

INDEPENDENT AUDITORS' REPORT

To,

The Members of POWERGRID TELESERVICES LIMITED

Report on the Audit of the Financial Statements**Opinion**

We have audited the accompanying financial statements of **POWERGRID TELESERVICES LIMITED** ("the Company"), which comprise the Balance Sheet as at 31st March 2026, the Statement of Profit and Loss (including Other Comprehensive Income), the Statement of Changes in Equity and the Statement of Cash Flows for the year ended on that date, and notes to financial statements including a summary of the material accounting policies and other explanatory information (hereinafter referred to as "Financial Statements").

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 Companies Act, 2013 ("the Act") in the manner so required and give a true and fair view in conformity with Indian Accounting Standards prescribed under section 133 of the Act read with the Companies (Indian Accounting Standards) Rules, 2015, as amended ("Ind AS") and other accounting principles generally accepted in India, of the state of affairs of the Company as at 31st March 2026 and its profit, the total comprehensive income, changes in equity and its cash flows for the year ended on that date.

Basis for Opinion

We conducted our audit of the Financial Statements in accordance with the Standard on Auditing ("SAs") specified under Section 143(10) of the Act. Our responsibilities under those Standards are further described in the Auditor's Responsibilities for the Audit of the Financial Statements section of our report. We are independent of the Company in accordance with the Code of Ethics issued by the Institute of Chartered Accountants of India ("ICAI") together with the 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 ICAI's Code of Ethics. We believe that the audit evidence obtained by us is sufficient and appropriate to provide a basis for our opinion on the financial statements.



Key Audit Matters

Key audit matters are those matters that, in our professional judgment, were of most significance in our audit of the Financial Statements of the current period. These matters were addressed in the context of our audit of the Financial Statements as a whole, and in forming our opinion thereon, and we do not provide a separate opinion on these matters.

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

Information Other than the Financial Statements and Auditor's Report Thereon

The Company's Board of Directors is responsible for the preparation of the other information. The other information comprises the information included in the Management Discussion and Analysis, Board's Report including Annexures to Board's Report, Business Responsibility and Sustainability Report, Corporate Governance and Shareholder's Information, but does not include the financial statements and our Auditor's Report thereon. The other information as identified above is expected to be made available to us after the date of this Auditor's Report.

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

In connection with our audit of the financial statements, our responsibility is to read the other information identified above when it becomes available and, in doing so, consider whether the other information is materially inconsistent with the financial statements or our knowledge obtained during the course of our audit or otherwise appears to be materially misstated.

If, based on the work we have performed, we conclude that there is a material misstatement of this other information, we are required to report that fact. We have nothing to report in this regard as the Board Report is expected to be made available to us after the date of this auditor's report.

Responsibility of Management and Those Charged with Governance for the Financial Statements

The Company's Board of Directors is responsible for the matters stated in Section 134(5) of the Act with respect to the preparation of these 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 accounting principles generally accepted in India, including the Indian Accounting Standards (Ind AS) specified under section 133 of the Act, read with Companies (Indian Accounting Standards) Rules, 2015, as amended.



This responsibility also includes maintenance of adequate accounting records in accordance with the provisions of the Act for safeguarding the assets of the Company and for preventing and detecting frauds and other irregularities; selection and application of appropriate accounting policies; making judgments and estimates that are reasonable and prudent; and design, implementation and maintenance of adequate internal financial controls, that were operating effectively for ensuring the accuracy and completeness of the accounting records, relevant to the preparation and presentation of the 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.

The Company's Board of Directors is also responsible for overseeing the Company's financial reporting process.

Auditors' Responsibility

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.

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

- Identify and assess the risks of material misstatement of the Financial Statements, whether due to fraud or error, design and perform audit procedures responsive to those risks, and obtain audit evidence that is sufficient and appropriate to provide a basis for our opinion. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control.
- Obtain an understanding of internal financial controls relevant to the audit in order to design audit procedures that are appropriate in the circumstances. Under section 143(3)(i) of the Act, we are also responsible for expressing our



opinion on whether the Company has adequate internal financial controls system in place and the operating effectiveness of such controls.

- Evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by management.
- Conclude on the appropriateness of management's use of the going concern basis of accounting and, based on the audit evidence obtained, whether a material uncertainty exists related to events or conditions that may cast significant doubt on the Company's ability to continue as a going concern. If we conclude that a material uncertainty exists, we are required to draw attention in our auditor's report to the related disclosures in the Financial Statements or, if such disclosures are inadequate, to modify our opinion. Our conclusions are based on the audit evidence obtained up to the date of our auditor's report. However, future events or conditions may cause the Company to cease to continue as a going concern.
- Evaluate the overall presentation, structure, and content of the Financial Statements, including the disclosures, and whether the Financial Statements represent the underlying transactions and events in a manner that achieves fair presentation.

Materiality is the magnitude of misstatements in the financial Statements that, individually or in aggregate, makes it probable that the economic decisions of a reasonably knowledgeable user of the Financial Statements may be influenced. We consider quantitative materiality and qualitative factors in (i) planning the scope of our audit work and in evaluating the results of our work; and (ii) to evaluate the effect of any identified misstatements in the Financial Statements.

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

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

From the matters communicated with those charged with governance, we determine those matters that were of most significance in the audit of the Financial Statements of the current period and are therefore the key audit matters. We describe these matters in our auditor's report unless law or regulation precludes public disclosure



about the matter or when, in extremely rare circumstances, we determine that a matter should not be communicated in our report because the adverse consequences of doing so would reasonably be expected to outweigh the public interest benefits of such communication.

Other Matter

The Financial Statements includes comparative figures for the corresponding year ended 31st March 2025, audited by the predecessor Statutory Auditor of the Company, where they have expressed an unmodified opinion vide their report dated 16th June, 2025 on such Financial Statements. Our opinion is not modified in respect of this matter.

Report on Other Legal and Regulatory Requirements

1. As required by the Companies (Auditor's Report) Order, 2020 ("the Order"), issued by the Central Government of India in terms of 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. As required by Section 143 (3) of the Act, based on our audit we report that:
 - a. We have sought and obtained all the information and explanations which to the best of our knowledge and belief were necessary for the purposes of our audit.
 - b. In our opinion, proper books of account as required by law have been kept by the Company so far as it appears from our examination of those books.
 - c. The Balance Sheet, the Statement of Profit and Loss including Other Comprehensive Income, Statement of Changes in Equity and the Statement of Cash Flow dealt with by this Report are in agreement with the books of account.
 - d. In our opinion, the aforesaid Financial Statements comply with the Ind AS prescribed under section 133 of the Act read with relevant rules issued thereunder.
 - 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 Director is not required.



- f. With respect to the adequacy of the internal financial controls over financial reporting with reference to Financial Statements of the Company and the operating effectiveness of such controls, refer to our separate report in **Annexure "B"**. Our report expresses an unmodified opinion on the adequacy and operating effectiveness of the Company's internal financial controls with reference to Financial Statements.
- g. Pursuant to Notification No. GSR 463(E) dated 5th June 2015 issued by the Ministry of Corporate Affairs, Government of India, provision of Section 197 of the Companies Act, 2013 are not applicable to the Company, being a Government Company.
- h. With respect to the other matters to be included in the Auditor's Report in accordance with Rule 11 of the Companies (Audit and Auditors) Rules, 2014, as amended, in our opinion and to the best of our information and according to the explanations given to us:
- i. The company has disclosed the impact of pending litigations on its financial position in its Financial Statements.
 - ii. The company did not have any long-term contracts including derivative contracts for which there were any material foreseeable losses as at 31 March 2026.
 - iii. There were no amounts which were required to be transferred to the Investor Education and Protection Fund by the Company.
 - iv. (a) The Management has represented that, to the best of its knowledge and belief, no funds (which are material either individually or in the aggregate) have been advanced or loaned or invested (either from borrowed funds or share premium or any other sources or kind of funds) by the Company to or in any other person or entity, including foreign entity ("Intermediaries"), with the understanding, whether recorded in writing or otherwise, that the Intermediary shall, whether, directly or indirectly lend or invest in other persons or entities identified in any manner whatsoever by or on behalf of the Company ("Ultimate Beneficiaries") or provide any guarantee, security or the like on behalf of the Ultimate Beneficiaries;
 - (b) The Management has represented, that, to the best of its knowledge and belief, no funds (which are material either individually or in the aggregate) have been received by the Company from any person or entity, including foreign entity ("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;

(c) Based on the audit procedures that have been considered reasonable and appropriate in the circumstances, nothing has come to our notice that has caused us to believe that the representations under sub-clause (i) and (ii) of Rule 11(e), as provided under (a) and (b) above, contain any material misstatement

- v. The dividend declared or paid during the year by the Company is in accordance with Section 123 of the Companies Act, 2013.
 - vi. Based on our examination, which included test checks, the Company has used accounting software for maintaining its books of account for the financial year ended March 31, 2026 which has a feature of recording audit trail (edit log) facility and the same has operated throughout the year for all transactions recorded in the software. Further, during the course of our audit we did not come across any instance of the audit trail feature being tampered with. Additionally, the audit trail has been preserved by the company as per statutory requirements for record retention.
3. In terms of Section 143(5) of the Companies Act 2013, we give in the "Annexure-C" statement on the directions issued by the Comptroller and Auditor General of India.

For M/s Goel Garg & Co.
Chartered Accountants
FRN 000397N

(Ashok Kumar Agarwal)
Partner
Membership No.084600



Place: New Delhi
Date: 1st June, 2026

UDIN: 26084600 JZS TGC 8291

ANNEXURE 'A' TO THE INDEPENDENT AUDITORS' REPORT

As referred to in our Independent Auditors' Report of even date to the members of the **POWERGRID TELESERVICES LIMITED**, on the Financial Statements for the year ended 31 March 2026, we report that:

- (i) a) (A) The Company has maintained proper records showing full particulars including quantitative details and situation of Property, Plant & Equipment, including right-of-use assets covered under Ind As 116, 'Leases'.
(B) The Company has maintained proper records showing full particulars of intangible assets.
- b) The Property, Plant & Equipment have been got physically verified by the management during the year, through external agencies. In our opinion, frequency of verification is reasonable having regard to size of the company and the nature of its business. No material discrepancies were noticed on such verification.
- c) With respect to immovable properties disclosed in the financial statements included in property, plant and equipment, according to the information and explanations given to us and based on the examination of the registered sale deed / transfer deed / conveyance deed/ lease agreement for land provided to us, we report that, the title deeds of such immovable properties (other than immovable properties where the Company is the lessee and the lease agreements are duly executed in favour of the lessee) are held in the name of the Company as at the balance sheet date.
- d) In our opinion and according to the information and explanations given to us, the company has not revalued its Property, Plant and Equipment (including Right of Use assets) or intangible assets or both during the year. Accordingly, the provision of clause 3(i)(d) of the Order is not applicable.
- 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 inventories have been got physically verified by the management during the year through external agencies. In our opinion, frequency of verification, coverage & procedure adopted by the company for verification is reasonable having regard to the size of the company and nature of its business. No discrepancies of 10% or more in the aggregate for each class of inventory between physical inventory and books records were noticed on such verification.



- (b) The Company has not been sanctioned working capital limits in excess of Rs. 5 crores, in aggregate, at any point of time during the year from banks or financial institutions on the basis of security of current assets and hence reporting under clause 3(ii)(b) of the Order is not applicable.
- (iii) 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, provisions of clause 3(iii) (a) to clause 3(iii)(f) of the order are not applicable to the company.
- (iv) In our opinion and according to the information and explanation given to us, The Company has not entered into any transaction covered under Sections 185 and 186 of the Act. Accordingly, the provisions of clause 3(iv) of the Order are not applicable.
- (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, clause 3(v) of the Order is not applicable to the company.
- (vi) We have broadly reviewed the cost records maintained by the company specified by the Central Government under sub section (1) of section 148 of the Companies Act, 2013, in respect of Operations of the Company and we are of the opinion that prima facie the prescribed records have been made and maintained. However, we have not made a detailed examination of the cost records with a view to determine whether they are accurate or complete.
- (vii) a) According to the information and explanations given to us, the Company is generally regular in depositing undisputed statutory dues with appropriate authorities including Income Tax, Goods and Services Tax, Provident Fund, Cess and other statutory dues applicable to the Company and that there are no undisputed statutory dues outstanding as at 31 March 2026 for a period of more than six months from the date they became payable. Further, Sales Tax, Wealth Tax, Service Tax, Duty of Custom, Duty of Excise, Value added Tax and provisions of Employees state insurance Act are not applicable to the Company.



- b) According to information and explanations given to us, there are no statutory dues referred to in sub- clause (a) which have not been deposited on account of dispute except for the Following:

Sl. No.	Name of the Statute	Nature of dues	Amount (Rs in Crore)	Period to which the amount relates	Forum where dispute is pending
1.	Goods and Service Tax Act	Goods and service tax matters	0.17	2023-24	Appellate Authority, Madurai,Tamil Nadu,
2.	Goods and Service Tax Act	Goods and service tax matters	0.08	2024-25	Appellate Authority, Madurai,Tamil Nadu,
	Total		0.25		

- (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. Accordingly, the provisions of Clause 3(viii) of the Order are not applicable.
- (ix) In our opinion, based on our examination of the records and according to the information and explanations given to us,
- The Company has not defaulted during the year in repayment of loans & Others borrowings & payment of Interest to any Lender.
 - The Company has not been declared willful defaulter by any bank or financial institution or other lender.
 - Term loans have been applied for the purpose for which the loans were obtained.
 - The Company has not raised any funds on short term basis Hence, clause 3(ix)(d) is not applicable.
 - The Company does not have any Subsidiary, Joint venture or Associate. Accordingly, clause 3(ix)(e) is not applicable to the Company.
 - The Company does not have any Subsidiary, Joint venture or Associate. Accordingly, clause 3(ix)(f) is not applicable to the Company.



- (x) (a) The company has not raised money by way of an initial public offer or further public offer (including debt instruments) during the year and hence reporting under clause 3(x)(a) of the Order is not applicable to the Company.
- (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 and hence reporting under clause 3(x)(b) of the Order is not applicable to the Company.
- (xi) (a) According to the information and explanations given to us and as represented by the management and based on our examination of the books and records of the Company, no case of fraud on the company or by the company has been noticed or reported during the year.
- (b) No report under sub-section (12) of section 143 of the Companies Act has been filed in Form ADT-4 as prescribed under rule 13 of Companies (Audit and Auditors) Rules, 2014 with the Central Government, during the year and upto the date of this report..
- (c) According to the information and explanations given to us, no whistle-blower complaints have 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 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 size and the nature of its business.
- (b) The reports of the Internal Auditors for the period under audit were considered by us in determining the nature, timing and extend of our audit procedures.



- (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 and hence provisions of section 192 of the Companies Act, 2013 are 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, clause 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. Accordingly, provisions of clause 3(xvii) of the order are not applicable.
- (xviii) There has not been any resignation of the statutory auditors during the year. Accordingly, provisions of clause 3 (xviii) of the order are not applicable.
- (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. We, however, state that this is not an assurance as to the future viability. We further state that our reporting is based on the facts up to the date of the audit report and we neither give any guarantee nor any assurance that all liabilities falling due within a period of one year from the balance sheet date, will get discharged by the Company as and when they fall due.
- (xx) According to the information and explanations given to us and based on our examination of the records, the Company has spent the amount required as per section 135(5) of the Companies Act during the financial year. Accordingly, Clause 3(xx)(a) and 3(xx)(b) are not applicable to the company.



xxi) The Company does not have any Subsidiaries, Joint ventures or Associates.
Accordingly, clause 3(xxi) is not applicable to the company.

For M/s Goel Garg & Co.
Chartered Accountants
FRN 000397N



(Ashok Kumar Agarwal)
Partner
Membership No.084600

Place: New Delhi
Date: 1st June, 2026

UDIN: 26084600 JZS TGC 8291

ANNEXURE - "B"

As referred to in our Independent Auditors' Report of even date to the members of the M/s POWERGRID TELESERVICES LIMITED ("the Company"), on the financial statements for the year ended 31st March 2026

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

We have audited the internal financial controls over financial reporting with reference to Financial Statements of the Company as of 31st March 2026 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 with reference to Financial Statements 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 (the "ICAI"). These responsibilities include the design, implementation and maintenance of adequate internal financial controls with reference to Financial Statements that were operating effectively for ensuring the orderly and efficient conduct of its 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 internal financial controls over the financial reporting of company 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 Standards on Auditing prescribed under section 143(10) of the Companies Act, 2013, to the extent applicable to an audit of internal financial controls Those Standards and the Guidance Note require that we comply with ethical requirements and plan and perform the audit to obtain reasonable assurance about whether adequate internal financial controls over financial reporting with reference to Financial Statements was established and maintained and if such controls operated effectively in all material respects.



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

We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our audit opinion on the Company's internal financial controls system over financial reporting with reference to Financial Statements.

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 with reference to Financial Statements include 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 with reference to Financial Statements to future periods are subject to the risk that the internal financial controls over financial reporting with reference to



Financial Statements may become inadequate because of changes in conditions, or that the degree of compliance with the policies or procedures may deteriorate.

Opinion

In our opinion, to the best of our information and according to the explanation given to us, 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 2026, based on the internal controls over financial reporting criteria established by the Company considering the essential components of internal control stated in the Guidance Note on Audit of Internal Financial Controls Over Financial Reporting issued by the Institute of Chartered Accountants of India."

For M/s Goel Garg & Co.
Chartered Accountants
FRN 000397N



(Ashok Kumar Agarwal)
Partner
Membership No.084600

Place: New Delhi
Date: 1st June, 2026

UDIN: 26084600 JZS TGC 8291

Annexure – 'C' to Independent Auditor' Report

As referred to in our Independent Auditors' Report to the Members of the **M/s POWERGRID Telesevicees Limited ('The Company')**, on the Standalone Financial Statements for the year ended 31 March 2026, we report that:

Sl. No.	Directions u/s 143(5) of the Companies Act, 2013	Auditor's Comments	Impact on financial statement
1	Assess the fair valuation of all the investments, both quoted and unquoted, made directly by the Company or through Trusts, for Post-retirement benefits of the employees. This includes verifying valuation methodologies, ensuring consistency with Ind AS and reviewing supporting documentation. The auditor shall provide a brief note on the valuation approach, its reasonability, and compliance with applicable regulations, reporting any material deviations or misstatements.	The company has not made any Investments.	NIL
2	Whether the Company has a system in place to process all the accounting transactions through IT system? If yes, whether review of this system and controls that are significant to the Companies financial reporting process as well as cyber security has been done by Information Security Auditing Organisations empaneled by Cert-In at a minimum frequency of once in a year and material discrepancies found, if any, have been suitably reported? The implications of processing of accounting transactions outside IT system on the integrity of the accounts along with the financial implications may also be reported	The Company is having ERP system (SAP) in place for processing all accounting transactions. The review of the system and controls that are significant to company's financial reporting process as well as cyber security has been done by Parent company for the all the companies in the group through Information Security Auditing Organisations empanelled by Cert-In once a year and no material discrepancies are found. Based on our verification, no accounting transaction is being recorded/ processed other than through the ERP system in place.	NIL
3	Whether funds (grants/ subsidy etc.) received/ receivable for specific schemes from Central/State Government or its agencies were properly accounted for as per the applicable accounting standards or norms and whether the received funds were utilised as per its terms and conditions? Whether accounting of interest earned on grants received has been done as per terms and conditions of the Grant. List the cases of deviation.	No fund has been received from Central /State Government or its agencies.	NIL



4	Whether the Company has identified the key Risk areas? If yes, whether the Company has formulated any Risk Management Policy to mitigate these risks? If yes, (a) whether the Risk Management Policy has been formulated considering global best practices? (b) whether the Company has identified its data assets and whether these have been valued appropriately?	The Parent company has identified the key risk areas and has formulated a risk management policy to mitigate these Risks for all the companies in the group. The said policy as represented by management, is stated to be based on global best practices, namely COSO framework. The company has not identified any data assets in accordance with the applicable financial reporting framework and consequently these have not been subject to valuation.	NIL
5	Whether the Company is complying with the Securities and Exchange Board of India (SEBI) (Listing Obligation and Disclosure Requirements) Regulations 2015, and other applicable rules and regulations of SEBI, Department of Investment and Public Asset Management, Ministry of Corporate Affairs, Department of Public Enterprises, Reserve Bank of India, Telecom Regulatory Authority of India, CERT-IN, Ministry of Electronics and Information Technology and National Payments Corporation of India wherever applicable? If not, the cases of deviation may be highlighted.	Based on the information and explanations given to us, secretarial audit report of the company, and audit procedures carried out by us, the company is complying with the Securities and Exchange Board of India (SEBI) (Listing Obligations and Disclosure Requirements) Regulations, 2015, and other applicable rules and regulations of SEBI, Department of Investment and Public Asset Management, Ministry of Corporate Affairs, Department of Public Enterprises, Reserve Bank of India, Telecom Regulatory Authority of India, CERT-IN, Ministry of Electronics and Information Technology and National Payments Corporation of India wherever applicable.	NIL

Sub-directions to Statutory Auditors of Power Sector entities for the year 2025-26

Sl. No.	Sub-directions to Statutory Auditors of Power Sector entities for the year 2025-26	Auditor's Comments	Impact on financial statement
(i)	Verify whether the existing regulatory assets of the Company are supported by the tariff orders of the Electricity Regulatory Commission;	There are no regulatory assets in company. As such no further disclosures is required in this regard.	NIL
(ii)	Verify whether the revenue in respect of such assets has been recognised by the Company on the basis of tariff orders issued by the Electricity Regulatory Commission;	There are no regulatory assets in company. As such no further disclosures is required in this regard.	NIL
(iii)	State the impact of recognition/ existence of regulatory assets in the absence of tariff orders, if any;	There are no regulatory assets in company. As such no further disclosures is required in this regard.	NIL
(iv)	State the impact of delayed/ non-recovery of regulatory assets on the financial statements of the Company;	There are no regulatory assets in company. As such no further disclosures is required in this regard.	NIL



(v)	Examine and report upon the accuracy/ adequacy of accounting treatment/ related disclosures in this regard.	There are no regulatory assets in company. As such no further disclosures is required in this regard.	NIL
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For M/s Goel Garg & Co.
Chartered Accountants
FRN No.000397N



Ashok Kumar Agarwal

Partner

Membership No.084600

Place: New Delhi

Date: 1st June, 2026

UDIN: 26084600JZST6C8291

GOEL GARG & CO.

Chartered Accountants

18, Ground Floor, National Park,
Lajpat Nagar-IV, New Delhi-110024
Ph.: 011-46539501 46539502
E-mail : office@ggco.co.in

COMPLIANCE CERTIFICATE

We have conducted the audit of annual accounts of **POWERGRID TELESERVICES LIMITED** for the year ended 31 March 2026 in accordance with the Directions/ Sub Directions issued by C&AG of India under Section 143(5) of the Companies Act, 2013 and certify that we have complied with all the Direction/ Sub-directions issued to us.

For M/s Goel Garg & Co.
Chartered Accountants
FRN 000397N



(Ashok Kumar Agarwal)
Partner
Membership No.084600

Place: New Delhi
Date: 1st June, 2026

UDIN: 26084600 JZS TGC 8291

POWERGRID Teleservices Limited

CIN:U64200DL2021GOI390464

B-9, Qutub Institutional Area, Katwaria Sarai, New Delhi-110016

Balance Sheet As at 31 March 2026

(₹ in crore)

Particulars	Note No	As at 31 March 2026	As at 31 March 2025
ASSETS			
Non-current assets			
Property, Plant and Equipment	4	858.16	697.47
Capital work-in-progress	5	415.29	427.53
Intangible assets	6	5.91	6.90
Other non-current assets	7	13.63	30.52
Deferred Tax Assets (Net)	19	25.75	-
		1,318.74	1,162.42
Current assets			
Inventories	8	19.33	18.08
Financial Assets			
Trade receivables	9	594.68	413.41
Cash and cash equivalents	10	9.00	16.70
Bank balances other than Cash and cash equivalents	11	123.23	288.26
Other current financial assets	12	23.14	9.76
Other current assets	13	34.49	22.63
		803.87	768.84
Total Assets		2,122.61	1,931.26
EQUITY AND LIABILITIES			
Equity			
Equity Share capital	14	700.69	700.69
Other Equity	15	112.06	205.00
		812.75	905.69
Liabilities			
Non-current liabilities			
Financial Liabilities			
Borrowings	16	256.89	178.25
Lease liabilities		2.14	2.19
Other non-current financial liabilities	17	25.79	12.99
Provisions	18	0.10	-
Deferred Tax Liabilities(Net)	19	-	18.31
Other non-current liabilities	20	241.72	324.49
		526.64	536.23
Current liabilities			
Financial Liabilities			
Borrowings	21	26.87	19.10
Lease liabilities		0.19	0.16
Trade payables			
(A) total outstanding dues of micro enterprises and small enterprises	22	9.69	9.25
(B) total outstanding dues of creditors other than micro enterprises and small enterprises	22	185.76	146.24
Other current financial liabilities	23	210.52	129.15
Other current liabilities	24	309.77	182.30
Provisions	25	4.87	3.14
Current Tax Liabilities (Net)	26	35.55	-
		783.22	489.34
Total Equity and Liabilities		2,122.61	1,931.26

The accompanying notes (1 to 52) form an integral part of financial statements

As per our report of even date
For M/s Goel Garg & Co.
Chartered Accountants
FAN No. 000397N



CA Ashok Kumar Agarwal
Partner
M.No. 084600

For and on behalf of the Board of Directors

Manish Kumar

Manish Kumar
Additional Director
DIN: 11069723

Sanjay Sharma

Sanjay Sharma
Additional Director
DIN: 10818843

Place: New Delhi
Date: 01.06.2026

Rakesh Kumar

Rakesh Kumar
Chief Executive Officer
PAN: ABCPK3925F

Varsha Paliwal

Varsha Paliwal
Company Secretary
PAN : DNSPP3276B
Mem. No. A64335

K P Mukherjee

K P Mukherjee
Chief Financial Officer
PAN: AAJPM1317P

Place: Gurugram
Date: 01.06.2026

POWERGRID Teleservices Limited

CIN:U64200DL2021GOI390464

B-9, Qutub Institutional Area, Katwaria Sarai, New Delhi-110016

Statement of Profit and Loss for the year ended 31 March 2026

(₹ in crore)

Particulars	Note No.	For the year ended 31 March 2026	For the year ended 31 March 2025
INCOME			
Revenue From Operations	27	1,172.57	1,109.37
Other Income	28	22.52	18.73
Total Income		1,195.09	1,128.10
EXPENSES			
Employee benefits expense	29	1.37	-
Finance costs	30	39.62	37.93
Depreciation and amortization expense	31	97.37	81.27
Other expenses	32	495.73	486.55
Total expenses		634.09	605.75
Profit/(Loss) Before Tax		561.00	522.35
Tax expense:			
Current tax - Current Year		158.06	131.44
- Earlier Years		34.74	-
Deferred tax		(44.06)	(0.22)
Profit for the period		148.74	131.22
Other Comprehensive Income		-	-
Total Comprehensive Income for the period		148.74	131.22
Earnings per equity share (Par value ₹ 10/- each):			
Basic & Diluted (₹)	48	5.88	5.79

The accompanying notes (1 to 52) form an integral part of financial statements

As per our report of even date

For M/s Goel Garg & Co.

Chartered Accountants

FRN No. 000397N



CA Ashok Kumar Agarwal

Partner

M.No. 084600



For and on behalf of the Board of Directors



Manish Kumar

Additional Director

DIN: 11069723



Sanjay Sharma

Additional Director

DIN: 10818843

Place: New Delhi

Date: 01.06.2026



Rakesh Kumar

Chief Executive Officer

PAN: ABCPK3925F



Varsha Paliwal

Company Secretary

PAN : DNSPP3276B

Mem. No. A64335



K P Mukherjee

Chief Financial Officer

PAN: AAJPM1317P

Place: Gurugram

Date: 01.06.2026

POWERGRID Teleservices Limited

CIN:U64200DL2021GOI390464

B-9, Qutub Institutional Area, Katwaria Sarai, New Delhi-110016

Statement of Cash Flows for the year ended 31 March 2026

(₹ in crore)

Sl. No.	Particulars	For the year ended 31 March 2026	For the year ended 31 March 2025
A	CASH FLOW FROM OPERATING ACTIVITIES		
	Profit Before Tax	561.00	522.35
	Adjustment for :		
	Depreciation & amortization expenses	97.37	81.27
	Provisions	3.39	5.14
	Net Loss on Disposal / Write off of Property, Plant & Equipment	0.12	0.05
	Finance Costs	39.62	37.93
	FERV loss / (gain)	1.22	0.30
	Interest income on Deposits	(16.05)	(16.44)
		125.67	108.25
	Operating profit before Changes in Assets and Liabilities	686.67	630.60
	Adjustment for Changes in Assets and Liabilities:		
	(Increase)/Decrease in Inventories	(1.25)	0.29
	(Increase)/Decrease in Trade Receivables	(184.66)	(57.84)
	(Increase)/Decrease in Other Financial Assets	(13.38)	27.59
	(Increase)/Decrease in Other Non-current Assets	(0.61)	(3.78)
	(Increase)/Decrease in Other Current Assets	(11.86)	(7.16)
	Increase/(Decrease) in Liabilities & Provisions	144.32	67.86
		(67.44)	26.96
	Cash generated from operations	619.23	657.56
	Direct Taxes (paid)/refund	(138.69)	(124.58)
	Net Cash from Operating Activities	480.54	532.98
B	CASH FLOW FROM INVESTING ACTIVITIES		
	Purchase of Property, Plant & Equipment, Intangible Assets, Capital Work in Progress etc. (Including Advances for Capital Expenditure)	(232.20)	(196.57)
	Proceeds of sale of Property, Plant & Equipment and Intangible Assets etc.	0.08	-
	Interest received on Deposits	25.47	3.92
	Bank balances other than cash and cash equivalents	155.61	(239.31)
	Net Cash used in Investing Activities	(51.04)	(431.96)
C	CASH FLOW FROM FINANCING ACTIVITIES		
	Issue of Shares	-	36.67
	Proceeds from Borrowings		
	Non Current	109.65	164.28
	Current	-	13.00
	Repayment of Borrowings		
	Non Current	(23.24)	(4.16)
	Current	-	(13.00)
	Repayment of Lease Liabilities (Including interest)	(0.36)	(0.41)
	Finance Costs paid	(18.05)	(6.43)
	Dividend paid	(505.20)	(281.33)
	Net Cash used in Financing Activities	(437.20)	(91.38)
D	Net change in Cash and Cash equivalents (A+B+C)	(7.70)	9.64
E	Cash and Cash equivalents (Opening balance)	16.70	7.06
F	Cash and Cash equivalents (Closing balance) (Refer Note No 10)	9.00	16.70

Further Notes

Note 1 -Cash and cash equivalents consist of balances with banks and deposits with original maturity of upto three months.Further Refer note 42 for details on corporate social responsibility Expenses (CSR).

Note 2 - Previous year figures have been re-grouped/re-arranged wherever necessary.



Statement of Cash Flows for the year ended 31 March 2026 (Contd.)

Note 3 - Reconciliation between the opening and closing balances in the balance sheet for liabilities arising from financing activities:

(₹ in crore)

Particulars	Lease obligations	Non-current borrowings#
As at 01 April 2025	2.35	200.47
Net Cash Flows during the year	(0.36)	68.36
Non-cash changes due to :		
- Adjustments/Acquisitions under lease	0.34	-
- Interest on borrowings	-	17.11
As at 31 March 2026	2.33	285.94

(₹ in crore)

Particulars	Lease obligations	Non-current borrowings#
As at 01 April 2024	21.89	37.28
Net Cash Flows during the year	(0.41)	153.69
Non-cash changes due to :		
- Adjustments/Acquisitions under lease	(19.13)	-
- Interest on borrowings	-	9.50
As at 31 March 2025	2.35	200.47

Includes current maturities of non-current borrowings and interest accrued thereon

As per our report of even date

For M/s Goel Garg & Co.

Chartered Accountants

FRN No. 000397N



CA Ashok Kumar Agarwal
Partner
M.No. 084600



For and on behalf of the Board of Directors



Manish Kumar
Additional Director
DIN: 11069723



Sanjay Sharma
Additional Director
DIN: 10818843

Place: New Delhi

Date: 01.06.2026



Rakesh Kumar
Chief Executive Officer
PAN: ABCPK3925F



Varsha Paliwal
Company Secretary
PAN : DNSPP3276B
Mem. No. A64335



K P Mukherjee
Chief Financial Officer
PAN: AAJPM1317P

Place: Gurugram

Date: 01.06.2026

POWERGRID Teleservices Limited

CIN:U64200DL2021GOI390464

B-9, Qutub Institutional Area, Katwaria Sarai, New Delhi-110016

Statement of Changes in Equity for the year ended 31 March 2026

A. Equity Share Capital

(₹ in crore)

As at 01 April 2025	700.69
Changes during the year	-
As at 31 March 2026	700.69
As at 01 April 2024	664.02
Changes during the year	36.67
As at 31 March 2025	700.69

B. Other Equity

(₹ in crore)

Particulars	Capital Reserve	Retained Earnings	Total
As at 01 April 2025	(19.44)	224.44	205.00
Total Comprehensive Income for the year	-	412.26	412.26
Adjustment during the year	1.24	(1.24)	-
Interim Dividend paid	-	(505.20)	(505.20)
As at 31 March 2026	(18.20)	130.26	112.06

(₹ in crore)

Particulars	Capital Reserve	Retained Earnings	Total
As at 01 April 2024	(20.57)	115.77	95.20
Total Comprehensive Income for the year	-	391.13	391.13
Adjustment during the year	1.13	(1.13)	-
Interim Dividend paid	-	(281.33)	(281.33)
As at 31 March 2025	(19.44)	224.44	205.00

The accompanying notes (1 to 52) form an integral part of financial statements
Refer to Note No 15 for nature and movement of Reserve and Surplus.

As per our report of even date

For M/s Goel Garg & Co.

Chartered Accountants

FFN No. 000391N



CA Ashok Kumar Agarwal

Partner

M.No. 084600

For and on behalf of the Board of Directors

Manish Kumar

Additional Director

DIN: 11069723

Sanjay Sharma

Additional Director

DIN: 10818843

Place: New Delhi

Date: 01.06.2026

Rakesh Kumar

Chief Executive Officer

PAN: ABCPK3925F

Varsha Paliwal

Company Secretary

PAN : DNSPP3276B

Mem. No. A64335

K P Mukherjee

Chief Financial Officer

PAN: AAJPM1317P

Place: Gurugram

Date: 01.06.2026

Notes to Financial Statements

1. Corporate and General Information

POWERGRID Teleservices Limited ("the Company") is a public company domiciled and incorporated in India under the provisions of Companies Act and a wholly owned subsidiary of Power Grid Corporation of India Limited. The registered office of the Company is situated at B-9, Qutub Institutional Area, Katwaria Sarai, New Delhi-110 016, India.

The company is engaged in business of developing, operating and maintaining Telecommunications Networks, Data Centre Services and other allied activities.

The financial statements of the company for the year ended 31 March 2026 were approved for issue by the Board of Directors on 01.06.2026.

2. Material Accounting Policy Information

A summary of the material accounting policy information applied in the preparation of the financial statements are as given below. These accounting policies have been applied consistently to all periods presented in the financial statements.

2.1 Basis of Preparation

i) Compliance with Ind AS

The financial statements are prepared in compliance with Indian Accounting Standards (Ind AS) notified under Section 133 of the Companies Act, 2013 (the Act), Companies (Indian Accounting Standards) Rules, 2015, the relevant provisions of the Companies Act, 2013 (to the extent notified), 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. 2.12 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 Crore and two decimals thereof, except as stated otherwise.

iv) Use of estimates

The preparation of financial statements requires estimates and assumptions that affect the reported amount of assets, liabilities, revenue and expenses during the reporting period. Although, such estimates and assumptions are made on a reasonable and prudent basis taking into account all available information, actual results could differ from these estimates. The estimates and underlying assumptions are reviewed on an on-going basis. Revisions to accounting estimates are recognised in the period in which the estimate is revised if the revision 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 right at the end of the reporting period 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.

In the case of commissioned assets, deposit works/cost- plus contracts where final settlement of bills with contractors is yet to be effected, capitalization is done on provisional basis subject to necessary adjustments in the year of final settlement.

The cost of land includes provisional deposits, payments/liabilities towards compensation, rehabilitation and other expenses wherever possession of land is taken.

Expenditure on levelling, clearing and grading of land if incurred for construction of building is capitalized as part of cost of the related building.

Spares parts individually costing more than ₹10,00,000/-, standby equipment and servicing equipment which meets the recognition criteria of Property, Plant and Equipment are capitalised.

The acquisition or construction of some items of property, plant and equipment although not directly increasing the future economic benefits of any particular existing item of property, plant and equipment, may be necessary for the company to obtain future economic benefits from its other assets. Such items are recognized as property, plant and equipment.



Subsequent costs

Subsequent expenditure is recognized as an increase in carrying amount of assets when it is probable that future economic benefits deriving from the cost incurred will flow to the company and cost of the item can be measured reliably.

The cost of replacing part of an item of Property, Plant & Equipment is recognized in the carrying amount of the item if it is probable that future economic benefits embodied within the part will flow to the company and its cost can be measured reliably. The carrying amount of the replaced part is derecognised. If the cost of the replaced part or earlier inspection component is not available, the estimated cost of similar new parts/inspection component is used as an indication of what the cost of the existing part/ inspection component was when the item was acquired or inspection was carried out.

The costs of the day-to-day servicing of property, plant and equipment are recognised in the Statement of Profit & Loss as incurred.

Derecognition

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

The gain or loss arising from derecognition 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 derecognition.

2.3 Capital Work-In-Progress (CWIP)

Cost of material, erection charges and other expenses incurred for the construction of Property, Plant and Equipment are shown as CWIP based on progress of erection work till the date of capitalization.

Expenditure of Corporate office, Regional Offices and Projects, directly attributable to construction of property, plant and equipment are identified and allocated on a systematic basis to the cost of the related assets.

Interest during construction and expenditure (net) allocated to construction as per policy above are kept as a separate item under CWIP and apportioned to the assets being capitalized in proportion to the closing balance of CWIP.

Unsettled liability for price variation/exchange rate variation in case of contracts is accounted for on estimated basis as per terms of the contracts.

2.4 Intangible Assets and Intangible Assets under development

Intangible assets with finite useful life that are acquired separately 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 revenue – share based fee on licenses is charged to the statement of Profit and Loss in the period such cost is incurred.

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.

Expenditure on research activities is recognised as an expense in the period in which it is incurred.



Expenditure on development activities shall be recognised as Intangible asset if it meets the eligibility criteria as per Ind AS 38 'Intangible Assets', otherwise it shall be recognised as an expense.

An item of Intangible asset is derecognised upon disposal or when no future economic benefits are expected from its use or disposal. Gains or losses arising from derecognition of an intangible asset are measured as the difference between the net disposal proceeds and the carrying amount of the asset and are recognised in the Statement of Profit and Loss when the asset is derecognised.

2.5 Depreciation / Amortisation

Property, Plant and Equipment

Depreciation/amortisation on the items of telecom business is provided on straight line method as per useful life specified in Schedule II of the Companies Act, 2013 except for property, plant and equipment specified in the following paragraphs.

Depreciation on following items of property, plant and equipment is provided based on estimated useful life as per technical assessment.

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

Residual value of above assets is considered as Nil.

Mobile phones are charged off in the year of purchase.

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

Where the cost of depreciable property, plant and equipment has undergone a change due to increase/decrease in long term monetary items on account of exchange rate fluctuation, price adjustment, change in duties or similar factors, the unamortized balance of such asset is depreciated prospectively.

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.

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.

Telecom Licenses are amortised on straight line basis over their respective useful lives.

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 Borrowing Costs

All the borrowed funds (except short term funds for working capital) are earmarked to specific projects. The borrowing costs are allocated to the projects in proportion to the funds so earmarked.

Borrowing costs directly attributable to the acquisition or construction of qualifying assets are capitalised (net of income on temporary deployment of funds) as part of the cost of such assets till the assets are ready for the intended use. Qualifying assets are assets which take a substantial period of time to get ready for their intended use.

All other borrowing costs are recognised in Statement of Profit and Loss in the period in which they are incurred.

2.7 Impairment of non-financial assets

The carrying amounts of the Company's non-financial assets are reviewed at each reporting date to determine whether there is any indication of impairment considering the provisions of Ind AS 36 'Impairment of Assets'. If any such indication exists, then the asset's recoverable amount is estimated.

The recoverable amount of an asset or cash-generating unit is the higher of its fair value less costs to disposal and its value in use. In assessing value in use, the estimated future cash flows are discounted to their present value using a pre-tax discount rate that reflects current market assessments of the time value of money and the risks specific to the asset for which the estimates of future cash flows have not been adjusted. For the purpose of impairment testing, assets that cannot be tested individually are grouped together into the smallest group of assets that generates cash inflows from continuing use that are largely independent of the cash inflows of other assets or groups of assets (the "cash-generating unit", or "CGU").

An impairment loss is recognized if the carrying amount of an asset or its CGU exceeds its estimated recoverable amount. Impairment losses are recognized in the statement of profit and loss. Impairment losses recognized in respect of CGUs are reduced from the carrying amounts of the assets of the CGU.

Impairment losses recognized in prior periods are assessed at each reporting date for any indications that the loss has decreased or no longer exists. An impairment loss is reversed if there has been a change in the estimates used to determine the recoverable amount. An impairment loss is reversed only to the extent that the asset's carrying amount does not exceed the carrying amount that would have been determined, net of depreciation or amortization, if no impairment loss had been recognized.

2.8 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.

2.9 Inventories

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

Spares which do not meet the recognition criteria as Property, Plant and Equipment, including spare parts individually costing up to ₹10,00,000/- are recorded as inventories.

Surplus materials as determined by the management are held for intended use and are included in the inventory.



The diminution in the value of obsolete/unserviceable/surplus stores and spares and non-moving unserviceable inventories is ascertained on review and provided for.

2.10 Leases

Lease is a contract that conveys the right to control the use of an identified asset for a period of time in exchange for consideration.

To assess whether a contract conveys the right to control the use of an identified asset, the Company assesses whether: (i) the contract involves use of an identified assets, (ii) the customer has substantially all the economic benefits from the use of the asset through the period of the lease and (iii) the customer has the right to direct the use of the asset.

i) As a Lessee

At the date of commencement of the lease, the Company recognises a right-of-use asset (ROU) and a corresponding lease liability for all lease arrangements in which it is a lessee, except for lease with a term of twelve months or less (i.e. short term leases) and leases for which the underlying asset is of low value. For these short-term and leases for which the underlying asset is of low value, the Company recognizes the lease payments on straight-line basis over the term of the lease.

Certain lease arrangements include the options to extend or terminate the lease before the end of the lease term. ROU assets and lease liabilities includes these options when it is reasonably certain that they will be exercised.

The right-of-use assets are initially recognized at cost, which comprises the amount of the initial measurement of the lease liability adjusted for any lease payments made at or before the inception date of the lease along with any initial direct costs, restoration obligations and lease incentives received.

Subsequently, the right-of-use assets is measured at cost less any accumulated depreciation, accumulated impairment losses, if any and adjusted for any remeasurement of the lease liability. The Company applies Ind AS 36 to determine whether a ROU asset is impaired and accounts for any identified impairment loss as described in the accounting policy 2.7 on "Impairment of non-financial assets".

The lease liability is initially measured at present value of the lease payments that are not paid at that date.

The interest cost on lease liability is expensed in the Statement of Profit and Loss, unless eligible for capitalization as per accounting policy 2.6 on "Borrowing costs".

Lease liability and ROU asset have been separately presented in the financial statements and lease payments have been classified as financing cash flows.

ii) As a Lessor

A lease is classified at the inception date as a finance lease or an operating lease.

a) Finance leases

A lease that transfers substantially all the risks and rewards incidental to ownership of an asset is classified as a finance lease.

Net investment in such leased assets are recorded at the lower of the fair value of the leased property and the present value of the minimum lease payments as Lease Receivables under current and non-current other financial assets.

The interest element of lease is accounted in the Statement of Profit and Loss over the lease period based on a pattern reflecting a constant periodic rate of return on the net investment.

b) Operating leases

An operating lease is a lease other than a finance lease. Leases in which a significant portion of the risks and rewards of ownership are retained by the lessor are classified as operating leases.



For operating leases, the asset is capitalized as property, plant and equipment and depreciated over its economic life. Rental income from operating lease is recognized over the term of the arrangement.

2.11 Employee Benefits

2.11.1 Defined contribution plans

A defined contribution plan is a post-employment benefit plan under which an entity pays fixed contributions into separate entities (Funds) and will have no legal or constructive obligation to pay further contributions, if the Fund does not hold sufficient assets to pay all employee's benefits related to employee service in the current and prior periods. Obligations for contribution to defined contribution plans are recognised as an employee benefits expense in the statement of profit and loss in the period during which services are rendered by employees.

The Company deducts and deposits fixed contribution of 12% towards Provident Fund at predetermined rate with the EPFO. The contributions to the fund for the year are recognised as expense and are charged to the statement of profit and loss. The obligation of the Company is limited to such fixed contributions and to ensure a minimum rate of interest on contributions to the members as specified by the Government of India (GoI).

2.11.2 Defined benefit plans

A defined benefit plan is a post-employment benefit plan other than a defined contribution plan. The Company's liability towards gratuity, post-retirement medical facility, baggage allowance for settlement at home town after retirement, long service award on retirement and provident fund scheme to the extent of interest liability on provident fund contribution are in the nature of defined benefit plans.

The Company has Post-Retirement Medical Facility (PRMF), under which retired employee and the spouse are provided medical facilities in the Company empanelled hospitals. They can also avail treatment as out-patient subject to a ceiling fixed by the Company.

The Company has schemes for payment of baggage allowance towards expenses for settlement at hometown for the superannuated employees & their dependents and for providing a Long Service Award to all regular employees of the Company on superannuation.

The Company's net obligation in respect of defined benefit plans is calculated separately for each plan by estimating the amount of future benefit that employees have earned in return for their service in the current and prior periods; that benefit is discounted to determine its present value. Any unrecognised past service costs and the fair value of any plan assets are deducted. The discount rate is based on the prevailing market yields of Indian government securities as at the reporting date that have maturity dates approximating the terms of the Company's obligations and that are denominated in the same currency in which the benefits are expected to be paid.

The calculation is performed annually by a qualified actuary using the projected unit credit method. When the calculation results in a benefit to the Company, the recognised asset is limited to the total of any unrecognised past service costs and the present value of economic benefits available in the form of any future refunds from the plan or reductions in future contributions to the plan. An economic benefit is available to the Company if it is realisable during the life of the plan, or on settlement of the plan liabilities. Any actuarial gains or losses are recognised in OCI in the period in which they arise and subsequently not reclassified to profit or loss.

When the benefits of a plan are improved, the portion of the increased benefit relating to past service by employees is recognised in the statement of profit and loss on a straight-line basis over the average period until the benefits become vested. To the extent that the benefits vest immediately, the expense is recognised immediately in the statement of profit and loss.



2.11.3 Other long-term employee benefits

Benefits under the Company's leave encashment and employee family economic rehabilitation scheme constitute other long term employee benefits.

The Company's net obligation in respect of leave encashment is the amount of future benefit that employees have earned in return for their service in the current and prior periods; that benefit is discounted to determine its present value. The discount rate is based on the prevailing market yields of Indian government securities as at the reporting date that have maturity dates approximating the terms of the Company's obligations. The calculation is performed using the projected unit credit method. Any actuarial gains or losses are recognised in the statement of profit and loss in the period in which they arise.

As per 'POWERGRID Employee Family Economic Rehabilitation Scheme', which is optional, in the event of death or permanent total disability of an employee, the dependent(s) or the employee, as the case may be, is paid a fixed amount based on the last salary drawn by the employee till the notional date of superannuation of the employee upon depositing the final provident fund and gratuity amount which will be interest free.

2.11.4 Short-term benefits

Short term employee benefit obligations are measured on an undiscounted basis and are expensed as the related service is provided.

A liability is recognised for the amount expected to be paid under performance related pay if the Company has a present legal or constructive obligation to pay this amount as a result of past service provided by the employee and the obligation can be estimated reliably.

2.12 Financial instruments

A financial instrument is any contract that gives rise to a financial asset of one entity and a financial liability or equity instrument of another entity.

Financial Assets

Classification

The Company classifies its financial assets in the following categories:

- at amortised cost,
- at fair value through other comprehensive income
- at fair value through profit or loss

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. However, trade receivables that do not contain a significant financing component are measured at transaction price.

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.

Debt instruments at Fair value through profit or loss (FVPL): Assets that do not meet the criteria for amortised cost or FVOCI are measured at fair value through profit or loss. Interest income and net gain or loss on a debt instrument that is subsequently measured at FVPL are recognised in statement of profit and loss and presented within other income in the period in which it arises.

Equity investments

All equity investments in scope of Ind AS 109 'Financial Instruments' are measured at fair value. The company may, on initial recognition, make an irrevocable election to present subsequent changes in the fair value in other comprehensive income (FVOCI) on an instrument by-instrument basis.

For equity instruments classified as at FVOCI, all fair value changes on the instrument, excluding dividends are recognized in the OCI. There is no recycling of the amounts from OCI to Profit or Loss, even on sale of investment. However, the Company may transfer the cumulative gain or loss within equity.

Derecognition of financial assets

A financial asset is derecognized only when

- 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 contract assets, the company applies the simplified approach required by Ind AS 109 Financial Instruments, which requires expected lifetime losses to be recognised from initial recognition of the receivables.

For recognition of impairment loss on other financial assets and risk exposure, the company determines whether there has been a significant increase in the credit risk since initial recognition. If credit risk has not increased significantly, 12-month Expected Credit Loss (ECL) is used to provide for impairment loss. However, if credit risk has increased significantly, lifetime ECL is used. If, in a subsequent period, credit quality of the instrument improves such that there is no longer a significant increase in credit risk since initial recognition, then the entity reverts to recognizing impairment loss allowance based on 12 -month ECL.

Financial Liabilities

Financial liabilities of the Company are contractual obligation to deliver cash or another financial asset to another entity or to exchange financial assets or financial liabilities with another entity under conditions that are potentially unfavourable to the Company.

The Company's financial liabilities include loans, trade and other payables.

Classification, initial recognition and measurement



Financial liabilities are recognised initially at fair value minus, in the case of financial liabilities not recorded at fair value through profit or loss, transaction costs that are directly attributable to the issue of financial liabilities.

Subsequent measurement

After initial recognition, financial liabilities are subsequently measured at amortised cost using the EIR method. Amortised cost is calculated by taking into account any discount or premium on acquisition and fees or costs that are an integral part of the effective interest rate (EIR). Any difference between the proceeds (net of transaction costs) and the redemption amount is recognised in the Statement of Profit and Loss over the period of the borrowings using the EIR. Gains and losses are recognised in Statement of Profit and Loss when the liabilities are derecognised.

The EIR amortisation is included as finance costs in the Statement of Profit and Loss.

Derecognition of financial liability

A financial liability is derecognised when the obligation under the liability is discharged or cancelled or expires. When an existing liability is replaced by another from the same lender on substantially different terms, or the terms of an existing liability are substantially modified, such an exchange or modification is treated as the derecognition of the original liability and the recognition of a new liability. The difference between the carrying amount of a financial liability that has been extinguished or transferred to another party and the consideration paid, including any non-cash assets transferred or liabilities assumed, is recognised in Statement of Profit and Loss as other income or finance cost.

Offsetting of financial instruments

Financial assets and financial liabilities are offset and the net amount is reported in the Balance Sheet if there is a currently enforceable legal right to offset the recognised amounts and there is an intention to settle on a net basis, to realise the assets and settle the liabilities simultaneously.

2.13 Foreign Currency Translation

(a) Functional and presentation currency

Items included in the financial statements of the Company are measured using the currency of the primary economic environment in which the Company operates ('the functional currency'). The financial statements are presented in Indian Rupees (Rupees or ₹), which is the Company's functional and presentation currency.

(b) Transactions and balances

Transactions in foreign currencies are initially recorded at the exchange rates prevailing on the date of the transaction. Foreign currency monetary items are translated with reference to the rates of exchange ruling on the date of the Balance Sheet. Non-Monetary items denominated in foreign currency are reported at the exchange rate ruling on the date of initial recognition of the non-monetary prepayment asset or deferred income liability, or the date that related item is recognized in the financial statements, whichever is earlier. In case the transaction is recognized in stages, then transaction date is established for each stage.

Foreign exchange gains and losses are presented in the statement of profit and loss on a net basis within other gains/ (losses).

2.14 Income Tax

Income tax expense represents the sum of current and deferred tax. Tax is recognised in the Statement of Profit and Loss, except to the extent that it relates to items recognised directly in equity or other comprehensive income. In this case the tax is also recognised directly in equity or in other comprehensive income.



Current income tax

The Current Tax is based on taxable profit for the year under the tax laws enacted and applicable to the reporting period in the countries where the company operates and generates taxable income and any adjustment to tax payable in respect of previous years.

Deferred tax

Deferred tax is recognised on temporary differences between the carrying amounts of assets and liabilities in the company's financial statements and the corresponding tax bases used in the computation of taxable profit and is accounted for using the Balance Sheet method. Deferred tax assets are generally recognised for all deductible temporary differences, unused tax losses and unused tax credits to the extent that it is probable that future taxable profits will be available against which those deductible temporary differences, unused tax losses and unused tax credits can be utilised. The carrying amount of deferred tax assets is reviewed at each Balance Sheet date and reduced to the extent that it is no longer probable that sufficient taxable profits will be available against which the temporary differences can be utilised.

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

Deferred tax assets and liabilities are offset if there is a legally enforceable right to offset current tax liabilities and assets, and they relate to income taxes levied by the same tax authority.

2.15 Revenue

Revenue is measured based on the transaction price to which the Company expects to be entitled in a contract with a customer and excludes amounts collected on behalf of third parties. The Company recognises revenue when it transfers control of a product or service to a customer.

Significant Financing Component

Where the period between the transfer of the promised goods or services to the customer and payment by the customer exceeds one year, the Company assesses the effects of significant financing component in the contract. As a consequence, the Company makes adjustment in the transaction prices for the effects of time value of money.

2.15.1 Revenue from Operations

Income from Services rendered, net of downtime credit; is recognised on the basis of terms of agreements/purchase orders from the customers. Upfront fee received in advance under long term contracts providing Indefeasible Right to Use (IRU), is recognised as revenue on the basis of estimation of revenue over the period of contract.

Income from Scrap generated from other than property, plant and equipment is accounted for as and when sold.

2.15.2 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.



Income from Scrap generated from property, plant and equipment is accounted for as and when sold.

Dividend income is recognized when right to receive payment is established.

Insurance claims for loss of profit are accounted for in the year of acceptance. Other insurance claims are accounted for based on certainty of realization.

Revenue from rentals and operating leases is recognized on an accrual basis in accordance with the substance of the relevant agreement.

2.16 Dividends

Annual dividend distribution to the shareholders is recognised as a liability in the period in which the dividends are approved by the shareholders. Any interim dividend paid is recognised on approval by Board of Directors. Dividend payable is recognised directly in equity.

2.17 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.

2.18 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.

2.19 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 balance sheet.



2.20 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.

2.21 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:

Estimation of defined benefit obligation:

Estimation of defined benefit obligation involves certain significant actuarial assumptions which are listed in Note 50

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

Useful life of property, plant and equipment:

The estimated useful life of property, plant and equipment is based on a number of factors including the effects of obsolescence, demand, competition and other economic factors (such as the stability of the industry and known technological advances) and the level of maintenance expenditures required to obtain the expected future cash flows from the asset.

The Company reviews at the end of each reporting date the useful life of plant and equipment, 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.

Income Taxes:

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



POWERGRID Teleservices Limited
Note 4/Property Plant and Equipment

Particulars	Cost				Accumulated depreciation				Net Book Value	
	As at 01 April 2025	Additions during the year	Disposal	Adjustment during the year	As at 31 March 2026	As at 01 April 2025	Additions during the year	Disposal	Adjustment during the year	As at 31 March 2026
Plant & Equipment										
a) Sub-station	3.85	0.16	0.35	-	3.66	1.91	0.25	0.28	-	1.78
b) Telecom	1,272.25	255.73	0.43	0.06	1,527.49	622.46	92.91	0.30	(0.06)	812.36
Furniture & Fixtures	2.13	0.51	0.05	0.25	2.34	1.16	0.18	0.05	(0.25)	0.80
Office equipment	4.85	0.86	0.06	-	5.65	3.40	0.57	0.06	-	1.74
Electronic Data Processing & Word Processing Machines	7.09	0.38	-	0.03	7.44	1.78	1.63	-	(0.03)	4.00
Construction and Workshop equipment	0.56	-	-	-	0.56	0.27	0.03	-	-	0.26
Electrical Installation	0.04	-	-	-	0.04	0.02	-	-	-	0.02
Workshop & Testing Equipments	0.70	0.01	-	-	0.71	0.17	0.04	-	-	0.50
Right-of-use (ROU) Assets										
a) ROU Assets- Leasehold Land	36.89	-	-	-	36.89	0.20	0.45	-	-	36.24
b) ROU Asset- Buildings	0.73	0.18	0.03	-	0.88	0.25	0.19	0.02	-	0.46
Grand Total	1,329.09	257.83	0.92	0.34	1,585.66	631.62	96.25	0.71	(0.34)	858.16

Particulars	Cost				Accumulated depreciation				Net Book Value	
	As at 01 April 2024	Additions during the year	Disposal	Adjustment during the year	As at 31 March 2025	As at 01 April 2024	Additions during the year	Disposal	Adjustment during the year	As at 31 March 2025
Plant & Equipment										
a) Sub-station	3.63	0.22	-	-	3.85	1.67	0.24	-	-	1.91
b) Telecom	1,169.86	101.99	0.19	(0.59)	1,272.25	543.48	78.89	0.13	(0.22)	622.46
Furniture & Fixtures	2.13	0.01	0.01	-	2.13	0.97	0.20	0.01	-	1.16
Office equipment	5.11	0.34	0.01	0.59	4.85	3.08	0.55	0.01	0.22	3.40
Electronic Data Processing & Word Processing Machines	1.70	5.44	0.05	-	7.09	1.44	0.39	0.05	-	1.78
Construction and Workshop equipment	0.56	-	-	-	0.56	0.24	0.03	-	-	0.27
Electrical Installation	0.04	-	-	-	0.04	0.02	-	-	-	0.02
Workshop & Testing Equipments	0.27	0.43	-	-	0.70	0.06	0.11	-	-	0.17
Right-of-use (ROU) Assets										
a) ROU Assets- Leasehold Land	-	36.89	-	-	36.89	-	0.20	-	-	0.20
b) ROU Asset- Buildings	0.70	0.15	0.12	-	0.73	0.10	0.23	0.08	-	0.25
c) ROU Asset- Plant & Machinery- Telecom	22.80	-	-	22.80	-	0.40	-	-	0.40	-
Grand Total	1,206.80	145.47	0.38	22.80	1,329.09	551.46	80.84	0.28	0.40	631.62

Further Notes:

- The company is utilising the transmission assets of its holding company for providing Telecommunication service and sharing 10% of its revenue to DICs as per the order of CERC. These transmission assets shall be handed over back to the holding company as and when required for its core business.
- The Company owns Right of Use - Land of 1.79 hectare (Previous Year 1.79 hectare) amounting to ₹ 36.89 Crs. (Previous Year ₹ 36.89 Crs.)
- Refer Note 41 for disclosure on Right of Use Assets as per Ind AS 116 - "Leases".



POWERGRID Teleservices Limited
Note 5/Capital work in progress

Particulars	As at 01 April 2025	Additions during the year	Adjustments	Capitalised during the year	As at 31 March 2026
Buildings		11.65	-	-	32.69
Plant & Equipments - Telecom	21.04	207.66	-	226.16	29.00
Construction Stores (Net of Provision)	47.50	192.01	201.21	-	309.13
Expenditure pending allocation					
i) Expenditure during construction period(net) (Note 33)	40.66	31.05	-	27.24	44.47
Grand Total	427.53	442.37	201.21	253.40	415.29

Particulars	As at 01 April 2024	Additions during the year	Adjustments	Capitalised during the year	As at 31 March 2025
Buildings		20.58	-	-	21.04
Plant & Equipments - Telecom	0.46	82.46	-	97.46	47.50
Construction Stores (Net of Provision)	62.50	113.78	75.53	-	318.33
Expenditure pending allocation					
i) Expenditure during construction period(net) (Note 33)	26.66	24.63	-	10.63	40.66
Grand Total	369.70	241.45	75.53	108.09	427.53

Details of Construction stores

Particulars	As at 31 March 2026	As at 31 March 2025
Construction Stores		
Telecom Materials	285.16	318.28
Others	23.97	0.05
Total	309.13	318.33

Further Notes:

1. Refer Note No 35 (b) for ageing of Capital Work in Progress (CWIP) & Refer Note No 35 (c) for CWIP completion schedule for the projects whose completion is overdue or has exceeded its cost compared to original plan.



Particulars	Cost			Accumulated Amortisation				Net Book Value				
	As at 01 April 2025	Additions during the year	Disposal	Adjustment during the year	As at 31 March 2025	As at 01 April 2025	Additions during the year	Disposal	Adjustment during the year	As at 31 March 2026	As at 31 March 2025	
Electronic Data Processing Software	3.79	0.13	-	-	3.92	1.42	0.86	-	-	2.28	1.64	2.37
Telecom Licenses	5.30	-	-	-	5.30	0.77	0.26	-	-	1.03	4.27	4.53
Total	9.09	0.13	-	-	9.22	2.19	1.12	-	-	3.31	5.91	6.90

Particulars	Cost			As at 31 March 2025	Accumulated Amortisation			Net Book Value		
	As at 01 April 2024	Additions during the year	Disposal		Adjustment during the year	Disposal	Adjustment during the year	As at 31 March 2025	As at 31 March 2024	
Electronic Data Processing Software	1.28	2.51	-	-	3.79	1.26	0.16	-	2.37	0.02
Telecom Licenses	5.30	-	-	-	5.30	0.50	0.27	-	4.53	4.80
Total	6.58	2.51	-	-	9.09	1.76	0.43	-	6.90	4.82



POWERGRID Teleservices Limited**Note 7/Other non-current Assets**

(Unsecured considered good unless otherwise stated)

(₹ in crore)

Particulars	As at 31 March 2026	As at 31 March 2025
Advances for Capital Expenditure		
Unsecured		
a. Against bank guarantees	-	0.51
b. Others	2.53	0.96
	2.53	1.47
Advances other than for Capital Expenditure		
Security Deposits	3.10	3.10
Advances recoverable in kind or for value to be received		
Balance with Authorities	0.75	0.75
Advance tax and Tax deducted at source#	-	18.56
Others*	7.25	6.64
	8.00	25.95
Total	13.63	30.52

Further notes:

Net of Current Tax Liabilities - Note 26.

*Others include Prepaid expenses etc.



POWERGRID Teleservices Limited
Note 8/Inventories

(₹ in crore)

Particulars	As at 31 March 2026	As at 31 March 2025
Components, Spares & other spare parts	19.08	17.68
Loose tools	0.16	0.31
Consumable stores	0.09	0.09
Total	19.33	18.08



POWERGRID Teleservices Limited
Note 9/Trade receivables

Particulars	As at 31 March 2026	As at 31 March 2025
Trade receivables - Unsecured		
Considered good	429.18	273.32
Credit Impaired	67.14	63.75
	496.32	337.07
Receivable from related parties - Unsecured		
Considered good	165.50	140.09
	661.82	477.16
Less: Loss Allowance	67.14	63.75
Total	594.68	413.41

Further Notes:

1. Refer Note no. 37 for disclosure as per IND AS 115 "Revenue from Contracts with Customers" & Note no. 44 for details of trade receivables from related parties
2. Trade Receivables includes unbilled receivables amounting to ₹ 92.49 Crs. (Previous Year ₹ 81.22 Crs.)
3. Ageing of Trade Receivables (including legal cases) is as follows:

Particulars		Unbilled	Not due	Less than 6 months	6 months to 1 year	1-2 years	2-3 years	More than 3 years	Total
As at 31.03.2026									
Considered- Good	Disputed Undisputed	- 92.49	- 25.84	- 263.94	- 132.50	- 68.20	- 11.71	- -	- 594.68
Significant increase in Credit Risk	Disputed Undisputed	- -	- -	- -	- -	- -	- -	- -	- -
Credit Impaired	Disputed Undisputed	- -	- -	- -	- -	0.02 -	0.21 -	37.76 29.15	37.99 29.15
Total		92.49	25.84	263.94	132.50	68.22	11.92	66.91	661.82
As at 31.03.2025									
Considered- Good	Disputed Undisputed	- 81.22	- 9.05	- 218.97	- 70.89	- 29.70	- 3.58	- -	- 413.41
Significant increase in Credit Risk	Disputed Undisputed	- -	- -	- -	- -	- -	- -	- -	- -
Credit Impaired	Disputed Undisputed	- -	- -	- -	- -	0.22 -	0.11 0.04	37.58 25.80	37.91 25.84
Total		81.22	9.05	218.97	70.89	29.92	3.73	63.38	477.16

(₹ in crore)



POWERGRID Teleservices Limited
Note 10/Cash and cash equivalents

(₹ in crore)

Particulars	As at 31 March 2026	As at 31 March 2025
Balance with banks-		
-In Current accounts	4.63	12.53
-In term deposits (with maturity less than 3 months)(including interest accrued)	4.37	4.17
Total	9.00	16.70



POWERGRID Teleservices Limited**Note 11/ Bank balances other than Cash & cash equivalents**

(₹ in crore)

Particulars	As at 31 March 2026	As at 31 March 2025
In Term Deposits having maturity over 3 months but upto 12 months (including interest accrued)	123.23	288.26
Total	123.23	288.26



POWERGRID Teleservices Limited**Note 12/Other current financial assets**

(Unsecured considered good unless otherwise stated)

(₹ in crore)

Particulars	As at 31 March 2026	As at 31 March 2025
Contract Assets #	19.75	9.31
Advance to/Receivable from Related Parties ##	3.06	-
Others ###	0.33	0.45
Total	23.14	9.76

Further notes:

Refer Note 37 for disclosure as per Ind AS 115 'Revenue from Contracts with Customers'.

Details of related parties are provided in Note 44.

Others include Amount recoverable from Customers, Other advance, etc.



POWERGRID Teleservices Limited**Note 13/Other current assets**

(Unsecured considered good unless otherwise stated)

(₹ in crore)

Particulars	As at 31 March 2026	As at 31 March 2025
Advances other than for Capital Expenditure		
Advances recoverable in kind or for value to be received		
Contractors & Suppliers	2.27	0.46
Balance with Authorities	1.50	1.38
	3.77	1.84
Others*	30.72	20.79
Total	34.49	22.63

Further notes:

*Others include advance for CSR activities, input tax credit - GST etc.



POWERGRID Teleservices Limited
Note 14/Equity Share capital

(₹ in crore)

Particulars	As at 31 March 2026	As at 31 March 2025
Equity Share Capital Authorised		1,000.00
100,00,000 (Previous Year 100,00,00,000) equity shares of ₹ 10 each at par	1,000.00	
Issued, subscribed and paid up		700.69
70,06,90,000 (Previous Year 70,06,90,000) fully paid up equity shares of ₹ 10/- each at par	700.69	

Further Notes:

1) Reconciliation of number and amount of share capital outstanding at the beginning and at the end of the reporting period

Particulars	As at 31 March 2026		As at 31 March 2025	
	No. of Shares	Amount (₹ in crore)	No. of Shares	Amount (₹ in crore)
Shares outstanding at the beginning of the year	70,06,90,000	700.69	66,40,20,000	664.02
Additions during the year	-	-	3,66,70,000	36.67
Shares outstanding at the end of the year	70,06,90,000	700.69	70,06,90,000	700.69

2) The Company has only one class of equity shares having a par value of ₹10/- per share.

3) The holders of equity shares are entitled to receive dividends as declared from time to time and to voting rights proportionate to their shareholding at meetings of the Shareholders.

4) Shareholding of Promoters and Shareholders holding more than 5% equity shares of the Company

Particulars	As at 31 March 2026		As at 31 March 2025	
	No. of Shares	% of holding	No. of Shares	% of holding
Power Grid Corporation of India Limited (Holding Company)#	70,06,90,000	100%	70,06,90,000	100%
				% Change
				-

Out of 70,06,90,000 (Previous Year 70,06,90,000) Equity Shares, 6 Equity Shares are held by 6 Nominees of M/s Power Grid Corporation of India Limited on its behalf.



POWERGRID Teleservices Limited
Note 15/Other Equity

(₹ in crore)

Particulars	As at 31 March 2026	As at 31 March 2025
Retained Earnings		
Balance at the beginning of the year	224.44	115.77
Net Profit for the period	412.26	391.13
Interim dividend paid	(505.20)	(281.33)
Adjustment during the year	(1.24)	(1.13)
Balance at the end of the year (A)	130.26	224.44
Capital Reserve		
Balance at the beginning of the year	(19.44)	(20.57)
Adjustment during the year	1.24	1.13
Balance at the end of the year (B)	(18.20)	(19.44)
Total (A+B)	112.06	205.00



POWERGRID Teleservices Limited
Note 16/ Borrowings (Non-current)

(₹ in crore)

Particulars	As at 31 March 2026	As at 31 March 2025
Unsecured		
Loan from Power Grid Corporation of India Limited (Holding Company)	283.76	197.35
Current maturities of Non Current Borrowing (Refer note 21)	(26.87)	(19.10)
	256.89	178.25

Further Notes: -

- 1) The various sources of Loans being extended to the company by its Holding Company is at fixed & floating interest rate which is reset periodically. The weighted rate of interest on the loan is 7.01% for Data Centre , 6.89% for Wi-Fi and 7.22% for Telecom Project. Loans are repayable in equal Quarterly instalments over a period of 10 years as per terms of the respective loan agreements with prepayment facility without any additional charges.
- 2) There has been no default in repayment of loan or payment of interest thereon as at the end of the period.
- 3) Refer Note No. 44 for details of loan from Related Party.



POWERGRID Teleservices Limited
Note 17/Other non-current financial liabilities

(₹ in crore)

Particulars	As at 31 March 2026	As at 31 March 2025
Deposits/Retention money from contractors and others	25.79	12.99
Total	25.79	12.99



POWERGRID Teleservices Limited
Note 18/ Provisions (Non-current)

(₹ in crore)

Particulars	As at 31 March 2026	As at 31 March 2025
Employee Benefits		
As per last balance sheet	-	-
Additions/(adjustments) during the year	0.10	-
Closing Balance	0.10	-

Further Notes:

Provision is created for the purpose of leave encashment, Gratuity, Baggage Allowance, Acknowledgment of Service on Retirement and other benefits. Refer Note No 50 for detailed disclosure related to Employee Benefit Obligations.



(₹ in crore)

Particulars	As at 31 March 2026	As at 31 March 2025
A. Deferred Tax Liabilities		
Difference in book depreciation and tax depreciation	40.61	35.84
Others #	23.62	14.07
Deferred Tax Liabilities (A)	64.23	49.91
B. Deferred Tax Assets		
Provisions allowable on payment basis	16.92	16.64
Others*	73.06	14.96
Deferred Tax Assets (B)	89.98	31.60
Deferred Tax Liabilities (Net) (A-B)	-	18.31
Deferred Tax Assets (Net) (B-A)	25.75	-

#Others include deferred tax liabilities on account of fair value gain on initial recognition of financial liability and unwinding of discount on financial liabilities.

* Others include deferred tax assets on preliminary expenses, license fees, and unwinding of discount on financial liabilities.

Further Notes:-**Movement in Deferred Tax Liabilities**

(₹ in crore)

Particulars	Property Plant and Equipment	Others	Total
As at 01.04.2024	39.95	4.25	44.20
Charged/(credited) to profit or loss	(4.11)	9.82	5.71
Charged/(credited) to capital reserve	-	-	-
As at 31.03.2025	35.84	14.07	49.91
Charged/(credited) to profit or loss	4.77	9.55	14.32
Charged/(credited) to capital reserve	-	-	-
As at 31.03.2026	40.61	23.62	64.23

Movement in Deferred Tax Assets

(₹ in crore)

Particulars	Provisions allowable on payment basis	Others	Total
As at 01.04.2024	20.26	5.41	25.67
Charged/(credited) to profit or loss	(3.62)	9.55	5.93
Charged/(credited) to capital reserve	-	-	-
As at 31.03.2025	16.64	14.96	31.60
Charged/(credited) to profit or loss	0.28	58.10	58.38
Charged/(credited) to capital reserve	-	-	-
As at 31.03.2026	16.92	73.06	89.98

Recognised in Statement of Profit and Loss/Other Comprehensive Income (OCI)

(₹ in crore)

Particulars	For the year ended 31 March 2026	For the year ended 31 March 2025
Increase/ (Decrease) in Deferred Tax Liabilities	14.32	5.71
Decrease/ (Increase) in Deferred Tax Assets	(58.38)	(5.93)
Amount charged/ (credited) to profit or loss	(44.06)	(0.22)
Increase/ (Decrease) in Deferred Tax Liabilities	-	-
Amount charged/ (credited) to OCI	-	-



POWERGRID Teleservices Limited
Note 20/Other non-current liabilities

(₹ in crore)

Particulars	As at 31 March 2026	As at 31 March 2025
Advance from customers *	241.72	324.49
Total	241.72	324.49

Further Notes:

* Refer Note No 37 for disclosure as per Ind AS 115 'Revenue from Contracts with Customers'.



POWERGRID Teleservices Limited
Note 21/Borrowings (Current)

(₹ in crore)

Particulars	As at 31 March 2026	As at 31 March 2025
Current maturities of long term borrowings		
Rupee Term Loans (Unsecured)		
Loan from M/s Power Grid Corporation of India Ltd. (Holding Company)	26.87	19.10
Total	26.87	19.10

Further Notes: -

- 1) Refer Note No. 16 for terms of repayment of borrowings.
- 2) There has been no default in repayment of loan or payment of interest thereon as at the end of the period.
- 3) Refer Note No. 44 for details of loan from Related Party.



POWERGRID Teleservices Limited
Note 22/Trade payables

Particulars	As at 31 March 2026	As at 31 March 2025
For goods and services		
(A) total outstanding dues of micro enterprises and small enterprises	9.69	9.25
(B) total outstanding dues of creditors other than micro enterprises and small enterprises*	185.76	146.24
Total	195.45	155.49

Further Notes:

Disclosure with regard to Micro and Small enterprises as required under " Division II of Schedule III of The Companies Act, 2013" and "The Micro, Small and Medium Enterprises Development Act, 2006" is given in Note No 40.

* Trade payables includes ₹ 141.60 Crore (Previous Year ₹ 107.70 Crore) from related parties (Refer Note No 44).

Ageing of Trade payables is as follows

Particulars	Unbilled	Not Due	<1Y	1Y-2Y	2Y-3Y	>3Y	Total
As at 31.03.2026							
MSME							
Disputed	-	-	-	-	-	-	-
Undisputed	7.15	-	2.54	-	-	-	9.69
Total	7.15	-	2.54	-	-	-	9.69
Others							
Disputed	-	-	-	-	-	-	-
Undisputed	150.08	-	32.70	0.76	2.22	-	185.76
Total	150.08	-	32.70	0.76	2.22	-	185.76
Total Trade Payables	157.23		35.24	0.76	2.22	-	195.45
As at 31.03.2025							
MSME							
Disputed	-	-	-	-	-	-	-
Undisputed	7.40	-	1.85	-	-	-	9.25
Total	7.40	-	1.85	-	-	-	9.25
Others							
Disputed	-	-	-	-	-	-	-
Undisputed	136.09	-	7.90	2.25	-	-	146.24
Total	136.09	-	7.90	2.25	-	-	146.24
Total Trade Payables	143.49		9.75	2.25	-	-	155.49



POWERGRID Teleservices Limited
Note 23/Other current financial liabilities

(₹ in crore)

Particulars	As at 31 March 2026	As at 31 March 2025
Interest accrued on borrowings from		
Power Grid Corporation of India Limited (Holding Company)	2.18	3.12
	2.18	3.12
Others		
Dues for capital expenditure	74.39	19.02
Employee related liabilities	0.01	-
Deposits/Retention money from contractors and others	122.58	102.78
Related parties*	5.19	0.64
Others **	6.17	3.59
	208.34	126.03
Total	210.52	129.15

Further notes:

Disclosure with regard to Micro and Small enterprises as required under "The Micro, Small and Medium Enterprises Development Act, 2006" is given in Note No 40.

* Details of amount payable to related parties are provided in Note No 44.

** Others include payable to contractors etc.



POWERGRID Teleservices Limited**Note 24/Other current liabilities**

(₹ in crore)

Particulars	As at 31 March 2026	As at 31 March 2025
Advances from customers *	277.44	153.44
Statutory dues	32.33	28.86
Total	309.77	182.30

Further notes:

* Refer Note No 37 for disclosure as per Ind AS 115 'Revenue from Contracts with Customers'.



POWERGRID Teleservices Limited
Note 25/Provisions (Current)

(₹ in crore)

Particulars	As at 31 March 2026	As at 31 March 2025
Employee Benefits		
As per last balance sheet	-	-
Additions/(adjustments) during the year	0.00	-
Amounts utilised/paid during the year	-	-
Closing Balance	0.00	-
Others		
i) Downtime Service Credit-Telecom		
As per last balance sheet	3.14	1.83
Additions during the year	2.11	1.49
Amounts adjusted during the year	0.38	0.18
Closing Balance	4.87	3.14
ii) Provision Others		
As per last balance sheet	-	-
Additions/(adjustments) during the year	0.00	-
Closing Balance	0.00	-
Total	4.87	3.14



POWERGRID Teleservices Limited
Note 26/Current Tax Liabilities (Net)

(₹ in crore)

Particulars	As at 31 March 2026	As at 31 March 2025
Taxation (Including interest on tax)		
As per last balance sheet	-	-
Additions during the year	192.80	131.44
Total	192.80	131.44
Net off against Advance tax and TDS	157.25	131.44
Closing Balance	35.55	-



POWERGRID Teleservices Limited
Note 27/Revenue from Operations

(₹ in crore)

Particulars	For the year ended 31 March 2026	For the year ended 31 March 2025
Sale of services		
NLD	1,103.55	1,037.18
ISP	58.57	61.43
IP1	0.85	0.91
ILD	2.87	-
Data Center	6.41	7.19
Others*	0.32	2.66
Total	1,172.57	1,109.37

*Others include Revenue from Project Works, Sale of Scrap etc.



POWERGRID Teleservices Limited
Note 28/Other income

(₹ in crore)

Particulars	For the year ended 31 March 2026	For the year ended 31 March 2025
Interest income from finance assets held at amortised cost		
Interest income from Indian Banks	16.05	16.70
Others#	1.07	0.93
	17.12	17.63
Others		
Profit on sale of Property, Plant and Equipment	0.04	-
Fair Value gain on initial recognition of Financial liability	6.26	3.07
Miscellaneous income *	0.61	0.25
	6.91	3.32
	24.03	20.95
Less: Transferred to expenditure during construction (Net) - Note 33	1.51	2.22
Total	22.52	18.73

Further Notes:

Others include Interest from Income Tax Assessment etc.

*Miscellaneous income include Liquidated Damages Recovered etc.



POWERGRID Teleservices Limited
Note 29/Employee benefits expense

(₹ in crore)

Particulars	For the year ended 31 March 2026	For the year ended 31 March 2025
Salaries, wages, allowances & benefits	1.15	-
Contribution to provident and other funds	0.14	-
Staff welfare expenses	0.08	-
Total	1.37	-

Further Notes:

1. Refer note no. 50 for details of Employee Benefit Obligations.



POWERGRID Teleservices Limited**Note 30/Finance costs**

(₹ in crore)

Particulars	For the year ended 31 March 2026	For the year ended 31 March 2025
Interest and finance charges on financial liabilities at amortised cost		
Unwinding of discount on financial liabilities	35.06	38.30
Interest on Loan from Power Grid Corporation of India Limited (Holding Company)	17.11	9.50
Interest - Others	1.17	0.45
Interest on Lease Liability	0.17	0.19
	53.51	48.44
Less: Transferred to Expenditure during Construction (Net) - Note 33	13.89	10.51
Total	39.62	37.93



POWERGRID Teleservices Limited
Note 31/Depreciation and amortization expense

(₹ in crore)

Particulars	For the year ended 31 March 2026	For the year ended 31 March 2025
Depreciation of Property, Plant and Equipment	95.61	80.41
Amortization of Intangible assets	1.12	0.43
Depreciation on ROU Assets	0.64	0.43
Total	97.37	81.27



POWERGRID Teleservices Limited
Note 32/Other expenses

(₹ in crore)

Particulars	For the year ended 31 March 2026	For the year ended 31 March 2025
Repair & Maintenance		
Buildings	0.27	0.33
Plant & Machinery		
Telecom equipments	63.00	70.92
Others	0.48	0.75
	63.48	71.67
Manpower Cost	113.22	116.01
Power charges	4.87	5.18
Expenses of Diesel Generating sets	0.28	0.20
Stores consumed	0.05	0.05
Right of Way charges-Telecom	115.28	108.95
Patrolling Expenses-Telecom	1.98	1.85
Last Mile connectivity-Telecom	17.93	12.69
Training & Recruitment Expenses	0.11	-
Legal expenses	0.49	0.52
Professional charges	0.40	0.23
Consultancy expenses	0.92	0.16
Communication expenses	0.12	0.17
Inland Travelling Expenses	0.02	-
Tender expenses	0.02	0.15
Payments to Statutory Auditors		
Audit Fees	0.02	0.02
Tax Audit Fees	0.00	0.01
In Other Capacity	0.02	0.01
Out of pocket Expenses	0.01	0.01
	0.05	0.05
Advertisement and publicity	0.65	0.33
Printing and stationery	0.04	0.04
EDP hire and other charges	0.48	0.90
Cost Audit Fees	0.00	0.00
Rent #	7.82	6.59
Miscellaneous expenses	0.41	0.48
Security Expenses	1.79	1.66
Hiring of Vehicle	0.97	1.08
Insurance	0.83	0.13
Rates and taxes	0.07	0.11
License Fees to DOT	93.25	88.25
Bandwidth charges dark fibre lease charges (Telecom)	79.02	78.30
Corporate Social Responsibility (CSR) Expenses	4.81	1.32
Foreign Exchange Rate Variation	1.22	0.30
Provisions for Doubtful loans, advances, debts, claims etc.	3.39	5.14
	514.24	502.84
Less: Transferred to Expenditure during Construction (Net) - Note 33	18.67	16.34
	495.57	486.50
Loss on Disposal/Write off of Property, Plant & Equipment	0.16	0.05
	495.73	486.55

Further Note:

Refer Note No 41 for Short-term lease expenses



POWERGRID Teleservices Limited**Note 33/ Expenditure during Construction (Net)**

(₹ in crore)

Particulars	For the year ended 31 March 2026	For the year ended 31 March 2025
A. Other Expenses		
Manpower Cost	17.60	16.18
Consultancy expenses	0.92	0.16
Rent	0.15	-
Total (A)	18.67	16.34
B. Finance Costs		
a) Interest and finance charges on financial liabilities at amortised cost		
Interest on Loan from Power Grid Corporation of India Limited (Holding Company)	12.16	9.46
Others	1.73	1.05
Total (B)	13.89	10.51
C. Other Income		
Miscellaneous income	1.51	2.22
Total (C)	1.51	2.22
Grand Total (A+B-C)	31.05	24.63



Note 34 Financial Risk Management

The Company's principal financial liabilities comprise loans denominated in Indian rupees, trade payables and other payables. The main purpose of these financial liabilities is to finance the Company's capital investments and operations.

The Company's principal financial assets include trade and other receivables, and cash and cash equivalents that are generated from its operations.

The Company's activities expose it to the following financial risks, namely,

- (A) Credit risk,
- (B) Liquidity risk,
- (C) Market risk.

This note presents information regarding the company's exposure, objectives, policies and processes for measuring and managing these risks.

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

(A) Credit Risk:

Credit risk is the risk that counterparty will not meet its obligations under a financial instrument or customer contract, leading to a financial loss. The Company is exposed to credit risk from its operating activities on account of trade receivables.

A default on a financial asset is when the counterparty fails to make contractual payments within 3 years of when they fall due. This definition of default is determined considering the business environment in which the Company operates and other macro-economic factors.

Assets are written-off when there is no reasonable expectation of recovery, such as a debtor declaring bankruptcy or failing to engage in a repayment plan with the Company. Where loans or receivables have been written off, the Company continues to engage in enforcement activity to attempt to recover the receivable due. Where such recoveries are made, these are recognized in the statement of profit and loss.

(i) Trade Receivables

Trade receivables consist of receivables relating to telecom services of ₹661.82 crore as on 31 March, 2026 (₹477.16 crore as on 31 March, 2025).

(ii) Other Financial Assets (excluding trade receivables and contract assets)

Cash and cash equivalents

The Company held cash and cash equivalents of ₹9 crore (Previous Year ₹16.7 crore). The cash and cash equivalents are held with banks and do not have any significant credit risk.

Deposits with banks and financial institutions

The Company held deposits with banks of ₹123.23 crore (Previous Year ₹288.26 crore). Term deposits are placed with banks and have negligible credit risk.

(iii) Exposure to credit risk

(₹ in crore)

Particulars	As at 31 March, 2026	As at 31 March, 2025
Financial assets for which loss allowance is measured using 12 months Expected Credit Losses (ECL)		
Cash and cash equivalents	9.00	16.70
Deposits with banks and financial institutions	123.23	288.26
Other current financial assets	3.39	0.45
Total	135.62	305.41
Financial assets for which loss allowance is measured using Life time Expected Credit Losses (ECL)		
Trade receivables	661.82	477.16
Contract Assets	19.75	9.31



(iv) **Provision for expected credit losses**

(a) **Financial assets for which loss allowance is measured using 12 month expected credit losses**

The Company has assets where the counter- parties have sufficient capacity to meet the obligations and where the risk of default is very low. At initial recognition, financial assets (excluding trade receivables and contract assets) are considered as having negligible credit risk and the risk has not increased from initial recognition. Therefore, no loss allowance for impairment has been recognised except as specified in this note.

(b) **Financial assets for which loss allowance is measured using life time expected credit losses**

The Company has customers majority of whom are government entities with capacity to meet the obligations and therefore the risk of default is negligible. Further, management believes that the unimpaired amounts that are 30 days past due date are still collectible in full, based on the payment security mechanism in place and historical payment behaviour.

Considering the above factors the trade receivables and contract assets continue to have a negligible credit risk on initial recognition and thereafter on each reporting date.

(v) **Ageing analysis of trade receivables**

The ageing analysis of the trade receivables is as below:

(₹ in crore)								
Ageing	Unbilled	Not due	0-30 days past due	31-60 days past due	61-90 days past due	91-120 days past due	More than 120 days past due	Total
Gross carrying amount as on 31 March 2026	92.49	25.84	117.80	75.85	34.51	10.24	305.09	661.82
Gross carrying amount as on 31 March 2025	81.22	9.05	56.61	12.91	69.84	14.44	233.09	477.16

(vi) **Reconciliation of impairment loss provisions**

The movement in the allowance for impairment in respect of financial assets during the year was as follows:

(₹ in crore)	
Particulars	Trade receivables
Balance as at 01 April, 2024	58.61
Impairment loss recognised/ (reversed)	5.14
Balance as at 31 March 2025	63.75
Impairment loss recognised/ (reversed)	3.39
Balance as at 31 March 2026	67.14

Based on historic default rates, the Company believes that, apart from the above, no impairment allowance is necessary in respect of any other assets as the amounts are insignificant.

(B) **Liquidity Risk**

Liquidity risk management implies maintaining sufficient cash and marketable securities and the availability of funding through an adequate amount of committed credit facilities to meet obligations when due. The Company has entered into Inter-Corporate Loan Agreement for Funding of its obligations. For this, Company provided quarterly cashflows in advance to Holding Company with Monthly requirement.

The Company depends on both internal and external sources of liquidity to provide working capital and to fund capital expenditure.



Maturities of financial liabilities

The table below analyses the Company's financial liabilities into relevant maturity groupings based on their contractual maturities for all non-derivative financial liabilities.

The amount disclosed in the table is the contractual undiscounted cash flows.

(₹ in crore)

Contractual maturities of financial liabilities	Within a year	Between 1-5 years	Beyond 5 years	Total
As at 31 March, 2026				
Borrowings (including interest outflows)	46.41	174.48	167.34	388.23
Trade payables	195.45	-	-	195.45
<u>Other financial liabilities</u>				
Lease liabilities	0.36	1.18	2.51	4.05
Others	210.52	27.83	0.46	238.81
Total	452.74	203.49	170.31	826.54
As at 31 March, 2025				
Borrowings (including interest outflows)	33.02	118.69	121.88	273.59
Trade payables	155.49	-	-	155.49
<u>Other financial liabilities</u>				
Lease liabilities	0.33	0.98	2.93	4.24
Others	129.15	13.50	-	142.65
Total	317.99	133.17	124.81	575.97

(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 two types of risk:

- (i) Currency risk
- (ii) Interest rate risk

(i) Currency risk

The Company is exposed to currency risk in respect of procurement of goods and services whose purchase consideration are in foreign currency. The Company's exposure to foreign currency risk not hedged by a derivative instrument or otherwise at the end of the reporting period is as follows:-

Particulars		Amount in Foreign Currency (in Crore)		Amount (₹ in Crore)	
		As at 31 March, 2026	As at 31 March, 2025	As at 31 March, 2026	As at 31 March, 2025
Trade Payables/deposits and retention money	USD	0.14	0.14	13.12	11.92

(ii) Interest rate risk

The company has taken borrowings from Parent Company on cost to cost basis. The Company is exposed to interest rate risk because of the cash flows associated with floating rate borrowings. The loans being extended to the company by parent company are at floating interest rate which gets reset periodically. The Company's interest rate risk is not considered significant; hence sensitivity analysis for the risk is not disclosed.



Note 35 Additional Regulatory Information as per Schedule III to the Companies Act, 2013

- a) There are no cases of immovable properties where title deeds are not in the name of the Company.
- b) Aging of Capital Work in Progress is as follows:

Particulars	<1 Year	1-2 Years	2-3 Years	>3 Years	Total
As at 31 March, 2026					
Projects in progress	371.38	42.00	1.91	-	415.29
Projects temporarily Suspended	-	-	-	-	-
Total	371.38	42.00	1.91	-	415.29
As at 31 March, 2025					
Projects in progress	282.02	142.90	2.61	-	427.53
Projects temporarily Suspended	-	-	-	-	-
Total	282.02	142.90	2.61	-	427.53

- c) For capital-work-in progress (CWIP), whose completion is overdue or has exceeded its cost compared to its original plan, CWIP completion schedule is as follows:

For the projects as on 31 March, 2026:

Particulars	Project	<1 Year	1-2 Years	2-3 Years	>3 Years	Total
Projects in progress	Establishment of LIMS for ILD	0.28	-	-	-	0.28
Projects in progress	Package-Z	1.03	-	-	-	1.03
Projects in progress	Pkg-M-1, M-2 & M-3	15.79	-	-	-	15.79
Projects in progress	Pkg-R, S & T etc	1.15	-	-	-	1.15
Projects in progress	Pkg-U, V, W, X, I-1, I-2 & I-3	46.65	-	-	-	46.65
Projects in progress	Augm. of Telecom Network (non-PRC) 6T	104.49	-	-	-	104.49
Projects in progress	Huawei Module Procurement	0.19	-	-	-	0.19
Projects in progress	CPE for Augmentation of Telecom NW	32.19	-	-	-	32.19
Projects in progress	RTAMC UGOFCC under NTAMC Project	1.45	-	-	-	1.45
Projects in progress	Package NMS Network Management Dashboard	0.78	-	-	-	0.78
Projects in progress	Procurement of SD-WAN CPEs	0.97	-	-	-	0.97
Projects in progress	Wi-Fi Deployment in Substation	31.34	-	-	-	31.34
Projects in progress	UGOFCC_Hyderabad City	-	-	-	-	-

For the projects as on 31 March, 2025:

Particulars	Project	<1 Year	1-2 Years	2-3 Years	>3 Years	Total
Projects in progress	Establishment of LIMS for ILD	5.05	-	-	-	5.05
Projects in progress	Package-Z	2.22	-	-	-	2.22
Projects in progress	Pkg-M-1, M-2 & M-3	27.70	-	-	-	27.70
Projects in progress	Pkg-R, S & T etc	0.33	-	-	-	0.33
Projects in progress	Pkg-U, V, W, X, I-1, I-2 & I-3	60.54	-	-	-	60.54
Projects in progress	Augm. of Telecom Network (non-PRC) 6T	276.24	-	-	-	276.24
Projects in progress	Huawei Module Procurement	5.68	-	-	-	5.68

- d) The company does not have any Intangible assets under development as on 31.03.2026 & 31.03.2025.
- e) 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.
- f) The Company was not sanctioned any working capital limit secured against current assets by any Banks and Financial Institutions.
- g) The company was not declared as a wilful defaulter by any bank or financial Institution or other lender during the financial year.
- h) Relationship with Struck off companies.

Name of struck off Company	Nature of transactions with struck-off Company	Balance outstanding as at 31 March, 2026	Balance outstanding as at 31 March, 2025	Relationship with the Struck off company, if any, to be disclosed
Shubhra Communications Limited	Receivables	0.04	0.04	Not a related party
Roofers Media Private Limited	Receivables	0.02	0.02	Not a related party



Ambala Broadband Services Private Limited	Receivables	0.00	0.00	Not a related party
Expeditive Infotech Private Limited	Receivables	0.08	0.08	Not a related party
Glan Solution India Private Limited	Receivables	0.03	0.03	Not a related party
Arctos Telecom Private Limited(OPC)	Receivables	0.08	0.08	Not a related party
Yash Techno Media Private Limited	Receivables	0.06	0.06	Not a related party
Bluesky Communications Private Limited	Receivables	0.00	0.00	Not a related party
Viscom Media Private Limited	Receivables	0.02	0.02	Not a related party
Beamon Technologies Private Limited	Receivables	NA	0.04	Not a related party
Synergy Telecommunications Private Limited	Payable	0.00	0.00	Not a related party
Next Communications Private Limited	Receivables	-	0.00	Not a related party
Vaishali Computech Private Limited	Receivables	-	-	Not a related party
Jason Communication Private Limited	Payables / (Receivable)	(0.00)	(0.00)	Not a related party
Sri Akshaya Networks (India) Private Limited	Payables	0.00	-	Not a related party

- i) The Company does not have any Charges on the Assets of the Company.
j) 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.

k) Ratios

Ratio	Numerator	Denominator	Current Year	Previous Year	Variance	Reason for variance >25%
a) Current Ratio	Current Assets	Current Liabilities	1.03	1.57	-35%	Due to Increase in Advance from customers and other current financial liabilities
b) Debt Equity Ratio	Total Debt	Shareholder's Equity	0.35	0.22	59%	Due to increase in borrowings
c) Debt Service Coverage Ratio	Profit for the period + Depreciation and amortization expense + Finance costs + FERV + Loss on Sale of Fixed Assets	Finance Cost + Lease Payments + Principal Repayments	8.71	12.02	-28%	Due to increase in loan repayment
d) Return on Equity Ratio	Profit for the period	Average Shareholder's Equity	0.48	0.47	2%	-
e) Inventory turnover ratio	Revenue from Operations	Average Inventory	62.67	60.85	3%	-
f) Trade Receivable Turnover Ratio	Revenue from Operations	Average Trade Receivables (before deducting provision)	2.06	2.47	-17%	-
g) Trade payable turnover ratio	Gross Other Expense (-) FERV, Provisions, Loss on disposal of PPE	Average Trade payables	2.90	3.57	-19%	-
h) Net capital turnover ratio	Revenue from Operations	Current Assets - Current Liabilities	56.78	3.97	1330%	Due to increase in Revenue from operations & decrease in working capital
i) Net profit ratio	Profit for the period	Revenue from Operations	0.35	0.35	-	-
j) Return on Capital employed	Earnings before interest and taxes	Tangible Net Worth + Total Debt + Deferred Tax Liability	0.55	0.50	10%	-
k) Return on investment	Income from Investments & Capital Appreciation	Time weighted Investments	NA	NA	-	-

- l) 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.
m) 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.
n) The Company has not traded or invested in Crypto currency or Virtual Currency during the financial year.



Note 36 a) Some balances of Trade Receivables, Recoverable shown under Assets, Trade payables and Other Payables shown under Liabilities include balances subject to confirmation/ reconciliation and consequential adjustments if any. However, reconciliations are carried out on ongoing basis. The management does not expect any material adjustment in the books of accounts as a result of reconciliation.

b) In the opinion of the management, the value of any of the assets other than Property, Plant and Equipment on realization in the ordinary course of business will not be less than the value at which they are stated in the Balance Sheet.

Note 37 Disclosure as per Ind AS 115 - "Revenue from Contracts with Customer"

a) The movement in contract assets during the year is as follows:

(₹ in crore)		
Particulars	For the Year ended 31 March, 2026	For the Year ended 31 March, 2025
Balance at the beginning	9.31	3.27
Add: Revenue recognised during the period	19.75	9.31
Less: Invoiced during the period	9.31	3.27
Less: Impairment/reversal during the period	-	-
Add: Translation gain/(Loss)	-	-
Balance at the end	19.75	9.31

b) The movement in contract liability during the year is as follows:

(₹ in crore)		
Particulars	For the Year ended 31 March, 2026	For the Year ended 31 March, 2025
Balance at the beginning	477.93	383.99
Add: Advance billing during the period	490.80	536.31
Less: Revenue recognised during the period		
a) From contract liability as at beginning of the period	410.53	329.01
b) From contract liability recognised during the period	39.04	113.36
Add: Translation gain/(Loss)	-	-
Balance at the end	519.16	477.93

c) The entity determines transaction price based on expected value method considering its past experiences of refunds or significant reversals in amount of revenue. In estimating significant financing component, management considers the financing element inbuilt in the transaction price based on imputed rate of return. Reconciliation of Contracted Price vis-a-vis revenue recognized in profit or loss statement is as follows:

(₹ in crore)		
Particulars	For the Year ended 31 March, 2026	For the Year ended 31 March, 2025
Contracted price	1,140.88	1,073.44
Add/ (Less)- Discounts/ rebates provided to customer	-	-
Add/ (Less)- Performance bonus	-	-
Add/ (Less)- Adjustment for significant financing component	31.69	35.93
Add/ (Less)- Other adjustments	-	-
Revenue recognised in profit or loss statement	1,172.57	1,109.37

Note 38 FERV Loss of ₹1.22 crore (Previous Year ₹0.3 crore) has been recognised in the Statement of Profit and Loss.

Note 39 Borrowing cost capitalised during the year is ₹13.89 crore (Previous Year ₹10.51) in the respective carrying amount of Property, Plant and Equipment/Capital work in Progress (CWIP) as per Ind AS 23 'Borrowing Costs'.



Note 40 Based on information available with the company, there are few suppliers/service providers who are registered as micro, small or medium enterprise under The Micro, Small and Medium Enterprises Development Act, 2006 (MSMED Act, 2006). Information in respect of micro and small enterprises as required by Companies Act 2013 and MSMED Act, 2006 is given as under:

(₹ in crore)

Sr. No	Particulars	Trade Payables		Others	
		As at 31 March, 2026	As at 31 March, 2025	As at 31 March, 2026	As at 31 March, 2025
1	Principal amount and interest due thereon remaining unpaid to any supplier as at end of each accounting year:				
	Principal	9.69	9.25	0.03	-
	Interest	-	-	-	-
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	-	-	-	-
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	-	-	-	-
4	The amount of interest accrued and remaining unpaid at the end of each accounting year	-	-	-	-
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	-	-	-	-

Note 41 Disclosure as per Ind AS 116 - "Leases"

a) As a Lessor - Finance Leases:

The company does not have any lease arrangements as a lessor

b) As a Lessee:

The company has taken assets on lease such as office buildings, land and plant & machinery etc. for various periods which are assessed and accounted as per the requirements of Ind AS 116 – "Leases" and required disclosures as per the said Ind AS are as follows:

ROU Assets:

Additions, termination/disposal and depreciation charge on right of use assets for the year and carrying amount of the same as at the end of the financial year by class of underlying asset has been disclosed in Note 4 as a separate line item.

Lease Liabilities:

Interest expense on lease liabilities for the year is shown under Note 30 and Total cash outflow for leases for the year has been disclosed in statement of cash flow under financing activities as separate line item and maturity analysis of lease liabilities has been disclosed in Note 34.

Short term leases:

The company, during the financial year, has incurred ₹1.76 crore (Previous Year ₹1.76 crore) with respect to short term leases.

The company was committed to short term leases and the total commitment of such leases at the end of financial year was ₹1.67 crore (Previous Year ₹0.71 crore).



Note 42 Corporate Social Responsibility (CSR) Expenses

As per Section 135 of the Companies Act, 2013 along with Companies (Corporate Social Responsibility Policy) Rules, 2014 read with DPE guidelines no F.No.15 (13)/2013-DPE (GM), the Company is required to spend, in every financial year, at least two per cent of the average net profits of the Company made during the three immediately preceding financial years in accordance with its CSR Policy. The details of CSR expenses for the year are as under:

(₹ in crore)

S.No.	Particulars	For the Year ended 31 March, 2026	For the Year ended 31 March, 2025
A	Gross Amount required to be spent during the year	4.81	1.32
	Utilised from excess spent of earlier years	0.64	-
	Net Amount required to be spent during the year	4.17	1.32
B	Amount approved by the Board to be spent during the year	4.81	1.32
C	Amount spent on CSR –	4.33	1.96
(i)	Construction or acquisition of any asset	-	-
(ii)	on Purpose other than (i) above	4.33	1.96
D	Total Shortfall/(Excess) amount	(0.16)	(0.64)
E	Break-up of the amount spent on CSR		
(i)	Eradicating hunger and poverty and promoting health care and sanitation including contribution to the Swachh Bharat Kosh	4.33	1.96
(ii)	Promoting education, employment and livelihood enhancement projects	-	-
(iii)	Promoting gender equality, empowering women, setting up facilities for women, orphans and senior citizens and measures for reducing inequalities faced by socially and economically backward groups	-	-
(iv)	Ensuring environmental sustainability, ecological balance and protection of flora and fauna including contribution to the Clean Ganga Fund	-	-
(v)	Protection of national heritage, art and culture; setting up public libraries; promotion and development of traditional art and handicrafts	-	-
(vi)	Measures for the benefit of armed forces (including CAPF and CPMF) veterans, war widows and their dependents	-	-
(vii)	Training to promote rural or nationally recognised or paralympic or Olympic sports	-	-
(viii)	Contribution to the PM National Relief Fund or PM CARES Fund or any other fund set up by the central govt. for socio economic development and relief and welfare of the schedule caste, tribes, other backward classes, minorities and women;	-	-
(ix)	Contribution to incubators or R&D projects or public funded Universities; IITs; Specified National Laboratories and autonomous bodies engaged in conducting research in science, technology, engineering and medicine	-	-
(x)	Rural development projects	-	-
(xi)	Slum area development	-	-
(xii)	Disaster management, including relief, rehabilitation and reconstruction activities	-	-
(xiii)	Administrative overheads	-	-
	Total Amount spent on CSR	4.33	1.96
	Opening CSR Liability/Provision	0.50	-
	Add: CSR Expense	4.33	1.96
	Less: Amount paid in Cash	0.93	1.46
	Closing CSR Liability/Provision	3.90	0.50



Excess amount spent and carried forward to next financial year:

(₹ in crore)

Particulars	For the Year ended 31 March, 2026	For the Year ended 31 March, 2025
Net Amount required to be spent during the year	4.17	1.32
Amount spent during the year		
Amount recognised in:		
Balance sheet	0.16	0.64
Statement of Profit and Loss	4.17	1.32
Total	4.33	1.96
Excess spend shown as asset in previous year charged to Statement of Profit and Loss on its utilisation	0.64	-
Total amount shown in Statement of Profit and Loss	4.81	1.32

Note 43 Fair Value Measurement

(₹ in crore)

Financial Instruments by category	As at 31 March, 2026	As at 31 March, 2025
	Amortised cost	Amortised cost
Financial Assets		
Trade Receivables	594.68	413.41
Cash & Cash Equivalents	9.00	16.70
Bank Balances	123.23	288.26
Other Financial Assets		
Current	23.14	9.76
Non-Current	-	-
Total Financial assets	750.05	728.13
Financial Liabilities		
Borrowings	283.76	197.35
Trade Payables	195.45	155.49
Other Financial Liabilities		
Current	210.52	129.15
Non-Current	25.79	12.99
Total financial liabilities	715.52	494.98

This section explains the judgements and estimates made in determining the fair values of the financial instruments that are measured at fair value and financial instruments that are measured at amortised cost and for which fair values are disclosed in the financial statements. To provide an indication about the reliability of the inputs used in determining fair value, the company has classified its financial instruments into the three levels prescribed under the accounting standard. An explanation of each level follows underneath the table.

Financial instruments that are measured at Amortised Cost:

(₹ in crore)

Particulars	Level	As at 31 March, 2026		As at 31 March, 2025	
		Carrying Amount	Fair value	Carrying Amount	Fair value
Financial Liabilities					
Borrowings	2	283.76	278.38	197.35	202.69
Deposits/retention money from contractors and others	2	25.79	24.24	12.99	12.33
Total financial liabilities		309.55	302.62	210.34	215.02

The carrying amounts of trade receivables, trade payables, bank balance, cash and cash equivalents, other current financial assets, short term borrowings and other current financial liabilities are considered to be the same as their fair values, due to their short-term nature.



For financial assets that are measured at fair value, the carrying amounts are equal to the fair values.

Level 1: Level 1 hierarchy includes financial instruments measured using quoted prices. This includes listed equity bonds which are traded in the stock exchanges, valued using the closing price as at the reporting period.

Level 2: The fair value of financial instruments that are not traded in an active market (for example, traded bonds) is determined using valuation techniques which maximise the use of observable market data and rely as little as possible on entity-specific estimates. If all significant inputs required to fair value an instrument are observable, the instrument is included in level 2.

Level 3: If one or more of the significant inputs is not based on observable market data, the instrument is included in level 3. This is the case for unlisted equity securities, contingent consideration and indemnification assets included in level 3.

There are no transfers between levels 1 and 2 during the year. The company's policy is to recognise transfers into and transfers out of fair value hierarchy levels as at the end of the reporting period.

Valuation technique used to determine fair value:

Specific valuation techniques used to value financial instruments includes:

- the use of quoted market prices or dealer quotes for similar instruments
- the fair value of the remaining financial instruments is determined using discounted cash flow analysis.

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

Note 44 Disclosure as per Ind AS 24 - "Related Party Disclosures"

(a) Holding Company

Name of entity	Place of business/ Country of incorporation	Proportion of Ownership Interest	
		As at 31 March, 2026	As at 31 March, 2025
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 Medinipur Jeerat Transmission Limited	India
POWERGRID Mithilanchal Transmission Limited	India
POWERGRID Varanasi Transmission System Limited	India
POWERGRID Jawaharpur Firozabad Transmission Limited	India
POWERGRID Khetri Transmission System Limited	India
POWERGRID Bhuj Transmission Limited	India
POWERGRID Bhind Guna Transmission Limited	India
POWERGRID Ajmer Phagi Transmission Limited	India
POWERGRID Fatehgarh Transmission Limited	India
POWERGRID Rampur Sambhal Transmission Limited	India
POWERGRID Meerut Simbhavali Transmission Limited	India
Central Transmission Utility of India Limited	India
POWERGRID Ramgarh Transmission Limited	India
POWERGRID Himachal Transmission Limited	India
POWERGRID Bikaner Transmission System Limited	India
POWERGRID Sikar Transmission Limited	India
POWERGRID Bhadla Transmission Limited	India
POWERGRID Aligarh Sikar Transmission Limited	India
POWERGRID Energy Services Limited	India
POWERGRID Narela Transmission Limited	India
POWERGRID Gomti Yamuna Transmission Limited	India
POWERGRID Neemuch Transmission System Limited	India



POWERGRID ER NER Transmission Limited	India
POWERGRID Khavda II-B Transmission Limited*	India
POWERGRID Khavda II-C Transmission Limited	India
POWERGRID Khavda RE Transmission System Limited*	India
POWERGRID KPS2 Transmission System Limited*	India
POWERGRID KPS3 Transmission Limited*	India
POWERGRID ERWR Power Transmission Limited*	India
POWERGRID Raipur Pool Dhamtari Transmission Limited*	India
POWERGRID Dharamjaigarh Transmission Limited*	India
POWERGRID Bhadla Sikar Transmission Limited*	India
POWERGRID Ananthpuram Kurnool Transmission Limited*	India
POWERGRID Bhadla III Transmission Limited#	India
POWERGRID Beawar dausa Transmission Limited#	India
POWERGRID Ramgarh II Transmission Limited#	India
POWERGRID Bikaner Neemrana Transmission Limited#	India
POWERGRID Neemrana Bareilly Transmission Limited*	India
POWERGRID Vataman Transmission Limited	India
POWERGRID Koppal Gadag Transmission Limited*	India
POWERGRID Sikar Khetri Transmission Limited# (Erstwhile Sikar Khetri Transmission Limited)	India
POWERGRID Bidar Transmission limited* (Erstwhile Bidar Transmission Limited)	India
POWERGRID Mandsaur Transmission Limited (Erstwhile Rajasthan IV C Power Transmission Limited)	India
POWERGRID Khavda IV-E2 Power Transmission Limited (Erstwhile Khavda IV-E2 Power Transmission Limited)	India
POWERGRID Mewar Transmission Limited (Erstwhile Rajasthan IV E Power Transmission Limited)	India
POWERGRID Sirohi Transmission Limited (Erstwhile Sirohi Transmission Limited)	India
POWERGRID Beawar-Mandsaur Transmission Limited (Erstwhile Beawar - Mandsaur Transmission Limited)	India
POWERGRID Khavda PS1 AND 3 Transmission Limited (Erstwhile Khavda PS1 & 3 Transmission Limited)	India
POWERGRID Bhadla Bikaner Transmission Limited (Erstwhile Bhadla-III & Bikaner-III Transmission Limited)	India
POWERGRID South Olpad Transmission Limited (Erstwhile South Olpad Transmission Limited)	India
POWERGRID Bhadla-III Power Transmission Limited (Erstwhile Bhadla III Power Transmission Limited)	India
POWERGRID Kurawar Transmission Limited (Erstwhile Rajasthan IV H1 Power Transmission Limited)	India
POWERGRID Jam Khambhaliya Transmission Limited (Erstwhile Jam Khambhaliya Transmission Limited)	India
POWERGRID West Central Transmission Limited (Erstwhile Khavda V-A Power Transmission Limited)	India
POWERGRID Barmer I Transmission Limited (Erstwhile Barmer I Transmission Limited)	India
POWERGRID Bikaner IV Transmission Limited (Erstwhile Bikaner A Power Transmission Limited)	India
POWERGRID Siwani Transmission Limited (Erstwhile Bikaner B Power Transmission Limited)	India
POWERGRID Kudankulam Transmission Limited (Erstwhile Kudankulam ISTS Transmission Limited)	India
POWERGRID Ghiror Transmission Limited (Erstwhile Rajasthan IV 4A Power Transmission Limited)	India
POWERGRID Koppal Gadag Augmentation Transmission Limited (Erstwhile Gadag II and Koppal II Transmission Limited)	India



POWERGRID KPS 1 and 2 Augmentation Transmission Limited (Erstwhile Khavda V-B1B2 Power Transmission Limited)	India
POWERGRID Bidar Augmentation Transmission Limited (Erstwhile Bidar Transco Limited)	India
POWERGRID Chitradurga Bellary Transmission Limited (Erstwhile Chitradurga Bellary REZ Transmission Limited)	India
POWERGRID Fatehgarh Barmer Augmentation Transmission Limited (Erstwhile Fatehgarh II And Barmer I PS Transmission Limited)	India
POWERGRID Banaskantha Augmentation Transmission Limited (Erstwhile Banaskantha Transco Limited)	India
POWERGRID Kurnool-IV Transmission Limited (Erstwhile Kurnool-IV Transmission Limited)	India
POWERGRID Sirohi Khandwa Transmission Limited (Erstwhile Rajasthan V Power Transmission Limited)	India
POWERGRID Kurnool-III CPETA Transmission Limited (Erstwhile Kurnool III PS RE Transmission Limited)	India
POWERGRID Mahan Rewa Transmission Limited (Erstwhile MEL Power Transmission Limited) -100% equity acquired by POWERGRID from PFC Consulting Limited on 04-Jun-2025	India
POWERGRID Davanagere Augmentation Transmission Limited (Erstwhile Davanagere Power Transmission Limited) -100% equity acquired by POWERGRID from REC Power Development Consultancy Limited on 24-Sep-2025	India
POWERGRID Prayagraj Transmission Limited (Erstwhile Vindhyachal Varanasi Transmission Limited) - 100% equity acquired by POWERGRID from PFC Consulting Limited on 16-Oct-2025	India
POWERGRID Mandsaur Augmentation Transmission Limited (Erstwhile Mandsaur I RE Transmission Limited) -100% equity acquired by POWERGRID from PFC Consulting Limited on 08-Oct-2025	India
Powergrid Parli Bidar Transmission Limited (Erstwhile SR WR Power Transmission Limited) -100% equity acquired by POWERGRID from REC Power Development Consultancy Limited on 17-Oct-2025	India
POWERGRID Angul Srikakulam Transmission Limited (Erstwhile SR And ER Power Transmission Limited) - 100% equity acquired by POWERGRID from PFC Consulting Limited on 03-Feb-2026	India
NES Pune East New Transmission Limited-100% equity acquired by POWERGRID from PFC Consulting Limited on 12-Mar-2026	India
POWERGRID Bellary Davanagere Power Transmission Limited(Erstwhile Bellary Davanagere Power Transmission Limited)-100% equity acquired by POWERGRID from REC Power Development Consultancy Limited on 12-Feb-2026	India

*Merged with POWERGRID Khavda II-C Transmission Limited w.e.f 01.03.2026

#Merged with POWERGRID Vataman Transmission Limited w.e.f 01.03.2026

(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
Sikkim Power Transmission Limited (Erstwhile 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	India
Cross Border Power Transmission Company Limited	India
RINL Powergrid TLT Private Limited	India
Butwal-Gorakhpur Cross Border Power Transmission Limited	India
Rajasthan Power Grid Transmission Company Limited	India
Power Transmission Company Nepal Limited	Nepal



(d) Associates of Holding Company*

Name of entity	Place of business/ Country of incorporation
Kala Amb Transmission Limited (Erstwhile Powergrid Kala Amb Transmission Limited)	India
Jabalpur Power Transmission Limited (Erstwhile Powergrid Jabalpur Transmission Limited)	India
Warora Transmission Limited (Erstwhile Powergrid Warora Transmission Limited)	India
Parli Power Transmission Limited (Erstwhile Powergrid Parli Transmission Limited)	India

*The above Companies ceased to be the associate of Holding Company subsequent to the transfer of their Equity Shares by POWERGRID to POWERGRID Infrastructure Investment Trust on 30-12-2024.

(e) Key Managerial Personnel

Name	Designation	Date of Appointment	Date of Cessation/ Separation
Shri Yatindra Dwivedi	Chairman	08.01.2024	-
Smt. Sheela Rani	Additional Director	03.10.2025	-
Shri Manish Kumar	Additional Director	01.04.2026	-
Shri Sanjay Sharma	Additional Director	10.04.2026	-
Shri Rakesh Kumar	Chief Executive Officer	10.04.2026	-
Shri Krishna Prasad Mukherjee	Chief Financial Officer	25.03.2025	-
Ms Varsha Paliwal	Company Secretary	10.04.2026	-
Dr Sunita Chohan	Director	-	31.07.2025
Ms Kritika Sharma	Company Secretary	-	12.01.2026
Shri Ashwani Kumar Gupta	Director	-	31.03.2026
Shri Sanjay Sharma	Chief Executive Officer	-	01.04.2026
Shri Vamsi Ramamohan Burra	Director	-	08.04.2026

(f) Government Related Entities

The Company is a wholly owned subsidiary of Central Public Sector Undertaking (CPSU) controlled by Central Government by holding majority of shares.

The Company has business transactions with other entities controlled by the GOI for procurement of capital equipment, spares and services. Transactions with these entities are carried out at market terms on arms-length basis through a transparent price discovery process against open tenders, except in a few cases of procurement of spares/services from Original Equipment Manufacturer (OEM) for proprietary items/or on single tender basis due to urgency, compatibility or other reasons. Such single tender procurements are also done through a process of negotiation with prices benchmarked against available price data of same/similar items.

The above transactions are in the course of normal day-to-day business operations and are not considered to be significant keeping in view the size, either individually or collectively.

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

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

(₹ in crore)		
Particulars	As at 31 March, 2026	As at 31 March, 2025
Amounts Payable		
Power Grid Corporation of India Ltd. (Holding Company)		
Loans from Holding Company	283.76	197.35
Interest Accrued on Loan	2.18	3.12
Other Payables	146.79	108.34
Amounts Receivable		
Power Grid Corporation of India Ltd. (Holding Company)		
Other Receivables	167.68	138.99



Central Transmission Utility of India Ltd. (Fellow Subsidiary Company)		
Sale of Services	0.11	0.22
Bihar Grid Company Limited (Joint Venture)		
Sale of Services	0.03	0.03
Energy Efficiency Services Limited (Joint Venture)		
Sale of Services	0.74	0.85

(h) Transactions with related parties

The following transactions occurred with related parties (excluding taxes):

(₹ in crore)		
Particulars	For the Year ended 31 March, 2026	For the Year ended 31 March, 2025
Power Grid Corporation of India Ltd. (Holding Company)		
Purchase of Goods or Services – Manpower on secondment basis	112.88	115.85
Consultancy Fees for Data Center	0.92	0.16
Investments Received during the year (Equity/Share application Money)	-	36.67
Repayment of Loan	23.24	17.16
Additional Loan obtained during the year	109.65	177.28
Interest on Loan	17.11	9.50
Dividend Paid	505.20	281.33
Sale of Services	157.45	133.09
Collection of Money Received from Customers in POWERGRID A/c	4.76	41.17
Sharing of Revenue to DICs through POWERGRID	114.40	107.62
Central Transmission Utility of India Ltd. (Fellow Subsidiary Company)		
Sale of Services	0.31	0.20
Bihar Grid Company Limited (Joint Venture)		
Sale of Services	0.24	0.24
Energy Efficiency Services Limited (Joint Venture)		
Sale of Services	0.01	0.5
National High Power Test Laboratory Private Limited (Joint Venture)		
Sale of Services	0.02	0.02

Note 45 Segment Information

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. One reportable segment has been identified on the basis of product/services. The company has a single reportable segment i.e., Telecom Services

The operations of the company are mainly carried out within the country and therefore there is no reportable geographical segment.

Note 46 Capital and other Commitments

(₹ in crore)		
Particulars	As at 31 March, 2026	As at 31 March, 2025
Estimated amount of contracts remaining to be executed on capital account and not provided for (net of advances)	376.63	381.57



Note 47 Contingent Liabilities and contingent assets**A. Contingent Liabilities**

1. Claims against the Company not acknowledged as debts in respect of:

(i) Capital Works

Claims have been filed by the contractor against the Company for the supply and installation of equipment and the execution of project works, seeking payment for unpaid bills that were adjusted against recoveries, along with claims for damages and accrued interest. The Company is contesting these claims, asserting that they are not admissible under the provisions of the respective contracts. The Company is pursuing various options under the dispute resolution mechanism available in the contract for the settlement of these claims.

In such cases, a contingent liability of ₹22.71 crore (Previous Year ₹20.47 crore) has been estimated.

(ii) Disputed Goods and Service Tax Matters

Disputed Goods and Service Tax Matters amounting to ₹0.25 crore (Previous Year ₹0.23 crore) will be contested before the Office of the Appellate Authority, Madurai, Tamil Nadu.

(iii) Others

Other contingent liabilities amounting to ₹64.77 crore (Previous Year ₹72.45 crore) which includes claim of ₹Nil crore (Previous Year ₹7.05 crore) related to Arbitration cases/ROW cases.

B. Contingent Assets

There is Nil Contingent Assets as at 31 March, 2026 and as at 31 March, 2025.

Note 48 Capital management**a) Risk Management**

The company's objectives when managing capital are to

- maximize the shareholder value;
- safeguard its ability to continue as a going concern;
- maintain an optimal capital structure to reduce the cost of capital.

For the purpose of the company's capital management, equity capital includes issued equity capital 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. To maintain or adjust the capital structure, the company may adjust the dividend payment to shareholders, regulate investments in its projects, return capital to shareholders or issue new shares. The company monitors capital using debt-equity ratio, which is the ratio of long term debt to total net worth. The company includes within long term debt, interest bearing loans and borrowings and current maturities of long-term debt.

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

Particulars	As at 31 March, 2026	As at 31 March, 2025
Total debt (₹ in crore)	283.76	197.35
Equity (₹ in crore)	812.75	905.69
Long term debt to Equity ratio	0.35	0.22

No changes were made in the objectives, policies or processes for managing capital during the years ended 31 March, 2026 and 31 March, 2025.

b) Dividends

Particulars	(₹ in crore)	
	For the Year ended 31 March, 2026	For the Year ended 31 March, 2025
Interim dividend for the year ended 31 March, 2026 of ₹5.65 (31 March, 2025 of ₹4.1) per fully paid up share.	395.89	281.33
Interim dividend for the year ended 31 March, 2025 of ₹1.56 (31 March, 2024 – ₹ Nil) per fully paid up share paid in FY 2025-26 (FY 2024-25)	109.31	-



Earnings per share

Particulars	For the Year ended 31 March, 2026	For the Year ended 31 March, 2025
Basic and diluted earnings per share attributable to the equity holders of the company (in ₹)		
Total Earnings attributable to the equity holders of the company (₹ in Crs.)	412.26	391.13
Weighted average number of shares used as the denominator	70,06,90,000	67,56,65,931
Nominal Value Per Share	10	10
Earnings per share		
-Basic & Diluted	5.88	5.79

Note 49 Income Tax expense

This note provides an analysis of the company's income tax expense, and how the tax expense is affected by non-assessable and non-deductible items. It also explains significant estimates made in relation to the Company's tax position.

(a) Income tax expense

Particulars	For the Year ended 31 March, 2026	For the Year ended 31 March, 2025
(₹ in crore)		
Current Tax		
Current tax on profits for the year	158.06	131.44
Adjustments for current tax of prior periods	34.74	-
Total current tax expense (A)	192.80	131.44
Deferred Tax expense		
Origination and reversal of temporary differences	(44.06)	(0.22)
Total deferred tax expense /benefit (C)	(44.06)	(0.22)
Income tax expense (A+B+C)	148.74	131.22

(b) Reconciliation of tax expense and the accounting profit multiplied by India's tax rate:

Particulars	For the Year ended 31 March, 2026	For the Year ended 31 March, 2025
(₹ in crore)		
Profit before income tax expense	561.00	522.35
Tax at the Company's domestic tax rate of 25.168 %	141.19	131.47
Tax effect of:		
Non-Deductible tax items	34.55	11.50
Tax exempt income	(9.61)	(9.82)
Previous Years tax liability	34.74	-
Deferred Tax expense/(income)	(44.06)	(0.22)
Deductible tax item	(8.07)	(1.71)
Income tax expense	148.74	131.22

- (c) During the current financial year, the Company received an Assessment Order for FY 2023-24 (AY 2024-25). As per the order, the Assessing Officer disallowed the deduction of annual license fees payable to Department of Telecommunications (DoT) as a revenue expenditure. Instead, the order mandates that such fees shall be amortized over the remaining useful life of the license under Section 35ABB of the Income Tax Act, 1961.

In conformity with the above Assessment Order, the Company has recorded a tax provision of ₹8.79 crore and ₹26.08 crore for FY 2023-24 and FY 2024-25 respectively in the current financial year.



Note 50 Employee Benefit Obligations

A. Post-employment obligations

i) Defined Contribution Schemes:

i) Provident Fund

The Company deducts and deposits fixed contribution of 12% to Provident Fund at predetermined rate to EPFO. The amount of Employer Contribution towards the scheme is ₹0.11 crore (Previous Year ₹Nil crore) .

ii) Defined Benefit Schemes:

Summary of Defined benefit schemes:

Particulars	As at 31 March, 2026			As at 31 March, 2025		
	Current	Non-current	Total	Current	Non-current	Total
Gratuity	0.00	0.03	0.03	-	-	-
Baggage	-	0.00	0.00	-	-	-
Acknowledgement of service on retirement	-	0.00	0.00	-	-	-
Post-Retirement Medical Benefits (PRMB)	-	0.01	0.01	-	-	-
Total employee defined benefit obligations	0.00	0.04	0.04	-	-	-

(₹ in crore)

i) Gratuity

The company has a defined benefit gratuity plan. Every employee who has rendered continuous service of five years or more is entitled to get gratuity at 15 days salary (15/26 × last drawn basic salary plus, dearness allowance) for each completed year of service on superannuation, resignation, termination, disablement or on death subject to a maximum of ₹ 25 lakh. The liability for the same is recognised on the basis of actuarial valuation on annual basis on the Balance Sheet date.

Movement in plan assets and obligations of Gratuity is as follows:

Particulars	For the Year ended 31 March, 2026			For the Year ended 31 March, 2025		
	Present value of obligation	Fair value of plan assets	Net Liability/ (Asset)	Present value of obligation	Fair value of plan assets	Net Liability/ (Asset)
Opening Balance	-	-	-	-	-	-
Service cost (Including Past Service Cost)	0.03	-	0.03	-	-	-
Interest expense / (income)	-	-	-	-	-	-
Total amount recognised in profit or loss	0.03	-	0.03	-	-	-
Re measurements						
Return on plan assets, excluding amount included in interest expense/(income)	-	-	-	-	-	-
(Gain)/Loss from change in demographic assumptions	-	-	-	-	-	-
(Gain)/Loss from change in financial assumptions	-	-	-	-	-	-
Experience (Gain)/ Losses	-	-	-	-	-	-
Total amount recognised in other comprehensive income	-	-	-	-	-	-
Payments	-	-	-	-	-	-
Closing Balance	0.03	-	0.03	-	-	-

(₹ in crore)

ii) Post-Retirement Medical benefits (PRMB)

The Company has Post-Retirement Medical Benefit (PRMB), under which retired employees, and the spouse are provided medical facilities in the empanelled/non-empanelled hospitals for OPD & IPD treatment, whereas their dependent children can avail OPD Treatment only. They can avail treatment as Out-Patient subject to a ceiling fixed by the company. The liability for the same is recognised on the basis of actuarial valuation on annual basis on the Balance Sheet date.

Movement in plan assets and obligations of PRMB is as follows:

Particulars	For the Year ended 31 March, 2026			For the Year ended 31 March, 2025		
	Present value of obligation	Fair value of plan assets	Net Liability/ (Asset)	Present value of obligation	Fair value of plan assets	Net Liability/ (Asset)
Opening Balance	-	-	-	-	-	-
Service cost (Including Past Service Cost)	0.01	-	0.01	-	-	-
Interest expense / (income)	-	-	-	-	-	-
Total amount recognised in profit or loss	0.01	-	0.01	-	-	-
Re measurements						
Return on plan assets, excluding amount included in interest expense/(income)	-	-	-	-	-	-
(Gain)/Loss from change in demographic assumptions	-	-	-	-	-	-
(Gain)/Loss from change in financial assumptions	-	-	-	-	-	-
Experience (Gain)/ Losses	-	-	-	-	-	-

(₹ in crore)



Total amount recognised in other comprehensive income	-	-	-	-	-	-
Benefits payments	-	-	-	-	-	-
Closing Balance	0.01	-	0.01	-	-	-

iii) **Other Defined Retirement Benefits (ODRB)**

a) **Baggage Allowance**

The Company has a scheme for settlement at the time of superannuation at anywhere in India and dependents to superannuated employees. The scheme is unfunded and liability for the same is recognised on the basis of actuarial valuation on annual basis on the Balance Sheet date.

Movement in plan assets and obligations is as follows:

Particulars	For the Year ended 31 March, 2026			For the Year ended 31 March, 2025		
	Present value of obligation	Fair value of plan assets	Net Liability/ (Asset)	Present value of obligation	Fair value of plan assets	Net Liability/ (Asset)
Opening Balance	-	-	-	-	-	-
Service cost (Including Past Service Cost)	0.00	-	0.00	-	-	-
Interest expense / (income)	-	-	-	-	-	-
Total amount recognised in profit or loss	0.00	-	0.00	-	-	-
Re measurements						
Return on plan assets, excluding amount included in interest expense/(income)	-	-	-	-	-	-
(Gain)/Loss from change in demographic assumptions	-	-	-	-	-	-
(Gain)/Loss from change in financial assumptions	-	-	-	-	-	-
Experience (Gain)/ Losses	-	-	-	-	-	-
Total amount recognised in other comprehensive income	-	-	-	-	-	-
Benefits payments	-	-	-	-	-	-
Closing Balance	0.00	-	0.00	-	-	-

b) **Acknowledgement of service on retirement**

This benefit is applicable to all regular employees of the company (Up to E9 level) who have superannuated after completing at least 10 years of service. This scheme is unfunded and liability for the same is recognised on the basis of actuarial valuation on annual basis on the balance sheet date.

Movement in plan assets and obligations is as follows:

Particulars	For the Year ended 31 March, 2026			For the Year ended 31 March, 2025		
	Present value of obligation	Fair value of plan assets	Net Liability/ (Asset)	Present value of obligation	Fair value of plan assets	Net Liability/ (Asset)
Opening Balance	-	-	-	-	-	-
Service cost (Including Past Service Cost)	0.00	-	0.00	-	-	-
Interest expense / (income)	-	-	-	-	-	-
Total amount recognised in profit or loss	0.00	-	0.00	-	-	-
Re measurements						
Return on plan assets, excluding amount included in interest expense/(income)	-	-	-	-	-	-
(Gain)/Loss from change in demographic assumptions	-	-	-	-	-	-
(Gain)/Loss from change in financial assumptions	-	-	-	-	-	-
Experience (Gain)/ Losses	-	-	-	-	-	-
Total amount recognised in other comprehensive income	-	-	-	-	-	-
Benefits payments	-	-	-	-	-	-
Closing Balance	0.00	-	0.00	-	-	-

iv) **Significant actuarial assumptions for Post-Employment Benefits:**

Economic Assumptions

Particulars	Gratuity, ODRB, PRMB,	
	For the Year ended 31 March, 2026	For the Year ended 31 March, 2025
Discount rate	7.15%	-
Salary growth rate	6.50%	-



The discount rate is generally based upon the market yields available on Govt. Bonds at the accounting date relevant to currency of benefit payments for a term that matches the liabilities. Salary growth rate is companies' long term best estimate as to salary increases and takes account of inflation, seniority, promotion, business plan, HR Policy and other relevant factors on long term basis.

Demographic Assumptions

Particulars	For the Year ended 31 March, 2026	For the Year ended 31 March, 2025
i) Retirement Age	60	-
ii) Mortality rates inclusive of provision for disability	100 % of IALM (2012 - 14)	-
iii) Ages		
Withdrawal rate %		
Up to 30 years	3	-
From 31 to 44 years	2	-
Above 44 years	1	-

Mortality rates for specimen ages:

Age	Mortality rate	Age	Mortality rate	Age	Mortality rate
15	0.000698	45	0.002579	75	0.038221
20	0.000924	50	0.004436	80	0.061985
25	0.000931	55	0.007513	85	0.100979
30	0.000977	60	0.011162	90	0.163507
35	0.001202	65	0.015932	95	0.259706
40	0.00168	70	0.024058	100	0.397733

v) Sensitivity Analysis of the defined benefit obligations:

(₹ in crore)				
Particulars	Gratuity	PRMB	Baggage Allowance	Acknowledgement of service on retirement
As at 31 March 2026				
Present value of Obligation at the end of period	0.03	0.01	0.00	0.00
a) Impact of change in discount rate				
- Impact due to increase of 0.5%	(0.00)	(0.00)	(0.00)	(0.00)
- Impact due to decrease of 0.5%	0.00	0.00	0.00	0.00
b) Impact of change in salary increase				
- Impact due to increase of 0.5%	0.00	0.00	0.00	0.00
- Impact due to decrease of 0.5%	(0.00)	(0.00)	(0.00)	(0.00)
As at 31 March 2025				
Present value of Obligation at the end of period	-	-	-	-
a) Impact of change in discount rate				
- Impact due to increase of 0.5%	-	-	-	-
- Impact due to decrease of 0.5%	-	-	-	-
b) Impact of change in salary increase				
- Impact due to increase of 0.5%	-	-	-	-
- Impact due to decrease of 0.5%	-	-	-	-

Sensitivities due to mortality & withdrawals are not material & hence impact of change due to these not calculated.

Although the analysis does not take account of the full distribution of cash flows expected under the plan, it does provide an approximation of the sensitivity of the assumptions shown.

The sensitivity analysis above has been determined based on a method that extrapolates the impact on defined benefit obligation as a result of reasonable changes in key assumptions occurring at the end of the reporting period. This analysis may not be representative of the actual change in the defined benefit obligations as it is unlikely that the change in assumptions would occur in isolation of one another as some of the assumptions may be correlated. The methods and types of assumptions used in preparing sensitivity analysis did not change compared to previous year.

vi) Description of Risk exposures

Valuation is based on certain assumptions which are dynamic in nature and vary over time. As such company is exposed to various risks as follows:

- Salary Increases (except for PF) – Actual salary increase will increase the plan's liability. Increase in salary increase rate assumptions in future valuation will also increase the liability.
- Investment risk – If plan is funded then assets liabilities mismatch and actual investment return on assets lower than the discount rate assumed at the last valuation date can impact the liability



- c) Discount Rate – Reduction in discount rate in subsequent valuations can increase the plan's liability.
- d) Mortality & disability – Actual deaths and disability cases proving lower or higher than assumed in the valuation can impact the liabilities.
- e) Withdrawals – Actual withdrawals proving higher or lower than assumed withdrawals and change of withdrawal rates at subsequent valuations can impact Plan's liability.

vii) Maturity analysis of defined benefit schemes:

The expected maturity analysis of undiscounted gratuity, post-retirement medical facility and other defined retirement benefit is as follows:

(₹ in crore)					
Particulars	Less than a year	Between 1-2 year	Between 2-5 years	Over 5 years	Total
As at 31 March 2026					
Gratuity	0.00	0.00	0.00	0.03	0.03
Baggage	-	-	-	0.00	0.00
Acknowledgement of service on retirement	-	-	-	0.00	0.00
Post-Retirement Medical Benefits (PRMB)	-	-	-	0.01	0.01
Total	0.00	0.00	0.00	0.04	0.04
As at 31 March 2025					
Gratuity	-	-	-	-	-
Baggage	-	-	-	-	-
Acknowledgement of service on retirement	-	-	-	-	-
Post-Retirement Medical Benefits (PRMB)	-	-	-	-	-
Total	-	-	-	-	-

B. Other Long Term Employee Benefits

Summary of Other Long-Term Employee Benefits:

(₹ in crore)						
Particulars	For the Year ended 31 March, 2026			For the Year ended 31 March, 2025		
	Current	Non-current	Total	Current	Non-current	Total
Leave Encashment	0.00	0.03	0.03	-	-	-
Economic Rehabilitation Scheme	-	0.02	0.02	-	-	-

i) Leave Obligations

The Company provides for earned leave benefit (including compensated absences) and half-pay leave to the employees of the company which accrue annually at 30 days and 20 days respectively. Earned leave is encashable while in service. Half pay leaves (HPL) are encashable only on separation beyond the age of 55 years upto the maximum of 300 days (HPL). However, total number of leave that can be encashed on superannuation shall be restricted to 300 days and no commutation of half pay leave shall be permissible. The liability for same is recognised on the basis of actuarial valuation.

Movement in obligations of Leaves is as follows:

(₹ in crore)		
Particulars	For the Year ended 31 March, 2026	For the Year ended 31 March, 2025
Opening Balance	-	-
Service cost	0.03	-
Interest expense (income)	-	-
Employee Contribution	-	-
Actuarial Gain/Loss	-	-
Total amount recognised in profit or loss	0.03	-
Benefits payments	-	-
Closing Balance	0.03	-

II) Employee family rehabilitation scheme

The company has Employees Family Economic Rehabilitation Scheme under which monetary assistance and support to an employee is provided in case of his/her permanent total disablement and to his/her family in case of death while in service. The beneficiary would be entitled to monthly payment equivalent to the employee's 50% of one month pay last drawn provided the beneficiary deposits with the company an amount equal to PF (excluding VPF) balance, Gratuity amount and Group Insurance (EDLI) amount. Such monthly payment would continue till the normal notional date on which the employee concerned would have attained the age of superannuation had the employee continued in the service of the company. The scheme is optional. Provision for Employees Family Economic Rehabilitation Scheme amounting to ₹0.02 crore (Previous Year ₹Nil crore) for the year has been made during the year based on actuarial valuation.



Note 51 Recent Pronouncements and amendments

(i) Amendments to Indian Accounting Standards (Ind AS)

On 07.05.2025 and 13.08.2025, Ministry of Corporate Affairs ("MCA") has notified the Companies (Indian Accounting Standards) Amendment Rules, 2025 and Companies (Indian Accounting Standards) Second Amendment Rules, 2025 respectively, applicable from 01.04.2025 with amendments in Ind AS 21 "The Effects of Changes in Foreign Exchange Rates", Ind AS1 "Presentation of Financial Statements", Ind AS 7 "Statement of Cash Flows", Ind AS 107 "Financial Instruments Disclosures", Ind AS 12 "Income Taxes". The company has assessed that the amendments have no material impact on the accounts of the company.

(ii) New Labour codes

On 21.11.2025, the Central Government issued four separate notifications in the Official Gazette announcing implementation of four Labour Codes, viz., the Code on Wages, 2019, the Industrial Relations Code, 2020, the Code on Social Security, 2020 and the Occupational Safety, Health and Working Conditions Code, 2020 (Collectively referred to as the "New Labour Codes"). These New Labour codes replace and consolidate the 29 existing labour laws. The Ministry of Labour and Employment published draft Central Rules and FAQs to enable assessment of the financial impact due to changes in regulations. The company has assessed that the New Labour Codes have no material impact on the accounts of the company.

Note 52 a) Figures have been rounded off to nearest rupees in Crores up to two decimals.

b) Previous year figures have been regrouped/ rearranged wherever considered necessary.

As per our report of even date

For M/s Goel Garg & Co.

Chartered Accountants

FRN.No. 000397N

CA Ashok Kumar Agarwal

Partner

M.No. 084600



For and on behalf of the Board of Directors

Manish Kumar

Additional Director

DIN: 11069723

Sanjay Sharma

Additional Director

DIN: 10818843

Place: New Delhi

Date: 01.06.2026

Rakesh Kumar

Chief Executive Officer

PAN: ABCPK3925F

Varsha Paliwal

Company Secretary

PAN : DNSPP3276B

Mem. No. A64335

K P Mukherjee

Chief Financial Officer

PAN: AAJPM1317P

Place: Gurugram

Date: 01.06.2026