

**CENTRAL TRANSMISSION UTILITY OF INDIA LIMITED**

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

**(CIN: U40100HR2020GOI091857)**

**ANNUAL REPORT (2020-21)**

# **CENTRAL TRANSMISSION UTILITY OF INDIA LIMITED**

**CIN: U40100HR2020GOI091857**

**“SAUDAMINI”, Plot No. 2, Sector-29, Gurgaon, Haryana - 122001**

**Tel: 01242823013**

## **DIRECTORS' REPORT**

To,

Dear Shareholders,

It gives me immense pleasure to present on behalf of the Board of Directors, the First Annual Report of Central Transmission Utility of India Limited (CTU) on the working of the Company together with Audited Financial Statements and Auditors' Report for the financial year ended 31<sup>st</sup> March, 2021.

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 (CTU), incorporated on 28th 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 9th 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. 1st 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 of 35 GW in the country towards achieving the Govt. of India target of 175 GW RE capacity by 2022. Based on above, Ministry of Power has also accorded approval for 17 nos. transmission schemes 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 39 applicants for a quantum of about 18,800 MW majorly for RE and LTA to 28 applicants for a quantum of about 6,700 MW. Also, based on available margins in the transmission capacity, MTOA has also been granted for a total quantum of about 640 MW.

During the above period, company has also facilitated enhancement of Inter-regional capacity by 5,700 MW (total 1,10,750 MW) upon commissioning of  $\pm 800$ kV Raigarh - Pugulur HVDC part system as well as Vindhyachal-Varanasi 765kV D/c line.

In addition, the company has also facilitated in planning and development of robust communication system.

### **Financial Performance**

<i>Rs. in Lakhs</i>	
<b>Particulars</b>	<b>2020-21</b>
Revenue from Operations	-
Other Income	-
Total Income	-
Expenses	2.77
Profit before Tax	(2.77)
Profit after Tax	(2.77)
Earnings Per Equity Share (Rs.)	(5.54)

### **Share Capital**

The Authorised and Paid up Share Capital as on 31<sup>st</sup> March, 2021 of the Company were Rs. 1 Crore and Rs. 5 Lakh respectively.

### **Dividend and Transfer to Reserves**

Your Directors have not recommended any dividend on the equity shares for the Financial Year 2020-21. Further Company does not propose to carry any amount to the reserves for the Financial Year ended March 31, 2021.

### **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, are given as **Annexure - I** to the Directors' Report.

**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 passed by any authority during the Financial Year impacting the going concern status and Company's operation in future.

**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 2020-21.

### **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 Power Grid Corporation of India Limited (Holding Company) and can be accessed at [https://www.powergrid.in/sites/default/files/Draft\\_MGT-7\\_CTUIL.pdf](https://www.powergrid.in/sites/default/files/Draft_MGT-7_CTUIL.pdf)

### **Board of Directors**

As on 31<sup>st</sup> March, 2021, the Board comprised of three Directors viz., Shri Abhay Choudhary, Shri. M. Taj Mukarrum and Dr. Subir Sen.

There were no changes in the Board of Director of the Company during the financial year 2020-21.

The Company has received a notice under section 160 of the Companies Act, 2013 from a member of the Company for appointment of Shri Abhay Choudhary, Shri M. Taj Mukarrum and Dr. Subir Sen as First Directors of the Company, seeking appointment as Director liable to retire by rotation, in the ensuing Annual General Meeting.

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

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

Since incorporation i.e. from 28<sup>th</sup> December, 2020 to financial year ended on 31<sup>st</sup> March, 2021, three (03) meetings of Board of Directors were held on 31<sup>st</sup> December, 2020, 11<sup>th</sup> March, 2021 and 22<sup>nd</sup> March, 2021. The detail of number of meetings attended by each Director during the financial year are as under:

Name of Directors	Designation	No. of Board Meetings which were entitled to attend during financial year 2020-21.	No. of Board Meetings which were attendance during financial year 2020-21.

Shri Abhay Choudhary <sup>1</sup>	Chairman (Part-time)	03	03
Mr. M. Taj Mukarrum	Director	03	03
Shri Subir Sen	Director	03	03

<sup>1</sup>Appointed as Chairman (Part-time) w.e.f. 31.12.2020.

### **Committees of the Board**

#### **Audit Committee**

The provision of Section 177 of the Companies Act, 2013 read with Rule 6 of the Companies (Meetings of Board and its Powers) Rules, 2014 are not applicable to the Company.

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

The provision of Section 178 of the Companies Act, 2013 read with Rule 6 the Companies (Meetings of Board and its Powers) Rules, 2014 are not applicable to the Company.

### **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 {said Rule 4} 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, CTUIL, 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**

Your Company, being wholly-owned Subsidiary of POWERGRID, is a Government Company. The Whole time Directors & senior officials of POWERGRID (the holding company) are nominated as Directors of your Company. POWERGRID, being a Government Company, the Directors so nominated by it in your Company, are being evaluated under a well laid down procedure for evaluation of CMD / Functional Directors by Administrative Ministry and for evaluation of senior officials by POWERGRID (the holding company).

### **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 date of incorporation i.e. 28<sup>th</sup> December, 2020 to 31<sup>st</sup> March 2021.

### **Statutory Auditors' Report**

M/s R. Bhargava & Associates, Chartered Accountants, Statutory Auditors for the period from 28<sup>th</sup> December, 2020 to 31<sup>st</sup> March 2021 have given an unqualified report. The report is self-explanatory and does not require any further comments by the Board.

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

The Statutory Auditors of the Company have not reported any frauds to the Board of Directors under section 143(12) of the Companies Act, 2013, including rules made thereunder.

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

Your Company has received 'NIL' Comments on the financial statements for the year ended March 31, 2021 by the Comptroller and Auditor General of India under Section 143(6) of the Companies Act, 2013. Copy of letter dated 23<sup>rd</sup> June, 2021 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.

### **Corporate Social Responsibility (CSR)**

As per Section 135 of the Companies Act, 2013, every Company having net worth of Rs. 500 Crore or more, or Turnover of Rs. 1000 Crore or more or a Net Profit of Rs. 5 Crore or more during immediately preceding Financial Year, is required to spend, atleast 2% of the Average Net Profits of the Company made during the three immediately preceding

Financial Years, in pursuance of its Corporate Social Responsibility Policy. Since, the Company has not satisfied any of the above criteria, the provisions of Section 135 requiring to incur expenditure on CSR were not applicable on the Company for the Financial Year 2020-21.

### **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 June 5, 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 Policy**

There was no incidence of Sexual Harassment during the Financial Year 2020-21.

### **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, 2021.

### **Right to Information**

In compliance to 'Right to Information Act, 2005, an appropriate mechanism is in place in the Company for promoting transparency and accountability, wherein the Company has nominated Central Public Information Officer / Appellate Authorities to provide required information under the provisions of Act.



**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: 22.09.2021  
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.

Sl. No.	Particulars	Details
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.

Sl. No.	Particulars	Details
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**

Date: 22.09.2021  
Place: Gurgaon

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

गोपनीय

संख्या.:DGA(Energy)/REP/Acs/CTU/2021-22/91



सत्यमेव जयते

भारतीय लेखापरीक्षा एवं लेखा विभाग  
महानिदेशक लेखापरीक्षा (ऊर्जा)  
का कार्यालय  
दिल्ली

INDIAN AUDIT & ACCOUNTS DEPARTMENT  
OFFICE OF THE  
DIRECTOR GENERAL OF AUDIT (ENERGY)  
Delhi

Dated: 23.06.2021

सेवा में,

अध्यक्ष,  
सेंट्रल ट्रांसमिशन यूटिलिटी ऑफ़ इंडिया लिमिटेड,  
हरियाणा

विषय: 31 मार्च 2021 को समाप्त अवधि 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।

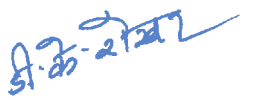
महोदय,

मैं, सेंट्रल ट्रांसमिशन यूटिलिटी ऑफ़ इंडिया लिमिटेड, हरियाणा के 31 मार्च 2021 को समाप्त अवधि 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 2021**

The preparation of financial statements of Central Transmission Utility of India Limited for the period ended 31 March 2021 in accordance with the financial reporting framework prescribed under the Companies Act, 2013(Act) is the responsibility of the management of the company. The statutory auditor appointed by the Comptroller and Auditor General of India under section 139(7) 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 08 June 2021.

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 2021 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: 23.06.2021**



## **INDEPENDENT AUDITOR'S REPORT**

To the Members of **CENTRAL TRANSMISSION UTILITY OF INDIA LIMITED**

### **Report on the Ind-AS Financial Statements**

#### **Opinion**

We have audited the accompanying Ind AS Financial Statements of **CENTRAL TRANSMISSION UTILITY OF INDIA LIMITED** ("the Company"), which comprise the Balance Sheet as at 31<sup>st</sup> March 2021, and the Statement of Profit and Loss (including Other Comprehensive Income), the Cash Flow Statement and the Statement of Changes in Equity for the year then ended, and a summary of the 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 Ind AS financial statements give the information required by the Act in the manner so required and give a true and fair view in conformity with the accounting principles generally accepted in India, of the state of affairs of the company as at 31<sup>st</sup> March 2021, statement of Profit & Loss (including other comprehensive income), its changes in equity and its cash flows 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. 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 Companies Act, 2013 and the Rules there under, 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.

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

The Company's Board of Directors is responsible for the matters stated in Section 134(5) of the Companies Act, 2013 ("the Act") with respect to the preparation of these 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 the accounting principles generally accepted in India, including the Indian Accounting Standards ("Ind AS") prescribed under Section 133 of the Act, read with relevant rules issued there under.

This responsibility also includes maintenance of adequate accounting records in accordance with the provisions of the Act for safeguarding the assets of the Company and for preventing and detecting frauds and other irregularities; selection and application of appropriate accounting policies; making judgments and estimates that are reasonable and prudent; and design, implementation and maintenance of adequate internal financial controls, that were operating effectively for ensuring the accuracy and completeness of the accounting records, relevant to the preparation and presentation of the Ind AS financial statements that give a true and fair view and are free from material misstatement, whether due to fraud or error.

### **Auditors' Responsibility**

Our responsibility is to express an opinion on these Ind AS financial statements based on our audit. We have taken into account the provisions of the Act, the accounting and auditing standards and matters which are required to be included in the audit report under the provisions of the Act and the Rules made there under and the Order issued under section 143 (11) of the Act.

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

An audit involves performing procedures to obtain audit evidence about the amounts and the disclosures in the Ind AS financial statements. The procedures selected depend on the auditor's judgment, including the assessment of the risks of material misstatement of the Ind AS financial statements, whether due to fraud or error. In making those risk assessments, the auditor considers internal financial control relevant to the Company's preparation of the Ind AS financial statements



that give a true and fair view in order to design audit procedures that are appropriate in the circumstances. An audit also includes evaluating the appropriateness of the accounting policies used and the reasonableness of the accounting estimates made by the Company's Directors, as well as evaluating the overall presentation of the Ind AS financial statements.

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

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

1. As required by the Companies (Auditor's Report) Order, 2016 ("the Order"), issued by the Central Government of India in terms of Section 143(11) of the Act, we give in "Annexure "A" a statement on the matters specified in paragraphs 3 and 4 of the Order, to the extent applicable.
2. In terms of sub section (5) of section 143 of the Companies Act, 2013, we give in the Annexure "B" a statement on the directions issued under the aforesaid section by the Comptroller and Auditor General of India.
3. As required by Section 143 (3) of the Act, we report that:
  - a. We have sought and obtained all the information and explanations which to the best of our knowledge and belief were necessary for the purposes of our audit.
  - b. In our opinion, proper books of account as required by law have been kept by the Company so far as it appears from our examination of those books.
  - c. The Balance Sheet, the Statement of Profit and Loss (including Other Comprehensive Income), the 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 Ind AS Financial Statements comply with the Indian Accounting Standards prescribed under section 133 of the Act, read with the relevant rules issued thereunder.



- e. Being a Subsidiary of a Government Company, Section 164(2) of the Act pertaining to disqualification of Directors are not applicable to the Company.
- f. With respect to the adequacy of the Internal Financial Controls over Financial Reporting of the Company and the Operating Effectiveness of such Controls, refer to our separate report in Annexure "C".
- g. With respect to the other matters to be included in the Auditor's Report in accordance with Rule 11 of the Companies (Audit and Auditors) Rules, 2014, in our opinion and to the best of our information and according to the explanations given to us:
  - i. The Company does not have any pending litigations which would impact its financial position
  - ii. The Company did not have any Long-Term Contracts including Derivative Contracts for which there were any material foreseeable losses.
  - iii. There were no amounts which were required to be transferred to the Investor Education and Protection Fund by the Company.

**For R.Bhargava & Associates,**

Chartered Accountants

Firm Regn. No.

**GAURANG** Digitally signed by  
**BHARGAVA** GAURANG BHARGAVA  
Date: 2021.06.08  
15:03:34 +05'30'

Gaurang Bhargava

Partner

Mem. No. F.C.A. 530161

Place: New Delhi

Date: 08/06/2021

UDIN NO. 21530161AAAAA5524



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 31st March, 20221, we report that:

- (i) The Company does not have any Fixed Assets.
- (ii) The company does not hold any inventories as on 31.03.21 hence clause (ii) of paragraph 3 of the order is not applicable.
- (iii) The Company has not granted any Loans secured or unsecured to companies, firms or other parties Covered in the Register maintained under section 189 of the Companies Act, 2013.
- (iv) According to the information and explanations given to us, the Company has not given any loans, investments guarantees and securities. Accordingly clause 3(iv) of the Order is not applicable.
- (v) The company has not accepted any deposits from Public and hence the directives issued by the Reserve Bank of India and the provisions of sections 73 to 76 or any other relevant provisions of the act and the Companies (Acceptance of Deposits ) Rules, 2015 with regard to the deposits accepted from the public are not applicable.
- (vi) There is no such Cost Records specified by Central Government u/s 148 of the Companies Act, 2013.
- (vii) (a) According to the information and explanations given to us, the Company is regular in depositing undisputed statutory dues with appropriate authorities including Income Tax, Sales Tax, Service Tax, Duty of Custom, Duty of Excise, Value Added Tax, Cess and other statutory dues applicable to the Company and that there are no undisputed statutory dues outstanding as at 31<sup>st</sup> March, 2020 for a period of more than six months from the date they became payable.  
(b) Based on our audit and explanations given to us, there are no disputed dues of Duty of Customs or Duty of Excise of Sales Tax which have not been deposited.
- (viii) According to the information and explanations given to us, the company has not taken any loan from any financial institution or bank or debenture holders, hence clause (viii) of paragraph 3 of the order is not applicable.
- (ix) The company has not raised Money by way of IPO and FPO including debt instruments. However, Loan from holding Company are applied for the purposes for which they are raised.
- (x) Based on our audit Procedures performed and the information and explanations given by the management, we report that no fraud by the company or on the company by its officers or employees has been noticed or reported during the year.
- (xi) Based on our audit Procedures performed and the information and explanations given by the management the payments have been made by the Holding Co. Hence clause (xi) of paragraph 3 of the order is Not Applicable.



(xii) The company is not an Nidhi company as prescribed U/s 406 of the act. Accordingly clause (xii) of paragraph 3 of the order is not applicable.

(xiii) All transactions with the "Related Parties" in compliance with sections 177 and 188 of the Companies Act, 2013 are disclosed.

(xiv) The Company has not made any preferential allotment or private placement of shares or fully or partly convertible debentures during the year under review.

(xv) Based on our audit Procedures performed and the information and explanations given by the management, the company has not entered into any non-cash transactions with directors or persons connected with him.

(xvi) The Co. is not required to be registered under section 45-IA of the Reserve Bank of India Act, 1934 as the Co. is not a NBFC.

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

GAURANG  
BHARGAVA

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Date: 2021.06.08  
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Gaurang Bhargava  
Partner

Mem. No. F.C.A. 530161

Place: New Delhi

Date: 08/06/2021

UDIN NO. 21530161 AAAAAA P5524



**Annexure - "B"**

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<sup>st</sup> March 2021 issued by the Comptroller & Auditor General of India under Section 143(5) of the Companies Act, 2013, we Report that:

S. No.	Directions	Auditors Comments	Action Taken By Management	Impact on Financial Statements
1.	Whether the Company has system in place to process all the accounting transactions through IT system? If yes, the implications of processing of accounting transactions outside IT system on the integrity of the accounts along with the financial implications, if any, may be stated.	All accounting transaction 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 regards.	N/A	Nil
2.	Whether there is any restructuring of an existing loan or cases of waiver/write off of debts/loans/interest etc. made by a lender to the company due to the company's inability to repay the loan? If yes, the financial impact may be stated.	There are no cases of restructuring of existing loan or cases of waiver / write off of debts / loans / interest etc.	N/A	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.	N/A	Nil

**For R. Bhargava & Associates,**

Chartered Accountants

Firm Regn. No. 012788N

GAURANG

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Date: 2021.06.08 15:07:15 +05'30'

BHARGAVA

Gaurang Bhargava

Partner

Mem. No. F.C.A. 530161

Place: New Delhi

Date: 08/06/2021

UDIN NO. **21530161AAAAAP5524**



## ANNEXURE - "C"

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<sup>st</sup> March 2021

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

We have audited the Internal Financial Controls over Financial Reporting of the company as at 31<sup>st</sup> March 2021 in conjunction with our audit of the Financial Statements of the Company for the year ended on that date.

#### **Management's Responsibility for Internal Financial Controls**

The Company's Management is responsible for establishing and maintaining Internal Financial Control based on "the Internal Control over Financial Reporting criteria established by the Company considering the essential components of internal control stated in the Guidance Note on Audit of Internal Financial Controls over Financial Reporting issued by the Institute of Chartered Accountants of India (ICAI)". These responsibilities include the Design, Implementation and Maintenance of Adequate Internal Financial Controls that were Operating Effectively for ensuring the orderly and efficient conduct of business, including adherence to Company's policies, the safeguarding of its assets, the Prevention and Detection of Frauds and Errors, the accuracy and completeness of the Accounting Records, and the Timely Preparation of Reliable Financial Information, as required under the Act.

#### **Auditors' Responsibility**

Our responsibility is to express an opinion on the Company's Internal Financial Controls over Financial Reporting based on our audit. We conducted our audit in accordance with the Guidance Note on Audit of Internal Financial Control over Financial Reporting (the "Guidance Note") and the Standards on Auditing, issued by ICAI and deemed to be prescribed under section 143(10) of the Companies Act, 2013, to the extent applicable to an audit of Internal Financial Controls, both applicable to an audit of Internal Financial Controls and, both issued by the Institute of Chartered Accountants of India. Those Standards and the Guidance Note require that we comply with ethical requirements and plan and perform the audit to obtain reasonable assurance about whether adequate Internal Financial Controls over Financial Reporting was established and maintained and if such controls operated effectively in all material respects.



Our audit involves performing procedures to obtain audit evidence about the adequacy of the Internal Financial Controls System over Financial Reporting and their Operating Effectiveness. Our audit of Internal Financial Controls over Financial Reporting included obtaining an understanding of Internal Financial Controls over Financial Reporting, assessing the risk that a material weakness exists and testing and evaluating the design and operating effectiveness of Internal Control based on the assessed risk. The procedures selected depend on the Auditor's Judgement, including the Assessment of the Risks of Material Misstatement of the Financial Statements, whether due to Fraud or Error.

We believe that the Audit Evidence we have obtained is sufficient and appropriate to provide a basis for our audit opinion on the Company's Internal Financial Controls System over Financial Reporting.

#### **Meaning of Internal Financial Controls over Financial Reporting**

A company's Internal Financial Control over Financial Reporting is a process designed to provide reasonable assurance regarding the reliability of financial reporting and the preparation of Financial Statements for External Purposes in accordance with Generally Accepted Accounting Principles. A company's Internal Financial Control over Financial Reporting includes those policies and procedures that:

- (1) Pertain to the maintenance of records that, in reasonable detail, accurately and fairly reflect the transactions and dispositions of the assets of the company;
- (2) Provide reasonable assurance that transactions are recorded as necessary to permit preparation of Financial Statements in accordance with Generally Accepted Accounting Principles, and that receipts and expenditures of the Company are being made only in accordance with authorizations of management and directors of the company; and
- (3) Provide reasonable assurance regarding prevention or timely detection of unauthorized acquisition, use, or disposition of the Company's Assets that could have a material effect on the Financial Statements.

#### **Inherent Limitations of Internal Financial Controls over Financial Reporting**

Because of the inherent Limitations of Internal Financial Controls over Financial Reporting, including the possibility of collusion or improper management override of controls, material misstatements due to error or fraud may occur and not be detected. Also, projections of any evaluation of the internal financial controls over financial reporting to future periods are subject to the risk that the internal



financial controls over financial reporting may become inadequate because of changes in conditions, or that the degree of compliance with the policies or procedures may deteriorate.

### Opinion

In our opinion, the Company has, in all material respects, an adequate Internal Financial Controls System over Financial Reporting and such Internal Financial Controls over Financial Reporting were operating effectively as at 31st March 2021, based on "the Internal Financial Controls over Financial Reporting criteria established by the Company considering the essential components of Internal Control stated in the Guidance Note on Audit of Internal Financial Controls Over Financial Reporting issued by the Institute of Chartered Accountants of India."

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

GAURANG BHARGAVA  
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GAURANG BHARGAVA  
Date: 2021.06.08  
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Gaurang Bhargava  
Partner

Mem. No. F.C.A. 530161

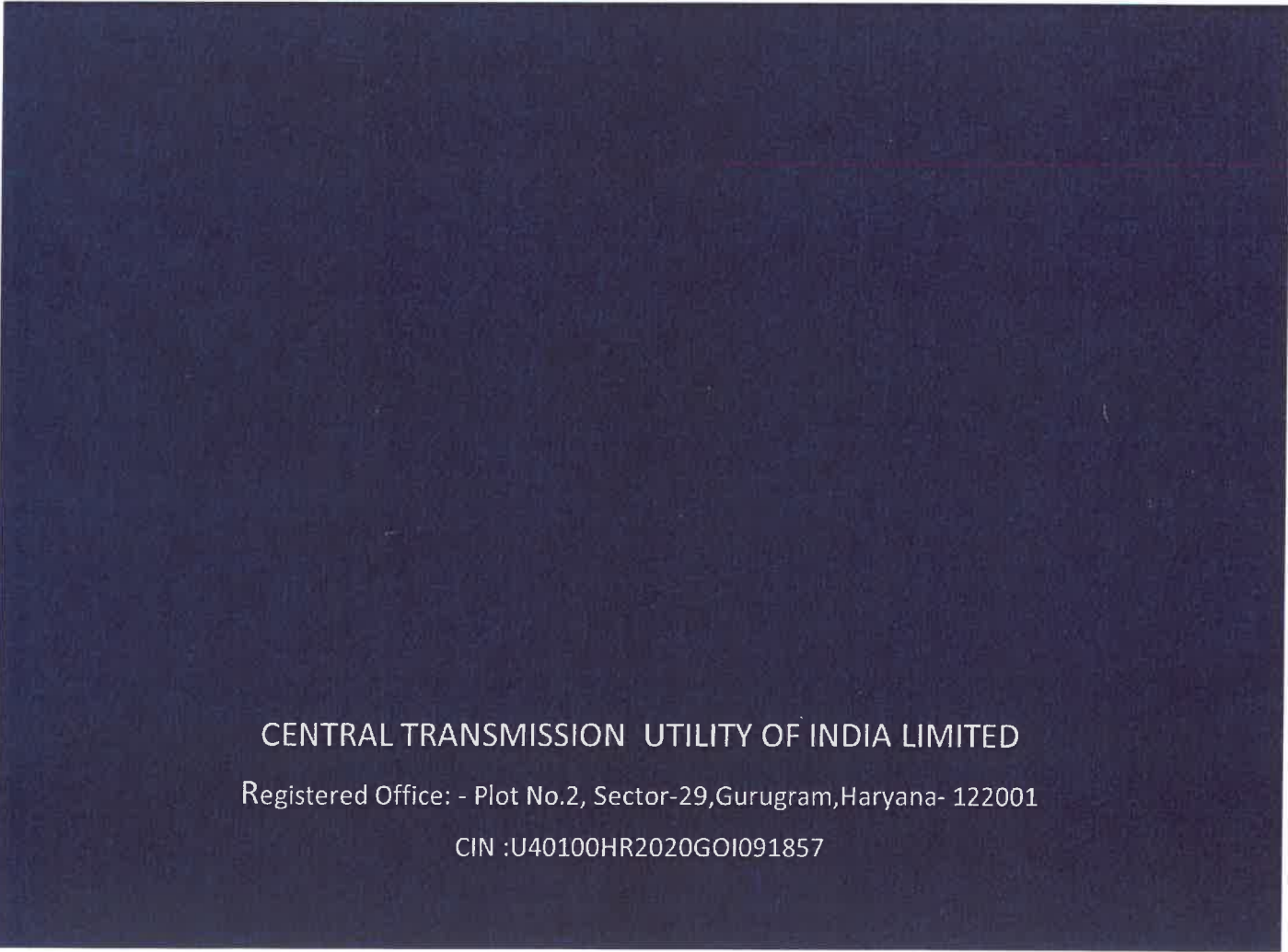
Place: New Delhi

Date: 08/06/2021

UDIN NO. 21530161 AAAAAP 5524



# **FINANCIAL STATEMENTS & NOTES FOR THE YEAR ENDED 2020-21**



**CENTRAL TRANSMISSION UTILITY OF INDIA LIMITED**

**Registered Office: - Plot No.2, Sector-29,Gurugram,Haryana- 122001**

**CIN :U40100HR2020GOI091857**



# CENTRAL TRANSMISSION UTILITY OF INDIA LTD

CIN :U40100HR2020GOI091857

## Balance Sheet as at 31st March 2021

(₹ in Lakhs)

Particulars	Note No	As At 31st March 2021
<b>ASSETS</b>		
<b>Non-Current Assets</b>		-
<b>Current Assets</b>		
Financial Assets		
Cash and Cash Equivalents	4	5.00
		5.00
<b>Total Assets</b>		5.00
<b>EQUITY AND LIABILITIES</b>		
<b>Equity</b>		
Equity Share Capital	5	5.00
Other Equity	6	(2.77)
		2.23
<b>Liabilities</b>		
<b>Non-Current Liabilities</b>		-
<b>Current Liabilities</b>		
Financial Liabilities		
Other Current Financial Liability	7	2.77
		2.77
<b>Total Equity and Liabilities</b>		5.00

The accompanying Notes (1 to 23) form an Integral Part of Financial Statements

As Per Our Report of Even Date

For R. Bhargava & Associates,  
Chartered Accountants

For & On Behalf of The Board of Directors

Firm Regn. No. 012788N

GAURANG  
BHARGAVA  
Date: 2021.06.08  
14:45:28 +05'30'

(Gaurang Bhargava)

Partner

Mem. No.FCA 530161

UDIN

Abhay  
Choudhary  
(Abhay Choudhary)  
Chairman  
DIN- 07388432

Mohammed  
Taj Mukarrum  
( M.Taj Mukarrum)  
Director  
DIN-08097837

SUBIR  
SEN  
(Dr. Subir Sen )  
Director  
DIN-09012185

Place : New Delhi  
Date : 08.06.2021

Place : Gurugram  
Date : 08.06.2021

Place : Gurugram  
Date : 08.06.2021

Place : Gurugram  
Date : 08.06.2021

# CENTRAL TRANSMISSION UTILITY OF INDIA LTD

CIN :U40100HR2020GOI091857

## Statement of Profit and Loss for the period 28th December,2020 to 31st March,2021

(₹ in Lakhs)

Particulars	Note No.	For the period 28th December,2020 to 31st March,2021
Revenue From Operations		-
Other Income		-
Total Income		-
<b>EXPENSES</b>		
Finance Costs		-
Depreciation and Amortization Expense		-
Other Expenses	8	2.77
<b>Total Expenses</b>		<b>2.77</b>
Profit/(Loss) Before Tax		(2.77)
Tax Expense:		
Current Tax		-
Deferred Tax		-
		-
Profit (Loss) for the Period		(2.77)
Other Comprehensive Income		-
Total Comprehensive Income for the period		(2.77)
Earnings per Equity Share (Par Value ₹ 10 each)		
Basic (₹)		(5.54)
Diluted (₹)		(5.54)

The accompanying Notes (1 to 23) 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** Digitally signed by GAURANG BHARGAVA  
Date: 2021.06.08 14:44:37 +05'30'

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

For & On Behalf of The Board of Directors

**Abhay Choudhary** Digitally signed by Abhay Choudhary  
Date: 2021.06.08 14:12:15 +05'30'  
(Abhay Choudhary)  
Chairman  
DIN- 07388432

**Mohammed Taj Mukarrum** Digitally signed by Mohammed Taj Mukarrum  
Date: 2021.06.08 14:10:25 +05'30'  
( M.Taj Mukarrum)  
Director  
DIN-08097837

**SUBIR SEN** Digitally signed by SUBIR SEN  
Date: 2021.06.08 14:08:29 +05'30'  
(Dr. Subir Sen )  
Director  
DIN-09012185

Place : New Delhi  
Date : 08.06.2021

Place : Gurugram  
Date : 08.06.2021

Place : Gurugram  
Date : 08.06.2021

Place : Gurugram  
Date : 08.06.2021

# CENTRAL TRANSMISSION UTILITY OF INDIA LTD

## Statement of Changes in Equity for the period 28th December,2020 to 31st March,2021

### A. Equity Share Capital

Particulars	(₹ in Lakhs)
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	Total
		Retained Earnings	
As at 28th December, 2020		-	-
Total Comprehensive Income		(2.77)	(2.77)
Balance at 31st March, 2021		(2.77)	(2.77)

The accompanying Notes (1 to 23) form an Integral Part of Financial Statements

Refer to Note 6 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  
Digitally signed by  
GAURANG BHARGAVA  
Date: 2021.06.08  
14:43:50 +05'30'

(Gaurang Bhargava)

Partner

M.No. 530161

UDIN

For and on behalf of Board Of Directors

Abhay Choudhary  
Digitally signed by  
Abhay Choudhary  
Date: 2021.06.08  
14:12:36 +05'30'

(Abhay Choudhary)

Chairman

DIN- 07388432

Mohammed Taj Mukarrum  
Digitally signed by  
Mohammed Taj Mukarrum  
Date: 2021.06.08 14:10:43  
+05'30'

( M.Taj Mukarrum)

Director

DIN-08097837

SUBIR SEN  
Digitally signed by  
SUBIR SEN  
Date: 2021.06.08  
14:08:46 +05'30'

(Dr. Subir Sen)

Director

DIN-09012185

Place : New Delhi

Date: 08.06.2021

Place : Gurugram

Date: 08.06.2021

Place : Gurugram

Date: 08.06.2021

Place : Gurugram

Date: 08.06.2021

# CENTRAL TRANSMISSION UTILITY OF INDIA LTD

## Statement of Cash Flow for the period 28th December,2020 to 31st March,2021

(₹ in Lakhs)

Particulars	Note	For the period 28th December,2020 to 31st March,2021
<b>A CASH FLOW FROM OPERATING ACTIVITIES</b>		
Profit Before Tax		(2.77)
<b>Adjustment for :</b>		
Others		
<b>Operatating Profit/(Loss) before Changes in Assets and Liabilities</b>		(2.77)
Adjustments For Changes in Assets and Liabilities		2.77
Cash Generated From Operations		-
<b>Net Cash from / (used in) Operating Activities</b>		-
<b>B CASH FLOW FROM INVESTING ACTIVITIES</b>		
Property, Plant & Equipments, Capital Work in Progress and Intangible Assets and Intangible Assets Under Development		-
<b>Net Cash used in Investing Activities</b>		-
<b>C CASH FLOW FROM FINANCING ACTIVITIES</b>		
Equity issued during the year		5.00
<b>Net Cash From Financing Activities</b>		5.00
<b>D Net Change in Cash and Cash Equivalents (A+B+C)</b>		5.00
<b>E Cash and Cash Equivalents (Opening Balance)</b>	4	-
<b>F Cash and Cash Equivalents (Closing Balance) (D+E)</b>	4	5.00

The accompanying Notes (1 to 23) form an Integral Part of Financial Statements

### **Further Notes :**

Cash & Cash equivalents consist of balances with bank in current account.

As Per Our Report of Even Date

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

GAURANG BHARGAVA

(Gaurang Bhargava)

Partner

Mem. No.FCA 530161

UDIN

Place : New Delhi

Date : 08.06.2021

For & On Behalf of The Board of Directors

Abhay Choudhary

(Abhay Choudhary)

Chairman

DIN- 07388432

Mohammed Taj Mukarrum

( M.Taj Mukarrum)

Director

DIN-08097837

SUBIR SEN

(Dr. Subir Sen )

Director

DIN-09012185

Place : Gurugram

Date : 08.06.2021

Place : Gurugram

Date : 08.06.2021

## **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 affects only that period or in the period of the revision and future periods if the revision affects both current and future years (refer Note no. 3 on critical accounting estimates, assumptions and judgments).

#### **v) Current and non-current classification**

The Company presents assets and liabilities in the balance sheet based on current/non-current classification.

An asset is current when it is:

- Expected to be realized or intended to be sold or consumed in normal operating cycle;
- Held primarily for the purpose of trading;
- Expected to be realized within twelve months after the reporting period; or
- Cash or cash equivalent unless restricted from being exchanged or used to settle a liability for at least twelve months after the reporting period.

All other assets are classified as non-current.

A liability is current when:

- It is expected to be settled in normal operating cycle;
- It is held primarily for the purpose of trading;
- It is due to be settled within twelve months after the reporting period; or
- There is no unconditional right to defer settlement of the liability for at least twelve months after the reporting period.

All other liabilities are classified as non-current.

Deferred tax assets/liabilities are classified as non-current.

The Company recognizes twelve months period as its operating cycle.

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

### **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 2021
Balance with scheduled Banks -In Current accounts	5.00
<b>Total</b>	<b>5.00</b>



# CENTRAL TRANSMISSION UTILITY OF INDIA LTD

## Note 5/Equity Share capital

		(₹ in Lakhs)
Particulars		As at 31st March , 2021
<b>Equity Share Capital</b>		
<b>Authorised</b>		
1000000 equity share of ₹ 10/- each		100.00
<b>Issued, subscribed and paid up</b>		
50000 equity shares of ₹ 10/- each fully paid up		5.00
<b>Total</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 period 28th December,2020 to 31st March,2021	
	No. of Shares	₹ in Lakhs
Shares outstanding as at 28th December, 2020	-	-
Shares Issued during the period 28th December,2020 to 31st March,2021	50,000	5.00
Shares outstanding at the end of the year	50,000	5.00

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 , 2021	
	No. of Shares	% of holding
Power Grid Corporation of India Limited (Holding Company)*	50000	100%

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

# CENTRAL TRANSMISSION UTILITY OF INDIA LTD

## Note 6/Other Equity

(₹ in Lakhs)

Particulars		As at 31st March , 2021
<b>Reserve &amp; Surplus</b>		
Surplus (Balance in statement of Profit and Loss )		
Add: Additions		
Profit after tax as per Statement of Profit & Loss	(2.77)	
Closing Balance		(2.77)
<b>Total</b>		<b>(2.77)</b>

# CENTRAL TRANSMISSION UTILITY OF INDIA LTD

## Note 7/Other Current Financial Liability

(₹ in Lakhs)

Particulars	As at 31st March 2021
Others	
Payable to M/s Power Grid Corp. of India Ltd*	2.52
Provision for expenses#	0.25
	2.77
<b>Total</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 13

\*Refer note number 14 for related Party transactions.

#Audit Fee payable

## CENTRAL TRANSMISSION UTILITY OF INDIA LTD

### Note 8/Other expenses

(₹ in Lakhs)	
Particulars	For the period 28th December,2020 to 31st March,2021
Payments to Statutory Auditors	
Audit Fees	0.25
Preliminary Expenses	2.51
Others	0.01
<b>Total</b>	<b>2.77</b>

# CENTRAL TRANSMISSION UTILITY OF INDIA LTD

## Note 9/ Fair Value Measurements

(₹ in Lakhs)

Financial instruments by category	31-Mar-21
	Amortised Cost
<b>Financial Assets</b>	
Cash & Cash Equivalents	5.00
<b>Total Financial Assets</b>	<b>5.00</b>
<b>Financial Liabilities</b>	
Other Financial Liabilities	
Current	2.77
<b>Total Financial Liabilities</b>	<b>2.77</b>

### (i) Fair Value Hierarchy

This section explains the judgements and estimates made in determining the fair values of the financial

(₹ in Lakhs)

<i>Assets and liabilities which are measured at amortised cost for which fair values are disclosed</i>	Level	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 10/ Earnings Per Share

(in ₹)

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

(₹ in Lakhs)

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

(No. of Shares)

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

# CENTRAL TRANSMISSION UTILITY OF INDIA LTD

## Note 11/ 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 :

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

# CENTRAL TRANSMISSION UTILITY OF INDIA LTD

## Note 12/ 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, 2021 of ₹ 5.00 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:

Rs in Lakhs	
Particulars	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	5
Total	5

#### (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 12/ 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
31-Mar-21					
Non-Derivatives					
Other Financial Liabilities	2.77	-	-	-	2.77
Total Non-Derivative Liabilities	2.77	-	-	-	2.77

### (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 13.

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
1	Principal amount and interest due thereon remaining unpaid to any supplier as at end of each accounting year: Principal Interest	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
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
4	The amount of interest accrued and remaining unpaid at the end of each accounting year.	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

#### Other Notes:

- 1.No financial activities were undertaken during the Financial Year under review.
- 2.The Statement of Profit and Loss belongs to a period from 28.12.2020 to 31.03.2021 being the first year of operation, as such previous year figures has not been given in the Financial statements.

## Note 14: Related Party Transactions

### a) Holding Co.

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

### b) Subsidiaries of Holding Company

		Proportion of Ownership Interest
Name of entity	Place of business/country of incorporation	31st March, 2021
PowergridVizag Transmission Limited	India	N.A
Powergrid NM Transmission Limited	India	N.A
Powergrid Unchahar Transmission Limited	India	N.A
Powergrid Kala Amb Transmission Limited	India	N.A
Powergrid Jabalpur Transmission Limited	India	N.A
Powergrid Warora Transmission Limited	India	N.A
Powergrid Parli Transmission Limited	India	N.A
Powergrid Southern Interconnector Transmission System Limited	India	N.A
Powergrid Vemagiri Transmission Limited	India	N.A
Powergrid Mithilanchal Transmission Limited (erstwhile ERSS XXI Transmission Limited)	India	N.A
Powergrid Varanasi Transmission System Limited(erstwhile WR-NR Power Transmission Limited )	India	N.A
Powergrid Jawaharpur Firozabad Transmission Limited (erstwhile Jawaharpur Firozabad Transmission Limited)	India	N.A
Powergrid Khetri Transmission System Limited (Erstwhile Khetri Transco Limited)	India	N.A
Powergrid Bhuj Transmission Limited (Erstwhile Bhuj-II Transmission Limited)	India	N.A
Powergrid BhindGuna Transmission Limited (Erstwhile BhindGuna Transmission Limited)	India	N.A
Powergrid Ajmer Phagi Transmission Limited (Erstwhile Ajmer Phagi Transco Limited)	India	N.A
Powergrid Fatehgarh Transmission Limited (Erstwhile Fatehgarh-II Transco Limited)	India	N.A
Powergrid Rampur Sambhal Transmission Limited (Erstwhile Rampur Sambhal Transco Limited)	India	N.A
Powergrid Meerut Simbhavali Transmission Limited (Erstwhile Meerut-Simbhavali Transmission Limited)	India	N.A
Powergrid Ramgarh Transmission Limited (Erstwhile Ramgarh New Transmission Limited) 1	India	N.A
Jaypee Powergrid Limited 2	India	N.A
Bikaner-II Bhiwadi Transco Limited 3	India	N.A
Powergrid Medinipur Jeerat Transmission Limited	India	N.A

<sup>1</sup>100% equity acquired from REC Power Distribution Company Limited on 09.03.2021.

<sup>2</sup>Wholly owned subsidiary from 25.03.2021 (Joint venture till 24.03.2021)

<sup>3</sup>100% equity acquired from PFC Consulting Limited on 25.03.2021.

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

Name of entity	Place of business/country of incorporation	Proportion of Ownership Interest 31st March, 2021
Powerlinks Transmission Limited	India	N.A
Torrent Power Grid Limited	India	N.A
Jaypee Powergrid Limited 1	India	N.A
Parbati Koldam Transmission Company Limited	India	N.A
Teestavalley Power Transmission Limited 2	India	N.A
North East Transmission Company Limited	India	N.A
National High Power Test Laboratory Private Limited	India	N.A
Bihar Grid Company Limited	India	N.A
KalingaVidyutPrasaran Nigam Private Limited 3	India	N.A
Cross Border Power Transmission Company Limited	India	N.A
RINL Powergrid TLT Private Limited 4	India	N.A
Power Transmission Company Nepal Ltd	Nepal	N.A

1 Joint venture till 24.03.2021 (Wholly owned subsidiary from 25.03.2021).

2 POWERGRID & Teesta Urja Ltd are the Joint venture partners in Teestavalley Power Transmission Limited & holds 26% & 74 % equity, respectively as per Shareholding agreement. On call of additional equity by Teestavalley Power Transmission limited, POWERGRID contributed their share while the other JV partner has not yet contributed their share of money. Consequently, the holding of POWERGRID increased to 30.92% against 26% provided in shareholding agreement.

3 The present status of the Company (M/s KBPNL) as per MCA website is "Strike Off".

4 POWERGRID's Board of Directors in its meeting held on 01.05.2018 accorded in principle approval to close RINL Powergrid TLT Private Limited (RPTPL) and seek consent of other JV Partner Rashtriya Ispat Nigam Limited (RINL). RINL's Board of Directors in its meeting held on 01.03.2019 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 Approval from Government is awaited.

**(d) List of Key Management Personnel**

Name	Designation	Date of Appointment
Shri Abhay Chaudhary	Chairman	28.12.2020
M. Taj Mukarram	Director	28.12.2020
Dr. Subir Sen	Director	28.12.2020

**(e) Transactions with related parties**

The following transactions occurred with related parties:

(₹ in Lakhs)

Particulars	As on 31st March 2021
<b>Power Grid Corporation of India Ltd. (Holding Company)</b>	
Preliminary Expenses	2.52
Equity capital received during the year	5.00

**(f) Outstanding balances arising from sales/purchases of goods and services**

The following balances are outstanding at the end of the reporting period in relation to transactions with related parties:

(₹ in Lakhs)

Particulars	As on 31st March 2021
Power Grid Corporation of India Ltd. ( <u>Holding Company</u> )	
Amount payable to Holding company	2.52

**Note 15. 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 16. Capital and other Commitments**

(₹ in Lakhs)

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

**Note 17. Contingent Liabilities and Contingent Assets**

Hence Contingent Liabilities and Assets of the Company as at 31<sup>st</sup> March, 2021 is NIL

**Note 18. 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 19. 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 20. Auditors Remuneration**

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

**Note 21. 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.

**Note 22(a). 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.

The Company has considered various internal and external information available up to the date of approval of Financial Results and there has been no material impact on the operations of the company for the year ended 31 March 2021. The company will continue to monitor any material changes to future economic conditions.

**Note 22(b). Recent pronouncements**

The Ministry of Corporate Affairs ("MCA") through a notification dated March 24, 2021, amended Division II of Schedule III of the Companies Act, 2013 w.e.f. April 1, 2021. The Company will assess and implement the amendments to Division II in the FY 2021-22, as applicable.

**Note 23. Rounding off of Figures**

Figures have been rounded off to nearest rupees in lakhs upto two decimal.

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

GAURANG BHARGAVA  
(Gaurang Bhargava)  
Partner  
M.No.FCA 530161 ,  
UDIN

Abhay Choudhary  
(Abhay Choudhary)  
Chairman  
DIN: 07388432

Mohammed Taj Mukarrum  
(M. Taj Mukarrum)  
Director  
DIN:08097837

SUBIR SEN  
(Dr.Subir Sen)  
Director  
DIN: 09012185

Place: New Delhi  
Date: 08.06.2021

Place: Gurgaon  
Date:08.06.2021

Place: Gurgaon  
Date: 08.06.2021

Place: Gurgaon  
Date: 08.06.2021