

# **CENTRAL TRANSMISSION UTILITY OF INDIA LIMITED**

**Wholly Owned Subsidiary of Power Grid Corporation of India Limited**

**(CIN: U40100HR2020GOI091857)**

**ANNUAL REPORT (2021-22)**

# **CENTRAL TRANSMISSION UTILITY OF INDIA LIMITED**

**CIN: U40100HR2020GOI091857**

**Regd. Office: “SAUDAMINI”, Plot No. 2, Sector-29, Gurgaon, Haryana – 122001**

**Tel: 01242823013**

## **DIRECTORS’ REPORT**

To,

Dear Members,

It gives me immense pleasure to present on behalf of the Board of Directors, the 2<sup>nd</sup> Annual Report of Central Transmission Utility of India Limited (“CTUIL/the Company”) on the working of the Company together with Audited Financial Statements and Auditors’ Report for the financial year ended 31<sup>st</sup> March, 2022.

To meet the energy needs of high economic growth & electricity consumption of about 1.3 billion people in the country, development of an efficient, coordinated, economical and robust electricity system is essential. Central Transmission Utility of India Limited (CTUIL), incorporated on 28<sup>th</sup> December, 2020, has been entrusted with functions to undertake Transmission of Electricity through Inter-State Transmission System (ISTS) as well as to discharge Planning, development of an efficient, coordinated and economical ISTS in the country.

Ministry of Power, Government of India vide Gazette Notification dated 9<sup>th</sup> March, 2021 has notified Central Transmission Utility of India Limited (CTU), a Government Company as Central Transmission Utility (CTU). CTU has started functioning w.e.f. 1<sup>st</sup> April, 2021 as a wholly owned subsidiary of Power Grid Corporation of India Limited (POWERGRID) to undertake and discharge all the functions of CTU under the Electricity Act, 2003 and regulations/directions by Central Commission/ Authority/Central Government.

### **State of the Company’s Affairs**

The Company, upon commencement of its business functions as CTUIL, in consultation with various stakeholders had evolved a comprehensive transmission scheme for grid integration of potential Renewable Energy Zones in the country towards achieving the Govt. of India target of 500 GW non-fossil energy capacity by 2030. Towards this, Ministry of Power has also accorded approval for 26 nos. transmission schemes of potential Renewable Energy Zones of 44.5 GW in FY 2021-22 for taking up its implementation through RTM/TBCB route in a progressive manner. The Company, is also the nodal agency for processing & grant of Connectivity, Long Term Access (LTA) and Medium-Term Open Access (MTOA). Connectivity was granted to applicants for a quantum of about 22665 MW (conventional and RE) and LTA to applicants for a quantum of about 13014 MW. Also, based on available margins in the transmission capacity, MTOA has also been granted for a total quantum of about 2039 MW.

CTU has been nominated as a nodal agency for monitoring the ISTS capacity addition under PM Gati Shakti National Master Plan (NMP), under which nation-wide capacity of nearly 27,000 ckm in the Inter-state network has been envisaged by Dec'24. As of now, about 6,564 ckm ISTS lines have been implemented and mapped on the portal. The data for about 10,000 ckm under construction lines has also been mapped, which includes 9 no. of High Impact projects involving High Capacity corridors for evacuation of RE power from 7 states.

In addition, CTU is the Nodal Agency for supervision of communication system in respect of inter-State communication system and will implement centralized supervision (UNMS) for quick fault detection and restoration.

The UNMS scheme has already been approved in NR, NER & ER and under approval for WR & SR.

### **Financial Performance**

<b>Particulars</b>	<b>2021-22</b>	<b>(Rs. in Lakhs)</b> <b>From 28<sup>th</sup> December, 2020 to 31<sup>st</sup> March, 2021.</b>
Revenue from Operations	580.11	-
Other Income	4,791.32	-
<b>Total Income</b>	<b>5,371.43</b>	-
Expenses	22.79	2.77
<b>Profit before Tax</b>	<b>5,348.64</b>	<b>(2.77)</b>
<b>Profit after Tax</b>	<b>4,002.57</b>	<b>(2.77)</b>
<b>Earnings Per Equity Share (Rs.)</b>	<b>8,005.14</b>	<b>(5.54)</b>

### **Share Capital**

The Authorised and Paid up Share Capital as on 31<sup>st</sup> March, 2022 of the Company were ₹1 Crore and ₹5 Lakh respectively.

### **Dividend**

Your Directors have not recommended any dividend on the equity shares for the Financial Year 2021-22.

### **Reserves**

The Company has transferred an amount of ₹4,002.57 Lakh to Reserve and Surplus and retained ₹3,999.80 Lakh in the Reserve and Surplus.

### **Particulars of Loans, Guarantees or Investments made under section 186 of the Companies Act, 2013**

Your Company has not given any loans, provided any guarantee or security to any other entity.

### **Particulars of contracts or arrangements with related parties**

Particulars of contracts or arrangements with related parties referred to Section 188 of the Companies Act, 2013, in the prescribed form AOC-2, is given at **Annexure - I** to the Directors' Report.

### **Material Changes & Commitments**

There has been no material changes & commitments affecting the financial position of the Company, which have occurred between the end of the financial year and date of this report.

### **Deposits**

Your Company has not accepted any deposit for the period under review.

### **Subsidiaries, Joint Ventures and Associate Companies**

Your Company does not have any subsidiaries, joint ventures and associate companies.



### **Directors' Responsibility Statement**

As required under section 134(3)(c) & 134(5) of the Companies Act, your 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 judgements 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; and
- (e) 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.

### **Conservation of Energy, Technology absorption, Foreign Exchange Earning and Out Go**

There is no Conservation of Energy, Technology absorption and Foreign Exchange Earnings and out go under section 134(3) of the Companies Act, 2013 for financial year 2021-22.

### **Annual Return**

In accordance with Section 92(3) read with Section 134 (3) (a) of the Companies Act, 2013, Annual Return of the Company is available on the web-site of the Company and can be accessed at <https://www.ctuil.in/docs/files/Draft%20MGT-7-For%20website.pdf>

### **Board of Directors**

As on 31<sup>st</sup> March, 2022, the Board comprised of three Directors viz., Shri Abhay Choudhary, Shri. M. Taj Mukarrum and Shri P. C. Garg.

There were some changes in the Board of Director of the Company during the Financial Year 2021-22. Shri P. C. Garg was appointed as Additional Director w.e.f. 2<sup>nd</sup> November,

2021 who holds the office up to the date of ensuing Annual General Meeting. Dr. Subir Sen ceased to be Director of the Company w.e.f. 2<sup>nd</sup> November, 2021.

Subsequently, after the end of the Financial Year 2021-22, Shri M. Taj Mukarrum ceased to be Director of the Company w.e.f. 31<sup>st</sup> July, 2022. Shri G. Ravisankar was appointed as an Additional Director of the Company w.e.f. 4<sup>th</sup> August, 2022 who holds office up to the date of ensuing Annual General Meeting.

The Board placed on record its appreciation for the valuable contribution, guidance & support given by Dr. Subir Sen and Shri M. Taj Mukarrum during their tenure as Directors of the Company.

The Company has received a notice under section 160 of the Companies Act, 2013 from a member of the Company for appointment of Shri P. C. Garg and Shri G. Ravisankar as a Director, who shall be liable to retire by rotation, in the ensuing Annual General Meeting.

In accordance with the provisions of the Companies Act, 2013, Shri Abhay Choudhary, Director shall retire by rotation at the Annual General Meeting of your Company and being eligible, offers himself for re-appointment.

None of the Directors is disqualified from being appointed/re-appointed as Director.

#### **Number of Board meetings during the year**

As on Financial year ended 31<sup>st</sup> March, 2022, six (06) meetings of Board of Directors were held on 8<sup>th</sup> June, 2021, 26<sup>th</sup> August, 2021, 22<sup>nd</sup> September, 2021, 12<sup>th</sup> October, 2021, 2<sup>nd</sup> November, 2021 and 21<sup>st</sup> December, 2021. The detail of number of meetings attended by each Director during the financial year are as under:

<b>Name of Directors</b>	<b>Designation</b>	<b>No. of Board Meetings entitled to attend during FY 2021-22.</b>	<b>No. of Board Meetings attended during FY 2021-22.</b>
Shri Abhay Choudhary	Chairman (Part-time)	06	06

Shri M. Taj Mukarrum (Up to 31.07.2022)	Director	06	06
Shri Subir Sen (Up to 02.11.2021)	Director	04	04
Shri P. C. Garg (w.e.f. 02.11.2021)	Director	02	02

### **Committees of the Board**

#### **Audit Committee & Nomination & Remuneration Committee**

Being the wholly owned subsidiary of POWERGRID, your Company is not required to constitute an Audit Committee and Nomination & Remuneration Committee in terms of notifications dated 5<sup>th</sup> July, 2017 and 13<sup>th</sup> July, 2017 issued by the Ministry of Corporate Affairs (MCA).

#### **Corporate Social Responsibility Committee**

The provision of Section 135 of the Companies Act, 2013 read with Rule 5 the Companies (Corporate Social Responsibility Policy) Rules, 2014 were not applicable to the Company during FY 2021-22.

### **Declaration by Independent Directors**

Ministry of Corporate Affairs (MCA) vide notification dated 05<sup>th</sup> July 2017 had amended the Rule 4 of Companies (Appointment and Qualification of Directors) Rules, 2014 as per which the unlisted public companies in the nature of wholly owned subsidiaries are exempted from the requirement of appointing Independent Directors on their Board. Accordingly, your Company, being a Wholly Owned Subsidiary of Power Grid Corporation of India Limited is exempted from the requirement of appointing Independent Directors on their Board.

## **Performance Evaluation**

As per notification dated June 5, 2015 issued by the Ministry of Corporate Affairs, the provision related to evaluation of performance of Board, its committees and individual directors under section 178(2) of the Companies Act, 2013 is exempt for Government Companies.

## **Statutory Auditors**

M/s R. Bhargava & Associates, Chartered Accountants, was appointed by Comptroller and Auditor General of India as Statutory Auditors of the Company for the Financial Year 2021-22.

## **Statutory Auditors' Report**

M/s R. Bhargava & Associates, Chartered Accountants, Statutory Auditors for the Financial Year 2021-22 have given an unqualified report. The report is self-explanatory and does not require any further comments by the Board.

## **Comptroller and Auditor General's (C&AG) Comments**

Comptroller and Auditor General of India have decided not to conduct the supplementary audit under section 143 (6) (a) of the Companies Act, 2013 of the financial statements of the company for the year ended 31<sup>st</sup> March, 2022. Copy of letter dated 20<sup>th</sup> June, 2022 received from C&AG is placed at **Annexure-II** to this report.

## **Secretarial Audit Report**

The requirement of obtaining a Secretarial Audit Report from the practicing company secretary is not applicable to the Company.

## **Maintenance of Cost Records of the Company**

Maintenance of cost records as specified by the Central Government under sub-section (1) of Section 148 of the Companies Act, 2013, is not applicable to the Company during Financial Year 2021-22.

## **Details in respect of frauds reported by auditors other than those which are reportable to the Central Government**

None of the Auditors of the Company have reported any frauds to the Board of Directors under section 143(12) of the Companies Act, 2013, including rules made thereunder.

### **Development & Implementation of Risk Management Policy**

Your Company being a wholly owned subsidiary of POWERGRID is covered under the Risk Management Framework as being done in the holding company.

### **Particulars of Employees**

As per Notification dated 5<sup>th</sup> June, 2015 issued by the Ministry of Corporate Affairs, the provisions of Section 197 of the Companies Act, 2013 & corresponding rules of Chapter XIII are exempted for Government Companies. As your Company is a Government Company, the information has not been included as a part of Directors' report.

### **Compliance with Secretarial Standards**

The Company has followed the Secretarial Standards SS-1 & 2 issued by the Institute of Company Secretaries of India.

### **Prevention of Sexual Harassment at workplace**

POWERGRID (Holding Company) has Internal Complaints Committee (ICC) in place to redress the complaints of sexual harassment.

### **Details of Significant & Material Orders passed by the regulators, courts, tribunals impacting the going concern status and company's operation in future**

No significant / material orders were passed by any authority during the Financial Year impacting the going concern status and Company's operation in future.

### **Internal Financial Control Systems and their adequacy**

Your Company has, in all material respects, an adequate Internal Financial Controls System over Financial Reporting and such Internal Financial Controls over Financial Reporting were operating effectively as at 31<sup>st</sup> March, 2022.

### **Insolvency and Bankruptcy Code, 2016**

During the FY 2021-22, no application has been made under the Insolvency and Bankruptcy Code; hence the requirement to disclose the details of application made or any proceeding pending under the Insolvency and Bankruptcy Code, 2016 during the year along with their status as at the end of the financial year is not applicable.

### **Acknowledgement**

The Board extends its sincere thanks to the Ministry of Power, the Central Electricity Regulatory Commission, POWERGRID, the Comptroller & Auditor General of India, and the Auditors of the Company.

For and on behalf of  
**CENTRAL TRANSMISSION UTILITY OF INDIA LIMITED**

Date: 8<sup>th</sup> August, 2022  
Place: Gurgaon

Sd/-  
**(Abhay Choudhary)**  
**Chairman**  
**DIN: 07388432**

**CENTRAL TRANSMISSION UTILITY OF INDIA LIMITED****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 arm's length transaction under third proviso thereto.

1. Details of contracts or arrangements or transactions not at Arm's length basis.

<b>Sl. No.</b>	<b>Particulars</b>	<b>Details</b>
a)	Name (s) of the related party & nature of relationship	-
b)	Nature of contracts/arrangements/transaction	-
c)	Duration of the contracts/arrangements/transaction	-
d)	Salient terms of the contracts or arrangements or transaction including the value, if any	-
e)	Justification for entering into such contracts or arrangements or transactions'	-
f)	Date 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 contracts or arrangements or transactions at Arm's length basis.

<b>Sl. No.</b>	<b>Particulars</b>	<b>Details</b>
a	Name (s) of the related party & nature of relationship	-
b	Nature of contracts/arrangements/transaction	-
c	Duration of the contracts/arrangements/transaction	-

d	Salient terms of the contracts or arrangements or transaction including the value, if any	-
e	Date of approval by the Board	-
f	Amount paid as advances, if any	-

For and on behalf of  
**CENTRAL TRANSMISSION UTILITY OF INDIA LIMITED**

Sd/-  
**(Abhay Choudhary)**  
**Chairman**  
**DIN: 07388432**

Date: 8<sup>th</sup> August, 2022  
Place: Gurgaon





भारतीय लेखापरीक्षा और लेखा विभाग  
कार्यालय महा निदेशक लेखापरीक्षा (ऊर्जा)  
नई दिल्ली  
INDIAN AUDIT & ACCOUNTS DEPARTMENT  
Office of the Director General of Audit (Energy)  
New Delhi

Dated: 20/06/2022

सेवा में,

अध्यक्ष,  
सेंट्रल ट्रांसमिशन यूटिलिटी ऑफ़ इंडिया लिमिटेड,  
हरियाणा

विषय: 31 मार्च 2022 को समाप्त वर्ष के लिए सेंट्रल ट्रांसमिशन यूटिलिटी ऑफ़ इंडिया लिमिटेड, हरियाणा के वार्षिक लेखाओं पर कम्पनी अधिनियम, 2013 की धारा 143(6)(b) के अन्तर्गत भारत के नियंत्रक-महालेखापरीक्षक की टिप्पणियाँ।

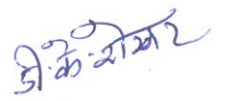
महोदय,

मैं, सेंट्रल ट्रांसमिशन यूटिलिटी ऑफ़ इंडिया लिमिटेड, हरियाणा के 31 मार्च 2022 को समाप्त वर्ष के लेखाओं पर कम्पनी अधिनियम, 2013 की धारा 143(6)(b) के अन्तर्गत भारत के नियंत्रक-महालेखापरीक्षक की टिप्पणियाँ अग्रेषित कर रहा हूँ।

कृपया इस पत्र की संलग्नकों सहित प्राप्ति की पावती भेजी जाए।

संलग्नक:- यथोपरि।

भवदीय,

  
(डी. के. शेखर)  
महानिदेशक

**COMMENTS OF THE COMPTROLLER AND AUDITOR GENERAL OF INDIA  
UNDER SECTION 143(6)(B) OF THE COMPANIES ACT, 2013 ON THE  
FINANCIAL STATEMENTS OF CENTRAL TRANSMISSION UTILITY OF INDIA  
LIMITED FOR THE PERIOD ENDED 31 MARCH 2022**

The preparation of financial statements of Central Transmission Utility of India Limited for the period ended 31 March 2022 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 auditor appointed by the Comptroller and Auditor General of India under section 139(5) of the Act is 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 13 May 2022.

I, on behalf of the Comptroller and Auditor General of India, have decided not to conduct the supplementary audit of the financial statements of Central Transmission Utility of India Limited for the period ended 31 March 2022 under Section 143(6)(a) 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: 17.06.2022





**R. Bhargava & Associates**

**Chartered Accountants**

H.O. : Shop No. 1, Bhargava CST Complex (New), Bawal Chowk, Rewari, Haryana-123401

Phone : 011-40041044 Mobile : 9810035530, 9899152749, 88002066432

Website : [www.rbhargavaassociates.com](http://www.rbhargavaassociates.com) | E-mail : [admin@rbhargavaassociates.in](mailto:admin@rbhargavaassociates.in)

## INDEPENDENT AUDITORS' REPORT

TO,  
THE MEMBERS OF  
CENTRAL TRANSMISSION UTILITY OF INDIA LIMITED  
Report on the Audit of the Financial Statements

### Opinion

We have audited the accompanying Ind AS Financial Statements of M/s CENTRAL TRANSMISSION UTILITY OF INDIA LIMITED ("the Company"), which comprise the Balance Sheet as at 31 March 2022, the Statement of Profit and Loss, Statement of Changes in Equity, the Statement of Cash Flows for the year then ended, and notes to the financial statements including a summary of significant accounting policies and other explanatory information.

In our opinion and to the best of our information and according to the explanations given to us, the aforesaid financial statements give the information required by the Act in the manner so required and give a true and fair view in conformity with IND AS and the accounting principles generally accepted in India, of state of affairs of the Company as at 31st March 2022, its profit including other comprehensive income, its Changes in Equity and its cashflows for the year ended on that date.

### Key Audit Matters

We have determined that there are no key audit matters to communicate in our report.

### Basis for Opinion

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



AD-36A, Power Apartments, Pitampura, Delhi-110034  
92-C, G.H.-10, Sunder Apartments, Paschim Vihar, New Delhi-110087

## **Responsibility of Managements and Those Charged with Governance for the Financial Statements**

The Company's Board of Directors is responsible for the matters in section 134(5) of the Act with respect to the preparation of these Ind AS financial statements that give a true and fair view of the financial position, financial performance including other comprehensive income, changes in equity and cash flows of the Company in accordance with IND AS and the accounting principles generally accepted in India, including the Indian Accounting Standards ("Ind AS") prescribed under Section 133 of the Act read with the relevant rules there under. This responsibility also includes the maintenance of adequate accounting records in accordance with the provision of the Act for safeguarding of the assets of the Company and for preventing and detecting the 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 financial statements that give a true and fair view and are free from material misstatement, whether due to fraud or error.

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

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

## **Auditor's Responsibility for the Audit of the Financial Statements**

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

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

1. As required by the Companies (Auditor's Report) Order, 2020, issued by the Central Government of India in term of sub-section (11) of section 143 of the Companies Act, 2013, we give in the 'Annexure - 1' a statement on the matters specified in the paragraphs 3 and 4 of the Order, to the extent applicable.
2. As required by section 143(3) of the Act, we report that:
  - a. We have sought and obtained all the information and explanations which to the best of our knowledge and belief were necessary for the purposes of our audit.
  - b. In our opinion proper books of account as required by law have been kept by the Company so far as appears from our examination of those books.





- c. The Balance Sheet, the Statement of Profit and Loss, Statement of Changes in Equity and the Statement of Cash Flows dealt with by this Report are in agreement with the books of account.
- d. In our opinion, the aforesaid financial statements comply with IND AS and the Accounting Standards specified under Section 133 of the Act, read with Rule 7 of the Companies (Accounts) Rules, 2014.
- e. As the Government Companies have been exempted from applicability of the provision of section 164(2) of the Companies Act, 2013, reporting on disqualification of Directors is not required.
- f. Since the Company's turnover as per last audited financial statements is less than Rs.50 Crores and its borrowings from banks and financial institutions at any time during the year is less than Rs.25 Crores, the Company is exempted from getting an audit opinion with respect to the adequacy of the internal financial controls over financial reporting of the company and the operating effectiveness of such controls vide notification dated June 13, 2017; and
- g. With respect to the other matters included in the Auditor's Report in accordance with Rule 11 of the Companies (Audit and Auditors) Rules 2014, in our opinion and to our best of our information and according to the explanations given to us:
  - i. The company disclosed the impact of pending litigations on the Financial position in its financial statements of the Company-Refer Note 34 to the financial statements
  - ii. The company did not have any long-term contracts including derivatives contracts for which there were any material foreseeable losses;
  - iii. There has been no Delay in Transferring amounts, required to be transferred, to the Investor Education and Protection Fund by the Company.
  - iv. i) The management has represented that, to the best of it's knowledge and belief, other than as disclosed in the notes to the accounts, no funds have been advanced or loaned or invested (either from borrowed funds or share premium or any other sources or kind of funds) by the company to or in any other person(s) or entity(ies), including foreign entities ("Intermediaries"), with the understanding, whether recorded in writing or otherwise, that the Intermediary shall, whether, directly or indirectly lend or invest in other persons or entities identified in any manner whatsoever by or on behalf of the company ("Ultimate Beneficiaries") or provide any guarantee, security or the like on behalf of the Ultimate Beneficiaries;
  - ii) the management has represented, that, to the best of it's knowledge and belief, other than as disclosed in the notes to the accounts, no funds have been received by the company from any person(s) or entity(ies), including foreign entities ("Funding Parties"), with the understanding, whether recorded in writing or otherwise, that the company shall, whether, directly or indirectly, lend or invest in other persons or entities identified in any manner whatsoever by or on behalf of the Funding Party



("Ultimate Beneficiaries") or provide any guarantee, security or the like on behalf of the Ultimate Beneficiaries; and

iii) Based on such audit procedures that the we have considered reasonable and appropriate in the circumstances, nothing has come to our notice that has caused us to believe that the representations under sub-clause (i) and (ii) contain any material mis-statement.

v. The Company has not declared any Dividend during the year.

3. In terms of Section 143 (5) of the Companies Act 2013, we give in the "**Annexure-2**" statement on the directions issued by the Comptroller and Auditor General of India.

**For R Bhargava & Associates**  
**Chartered Accountants**  
**FRN: 012788N**

*Gaurang*

Gaurang Bhargava  
Partner

M. No. FCA 530161

UDIN: 22530161A1YSAX5444

Place: NEW DELHI

Date : 13.05.2022



## **Annexure '1' to the Independent Auditors' Report**

As referred to in our Independent Auditors' Report of even date to the members of the **Central Transmission Utility of India Limited**, on the Ind AS financial statements for the year ended 31 March 2022, we report that:

- (i) a) (A) The Company does not own any Fixed Asset. Accordingly this clause is not Applicable  
  
(B) The Company does not own any Intangible Asset. Accordingly this clause is not Applicable
  - b) The company does not own any Property, Plant & Equipment. Accordingly, no physically verification required for same. Hence this clause is not applicable to the company.
  - c) The company does not own any immovable Property. Accordingly, this clause is not applicable to the company.
  - d) The company does not own any Property, Plant and Equipment (including Right of Use assets) or intangible assets. Accordingly, this clause is not applicable to the company
  - e) In our opinion and according to the information and explanations given to us, no proceedings have been initiated or are pending against the company for holding any Benami property under the "Benami Transactions (Prohibition) Act, 1988 and Rules made thereunder.
- (ii) (a) The company does not have any inventory. Accordingly. This clause is not applicable to the company  
  
(b) The Company has not been sanctioned working capital limits in excess of Rs. 5 crores, in aggregate, from banks on the basis of security of current assets.
- (iii) (a) According to the information and explanations given to us, the Company has not made investments in, provided any guarantee or security or granted any loans or advances in the nature of loans, secured or unsecured, to companies, firms, Limited Liability Partnerships or any other parties. Accordingly, paragraph 3(iii) is not applicable to the company.
- (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 & no amounts has been deemed to be deposits 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) Cost records maintenance not applicable to the company being a service company. Accordingly, this clause is not applicable.
- (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, and other statutory dues applicable to the Company and that there are no undisputed statutory dues outstanding as at 31 March 2022 for a period of more than six months from the date they became payable.
- b) According to information and explanations given to us, there are no statutory dues referred to in sub- clause (a) have not been deposited on account of dispute.
- (viii) In our opinion and according to the information and explanations given to us, the Company has not recorded in the books of account any transaction which have been surrendered or disclosed as income during the year in the tax assessments under the Income Tax Act, 1961.
- (ix) In our opinion and according to the information and explanations given to us,
- (a) the Company has not defaulted during the year in repayment of loans & payment of Interest to its financial institutions, bankers and dues to the Bond holders.
- (b) the company has not been declared willful defaulter by any bank/financial institution/other lender.
- (c) term loans have been applied for the purpose for which the loans were obtained.
- (d) funds raised on short term basis have not been utilised for long term purpose.
- (e) The Company do not have any Subsidiaries, Joint ventures or Associates. Accordingly, paragraph 3(ix)(e) and 3(ix)(f) are not applicable to the company.
- (x) (a) The company has not raised money by way of initial public offer or further public offer (including debt instruments) during the year.
- (b) In our opinion and according to the information and explanations given to us, the Company has not made any preferential allotment or private placement of shares or convertible debentures (fully, partially or optionally convertible) during the year.





- (xi) (a) 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.
- (b) As no fraud has been noticed during the year as mentioned at xi(a) above, report under sub-Section (12) of Section 143 of the Companies Act in the Form ADT-4 as prescribed under Rule 13 of Companies (Audit and Auditors) Rules 2014 is not applicable.
- (c) According to the information and explanations given to us, no whistle-blower complaints has been received during the year by the Company.
- (xii) The company is not a Nidhi Company as prescribed under section 406 of the Act. Accordingly, clause 3(xii)(a), 3(xii)(b) & 3(xii)(c) 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 Ind AS financial statements as required by the applicable Indian Accounting Standards.
- (xiv) (a) According to the information and explanations given to us and based on our examination of the records of the company, the company has an internal audit system commensurate with the nature of its business.
- (b) Internal Audit is not applicable to the company. Accordingly, this clause is not applicable.
- (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, paragraphs 3(xvi) are not applicable to the company.
- (xvii) According to the information and explanations given to us and based on our examination of the records of the company, the company has not incurred any cash losses in the current Financial Year and in the immediately preceding Financial Year.
- (xviii) There has not been any resignation of the statutory auditors during the year.
- (xix) On the basis of the financial ratios, ageing and expected dates of realisation of financial assets and payment of financial liabilities, other information accompanying the financial statements, our knowledge of the Board of Directors and management plans and based



on our examination of the records of the company, in our opinion, no material uncertainty exists as on the date of the audit report and the company is capable of meeting its liabilities existing at the date of balance sheet as and when they fall due within a period of one year from the balance sheet date.

- xx) Section 135(5) of the Companies Act is not applicable to the company. Accordingly, this clause is not applicable.
- xxi) The Company do not have any Subsidiaries, Joint ventures or Associates. Accordingly, paragraph 3(ix)(e) and 3(ix)(f) are not applicable to the company.

For For R Bhargava & Associates  
Chartered Accountants  
FRN : 012788N

*Gaurang*

Gaurang Bhargava  
Partner

M. No. FCA 530161

UDIN: 22530161A1Y5AX5444

Place: NEW DELHI

Date: 13.05.2022



### Annexure '3'

As referred to in our Independent Auditors Report to the Members of the **Central Transmission Utility of India Limited** ("the Company") on the Financial Statements for the Year Ended 31 March, 2022, we Report that:

Sl. No.	Directions u/s 143(5) of the Companies Act, 2013	Auditor's reply on action taken on the directions	Impact on Financial statements
1.	Whether the company has system in place to process all the accounting transaction through IT system? If yes, then the implications of accounting transaction outside IT system on the integrity of accounts along with the financial implications, if any, may be stated.	All accounting transactions of the company are processed through the ERP (SAP System) that has been implemented by the Company. No accounting transaction is being recorded/processed otherwise than through the ERP system in place. Hence no further disclosure is required in this regard.	Nil
2	Whether there is any restructuring of any existing loan or cases of waiver/write off of debts/loans/interest etc. made by a lender to the company to the company's inability to repay the loan? If yes, the financial impact may be stated.	There are no cases of restructuring of existing loan or cases of waiver/write off of debts/loans/interest etc.	Nil
3.	Whether funds received/receivable for specific schemes from Central/State agencies were properly accounted for/utilized as per its term and conditions? List the cases of deviation	No fund has been received from Central/State agencies.	Nil

**For R Bhargava & Associates**

**Chartered Accountants**

**FRN: 012788N**

*Gaurang*

Gaurang Bhargava  
Partner

M. No. FCA 530161

UDIN: 22530161A1YSAX5444

Place: NEW DELHI

Date: 13.05.2022







**R. Bhargava & Associates**

**Chartered Accountants**

H.O. : Shop No. 1, Bhargava CST Complex (New), Bawal Chowk, Rewari, Haryana-123401

Phone : 011-40041044 Mobile : 9810035530, 9899152749, 88002066432

Website : [www.rbhargavaassociates.com](http://www.rbhargavaassociates.com) | E-mail : [admin@rbhargavaassociates.in](mailto:admin@rbhargavaassociates.in)

## INDEPENDENT AUDITORS' REPORT

TO,  
THE MEMBERS OF  
**CENTRAL TRANSMISSION UTILITY OF INDIA LIMITED**  
Report on the Audit of the Financial Statements

### Opinion

We have audited the accompanying Ind AS Financial Statements of **M/s CENTRAL TRANSMISSION UTILITY OF INDIA LIMITED ("the Company")**, which comprise the Balance Sheet as at 31 March 2022, the Statement of Profit and Loss, Statement of Changes in Equity, the Statement of Cash Flows for the year then ended, and notes to the financial statements including a summary of significant accounting policies and other explanatory information.

In our opinion and to the best of our information and according to the explanations given to us, the aforesaid financial statements give the information required by the Act in the manner so required and give a true and fair view in conformity with IND AS and the accounting principles generally accepted in India, of state of affairs of the Company as at 31st March 2022, its profit including other comprehensive income, its Changes in Equity and its cashflows for the year ended on that date.

### Key Audit Matters

We have determined that there are no key audit matters to communicate in our report.

### Basis for Opinion

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



AD-36A, Power Apartments, Pitampura, Delhi-110034  
92-C, G.H.-10, Sunder Apartments, Paschim Vihar, New Delhi-110087



## **Responsibility of Managements and Those Charged with Governance for the Financial Statements**

The Company's Board of Directors is responsible for the matters in section 134(5) of the Act with respect to the preparation of these Ind AS financial statements that give a true and fair view of the financial position, financial performance including other comprehensive income, changes in equity and cash flows of the Company in accordance with IND AS and the accounting principles generally accepted in India, including the Indian Accounting Standards ("Ind AS") prescribed under Section 133 of the Act read with the relevant rules there under. This responsibility also includes the maintenance of adequate accounting records in accordance with the provision of the Act for safeguarding of the assets of the Company and for preventing and detecting the 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 financial statements that give a true and fair view and are free from material misstatement, whether due to fraud or error.

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

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

## **Auditor's Responsibility for the Audit of the Financial Statements**

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

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

1. As required by the Companies (Auditor's Report) Order, 2020, issued by the Central Government of India in term of sub-section (11) of section 143 of the Companies Act, 2013, we give in the 'Annexure - 1' a statement on the matters specified in the paragraphs 3 and 4 of the Order, to the extent applicable.
2. As required by section 143(3) of the Act, we report that:
  - a. We have sought and obtained all the information and explanations which to the best of our knowledge and belief were necessary for the purposes of our audit.
  - b. In our opinion proper books of account as required by law have been kept by the Company so far as appears from our examination of those books.





- c. The Balance Sheet, the Statement of Profit and Loss, Statement of Changes in Equity and the Statement of Cash Flows dealt with by this Report are in agreement with the books of account.
- d. In our opinion, the aforesaid financial statements comply with IND AS and the Accounting Standards specified under Section 133 of the Act, read with Rule 7 of the Companies (Accounts) Rules, 2014.
- e. As the Government Companies have been exempted from applicability of the provision of section 164(2) of the Companies Act, 2013, reporting on disqualification of Directors is not required.
- f. Since the Company's turnover as per last audited financial statements is less than Rs.50 Crores and its borrowings from banks and financial institutions at any time during the year is less than Rs.25 Crores, the Company is exempted from getting an audit opinion with respect to the adequacy of the internal financial controls over financial reporting of the company and the operating effectiveness of such controls vide notification dated June 13, 2017; and
- g. With respect to the other matters included in the Auditor's Report in accordance with Rule 11 of the Companies (Audit and Auditors) Rules 2014, in our opinion and to our best of our information and according to the explanations given to us:
  - i. The company disclosed the impact of pending litigations on the Financial position in its financial statements of the Company-Refer Note 34 to the financial statements
  - ii. The company did not have any long-term contracts including derivatives contracts for which there were any material foreseeable losses;
  - iii. There has been no Delay in Transferring amounts, required to be transferred, to the Investor Education and Protection Fund by the Company.
  - iv. i) The management has represented that, to the best of it's knowledge and belief, other than as disclosed in the notes to the accounts, no funds have been advanced or loaned or invested (either from borrowed funds or share premium or any other sources or kind of funds) by the company to or in any other person(s) or entity(ies), including foreign entities ("Intermediaries"), with the understanding, whether recorded in writing or otherwise, that the Intermediary shall, whether, directly or indirectly lend or invest in other persons or entities identified in any manner whatsoever by or on behalf of the company ("Ultimate Beneficiaries") or provide any guarantee, security or the like on behalf of the Ultimate Beneficiaries;
  - ii) the management has represented, that, to the best of it's knowledge and belief, other than as disclosed in the notes to the accounts, no funds have been received by the company from any person(s) or entity(ies), including foreign entities ("Funding Parties"), with the understanding, whether recorded in writing or otherwise, that the company shall, whether, directly or indirectly, lend or invest in other persons or entities identified in any manner whatsoever by or on behalf of the Funding Party



("Ultimate Beneficiaries") or provide any guarantee, security or the like on behalf of the Ultimate Beneficiaries; and

iii) Based on such audit procedures that the we have considered reasonable and appropriate in the circumstances, nothing has come to our notice that has caused us to believe that the representations under sub-clause (i) and (ii) contain any material mis-statement.

v. The Company has not declared any Dividend during the year.

3. In terms of Section 143 (5) of the Companies Act 2013, we give in the "Annexure-2" statement on the directions issued by the Comptroller and Auditor General of India.

**For R Bhargava & Associates**  
**Chartered Accountants**  
**FRN: 012788N**

*Gaurang*

Gaurang Bhargava  
Partner  
M. No. FCA 530161  
UDIN:  
Place: NEW DELHI  
Date : 13.05.2022





## Annexure '1' to the Independent Auditors' Report

As referred to in our Independent Auditors' Report of even date to the members of the **Central Transmission Utility of India Limited**, on the Ind AS financial statements for the year ended 31 March 2022, we report that:

- (i) a) (A) The Company does not own any Fixed Asset. Accordingly this clause is not Applicable  
(B) The Company does not own any Intangible Asset. Accordingly this clause is not Applicable
  - b) The company does not own any Property, Plant & Equipment. Accordingly, no physically verification required for same. Hence this clause is not applicable to the company.
  - c) The company does not own any immovable Property. Accordingly, this clause is not applicable to the company.
  - d) The company does not own any Property, Plant and Equipment (including Right of Use assets) or intangible assets. Accordingly, this clause is not applicable to the company
  - e) In our opinion and according to the information and explanations given to us, no proceedings have been initiated or are pending against the company for holding any Benami property under the "Benami Transactions (Prohibition) Act, 1988 and Rules made thereunder.
- (ii) (a) The company does not have any inventory. Accordingly. This clause is not applicable to the company  
(b) The Company has not been sanctioned working capital limits in excess of Rs. 5 crores, in aggregate, from banks on the basis of security of current assets.
- (iii) (a) According to the information and explanations given to us, the Company has not made investments in, provided any guarantee or security or granted any loans or advances in the nature of loans, secured or unsecured, to companies, firms, Limited Liability Partnerships or any other parties. Accordingly, paragraph 3(iii) is not applicable to the company.
- (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 & no amounts has been deemed to be deposits 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) Cost records maintenance not applicable to the company being a service company. Accordingly, this clause is not applicable.
- (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, and other statutory dues applicable to the Company and that there are no undisputed statutory dues outstanding as at 31 March 2022 for a period of more than six months from the date they became payable.
- b) According to information and explanations given to us, there are no statutory dues referred to in sub- clause (a) have not been deposited on account of dispute.
- (viii) In our opinion and according to the information and explanations given to us, the Company has not recorded in the books of account any transaction which have been surrendered or disclosed as income during the year in the tax assessments under the Income Tax Act, 1961.
- (ix) In our opinion and according to the information and explanations given to us,
- (a) the Company has not defaulted during the year in repayment of loans & payment of Interest to its financial institutions, bankers and dues to the Bond holders.
- (b) the company has not been declared willful defaulter by any bank/financial institution/other lender.
- (c) term loans have been applied for the purpose for which the loans were obtained.
- (d) funds raised on short term basis have not been utilised for long term purpose.
- (e) The Company do not have any Subsidiaries, Joint ventures or Associates. Accordingly, paragraph 3(ix)(e) and 3(ix)(f) are not applicable to the company.
- (x) (a) The company has not raised money by way of initial public offer or further public offer (including debt instruments) during the year.
- (b) In our opinion and according to the information and explanations given to us, the Company has not made any preferential allotment or private placement of shares or convertible debentures (fully, partially or optionally convertible) during the year.





- (xi) (a) 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.
- (b) As no fraud has been noticed during the year as mentioned at xi(a) above, report under sub-Section (12) of Section 143 of the Companies Act in the Form ADT-4 as prescribed under Rule 13 of Companies (Audit and Auditors) Rules 2014 is not applicable.
- (c) According to the information and explanations given to us, no whistle-blower complaints has been received during the year by the Company.
- (xii) The company is not a Nidhi Company as prescribed under section 406 of the Act. Accordingly, clause 3(xii)(a), 3(xii)(b) & 3(xii)(c) 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 Ind AS financial statements as required by the applicable Indian Accounting Standards.
- (xiv) (a) According to the information and explanations given to us and based on our examination of the records of the company, the company has an internal audit system commensurate with the nature of its business.
- (b) Internal Audit is not applicable to the company. Accordingly, this clause is not applicable.
- (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, paragraphs 3(xvi) are not applicable to the company.
- (xvii) According to the information and explanations given to us and based on our examination of the records of the company, the company has not incurred any cash losses in the current Financial Year and in the immediately preceding Financial Year.
- (xviii) There has not been any resignation of the statutory auditors during the year.
- (xix) On the basis of the financial ratios, ageing and expected dates of realisation of financial assets and payment of financial liabilities, other information accompanying the financial statements, our knowledge of the Board of Directors and management plans and based



on our examination of the records of the company, in our opinion, no material uncertainty exists as on the date of the audit report and the company is capable of meeting its liabilities existing at the date of balance sheet as and when they fall due within a period of one year from the balance sheet date.

- xx) Section 135(5) of the Companies Act is not applicable to the company. Accordingly, this clause is not applicable.
- xxi) The Company do not have any Subsidiaries, Joint ventures or Associates. Accordingly, paragraph 3(ix)(e) and 3(ix)(f) are not applicable to the company.

For **R Bhargava & Associates**  
Chartered Accountants  
FRN : 012788N

*Gaurang*

Gaurang Bhargava  
Partner  
M. No. FCA 530161  
UDIN:  
Place: NEW DELHI





### Annexure '3'

As referred to in our Independent Auditors Report to the Members of the **Central Transmission Utility of India Limited** ("the Company") on the Financial Statements for the Year Ended 31 March, 2022, we Report that:

Sl. No.	Directions u/s 143(5) of the Companies Act, 2013	Auditor's reply on action taken on the directions	Impact on Financial statements
1.	Whether the company has system in place to process all the accounting transaction through IT system? If yes, then the implications of accounting transaction outside IT system on the integrity of accounts along with the financial implications, if any, may be stated.	All accounting transactions of the company are processed through the ERP (SAP System) that has been implemented by the Company. No accounting transaction is being recorded/processed otherwise than through the ERP system in place. Hence no further disclosure is required in this regard.	Nil
2	Whether there is any restructuring of any existing loan or cases of waiver/write off of debts/loans/interest etc. made by a lender to the company to the company's inability to repay the loan? If yes, the financial impact may be stated.	There are no cases of restructuring of existing loan or cases of waiver/write off of debts/loans/interest etc.	Nil
3.	Whether funds received/receivable for specific schemes from Central/State agencies were properly accounted for/ utilized as per its term and conditions? List the cases of deviation	No fund has been received from Central/State agencies.	Nil

**For R Bhargava & Associates**  
**Chartered Accountants**  
**FRN: 012788N**

*Gaurang*

Gaurang Bhargava  
Partner  
M. No. FCA 530161  
UDIN:  
Place: NEW DELHI



Date :

# CENTRAL TRANSMISSION UTILITY OF INDIA LTD

CIN : U40100HR2020GOI091857

Plot No.2, Sector-29, Gurugram, Haryana-122001

## Balance Sheet at 31st March, 2022

(₹ in Lakhs)


Particulars	Note No.	As At 31st March 2022	As At 31st March 2021
<b>ASSETS</b>			
<b>Current Assets</b>			
Financial Assets			
i) Cash and Cash Equivalents	4	1,150.12	5.00
ii) Bank balances other than (i) above	5	1,93,880.78	-
iii) Other current financial assets	6	51.43	-
		1,95,082.33	5.00
<b>Total Assets</b>		<b>1,95,082.33</b>	<b>5.00</b>
<b>EQUITY AND LIABILITIES</b>			
<b>OTHER CURRENT FINANCIAL ASSETS</b>			
<b>Equity</b>			
Equity Share Capital	7	5.00	5.00
Other Equity	8	3,999.80	(2.77)
		4,004.80	2.23
<b>Liabilities</b>			
<b>Non-Current Liabilities</b>			
<b>Current Liabilities</b>			
Other Current Financial Liabilities	9	1,90,117.40	2.77
Other Current Liabilities	10	15.26	-
Current Tax Liability	11	944.87	-
		1,91,077.53	2.77
<b>Total Equity and Liabilities</b>		<b>1,95,082.33</b>	<b>5.00</b>

The accompanying Notes (1 to 33) form an Integral Part of Financial Statements

As Per Our Report of Even Date

For R Bhargava & Associates,  
Chartered Accountants

Firm Regn. No. 012788N

  
(Gaurang Bhargava)  
Partner

Mem. No.FCA 530161

UDIN 22530161A1YSA X5444



Place : New Delhi  
Date :13th May,2022

For & on behalf of Board of Directors

  
( M. Taj Mukarrum )  
Director  
DIN-08097837

  
(Abhay Choudhary)  
Chairman  
DIN- 07388432

Place : Gurugram  
Date : 13th May,2022



# CENTRAL TRANSMISSION UTILITY OF INDIA LTD

CIN :U40100HR2020GOI091857

Plot No.2, Sector-29, Gurugram, Haryana-122001

## Statement of Profit and Loss for the year ended 31st March, 2022

(₹ in Lakhs)

Particulars	Note No.		For the year ended 31st March, 2022	For the period 28th December,2020 to 31st March,2021
Revenue From Operations	12		580.11	-
Other Income	13		4,791.32	-
Total Income			5,371.43	-
<b>EXPENSES</b>				
Employee benefits cost	14		18.89	-
Other Expenses	15		3.90	2.77
<b>Total Expenses</b>			22.79	2.77
Profit/(Loss) Before Tax			5,348.64	(2.77)
Tax Expense:				
Current Tax			1,346.07	-
Deferred Tax			-	-
			1,346.07	-
Profit (Loss) for the Period			4,002.57	(2.77)
Other Comprehensive Income			-	-
Total Comprehensive Income for the period			4,002.57	(2.77)
Earnings per Equity Share (Par Value ₹ 10 each)			-	-
Basic (₹)			8,005.14	(5.54)
Diluted (₹)			8,005.14	(5.54)

The accompanying Notes (1 to 33) form an Integral Part of Financial Statements

As Per Our Report of Even Date

For R Bhargava & Associates,  
Chartered Accountants  
Firm Regn. No. 012788N

*Gaurang*

(Gaurang Bhargava)  
Partner

Mem. No.FCA 530161

UDIN 22530161A1YSAX5444



For & on behalf of Board of Directors

*(M. Taj Mulkarum)*  
Director  
DIN-08097837

*Abhay Choudhary*  
(Abhay Choudhary)  
Chairman  
DIN-07388432

Place : New Delhi

Date : 13th May,2022

Place : Gurugram

Date : 13th May,2022



# CENTRAL TRANSMISSION UTILITY OF INDIA LTD

CIN :U40100HR2020GOI091857

Plot No.2, Sector-29, Gurugram, Haryana-122001

## Statement of Changes in Equity for the period ended 31st March, 2022

### A. Equity Share Capital


Particulars	(₹ in Lakhs)
As at April, 2021	5.00
Changes during the period	-
As at 31st March, 2022	5.00
As at 28th December, 2020	-
Changes during the period	5.00
As at 31st March, 2021	5.00

### B. Other Equity

	(₹ in Lakhs)
	Reserves and Surplus
	Retained Earnings
As at 1st April, 2021	(2.77)
Total Comprehensive Income during the year	4,002.57
As at 31st March, 2022	3,999.80
As at 28th December, 2020	-
Total Comprehensive Income during the period	(2.77)
Balance at 31st March, 2021	(2.77)

The accompanying Notes (1 to 33) form an Integral Part of Financial Statements  
Refer to Note 9 for Nature & Movement of Other Equity.

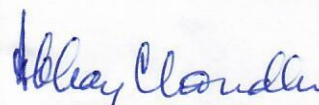
As per our report of even date  
For & on behalf of  
For R. Bhargava & Associates,  
Chartered Accountants  
FRN-012788N

  
(Gaurang Bhargava)  
Partner



For and on behalf of Board Of Directors

  
(M. Taj Mukarrum)  
Director  
DIN-08097837

  
(Abhay Choudhary)  
Chairman  
DIN-07388432

Place : New Delhi  
Date : 13th May, 2022

Place : Gurugram  
Date : 13th May, 2022



# CENTRAL TRANSMISSION UTILITY OF INDIA LTD

CIN :U40100HR2020GOI091857

Plot No.2, Sector-29, Gurugram, Haryana-122001

## Statement of Cash Flow for year ended 31st March, 2022

(₹ in Lakhs)

Particulars	For the year ended 31st March, 2022	For the period 28th December, 2020 to 31st March, 2021
<b>A CASH FLOW FROM OPERATING ACTIVITIES</b>		
Profit Before Tax	4,002.57	(2.77)
Adjustment for :		
Operating Profit/(Loss) before Changes in Assets and Liabilities	4,002.57	(2.77)
Adjustment for Changes in Assets and Liabilities:		
(Increase)/Decrease in Other Financial Assets	(1,93,932.21)	NA
(Increase)/Decrease in Other Non-current Assets	-	NA
Increase/(Decrease) in Liabilities	1,91,074.76	2.77
	(2,857.45)	2.77
Cash Generated From Operations	1,145.12	-
Net Cash from/ (used in) Operating Activities	1,145.12	-
<b>B CASH FLOW FROM INVESTING ACTIVITIES</b>		
Property, Plant & Equipments, Capital Work in Progress and Intangible Assets and Intangible Assets Under Development		
Net Cash used in Investing Activities	-	-
<b>C CASH FLOW FROM FINANCING ACTIVITIES</b>		
Equity issued during the year		5.00
Net Cash From Financing Activities	-	5.00
<b>D Net Change in Cash and Cash Equivalents (A+B+C)</b>	1,145.12	5.00
<b>E Cash and Cash Equivalents (Opening Balance)</b>	5.00	-
<b>F Cash and Cash Equivalents (Closing Balance) (D+E)</b>	1,150.12	5.00

The accompanying Notes (1 to 33) form an Integral Part of Financial Statements

### Further Notes:

Cash and Cash equivalents consist of balances with bank in current account

As Per Our Report of Even Date

For R Bhargava & Associates,  
Chartered Accountants

Firm Regn. No. 012788N

*Gaurang*

(Gaurang Bhargava)  
Partner  
Mem. No.FCA 530161  
UDIN



Place : New Delhi  
Date : 13th May, 2022

For & on behalf of Board of Directors

*(M. Taj Mukarum)*  
(M. Taj Mukarum)  
Director  
DIN-08097837

*Abhay Choudhary*  
(Abhay Choudhary)  
Chairman  
DIN-07388432

Place : Gurugram  
Date : 13th May, 2022



## Notes to Financial Statements

### 1. Corporate and General Information

M/s Central Transmission Utility of India Limited ('the Company') is a public company domiciled and incorporated in India on 28<sup>th</sup> December, 2020 under the provisions of Companies Act, 2013 and also notified by the central government as Electricity Company u/s 38(1) of Electricity Act, 2003 and a wholly owned subsidiary of Power Grid Corporation of India Limited. The registered office of the Company is situated at Plot No.2, Sector-29, Gurugram, Haryana-122001, India.

The company is engaged for carrying out statutory function as identified for Central Transmission Utility (CTU) under the Electricity Act 2003, and also other functions assigned to CTU by CERC.

### 2. **Significant Accounting Policies**

A summary of the significant accounting policies applied in the preparation of the financial statements are as given below.

#### **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, 2013 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 certain financial assets and liabilities measured at fair value (Refer Note no. 2.8 for accounting policy regarding financial instruments).

##### **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 lakh 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 ongoing basis. Revisions to accounting estimates are recognized 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 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**

### **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.

### **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.

### **Derecognition**

An item of Property, Plant and Equipment is derecognized when no future economic benefits are expected from their use or upon 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.

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.

### **2.4 Intangible Assets and Intangible Assets under development**

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.

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.





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 Depreciation / Amortisation**

### **Property, Plant and Equipment**

Depreciation/ Amortisation on the items of Property, Plant and Equipment is provided on straight line method based on the useful life specified in Schedule II of the Companies Act, 2013 except for the following items of property, plant and equipment on which depreciation is provided based on estimated useful life as per technical assessment.

Particulars	Useful life
a. Computers and Peripherals	3 Years
b. Servers and Network Components	5 years

Residual value of above assets is considered as Nil.

Mobile phones are charged off in the year of purchase.

Residual value is considered as 5% of the Original Cost for all items of Property, Plant and Equipment in line with Companies Act, 2013 except for Computers and Peripherals and Servers and Network Components for which residual value is considered as Nil.

Property, plant and equipment costing ₹5,000/- or less, are fully depreciated in the year of acquisition.

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 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. 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.

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 intangible assets 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".

### **2.6 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.

### **2.7 Inventories**

Inventories are valued at lower of the cost, determined on weighted average basis and net realizable value.

### **2.8 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**

Financial assets of the Company comprise cash and cash equivalents, bank balances etc.

### **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.

### **De-recognition of financial assets**

A financial asset is derecognized only when

- i) The right to receive cash flows from the asset have expired, or
- ii) 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 unfavorable to the Company.

The Company's financial liabilities include other payables etc.

### **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 derecognized.

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.

## **2.9 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 country 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.





## **2.10 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.

### **2.11.1 Revenue from Operations**

Application Fees towards Connectivity, Long Term Access(LTA) and Medium-term open access (MTOA) is accounted for on receipt as per Central Electricity Regulatory Commission (Grant of Connectivity, Long-term Access and Medium-term Open Access in inter-State Transmission and related matters) Regulations, 2009.

### **2.11.2 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).

Liquidated damages, warranty claims and interest on advances to suppliers are recognized when no significant uncertainty as to measurability and collectability exists

## **2.12 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.

### **2.13 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.

### **2.14 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.

### **2.15 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.

### **2.16 Statement of Cash Flows**

Statement of Cash Flows is prepared as per indirect method prescribed in the Ind AS 7 'Statement of Cash Flows'.

## **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:

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 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.

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.

Income Taxes:

Significant estimates are involved in determining the provision for current and deferred tax, including amount expected to paid/recovered for uncertain tax positions.



# CENTRAL TRANSMISSION UTILITY OF INDIA LTD

## Note 4/Cash and Cash Equivalents

(₹ in Lakhs)

Particulars	As at 31st March 2022	As at 31st March 2021
Balance with scheduled Banks -In Current accounts	1,150.12	5.00
<b>Total</b>	<b>1,150.12</b>	<b>5.00</b>





# CENTRAL TRANSMISSION UTILITY OF INDIA LTD

## Note 5/Bank balances other than (i) above

(₹ in Lakhs)

Particulars	As at 31st March 2022	As at 31st March 2021
Earmarked balance with banks In Term Deposits having maturity over 3 months but upto 12 months	1,93,880.78	-
Total	1,93,880.78	-





# CENTRAL TRANSMISSION UTILITY OF INDIA LTD

## Note 6/Other Current Financial assets

(₹ in Lakhs)

Particulars	As at 31st March 2022	As at 31st March 2021
Receivable from Related Parties	50.84	-
Others-Considered Good	0.59	-
<b>Total</b>	<b>51.43</b>	<b>-</b>



# CENTRAL TRANSMISSION UTILITY OF INDIA LTD

## Note 7/Equity Share capital

Particulars	(₹ in Lakhs)	
	As at 31st March , 2022	As at 31st March , 2021
Equity Share Capital Authorised		
1000000 equity share of ₹ 10/- each	100.00	100.00
Issued, subscribed and paid up		
50000 equity shares of ₹ 10/- each fully paid up	5.00	5.00
<b>Total</b>	<b>5.00</b>	<b>5.00</b>

### 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 31st March, 2022		For the period 28th December, 2020 to 31st March, 2021	
	No. of Shares	₹ in Lakhs	No. of Shares	₹ in Lakhs
Shares outstanding at the beginning of the year	50,000	5.00	-	-
Additions during the year	-	-	50,000	5.00
Deductions during the year	-	-	-	-
Shares outstanding at the end of the year	<b>50,000</b>	<b>5.00</b>	<b>50,000</b>	<b>5.00</b>

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 are entitled 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 31st March, 2022		As at 31st March , 2021	
	No. of Shares	% of holding	No. of Shares	% of holding
Power Grid Corporation of India Limited (Holding Company)#	50000	100%	50000	100%

5) Shareholding by Promoters

Particulars	As at 31st March, 2022			As at 31st March, 2021		
	No. of Shares	% of holding	% Change during the year	No. of Shares	% of holding	% Change during the year
Power Grid Corporation of India Limited (Holding Company)#	50,000	100%	-	50,000	100%	-

# Out of 50000 Equity shares 6 equity shares are held by nominees of Powergrid Corporation Of India Limited on its behalf .

Power Grid Corporation of India Limited is the promoter of the company and there is no change in equity holding during the year and in previous year.





# CENTRAL TRANSMISSION UTILITY OF INDIA LTD

## Note 8/Other Equity

(₹ in Lakhs)

Particulars	As at 31st March, 2022	As at 31st March , 2021
Reserve & Surplus		
Surplus (Balance in statement of Profit and Loss )	(2.77)	-
Add: Additions	-	-
Profit after tax as per Statement of Profit & Loss	4,002.57	(2.77)
Closing Balance	3,999.80	(2.77)
Total	3,999.80	(2.77)



# CENTRAL TRANSMISSION UTILITY OF INDIA LTD

## Note 9/Other Current Financial Liability

(₹ in Lakhs)		
Particulars	As at 31st Marchr, 2022	As at 31st March 2021
LTA BG Encashment	51,010.31	-
Licensee Withheld Amount	41,930.52	-
Amount pending disbursement	97,040.43	-
Payable to M/s Power Grid Corp. of India Ltd*	-	2.52
Others	136.14	0.25
<b>Total</b>	<b>1,90,117.40</b>	<b>2.77</b>

### Further Note -

Disclosure with regard to Micro and Small Enterprises as required under "The Micro, Small and Medium Enterprises Development Act, 2006" is given in Note 20

\*Refer note number 21 for related Party transactions.



# CENTRAL TRANSMISSION UTILITY OF INDIA LTD

## Note 10/Other current Liabilities

(₹ in Lakhs)

Particulars	As at 31st March 2022	As at 31st March 2021
Statutory Dues	15.26	-
Total	15.26	-





# CENTRAL TRANSMISSION UTILITY OF INDIA LTD

## Note 11/Current Tax liabilities

(₹ in Lakhs)

Particulars	As at 31st March 2022	As at 31st March 2021
As per last balance Sheet	-	-
Additions during the year	1,346.07	
Total	1,346.07	
Net off against TDS	401.20	
Total	944.87	-



CENTRAL TRANSMISSION UTILITY OF INDIA LTD

Note 12/Revenue from Operations

(₹ in Lakhs)

Particulars	For the year ended 31st March, 2022	For the period 28th December,2020 to 31st March,2021
Application fees	580.11	-
<b>Total</b>	580.11	-



# CENTRAL TRANSMISSION UTILITY OF INDIA LTD

## Note 13/ Other Income

(₹ in Lakhs)

Particulars	For the year ended 31st March, 2022	For the period 28th December, 2020 to 31st March, 2021
Interest from Bank from Indian banks	4791.32	-
<b>Total</b>	<b>4,791.32</b>	<b>-</b>





# CENTRAL TRANSMISSION UTILITY OF INDIA LTD

## Note 14/Employee benefits expense

(₹ in Lakhs)

Particulars	For the year ended 31st March, 2022	For the period 28th December,2020 to 31st March,2021
Salaries, wages, allownces & benefits	16.86	-
Contribution to Provident and other funds	1.77	-
Staff Welfare expenses	0.26	-
	18.89	-
<b>Total</b>	<b>18.89</b>	<b>-</b>





# CENTRAL TRANSMISSION UTILITY OF INDIA LTD

## Note 15/Other expenses

(₹ in Lakhs)

Particulars	For the year ended 31st March, 2022	For the period 28th December, 2020 to 31st March, 2021
Professional charges	0.88	-
Audit Fees	0.25	0.25
In other capacity	0.06	-
Preliminary Expenses	-	2.51
Others	2.71	0.01
<b>Total</b>	<b>3.90</b>	<b>2.77</b>



# CENTRAL TRANSMISSION UTILITY OF INDIA LTD

## Note 16/ Fair Value Measurements

(₹ in Lakhs)

Financial instruments by category	31-Mar-22 Amortised Cost	31-Mar-21
<b>Financial Assets</b>		
Cash & Cash Equivalents	1,150.12	5.00
Bank Balance	1,93,880.78	-
Other Financial Assets		
Current	51.43	-
<b>Total Financial Assets</b>	<b>1,95,082.33</b>	<b>5.00</b>
<b>Financial Liabilities</b>		
Other Financial Liabilities		
Current	1,90,117.40	2.77
<b>Total Financial Liabilities</b>	<b>1,90,117.40</b>	<b>2.77</b>

### (i) Fair Value Hierarchy

(₹ in Lakhs)

Assets and liabilities which are measured at amortised cost for which fair values are disclosed	Level	At 31 March 2021	At 31 March 2021
<b>Financial Assets</b>			-
<b>Total Financial Assets</b>			-
<b>Financial Liabilities</b>			-
<b>Total Financial Liabilities</b>			-

**Level 1:** Level 1 hierarchy includes financial instruments measured using quoted prices. This includes listed equity which are traded in the stock exchanges is 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, over-the-counter derivatives) 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 asset 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.





**(ii) Valuation technique used to determine fair value**

Specific valuation techniques used to value financial instruments include:

- the fair value of the financial instruments is determined using discounted cash flow analysis.

All of the resulting fair value estimates are included in level 2

**(iii) Fair Value of Financial Assets and Liabilities measured at Amortised Cost**

The carrying amounts of cash and cash equivalents, other current Financial Assets and other current financial liabilities are considered to be the same as their fair values, due to their short-term nature. The fair values of non-current borrowings are based on discounted cash flows using a current borrowing rate. They are classified as level 2 fair values in the fair value hierarchy since significant inputs required to fair value an instrument are observable. For financial assets and liabilities that are measured at fair value, the carrying amounts are equal to the fair values.





# CENTRAL TRANSMISSION UTILITY OF INDIA LTD

## Note 17/ Earnings Per Share

(in ₹)

(a) Basic earnings per share attributable to the equity holders of the company	31-Mar-2022	31-Mar-2021
Total Basic and Diluted earnings per share attributable to the equity holders of the company from Continuing Operations	8,005.14	(5.54)

(₹ in Lakhs) (₹ in Lakhs)

(b) Reconciliation of earnings used as numerator in calculating earnings per share	31-Mar-2022	31-Mar-2021
Total Earnings attributable to the equity holders of the company	4,002.57	(2.77)

(No. of Shares)

(c) Weighted average number of shares used as the denominator	31-Mar-2022	31-Mar-2021
Weighted average number of equity shares used as the denominator in calculating basic earnings per share	50000	50000



# CENTRAL TRANSMISSION UTILITY OF INDIA LTD

## Note 18/ Capital Management

### 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, 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.

The debt - equity ratio of the Company was as follows :

Particulars	(₹ in Lakhs)	
	31-Mar-2022	31-Mar-2021
Long Term Debt		-
Equity	4,004.80	2.23
Long Term Debt to Equity Ratio		-





# CENTRAL TRANSMISSION UTILITY OF INDIA LTD

## Note 19/ Financial Risk Management

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.

The management of financial risks by the Company is summarized below: -

### (A) Credit Risk

Credit risk arises from cash and cash equivalents carried at amortised cost.

#### (i) Credit Risk Management

Credit risk is the risk that counterparty will not meet its obligations under a financial instrument or customer contract, leading to a financial loss.

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 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 recoveries are made, these are recognized in the statement of profit and loss.

### Other Financial Assets

#### Cash and cash equivalents

The Company held cash and cash equivalents as on 31st March, 2022 of ₹1150.12 Lakhs . The cash and cash equivalents are held with public sector bank and do not have any significant credit risk.

#### (i) Exposure to credit risk

The carrying amount of financial assets represents the maximum credit exposure. The maximum exposure to credit risk at the reporting date was:

Particulars	Rs in Lakhs	
	31 <sup>st</sup> March, 2022	31 <sup>st</sup> March, 2021
Financial assets for which loss allowance is measured using 12 months Expected Credit Losses (ECL)		
Cash and cash equivalents	1,150.12	5
Deposits with Banks	1,93,880.78	
Other Current Financial Assets	51.43	
<b>Total</b>	<b>1,95,082.33</b>	<b>5</b>

#### (ii) Provision for Expected Credit Losses

##### 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 are considered as having negligible credit risk and the risk has not increased from initial recognition. Therefore, expected credit loss provision is not required.

### (B) Liquidity Risk

Liquidity risk management implies maintaining sufficient cash 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 depends on internal sources of liquidity to provide working capital and to fund capital expenditure.





## Note 19/ Financial Risk Management(Contd..)

### (i) Maturities of Financial Liabilities

The tables below analyse The company's financial liabilities into relevant maturity groupings based on their contractual maturities for all non-derivative financial liabilities

The amounts disclosed in the table are the contractual undiscounted cash flows.

					(₹ in Lakhs)
Contractual Maturities of Financial Liabilities:	Within 1 Year	Between 1 and 2 years	Between 2 and 5 years	Beyond 5 Years	Total
<b>31-Mar-22</b>					
Other Financial Liabilities	1,90,117.40	-	-	-	1,90,117.40
<b>Total</b>	<b>1,90,117.40</b>				<b>1,90,117.40</b>
<b>31-Mar-21</b>					
Other Financial Liabilities	2.77				2.77
<b>Total</b>	<b>2.77</b>	-	-	-	<b>2.77</b>

### (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 following types of risk:

- i. Currency risk
- ii. Interest rate risk

#### i) Currency risk

As on Reporting date the Company does not have any exposure to currency risk in respect of foreign currency denominated loans and borrowings. The company is exposed to currency risk mainly due to procurement of goods and services.

#### ii) Interest rate risk

The Company is not exposed to any interest rate risk as the Company has not taken any borrowings either short term or Long Term..





## Note 20.

Based on information available with the company, there are No 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, Small or Medium Enterprise as required by MSMED Act, 2006 is given as under:

Sr. No.	Particulars	Current Year	Previous year
1	Principal amount and interest due thereon remaining unpaid to any supplier as at end of each accounting year: Principal Interest	Nil Nil	Nil Nil
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	Nil	Nil
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	Nil	Nil
4	The amount of interest accrued and remaining unpaid at the end of each accounting year.	Nil	Nil
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	Nil	Nil





**Note 21: Disclosure as per Ind AS 24 - "Related Party Disclosures"**

**a) Holding Co.**

		Proportion of Ownership Interest	Proportion of Ownership Interest
Name of entity	Place of business/country of incorporation	31st March, 2022	31st March, 2021
Power Grid Corporation of India Limited	India	100%	100%

**b) Subsidiaries of Holding Company**

Name of entity	Place of business/ Country of incorporation
POWERGRID Vemagiri Transmission Limited	India
POWERGRID NM Transmission Limited	India
POWERGRID Unchahar Transmission Limited	India
POWERGRID Southern Interconnector Transmission System Limited	India
POWERGRID Mithilanchal Transmission Limited	India
POWERGRID Varanasi Transmission System Limited	India
POWERGRID Jawaharpur Firozabad Transmission Limited (Erstwhile Jawaharpur Firozabad Transmission Limited)	India
POWERGRID Khetri Transmission System Limited (Erstwhile Khetri Transco Limited)	India
POWERGRID Bhuj Transmission Limited (Erstwhile Bhuj-II Transmission Limited)	India
POWERGRID Bhind Guna Transmission Limited (Erstwhile Bhind Guna Transmission Limited)	India
POWERGRID Ajmer Phagi Transmission Limited (Erstwhile Ajmer Phagi Transco Limited)	India
POWERGRID Fatehgarh Transmission Limited (Erstwhile Fatehgarh-II Transco Limited)	India
POWERGRID Rampur Sambhal Transmission Limited (Erstwhile Rampur Sambhal Transco Limited)	India
POWERGRID Meerut Simbhavali Transmission Limited (Erstwhile Meerut-Simbhavali Transmission Limited)	India
Powergrid Medinipur Jeerat Transmission Limited	India
POWERGRID Ramgarh Transmission Limited (Erstwhile Ramgarh New Transmission Limited)	India
POWERGRID Himachal Transmission Limited (Erstwhile Jaypee POWERGRID Limited)	India
POWERGRID Bikaner Transmission System Limited (Erstwhile Bikaner-II Bhiwadi Transco Limited)	India
POWERGRID Sikar Transmission Limited (Erstwhile Sikar New Transmission Limited) <sup>1</sup>	India
POWERGRID Bhadla Transmission Limited (Erstwhile Fatehgarh Bhadla Transco Limited) <sup>1</sup>	India
POWERGRID Aligarh Sikar Transmission Limited (Erstwhile Sikar II Aligarh Transmission Limited) <sup>2</sup>	India





POWERGRID Teleservices Limited <sup>3</sup>	India
POWERGRID Energy Services Limited <sup>4</sup>	India
<sup>1</sup> 100% equity acquired by POWERGRID from REC Power Development and Consultancy Limited (erstwhile REC Power Distribution Company Limited) on 04.06.2021	
<sup>2</sup> 100% equity acquired by POWERGRID from PFC Consulting Limited on 08.06.2021	
<sup>3</sup> Incorporated on 25.11.2021	
<sup>4</sup> Incorporated on 14.03.2022	

**(c) Joint Ventures of Holding Company -**

Name of entity	Place of business/ Country of incorporation
Powerlinks Transmission Limited	India
Torrent Power Grid Limited	India
Parbati Koldam Transmission Company Limited	India
Teestavalley Power Transmission Limited	India
North East Transmission Company Limited	India
National High Power Test Laboratory Private Limited	India
Bihar Grid Company Limited	India
Energy Efficiency Services Limited <sup>1</sup>	India
Cross Border Power Transmission Company Limited	India
RINL POWERGRID TLT Private Limited <sup>2</sup>	India
Power Transmission Company Nepal Limited	Nepal
<sup>1</sup> POWERGRID has invested ₹ 407.49 crore during year in Energy Efficiency Services Limited (EESL), thereby increasing its shareholding from 5.71% to 33.33%. EESL has been considered as Joint Venture w.ef. 01.09.2021 being the Joint control has been reinstated vide Agreement dated 01.09.2021.	
<sup>2</sup> 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.	

**(d) Associates of Holding Company**

Name of entity	Place of business/ Country of incorporation
POWERGRID Kala Amb Transmission Limited <sup>1</sup>	India
POWERGRID Jabalpur Transmission Limited <sup>1</sup>	India
POWERGRID Vizag Transmission Limited <sup>1</sup>	India
POWERGRID Warora Transmission Limited <sup>1</sup>	India
POWERGRID Parli Transmission Limited <sup>1</sup>	India





<sup>1</sup> Associates of Holding Company w.e.f. 13.05.2021 (Wholly owned Subsidiaries of Holding Company till 12.05.2021); POWERGRID has transferred its remaining 26% stake in POWERGRID Vizag Transmission Limited (PVT) on 31.03.2022, hence PVT has ceased to be the Associate of Holding Company w.e.f. 31.03.2022

(e) List of Key Management Personnel

Name	Designation	Tenure
Shri Abhay Chaudhary	Chairman	From 28.12.2020
Md. Taj Mukarram	Director	From 28.12.2020
Dr. Subir Sen	Director	Upto 02.11.2021
Sh. P C Garg	Director	From 02.11.2021

(e) Transactions with related parties

The following transactions occurred with related parties:

Particulars	(₹ in Lakhs)	
	As on 31st March 2022	As on 31st March 2021
<b>Power Grid Corporation of India Ltd. (Holding Company)</b>		
Preliminary Expenses	NIL	2.52
Equity capital received during the year	NIL	5.00
Bill discounting charges reimbursement received in CTUIL Bank account	(15.14)	NIL
Bank Interest of CTUIL received in POWERGRID bank Account	8.38	NIL
On account of TDS	57.60	NIL

(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:

Particulars	(₹ in Lakhs)	
	As on 31st March 2022	As on 31st March 2021
<b>Power Grid Corporation of India Ltd. (Holding Company)</b>		
Amount receivable/payable to Holding company	50.84	(2.52)





## **Note 22. Segment Information**

### **Business Segment**

The Board of Directors is the company's Chief operating decision maker who monitors the operating results of its business segments separately for the purpose of making decisions about resource allocation and performance assessment. As the company is formed for carrying out statutory function as identified for Central Transmission Utility (CTU) under the Electricity Act 2003, and also other functions assigned by CERC, the company has only a single reportable segment for carrying out these functions.

## **Note 23. Capital and other Commitments**

Particulars	(₹ in Lakhs)	
	As at 31 March, 2022	As at 31 March, 2021
Estimated amount of contracts remaining to be executed on capital account and not provided for (Net of Advances)	NIL	NIL

## **Note 24. Contingent Liabilities and Contingent Assets**

Contingent Liabilities and Assets of the Company as at 31<sup>st</sup> March, 2022 is NIL (Previous year NIL)

### **Note 25. Disclosure on Ind AS 115 "Revenue from Contracts with Customers"**

The company does not have any revenue during the period. Hence, Ind AS 115 "Revenue from Contracts with Customers" is not applicable.

### **Note 26(a) Ind AS 116 - Leases**

The company does not have any lease arrangements either as lessor or Lessee. Hence Ind AS 116 "Leases" is not applicable.

### **Note 26(b) Exceptional and Extraordinary items**

There are no exceptional and extraordinary items as at the Balance Sheet date

### **Note 26(c) Corporate Social Responsibilities (CSR)**

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 Corporate Social Responsibility Policy.

Since company does not meet conditions mentioned in section 135 of the Companies Act, 2013 is not applicable to the company.





## Note 27. Auditors Remuneration

Particulars	(₹ in Lakhs)	
	For the year ended 31.03.2022	For the period 28.12.2020 to 31.03.2021
Audit Fees	0.25	0.25

## Note 28. Transfer of CTU function from Powergrid Corporation of India Ltd. to Central Transmission Utility of India Limited (Company) w.e.f. 1st April 2021.

Ministry of Power vide Gazette notification dated 09.03.2021 notified Central Transmission Utility of India Limited, a Government Company as the 'Central Transmission Utility', within the meaning of sub-section(10) of section 2 of the Electricity Act, 2003 with effect from 01.04.2021, to undertake and discharge all functions of 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 above referred notification, the functions of CTU are transferred from Powergrid Corporation of India Ltd. to CTUIL with effect from 01.04.2021.

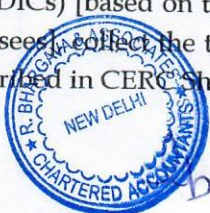
The transmission charges of all the ISTS Licensees is pooled and shared by the ISTS Customers named as Designated ISTS Customers (DICs) and CTUIL, is mandated to raise bills for ISTS charges on the DICs, Collect the charges from them and disburse the same to the ISTS Licensees.

As per CERC Petition No. 02/SM/2022(Suo-Motu) ,the proposal to establish CTUIL as a wholly owned Government of India Company is still under consideration of the Central Government. Therefore, it is not possible at this stage to finalise the norms for Fees and Charges of CTU for discharging various functions under the Act and therefore, frame appropriate Regulation for a separate revenue stream, as suggested in the letter dated 17.6.2020 of the Ministry of Power. Therefore, as suggested in the said letter, in the interim, PGCIL shall take care of the budgetary requirement of CTUIL with all the expenses in this regard maintained separately. The Commission, therefore, is of the view that it is appropriate to put in place a mechanism for meeting the expenses of CTUIL through PGCIL.

The Commission observes that as the employees posted in CTUIL have been taken from PGCIL and functions being carried out by CTUIL were being undertaken by PGCIL prior to the separation of CTU, the expenditure on the employees and other related expenditure has already been included in O & M expenditure being provided to PGCIL through orders in various tariff petitions for the period 2019-24 filed before the Commission. Therefore the commission has ordered that expenses related to such employees and other related expenses of CTUIL shall continue to be taken care of by PGCIL for the period till 31.3.2024 or until further orders, whichever is earlier. For this purpose, PGCIL and CTUIL shall maintain separate and proper accounts for expenditure incurred and keep the same reconciled.

## Note:29 : ISTS Charges accounting treatment

(a) As one of the main functions of the CTU is billing, collection and disbursement of ISTS charges, as prescribed in CERC Sharing Regulations, 2020, the Company is mandated to raise bills on behalf of Inter-State Transmission System (ISTS) Licensees for ISTS (Inter-State Transmission System) charges to the Designated InterState Customers (DICs) [based on tariff orders issued by CERC on assets owned and operated by respective ISTS Licensees], collect the transmission charges from DICs and disburse the same to the ISTS Licensees as prescribed in CERC Sharing Regulations, 2020.





During the year ended 31.03.2022 CTUIL has raised bills amounting to Rs 45,446.11 crore on behalf of ISTS Licensees and the same amount is payable to the ISTS licensees. Further, since the Company is merely acting as an agent, it has not recognised the related asset and liability, viz., recoverable from DICs and payable to ISTS Licensees on account of billing, collection and disbursement services on behalf of ISTS Licensees in its financial statements.

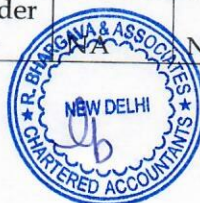
(b) Transmission capacities in the Inter State Transmission System (ISTS) are granted by CTU in form of Long Term Access (LTA) and Medium Term Open Access (MTOA) to Designated ISTS Customers ('DIC'). LTA Customers had filed petitions, from time to time, in the CERC with regard to relinquishment of their 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.

### **Note 30. Additional Regulatory Information as per Schedule III to the Companies Act,**

- No proceeding has been initiated or pending against the company for holding any benami property under the Prohibition of Benami Property Transactions Act, 1988 (as amended) and rules made thereunder as at the end of the financial year.
- The Company is not sanctioned any working capital limit secured against current assets by any Finance Institutions.
- The company was not declared as a willful defaulter by any bank or financial Institution or other lender during the financial year.
- The Company does not have any transactions, balances or relationship with Struck off companies.
- The Company does not have any Charges on the Assets of the Company.
- The company has complied with the number of layers prescribed under clause (87) of section 2 of the Act read with the Companies (Restriction on number of Layers) Rules, 2017 during the financial year.
- Ratios

Ratio	Numerator	Denominator	Current Year	Previous Year	Variance	Reason for variance >25%
(a) Current Ratio	Current Assets	Current Liabilities	1.02	1.81	-43.44%	Operation started w.e.f. 01.04.2021
(b) Debt-Equity Ratio	Total Debt	Shareholder's Equity	NA	NA	NA	NA





(c) Debt Service Coverage Ratio	Profit for the period + Depreciation and amortization expense + Finance costs + FERV + Loss on Sale of Fixed Assets	Interest & Lease Payments + Principal Repayments	NA	NA	NA	NA
(d) Return on Equity Ratio	Profit for the period	Average Shareholder's Equity	2.00	-2.50	180.26%	Operation started w.e.f. 01.04.2021
(e) Inventory turnover ratio	Revenue from Operations	Average Inventory	NA	NA	NA	NA
(f) Trade Receivables turnover ratio	Revenue from Operations	Average Trade Receivables (before deducting provision)	NA	NA	NA	NA
(g) Trade payables turnover ratio	Gross Other Expense (-) FERV, Provisions, Loss on disposal of PPE	Average Trade payables	NA	NA	NA	NA
(h) Net capital turnover ratio	Revenue from Operations	Current Assets - Current Liabilities	0.14	0	Not defined	Operation started w.e.f. 01.04.2021
(i) Net profit ratio	Profit for the period	Revenue from Operations	6.90	Not defined	Not defined	Operation started w.e.f. 01.04.2021
(j) Return on Capital employed	Earnings before interest and taxes	Tangible Net Worth + Total Debt + Deferred Tax Liability	1.34	-1.24	207.52	Operation started w.e.f. 01.04.2021
(k) Return on Investment	Income from Investment + Capital Appreciation	Average Investments	NA	NA	NA	NA

- h) The company has not received/advanced or loaned or invested funds (either borrowed funds or share premium or any other sources or kind of funds) through Intermediaries during the financial year.
- i) The Company does not have any transaction that was not recorded in the books of accounts and has been surrendered or disclosed as income during the year in the tax assessments under the Income Tax Act, 1961.
- j) The Company has not traded or invested in Crypto currency or Virtual Currency during the financial year.





**Note 31. Covid Impact:** The Company is formed for carrying out statutory function as identified for Central Transmission Utility (CTU) under the Electricity Act 2003, and also other functions assigned by CERC.

Due to the 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. 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 2022.

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.

### **Note 32. Recent Pronouncements**

On 23.03.2022, Ministry of Corporate Affairs ("MCA") has notified the Companies (Indian Accounting Standards) Amendment Rules, 2022 applicable from 01.04.2022. The Company will assess and implement the amendments to Division II in the FY 2022-23, as applicable

### **Note 33.**

- a) Figures have been rounded off to nearest rupees in lakhs upto two decimal.
- b) Previous year figures have been regrouped/ rearranged wherever considered necessary.

As per our report of even date  
For R. Bhargava & Associates  
Chartered Accountants  
FRN-012788N


  
(Gaurang Bhargava)  
Partner  
M.No.FCA 530161,  
UDIN 22530161A1YSA

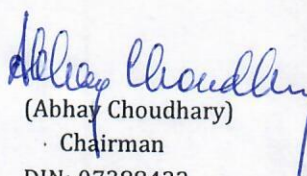


Place: Gurgaon

Date: 13<sup>th</sup> May, 2022

For and on behalf of Board of Directors

  
(Mr. Taj Mukarrum)  
Director  
DIN: 08097837

  
(Abhay Choudhary)  
Chairman  
DIN: 07388432

Place : Gurugram

Date: 13<sup>th</sup> May, 2022