

GUPTA NANDA & CO.

CHARTERED ACCOUNTANTS

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INDEPENDENT AUDITORS' REPORT

To,

The Members of POWERGRID TELESERVICES LIMITED

Report on the Audit of the Standalone Financial Statements

Opinion

We have audited the accompanying Standalone financial statements of POWERGRID TELESERVICES LIMITED ("the Company"), which comprise the Balance Sheet as at 31st March 2025, 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 2025 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 Standalone Financial Statements and Auditor's Report Thereon

The Company's Board of Directors is responsible for the preparation of the other information. The other information comprises the information included in the Management Discussion and Analysis, Board's Report including Annexures to Board's Report, Business Responsibility 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.

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 2025.
- 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, 2025 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 Gupta Nanda & Co.

Chartered Accountants

FRN No. 009039N


Sanjive Nanda
Partner(FCA)

Membership No.087108

Place: New Delhi

Date: 16.06.2025

UDIN: 25087108BM0ZCZ4657



M/S GUPTA NANDA & CO.

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 2025, 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 paragraph 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 paragraph 3(iii) (a) to paragraph 3(iii)(f) 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, paragraph 3(v) of the Order is not applicable to the company.
- (vi) We have broadly reviewed the cost records maintained by the company specified by the Central Government under sub section (1) of section 148 of the Companies Act, 2013, in respect of 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, Sales Tax, Wealth Tax, Service Tax, Duty of Custom, Duty of Excise, Value Added Tax, Cess and other statutory dues applicable to the Company and that there are no undisputed statutory dues outstanding as at 31 March 2025 for a period of more than six months from the date they became payable. We note that the company being a subsidiary of the POWERGRID Group and is not having any employees on its role, the provisions of the Provident Fund and the provisions of the Employees State Insurance Act are not applicable to the Company.



- b) According to information and explanations given to us, there are no 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	Remarks
1	Goods and Service Tax Act	Goods and service tax matters	0.15	2023-24	Office of the Joint Commissioner (State Tax) (Intelligence), Department of Commercial Taxes	The due date to file an appeal for an impugned demand order raised by Office of the Joint Commissioner (State Tax) (Intelligence), Department of Commercial Taxes is 25.06.2025. The company shall file a suitable reply before the due date.
2	Goods and Service Tax Act	Goods and service tax matters	0.08	2024-25	Office of the Joint Commissioner (State Tax) (Intelligence), Department of Commercial Taxes	The due date to file an appeal for an impugned demand order raised by Office of the Joint Commissioner (State Tax) (Intelligence), Department of Commercial Taxes is 25.06.2025. The company shall file a suitable reply before the due date.
	Total		0.23			

- (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 paragraph 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,
- (a) The Company has not defaulted during the year in repayment of loans & payment of Interest to its financial institutions, bankers, dues to the Bond holders and other Lenders. Accordingly, paragraph 3(ix)(a) not applicable to the company.
 - (b) The Company has not been declared willful defaulter by any bank/financial institution/other lender.
 - (c) Term loans have been applied for the purpose for which the loans were obtained.
 - (d) The Company has not raised any funds on short term basis to be utilized for long term purpose. Hence, clause 3(ix)(d) is not applicable.
 - (e) The Company does not have any Subsidiaries, Joint ventures or Associates. Accordingly, paragraph 3(ix)(e) and 3(ix)(f) are not applicable to the Company.
- (x) (a) The company has not raised money by way of an initial public offer or further public offer (including debt instruments) during the year and hence reporting under paragraph 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 paragraph 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 material fraud on the company or by the company has been noticed or reported during the year.
- (b) As no fraud has been noticed during the year as mentioned at xi(a) above, report under sub-Section (12) of Section 143 of the Companies Act in the Form ADT-4 as prescribed under Rule 13 of Companies (Audit and Auditors) Rules 2014 is not applicable.
- (c) According to the information and explanations given to us, no whistle-blower complaints 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 covered under section 192 of the Act. Accordingly, paragraph 3(xv) of the Order is not applicable to the company.
- (xvi) According to the information and explanations given to us, the Company is not required to be registered under section 45 IA of the Reserve Bank of India Act, 1934. Accordingly, paragraphs 3(xvi) are not applicable to the Company.
- (xvii) According to the information and explanations given to us and based on our examination of the records of the company, the company has not incurred any cash losses in the current Financial Year and in the immediately preceding Financial Year. 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.



- 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, paragraph 3(xxi) is not applicable to the company.

For M/s Gupta Nanda & Co.
Chartered Accountants
FRN No. 009039N




Sanjive Nanda
Partner(FCA)
Membership No.087108
Place: New Delhi
Date: 16.06.2025
UDIN:25087108BM0ZCZ4657

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 2025

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 2025 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 2025, 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 Gupta Nanda & Co.

Chartered Accountants

FRN No. 009039N



Sanjive Nanda
Partner(FCA)

Membership No.087108

Place: New Delhi

Date: 16.06.2025

UDIN: 25087108BM0ZCZ4657

Annexure 'C' to the Independent Auditors' Report

As referred to in our Independent Auditors' Report of even date to the Members of the **POWERGRID TELESERVICES LIMITED** ("the Company"), on the Financial Statements for the year ended 31 March 2025, we report the statement on the directions issued by the Comptroller and Auditor General of India

We have verified various documents and other relevant records and also on the basis of information and explanations provided to us, by the management of **POWERGRID TELESERVICES LIMITED** to ascertain whether the company has complied with the section 143(5) of the Companies Act, 2013 and give our report against each specific direction as under.

Sl. No.	Directions u/s 143(5) of the Companies Act, 2013	Auditor's reply on action taken on the directions	Impact on financial statement
1	Whether the Company has system in place to process all the accounting transactions through IT system? If yes, the implications of processing of accounting transactions outside IT system on the integrity of the accounts along with the financial implications, if any, may be stated.	The company is having ERP system (SAP) in place for processing all accounting transactions. No accounting transaction is being recorded/processed otherwise than the ERP system in place.	NIL
2	Whether there is any restructuring of an existing loan or cases of waiver/write off of debts/loans/interest etc. made by a lender to the company due to the company's inability to repay the loan? If yes, the financial impact may be stated. Whether such cases are properly accounted for? (In case, lender is a Government company, then this direction is also applicable for statutory auditor of lender company).	Based on our verification and explanations and information given to us, there were no cases of restructuring of an existing loan or cases of waiver/ write off of debts/loan/interest etc. made by a lender to the company due to the company's inability to repay the loan.	NIL



3	Whether funds (grants/subsidy etc.) received/receivable for specific schemes from Central/State Government or its agencies were properly accounted for/utilized as per its term and conditions? List the cases of deviation	Based on our verification and explanations and information given to us, no funds were received / receivable for specific schemes from Central/State government or its agencies.	NIL
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For M/s Gupta Nanda & Co.
Chartered Accountants
FRN No. 009039N


Sanjive Nanda
Partner(FCA)
Membership No.087108
Place: New Delhi
Date: 16.06.2025
UDIN: 25087108BM0ZCZ4657



GUPTA NANDA & CO.

CHARTERED ACCOUNTANTS

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Head Office: 20-A, RAJOURI ENCLAVE (LIG), NEAR CAMBRIDGE SCHOOL, RAJOURI GARDEN, NEW DELHI-110027

Compliance Certificate

We have conducted the audit of annual accounts of **POWERGRID TELESERVICES LIMITED** for the year ended 31 March 2025 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 Gupta Nanda & Co.

Chartered Accountants

FRN No. 09039N


Sanjive Nanda
Partner(FCA)

Membership No.087108

Place: New Delhi

Date: 16.06.2025

UDIN: 25087108 BMOZDA7219



POWERGRID Teleservices Limited

CIN:U64200DL2021GOI390464

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

Balance Sheet As at 31 March 2025

(₹ in crore)

Particulars	Note No	As at 31 March 2025	As at 31 March 2024
ASSETS			
Non-current assets			
Property, Plant and Equipment	5	697.47	655.34
Capital work-in-progress	6	427.53	369.70
Intangible assets	7	6.90	4.82
Other non-current assets	8	30.52	32.28
		1,162.42	1,062.14
Current assets			
Inventories	9	18.08	18.37
Financial Assets			
Trade receivables	10	413.41	360.71
Cash and cash equivalents	11	16.70	7.06
Bank balances other than Cash and cash equivalents	12	288.26	36.43
Other current financial assets	13	9.76	37.35
Other current assets	14	22.63	15.47
		768.84	475.39
Total Assets		1,931.26	1,537.53
EQUITY AND LIABILITIES			
Equity			
Equity Share capital	15	700.69	664.02
Other Equity	16	205.00	95.20
		905.69	759.22
Liabilities			
Non-current liabilities			
Financial Liabilities			
Borrowings	17	178.25	36.30
Lease liabilities		2.19	21.26
Other non-current financial liabilities	18	12.99	7.34
Deferred tax liabilities(Net)	19	18.31	18.53
Other non-current liabilities	20	324.49	214.76
		536.23	298.19
Current liabilities			
Financial Liabilities			
Borrowings	21	19.10	0.93
Lease liabilities		0.16	0.63
Trade payables			
(A) total outstanding dues of micro enterprises and small enterprises	22	9.25	22.67
(B) total outstanding dues of creditors other than micro enterprises and small enterprises	22	146.24	100.55
Other current financial liabilities	23	129.15	164.59
Other current liabilities	24	182.30	188.92
Provisions	25	3.14	1.83
Current Tax Liabilities (Net)	26	-	-
		489.34	480.12
Total Equity and Liabilities		1,931.26	1,537.53

The accompanying notes (1 to 50) form an integral part of financial statements

As per our report of even date
For M/s Gupta Nanda & Co.
Chartered Accountants
FRN No. 009039N

CA Sanjive Nanda
Partner
M.No. 087108

For and on behalf of the Board of Directors

Vijay Rama Mohan Burra
Director
DIN: 09806168

Ashwani Kumar Gupta
Director
DIN: 09194985

Place: New Delhi
Date: 16.06.2025

Sanjay Sharma
Chief Executive Officer
PAN: AENPS3382J

Kritika Sharma
Company Secretary
PAN : IVVPS4197A
Mem. No. A66362

K P Mukherjee
Chief Financial Officer
PAN: AAJPM1317P

Place: Gurugram
Date: 16.06.2025

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 2025

(₹ in crore)

Particulars	Note No.	For the year ended 31 March 2025	For the year ended 31 March 2024 (Restated)
INCOME			
Revenue From Operations	27	1,109.37	900.51
Other Income	28	18.73	9.55
Total Income		1,128.10	910.06
EXPENSES			
Finance costs	29	37.93	32.78
Depreciation and amortization expense	30	81.27	88.63
Other expenses	31	486.55	434.84
Total expenses		605.75	556.25
Profit/(Loss) Before Tax		522.35	353.81
Tax expense:			
Current tax		131.44	42.78
Deferred tax		(0.22)	(2.63)
		131.22	40.15
Profit for the period		391.13	313.66
Other Comprehensive Income		-	-
Total Comprehensive Income for the period		391.13	313.66
Earnings per equity share (Par value ₹ 10/- each):			
Basic & Diluted (₹) without Business Combination	47	5.79	10.72
Basic & Diluted (₹) with Business Combination		5.79	4.72

The accompanying notes (1 to 50) form an integral part of financial statements

As per our report of even date

For M/s Gupta Nanda & Co.

Chartered Accountants

FRN No. 009039911



CA Sanjive Nanda

Partner

M.No. 087108

For and on behalf of the Board of Directors

Vamsi Rama Mohan Burra

Director

DIN: 09806168

Ashwani Kumar Gupta

Director

DIN: 09194985

Place: New Delhi

Date: 16.06.2025


Sanjay Sharma
Chief Executive Officer
PAN: AENPS3382J
Kritika Sharma
Company Secretary
PAN : IVVPS4197A
Mem. No. A66362
K P Mukherjee
Chief Financial Officer
PAN: AAJPM1317P

Place: Gurugram

Date: 16.06.2025

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 2025

(₹ in crore)

Sl. No.	Particulars	For the year ended 31 March 2025	For the year ended 31 March 2024 (Restated)
A	CASH FLOW FROM OPERATING ACTIVITIES		
	Profit Before Tax	522.35	353.81
	Adjustment for :		
	Depreciation & amortization expenses	81.27	88.63
	Provisions	5.14	15.29
	Net Loss on Disposal / Write off of Property, Plant & Equipment	0.05	-
	Finance Costs	37.93	32.78
	Provisions Written Back	-	(0.59)
	FERV loss / (gain)	0.30	0.10
	Interest income on Deposits	(16.44)	(0.27)
		108.25	135.94
	Operating profit before Changes in Assets and Liabilities	630.60	489.75
	Adjustment for Changes in Assets and Liabilities:		
	(Increase)/Decrease in Inventories	0.29	8.61
	(Increase)/Decrease in Trade Receivables	(57.84)	(168.56)
	(Increase)/Decrease in Other Financial Assets	27.59	(32.15)
	(Increase)/Decrease in Other Non-current Assets	(3.78)	0.32
	(Increase)/Decrease in Other Current Assets	(7.16)	21.82
	Increase/(Decrease) in Liabilities & Provisions	67.86	(74.18)
		26.96	(244.14)
	Cash generated from operations	657.56	245.61
	Direct Taxes (paid)/refund	(124.58)	(68.18)
	Net Cash from Operating Activities	532.98	177.43
B	CASH FLOW FROM INVESTING ACTIVITIES		
	Property, Plant & Equipment and Capital Work in Progress (including Advances for Capital Expenditure)	(196.57)	(220.77)
	Interest received on Deposits	3.92	0.27
	Bank balances other than cash and cash equivalents	(239.31)	(36.43)
	Net Cash used in Investing Activities	(431.96)	(256.93)
C	CASH FLOW FROM FINANCING ACTIVITIES		
	Issue of Shares	36.67	-
	Proceeds from Borrowings		
	Non Current	164.28	37.23
	Current	13.00	3.61
	Repayment of Borrowings		
	Non Current	(4.16)	-
	Current	(13.00)	(3.61)
	Repayment of Lease Liabilities (Including interest)	(0.41)	(2.02)
	Finance Costs paid	(6.43)	(0.05)
	Dividend paid	(281.33)	(41.17)
	Net Cash used in Financing Activities	(91.38)	(6.01)
D	Net change in Cash and Cash equivalents (A+B+C)	9.64	(85.51)
E	Cash and Cash equivalents (Opening balance)	7.06	3.86
F	Adjustment pursuant to Common Control transactions	-	88.71
G	Cash and Cash equivalents (Closing balance) (Refer Note No 11)	16.70	7.06

Further Notes

Note 1 -Cash and cash equivalents consist of balances with banks and deposits with original maturity of upto three months.

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

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

Ashwani Gupta



Statement of Cash Flows for the year ended 31 March 2025 (Contd.)

(₹ 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

(₹ in crore)

Particulars	Lease obligations	Non-current borrowings#
As at 01 April 2023 (Restated)	23.03	-
Net Cash Flows during the year	(2.02)	37.18
Non-cash changes due to :		
- Adjustments/Acquisitions under lease	0.88	
- Interest on borrowings	-	0.10
As at 31 March 2024	21.89	37.28

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

As per our report of even date

For M/s Gupta Nanda & Co.

Chartered Accountants

FRN No. 009039N



CA Sanjive Nanda

Partner

M.No. 087108

For and on behalf of the Board of Directors

Vamsi Rama Mohan Burra

Director

DIN: 09806168

Ashwani Kumar Gupta

Director

DIN: 09194985

Place: New Delhi

Date: 16.06.2025

Sanjay Sharma

Chief Executive Officer

PAN: AENPS3382J

Kritika Sharma

Company Secretary

PAN : IVVPS4197A

Mem. No. A66362

K P Mukherjee

Chief Financial Officer

PAN: AAJPM1317P

Place: Gurugram

Date: 16.06.2025

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 2025

A. Equity Share Capital

(₹ in crore)

As at 01 April 2024	664.02
Changes during the year	36.67
As at 31 March 2025	700.69
As at 01 April 2023	9.00
Changes during the year	655.02
As at 31 March 2024	664.02

B. Other Equity

(₹ 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

(₹ in crore)

Particulars	Capital Reserve	Common Control Adjustment A/c	Retained Earnings	Total
As at 01 April 2023 (Restated)	-	388.28	(0.39)	387.89
Total Comprehensive Income for the year	-	156.33	157.33	313.66
Recognised during the year	(21.70)	-	-	(21.70)
Adjustment during the year	1.13	-	-	1.13
Adjustment pursuant to Common Control transactions	-	110.41	-	110.41
Purchase Consideration	-	(655.02)	-	(655.02)
Interim Dividend paid	-	-	(41.17)	(41.17)
As at 31 March 2024	(20.57)	-	115.77	95.20

The accompanying notes (1 to 50) form an integral part of financial statements
Refer to Note No 16 for nature and movement of Reserve and Surplus.

As per our report of even date

For M/s Gupta Nanda & Co.

Chartered Accountants

FRN No. 009039N

CA Sanjive Nanda
Partner
M.No. 087108

For and on behalf of the Board of Directors

Vamsi Rama Mohan Burra
Director
DIN: 09806168

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Director
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PAN : IVVPS4197A
Mem. No. A66362

K P Mukherjee
Chief Financial Officer
PAN: AAJPM1317P

Place: Gurugram

Date: 16.06.2025

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 2025 were approved for issue by the Board of Directors on 16.06.2025.

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), The Companies Act, 1956, 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. 2.11 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 unconditional right to defer settlement of the liability for at least twelve months after the reporting period.

All other liabilities are classified as non-current.

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

The Company recognizes twelve months period as its operating cycle.

2.2 Property, Plant and Equipment

Initial Recognition and Measurement

Property, Plant and Equipment is initially measured at cost of acquisition/construction including any costs directly attributable to bringing the asset to the location and condition necessary for it to be capable of operating in the manner intended by management. After initial recognition, Property, Plant and Equipment is carried at cost less accumulated depreciation / amortisation and accumulated impairment losses, if any.

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 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.

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.

Ashwani Gupta



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 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.

2.12 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).

2.13 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.

2.14 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.

2.14.1 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.

2.14.2 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.

2.15 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.



2.16 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.

2.17 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.

2.18 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.

2.19 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.

2.20 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. A. Critical Estimates and Judgments

The preparation of financial statements requires the use of accounting estimates which may significantly vary from the actual results. Management also needs to exercise judgment while applying the company's accounting policies.

This note provides an overview of the areas that involved a higher degree of judgment or complexity, and of items which are more likely to be materially adjusted due to estimates and assumptions turning out to be different than those originally assessed.

The areas involving critical estimates or judgments are:

Useful life of property, plant and equipment:

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

The Company reviews at the end of each reporting date the useful life of plant and equipment, and are adjusted prospectively, if appropriate.

Provisions and contingencies:

The assessments undertaken in recognizing provisions and contingencies have been made in accordance with Ind AS 37 "Provisions, Contingent Liabilities and Contingent Assets". The evaluation of the likelihood of the contingent events has required best judgment by management regarding the probability of exposure to potential loss. Should circumstances change following unforeseeable developments, this likelihood could alter.

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.

B. Recent accounting pronouncements and amendments:

Amendments to Indian Accounting Standards (Ind AS):

On 12.08.2024, Ministry of Corporate Affairs ("MCA") has notified the Companies (Indian Accounting Standards) Amendment Rules, 2024 applicable from 01.04.2024 introducing Ind AS 117 "Insurance Contracts", and amendments to Ind AS 116 "Leases". The Company has assessed that the amendments have no effect on the Accounts of the Company.

Ashwani Gupta



POWERGRID Teleservices Limited

Note 4/ Business Combination

Pursuant to Business Transfer Agreement signed between Power Grid Corporation of India Ltd. (POWERGRID, Holding Company) and the Company, Telecom Undertaking of POWERGRID has been transferred as a going concern and on a slump sale basis effective from 1st October, 2023. As Telecom Undertaking is transferred from Holding Company, the slump sale has been accounted in accordance with "Pooling of Interest Method" laid down by Appendix C of Indian Accounting Standard 103 (IND AS 103) : (Business Combination of entities under common control), notified under the Companies Act, 2013. Accordingly, all assets and liabilities of Telecom Undertaking have been recorded in the books of account of the Company at their existing carrying amounts and in the same form. Comparative accounting period presented in the financial statements of the Company has been restated for the accounting impact of the transfer, as stated above, as if the purchase has occurred from the beginning of the comparative period in the financial statements i.e. 1st April 2022.

Following are the assets and liabilities taken over by the Company on 1 October, 2023

(₹ in crore)	
Particulars	As at 1 October, 2023
ASSETS	
Non-current assets	
Property Plant and Equipment	632.24
Capital work-in-progress	300.57
Intangible assets	0.04
Other non-current assets	7.22
	940.07
Current assets	
Inventories	16.22
Financial Assets	
Trade receivables	249.78
Other current financial assets	6.78
Other current assets	34.92
	307.70
Total Assets	1,247.77
Non-current liabilities	
Financial Liabilities	
Other non-current financial liabilities	3.14
Other non-current liabilities	271.59
	274.73
Current liabilities	
Financial Liabilities	
Trade payables	
(A) total outstanding dues of micro enterprises and small enterprises	2.10
(B) total outstanding dues of creditors other than micro enterprises and small enterprises	10.99
Other current financial liabilities	117.93
Other current liabilities	185.68
Provisions	1.32
	318.02
Total Liabilities	592.75
Consideration paid for purchase of Telecom Undertaking from POWERGRID	655.02



Note 4/ Business Combination

Re-stated Balance Sheet as at 31 March 2023

(₹ in crore)

Particulars	Year Ended March 31, 2023		
	Before Effect of Business Combination	Effect of Telecom Undertaking purchased from POWERGRID	Revised Balance Sheet post effect of Business Combination
ASSETS			
Non-current assets			
Property Plant and Equipment	-	636.43	636.43
Capital work-in-progress	-	255.78	255.78
Intangible assets	5.06	0.05	5.11
Other non-current assets	0.02	7.21	7.23
Deferred Tax Assets (Net)	0.14	(0.14)	-
	5.22	899.33	904.55
Current assets			
Inventories	-	26.98	26.98
Financial Assets			
Trade receivables	-	206.85	206.85
Cash and cash equivalents	3.86	-	3.86
Other current financial assets	-	5.20	5.20
Other current assets	0.01	37.28	37.29
	3.87	276.31	280.18
Total Assets	9.09	1,175.64	1,184.73
EQUITY AND LIABILITIES			
Equity			
Equity Share capital	9.00	-	9.00
Other Equity	(0.39)	388.28	387.89
	8.61	388.28	396.89
Non-current liabilities			
Financial Liabilities			
Lease liabilities	-	22.25	22.25
Other non-current financial liabilities	-	4.42	4.42
Deferred tax liabilities (Net)	-	22.29	22.29
Other non-current liabilities	-	194.15	194.15
	-	243.11	243.11
Current liabilities			
Financial Liabilities			
Lease liabilities	-	0.78	0.78
Trade payables			
(A) total outstanding dues of micro enterprises and small enterprises	-	6.81	6.81
(B) total outstanding dues of creditors other than micro enterprises and small enterprises	-	23.60	23.60
Other current financial liabilities	0.48	174.68	175.16
Other current liabilities	-	335.64	335.64
Provisions	-	2.74	2.74
	0.48	544.25	544.73
Total Liabilities	0.48	787.36	787.84
Total Equity and Liabilities	9.09	1,175.64	1,184.73



POWERGRID Teleservices Limited

Note 4/ Business Combination

Re-stated Statement of Profit and Loss for the year ended 31st March 2023

(₹ in crore)

Particulars	Year Ended March 31,2023		
	Before Effect of Business Combination	Effect of Telecom Undertaking purchased from POWERGRID	Revised balance sheet post effect of Business Combination
Revenue From Operations	-	803.69	803.69
Other Income	0.19	9.52	9.71
Total Income	0.19	813.21	813.40
EXPENSES			
Finance costs	-	37.05	37.05
Depreciation and amortization expense	0.24	79.03	79.27
Other expenses	0.03	390.72	390.75
Total expenses	0.27	506.80	507.07
Profit/(Loss) Before Tax	(0.08)	306.41	306.33
Tax expense:			
Current tax	-	-	-
Deferred tax	(0.02)	1.40	1.38
	(0.02)	1.40	1.38
Profit for the period	(0.06)	305.01	304.95
Other Comprehensive Income	-	-	-
Total Comprehensive Income for the period	(0.06)	305.01	304.95



POWERGRID Teleservices Limited

Note 4/ Business Combination

Re-stated Statement of Profit and Loss for the year ended 31st March 2024

(₹ in crore)

Particulars	6 Month of Telecom Undertaking	Profit & Loss for the year ended March 31,2024 without common control adjustment	Revised Profit & Loss post effect of Business Combination
Revenue From Operations	430.50	470.01	900.51
Other Income	6.34	3.21	9.55
Total Income	436.84	473.22	910.06
EXPENSES			
Finance costs	15.71	17.07	32.78
Depreciation and amortization expense	42.45	46.18	88.63
Other expenses	223.08	211.76	434.84
Total expenses	281.24	275.01	556.25
Profit/(Loss) Before Tax	155.60	198.21	353.81
Tax expense:			
Current tax	-	42.78	42.78
Deferred tax	(0.73)	(1.90)	(2.63)
	(0.73)	40.88	40.15
Profit for the period	156.33	157.33	313.66
Other Comprehensive Income	-	-	-
Total Comprehensive Income for the period	156.33	157.33	313.66

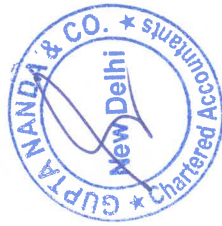


(₹ in crore)

(₹ in crore)

1. 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.

3. Refer Note 40 for disclosure on Right of Use Assets as per Ind AS 116 – “Leases”.



POWERGRID Teleservices Limited
Note 6/Capital work in progress

Particulars	As at 01 April 2024	Additions during the year	Adjustments	Capitalised during the year	As at 31 March 2025
Buildings	0.46	20.58	-	-	21.04
Plant & Equipments - Telecom	62.50	82.46	-	97.46	47.50
Construction Stores (Net of Provision)	280.08	113.78	75.53	-	318.33
Expenditure pending allocation					
i) Expenditure during construction period(net) (Note 32)	26.66	24.63		10.63	40.66
Grand Total	369.70	241.45	75.53	108.09	427.53

Particulars	As at 01 April 2023 (Restated)	Additions during the year	Adjustments	Capitalised during the year	As at 31 March 2024
Buildings	0.11	0.35	-	-	0.46
Plant & Equipments - Telecom	51.19	101.52	-	90.21	62.50
Construction Stores (Net of Provision)	183.28	196.76	99.96	-	280.08
Expenditure pending allocation					
i) Expenditure during construction period(net) (Note 32)	21.20	9.66	(1.45)	5.65	26.66
Grand Total	255.78	308.29	98.51	95.86	369.70

Details of Construction stores

Particulars	As at 31 March 2025	As at 31 March 2024
Construction Stores		
Telecom Materials	318.28	280.04
Others	0.05	0.04
	318.33	280.08
Less: Provision for shortages and obsolete material	-	-
Total	318.33	280.08

Further Notes:

1. Refer Note No 34 (b) for ageing of Capital Work in Progress (CWIP) & Refer Note No 34 (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 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	As at 31 March 2024	
Electronic Data Processing Software	1.28	2.51	-	-	3.79	1.26	0.16	-	-	1.42	2.37	0.02
Telecom Licenses	5.30	-	-	-	5.30	0.50	0.27	-	-	0.77	4.53	4.80
Total	6.58	2.51	-	-	9.09	1.76	0.43	-	-	2.19	6.90	4.82

Particulars	Cost			Accumulated Amortisation			Net Book Value		(₹ in crore)
	As at 01 April 2023 (Restated)	Additions during the year	Adjustment during the year	Disposal	Adjustment during the year	As at 31 March 2024	As at 31 March 2023 (Restated)		
Electronic Data Processing Software	1.28	-	-	-	-	1.26	0.02	0.05	
Telecom Licenses	5.30	-	-	-	-	5.30	4.80	5.06	
Total	6.58	-	-	-	-	1.76	4.82	5.11	



POWERGRID Teleservices Limited**Note 8/Other non-current Assets**

(Unsecured considered good unless otherwise stated)

(₹ in crore)

Particulars	As at 31 March 2025	As at 31 March 2024
Advances for Capital Expenditure		
Unsecured		
a. Against bank guarantees	0.51	0.07
b. Others	0.96	0.08
	1.47	0.15
Advances other than for Capital Expenditure		
Security Deposits	3.10	1.38
Advances recoverable in kind or for value to be received		
Balance with Authorities	0.75	0.74
Advance tax and Tax deducted at source#	18.56	25.42
Others*	6.64	4.59
	25.95	30.75
Total	30.52	32.28

Further notes:

Net of Current Tax Liabilities - Note 26.

*Others include Prepaid expenses etc.



POWERGRID Teleservices Limited
Note 9/Inventories

(₹ in crore)

Particulars	As at 31 March 2025	As at 31 March 2024
Components, Spares & other spare parts	17.68	17.77
Loose tools	0.31	0.50
Consumable stores	0.09	0.10
Total	18.08	18.37



POWERGRID Teleservices Limited
Note 10/Trade receivables

Particulars	As at 31 March 2025	As at 31 March 2024
Trade receivables - Unsecured		
Considered good	273.32	318.78
Credit Impaired	63.75	58.61
	337.07	377.39
Receivable from related parties - Unsecured		
Considered good	140.09	41.93
	477.16	419.32
Less: Loss Allowance	63.75	58.61
Total	413.41	360.71

Further Notes:

1. Refer Note no. 36 for disclosure as per IND AS 115 "Revenue from Contracts with Customers" & Note no. 43 for details of trade receivables from related parties
2. Trade Receivables includes unbilled receivables amounting to ₹ 81.22 Crs. (Previous Year ₹ 73.62 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 31.03.2025								
Considered- Good	-	-	-	-	-	-	-	-
Disputed	81.22	9.05	218.97	70.89	29.70	3.58	-	413.41
Undisputed	-	-	-	-	-	-	-	-
Significant increase in Credit Risk	-	-	-	-	-	-	-	-
Disputed	-	-	-	-	-	-	-	-
Undisputed	-	-	-	-	-	-	-	-
Credit Impaired	-	-	-	-	0.22	0.11	37.58	37.91
Undisputed	-	-	-	-	-	0.04	25.80	25.84
Total	81.22	9.05	218.97	70.89	29.92	3.73	63.38	477.16
As at 31.03.2024								
Considered- Good	-	-	-	-	-	-	-	-
Disputed	73.62	31.75	184.02	56.12	14.08	1.12	-	360.71
Undisputed	-	-	-	-	-	-	-	-
Significant increase in Credit Risk	-	-	-	-	-	-	-	-
Disputed	-	-	-	-	-	-	-	-
Undisputed	-	-	-	-	-	-	-	-
Credit Impaired	-	-	-	-	0.15	-	37.40	37.55
Undisputed	-	-	-	-	0.04	0.06	20.96	21.06
Total	73.62	31.75	184.02	56.12	14.27	1.18	58.36	419.32



POWERGRID Teleservices Limited
Note 11/Cash and cash equivalents

(₹ in crore)

Particulars	As at 31 March 2025	As at 31 March 2024
Balance with banks-		
-In Current accounts	12.53	3.13
-In term deposits (with maturity less than 3 months)(including interest accrued)	4.17	3.93
Total	16.70	7.06



POWERGRID Teleservices Limited

Note 12/ Bank balances other than Cash & cash equivalents

(₹ in crore)

Particulars	As at 31 March 2025	As at 31 March 2024
In Term Deposits having maturity over 3 months but upto 12 months (including interest accrued)	288.26	36.43
Total	288.26	36.43



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

(Unsecured considered good unless otherwise stated)

(₹ in crore)

Particulars	As at 31 March 2025	As at 31 March 2024
Contract Assets #	9.31	3.27
Advance to/Receivable from Related Parties ##	-	32.52
Others ###	0.45	1.56
Total	9.76	37.35

Further notes:

Refer Note 36 for disclosure as per Ind AS 115 'Revenue from Contracts with Customers'.

Details of related parties are provided in Note 43.

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



POWERGRID Teleservices Limited**Note 14/Other current assets**

(Unsecured considered good unless otherwise stated)

(₹ in crore)

Particulars	As at 31 March 2025	As at 31 March 2024
Advances other than for Capital Expenditure		
Advances recoverable in kind or for value to be received		
Contractors & Suppliers	0.46	0.84
Balance with Authorities	1.38	1.39
	1.84	2.23
Others*	20.79	13.24
Total	22.63	15.47

Further notes:

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



POWERGRID Teleservices Limited
Note 15/Equity Share capital

(₹ in crore)		
Particulars	As at 31 March 2025	As at 31 March 2024
Equity Share Capital		
Authorised		
100,00,00,000 (Previous Year 80,00,00,000) equity shares of ₹ 10 each at par	1,000.00	800.00
Issued, subscribed and paid up		
70,06,90,000 (Previous Year 66,40,20,000) fully paid up equity shares of ₹ 10/- each at par	700.69	664.02

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 2025		As at 31 March 2024	
	No. of Shares	Amount (₹ in crore)	No. of Shares	Amount (₹ in crore)
Shares outstanding at the beginning of the year	66,40,20,000	664.02	90,00,000	9.00
Additions during the year #	3,66,70,000	36.67	65,50,20,000	655.02
Shares outstanding at the end of the year	70,06,90,000	700.69	66,40,20,000	664.02

During the Previous Financial year, the company has issued 65,50,20,000 equity shares without receiving payment in cash, pursuant to the transfer of its Telecom Business Undertaking by Power Grid Corporation of India Limited to the company on a going concern basis under slump sale on 1st October, 2023 (Refer Note 4)

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 2025		As at 31 March 2024	
	No. of Shares	% of holding	No. of Shares	% of holding
Power Grid Corporation of India Limited (Holding Company)##	70,06,90,000	100%	66,40,20,000	100%
				-

Out of 70,06,90,000 (Previous Year 66,40,20,000) 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 16/Other Equity

(₹ in crore)

Particulars	As at 31 March 2025	As at 31 March 2024
Retained Earnings		
Balance at the beginning of the year	115.77	(0.39)
Net Profit for the period	391.13	157.33
Interim dividend paid	(281.33)	(41.17)
Adjustment during the year	(1.13)	-
Balance at the end of the year (A)	224.44	115.77
Capital Reserve		
Balance at the beginning of the year	(20.57)	-
Recognised during the year		(21.70)
Adjustment during the year	1.13	1.13
Balance at the end of the year (B)	(19.44)	(20.57)
Common Control Adjustment A/c		
Balance at the beginning of the year	-	388.28
Net Profit for the period	-	156.33
Adjustment pursuant to Common Control transactions	-	110.41
Purchase Consideration	-	(655.02)
Balance at the end of the year (C)	-	-
Total (A+B+C)	205.00	95.20



POWERGRID Teleservices Limited
Note 17/ Borrowings (Non-current)

(₹ in crore)

Particulars	As at 31 March 2025	As at 31 March 2024
Unsecured		
Loan from Power Grid Corporation of India Limited (Holding Company)	197.35	37.23
Current maturities of Non Current Borrowing (Refer note 21)	(19.10)	(0.93)
	178.25	36.30

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 7.29% p.a. for Data Centre and 7.34% p.a. 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. 43 for details of loan from Related Party.



POWERGRID Teleservices Limited
Note 18/Other non-current financial liabilities

(₹ in crore)

Particulars	As at 31 March 2025	As at 31 March 2024
Deposits/Retention money from contractors and others	12.99	7.34
Total	12.99	7.34



POWERGRID Teleservices Limited
Note 19/ Deferred tax liabilities (Net)

(₹ in crore)

Particulars	As at 31 March 2025	As at 31 March 2024
A. Deferred Tax Liabilities		
Difference in book depreciation and tax depreciation	35.84	39.95
Others*	14.07	4.25
Deferred Tax Liabilities (A)	49.91	44.20
B. Deferred Tax Assets		
Provisions allowable on payment basis	16.64	20.26
Others**	14.96	5.41
Deferred Tax Assets (B)	31.60	25.67
Deferred Tax Liabilities (Net) (A-B)	18.31	18.53

*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 01.04.2023 (Restated)	33.48	-	33.48
Charged/(credited) to profit or loss	7.60	4.25	11.85
Charged/(credited) to capital reserve	(1.13)	-	(1.13)
As at 31.03.2024	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

Movement in Deferred Tax Assets

(₹ in crore)

Particulars	Provisions allowable on payment basis	Others	Total
As at 01.04.2023 (Restated)	11.05	0.14	11.19
Charged/(credited) to profit or loss	9.21	5.27	14.48
Charged/(credited) to capital reserve	-	-	-
As at 31.03.2024	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

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

(₹ in crore)

Particulars	For the year ended 31 March 2025	For the year ended 31 March 2024 (Restated)
Increase/ (Decrease) in Deferred Tax Liabilities	5.71	11.85
Decrease/ (Increase) in Deferred Tax Assets	(5.93)	(14.48)
Amount charged/ (credited) to profit or loss	(0.22)	(2.63)
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 2025	As at 31 March 2024
Advance from customers *	324.49	214.76
Total	324.49	214.76

Further Notes:

* Refer Note No 36 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 2025	As at 31 March 2024
Current maturities of long term borrowings		
Rupee Term Loans (Unsecured)		
Loan from M/s Power Grid Corporation of India Ltd. (Holding Company)	19.10	0.93
Total	19.10	0.93

Further Notes: -

- 1) Refer Note No. 17 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. 43 for details of loan from Related Party.



POWERGRID Teleservices Limited
Note 22/Trade payables

Particulars	As at 31 March 2025	As at 31 March 2024
For goods and services		
(A) total outstanding dues of micro enterprises and small enterprises	9.25	22.67
(B) total outstanding dues of creditors other than micro enterprises and small enterprises*	146.24	100.55
Total	155.49	123.22

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 39.

* Trade payables includes ₹ 107.70 Crore (Previous Year ₹ 75.25 Crore) from related parties (Refer Note No 43).

Ageing of Trade payables is as follows

Particulars	Unbilled	Not Due	<1Y	1Y-2Y	2Y-3Y	>3Y	Total
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
As at 31.03.2024							
MSME							
Disputed	-	-	-	-	-	-	-
Undisputed	4.44	-	18.23	-	-	-	22.67
Total	4.44	-	18.23	-	-	-	22.67
Others							
Disputed	-	-	-	-	-	-	-
Undisputed	59.36	-	41.19	-	-	-	100.55
Total	59.36	-	41.19	-	-	-	100.55
Total Trade Payables	63.80	-	59.42	-	-	-	123.22



POWERGRID Teleservices Limited
Note 23/Other current financial liabilities

(₹ in crore)

Particulars	As at 31 March 2025	As at 31 March 2024
Interest accrued on borrowings from		
Power Grid Corporation of India Limited (Holding Company)	3.12	0.05
	3.12	0.05
Others		
Dues for capital expenditure	19.02	44.42
Deposits/Retention money from contractors and others	102.78	113.70
Related parties*	0.64	2.57
Others **	3.59	3.85
	126.03	164.54
Total	129.15	164.59

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 39.

* Details of amount payable to related parties are provided in Note No 43.

** Others include payable to contractors etc.



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

(₹ in crore)

Particulars	As at 31 March 2025	As at 31 March 2024
Advances from customers *	153.44	169.23
Statutory dues	28.86	19.69
Total	182.30	188.92

Further notes:

* Refer Note No 36 for disclosure as per Ind AS 115 'Revenue from Contracts with Customers'.



POWERGRID Teleservices Limited
Note 25/Provisions

(₹ in crore)

Particulars	As at 31 March 2025	As at 31 March 2024
Others		
i) Downtime Service Credit-Telecom		
As per last balance sheet	1.83	1.32
Additions during the year	1.49	2.22
Amounts adjusted during the year	0.18	1.71
Closing Balance	3.14	1.83
ii) Provision Others		
As per last balance sheet	-	1.42
Additions/(adjustments) during the year	-	(1.42)
Closing Balance	-	-
Total	3.14	1.83



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

(₹ in crore)

Particulars	As at 31 March 2025	As at 31 March 2024
Taxation (Including interest on tax)		
As per last balance sheet	-	-
Additions during the year	131.44	42.78
Total	131.44	42.78
Net off against Advance tax and TDS	131.44	42.78
Closing Balance	-	-



POWERGRID Teleservices Limited
Note 27/Revenue from Operations

(₹ in crore)

Particulars	For the year ended 31 March 2025	For the year ended 31 March 2024 (Restated)
Sale of services		
NLD	1,037.18	834.95
ISP	61.43	64.34
IP1	0.91	1.22
Data Center	7.19	-
Others*	2.66	-
Total	1,109.37	900.51

*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 2025	For the year ended 31 March 2024 (Restated)
Interest income from finance assets held at amortised cost		
Interest income from Indian Banks	16.70	0.27
Others#	0.93	-
Interest from advances to contractors	-	0.01
	17.63	0.28
Others		
Provisions written back	-	0.59
Fair Value gain on initial recognition of Financial liability	3.07	3.89
Miscellaneous income *	0.25	4.90
	3.32	9.38
	20.95	9.66
Less: Transferred to expenditure during construction (Net) - Note 32	2.22	0.11
Total	18.73	9.55

Further Notes:

Others include Interest from Income Tax Assessment etc.

*Miscellaneous income include Liquidated Damages Recovered etc.



POWERGRID Teleservices Limited
Note 29/Finance costs

(₹ in crore)

Particulars	For the year ended 31 March 2025	For the year ended 31 March 2024 (Restated)
Interest and finance charges on financial liabilities at amortised cost		
Unwinding of discount on financial liabilities	38.30	32.26
Interest on Loan from Power Grid Corporation of India Limited (Holding Company)	9.50	0.10
Interest - Others	0.45	-
Interest on Lease Liability	0.19	0.85
	48.44	33.21
Less: Transferred to Expenditure during Construction (Net) - Note 32	10.51	0.43
Total	37.93	32.78



POWERGRID Teleservices Limited
Note 30/Depreciation and amortization expense

(₹ in crore)

Particulars	For the year ended 31 March 2025	For the year ended 31 March 2024 (Restated)
Depreciation of Property, Plant and Equipment	80.41	86.80
Amortization of Intangible assets	0.43	0.29
Depreciation on ROU Assets	0.43	1.54
Total	81.27	88.63



POWERGRID Teleservices Limited
Note 31/Other expenses

(₹ in crore)

Particulars	For the year ended 31 March 2025	For the year ended 31 March 2024 (Restated)
Repair & Maintenance		
Buildings	0.33	0.28
Plant & Machinery		
Telecom equipments	70.92	70.98
Others	0.75	1.28
	71.67	72.26
Manpower Cost	116.01	115.09
Power charges	5.18	4.95
Expenses of Diesel Generating sets	0.20	0.25
Stores consumed	0.05	0.02
Right of Way charges-Telecom	108.95	89.03
Patrolling Expenses-Telecom	1.85	1.89
Last Mile connectivity-Telecom	12.69	11.61
Legal expenses	0.52	2.74
Professional charges	0.23	0.33
Consultancy expenses	0.16	-
Communication expenses	0.17	0.78
Tender expenses	0.15	0.05
Payments to Statutory Auditors		
Audit Fees	0.02	0.02
Tax Audit Fees	0.01	-
In Other Capacity	0.01	-
Arrears	-	0.01
Out of pocket Expenses	0.01	-
	0.05	0.03
Advertisement and publicity	0.33	0.52
Printing and stationery	0.04	0.05
EDP hire and other charges	0.90	0.02
Rent #	6.59	21.51
CERC petition & Other charges	-	0.03
Miscellaneous expenses	0.48	1.47
Security Expenses	1.66	1.99
Hiring of Vehicle	1.08	1.06
Insurance	0.13	0.43
Rates and taxes	0.11	1.10
License Fees to DOT	88.25	70.00
Bandwidth charges dark fibre lease charges (Telecom)	78.30	31.30
Corporate Social Responsibility (CSR) Expenses	1.32	-
Foreign Exchange Rate Variation	0.30	0.10
Provisions for Doubtful loans, advances, debts, claims etc.	5.14	15.29
	502.84	444.18
Less: Transferred to Expenditure during Construction (Net) - Note 32	16.34	9.34
	486.50	434.84
Loss on Disposal/Write off of Property, Plant & Equipment	0.05	-
Total	486.55	434.84

Further Note:

Refer Note No 40 for Short-term lease expenses



POWERGRID Teleservices Limited

Note 32/ Expenditure during Construction (Net)

(₹ in crore)

Particulars	For the year ended 31 March 2025	For the year ended 31 March 2024 (Restated)
A. Other Expenses		
Manpower Cost	16.18	9.22
Legal expenses	-	0.01
Professional charges	-	0.06
Consultancy expenses	0.16	-
Tender expenses	-	0.05
Total (A)	16.34	9.34
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)	9.46	0.06
Others	1.05	0.37
Total (B)	10.51	0.43
C. Other Income		
Miscellaneous income	2.22	0.11
Total (C)	2.22	0.11
Grand Total (A+B-C)	24.63	9.66



Note 33 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 ₹477.16 crore as on 31 March, 2025 (₹419.32 crore as on 31 March, 2024).

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

Cash and cash equivalents

The Company held cash and cash equivalents of ₹16.7 crore (Previous Year ₹7.06 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 ₹288.26 crore (Previous Year ₹36.43 crore). Term deposits are placed with banks and have negligible credit risk.

(iii) Exposure to credit risk

(₹ in crore)		
Particulars	As at 31 March, 2025	As at 31 March, 2024
Financial assets for which loss allowance is measured using 12 months Expected Credit Losses (ECL)		
Cash and cash equivalents	16.70	7.06
Deposits with banks and financial institutions	288.26	36.43
Other current financial assets	0.45	34.08
Total	305.41	77.57
Financial assets for which loss allowance is measured using Life time Expected Credit Losses (ECL)		
Trade receivables	477.16	419.32
Contract Assets	9.31	3.27



(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 2025	81.22	9.05	56.61	12.91	69.84	14.44	233.09	477.16
Gross carrying amount as on 31 March 2024	73.62	31.75	113.89	23.27	38.43	5.30	133.06	419.32

(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, 2023 (Restated)	43.91
Impairment loss recognised/ (reversed)	14.70
Balance as at 31 March 2024	58.61
Impairment loss recognised/ (reversed)	5.14
Balance as at 31 March 2025	63.75

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, 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
As at 31 March, 2024				
Borrowings (including interest outflows)	3.67	23.51	26.13	53.31
Trade payables	123.22	-	-	123.22
<u>Other financial liabilities</u>				
Lease liabilities	2.24	9.38	24.46	36.08
Others	164.59	8.80	0.02	173.41
Total	293.72	41.69	50.61	386.02

(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, 2025	As at 31 March, 2024	As at 31 March, 2025	As at 31 March, 2024
Trade Payables/deposits and retention money	USD	0.14	0.14	11.92	11.62

(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 34 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:

(₹ in crore)

Particulars	<1 Year	1-2 Years	2-3 Years	>3 Years	Total
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
As at 31 March, 2024					
Projects in progress	366.62	3.08	-	-	369.70
Projects temporarily Suspended	-	-	-	-	-
Total	366.62	3.08	-	-	369.70

- 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, 2025:

(₹ in crore)

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

For the projects as on 31 March, 2024:

(₹ in crore)

Particulars	Project	<1 Year	1-2 Years	2-3 Years	>3 Years	Total
Projects in progress	Establishment of LIMS for ILD	5.09	-	-	-	5.09
Projects in progress	Package-Z	2.22	-	-	-	2.22
Projects in progress	Pkg-M-1, M-2 & M-3	29.35	-	-	-	29.35
Projects in progress	Pkg-R, S & T etc	0.41	-	-	-	0.41
Projects in progress	Pkg-U, V, W, X, I-1, I-2 & I-3	76.03	-	-	-	76.03
Projects in progress	Procurement of NOKIA Spare Cards	0.08	-	-	-	0.08
Projects in progress	Procurement of Router & Card Nokia	0.08	-	-	-	0.08
Projects in progress	Telecom BB Augmentation	0.00	-	-	-	0.00

- d) The company does not have any Intangible assets under development as on 31.03.2025 & 31.03.2024.
- 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 Finance 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.

(₹ in crore)

Name of struck off Company	Nature of transactions with struck-off Company	Balance outstanding as at 31 March, 2025	Balance outstanding as at 31 March, 2024	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	0.04	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
WALTAIR ENTERTAINMENT PRIVATE LIMITED	Receivables	-	-	Not a related party
Jason Communication Private Limited	Payables / (Receivable)	(0.00)	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	1.57	0.99	59%	Due to Increase in Trade receivables and Bank balances other than Cash and cash equivalents
b) Debt Equity Ratio	Total Debt	Shareholder's Equity	0.22	0.05	344%	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	12.02	12.51	-4%	-
d) Return on Equity Ratio	Profit for the period	Average Shareholder's Equity	0.47	0.54	-13%	-
e) Inventory turnover ratio	Revenue from Operations	Average Inventory	60.85	39.70	53%	Due to increase in Revenue from Operations
f) Trade Receivable Turnover Ratio	Revenue from Operations	Average Trade Receivables (before deducting provision)	2.47	2.69	-8%	-
g) Trade payable turnover ratio	Gross Other Expense (-) FERV, Provisions, Loss on disposal of PPE	Average Trade payables	3.57	5.58	-36%	Due to increase in Trade Payables
h) Net capital turnover ratio	Revenue from Operations	Current Assets - Current Liabilities	3.97	-190.18	-102%	Due to increase in Revenue from operations & Bank balances other than Cash and cash equivalents
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	0.50	0.48	5%	-
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 35 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 the 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 36 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, 2025	For the Year ended 31 March, 2024 (Restated)
Balance at the beginning	3.27	4.15
Add: Revenue recognised during the period	9.31	3.27
Less: Invoiced during the period	3.27	4.15
Less: Impairment/reversal during the period	-	-
Add: Translation gain/(Loss)	-	-
Balance at the end	9.31	3.27

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

(₹ in crore)		
Particulars	For the Year ended 31 March, 2025	For the Year ended 31 March, 2024 (Restated)
Balance at the beginning	383.99	509.98
Add: Advance billing during the period	536.31	224.73
Less: Revenue recognised during the period		
a) From contract liability as at beginning of the period	329.01	324.23
b) From contract liability recognised during the period	113.36	26.49
Add: Translation gain/(Loss)	-	-
Balance at the end	477.93	383.99

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, 2025	For the Year ended 31 March, 2024 (Restated)
Contracted price	1,073.44	871.99
Add/ (Less)- Discounts/ rebates provided to customer	-	-
Add/ (Less)- Performance bonus	-	-
Add/ (Less)- Adjustment for significant financing component	35.93	28.52
Add/ (Less)- Other adjustments	-	-
Revenue recognised in profit or loss statement	1,109.37	900.51

Note 37 FERV Loss of ₹0.3 crore (Previous Year ₹0.1 crore) has been recognised in the Statement of Profit and Loss.

Note 38 Borrowing cost capitalised during the year is ₹10.51 crore (Previous Year ₹0.43) in the respective carrying amount of Property, Plant and Equipment/Capital work in Progress (CWIP) as per Ind AS 23 'Borrowing Costs'.



Note 39 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, 2025	As at 31 March, 2024	As at 31 March, 2025	As at 31 March, 2024
1	Principal amount and interest due thereon remaining unpaid to any supplier as at end of each accounting year:				
	Principal	9.25	22.67	-	0.25
	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 40 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 5 as a separate line item.

Lease Liabilities:

Interest expense on lease liabilities for the year is shown under Note 29 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 33.

Short term leases:

The company, during the financial year, has incurred ₹1.76 crore (Previous Year ₹19.07 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 ₹0.71 crore (Previous Year ₹4.12 crore).



Note 41 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, 2025	For the Year ended 31 March, 2024
A	Amount required to be spent during the year	1.32	-
B	Amount approved by the Board to be spent during the year	1.32	-
C	Amount spent on CSR –	1.96	-
(i)	Construction or acquisition of any asset	-	-
(ii)	on Purpose other than (i) above	1.96	-
	Total Shortfall/(Excess) amount	(0.64)	-
	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	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	1.96	-
	Amount spent in Cash out of above	1.46	-
	Amount yet to be spent in Cash	0.50	-



Excess amount spent and carried forward to next financial year:

(₹ in crore)

Particulars	For the Year ended 31 March, 2025	For the Year ended 31 March, 2024
Opening Balance	-	-
Gross amount required to be spent during the year	1.32	-
Amount spent during the year		-
Amount recognised in:		-
Balance sheet	0.64	-
Statement of Profit and Loss	1.32	-
Total	1.96	-
Closing Balance	0.64	-

Note 42 Fair Value Measurement

(₹ in crore)

Financial Instruments by category	As at 31 March, 2025	As at 31 March, 2024
	Amortised cost	Amortised cost
Financial Assets		
Trade Receivables	413.41	360.71
Cash & Cash Equivalents	16.70	7.06
Bank Balances	288.26	36.43
Other Financial Assets		
Current	9.76	37.35
Non-Current	-	-
Total Financial assets	728.13	441.55
Financial Liabilities		
Borrowings	197.35	37.23
Trade Payables	155.49	123.22
Other Financial Liabilities		
Current	129.15	164.59
Non-Current	12.99	7.34
Total financial liabilities	494.98	332.38

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, 2025		As at 31 March, 2024	
		Carrying Amount	Fair value	Carrying Amount	Fair value
Financial Liabilities					
Borrowings	2	197.35	202.69	37.23	37.01
Deposits/retention money from contractors and others	2	12.99	12.33	7.34	8.06
Total financial liabilities		210.34	215.02	44.57	45.07

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 43 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, 2025	As at 31 March, 2024
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 ERWR Power Transmission Limited	India
Powergrid Khavda RE Transmission System Limited	India
Powergrid Khavda II- B Transmission Limited	India
Powergrid Khavda II-C Transmission Limited	India
Powergrid KPS2 Transmission System Limited	India
Powergrid KPS3 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 (Erstwhile Ananthpuram Kurnool Transmission Limited)	India
Powergrid Bhadla III Transmission Limited (Erstwhile Bhadla III Transmission Limited)	India
Powergrid Beawar Dausa Transmission Limited (Erstwhile Beawar Dausa Transmission Limited)	India
Powergrid Ramgarh II Transmission Limited (Erstwhile Ramgarh II Transmission Limited)	India
Powergrid Bikaner Neemrana Transmission Limited (Erstwhile Bikaner III Neemrana Transmission Limited)	India
Powergrid Neemrana Bareilly Transmission Limited (Erstwhile Neemrana II Bareilly Transmission Limited)	India
Powergrid Vataman Transmission Limited (Erstwhile Vataman Transmission Limited)	India
Powergrid Koppal Gadag Transmission Limited (Erstwhile Koppal II Gadag II Transmission Limited)	India
Powergrid Sikar Khetri Transmission Limited (Erstwhile Sikar Khetri Transmission Limited)	India
Powergrid Bidar Transmission Limited (Erstwhile Bidar Transmission Limited)	India
Powergrid Khavda IV-E2 Power Transmission Limited (Erstwhile Khavda IV-E2 Power Transmission Limited) ¹	India
Powergrid Mandsaur Transmission Limited (Erstwhile Rajasthan IV C Power Transmission Limited) ²	India
Powergrid Mewar Transmission Limited (Erstwhile Rajasthan IV E Power Transmission Limited) ²	India
Powergrid Sirohi Transmission Limited (Erstwhile Sirohi Transmission Limited) ³	India
Powergrid Beawar-Mandsaur Transmission Limited (Erstwhile Beawar-Mandsaur Transmission Limited) ³	India
Powergrid Bhadla-III Power Transmission Limited (Erstwhile Bhadla III Power Transmission Limited) ⁴	India
Powergrid Bhadla Bikaner Transmission Limited (Erstwhile Bhadla III & Bikaner III Transmission Limited) ⁵	India
Powergrid South Olpad Transmission Limited (Erstwhile South Olpad Transmission Limited) ⁶	India
Powergrid Kurawar Transmission Limited (Erstwhile Rajasthan IV H1 Power Transmission Limited) ⁷	India
Powergrid Jam Khambhaliya Transmission Limited (Erstwhile Jam Khambhaliya Transmission Limited) ⁶	India
Powergrid Khavda PS1 And 3 Transmission Limited (Erstwhile Khavda PS1 and 3 Transmission Limited) ⁸	India
Powergrid Barmer I Transmission Limited (Erstwhile Barmer I Transmission Limited) ⁸	India
Powergrid Bikaner IV Transmission Limited (Erstwhile Bikaner A Power Transmission Limited) ⁹	India



Powergrid Siwani Transmission Limited (Erstwhile Bikaner B Power Transmission Limited) ⁹	India
Powergrid West Central Transmission Limited (Erstwhile Khavda V-A Power Transmission Limited) ¹⁰	India
Powergrid Ghior Transmission Limited (Erstwhile Rajasthan IV 4A Power Transmission Limited) ¹¹	India
Powergrid Kudankulam Transmission Limited (Erstwhile Kudankulam ISTS Transmission Limited) ¹²	India
Powergrid Koppal Gadag Augmentation Transmission Limited (Erstwhile Gadag II and Koppal II Transmission Limited) ¹³	India
Bidar Transco Limited ¹⁴	India
Khavda V-B1B2 Power Transmission Limited ¹⁴	India
Chitradurga Bellary REZ Transmission Limited ¹⁵	India
Fatehgarh II and Barmer I PS Transmission Limited ¹⁵	India
Banaskantha Transco Limited ¹⁶	India
Kurnool-IV Transmission Limited ¹⁶	India
Rajasthan V Power Transmission Limited ¹⁶	India
Kurnool III PS RE Transmission Limited ¹⁷	India

¹ 100% equity acquired from REC Power Development and Consultancy Limited on 30.05.2024

² 100% equity acquired from REC Power Development and Consultancy Limited on 19.08.2024

³ 100% equity acquired from PFC Consulting Limited on 22.08.2024

⁴ 100% equity acquired from REC Power Development and Consultancy Limited on 28.08.2024

⁵ 100% equity acquired from PFC Consulting Limited on 30.08.2024

⁶ 100% equity acquired from PFC Consulting Limited on 15.10.2024

⁷ 100% equity acquired from REC Power Development and Consultancy Limited on 15.10.2024

⁸ 100% equity acquired from PFC Consulting Limited on 07.11.2024

⁹ 100% equity acquired from REC Power Development and Consultancy Limited on 11.11.2024

¹⁰ 100% equity acquired from REC Power Development and Consultancy Limited on 19.11.2024

¹¹ 100% equity acquired from REC Power Development and Consultancy Limited on 30.12.2024

¹² 100% equity acquired from PFC Consulting Limited on 10.01.2025

¹³ 100% equity acquired from PFC Consulting Limited on 16.01.2025

¹⁴ 100% equity acquired from REC Power Development and Consultancy Limited on 18.02.2025

¹⁵ 100% equity acquired from PFC Consulting Limited on 21.03.2025

¹⁶ 100% equity acquired from REC Power Development and Consultancy Limited on 24.03.2025

¹⁷ 100% equity acquired from PFC Consulting Limited on 27.03.2025

(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) ¹	India
Jabalpur Power Transmission Limited (Erstwhile Powergrid Jabalpur Transmission Limited) ¹	India
Warora Transmission Limited (Erstwhile Powergrid Warora Transmission Limited) ¹	India
Parli Power Transmission Limited (Erstwhile Powergrid Parli Transmission Limited) ¹	India

¹ Associates with 26% shareholding till 30.12.2024

(e) Key Managerial Personnel

Name	Designation	Date of Appointment	Date of Cessation/ Separation
Shri Yatindra Dwivedi	Chairman	08.01.2024	-
Shri Vamsi Ramamohan Burra	Director	01.12.2022	-
Dr Sunita Chohan	Director	13.02.2024	-
Shri Ashwani Kumar Gupta	Director	04.11.2024	-
Ms Kritika Sharma	Company Secretary	12.07.2024	-
Shri Sanjay Sharma	Chief Executive Officer	31.07.2024	-
Shri Krishna Prasad Mukherjee	Chief Financial Officer	25.03.2025	-
Shri Vamsi Ramamohan Burra	Chief Executive Officer	-	17.07.2024
Shri Purshottam Agarwal	Director	-	01.11.2024
Shri Swaraj Banerjee	Chief Financial Officer	-	24.03.2025

(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, 2025	As at 31 March, 2024
Amounts Payable		
Power Grid Corporation of India Ltd. (Holding Company)		
Loans from Holding Company	197.35	37.23
Interest Accrued on Loan	3.12	0.05
Other Payables	108.34	77.82
Amounts Receivable		
Power Grid Corporation of India Ltd. (Holding Company)		
Other Receivables	138.99	72.40



Central Transmission Utility of India Ltd. (Fellow Subsidiary Company)		
Sale of Services	0.22	-
Bihar Grid Company Limited (Joint Venture)		
Sale of Services	0.03	0.24
Energy Efficiency Services Limited (Joint Venture)		
Sale of Services	0.85	1.80
National High Power Test Laboratory Private Limited (Joint Venture)		
Sale of Services	-	0.01

(h) Transactions with related parties

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

(₹ in crore)

Particulars	For the Year ended 31 March, 2025	For the Year ended 31 March, 2024 (Restated)
Power Grid Corporation of India Ltd. (Holding Company)		
Purchase of Goods or Services – Manpower on secondment basis	115.85	56.00
Consultancy Fees for Data Center	0.16	-
Payable of Purchase Price on Slump sale of Telecom Undertaking	-	655.02
Investments Received during the year (Equity/Share application Money)	36.67	-
Reimbursement of Expenses (goods/services) (net)	-	0.62
Repayment of Loan	17.16	3.61
Additional Loan obtained during the year	177.28	40.84
Interest on Loan	9.50	0.10
Dividend Paid	281.33	41.17
Sale of Services	133.09	40.35
Collection of Money Received from Customers in POWERGRID A/c	41.17	169.35
Sharing of Revenue to DICs through POWERGRID	107.62	45.49
Central Transmission Utility of India Ltd.(Fellow Subsidiary Company)		
Sale of Services	0.20	-
Bihar Grid Company Limited (Joint Venture)		
Sale of Services	0.24	0.24
Energy Efficiency Services Limited (Joint Venture)		
Sale of Services	0.50	1.14
National High Power Test Laboratory Private Limited (Joint Venture)		
Sale of Services	0.02	0.02

Note 44 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 45 Capital and other Commitments

(₹ in crore)

Particulars	As at 31 March, 2025	As at 31 March, 2024
Estimated amount of contracts remaining to be executed on capital account and not provided for (net of advances)	381.57	134.96

Note 46 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 ₹20.47 crore (Previous Year ₹19.53 crore) has been estimated.

(ii) Disputed Goods and Service Tax Matters

Disputed Goods and Service Tax Matters amounting to ₹0.23 crore (Previous Year ₹ NIL) will be contested before the Office of the Joint Commissioner (State Tax) (Intelligence), Department of Commercial Taxes.

(iii) Others

Other contingent liabilities amounting to ₹72.45 crore (Previous Year ₹70.22 crore) which includes claim of ₹7.05 crore (Previous Year ₹5.48 crore) related to Arbitration cases/ROW cases.

B. Contingent Assets

There is Nil Contingent Assets as at 31 March, 2025 and as at 31 March, 2024.

Note 47 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, 2025	As at 31 March, 2024
Total debt (₹ in crore)	197.35	37.23
Equity (₹ in crore)	905.69	759.22
Long term debt to Equity ratio	0.22	0.05

No changes were made in the objectives, policies or processes for managing capital during the years ended 31 March, 2025 and 31 March, 2024.

b) Dividends

(₹ in crore)

Particulars	For the Year ended 31 March, 2025	For the Year ended 31 March, 2024
Interim dividend for the year ended 31 March, 2025 of ₹4.1 (31 March, 2024 of ₹0.62) per fully paid up share.	281.33	41.17



Dividend not recognized at the end of the reporting period:

In addition to above dividend, the Board of Directors on 16.06.2025 declared an interim dividend of ₹1.56 per fully paid up equity share.

Earnings per share

Particulars	For the Year ended 31 March, 2025	For the Year ended 31 March, 2024 (Restated)
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.)	391.13	313.66
Weighted average number of shares used as the denominator	67,56,65,931	66,40,20,000
Nominal Value Per Share	10	10
Earnings per share (Basic)		
Without Business Combination		
-Basic & Diluted	5.79	10.72
With Business Combination		
-Basic & Diluted	5.79	4.72

Note 48 Income Tax expense

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

(a) Income tax expense

(₹ in crore)

Particulars	For the Year ended 31 March, 2025	For the Year ended 31 March, 2024 (Restated)
Current Tax		
Current tax on profits for the year	131.44	42.78
Total current tax expense (A)	131.44	42.78
Deferred Tax expense		
Origination and reversal of temporary differences	(0.22)	(2.63)
Total deferred tax expense /benefit (B)	(0.22)	(2.63)
Income tax expense (A+B)	131.22	40.15

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

(₹ in crore)

Particulars	For the Year ended 31 March, 2025	For the Year ended 31 March, 2024 (Restated)
Profit before income tax expense	522.35	353.81
Tax at the Company's domestic tax rate of 25.168 %	131.47	89.04
Tax effect of:		
Non-Deductible tax items	0.96	(6.39)
Tax exempt income	(0.77)	(0.67)
Common Control Adjustments	-	(39.15)
Unabsorbed tax losses	-	(0.05)
Deferred Tax expense/(income)	(0.22)	(2.63)
Minimum alternate tax adjustments	-	-
Income tax expense	131.44	40.15



Note 49 Employee Benefits

The Company does not have any permanent employees. The personnel working for the company are from holding company on secondment basis. The employee cost (including retirement benefits such as Gratuity, leave encashment, post-retirement benefits etc.) in respect of personnel working for the company are paid by holding company. Since there are no employees in the company, the obligation as per Ind-AS 19 does not arise. Accordingly, no provision is considered necessary for any retirement benefit like gratuity, leave salary, pension etc., in the books of the company.

Note 50 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 Gupta Nanda & Co.
Chartered Accountants
FRN No. 009039N

CA Sanjive Nanda
Partner
M.No. 087108



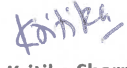
For and on behalf of the Board of Directors


Vamsi Rama Mohan Burra
Director
DIN: 09806168


Ashwani Kumar Gupta
Director
DIN: 09194985

Place: New Delhi
Date: 16.06.2025


Sanjay Sharma
Chief Executive Officer
PAN: AENPS3382J


Kritika Sharma
Company Secretary
PAN : IVVPS4197A
Mem. No. A66362


K P Mukherjee
Chief Financial Officer
PAN: AAJPM1317P

Place: Gurugram
Date: 16.06.2025