Trust	3.44	27.14
Total	3.03	89.11

(f) Transactions with related parties

The following transactions occurred with related parties:

(₹ in crore)

Particulars	For the year ended 31.03.2021	For the year ended 31.03.2020
Services provided by the Company		
Consultancy Income		
<u>Joint Ventures:</u>		
Powerlinks Transmission Limited	-	-
Torrent Power Grid Limited	0.67	0.64
Jaypee Powergrid Limited	0.66	0.64
Teestavalley Power Transmission Limited	1.12	1.61
North East Transmission Company Limited	2.49	4.49

58. Disclosure as per Ind AS 24 - “Related Party Disclosures” (Contd.)

(₹ in crore)

Particulars	For the year ended 31.03.2021	For the year ended 31.03.2020
National High Power Test Laboratory Private Limited	0.81	0.84
Bihar Grid Company Limited	3.98	13.11
Cross Border Power Transmission Company Limited	1.75	2.02
Total	11.48	23.35
<u>Interest on Loan</u>		
<u>Joint Ventures:</u>		
National High Power Test Laboratory Private Limited	1.89	1.40
Teestavalley Power Transmission Limited	9.82	12.60
Total	11.71	14.00
<u>Investments made during the year (Equity)</u>		
<u>Joint Ventures:</u>		
Teestavalley Power Transmission Limited	-	14.56
Bihar Grid Company Limited	33.00	85.61
Total	33.00	100.17
<u>Loans given during the year</u>		
<u>Joint Ventures:</u>		
National High Power Test Laboratory Private Limited	-	12.40
Teestavalley Power Transmission Limited	95.00	114.60
Total	95.00	127.00
<u>Loans repayment received during the year</u>		
<u>Joint Ventures:</u>		
Teestavalley Power Transmission Limited	142.83	114.60
Total	142.83	114.60
<u>Other Related Parties</u>		
<u>Contribution made during the year</u>		
Powergrid Employees P.F. Trust	114.14	110.45
Powergrid Self Contributory Superannuation Benefit (Pension) Fund Trust	120.46	33.43
Powergrid Employees Gratuity Fund Trust	21.81	30.42
Powergrid Employees Post-Retirement Medical Benefit Trust	12.02	62.77
Total	268.43	237.07
<u>Recovery for Deputation of Employees</u>		
<u>Joint Ventures:</u>		
Torrent Power Grid Limited	0.51	0.15
Jaypee Powergrid Limited (wholly owned subsidiary from 26.03.2021).	1.11	0.98
Teestavalley Power Transmission Limited	0.95	0.33
North East Transmission Company Limited	0.90	0.65
Cross Border Power Transmission Company Limited	0.77	0.94
Total	4.24	3.05

**58. Disclosure as per Ind AS 24 - “Related Party Disclosures” (Contd.)****Terms and Conditions**

The loans to key management personnel are on the same terms and conditions as applicable to all other employees.

All other transactions were made on normal commercial terms and conditions and at market rates. All outstanding balances are unsecured and are repayable in cash.

g) Transaction in the capacity of Central Transmission Utility (CTU) with the related parties

(₹ in crore)

Particulars	For the year ended 31.03.2021	For the year ended 31.03.2020
<u>Joint Ventures:</u>		
Powerlinks Transmission Limited	237.70	227.61
Torrent Power Grid Limited	50.96	48.68
Jaypee Powergrid Limited	171.94	110.87
Parbati Koldam Transmission Company Limited	192.00	247.05
Teestavalley Power Transmission Limited	341.63	176.40
North East Transmission Company Limited	388.15	350.55
Total	1,382.38	1,161.16

h) Remuneration to Key Managerial Personnel

(₹ in crore)

Particulars	For the year ended 31.03.2021	For the year ended 31.03.2020
Short Term Employee Benefits	4.68	4.09
Post-Employment Benefits	0.67	0.24
Long Term Employee Benefits	0.46	1.76
Total	5.81	6.09
Sitting fee	0.32	0.35

In addition to the above remuneration, the whole-time directors have been allowed to use the staff car (including for private journeys) on payment of ₹ 2000/- p.m. as contained in the Department of Public Enterprises (DPE) OM No. 2 (23)/11-DPE (WC)-GL-V/13 dated 21/01/2013.

59. Operating Segments**a) Business Segment**

The Board of Directors is the Group’s Chief Operating Decision Maker (CODM) who monitors the operating results of its business segments separately for the purpose of making decisions about resource allocation and performance assessment. Three reportable segments have been identified on the basis of services provided.

- **Transmission Services**- Group’s principal business is transmission of bulk power across different states of India.
- **Telecom Services**- The Company utilizes the spare Optical fibres available in the Optical Ground Wire (OPGW) laid on the transmission network for providing telecom services. It operates as a neutral carrier in the point to point bandwidth leasing business. Refer note no. 68 for disclosure on formation of wholly owned subsidiary of the company to undertake Telecommunications and Digital Technology Business of the company.

59. Operating Segments (Contd.)

- **Consultancy Services**- provides Consultancy Services in the Transmission, Distribution and Telecom sectors, including Planning Design, Engineering, Load Dispatch, OPGW on intra state Transmission network, Procurement Management, Operation & Maintenance, Financing and Project Management. Refer note no. 68 for disclosure on formation of wholly owned subsidiary of the company to undertake Energy Management services and Consultancy Business of the company.

b) The operations of the group are mainly carried out within the country and therefore there is no reportable geographical segment.

c) Information about major customer: Revenue from any single customer is not equal to or exceeds 10% of the group's total revenue.

d) Segment Revenue and Expenses

Revenue directly attributable to the segments is considered as Segment Revenue. Expenses directly attributable to the segments and common expenses allocated on a reasonable basis are considered as segment expenses.

Revenue from external customer in India is ₹ 40,621.38 crore (Previous Year ₹ 38,420.93 crore) and outside India is ₹ 22.86 crore (Previous Year ₹ 42.99 crore).

e) Segment Assets and Liabilities

Segment assets include all operating assets comprising of Property, Plant and Equipment, current assets and loan and advances. Construction, Work-in-progress, construction stores and advances and investments are included in unallocated assets. Segment facilities include operating liabilities and provisions.


59. Operating Segments (Contd.)

(₹ in crore)

Particulars	Transmission Services		Consultancy Services		Telecom Services		Elimination		Total	
	31.03.2021	31.03.2020	31.03.2021	31.03.2020	31.03.2021	31.03.2020	31.03.2021	31.03.2020	31.03.2021	31.03.2020
Revenue:										
Revenue from Operations (including allocable other income)	39,492.46	37,230.78	438.55	520.85	713.23	712.29	-	-	40,644.24	38,463.92
Inter Segment Revenue			67.61	97.17	69.96	69.94	(137.57)	(167.11)	-	-
Net Revenue from Operations	39,492.46	37,230.78	506.16	618.02	783.19	782.23	(137.57)	(167.11)	40,644.24	38,463.92
Segment results	23,878.09	23,387.26	150.84	277.00	365.72	429.11			24,394.65	24,093.37
Exceptional Item- Transmission									(1,078.64)	-
Unallocated Interest and Other Income									179.29	207.04
Unallocated Finance Costs									8,134.69	9,509.00
Profit before Tax (Including movement in Regulatory Deferral Account Balances)									15,360.61	14,791.41
Add: Share of net profit of Joint ventures accounted for using equity method.									214.70	155.13
Profit before Tax									15,575.31	14,946.54
Provision for Taxes									3,538.85	3,887.14
Profit after Tax									12,036.46	11,059.40
Other information:										
Segment Assets	2,15,346.38	2,11,212.26	2,426.61	3,269.56	981.46	1,161.54			2,18,754.45	2,15,643.36
Unallocated Assets									30,293.62	41,009.86
Assets Classified as Held for Sale									6,701.05	-
Total Assets	14,170.70	14,968.91	3,428.90	3,850.16	454.85	538.88			18,054.45	19,357.95
Unallocated Other Liabilities (including loans)									1,67,394.62	1,72,599.92
Liabilities directly associated with Assets Classified as Held for Sale									363.98	-
Total liabilities									1,85,813.05	1,91,957.87
Depreciation and Amortisation	11,936.83	11,506.45	5.60	3.59	96.76	97.00			12,039.19	11,607.04
Non-cash expenditure other than Depreciation	15.79	18.32	5.97	3.16	1.11	3.20			22.87	24.68
Capital Expenditure	20,935.26	20,191.82	82.50	7.10	10.13	129.69			21,027.89	20,328.61

60. Capital and other Commitments

(₹ in crore)

Particulars	As at 31.03.2021	As at 31.03.2020
Estimated amount of contracts remaining to be executed on capital account and not provided for (net of advances)	6,542.25	11,507.76
Group's commitment towards further investment/loan in joint venture entities	148.92	276.85
Group's commitment towards further investment in other entities	713.17	23.17

61. Contingent Liabilities and contingent assets

A. Contingent Liabilities

1. Claims against the Group not acknowledged as debts in respect of:

(i) **Capital Works**

Some of the contractors for supply and installation of equipments and execution of works at our projects have lodged claims on the group seeking enhancement of the contract price, revision of work schedule with price escalation, compensation for the extended period of work, idle charges etc. These claims are being contested by the group as being not admissible in terms of the provisions of the respective contracts.

The group is pursuing various options under the dispute resolution mechanism available in the contract for settlement of these claims. In such cases, contingent liability of ₹ 2,540.73 crore (Previous Year ₹ 3,401.71 crore) has been estimated.

(ii) **Land compensation cases**

In respect of land acquired for the projects, the land losers have claimed higher compensation before various authorities/courts which are yet to be settled. In such cases, contingent liability of ₹ 1,769.93 crore (Previous Year ₹ 2,039.97 crore) has been estimated.

(iii) **Other claims**

In respect of claims made by various State/Central Government Departments/Authorities towards building permission fees, penalty on diversion of agriculture land to non-agriculture use, Nala tax, water royalty etc. and by others, contingent liability of ₹ 20.49 crore (Previous Year ₹ 28.73 crore) has been estimated.

(iv) **Disputed Income Tax/Sales Tax/Excise/Municipal Tax Matters**

Disputed Income Tax/Sales Tax/Excise/Municipal Tax Matters amounting to ₹ 234.60 crore (Previous Year ₹ 299.81 crore) are being contested before various Appellate Authorities. Many of these matters have been disposed of in favour of the group but are disputed before higher authorities by the concerned departments. Against total claim of ₹ 191.42 crore (Previous Year ₹ 182.13 crore), provision of ₹ 156.98 crore (Previous Year ₹ 147.69 crore) is made and balance of ₹ 34.44 crore (Previous Year ₹ 34.44 crore) towards penalty is shown as contingent liability as it is not a wilful default and in management opinion, same is not expected to be upheld by the court.

(v) **Others**

- a) Contingent liability in respect of bills discounted with banks against trade receivables is amounting to ₹ 2,533.96 crore (Previous Year ₹ 1,030.24 crore). In case of any claim on the company from the banks in this regard, entire amount shall be recoverable from the beneficiaries along with surcharge.
- b) Other contingent liabilities amounts to ₹ 807.53 crore (Previous Year ₹ 944.66 crore) which includes claim of ₹ 402.37 crore (Previous Year ₹ 417.46 crore) related to Arbitration cases/ROW cases.
- c) Some of the beneficiaries have filed appeals against the tariff orders of the CERC. The amount of contingent liability in this regard is not ascertainable.
- d) Under the Transmission Service Agreement (TSA) with Powerlinks Transmission Ltd, the group has an obligation to purchase the JV Company (Powerlinks Transmission Ltd) at a buyout price determined in accordance with the TSA. Such an obligation may result in case JV Company (Powerlinks Transmission Ltd) serves a termination notice either on "POWERGRID event of default" or on "force majeure event" prescribed under TSA. No contingent liability on this account has been considered as the same is not ascertainable.

B. Contingent Assets

While determining the tariff for some of the Company's Transmission Systems, CERC has disallowed certain capital expenditure incurred by the Company. The Company aggrieved over such issues has filed appeals with the Appellate Tribunal for Electricity (APTEL)/Hon'ble Supreme Court against the tariff orders issued by the CERC. Based on past experience, the



61. Contingent Liabilities and contingent assets (Contd.)

Company believes that a favourable outcome is probable. However, it is impracticable to estimate the financial effect of the same as its receipt is dependent on the outcome of the judgement.

The group has filed an appeal in APTEL on 16/12/2016 for the acquisition cost of Powergrid Vemagiri Transmission Limited amounting to ₹18.28 crore as well as additional expenditure incurred from the date of acquisition and interest and carrying cost till the date of reimbursement. Extensive hearings were held by Hon'ble Tribunal and Hon'ble Tribunal vide order dated 12.02.2020 has directed all the parties to file written submissions. All the parties to dispute have filed written submissions to APTEL. The group believes that a favorable outcome is probable. Since there is no precedence of the judgements on such matters, it is impracticable to estimate the exact financial impact of the same.

62. Capital management

a) Risk Management

The group's objectives when managing capital are to

- maximize the shareholder value;
- safeguard its ability to continue as a going concern;
- maintain an optimal capital structure to reduce the cost of capital.

For the purpose of the group's capital management, equity capital includes issued equity capital, securities premium Account and all other equity reserves attributable to the equity holders of the group. The group manages its capital structure and makes adjustments in light of changes in economic conditions, regulatory framework and requirements of financial covenants with lenders. To maintain or adjust the capital structure, the group may adjust the dividend payment to shareholders, regulate investments in new projects, return capital to shareholders or issue new shares. The group monitors capital using debt-equity ratio, which is the ratio of long term debt to total net worth. The policy is to keep the debt-equity ratio wherein the debt is less than 75% of total capital employed (i.e. debt to equity ratio less than 75:25). The group includes within long term debt, interest bearing loans and borrowings and current maturities of long term debt.

The debt –equity ratio of the Group was as follows:-

Particulars	As at 31.03.2021	As at 31.03.2020
Long term debt (₹ in crore)	1,41,410.33	1,45,269.64
Equity (₹ in crore)	69,936.07	64,695.35
Long term debt to Equity ratio	67:33	69:31

Under the terms of the major borrowing facilities, the group is required to comply with the financial covenants. Breaches in meeting the financial covenants would permit the lenders to immediately call loans and borrowings. There have been no breaches in the financial covenants of any interest-bearing loans and borrowing in the current reporting period.

No changes were made in the objectives, policies or processes for managing capital during the years ended 31.03.2021 and 31.03.2020.

b) Dividends

(₹ in crore)

Particular	As at 31.03.2021	As at 31.03.2020
(i) Equity shares		
Final dividend for the year ended 31.03.2020 of ₹4.04 (31.03.2019 – ₹2.50) per fully paid up share	2,113.56	1,307.90
Interim dividend for the year ended 31.03.2021 of ₹9.00 (31.03.2020 – ₹5.96) per fully paid up share	4,708.43	3,118.02

Dividend not recognized at the end of the reporting period:

In addition to above dividend, the Board of Directors on 17 June 2021 recommended the payment of a final dividend of ₹3.00 per fully paid up equity share. This proposed dividend is subject to the approval of shareholders in the ensuing Annual general meeting.

63. Earnings per share

(Amount in ₹)

(a) Basic and diluted earnings per share attributable to the equity holders of the group	For the year ended 31.03.2021	For the year ended 31.03.2020
Including movement in Regulatory Deferral Account Balances	23.01	21.14
Excluding movement in Regulatory Deferral Account Balances	22.32	17.92
Total basic and diluted earnings per share attributable to the equity holders of the group	23.01	21.14

(₹ in crore)

(b) Reconciliation of earnings used as numerator in calculating earnings per share	For the year ended 31.03.2021	For the year ended 31.03.2020
Earnings attributable to the equity holders of the company including movement in Regulatory Deferral Account Balances	12,036.46	11,059.40
Earnings attributable to the equity holders of the company excluding movement in Regulatory Deferral Account Balances	11,674.78	9,376.00
Total Earnings attributable to the equity holders of the group	12,036.46	11,059.40

(c) Weighted average number of shares used as the denominator	As at 31.03.2021	As at 31.03.2020
Weighted average number of equity shares used as the denominator in calculating basic earnings per share	5231589648	5231589648
Adjustments for calculation of diluted earnings per share	-	-
Total weighted average number of equity shares used as the denominator in calculating basic earnings per share	5231589648	5231589648

64. Financial Risk Management

The Group's principal financial liabilities comprise loans and borrowings denominated in Indian rupees or foreign currencies, trade payables and other payables. The main purpose of these financial liabilities is to finance the Group's capital investments and operations.

The Group's principal financial assets include loans and advances, trade and other receivables, and cash and cash equivalents that are generated from its operations.

The Group's activities expose it to the following financial risks, namely,

- (A) Credit risk,
- (B) Liquidity risk,
- (C) Market risk.

This note presents information regarding the group's exposure, objectives, policies and processes for measuring and managing these risks.

Risk management framework

The Parent company has a duly constituted Risk Management Committee headed by Director (Projects) with Director (Operations), Director (Finance) and independent director as members. For the purpose of evaluating and managing the uncertainties the enterprise faces, Enterprise Risk Management framework has been implemented. The framework is a structured, consistent and continuous process for identification, assessment, monitoring and management of risks. As per this framework, the significant business processes / risks are monitored and controlled through various Key Performance Indicators (KPIs). The Committee meets at regular intervals and reviews KPIs and provides updates to the Audit Committee/Board.

The management of financial risks by the Group is summarized below:-

(A) CREDIT RISK:

Credit risk is the risk that counterparty will not meet its obligations under a financial instrument or customer contract, leading to a financial loss. The Group is exposed to credit risk from its operating activities on account of trade receivables and loans and



64. Financial Risk Management (Contd.)

advances and from its financing activities due to deposits with banks and financial institutions, foreign exchange transactions and other financial instruments.

A default on a financial asset is when the counterparty fails to make contractual payments within 3 years of when they fall due. This definition of default is determined considering the business environment in which the Group operates and other macro-economic factors.

Assets are written-off when there is no reasonable expectation of recovery, such as a debtor declaring bankruptcy or failing to engage in a repayment plan with the Group. Where loans or receivables have been written off, the Group continues to engage in enforcement activity to attempt to recover the receivable due. Where such recoveries are made, these are recognized in the statement of profit and loss.

(i) Trade Receivables and Unbilled Revenue

The Group primarily provides transmission facilities to inter-state transmission service customers (DICs) comprising mainly state utilities owned by State Governments and the main revenue is from transmission charges. CERC (Sharing of Inter-State Transmission Charges and Losses) Regulations, 2020 ("CERC Sharing Regulations") allow payment against monthly bills towards transmission charges within due date i.e., 45 days from the date of presentation of the bill and levy of surcharge on delayed payment beyond 45 days. However, in order to improve the cash flows of group, a graded rebate is provided for payments made within 45 days. If a DIC fails to pay any bill or part thereof by the Due Date, the Central Transmission Utility (CTU) may encash the Letter of Credit provided by the DIC and utilise the same towards the amount of the bill or part thereof that is overdue plus Late Payment Surcharge, if applicable.

The Company has a robust payment security mechanism in the form of Letter of Credit (LC) backed by the Tri-Partite Agreements (TPA). The TPA was signed among the GOI, Reserve Bank of India and the individual State Governments subsequent to the issuance of the One Time Settlement Scheme of State Electricity Boards dues during 2001-02 by the GOI. The TPA also provides that if there is any default in payment of current dues by any State Utility, the outstanding dues can be deducted from the State's RBI account and paid to the concerned CPSU.

As per provisions of CERC Sharing Regulations, in case tripartite agreement exists, the Letter of Credit shall be for an amount equal to 1.05 (one point zero five) times the average amount of the first bill of a year; Provided that where such tripartite agreement does not exist, the DIC shall open the Letter of Credit for an amount equal to 2.10 (two point one times) the average amount of the first bill of a year.

In addition to the encashment of letter of credit, on non-payment of outstanding dues, the CTU has power to Regulate the power supply on the defaulting entity as per CERC (Regulation of Power Supply) Regulation, 2010 or deny Short Term Open Access.

Trade receivables consist of receivables relating to transmission services of ₹ 3,515.77 crore (Previous Year ₹ 4,900.32 crore), receivables relating to consultancy services of ₹ 156.15 crore (Previous Year ₹ 137.07 crore) and receivables relating to telecom business of ₹ 304.05 crore (Previous Year ₹ 321.02 crore).

Unbilled revenue primarily relates to the Group's right to consideration for work completed but not billed at the reporting date and has substantially the same risk characteristics as the trade receivables for the same type of contracts.

(ii) Other Financial Assets (excluding trade receivables and unbilled revenue)

• Cash and cash equivalents

The Group held cash and cash equivalents of ₹ 1,057.36 crore (Previous Year ₹ 581.64 crore). The cash and cash equivalents are held with public sector banks and high rated private sector banks and do not have any significant credit risk.

• Deposits with banks and financial institutions

The Group held deposits with banks and financial institutions of ₹ 4,394.01 crore (Previous Year ₹ 4,883.37 crore). Term deposits are placed with public sector banks and have negligible credit risk.

• Loans

The Group has given loans to employees, subsidiaries, Joint Venture companies, Government of India and other parties. House building loans and conveyance advance to the employees are secured against the mortgage of the house properties or hypothecation of vehicles for which such loans have been given in line with the policies of the Group. The loans provided to group companies are for projects under Tariff Based Competitive Bidding route and Public private partnership. The risk of default in respect of these loans is considered negligible.

64. Financial Risk Management (Contd.)

(iii) Exposure to credit risk

(₹ in crore)

Particulars	As at 31.03.2021	As at 31.03.2020
Financial assets for which loss allowance is measured using 12 months Expected Credit Losses (ECL)		
Non-Current Loans	322.58	271.58
Other non-current financial assets	4,341.04	4,089.19
Cash and cash equivalents	1,057.36	581.64
Deposits with banks and financial institutions	4,394.01	4,883.37
Current loans	127.05	156.41
Other current financial assets	863.76	467.18
Total	11,105.80	10,449.37
Financial assets for which loss allowance is measured using Life time Expected Credit Losses (ECL)		
Trade receivables	3,975.97	5,358.41
Unbilled Revenue	7,194.13	5,351.17

(iv) Provision for expected credit losses

(a) Financial assets for which loss allowance is measured using 12 month expected credit losses

The Group has assets where the counter- parties have sufficient capacity to meet the obligations and where the risk of default is very low. At initial recognition, financial assets (excluding trade receivables and unbilled revenue) are considered as having negligible credit risk and the risk has not increased from initial recognition. Therefore, no loss allowance for impairment has been recognised.

(b) Financial assets for which loss allowance is measured using lifetime expected credit losses

In respect of trade receivables and unbilled revenue from Telecom and Consultancy, customer credit risk is managed by regular monitoring of the outstanding receivables and follow-up with the consumer for realization.

With regard to transmission segment, the Group has customers most of whom are state government utilities with capacity to meet the obligations and therefore the risk of default is negligible. Further, management believes that the unimpaired amounts that are 30 days past due date are still collectible in full, based on the payment security mechanism in place and historical payment behaviour.

Considering the above factors and the prevalent regulations, the trade receivables and unbilled revenue continue to have a negligible credit risk on initial recognition and thereafter on each reporting date.

(v) Ageing analysis of trade receivables

The ageing analysis of the trade receivables is as below:

(₹ in crore)

Ageing	Not due	0-30 days past due	31-60 days past due	61-90 days past due	91-120 days past due	More than 120 days past due	Total
Gross carrying amount as on 31.03.2021	1,761.37	378.20	156.27	136.89	114.75	1,428.49	3,975.97
Gross carrying amount as on 31.03.2020	10.18	2,104.81	871.64	794.68	323.18	1,253.92	5,358.41



64. Financial Risk Management (Contd.)

(vi) Reconciliation of impairment loss provisions

The movement in the allowance for impairment in respect of financial assets during the year was as follows:

(₹ in crore)

Particulars	Trade receivables	Investments	Advances	Unbilled Debtors	Total
Balance as at 01.04.2019	339.36	3.97	-	124.63	467.96
Impairment loss recognised/(reversed)	(21.66)	(3.97)	-		(25.63)
Amounts written off	-	-	-	105.71	105.71
Balance as at 31.03.2020	317.70	-	-	18.92	336.62
Impairment loss recognised/(reversed)	(17.26)	-	-	-	(17.26)
Amounts written off	-	-	-	-	-
Balance as at 31.03.2021	300.44	-	-	18.92	319.36

Based on historic default rates, the Group believes that, apart from the above, no impairment allowance is necessary in respect of any other assets as the amounts are insignificant.

(B) LIQUIDITY RISK

Liquidity risk management implies maintaining sufficient cash and marketable securities and the availability of funding through an adequate amount of committed credit facilities to meet obligations when due. The Group monitors its risk of a shortage of funds using a liquidity planning tool. The Group has access to a variety of sources of funding such as commercial paper, bank loans, bonds and external commercial borrowings and retains flexibility in funding by maintaining availability under committed credit lines.

Management monitors rolling forecasts of the Group's liquidity position comprising the undrawn borrowing facilities below and cash and cash equivalents on the basis of expected cash flows.

The Group depends on both internal and external sources of liquidity to provide working capital and to fund capital expenditure.

(i) Financial Arrangement

The Group had access to the following undrawn borrowing facilities at the end of the reporting period.

(₹ in crore)

Particulars	As at 31.03.2021	As at 31.03.2020
Expiring within 1 year (bank overdraft and other facilities)	-	388.15
Expiring beyond one year (bank loans)	6,125.35	5,363.29

The bank overdraft facilities may be drawn at any time and may be terminated by the bank without notice. Subject to the continuance of satisfactory credit ratings, the bank loan facilities may be drawn at any time and have remaining availability period of 1 to 5 years (Previous Year 1 to 5 years).

(ii) Maturities of financial liabilities

The table below analyses the Group's financial liabilities into relevant maturity groupings based on their contractual maturities for all non-derivative financial liabilities.

The amount disclosed in the table is the contractual undiscounted cash flows.

(₹ in crore)

Contractual maturities of financial liabilities	Within a year	Between 1-5 years	Beyond 5 years	Total
As at 31.03.2021				
Borrowings (including interest outflows)	22,105.96	76,820.18	89,916.93	1,88,843.07
Trade payables	187.48			187.48
<u>Other financial liabilities</u>				
Lease liabilities	3.97	10.50	69.26	83.73

64. Financial Risk Management (Contd.)

(₹ in crore)

Contractual maturities of financial liabilities	Within a year	Between 1-5 years	Beyond 5 years	Total
As at 31.03.2021				
Others	8,016.56	1,264.82	4,360.31	13,641.69
Total	30,313.97	78,095.50	94,346.50	2,02,755.97
As at 31.03.2020				
Borrowings (including interest outflows)	21,984.91	81,187.92	1,02,699.76	2,05,872.59
Trade payables	226.54			226.54
<u>Other financial liabilities</u>				
Lease liabilities	4.57	5.80	64.38	74.75
Others	8,907.86	1,171.82	4,636.98	14,716.66
Total	31,123.88	82,365.54	1,07,401.12	2,20,890.54

(C) MARKET RISK

Market risk is the risk that the fair value of future cash flows of a financial instrument will fluctuate because of changes in market prices. Market risk comprises three types of risk:

- Currency risk
- Interest rate risk
- Other price risk, such as equity price risk and commodity risk.

(i) Currency risk

The Group is exposed to currency risk mainly in respect of foreign currency denominated loans and borrowings and procurement of goods and services whose purchase consideration is denominated in foreign currency. Transmission tariff is regulated by the CERC. According to the CERC tariff regulations for the block 2019-24 the Group may hedge foreign exchange exposure in respect of the interest on foreign currency loan and repayment of foreign loan acquired for the transmission system, in part or full in its discretion and recover the cost of hedging of foreign exchange rate variation corresponding to the normative foreign debt, in the relevant year.

If hedging of the foreign exchange exposure is not undertaken, the extra rupee liability towards interest payment and loan repayment corresponding to the normative foreign currency loan in the relevant year is permissible to be recovered as part of transmission tariff provided it is not attributable to the generating company or the transmission licensee or its suppliers or contractors. During the Current financial year, no hedging for foreign exchange exposure has been undertaken by the Group. In respect of goods and services procured for Capital Investment, the exchange rate variation is part of the project cost, for determination of transmission tariff. The currency risk in respect of goods and services procured for operation activities is not significant.

The Group's exposure to foreign currency risk not hedged by a derivative instrument or otherwise at the end of the reporting period is as follows:

Particulars	Amount in Foreign Currency (in Crore)			Amount (₹ in Crore)	
		As at 31.03.2021	As at 31.03.2020	As at 31.03.2021	As at 31.03.2020
Borrowings	USD	474.37	493.62	35,131.99	37,544.72
	EURO	66.13	62.88	5,772.18	5,309.08
	SEK	175.51	211.80	1,495.34	1,613.88
	JPY	2,309.06	2,327.24	1,554.00	1,645.13


64. Financial Risk Management (Contd.)

Particulars	Amount in Foreign Currency (in Crore)			Amount (₹ in Crore)	
		As at 31.03.2021	As at 31.03.2020	As at 31.03.2021	As at 31.03.2020
Interest accrued but not due thereon including Agency Fee, Commitment Fee & other Charges	USD	1.35	3.01	100.24	229.27
	EURO	0.19	0.22	16.41	18.51
	SEK	0.95	1.27	8.05	9.68
	JPY	5.37	5.57	3.61	3.94
Trade Payables/deposits and retention money	USD	4.95	5.43	361.24	394.82
	EURO	3.27	3.80	275.42	314.54
	SEK	15.79	22.52	127.31	177.76
	CHF	0.04	0.02	3.36	1.94
	GBP	1.75	1.90	178.60	179.43
	JPY	76.75	95.43	50.06	63.07
	CAD	0.01	0.01	0.61	0.32
Trade receivables and Bank balances	USD	0.05	0.03	3.73	2.18
	NPR	15.26	23.95	9.54	14.97
	EURO	0.01	-	0.60	-
	BDT	1.25	1.25	0.90	0.90
Amount of contracts remaining to be executed	USD	1.70	2.12	126.48	156.55
	EURO	1.39	2.57	120.96	216.03
	SEK	1.41	3.44	12.05	26.18
	GBP	0.72	1.04	73.41	98.25
	JPY	1.72	9.70	1.16	6.85

Sensitivity Analysis

Since the impact of strengthening or weakening of Indian rupee against USD, Euro, JPY and other currencies on the statement of profit and loss would not be very significant; therefore, sensitivity analysis for currency risk is not disclosed.

(ii) Interest rate risk

The Group is exposed to interest rate risk arising mainly from long term borrowings with floating interest rates. The Group is exposed to interest rate risk because the cash flows associated with floating rate borrowings will fluctuate with changes in interest rates. The Group manages the interest rate risks by maintaining a debt portfolio comprising a mix of fixed and floating rate borrowings in domestic and foreign currencies.

At the reporting date, the interest rate profile of the Group's variable interest rate-bearing financial instruments is as follows:

(₹ in crore)

Particulars	As at 31.03.2021	As at 31.03.2020
Long Term Debt with floating rate of interest		
-Domestic	26,363.50	26,107.40
-Foreign	36,018.86	37,907.16
Sub Total	62,382.36	64,014.56
Long Term Debt with fixed rate of interest		
-Domestic	71,093.40	73,059.95
-Foreign	7,934.57	8,195.13
Sub Total	79,027.97	81,255.08
Total Long Term Debt	1,41,410.33	1,45,269.64
% of Floating Interest Rate Debt to Total Long Term Debt	44.11%	44.07%

64. Financial Risk Management (Contd.)

Fair value sensitivity analysis for interest-rate risk

As per CERC Regulations, interest on loan during construction forms part of project cost for the purpose of tariff and after the date of commercial operation, interest on loans is recoverable through tariff calculated on the normative average loan of the year by applying the weighted average rate of interest of the actual loan portfolio.

Accordingly, the Group's interest rate risk is not considered significant; hence sensitivity analysis for the risk is not disclosed.

(iii) Other price risk

The Group's exposure to equity securities price risk arises from investments held by the Group and classified in the balance sheet as fair value through OCI.

Considering the magnitude of equity investments, no significant risk is expected to arise.

65. Income Tax Expense

This note provides an analysis of the group's income tax expense, and how the tax expense is affected by non-assessable and non-deductible items. It also explains significant estimates made in relation to the Group's tax position.

(a) Income tax expense

(₹ in crore)

Particulars	For the year ended 31.03.2021	For the year ended 31.03.2020
Current Tax		
Current tax on profits for the year	2,565.27	2,198.54
Adjustments for current tax of prior periods	(56.68)	121.91
Pertaining to regulatory deferral account balances (A)	74.60	356.39
Total current tax expense (B)	2,583.19	2,676.84
Deferred Tax expense		
Origination and reversal of temporary differences	955.66	1,210.30
Previously unrecognized tax credit recognized as Deferred Tax Asset this year	-	-
Total deferred tax expense /benefit (C)	955.66	1,210.30
Income tax expense (B+C-A)	3,464.25	3,530.75
Pertaining to regulatory deferral account balances	74.60	356.39
Total tax expense including tax on movement in regulatory deferral account balances	3,538.85	3,887.14

(b) Income Tax recognized in Regulatory Deferral Account Balances:

(₹ in crore)

Particulars	For the year ended 31.03.2021	For the year ended 31.03.2020
Deferred assets for Deferred tax liability	521.45	1,297.69
Foreign Currency Fluctuation	(85.17)	742.10
Employee Benefits Expenses	-	-
Total Regulatory Deferral Account Balances Before Tax - Income / (Expenses)	436.28	2,039.79
Current Tax on Regulatory Deferral Account Balances	74.60	356.39
Net Movement in Regulatory Deferral Account Balances - Income / (Expenses) (net of Tax)	361.68	1,683.40



65. Income Tax Expense (Contd.)

(c) Income Tax recognized in other comprehensive income:

(₹ in crore)

Particulars	For the year ended 31.03.2021			For the year ended 31.03.2020		
	Before Tax	Tax expense/(benefit)	Net of Tax	Before Tax	Tax expense/(benefit)	Net of Tax
Net gains/(losses) on fair valuation of equity instruments	39.80	-	39.80	(49.35)	-	(49.35)
Net actuarial losses on defined benefit plans	(19.94)	(3.49)	(16.45)	(74.47)	(13.01)	(61.46)
Less: Transferred to expenditure during construction (net)	(2.44)	(0.43)	(2.01)	(8.23)	(1.44)	(6.79)
Other Comprehensive Income (Net of Tax)	22.30	(3.06)	25.36	(115.59)	(11.57)	(104.02)

(d) Reconciliation of tax expense and the accounting profit multiplied by India's tax rate:

(₹ in crore)

Particulars	For the year ended 31.03.2021	For the year ended 31.03.2020
Profit before income tax expense including movement in Regulatory Deferral Account Balances	15,575.31	14,946.54
Tax at the Company's domestic tax rate	5,525.04	5,273.77
Tax effect of:		
Non Deductible tax items	(2,536.43)	(2,566.92)
Tax exempt income	(2,221.26)	(1,899.30)
Previous Years tax liability	(56.68)	121.91
Unabsorbed tax losses	(37.86)	-
Deferred Tax expense/(income)	955.66	1,210.30
Minimum alternate tax adjustments	1,910.38	1,747.38
Income tax expense	3,538.85	3,887.14

66. Employee Benefit Obligations

(₹ in crore)

Particulars	31 March 2021			31 March 2020		
	Current	Non-current	Total	Current	Non-current	Total
Leave Obligations	56.34	411.72	468.06	41.96	382.50	424.46
Post-Retirement Medical Facility (PRMF)	22.58	579.62	602.20	20.82	522.05	542.87
Other Employee benefits /Long Service Award	1.46	20.31	21.77	1.12	15.91	17.03
Gratuity	77.41	514.34	591.75	74.08	527.83	601.91
Other Defined retirement benefits (ODRB)/ Baggage Allowance	2.37	21.10	23.47	2.06	18.90	20.96
Total employee benefit obligations	160.16	1547.09	1707.25	140.04	1467.19	1607.23

(i) Long Term Employee Benefits

A. Leave Obligations

The Company provides for earned leave benefit (including compensated absences) and half-pay leave to the employees of the company which accrue annually at 30 days and 20 days respectively. Earned leave is encashable while in

66. Employee Benefit Obligations (Contd.)

service. Half pay leaves (HPL) are encashable only on separation beyond the age of 55 years upto the maximum of 300 days (HPL). However, total number of leave that can be encashed on superannuation shall be restricted to 300 days and no commutation of half pay leave shall be permissible. The liability for same is recognized on the basis of actuarial valuation.

B. Other employee benefits – POWERGRID Employee family rehabilitation scheme

The company has introduced POWERGRID Employees Family Economic Rehabilitation Scheme on 24.06.2017. The Objective of the scheme is to provide monetary assistance and support to an employee in case of his/her permanent total disablement and to his/her family in case of death while in service. The beneficiary would be entitled to monthly payment equivalent to the employee's 50% of one month pay last drawn provided the beneficiary deposits with the company an amount equal to PF (excluding VPF) balance, Gratuity amount and Group Insurance (EDLI) amount. Such monthly payment would continue till the normal notional date on which the employee concerned would have attained the age of superannuation had the employee continued in the service of the company. The scheme is optional. Provision for POWERGRID Employees Family Economic Rehabilitation Scheme amounting to ₹ 1.58 crore (up to Previous Year ₹ 8.09 crore) for the year has been made during the year based on actuarial valuation.

(ii) Post-employment obligations (Defined Employee Benefit/Contribution Schemes)

A. Post-Retirement Medical Facility (PRMF)

The Company has Post-Retirement Medical Facility (PRMF), under which retired employees and the spouse are provided medical facilities in the empaneled hospitals. They can also avail treatment as Out-Patient subject to a ceiling fixed by the company. The liability for the same is recognized on the basis of actuarial valuation on annual basis on the Balance Sheet date. The scheme is funded by the company and is managed by a separate trust constituted on 01 May 2018.

B. Other employee benefits – Long Service Award

This benefit is applicable to all regular employees of the company (except for Directors and CMD) who have superannuated after completing at least 10 years of service. This scheme is unfunded and liability for the same is recognised on the basis of actuarial valuation on annual basis on the balance sheet date.

C. Gratuity

The company has a defined benefit gratuity plan. Every employee who has rendered continuous service of five years or more is entitled to get gratuity at 15 days salary (15/26 x last drawn basic salary plus, dearness allowance) for each completed year of service on superannuation, resignation, termination, disablement or on death subject to a maximum of ₹ 20 lacs. The scheme is funded by the company and is managed by a separate trust. The liability for the same is recognized on the basis of actuarial valuation on annual basis on the Balance Sheet date. Company has carried out the actuarial valuation of Gratuity benefit considering ceiling of ₹20 Lakhs.

D. Other Defined Retirement Benefits (ODRB)/Baggage Allowance

The Company has a scheme for settlement at the time of superannuation at anywhere in India and dependents to superannuated employees. The scheme is unfunded and liability for the same is recognized on the basis of actuarial valuation on annual basis on the Balance Sheet date.

E. Provident Fund

Company pays fixed contribution to Provident Fund at predetermined rate to a separate trust, which invests the funds in permitted securities. Contribution to family pension scheme is paid to the appropriate authorities. The contribution to the fund and EPS scheme for the year amounting to ₹ 128.30 crore (previous year ₹ 124.43 crore) has been recognized as expense and is charged to Statement of Profit and Loss. The obligation of the company is limited to such fixed contribution and to ensure a minimum rate of interest on contributions to the members as specified by GOI. As per the report of actuary overall interest earning and cumulative surplus is more than statutory interest payment requirement. Hence, no further provision is considered necessary. Since the company does not have unconditional right over the PF corpus, the surplus has not been recognized in the Balance Sheet.

(₹ in crore)

Particulars	31 March 2021			31 March 2020		
	Current	Non-current	Total	Current	Non-current	Total
Provident Fund (PF)	438.42	2821.90	3260.32	376.22	2679.65	3055.87


66. Employee Benefit Obligations (Contd.)

(₹ in crore)

Particulars	PF		
	Present value of obligation	Fair value of plan assets	Net amount
01 April 2020	3055.87	3146.09	(90.22)
Service cost	115.35	-	115.35
Interest expense (income)	254.71	207.78	46.93
Total	370.06	207.78	162.28
Re measurements			
Return on plan assets, excluding amount included in interest expense/(income)	-	-	-
(Gain)/Loss from change in demographic assumptions	-	-	-
(Gain)/Loss from change in financial assumptions	-	-	-
Experience (Gain)/ Losses	1.72	-	1.72
Total	1.72	-	1.72
Employee contributions	256.88	372.23	(115.35)
Benefits payments	(424.21)	(424.21)	-
31 March 2021	3260.32	3301.89	(41.57)

(₹ in crore)

Particulars	PF		
	Present value of obligation	Fair value of plan assets	Net amount
01 April 2019	2757.58	2844.43	(86.85)
Service cost	111.20	-	111.20
Interest expense (income)	235.36	248.49	(13.13)
Total	346.56	248.49	98.07
Re measurements			
Return on plan assets, excluding amount included in interest expense/(income)	-	-	-
(Gain)/Loss from change in demographic assumptions	0.01	-	0.01
(Gain)/Loss from change in financial assumptions	0.59	-	0.59
Experience (Gain)/ Losses	9.16	-	9.16
Total	9.76	-	9.76
Employee contributions	250.63	361.83	(111.20)
Benefits payments	(308.66)	(308.66)	-
31 March 2020	3055.87	3146.09	(90.22)

The net liability disclosed above relates to Provident Fund is as follows:

(₹ in crore)

Particulars	PF	
	31 March 2021	31 March 2020
Present value of funded obligations	3260.32	3055.87
Fair value of plan assets	3301.89	3146.09
Deficit/(Surplus) of funded plan	(41.57)	(90.22)

66. Employee Benefit Obligations (Contd.)

Sensitivity Analysis of Provident Fund:

(₹ in crore)

Particulars	PF
a) Impact of change in discount rate	
Present value of Obligation at the end of period	3260.32
- Impact due to increase of 0.5%	(0.46)
- Impact due to decrease of 0.5%	0.49

The major categories of plan assets (PF) are as follows:

(₹ in crore)

Particulars	31 March 2021				31 March 2020			
	Quoted	Unquoted	Total	In %	Quoted	Unquoted	Total	In %
Equity instruments (ETF)	60.56	-	60.56	2%	30.49	-	30.49	1%
Debt instruments								
Govt/State Bonds	1774.95	-	1774.95	54%	1689.26	-	1689.26	54%
PSU and Private Bonds	1308.56	-	1308.56	40%	1238.94	-	1238.94	39%
Bank Balance	51.12	-	51.12	1%	25.09	-	25.09	1%
Other Receivables	106.70	-	106.70	3%	162.31	-	162.31	5%
Total	3301.89	-	3301.89		3146.09	-	3146.09	

Fair value of company's own transferable financial instruments held as plan assets is ₹73.52 crore as on 31 March 2021 (₹ 79.28 crore as on 31 March 2020).

The expected maturity analysis of provident fund is as follows:

(₹ in crore)

Particulars	Less than a year	Between 1-2 year	Between 2-5 years	Over 5 years	Total
31 March 2021	438.42	338.33	737.81	1745.76	3260.32
31 March 2020	376.21	242.77	677.75	1759.14	3055.87

F. Pension

The Company has scheme of employees defined Pension Contribution. Company contribution is paid to separate trust. Amount of contribution paid/payable for the year is ₹ 62.63 crore (previous year ₹ 114.82 crore) has been recognized as expense and is charged to Statement of Profit & Loss.



66. Employee Benefit Obligations (Contd.)

The summarized position of various employee benefit obligations is as follows:

(₹ in crore)

Particulars	Gratuity			ODRB			Leaves			PRMF		
	Present value of obligation	Fair value of plan assets	Net amount	Present value of obligation	Fair value of plan assets	Net amount	Present value of obligation	Fair value of plan assets	Net amount	Present value of obligation	Fair value of plan assets	Net amount
01 April 2020	601.91	554.99	46.92	20.96	-	20.96	424.46	-	424.46	542.87	518.16	24.71
Service cost	24.57	-	24.57	1.44	-	1.44	47.35	-	47.35	18.15	-	18.15
Interest expense (income)	40.63	39.91	0.72	1.41	-	1.41	28.65	-	28.65	36.65	-	36.65
Total amount recognized in profit or loss	65.20	39.91	25.29	2.85	-	2.85	76.00	-	76.00	54.80	-	54.80
Re measurements												
Return on plan assets, excluding amount included in interest expense/(income)	-	-	-	-	-	-	-	-	-	-	73.33	(73.33)
(Gain)/Loss from change in demographic assumptions	-	-	-	-	-	-	-	-	-	-	-	-
(Gain)/Loss from change in financial assumptions	-	-	-	-	-	-	-	-	-	-	-	-
Experience (Gain)/ Losses	(3.46)	-	(3.46)	(0.31)	-	(0.31)	47.97	-	47.97	29.77	-	29.77
Total amount recognized in other comprehensive income	(3.46)	-	(3.46)	(0.31)	-	(0.31)	47.97	-	47.97	29.77	73.33	(43.56)
Employer contributions	-	69.81	(69.81)	-	-	-	-	-	-	-	9.64	(9.64)
Benefits payments	(72.05)	(72.05)	-	(0.03)	-	(0.03)	(80.44)	-	(80.44)	(25.24)	-	(25.24)
Addition on business combination	0.15	0.10	0.05	-	-	-	0.07	-	0.07	-	-	-
31 March 2021	591.75	592.76	(1.01)	23.47	-	23.47	468.06	-	468.06	602.20	601.13	1.07

66. Employee Benefit Obligations (Contd.)

(₹ in crore)

Particulars	Gratuity			ODRB			Leaves			PRMF		
	Present value of obligation	Fair value of plan assets	Net amount	Present value of obligation	Fair value of plan assets	Net amount	Present value of obligation	Fair value of plan assets	Net amount	Present value of obligation	Fair value of plan assets	Net amount
01 April 2019	626.44	590.28	36.16	18.74	-	18.74	371.69	-	371.69	438.98	418.68	20.30
Service cost	25.51	-	25.51	1.24	-	1.24	31.39	-	31.39	11.55	-	11.55
Interest expense (income)	48.55	47.22	1.33	1.45	-	1.45	28.80	-	28.80	34.02	39.58	(5.56)
Total amount recognized in profit or loss	74.06	47.22	26.84	2.69	-	2.69	60.19	-	60.19	45.57	39.58	5.99
Re measurements												
Return on plan assets, excluding amount included in interest expense/(income)	-	0.93	(0.93)	-	-	-	-	-	-	-	22.57	(22.57)
(Gain)/Loss from change in demographic assumptions	(0.37)	-	(0.37)	(0.01)	-	(0.01)	0.09	-	0.09	(0.28)	-	(0.28)
(Gain)/Loss from change in financial assumptions	42.77	-	42.77	1.81	-	1.81	36.83	-	36.83	55.69	-	55.69
Experience (Gain)/ Losses	(37.70)	-	(37.70)	(2.18)	-	(2.18)	22.91	-	22.91	23.99	-	23.99
Total amount recognized in other comprehensive income	4.70	0.93	3.77	(0.38)	-	(0.38)	59.83	-	59.83	79.40	22.57	56.83
Employer contributions	-	19.85	(19.85)	-	-	-	-	-	-	-	58.41	(58.41)
Benefits payments	(103.29)	(103.29)	-	(0.09)	-	(0.09)	(67.25)	-	(67.25)	(21.08)	(21.08)	-
31 March 2020	601.91	554.99	46.92	20.96	-	20.96	424.46	-	424.46	542.87	518.16	24.71



66. Employee Benefit Obligations (Contd.)

The net disclosed above relates to funded and unfunded plans are as follows: -

(₹ in crore)

Particulars	Gratuity		ODRB		Leaves		PRMF	
	31 March 2021	31 March 2020	31 March 2021	31 March 2020	31 March 2021	31 March 2020	31 March 2021	31 March 2020
Present value of funded obligations	591.75	601.91	-	-	-	-	602.20	542.87
Fair value of plan assets	592.76	554.99	-	-	-	-	601.13	518.16
Deficit/(Surplus) of funded plan	(1.01)	46.92	-	-	-	-	1.07	24.71
Unfunded plans	-	-	23.47	20.96	468.06	424.46	-	-

The company expects to contribute ₹ 36.07 crore to the gratuity trust during the FY 2021-22.

(iii) Significant actuarial assumptions for Post-Employment Benefits:

Economic Assumptions

Particulars	Gratuity, ODRB, Pension, PRMF, PF	
	31 March 2021	31 March 2020
Discount rate	6.75%	6.75%
Salary growth rate (except for PF)	6.50%	6.50%

The discount rate is generally based upon the market yields available on Govt. Bonds at the accounting date relevant to currency of benefit payments for a term that matches the liabilities. Salary growth rate is companies' long term best estimate as to salary increases and takes account of inflation, seniority, promotion, business plan, HR Policy and other relevant factors on long term basis.

Demographic Assumptions

Particulars	31 March 2021	31 March 2020
i) Retirement Age	60	60
ii) Mortality rates inclusive of provision for disability	100% of IALM (2012-14)	100% of IALM (2012-14)
iii) Ages	Withdrawal rate %	Withdrawal %
Upto 30 years	3	3
From 31 to 44 years	2	2
Above 44 years	1	1

Mortality rates for specimen ages

Age	Mortality rate	Age	Mortality rate	Age	Mortality rate
15	0.000698	45	0.002579	75	0.038221
20	0.000924	50	0.004436	80	0.061985
25	0.000931	55	0.007513	85	0.100979
30	0.000977	60	0.011162	90	0.163507
35	0.001202	65	0.015932	95	0.259706
40	0.00168	70	0.024058	100	0.397733

66. Employee Benefit Obligations (Contd.)

(iv) Sensitivity Analysis of the defined benefit obligation

(₹ in crore)

Particulars	Gratuity	ODRB	Leave	PRMF
a) Impact of change in discount rate				
Present value of Obligation at the end of period	591.75	23.47	468.06	602.20
- Impact due to increase of 0.5%	(22.80)	(0.89)	(22.19)	(33.27)
- Impact due to decrease of 0.5%	24.86	0.96	24.24	35.08
b) Impact of change in salary increase				
Present value of Obligation at the end of period	591.75	23.47	468.06	602.20
- Impact due to increase of 0.5%	8.61	0.98	24.12	35.83
- Impact due to decrease of 0.5%	(9.12)	(0.90)	(22.21)	(33.61)

Although the analysis does not take account of the full distribution of cash flows expected under the plan, it does provide an approximation of the sensitivity of the assumptions shown.

The sensitivity analysis above has been determined based on a method that extrapolates the impact on defined benefit obligation as a result of reasonable changes in key assumptions occurring at the end of the reporting period. This analysis may not be representative of the actual change in the defined benefit obligations as it is unlikely that the change in assumptions would occur in isolation of one another as some of the assumptions may be correlated.

(v) The major categories of plan assets (Gratuity) are as follows:

(₹ in crore)

Particulars	31 March 2021				31 March 2020			
	Quoted	Unquoted	Total	In %	Quoted	Unquoted	Total	In %
Equity instruments (ETF)	3.14	-	3.14	1%	3.14	-	3.14	1%
Debt instruments		-						
Govt/State Bonds	316.42	-	316.42	54%	280.98	-	280.98	49%
PSU and Private Bonds	266.28	-	266.28	45%	286.85	-	286.85	50%
Total*	585.84	-	585.84		570.97	-	570.97	

*Fair valuation as per actuarial valuation is ₹ 592.76 crore (Previous Year ₹ 554.99 crore).

Fair value of company's own transferable financial instruments held as plan assets is ₹ 56.03 (Previous Year ₹ 65.11 crore).

(vi) The major categories of plan assets (PRMF) are as follows:

(₹ in crore)

Particulars	31 March 2021				31 March 2020			
	Quoted	Unquoted	Total	In %	Quoted	Unquoted	Total	In %
Equity instruments (ETF)	-	-	-	-	-	-	-	-
Debt instruments								
Govt/State Bonds	296.17	-	296.17	51%	265.64	-	265.64	52%
PSU and Private Bonds	288.93	-	288.93	49%	240.87	-	240.87	48%
Total#	585.10	-	585.10		506.51	-	506.51	

#Fair valuation as per actuarial valuation is ₹ 601.13 crore (Previous Year ₹ 518.16 crore)

(vii) Description of Risk exposures

Valuation is based on certain assumptions which are dynamic in nature and vary over time. As such company is exposed to various risks as follows:

- A) Salary Increases (except for PF) – Actual salary increase will increase the plan's liability. Increase in salary increase rate assumptions in future valuation will also increase the liability.

**66. Employee Benefit Obligations (Contd.)**

- B) Investment risk – If plan is funded then assets liabilities mismatch and actual investment return on assets lower than the discount rate assumed at the last valuation date can impact the liability
- C) Discount Rate – Reduction in discount rate in subsequent valuations can increase the plan’s liability.
- D) Mortality & disability – Actual deaths and disability cases proving lower or higher than assumed in the valuation can impact the liabilities.
- E) Withdrawals – Actual withdrawals proving higher or lower than assumed withdrawals and change of withdrawal rates at subsequent valuations can impact Plan’s liability.

(viii) Defined benefit liability and employee contribution:

The weighted average duration of the defined benefit obligations is 39.57 years (Previous Year 40.18 years). The expected maturity analysis of undiscounted pension, gratuity, other defined retirement benefit and post-employment medical benefits is as follows:

(₹ in crore)

Particulars	Less than a year	Between 1-2 year	Between 2-5 years	Over 5 years	Total
31 March 2021					
Defined benefit obligation (Gratuity)	77.41	73.31	149.02	292.01	591.75
Post-employment medical benefits	22.58	28.78	112.44	438.40	602.20
ODRB	2.37	2.42	5.27	13.41	23.47
Other employee benefits (LSA)	1.46	1.46	3.42	15.43	21.77
Total	103.82	105.97	270.15	759.25	1239.19
31 March 2020					
Defined benefit obligation (Gratuity)	74.08	67.03	170.22	290.58	601.91
Post-employment medical benefits	20.82	26.55	103.69	391.81	542.87
ODRB	2.06	1.95	5.37	11.58	20.96
Other employee benefits (LSA)	1.12	1.11	3.11	11.69	17.03
Total	98.08	96.64	282.39	705.66	1182.77

67. Disclosure of material impact of COVID–19 pandemic on listed entities under SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015

The Group is mainly engaged in the business of transmission of electricity and the tariffs for the transmission services are regulated in terms of the CERC Tariff Regulations which provide for recovery of the annual transmission charges based on system availability.

Due to the continuing COVID-19 pandemic, various lockdowns were declared by the Central/ State Governments/ Local Authorities from time to time. However, as per the Government guidelines, transmission units and services were exempted from the said lockdown restrictions. The Company has issued guidelines and protocols to be followed by its various units for the operation and maintenance of its transmission network during the pandemic. The Company has also implemented digital solutions such as e-office, ERP systems, Virtual Private Network, Video Conferencing etc. to facilitate Work from Home of its employees. Due to the various steps taken by the Company, there has been no significant impact due to the pandemic on the availability of the transmission system of the Company.

In the above backdrop, the Company has considered various internal and external information available up to the date of approval of financial statements in assessing the impact of COVID-19 pandemic on the financial statements for the year ended 31 March 2021.

Based on the above, there has been no material impact on the operations or profitability of the company during the financial year due to the pandemic except a consolidated one-time rebate of ₹ 1,078.64 crore given to DISCOMs and Power Departments of States / Union Territories for passing on to end consumers on account of COVID-19 pandemic against the billing of April 2020 and May 2020. Due to said consolidated one-time rebate, there is a reduction in the profit for the year and the same has been disclosed under “Exceptional items” in the Statement of Profit and loss.

67. Disclosure of material impact of COVID-19 pandemic on listed entities under SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 (Contd.)

The Company has made an assessment of the liquidity position for the next one year and of the recoverability and carrying value of its assets comprising of Property Plant and equipment, trade receivables and investments as at Balance Sheet date and the management is of the view that there are no material adjustments required in the financial statements. However, the impact assessment of COVID 19 is a continuing process given the uncertainties associated with its nature and duration. The Company will continue to monitor any material changes to future economic conditions.

68. Other Notes

A. Incorporation of wholly owned subsidiary of POWERGRID to undertake Telecommunications and Digital Technology Business of the company

Board of Directors has accorded in-principal approval on 07.11.2019 to form a wholly owned subsidiary of the Company to undertake Telecommunications and Digital Technology business. The Ministry of Power, Govt. of India, in consultation with NITI Aayog has given approval for incorporation of wholly owned subsidiary of the Company on 05.03.2020. Further, as per regulation 8 (4) of Central Electricity Regulatory Commission (Sharing of Revenue Derived from Utilization of Transmission Assets for Other Business) Regulations, 2020, a petition has been filed with CERC on 04.05.2020 for prior approval of the Hon`ble Commission. The petition was admitted by CERC on 14.07.2020, further hearing was held on 15.04.2021 and approval of CERC is awaited. The Company is evaluating the methodology/ Transaction Scheme for transfer of said business including but not limited to identification of assets and liabilities.

The Company will continue to operate the Telecommunication and Digital Technology business until the above significant activities are completed. As the said business is not available for immediate sale in its present condition, hence the same is not classified as “disposal group held for sale”.

B. Incorporation of wholly owned subsidiary of POWERGRID to undertake Energy Management services and Consultancy Business of the company

Board of Directors has accorded in-principle approval on 28.03.2020 to form a wholly owned subsidiary of the Company to undertake the Energy Management Projects in India and abroad as an investor and/or Project Management Consultant (PMC) to provide services, products, investment & consultancy related to Energy Management. Ministry of Power, Govt. of India, in consultation with NITI Aayog has given approval for incorporation of wholly owned subsidiary of the Company on 08.02.2021.

The Company is evaluating the methodology/ Transaction Scheme for transfer of consultancy business including but not limited to identification of assets and liabilities. The Company will continue to operate the Consultancy business until the incorporation of the new subsidiary.

As the said business is not available for immediate sale in its present condition, hence the same is not classified as “disposal group held for sale”.

C. Acquisitions under process

The Company being the successful bidder in TBCB Projects under the SPVs namely Fatehgarh Bhadla Transco Limited, Sikar New Transmission Limited, Sikar II Aligarh Transmission Limited has received Letters of Intent from concerned Bid Process Coordinators (REC Power Distribution Company Limited/ PFC Consulting Limited) and is in the process of acquiring the above stated 3 SPVs as on 31.03.2021.

D. Transfer of function of Central Transmission Utility (CTU) from the company

Ministry of Power vide Gazette notification dated 09.03.2021 notified that, with effect from 01.04.2021, “Central Transmission Utility of India Limited (CTUIL), a wholly owned subsidiary of the company incorporated on 28.12.2020” to undertake and discharge all functions of CTU pursuant to the provisions of the Electricity Act, 2003 or any regulations or directions of the central commission or authority or any other directions or functions prescribed by the Central Government in that regard. In pursuant to referred notification, the functions of CTU are transferred to CTUIL w.e.f. 01.04.2021.

E. “Transmission capacities in the Inter State Transmission System (ISTS) are granted by CTU in form of Long Term Access (LTA) and Medium Term Open Access (MTOA) to Designated ISTS Customers (‘DIC’). LTA Customers had filed petitions, from time to time, in the CERC with regard to relinquishment of their LTAs citing force majeure events. CERC vide its Order dated 08.03.2019 in Petition 92/MP/2015 has directed CTU to determine the relinquishment charges for the stranded capacity due to relinquishment of their LTA. Accordingly, the relinquishment charges were computed by the CTU as per

**68. Other Notes (Contd.)**

the mechanism given in the Order and demand has been raised on all the relinquished LTA customers. As per Clause (3) of Regulation 18 of the CERC Connectivity Regulations, on receipt of the relinquished charges from the relinquished LTA customers, the same shall be passed on to the DIC's. However, some of the LTA customers had filed appeals in Appellate Tribunal (APTEL) against the above CERC Order or against the demand for relinquishment charges raised by the CTU and appeals are still to be disposed by the Court.

The above relinquishment charges are neither an asset nor liability of the company as per the definition of assets and liability given in "Conceptual Framework for Financial Reporting under Indian Accounting Standards" issued by Institute of Chartered Accountants of India (ICAI). Hence, there is no financial impact to the company.

Further, Ministry of Power vide Gazette notification dated 09.03.2021 notified that, with effect from 01.04.2021, "Central Transmission Utility of India Limited (CTUIL), a wholly owned subsidiary of the company incorporated on 28.12.2020" to undertake and discharge all functions of CTU.

F. Recent Pronouncements

The Ministry of Corporate Affairs ("MCA") through a notification dated 24.03.2021, amended Division II of Schedule III of the Companies Act, 2013 w.e.f. 01.04.2021. The Company will assess and implement the amendments to Division II in the FY 2021-22, as applicable.

- G.** The Code on Social Security, 2020 ('Code') relating to employee benefits during employment and post-employment benefits received Presidential assent in September 2020. The Code has been published in the Gazette of India. However, the date on which the Code will come into effect has not been notified. The Company will assess the impact of the Code when it comes into effect and will record any related impact in the period the Code becomes effective.

- 69.** a) Figures have been rounded off to nearest rupees in crore up to two decimals.
b) Previous year figures have been regrouped/rearranged wherever considered necessary.

For and on behalf of the Board of Directors

Mrinal Srivastava
Company Secretary

Mohammed Taj Mukarrum
Director (Finance)

K. Sreekant
Chairman & Managing Director

As per our report of even date

For T R CHADHA & CO LLP
Chartered Accountants
FRN : 006711N/N500028

For UMAMAHESWARA RAO & CO
Chartered Accountants
FRN : 004453S

For B M CHATRATH & CO LLP
Chartered Accountants
FRN : 301011E/E300025

For PSD & ASSOCIATES
Chartered Accountants
FRN : 004501C

CA Neena Goel
Partner
M. No. 057986
Place: Gurugram

CA G. Sivaramakrishna Prasad
Partner
M. No. 024860
Place: Gurugram

CA Sanjay Sarkar
Partner
M. No. 064305
Place: Kolkata

CA Satish Chandra Sharma
Partner
M. No. 072846
Place: Jaipur

Place: Gurugram
Date: 17 June 2021

INDEPENDENT AUDITOR'S REPORT TO THE MEMBERS OF POWER GRID CORPORATION OF INDIA LIMITED

Report on the Audit of the Consolidated Financial Statements

Opinion

We have audited the accompanying consolidated financial statements of Power Grid Corporation of India Limited (hereinafter referred to as the "Holding Company"), and its subsidiaries (The Holding Company and its subsidiaries together referred to as "the Group"), and its joint ventures, which comprise the consolidated Balance Sheet as at 31 March 2021, the Consolidated Statement of Profit and Loss (including Other Comprehensive Income), the Consolidated Statement of Changes in Equity and the Consolidated Statement of Cash Flows for the year ended, and notes to the consolidated financial statement, including a summary of the significant accounting policies and other explanatory information (hereinafter referred to as "the consolidated financial statements").

In our opinion and to the best of our information and according to the explanations given to us, the aforesaid consolidated financial statements give the information required by the Companies Act, 2013 ("the Act") in the manner so required and give a true and fair view in conformity with the accounting principles generally accepted in India, of the consolidated state of affairs of the Group and joint ventures, as at 31 March 2021, the consolidated profit & total comprehensive income, consolidated changes in equity and consolidated cash flows for the year ended on that date.

Basis for Opinion

We conducted our audit of the consolidated financial statements in accordance with the Standards on Auditing (SAs) specified under section 143(10) of the Act. Our responsibilities under those Standards are further described in the Auditor's Responsibilities for the Audit of the Consolidated Financial Statements section of our report. We are independent of the Group in accordance with the Code of Ethics issued by the Institute of Chartered Accountants of India (ICAI) together with the independence requirements that are relevant to our audit of the consolidated financial statements under the provisions of the Act and the Rules made thereunder, and we have fulfilled our other ethical responsibilities in accordance with these requirements and the ICAI's Code of Ethics. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our audit opinion on the consolidated financial statements.

Emphasis of Matter

We draw attention to the following matter in the notes to the Consolidated Financial Statements:

- In respect of provisional recognition of revenue from transmission assets for which final tariff orders are yet to be issued by the CERC [Refer Note No. 35(b)]; and

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

Key Audit Matters

Key audit matters are those matters that, in our professional judgment, were of most significance in our audit of the consolidated financial statements for the year ended 31 March 2021. These matters were addressed in the context of our audit of the consolidated financial statements as a whole, and in forming our opinion thereon, and we do not provide a separate opinion on these matters. For each matter below, description of how the matter was addressed in our audit is provided in that context. Considering the requirement of Standard on Auditing (SA 600) on 'Using the work of Another Auditor' including materiality, below Key Audit Matters have been reproduced from the Independent Auditors' report on the audit of Standalone Financial Statements of the Holding Company.



Sr. No.	Key Audit Matters #	How the matter was addressed in our audit
1	<p><u>Recognition of Revenue from Transmission Income</u></p> <p>Transmission Income is accounted for based on tariff orders notified by the CERC. In case of transmission projects where final tariff orders are yet to be notified, transmission income is accounted for on provisional basis as per Tariff Regulations and Orders of the CERC in earlier cases. Difference, if any, is accounted for on issuance of final Tariff Orders by the CERC. As at each reporting date, transmission income also includes an accrual for services rendered to the customers but not yet billed i.e. Unbilled Revenue.</p> <p>This is considered as Key Audit Matter due to the nature and extent of estimates made as per CERC Tariff Regulations and contracts with customers for recognition of revenue.</p> <p>(Refer Note No. 35(b) Consolidated Financial Statement)</p>	<p>Our audit approach involved:</p> <p>Obtaining an understanding of the CERC Tariff Regulations, Orders, Circulars, Guidelines and the Company's internal circulars and procedures in respect of recognition and measurement of revenue from transmission of power.</p> <ul style="list-style-type: none"> • Evaluated and tested the effectiveness of the design of Internal controls relating to recognition and measurement of revenue from Transmission. • Verified the transmission revenue based on the CERC Tariff Regulation, Orders, Circulars, Guidelines and the company's internal circulars. • Verified on test basis, the income recognised on provisional basis consistently as per the regulatory guidelines and orders of the CERC in recent cases where tariff orders were issued, for the assets whose final orders are yet to be notified by CERC, based on the date of commercial operation (DOCO) letters issued by Regional technical heads, and capital cost, as certified by the Management.
2	<p><u>Deferred Tax Assets relating to MAT credit entitlement</u></p> <p>The Company has considered MAT credit in anticipation of set off against the tax payable in future years and created Deferred Tax Asset for the same during the year. Corresponding to the said MAT Credit Entitlement, a Deferred Regulatory liability payable to the beneficiaries in subsequent periods as per CERC Tariff Regulations has been recognized.</p> <p>We identified this as a key audit matter because of the importance of this matter to the intended users of the financial statements and its materiality and requirement of judgement in assessing future taxable profits for recognition of MAT credit entitlement.</p> <p>(Refer Note No.26 of Consolidated financial statements.)</p>	<p>Our audit approach involved:</p> <ul style="list-style-type: none"> • Reviewing the current status of availability of MAT credits. • Assessing the related forecasts of future taxable profits, evaluated the reasonableness and consistency of the considerations/assumptions underlying the preparation of these forecasts. • Based on the above procedures performed, the recognition and measurement of Deferred tax asset relating to MAT credit entitlement and corresponding Regulatory Deferral Liability towards customers, is considered adequate and reasonable.
3	<p><u>Assessment of Contingent liabilities in respect of certain litigations including land compensation, direct and indirect taxes, various claims filed by other parties not acknowledged as debt.</u></p> <p>There is a high level of judgement required in estimating the contingent liabilities. The company's assessment of contingent liabilities is supported by the facts of the matter, Company's judgement thereon, past experience and advices from legal and independent tax consultants wherever necessary.</p> <p>We identified the above area as Key Audit Matters in view of associated uncertainty relating to the outcome of these matter.</p> <p>(Refer Note No. 61 of Consolidated financial statements).</p>	<p>We have obtained an understanding of the Company's procedure in respect of estimation and disclosure of contingent liabilities and adopted the following audit procedres:</p> <ul style="list-style-type: none"> • Reviewing the current status and material development of legal matters. • Examining recent orders from competent authorities and/or communication received from various authorities, judicial forums and follow-up action thereon. • Review and analysis of evaluation of the contentions of the company through discussions, collection of details of the subject matter under consideration, the likely outcome and consequent potential outflows on those issues.

Above referred Key Audit Matters are in respect of the Holding Company only. All the subsidiaries in the group are unlisted entities.

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

The Holding Company's Board of Directors is responsible for the preparation of the other information. The other information comprises the information included in the Management Discussion and Analysis, Board's Report including Annexures to Board's Report, Business Responsibility Report, Corporate Governance and Shareholder's Information, but does not include the consolidated financial statements and our Auditor's Report thereon. The other information as identified above is expected to be made available to us after the date of this Auditor's Report.

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

In connection with our audit of the consolidated financial statements, our responsibility is to read the other information identified above when it becomes available and, in doing so, consider whether the other information is materially inconsistent with the consolidated financial statements or our knowledge obtained during the course of our audit or otherwise appears to be materially misstated.

When we read those documents including annexures, if any thereon, if we conclude that there is a material misstatement therein, we shall communicate the matter to those charged with the governance.

Management's Responsibility for the Consolidated Financial Statements

The Holding Company's Board of Directors is responsible for the preparation and presentation of these consolidated financial statements in terms of the requirements of the Act that give a true and fair view of the consolidated financial position, consolidated financial performance including other comprehensive income, consolidated cash flows and consolidated statement of changes in equity of the Group and joint ventures 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. The respective Board of Directors of the companies included in the Group and of the joint ventures are responsible for maintenance of adequate accounting records in accordance with the provisions of the Act for safeguarding of the assets of the Group and joint ventures 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 consolidated financial statements that give a true and fair view and are free from material misstatement, whether due to fraud or error, which have been used for the purpose of preparation of the consolidated financial statements by the Directors of the Holding Company, as aforesaid.

In preparing the consolidated financial statements, the respective Board of Directors of the companies included in the Group and joint ventures are responsible for assessing the ability of the Group and joint ventures 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 Group or to cease operations, or has no realistic alternative but to do so.

Those respective Board of Directors of the companies included in the Group and joint ventures are also responsible for overseeing the financial reporting process of the Group and joint ventures.

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

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

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

- Identify and assess the risks of material misstatement of the consolidated financial statements, whether due to fraud or error, design and perform audit procedures responsive to those risks, and obtain audit evidence that is sufficient and appropriate to provide a basis for our opinion. The risk of not detecting a material misstatement resulting from fraud is higher than the one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control.
- Obtain an understanding of internal financial controls 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 Companies in the Group have adequate internal financial controls system in place and the operating effectiveness of such controls.



- Evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by Holding Company's Management.
- Conclude on the appropriateness of Holding Company's Management use of the going concern basis of accounting and, based on the audit evidence obtained, whether a material uncertainty exists related to events or conditions that may cast significant doubt on the ability of the Group and joint ventures to continue as a going concern. If we conclude that a material uncertainty exists, we are required to draw attention in our auditor's report to the related disclosures in the consolidated financial statements or, if such disclosures are inadequate, to modify our opinion. Our conclusions are based on the audit evidence obtained up to the date of our auditor's report. However, future events or conditions may cause the Group and joint ventures to cease to continue as a going concern.
- Evaluate the overall presentation, structure and content of the consolidated financial statements, including the disclosures, and whether the consolidated financial statements represent the underlying transactions and events in a manner that achieves fair presentation.
- Obtain sufficient appropriate audit evidence regarding the financial information of the entities or business activities within the Group and joint venture to express an opinion on the consolidated financial statements. We are responsible for the direction, supervision and performance of the audit of the Financial Statements of such entities included in the Consolidated Financial Statements of which we are the Independent Auditors. For the other entities included in the Consolidated Financial Statements, which have been audited by other Auditors, such other Auditors remain responsible for the direction, supervision and performance of the audits carried out by them. We remain solely responsible for our audit opinion.

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

We communicate with those charged with governance of the Holding Company included in the Consolidated Financial Statements, of which we are the Independent Auditors regarding, among other matters, the planned scope and timing of the audit and significant audit findings, including any significant deficiencies in internal control that we identify during our audit.

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

From the matters communicated with those charged with governance, we determine those matters that were of most significance in the audit of the consolidated financial statements of the current period and are therefore the key audit matters. We describe these matters in our auditor's report unless law or regulation precludes public disclosure about the matter or when, in extremely rare circumstances, we determine that a matter should not be communicated in our report because the adverse consequences of doing so would reasonably be expected to outweigh the public interest benefits of such communication.

Other Matters

- (a) We did not audit the financial statements/ financial information of the following subsidiaries whose financial statements reflect the details given below for total assets and net assets as at 31 March 2021, total revenues and net cash flows for the year ended on that date to the extent to which they are reflected in the consolidated financial statements:

(₹ in Crore)

S. No.	Name of the Subsidiaries	Total Assets	Net Assets	Total Revenues	Net Cash Inflows/ (Outflows)
1	Powergrid Vemagiri Transmission Limited	-	(19.41)	-	-
2	Powergrid NM Transmission Limited	1,163.72	252.87	124.95	(0.08)
3	Powergrid Vizag Transmission Limited	1,141.32	322.76	310.55	0.42
4	Powergrid Southern Interconnector Transmission System Limited	3,614.90	824.78	470.82	16.99
5	Powergrid Parli Transmission Limited	1,789.42	384.56	360.40	48.41
6	Powergrid Warora Transmission Limited	2,132.18	465.06	402.70	44.48
7	Powergrid Jabalpur Transmission Limited	1,506.76	256.29	255.19	42.71
8	Powergrid Kala Amb Transmission Limited	302.14	83.73	72.94	4.56

(₹ in Crore)

S. No.	Name of the Subsidiaries	Total Assets	Net Assets	Total Revenues	Net Cash Inflows/ (Outflows)
9	Powergrid Unchahar Transmission Limited	63.42	21.61	21.79	0.67
10	Powergrid Medinipur Jeerat Transmission Limited	3,106.68	568.78	45.72	-
11	Powergrid Mithilanchal Transmission Limited	1,161.71	214.44	2.35	(0.12)
12	Powergrid Varanasi Transmission System Limited	900.87	168.06	0.02	(0.44)
13	Powergrid Jawaharpur Firozabad Transmission Limited	443.16	78.25	3.57	0.07
14	Powergrid Khetri Transmission System Limited	894.37	161.02	-	-
15	Powergrid Bhuj Transmission Limited	531.12	97.71	-	(1.35)
16	Powergrid Bhind Guna Transmission Limited	374.28	49.41	-	(0.14)
17	Powergrid Ajmer Phagj Transmission Limited	579.10	111.66	-	(1.09)
18	Powergrid Fatehgarh Transmission Limited	621.44	113.41	-	0.21
19	Powergrid Rampur Sambhal Transmission Limited	141.93	20.64	-	0.05
20	Powergrid Meerut Simbhalvali Transmission Limited	241.10	32.01	-	(0.05)
21	Central Transmission Utility of India Limited	0.05	0.02	-	0.05
22	Powergrid Ramgarh Transmission Limited	6.34	(0.46)	0.40	-
23	Jaypee Powergrid Limited*	593.27	455.05	2.46	(5.48)
	Total	21309.28	4662.25	2073.86	149.87

The consolidated financial statements also include the Group's share of net profit/loss (including Other Comprehensive Income) for the year ended 31 March 2021 as considered in the consolidated financial statements in respect of following joint ventures whose financial statements/ financial information have not been audited by us.

(₹ in Crore)

SNo.	Name of Joint Ventures	Group's share net profit/(loss) (including Other Comprehensive Income)
1	Powerlinks Transmission Limited	50.04
2	Torrent Powergrid Limited	5.02
3	Jaypee Powergrid Limited*	14.31
4	North East Transmission Company Limited	19.57
	Total	88.94

* Joint venture till 25.03.2021 (Wholly owned subsidiary from 26.03.2021).

These financial statements/ financial information of subsidiaries and joint ventures have been audited by other auditors whose reports have been furnished to us by the Holding Company's Management upto 17 June 2021 and our opinion on the consolidated financial statements, in so far as it relates to the amounts and disclosures included in respect of these subsidiaries and joint ventures, and our report in terms of sub-section (3) of Section 143 of the Act, insofar as it relates to the aforesaid subsidiaries and joint ventures is based solely on the reports of the other auditors after considering the requirement of Standard on Auditing (SA 600) on 'Using the work of Another Auditor' including materiality.

(b) We did not audit the financial statements/ financial information of the following subsidiaries whose financial statements reflect the details given below for total assets and net assets as at 31 March 2021, total revenues and net cash flows for the year ended on that date to the extent to which they are reflected in the consolidated financial statements:



(₹ in Crore)

S. No.	Name of the Subsidiaries	Total Assets	Net Assets	Total Revenues	Net Cash Inflows/ (Outflows)
1	Bikaner-II Bhiwadi Transco Limited	24.84	0.01	-	0.01
	Total	24.84	0.01	-	0.01

The consolidated financial statements include the Group's share of net profit/loss (including Other Comprehensive Income) for the year ended 31 March 2021 as considered in the consolidated financial statements in respect of following joint ventures whose financial statements/ financial information have not been audited by us.

(₹ in Crore)

S. No.	Name of Joint Ventures	Group's share net profit/(loss)
1	Parbati Koldam Transmission Company Limited	15.95
2	Teestavalley Power Transmission Limited	14.22
3	National High Power Test Lab Pvt Limited	-3.84
4	Bihar Grid Company Limited	100.83
5	Cross Border Transmission Limited	3.84
6	RINL POWERGRID TLT Pvt. Limited#	0
7	Power Transmission Company Nepal Limited*	2.02
	Total	133.02

* located outside India.

The Holding company's board of directors has accorded in-principle approval for closure of the JV company.

These financial statements/ financial information of joint ventures are unaudited and have been furnished to us by the Holding Company's Management and our opinion on the consolidated financial statements, in so far as it relates to the amounts and disclosures included in respect of these subsidiaries and joint ventures, and our report in terms of sub-section (3) of Section 143 of the Act in so far as it relates to the aforesaid joint ventures, is based solely on such unaudited financial statements/ financial information. One of the joint ventures as above is located outside India in respect of which the Holding Company's management has provided us the financial statements prepared in accordance with accounting principles generally accepted in India. In our opinion and according to the information and explanations given to us by the Holding Company's Management, these financial statements / financial information are not material to the Group.

Our opinion on the consolidated financial statements, and our report on Other Legal and Regulatory Requirements given below, is not modified in respect of the above matters with respect to our reliance on the work done and the reports of the other auditors and the financial statements / financial information certified by the Holding Company's Management.

Report on Other Legal and Regulatory Requirements

1. As required by Section 143(3) of the Act, based on our audit and on the consideration of report of the other auditors on separate financial statements and the other financial information of subsidiaries and joint ventures as noted in the other matter paragraph, we report, to the extent applicable, that:
 - a) We have sought and obtained all the information and explanations which to the best of our knowledge and belief were necessary for the purposes of our audit of the aforesaid consolidated financial statements.
 - b) In our opinion, proper books of account as required by law relating to preparation of the aforesaid consolidated financial statements have been kept so far as it appears from our examination of those books and the reports of the other auditors.
 - c) The Consolidated Balance Sheet, the Consolidated Statement of Profit and Loss (including Other Comprehensive Income), the Consolidated Statement of Changes in Equity and the Consolidated Statement of Cash Flows dealt with by this Report are in agreement with the relevant books of account maintained for the purpose of preparation of the Consolidated financial statements.
 - d) In our opinion, the aforesaid consolidated financial statements comply with the Indian Accounting Standards specified under Section 133 of the Act read with the Companies (Indian Accounting Standards) Rules, 2015 as amended.

- e) In view of exemption given vide notification no. G. S. R. 463(E) dated June 5, 2015, issued by Ministry of Corporate Affairs, provisions of Section 164(2) of the Act regarding disqualification of Directors, are not applicable to the Holding Company and its subsidiaries. Further, on the basis of the reports of the auditors of 3 (Three) joint ventures incorporated in India, none of the directors of the joint ventures incorporated in India is disqualified as on 31 March 2021 from being appointed as a director in terms of section 164(2) of the Act.
- f) With respect to the adequacy of the internal financial controls over financial reporting of the Holding Company, its subsidiaries and joint ventures incorporated in India and the operating effectiveness of such controls, refer to our separate report in 'Annexure 1'. Our report expresses an unmodified opinion on the adequacy and operating effectiveness of the Group's internal financial controls with reference to consolidated financial statements.
- g) Pursuant to the Notification No. GSR 463(E) dated 5th June 2015 issued by the Ministry of Corporate Affairs, Government of India, provisions of Section 197 of the Companies Act, 2013, are not applicable to the Group. Further, on the basis of the reports of the auditors of 3 (Three) joint ventures incorporated in India, the managerial remuneration for the year ended 31 March 2021 has been paid / provided to their directors in accordance with the provisions of section 197 read with Schedule V to the Act
- h) With respect to the other matters to be included in the Auditor's Report in accordance with Rule 11 of the Companies (Audit and Auditor's) Rules, 2014, in our opinion and to the best of our information and according to the explanations given to us and based on the consideration of the report of the other auditors on separate financial statements as also the other financial information of the subsidiaries and joint ventures, as noted in the 'Other Matters' paragraph:
- i) The consolidated financial statements disclose the impact of pending litigations on the consolidated financial position of the Group (Refer Note 61 to the consolidated financial statements) and the joint venture companies (Refer Note 44.2 to the consolidated financial statements).
 - ii) Provision has been made in the consolidated financial statements, as required under the applicable law or Indian Accounting Standards, for material foreseeable losses, if any, on long-term contracts including derivative contracts.
 - iii) There has been no delay in transferring amounts, required to be transferred, to the Investor Education and Protection Fund by the Group and the joint venture companies incorporated in India.

For T R CHADHA & CO LLP

Chartered Accountants
 FRN : 006711N/N500028

For UMAMAHESWARA RAO & CO

Chartered Accountants
 FRN : 004453S

For B M CHATRATH & CO LLP

Chartered Accountants
 FRN : 301011E/E300025

For PSD & ASSOCIATES

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Satish Chandra Sharma

Partner
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 Place: Jaipur

Date: 17 June 2021



ANNEXURE 1

ATTACHED TO THE INDEPENDENT AUDITOR'S REPORT OF EVEN DATE ON THE CONSOLIDATED IND AS FINANCIAL STATEMENTS OF POWER GRID CORPORATION OF INDIA LIMITED FOR THE YEAR ENDED 31 MARCH 2021.

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

In conjunction with our audit of the Consolidated Financial Statements of the Company as of and for the year ended on 31 March 2021, we have audited the internal financial controls over financial reporting with reference to Consolidated Financial Statements of Power Grid Corporation of India Limited (hereinafter referred to as "the Holding Company") and its subsidiary companies (the Holding Company and its subsidiaries together referred to as "the Group") and its joint venture companies, which are companies incorporated in India as of 31 March 2021.

Management's Responsibility for Internal Financial Controls

The respective Board of directors of the Holding company, its subsidiary companies and its joint venture companies, which are companies incorporated in India, are responsible for establishing and maintaining internal financial controls based on the internal controls 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. These responsibilities include the design, implementation and maintenance of adequate internal financial controls that were operating effectively for ensuring the orderly and efficient conduct of its business, including adherence to the respective company's policies, the safeguarding of its assets, the prevention and detection of frauds and errors, the accuracy and completeness of the accounting records, and the timely preparation of reliable financial information, as required under the Companies Act, 2013.

Auditors' Responsibility

Our responsibility is to express an opinion on the Group's and the joint venture companies' which are incorporated in India, internal financial controls over financial reporting with reference to Consolidated 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, issued by ICAI and deemed to be prescribed under section 143(10) of the Companies Act, 2013, to the extent applicable to an audit of Internal Financial Controls and, both issued by the Institute of Chartered Accountants of India. Those Standards and the Guidance Note require that we comply with ethical requirements and plan and perform the audit to obtain reasonable assurance about whether adequate Internal Financial Controls Over Financial Reporting with reference to Consolidated Financial Statements were established and maintained and if such controls operated effectively in all material respects.

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

We believe that the audit evidence we have obtained and the audit evidence obtained by the other auditors of the subsidiaries and joint venture companies incorporated in India, in terms of their reports referred to in the 'Other Matters' paragraph is sufficient and appropriate to provide a basis for our audit opinion on the Group's internal financial controls system over financial reporting with reference to Consolidated Financial Statements.

Meaning of Internal Financial Controls Over Financial Reporting With Reference to Consolidated Financial Statements

A Company's internal financial control over financial reporting with reference to Consolidated Financial Statements is a process designed to provide reasonable assurance regarding the reliability of financial reporting and the preparation of financial statements for external purposes in accordance with generally accepted accounting principles. A company's internal financial control over financial reporting with reference to Consolidated Financial Statements includes those policies and procedures that:

- pertain to the maintenance of records that, in reasonable detail, accurately and fairly reflect the transactions and dispositions of the assets of the company;

- provide reasonable assurance that transactions are recorded as necessary to permit preparation of financial statements in accordance with generally accepted accounting principles, and that receipts and expenditures of the company are being made only in accordance with authorizations of management and directors of the company; and
- provide reasonable assurance regarding prevention or timely detection of unauthorized acquisition, use, or disposition of the company's assets that could have a material effect on the financial statements.

Inherent Limitations of Internal Financial Controls Over Financial Reporting With Reference to Consolidated Financial Statements

Because of the inherent limitations of internal financial controls over financial reporting with reference to Consolidated 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 over financial reporting with reference to Consolidated Financial Statements to future periods are subject to the risk that the internal financial control over financial reporting with reference to Consolidated 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 Holding Company, its subsidiaries, and joint ventures which are companies incorporated in India have, in all material respects, an adequate internal financial controls system over financial reporting with reference to Consolidated Financial Statements and such internal financial controls over financial reporting with reference to Consolidated Financial Statements were operating effectively as at 31 March 2021, 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.

Other Matters

Our aforesaid report under Section 143 (3) (i) of the Act on the adequacy and operating effectiveness of the internal financial controls over financial reporting with reference to Consolidated Financial Statements insofar as it related to 23 (twenty three) subsidiary companies and 3 (Three) joint venture Companies incorporated in India, is based on the corresponding report of auditors of such companies.

Our aforesaid report under Section 143(3)(i) of the Act on the adequacy and operating effectiveness of the internal financial controls with reference to Consolidated Financial Statements in so far as it relates to one subsidiary and six joint ventures incorporated in India, whose financial statements / financial information are unaudited and our opinion on the adequacy and operating effectiveness of the internal financial controls with reference to Consolidated Financial Statements of the Group is not affected as the Group's share of net profit/loss (including Other Comprehensive Income) and disclosures included in respect of aforesaid subsidiary and joint ventures in these Consolidated Financial Statements are not material to the Group.

Our report is not modified in respect of the above matters.

For T R CHADHA & CO LLP

Chartered Accountants
FRN : 006711N/N500028

For UMAMAHESWARA RAO & CO

Chartered Accountants
FRN : 004453S

For B M CHATRATH & CO LLP

Chartered Accountants
FRN : 301011E/E300025

For PSD & ASSOCIATES

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Satish Chandra Sharma

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Place: Jaipur

Date: 17 June 2021

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Transmitting Power, Transforming lives.

POWER GRID CORPORATION OF INDIA LIMITED
(A Government of India Enterprise)

Registered Office: B-9, Qutab Institutional Area, Katwaria Sarai, New Delhi- 110016, INDIA
Corporate Office: Saudamini, Plot No.2, Sector 29, Gurugram- 122001 (Haryana), INDIA
CIN : L40101DL1989GOI038121

