

POWERGRID ENERGY SERVICES LIMITED

**Wholly Owned Subsidiary of Power Grid Corporation of India Limited
(CIN: U40100HR2022GOI102016)**

ANNUAL REPORT (2023-24)

POWERGRID ENERGY SERVICES LIMITED

(Wholly Owned Subsidiary of Power Grid Corporation of India Limited)

CIN: U40100HR2022GOI102016

Regd. Office: "SAUDAMINI", Plot No. - 2, Sector - 29, Gurugram, Haryana-122001 (IN)

Tel. No.: 0124-2571968

DIRECTORS' REPORT

To,

Dear Shareholders,

I am delighted to present on behalf of the Board of Directors, the 2nd Annual Report of POWERGRID Energy Services Limited on the working of the Company together with Audited Financial Statements and Auditors' Report for the Financial Year ended 31st March, 2024.

1. State of the Company's Affairs & Project implementation

POWERGRID Energy Services Limited ("PESL"/ "the Company") was incorporated on 14th March, 2022 as a Wholly Owned Subsidiary of Power Grid Corporation of India Limited ("POWERGRID"/"Holding Company"). Your Company has been incorporated to undertake the Energy Management projects in India and Abroad.

Your Company is currently undertaking following assignments: -

- a) has entered into O&M agreements with 14 TBCB SPV's (wholly owned subsidiaries of POWERGRID for providing Operations and Maintenance (O&M) services including Warranty Services w.e.f. 01st July 2023.
- b) has entered into agreements for Project Implementation services for Design, Engineering, Procurement, Supply, Erection, testing and Commissioning works of Distribution Infrastructure works under RDSS in June 2023 with Ladakh Power Development Department (LPDD), in various districts of Ladakh to be implemented in three years.
- c) has entered into agreements with Madhya Gujarat Vij Company Ltd. (MGVCL) and Uttar Gujarat Vij Company Ltd. (UGVCL) For Implementation of Smart Metering Project in the state of Gujarat. Works under these two agreements have started and is to be completed in next 27 months.

2. Financial Performance

Particulars	₹ in Lakhs	
	2023 - 2024	14 th March, 2022 to 31 st March, 2023
Revenue from Operations	6714.95	-
Other Income	815.47	2.57
Total Income	7530.42	2.57
Total Expenses	6237.67	1,249.80
Profit before Tax	1292.75	(1,247.23)
Profit after Tax	807.69	(933.33)
Earnings Per Equity Share (₹)	7.21	(42.07)

3. Share Capital

As on 31st March, 2024, your Company had an Authorized and Paid up Share Capital of Rs. 150.00 Crore and Rs. 97.75 Crore, respectively.

4. Dividend and Transfer to Reserves

Your Directors have not recommended any dividend or transferred any amount to the reserves for the financial year ended 31st March, 2024.

5. Deposits

Your Company has not accepted any deposit as per Chapter V of Companies Act, 2013, for the period ended 31st March, 2024.

6. Particulars of Loans, Guarantees or Investments made under section 186 of the Companies Act, 2013

Your Company has not given any loans, provided any guarantee or security or made any investment in any other entity as per Section 186 of Companies Act, 2013.

7. Particulars of contracts or arrangements with related parties

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

8. Material Changes & Commitments

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

9. Subsidiaries, Joint Ventures and Associate Companies

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

10. Directors' Responsibility Statement

As required under Section 134(3)(c) & 134(5) of the Companies Act, 2013, your Directors confirm that:

- a. in the preparation of the Annual Accounts, the applicable accounting standards had been followed along with proper explanation relating to material departures;
- b. the Directors had selected such accounting policies and applied them consistently and made judgments and estimates that are reasonable and prudent so as to give a true and fair view of the state of affairs of the Company at the end of the financial year and of the profit of the Company for that period;
- c. the Directors had taken proper and sufficient care for the maintenance of adequate accounting records in accordance with the provisions of the Act for safeguarding the assets of the Company and for preventing and detecting fraud and other irregularities;
- d. the Directors had prepared the Annual Accounts on a going concern basis; and
- e. the Directors had devised proper systems to ensure compliance with the provisions of all applicable laws and that such systems were adequate and operating effectively.

11. Conservation of Energy, Technology absorption, Foreign Exchange Earning and Out Go

Conservation of Energy:

Your Company has stepped into establishment of large-scale Solar Power Generation. As a first step an 85 MW Grid Connected Ground Mounted Solar PV Power Project in Ujjain District of Madhya Pradesh at Nagda is undertaken by your Company and is currently under Construction. The energy that will be generated from the plant will be used for captive consumption in the Company as an alternate source of energy.

Technology Absorption:

There was no Technology absorption by the Company during the period under review.

Foreign Exchange Earnings and out go:

There was no Foreign Exchange Earnings and out go in the Company for the period under review.

12. Annual Return

The Annual Return in Form MGT-7 as required under Section 92(3) of the Companies Act, 2013 can be accessed in the Subsidiaries section under the Investor Relations Tab on the POWERGRID's website i.e. www.powergrid.in.

13. Board of Directors and Key Managerial Personnel

As on 31st March, 2024, the Board comprised of three Directors viz., Shri G. Ravisankar, Shri Purshottam Agarwal and Shri Dilip Nagesh Rozekar.

During the period under review, following changes took place in the composition of Board of Directors:

- a. Shri V.K. Singh ceased to be Director of the Company w.e.f. 31st May, 2023 consequent to his superannuation from POWERGRID.
- b. Shri Purshottam Agarwal appointed as Additional Director of the Company w.e.f. 02nd June, 2023.
- c. Appointment of Shri Ravindra Kumar Tyagi, Shri Dilip Nagesh Rozekar and Shri Purshottam Agarwal, Directors' were regularized at the AGM held on 25th September, 2023.
- d. Shri K. Sreekant ceased to be Director & Chairman of the Company w.e.f. 31st December, 2023 consequent to his superannuation from POWERGRID.
- e. Shri Ravindra Kumar Tyagi ceased to be Director of the Company w.e.f. 07th January, 2024.
- f. Shri G. Ravisankar appointed as Director & Chairman of the Company w.e.f. 10th January, 2024.
- g. Shri Rajil Srivastava appointed as CEO & KMP of the Company w.e.f. 20th November, 2023.
- h. Shri Satyaprakash Dash appointed as Company Secretary of the Company w.e.f. 20th November, 2023.

Further, following changes took place after the closure of financial year under review till the date of the Directors' Report:

- a. Shri Rajil Srivastava ceased to be CEO & KMP of the Company w.e.f. 21st June, 2024.
- b. Shri Anoop Singh has been appointed as CEO & KMP of the Company w.e.f. 28th June, 2024.

The Board placed on record its appreciation for the valuable contribution, guidance and support given by Shri V.K. Singh, Shri K. Sreekant and Shri Ravindra Kumar Tyagi during their tenure as Directors of the Company and Shri Rajil Srivastava as CEO & KMP of the Company.

In accordance with the provisions of the Companies Act, 2013, Shri Dilip Nagesh Rozekar shall retire by rotation at the Annual General Meeting of your Company and being eligible, has offered himself for re-appointment.

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

14. Number of Board meetings during the year

During the financial year 2023-24, Nine (09) meetings of Board of Directors were held on 17th May, 2023, 18th July, 2023, 26th July, 2023, 25th September, 2023, 20th November, 2023, 06th December, 2023, 25th January, 2024, 06th March, 2024 and 28th March, 2024. The detail of number of meetings attended by each Director during the Financial Year are as under:

Name of Directors	Designation	No. of Board Meetings entitled to attend during 1st April, 2023 to 31st March, 2024	No. of Board Meetings attended during 1st April, 2023 to 31st March, 2024
Shri Sreekant Kandikuppa (upto 31.12.2023)	Chairman (Part - Time)	06	06
Dr. Vinod Kumar Singh (upto 31.05.2023)	Director	01	00
Shri Ravindra Kumar Tyagi (upto 07.01.2024)	Director	06	06
Shri G. Ravisankar (appointed w.e.f. 10.01.2024)	Chairman (Part – Time)	03	03
Shri Purshottam Agarwal (w.e.f. 02.06.2023)	Director	08	08
Shri Dilip Nagesh Rozekar	Director	09	07

15. Committees of the Board

Audit Committee and Nomination & Remuneration Committee

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

Corporate Social Responsibility Committee

The provision of Section 135 of the Companies Act, 2013 read with Rule 5 of the Companies (Corporate Social Responsibility Policy) Rules, 2014 were not applicable to the Company during the Financial Year 2023-24.

16. Declaration by Independent Directors

Ministry of Corporate Affairs (MCA) vide notification dated 5th July, 2017 had amended the Rule 4 of Companies (Appointment and Qualification of Directors) Rules, 2014 as per which, the unlisted public companies in the nature of wholly owned subsidiaries are not required to appoint Independent Directors on their Board. Accordingly, your Company, being a Wholly Owned Subsidiary of Power Grid Corporation of India Limited is not required to appoint Independent Directors on their Board.

17. Performance Evaluation

Your Company, being wholly-owned Subsidiary of POWERGRID, is a Government Company. The Ministry of Corporate Affairs (MCA) vide Notification dated 5th June, 2015 has exempted Government Companies from the provisions of Section 178(2) of the Companies Act, 2013, which provides for manner of evaluation of performance of Board, its Committees and individual Directors. Further, the requirement of mentioning a statement on the manner of formal evaluation of annual performance in Board's Report as per Section 134(3)(p) of the Companies Act, 2013 is also not applicable for Government Companies, where the directors are evaluated by the Ministry or Department of the Central Government, which is administratively in charge of the Company, as per its own evaluation methodology.

The Whole-time Directors & senior officials of POWERGRID are nominated as Directors in your Company. POWERGRID, being a Government Company, the Directors so nominated by it in your Company, are being evaluated under a well laid down procedure of the Department of Public Enterprises ("DPE") thereby performance of CMD/Functional Directors is evaluated by Administrative Ministry and as that of senior officials by POWERGRID.

18. Statutory Auditors

Pursuant to Section 139(5) of the Companies Act, 2013 and Rule 4(2) of the Companies (Audit and Auditors) Rules, 2014, M/s DMRN & Associates, Chartered Accountants, was appointed by Comptroller and Auditor General of India as Statutory Auditors of the Company for the Financial Year 2023-24.

19. Statutory Auditors' Report

M/s DMRN & Associates, Chartered Accountants, Statutory Auditors for the Financial Year 2023-24 have given an unqualified report. The report is self-explanatory and does not require any further comments by the Board.

20. Comments of Comptroller and Auditor General of India

Comptroller and Auditor General of India (C&AG) vide letter dated 24th July, 2024 placed at **Annexure-II** to this report, has informed that they have decided not to conduct the

Supplementary Audit of Financial Statements for the financial year ended 31st March, 2024 under section 143(6)(a) of the Companies Act, 2013.

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

During the Financial Year 2023-24, the Statutory Auditors of the Company have not reported any frauds to the Board of Directors under Section 143(12) of the Companies Act, 2013, including rules made thereunder.

22. Secretarial Audit Report

M/s Arvind Kohli & Associates, Company Secretaries has conducted Secretarial Audit of the Company for the financial year ended 31st March, 2024. The Secretarial Audit Report is placed at **Annexure-III** to this report. The Secretarial Auditor have given an unqualified report. The report is self-explanatory and does not require any further comments by the Board.

23. Maintenance of Cost Records

Maintenance of cost records as specified by the Central Government under sub-section (1) of Section 148 of the Companies Act, 2013, was not applicable to your Company during the Financial Year 2023 - 24.

24. Development & Implementation of Risk Management Policy

Your Company, being a wholly owned subsidiary of POWERGRID, is covered under the Risk Management Framework of POWERGRID, the holding Company.

25. Particulars of Employees

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

26. Compliance with Secretarial Standards

Your Company has generally followed the Secretarial Standards (SS) 1 & 2 issued by the Institute of Company Secretaries of India.

27. Prevention of Sexual Harassment at workplace

POWERGRID (the holding Company) has Internal Committee (IC) in place to redress the complaints of sexual harassment. There was no incidence of sexual harassment during the Financial Year 2023-24.

28. Details of Significant & Material Orders passed by the regulators, courts, tribunals impacting the going concern status and Company's operation in future

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

29. Internal Financial Controls System and their adequacy

Your Company has, in all material respects, an adequate Internal Financial Controls System over Financial Reporting and such Internal Financial Controls over Financial Reporting were operating effectively during the Financial Year 2023-24.

30. Insolvency and Bankruptcy Code, 2016

During the Financial Year 2023-24, no application has been made under the Insolvency and Bankruptcy Code; hence the requirement to disclose the details of application made or any proceeding pending under the Insolvency and Bankruptcy Code, 2016 during the year along with their status as at the end of the financial year is not applicable.

31. Right to Information

In compliance with 'Right to Information Act, 2005' (the Act), an appropriate mechanism is in place for promoting transparency and accountability, wherein POWERGRID (Holding Company) has nominated Central Public Information Officer & Appellate Authority for your Company to provide required information under the provisions of the RTI Act.

32. Acknowledgement

The Board of Directors place on record their gratitude for the support of Ministry of Power, the Central Electricity Regulatory Commission, the Central Electricity Authority, Central Transmission Utility of India Limited, Grid Controller of India Limited, the Department of Public Enterprises, Power Grid Corporation of India Limited, the Comptroller & Auditor General of India, the Auditors and various other authorities.

For and on behalf of
POWERGRID Energy Services Limited

Sd/-
(G. Ravisankar)
Chairman
DIN: 08816101

Date: 27th September, 2024

Place: Gurugram

POWERGRID ENERGY SERVICES LIMITED**FORM No. AOC -2**

(Pursuant to clause (h) of Sub-Section (3) of Section 134 of the Act and Rule 8(2) of the Companies (Accounts) Rules, 2014)

Form for Disclosure of particulars of contracts/arrangements entered into by the Company with related parties referred to in sub section (1) of Section 188 of the Companies Act, 2013 including certain arm's length transaction under third proviso thereto.

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

SI. No.	Particulars	Details
a)	Name (s) of the related party & nature of relationship	-
b)	Nature of contracts/arrangements/transaction	-
c)	Duration of the contracts/arrangements/transaction	-
d)	Salient terms of the contracts or arrangements or transaction including the value, if any	-
e)	Justification for entering into such contracts or arrangements or transactions'	-
f)	Date of approval by the Board	-
g)	Amount paid as advances, if any	-
h)	Date on which the special resolution was passed in General meeting as required under first proviso to section 188	-

2. Details of Material contracts or arrangements or transactions at Arm's length basis.

SI. No.	Particulars	Details
1)	a) Name (s) of the related party & nature of relationship	Power Grid Corporation of India Ltd. (Holding Company)
	B) Nature of contracts/	Part A) To take security(ies) / guarantee(s) in connection with loan (s) an / or any form of debt including ECBs and /

	arrangements/transaction	<p>or to provide inter corporate loan (s) on cost to cost basis, up to an amount of Rs. 2000 Crore from POWERGRID.</p> <p>Part B) To avail inputs and services for implementation of RDSS projects in UTs of Jammu & Kashmir and UT of Ladakh at Consultancy fees of 5% plus GST on Consultancy fees of actual project cost.</p> <p>Part C) To take Inter Corporate Working Capital loan amounting to Rs. 50 Crore from POWERGRID for a tenure of SIX months.</p> <p>Part D) Umbrella agreement with POWERGRID for providing consultancy services for Expert Manpower services including technical, legal, logistics & other support for O&M activities of Transmission Assets managed by the Company.</p>
	c) Duration of the contracts/ arrangements/ transaction	<p>Part (A) As mutually agreed Part (B) As mutually agreed Part (C) As mutually agreed Part (D) As mutually agreed</p>
	d) Salient terms of the contracts or arrangements or transaction including the value, if any	Refer (b)
	e) Date of approval by the Board	<p>For Part A) 18.07.2023 For Part B) 06.03.2024 For Part C) 06.03.2024 For Part D) 28.03.2024</p>
	f) Amount paid as advances, if any	NIL

2)	a) Name (s) of the related party & nature of relationship	1. POWERGRID NM Transmission Limited 2. POWERGRID Southern Interconnector Transmission System Limited 3. POWERGRID Unchahar Transmission Limited 4. POWERGRID Medinipur Jeerat Transmission Limited 5. POWERGRID Mithilanchal Transmission Limited 6. POWERGRID Varanasi Transmission System Limited 7. POWERGRID Jawaharpur Firozabad Transmission Limited 8. POWERGRID Khetri Transmission System Limited 9. POWERGRID Bhuj Transmission Limited 10. POWERGRID Ajmer Phagi Transmission Limited 11. POWERGRID Fatehgarh Transmission Limited 12. POWERGRID Rampur Sambhal Transmission Limited The aforementioned Project SPV's are 100% Wholly owned subsidiaries of POWERGRID.
	b) Nature of contracts/arrangements/transaction	To provide operations and maintenance services including Warranty Services to the above mentioned 12 TBCB SPV's.
	c) Duration of the contracts/ arrangements/ transaction	As mutually agreed
	d) Salient terms of the contracts or arrangements or transaction including the value, if any	Refer (b)
	e) Date of approval by the Board	18.07.2023
	f) Amount paid as advances, if any	NIL

3)	a) Name (s) of the related party & nature of relationship	<p>1. POWERGRID Bhind Guna Transmission Limited 2. POWERGRID Meerut Simbhavali Transmission Limited</p> <p>The aforementioned Project SPV's are 100% Wholly owned subsidiaries of POWERGRID.</p>
	b) Nature of contracts/arrangements/transaction	To provide operations and maintenance services including Warranty Services to the above mentioned 2 TBCB SPV's.
	c) Duration of the contracts/ arrangements/ transaction	As mutually agreed
	d) Salient terms of the contracts or arrangements or transaction including the value, if any	Refer (b)
	e) Date of approval by the Board	20.11.2023
	f) Amount paid as advances, if any	NIL

4)	a) Name (s) of the related party & nature of relationship	<p>1. POWERGRID NM Transmission Limited 2. POWERGRID Southern Interconnector Transmission System Limited 3. POWERGRID Medinipur Jeerat Transmission Limited 4. POWERGRID Mithilanchal Transmission Limited 5. POWERGRID Varanasi Transmission System Limited 6. POWERGRID Jawaharpur Firozabad Transmission Limited 7. POWERGRID Khetri Transmission System Limited 8. POWERGRID Bhuj Transmission Limited 9. POWERGRID Ajmer Phagi Transmission Limited 10. POWERGRID Fatehgarh Transmission Limited 11. POWERGRID Bhind Guna Transmission Limited 12. POWERGRID Rampur Sambhal Transmission Limited</p>
	b) Nature of contracts/arrangements/transaction	To purchase/transfer of Spares from TBCB SPVs available as on 31.12.2023 to the Company, as per Cluster Model for O&M of transmission assets of TBCB Companies.

	c) Duration of the contracts/ arrangements/ transaction	As mutually agreed
	d) Salient terms of the contracts or arrangements or transaction including the value, if any	Refer (b)
	e) Date of approval by the Board	06.03.2024
	f) Amount paid as advances, if any	NIL

For and on behalf of
POWERGRID Energy Services Limited

Sd/-
(G. Ravisankar)
Chairman
DIN: 08816101

Date: 27th September, 2024
Place: Gurugram

COMMENTS OF THE COMPTROLLER AND AUDITOR GENERAL OF INDIA UNDER SECTION 143(6)(B) OF THE COMPANIES ACT, 2013 ON THE FINANCIAL STATEMENTS OF POWERGRID ENERGY SERVICES LIMITED FOR THE YEAR ENDED 31 MARCH 2024


The preparation of financial statements of POWERGRID Energy Services Limited for the year ended 31 March 2024 in accordance with the financial reporting framework prescribed under the Companies Act, 2013(Act) is the responsibility of the management of the company. The statutory auditor appointed by the Comptroller and Auditor General of India under section 139(5) of the Act is responsible for expressing opinion on the financial statements under section 143 of the Act based on independent audit in accordance with the standards on auditing prescribed under section 143(10) of the Act. This is stated to have been done by them vide their Audit Report dated 14 May 2024.

I, on behalf of the Comptroller and Auditor General of India, have decided not to conduct the supplementary audit of the financial statements of POWERGRID Energy Services Limited for the year ended 31 March 2024 under Section 143(6)(a) of the Act.

For and on behalf of the
Comptroller & Auditor General of India

Place: New Delhi

Date: 24/07/2023


(S. Ahladini Panda)
Director General of Audit (Energy)

Arvind Kohli & Associates
Company Secretaries

199, Sector 7, Urban Estate, Gurgaon 122001
Tel :- 91-12-4005260; Mobile: 98-110-26619
e-mail: arvindkohli@gmail.com

FORM NO. MR – 3
SECRETARIAL AUDIT REPORT
FOR THE FINANCIAL YEAR ENDED 31st MARCH, 2024

[Pursuant to Section 204(1) of the Companies Act, 2013 and Rule No. 9 of the Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014]

To,
The Members,
POWERGRID Energy Services Limited
SAUDAMINI, Plot No. - 2
Sector - 29, Gurgaon, Haryana 122001

We have conducted the secretarial audit of the compliance with the applicable statutory provisions and the adherence to good corporate practices by **POWERGRID Energy Services Limited [CIN: U40100HR222GOI102016]** (hereinafter called "the Company") for the Financial Year ended on 31st March, 2024. **The Company is wholly owned subsidiary of POWER GRID CORPORATION OF INDIA LIMITED** (a Government of India Enterprise). Secretarial Audit was conducted in a manner that provided us a reasonable basis for evaluating the corporate conducts/statutory compliances and expressing our opinion thereon.

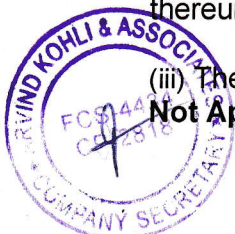
Based on our verification of the Company's books, papers, minute books, forms and returns filed and other records maintained by the company and also the information provided by the Company, its officers, agents and authorized representatives during the conduct of secretarial audit, we hereby report that in our opinion, the company has, during the audit period covering the Financial Year ended on **March 31, 2024 ('Audit Period')** generally complied with the statutory provisions listed hereunder and also that the Company has proper Board-processes and compliance-mechanism in place to the extent, in the manner and subject to the reporting made hereinafter:

We report that, we have examined the books, papers, minute books, forms and returns filed and other records maintained by the Company for the financial year ended on **March 31st, 2024** according to the provisions of (as amended):

(i) The Companies Act, 2013 (the Act) and the rules made thereunder read with notifications, exemptions and clarifications thereto

(ii) The Securities Contracts (Regulation) Act, 1956 ('SCRA') and the rules made thereunder; **Not Applicable**

(iii) The Depositories Act, 1996 and the Regulations and Bye-laws framed thereunder; **Not Applicable**



(iv) Foreign Exchange Management Act, 1999 and the rules and regulations made thereunder to the extent of Foreign Direct Investment, Overseas Direct Investment and External Commercial Borrowings; **Not Applicable**

The following Regulations and Guidelines prescribed under the Securities and Exchange Board of India Act, 1992 ('SEBI Act'): -

(a) The Securities and Exchange Board of India (Substantial Acquisition of Shares and Takeovers) Regulations, 2011; **(Not Applicable during the period under review, as the Company is not Listed)**

(b) The Securities and Exchange Board of India (Prohibition of Insider Trading) Regulations, 2015; **(Not Applicable during the period under review, as the Company is not Listed)**

(c) The Securities and Exchange Board of India (Issue of Capital and Disclosure Requirements) Regulations, 2009; **(Not Applicable during the period under review, as the Company is not Listed)**

(d) The Securities and Exchange Board of India (Share Based Employee Benefits & Sweat Equity) Regulations, 2021; **(Not Applicable during the period under review, as the Company is not Listed)**

(e) The Securities and Exchange Board of India (Issue and Listing of Debt Securities) Regulations, 2008; **(Not Applicable during the period under review, as the Company is not Listed)**

(f) The Securities and Exchange Board of India (Registrars to an Issue and Share Transfer Agents) Regulations, 1993 regarding the Companies Act and dealing with client; **Not Applicable**

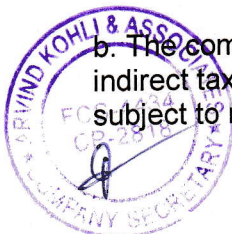
(g) The Securities and Exchange Board of India (Delisting of Equity Shares) Regulations, 2009; **(Not Applicable during the period under review, as the Company is not Listed) and**

(h) The Securities and Exchange Board of India (Buyback of Securities) Regulations, 2018; **(Not Applicable during the period under review, as the Company is not Listed)**

(v) The other laws, as informed and certified by the management of the Company which, are specifically applicable to the Company based on their sector/ industry are:

a. Being Energy Projects Management Company, the Electricity Act, 2003 is specifically applicable to the Company.

b. The compliance by the Company of applicable financial laws, like direct and indirect tax laws, has not been reviewed in this audit since the same have been subject to review by the statutory auditor and other designated professionals.



We have also examined compliance with the applicable clauses/Regulations of the following:

- (i) Secretarial Standards issued by The Institute of Company Secretaries of India;
- (ii) The Securities and Exchange Board of India (Listing Obligation and Disclosure Requirements) Regulations, 2015. **(Being non-listed company during the period under review, it's not applicable).**

During the period under review and as per the explanations and representations made by the officers and management and subject to the clarifications given to us, the Company has satisfactorily complied with the provisions of the Act, Rules, Regulations, Guidelines, Standards, etc. mentioned above.

We further report that:

The Board of Directors of the Company is duly constituted with proper balance of Directors. The Changes in the composition of the Board of Directors that took place during the period under review were carried out in compliance with the provisions of the Act.

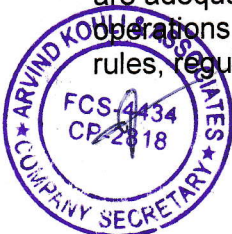
The Company is a wholly owned subsidiary of Power Grid Corporation of India Limited (a Government of India Enterprise). Hence the Company is exempted from applicability of Section 177 and section 178 of the Companies act, 2013 read with Rule 4(1) & (2) of the Companies (Appointment and Qualification of Directors) Amendment Rules, 2017 dated 5th July, 2017.

Being Government Company, provisions of Section 203 of the Companies Act, 2013 shall not apply with respect to appointment of Managing Director, Chief Executive officer or Manager and in their absence a whole time Director of the Company vide Ministry of Corporate Affairs Notification dated 5th June, 2015.

Adequate notice is given to all directors to schedule the Board Meetings along with agenda and detailed notes on agenda were generally sent at least seven days in advance, and a system exists for seeking and obtaining further information and clarifications on the agenda items before the meeting and for meaningful participation at the meeting.

Decisions were carried unanimously as recorded in the minutes of the meetings of the Board of Directors.

We further report that according to the information and explanation given to us, there are adequate systems and processes in the company commensurate with the size and operations of the company to monitor and ensure compliance with applicable laws, rules, regulations and guidelines.



We further report that during the period under review:

i. the company has issued and allotted 8,77,50,00 equity shares of Rs.10/- (Rupees Ten Only) each at par on Right basis to Power Grid Corporation of India Limited (Holding Company)

ii. the company has altered its Memorandum of Association as under:

Clause No.	Subject Matter	Date of Approval
Clause V	Alteration of Capital Clause of MOA	6.12.2023 (Board Approval)
		6.12.2023 (Shareholder Approval)

iii. the Company has appointed Shri Rajil Srivastava, appointed as CEO & Key Managerial Person w.e.f. 20.11.2023 and Shri Satyaprakash Dash as Company Secretary and KMP w.e.f. 20.11.2023.

For ARVIND KOHLI & ASSOCIATES
Company Secretaries



ARVIND KOHLI
(Proprietor)

FCS No.: 4434; CP No.: 2818

PR: 3056/2023

UDIN: F004434F000714605

Date: 10.07.2024
Place: Gurugram

Note: This report is to be read with our letter of even date which is annexed as **Annexure-A** and forms an integral part of this report.

Arvind Kohli & Associates
Company Secretaries

199, Sector 7, Urban Estate, Gurgaon 122001
Tel :- 91-12-4005260; Mobile: 98-110-26619
e-mail: arvindkohli@gmail.com

Annexure-A

To,
The Members
POWERGRID Energy Services Limited
SAUDAMINI, Plot No. - 2
Sector - 29, Gurgaon, Haryana 122001

Our Secretarial Audit Report (Form MR-3) of even date for the period from 1st April, 2023 to 31st March, 2024 is to be read along with this letter.

1. Maintenance of secretarial record is the responsibility of the management of the Company. Our responsibility is to express an opinion on these secretarial records based on our finding/ audit.
2. We have followed the audit practices and processes as were appropriate to obtain reasonable assurance about the correctness of the contents of the secretarial records. The verification was done on the random test basis to ensure that correct facts are reflected in secretarial records. We believe that the processes and practices, we followed provide a reasonable basis for our opinion.
3. We have not verified the correctness and appropriateness of financial records and Books of Accounts of the Company. We have relied upon the Reports of statutory Auditors regarding compliance of Companies Act, 2013 and Rules made thereunder relating to maintenance of Books of Accounts, papers and financial statement of the relevant financial year, which give a true and fair view of the state of the affairs of the Company.
4. Wherever required, we have obtained the Management representation about the compliance of laws, rules and regulations and happening of events etc.
5. The compliance of the provisions of Corporate and other applicable laws, rules, regulations, standards are the responsibility of management. Our examination was limited to the verification of procedures on random test basis.
6. The Secretarial Audit report is neither an assurance as to the future viability of the company nor of the efficacy or effectiveness with which the management has conducted the affairs of the Company.

Date: 10.07.2024
Place: Gurugram

For ARVIND KOHLI & ASSOCIATES
Company Secretaries



ARVIND KOHLI
(Proprietor)
FCS No.: 4434; CP No.: 2818
PR: 3056/2023

UDIN: F004434F000714605

INDEPENDENT AUDITORS' REPORT

To the Members of **POWERGRID ENERGY SERVICES LIMITED**

Report on the **Standalone IND AS Financial Statements**

Opinion

We have audited the Standalone Financial Statements of **POWERGRID ENERGY SERVICES LIMITED** which comprise the Balance Sheet as at 31st March 2024, and the Statement of Profit and Loss (including Other Comprehensive Income), statement of changes in equity and statement of cash flows for the year then ended, and notes to financial statements including a summary of significant accounting policies and other explanatory information. In our opinion and to the best of our information and according to the explanations given to us, the aforesaid standalone financial statements give the information required by The Companies Act, 2013 in the manner so required and give a true and fair view in conformity with the Indian Accounting Standards prescribed under Section 133 of the Act read with 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 March 31, 2024, and its Profit (including Other Comprehensive Income), changes in equity and its Cash Flows for the year ended on that date.

Basis for Opinion

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

We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion on the Standalone Statements.



Responsibilities of Management and Those Charged with Governance for the Standalone Financial Statements

The Company's Board of Directors is responsible for the matters stated in Section 134(5) of the Companies Act, 2013 with respect to the preparation of these standalone financial statements that give a true and fair view of the financial position, financial performance (including other Comprehensive Income), changes in equity and cash flows of the company in accordance with the accounting principles generally accepted in India, including the Accounting Standards specified under section 133 of the Act.

This responsibility also includes maintenance of adequate accounting records in accordance with the provisions of the Companies Act 2013, for safeguarding of 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, the Board of Directors 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 the Board of Directors either intends to liquidate the company or to cease operations, or has no realistic alternative but to do so.

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

Key Audit Matters

Key audit matters are those matters that, in our professional judgment, were of most significance in our audit of the Standalone Financial statements of the current period. These matters were addressed in the context of our audit of the Standalone Financial statements as a whole, and informing our opinion thereon, and we do not provide a separate opinion on these Key Audit Matters as per SA 701. The company is a wholly owned subsidiary of a listed parent but is not a listed entity and there is no law or regulation requires us to report on Key Audit Matters. However, in our professional judgement and based on our detailed discussion with the management, we have determined that the key audit matters to be communicated in our report is nil.



Auditors' Responsibilities for the Audit of the Financial Statements

Our objectives are to obtain reasonable assurance about whether the financial statements as a whole are free from material misstatement, whether due to fraud or error, and to issue an auditor's report that includes our opinion. Reasonable assurance is a high level of assurance but is not a guarantee that an audit conducted in accordance with SAs will always detect a material misstatement when it exists. Misstatements can arise from fraud or error and are considered material if, individually or in the aggregate, they could reasonably be expected to influence the economic decisions of users taken on the basis of these financial statements.

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

- Identify and assess the risk 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 control 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 the 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 entity's ability to continue as a going concern. If we conclude that a material uncertainty exists, we are required to draw attention in our auditor's report to the related disclosures in the standalone financial statements or, if such disclosures are inadequate, to modify our opinion. Our conclusions are based on the audit evidence obtained up to the date of our auditor's report. However, future events or conditions may cause the entity to cease to continue as a going concern
- Evaluate the overall presentation, structure and content of the standalone Financial Statements, including the disclosures, and whether the Financial Statements represent the



underlying transactions and events in a manner that achieve fair presentation Materiality is the magnitude of misstatements in the standalone Financial Statements that individually or in aggregate makes it probable that the economic decisions of a reasonable 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 an identified misstatements in the standalone 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. Pursuant to 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 the **Annexure "A"** a statement on the matters specified in paragraphs 3 and 4 of the Order.
2. In terms of sub section (5) of section 143 of the Companies Act, 2013, we give in the **Annexure "B"** a statement on the directions issued under the aforesaid section by the Comptroller and Auditor General of India.
3. As required by Section 143 (3) of the Act, we report that:
 - a. We have sought and obtained all the information and explanations which to the best of our knowledge and belief were necessary for the purposes of our audit;



- b. In our opinion, proper books of account as required by law have been kept by the Company so far as it appears from our examination of those books and records.
 - c. The Balance Sheet, the Statement of Profit and Loss, (including other comprehensive income), Statement of Changes in Equity and the Cash Flow Statement dealt with by this Report are in agreement with the books of account;
 - d. In our opinion, the aforesaid standalone Financial Statements comply with the Accounting Standards specified under section 133 of the Act, being IND AS, read with Rule 7 of the Companies (Accounts) Rules, 2014.
 - e. Being a Subsidiary of a Government Company, Section 164(2) of the Act pertaining to disqualification of Directors are not applicable to the company.
 - f. With respect to the adequacy of the Internal Financial Controls over Financial Reporting of the Company and the Operating Effectiveness of such Controls, refer to our separate report in **Annexure "C"**.
 - g. With respect to the other matters to be included in the Auditor's Report in accordance with Rule 11 of the Companies (Audit and Auditors) Rules, 2014, in our opinion and to the best of our information and according to the explanations given and management representations provided to us:
 - i. The Company does not have any pending litigations which would impact its Financial Position;
 - ii. The Company did not have any Long-Term Contracts including Derivative Contracts for which there were any material foreseeable losses;
 - iii. There were no amounts which were required to be transferred to the Investor Education and Protection Fund by the company.
4. Pursuant to the Companies (Audit and Auditors) Rules, 2014, issued by the Central Government of India in terms of rule 11 of the Act, we report that,
- i) The management has represented that, to the best of its knowledge and belief, other than as disclosed in the notes to the accounts, no funds have been advanced or loaned or invested (either from borrowed funds or share premium or any other sources or kind of funds) by the company to or in any other person(s) or entity(ies), including foreign entities ("Intermediaries"), with the understanding, whether recorded in writing or otherwise, that the Intermediary shall, whether, directly or indirect



or invest in other persons or entities identified in any manner whatsoever by or on behalf of the company ("Ultimate Beneficiaries") or provide any guarantee, security or the like on behalf of the Ultimate Beneficiaries;

- ii) The management has represented, that, to the best of its knowledge and belief, other than as disclosed in the notes to the accounts, no funds have been received by the company from any person(s) or entity(ies), including foreign entities ("Funding Parties"), with the understanding, whether recorded in writing or otherwise, that the company shall, whether, directly or indirectly, lend or invest in other persons or entities identified in any manner whatsoever by or on behalf of the Funding Party ("Ultimate Beneficiaries") or provide any guarantee, security or the like on behalf of the Ultimate Beneficiaries; and
- iii) Based on such audit procedures that we have considered reasonable and appropriate in the circumstances, nothing has come to our notice that has caused us to believe that the representations under sub-clause (i) and (ii) contain any material mis-statement.

5. Based on our examination carried out in accordance with the Implementation Guidance on Reporting on Audit Trail under Rule 11(g) of the Companies (Audit and Auditors) Rules, 2014 (Revised 2024 Edition) issued by The Institute of Chartered Accountants of India, which included test checks performed for the company whose financial statements have been audited under the Act, we report that the company has used an accounting software i.e. SAP for maintaining its books of account which has a feature of recording audit trail (edit log) facility and the same has operated throughout the year for all relevant transactions recorded in the software. Further, during the course of our audit, we did not come across any instance of audit trail feature being tampered with.

DMRN & Associates
Chartered Accountants,
Firm Reg. No. 008100N



CA Bhawna Bansal
Partner
M.No.506759



UDIN : 24506759BKEIJE2008
Place : Gurugram
Date : 14-05-2024

Annexure '1' to the Independent Auditors' Report

As referred to in our Independent Auditors' Report of even date to the members of the **POWERGRID ENERGY SERVICES LIMITED** on the Ind AS financial statements for the year ended 31st March 2024, we report that:

- (i) a) According to information and explanations given to us, the company has the capital work in progress for 85 MW Ground Mounted Solar PV Power Project in Nagda, Madhya Pradesh and Implementation of Smart Metering Works in the State of Gujarat on the balance sheet date. The Company has generally maintained records, showing full particulars including quantitative details and situation of Property, Plant & Equipment including details of right-of-use assets covered under Ind AS 116, 'Leases'
- b) The Property, Plant & Equipment have been physically verified by the management during the year. In our opinion, frequency of verification is reasonable having regard to the size of the Company and nature of its business. No material discrepancies were noticed on such verification.
- c) According to information and explanations given to us, the company does not hold any immovable property.
- 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.
- 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 physically verified by the management during the year. In our opinion, frequency of verification, coverage & procedure adopted by the company for verification is reasonable having regard nature of its business. No discrepancies of 10% or more in the aggregate for each class of inventory were noticed on such verification. We further note that the inventories as at 31st March 2024 are nil.
- (b) The Company has not been sanctioned working capital limits in excess of Rs. 5 crores, in aggregate, from banks on the basis of security of current assets.
- (iii) (a) According to the information and explanations given to us, the Company has not made investments in, provided any guarantee or security or granted any loans or advances

in the nature of loans, secured or unsecured, to companies, firms, Limited Liability Partnerships or any other parties. Accordingly, paragraph 3(iii) is not applicable to the company. We further report that bank guarantees given as a part of contractual obligations of the company towards its normal course of business are not considered as guarantees given in the nature of loans for the purpose of reporting under this clause.

- (iv) According to the information and explanations given to us, the company has not granted any loans or made any investments or provided any guarantee or securities to the parties as specified under section 185 and 186 of the Act. Accordingly, clause 3(iv) of the Order is 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) The company is not required to maintain cost records under section 148 (1) of the Companies Act,2013. Hence Paragraph 3 (vi) of the order is not applicable to the company.
- (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 2024 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 employee 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) have not been deposited on account of dispute.
- (viii) In our opinion and according to the information and explanations given to us, the Company has not recorded in the books of account any transaction which have been surrendered or disclosed as income during the year in the tax assessments under the Income Tax Act, 1961.
- (ix) In our opinion, based on our examination of the records and according to the information & explanations given to us,
 - (a) The Company has not defaulted during the year in repayment of loans & payment of Interest to its financial institutions, bankers and dues to the Bond holders.
 - (b) The company has not been declared willful defaulter by any bank/financial institution/other lender.
 - (c) Term loans (received only from the parent company) have been applied for the purpose for which the loans were obtained.



- (d) funds raised on short term basis (received only from the parent company) have not been utilized for long term purpose.
- (e) The Company do not have any Subsidiaries, Joint ventures or Associates. Accordingly, paragraph 3(ix)(e) and 3(ix)(f) are not applicable to the company.
- (x) (a) The company has not raised money by way of initial public offer or further public offer (including debt instruments) during the year.
- (b) In our opinion and according to the information and explanations given to us, the Company has not made any preferential allotment or private placement of shares or convertible debentures (fully, partially or optionally convertible) during the year.
- (xi) (a) According to the information and explanations given to us and as represented by the management, we have been informed that no case of fraud has been committed on or by the company during the year.
- (b) As no fraud has been noticed during the year as mentioned at xi(a) above, report under sub-Section (12) of Section 143 of the Companies Act in the Form ADT-4 as prescribed under Rule 13 of Companies (Audit and Auditors) Rules 2014 is not applicable.
- (c) According to the information and explanations given to us, no whistle-blower complaints has been received during the year by the Company.
- (xii) The company is not a Nidhi Company as prescribed under section 406 of the Act. Accordingly, clause 3(xii)(a), 3(xii)(b) & 3(xii)(c) of the Order is not applicable to the company.
- (xiii) According to the information and explanations given to us and as represented by the management, all transactions with the related parties are in compliance with sections 177 and 188 of the Act, where applicable and the details have been disclosed in the standalone Ind AS financial statements as required by the applicable Indian Accounting Standards.
- (xiv) (a) According to the information and explanations given to us and based on our examination of the records of the company, the company has an internal audit system commensurate with the nature of its business. However, the Company is not required to have an internal audit system under section 138 of the Act
- (b) As mentioned above, the Company is not required to have an internal audit system under section 138 of the Act and Accordingly, reporting under clause 3(xiv) (b) of the Order is not applicable to the Company.
- (xv) According to the information and explanations given to us and based on our examination of the records of the company, the company has not entered into non-cash transactions with directors or persons connected with them. Accordingly, paragraph 3(xv) is not applicable to the company.



- (xvi) According to the information and explanations given to us, the company is not required to be registered under section 45 IA of the Reserve Bank of India Act, 1934. Accordingly, paragraphs 3(xvi) are not applicable to the company.
- (xvii) According to the information and explanations given to us and based on our examination of the records of the company, the company has not incurred any cash losses in the current Financial Year and in the immediately preceding Financial Year.
- (xviii) There has not been any resignation of the statutory auditors during the year.
- (xix) On the basis of the financial ratios, ageing and expected dates of realisation of financial assets and payment of financial liabilities, other information accompanying the financial statements, our knowledge of the Board of Directors and management plans and based on our examination of the records of the company, in our opinion, no material uncertainty exists as on the date of the audit report and the company is capable of meeting its liabilities existing at the date of balance sheet as and when they fall due within a period of one year from the balance sheet date.
- (xx) The company was not having net worth of rupees five hundred crore or more or turnover of rupees one hundred crore or more or net profit of five crores or more during the immediately preceding financial period and hence provision of section 135 of the Companies Act are not applicable to the Company during the financial period. Accordingly, paragraph 3 (xx)(a) & 3 (xx) (b) are not applicable to the company.
- (xxi) The Company do not have any Subsidiaries, Joint ventures or Associates. Accordingly, paragraph 3(xxii) is not applicable to the company.

DMRN & Associates
Chartered Accountants,
Firm Reg. No.- 008100N



CA Bhawna Bansal
Partner
Mem. No. 506759



UDIN : 24506759 BK E I J E 2008
Place : Gurugram
Date : 14-05-2024

Annexure – “B” to Independent Auditor’ Report

As referred to in our Independent Auditors’ Report to the Members of the **Powergrid Energy Services Limited** on the Financial Statements for the Year Ended 31st March 2024, we Report that:

Sl. No	Directions u/s 143(5) of the Companies Act, 2013	Auditor’s reply on action taken on the directions	Impact on financial
1	Whether the company has system in place to process all the accounting transactions through IT system? If yes, then the implications of accounting transaction outside IT system on the integrity of accounts along with the financial implications, if any, may be stated.	All accounting transactions of the company are processed through the ERP (SAP System) that has been implemented by the Company. No accounting transaction is being recorded /processed otherwise than through the ERP system in place. Hence no further disclosure is required in this regard.	NIL
2	Whether there is any restructuring of any existing loan or cases of waiver/write off of debts/loans/ interest etc. made by a lender to the company 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).	There are no cases of restructuring of existing loan or cases of waiver/write off of debts/loans/interest etc.	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.	No fund has been received from Central/State Government or its agencies.	NIL

DMRN & Associates,

Chartered Accountants

Firm Registration No.008100N


CA Bhawna Bansal
Partner
Mem. No: 506759



UDIN: 24506759BKEIJE 2008

Place: Gurugram

Date: 14-05-2024

ANNEXURE – “C”

As referred to in our Independent Auditors’ Report to the members of the **POWERGRID ENERGY SERVICE LIMITED** on the Financial Statements for the year ended 31st March 2024

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

We have audited the Internal Financial Controls over Financial Reporting of the company as at 31st March 2024 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 Board of Directors of the Company is responsible for establishing and maintaining Internal Financial Control based on “the Internal Control over Financial Reporting criteria established by the Company considering the essential components of internal control stated in the Guidance Note on Audit of Internal Financial Controls over Financial Reporting issued by the Institute of Chartered Accountants of India (ICAI)”. These responsibilities include the design, implementation and maintenance of adequate Internal Financial Controls that were operating effectively for ensuring the orderly and efficient conduct of its business, 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 Companies Act, 2013.

We note that the board of the company has approved to operate and manage the financial reporting process of the company through group company employees deputed by the parent company and that the company does not have any employee on its role. The financial statements and related information and reports produced for our audit are prepared and presented under the control of corporate financial reporting team and the management of the company has confirmed that they comply with the internal financial control over financial reporting as adopted by the parent company.



Auditors' Responsibility

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

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

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

Meaning of Internal Financial Controls over Financial Reporting

A company's internal financial control over financial reporting is a process designed to provide reasonable assurance regarding the reliability of financial reporting and the preparation of financial statements for external purposes in accordance with generally accepted accounting principles. A company's internal financial control over financial reporting includes those policies and procedures that:

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



financial statements.

Limitations of Internal Financial Controls over Financial Reporting

Because of the inherent limitations of internal financial controls over financial reporting, internal financial controls being managed through employees deputed from parent company including chief financial officer of the company, including the possibility of collusion or improper management override of controls, material misstatements due to error or fraud may occur and not be detected. Also, projections of any evaluation of the internal financial controls over financial reporting to future periods are subject to the risk that the internal financial controls over financial reporting may become inadequate because of changes in conditions, or that the degree of compliance with the policies or procedures may deteriorate.

Opinion

In our opinion, the Company has, in all material respects, an adequate Internal Financial Controls System over Financial Reporting and such Internal Financial Controls over Financial Reporting were operating effectively as at 31st March 2024, based on "the Internal Financial Controls over Financial Reporting criteria established by the Company considering the essential components of Internal Control stated in the Guidance Note on Audit of Internal Financial Controls Over Financial Reporting issued by the Institute of Chartered Accountants of India."

DMRN & Associates,

Chartered Accountants,

Firm Reg. No. – 008100N

CA BHAWNA BANSAL

Partner

Mem. No.- 506759



UDIN: 24506759BKEIJE2008

Place: Gurugram

Date: 14-05-2024

COMPLIANCE CERTIFICATE

We have conducted the audit of annual accounts of **Powergrid Energy Services Limited** for the year ended 31st March 2024 in accordance with the directions/sub-directions issued by the C&AG of India under Section 143(5) of the Companies Act, 2013 and certify that we have complied with all the Directions/Sub-directions issued to us.

For and on behalf of DMRN & Associates,
Chartered Accountants,

Firm Registration No. 008100N



CA Bhawna Bansal

Partner

Mem. No. 506759



UDIN: 24506759BKEIJE2008

Place: Gurugram

Date: 14-05-2024

POWERGRID Energy Services Limited
(A wholly owned subsidiary of POWERGRID)
Saudamini, Plot No. - 2, Sector - 29, Gurugram, Haryana, India, 122001
CIN U40100HR2022GOI102016
Balance Sheet as at 31st March, 2024

(₹ in Lakhs)

Particulars	Note No	As at 31st March 2024	As at 31st March 2023
A ASSETS			
1 Non-current assets			
Capital work-in-progress	4	14,402.07	342.92
Deferred tax Asset (Net)	5	1.77	313.90
Other non-current assets	6	2,747.30	321.56
		17,151.14	978.38
2 Current assets			
Inventories	7	7,576.91	-
Financial Assets: -			
(i) Trade Receivables	8	264.97	-
(ii) Cash and cash equivalents	9	12.73	5.02
(iii) Bank balances other than cash & cash equivalents	10	20,287.85	4,345.82
(iv) Other current financial assets	11	-	0.04
Other current assets	12	2,050.12	260.81
		30,192.58	4,611.69
Total Assets		47,343.72	5,590.07
B EQUITY AND LIABILITIES			
1 Equity			
Equity Share capital	13	9,775.00	1,000.00
Other Equity	14	(125.64)	(933.33)
		9,649.36	66.67
2 Liabilities			
Non-current liabilities			
Financial Liabilities: -			
Other Non-Current Liabilities			
Borrowings	15	1,916.46	-
Other Non Current Financial Liabilities	16	41.19	-
		1,957.65	-
Current liabilities			
Financial Liabilities			
(i) Trade payables			
(a) Total outstanding dues of micro enterprises and small enterprises	17	248.30	-
(b) Total outstanding dues of creditors other than micro enterprises and small enterprises	17A	1,018.52	0.44
(ii) Other current financial liability	18	15,537.04	1,842.74
Other current liabilities	19	18,298.33	3,680.22
Provisions	20	634.52	-
Current Tax Liabilities (Net)	21	-	-
		35,736.71	5,523.40
Total Equity and Liabilities		47,343.72	5,590.07

The accompanying notes (1 to 46) form an integral part of financial statements

As per our report of even date

For and on behalf of The Board of Directors


For DMRN & Associates

Chartered Accountants
Firm Reg.No.-008100N


CA Bhawna Bansal
Partner
M.No.-506759



Place: Gurgaon
Date: 14-05-2024
UDIN: 24506759BKETJE2008


Pankaj Agarwal
Director, PESL
DIN: 08812158
Place: Gurgaon
Date: 14-MAY-24





D N Rozekar
Director, PESL
DIN: 09806223
Place: Gurgaon
Date: 14-MAY-24




Anshu Meena
(Chief Financial Officer)
PAN: AUMPM6699P
Place: Gurgaon
Date: 14-MAY-24




Satyaprakash Dash
(Company Secretary)
PAN: AEEPDP9656D
Place: Gurgaon
Date: 14-MAY-24



POWERGRID Energy Services Limited
(A wholly owned subsidiary of POWERGRID)
Saudamini, Plot No. - 2, Sector - 29, Gurugram, Haryana, India, 122001
CIN U40100HR2022GOI102016

Statement of Profit and Loss for year ended 31st March 2024

(₹ in Lakh)

Sl. No.	Particulars	Note No.	For the year ended 31st March, 2024	For the period 14th March, 2022 to 31st March, 2023
I	Revenue From Operations	22	6,714.95	-
II	Other Income	23	815.47	2.57
III	Total Income (I+II)		7,530.42	2.57
IV	EXPENSES			
	Finance costs	24	-	-
	Depreciation and amortization expense			
	Other expenses	25	6,237.67	1,249.80
	Total expenses (IV)		6,237.67	1,249.80
V	Profit before Tax (III-IV)		1,292.75	(1,247.23)
VI	Tax expense:			
	Current tax - For Current Year		172.93	-
	- For Earlier Years			
	Deferred tax		312.13	(313.90)
			485.06	(313.90)
VII	Profit for the period (V-VI)		807.69	(933.33)
VIII	Other Comprehensive Income			
	Items that will not be reclassified to profit or loss (net of tax)			
IX	Total Comprehensive Income for the period (VII+VIII)		807.69	(933.33)
X	Paid up Equity Share Capital (Face value of share : ₹ 10/- each)		9,775.00	1,000.00
XI	Reserves (excluding Revaluation Reserve) as per balance sheet		(125.64)	(933.33)
XII	Earnings per equity share (Face value of ₹10/- each): Basic (In ₹)		7.21	(42.07)
XIII	Earnings per equity share (Face value of ₹10/- each): Diluted (In ₹)		7.21	(42.07)

The accompanying notes (1 to 46) form an integral part of financial statements

As per our report of even date

For DMRN & Associates

Chartered Accountants

Firm Reg.No.-008100N


CA Bhawna Bansa
Partner
M.No.-506759



For and on behalf of The Board of Directors


Purshottam Agarwal

Director, PESL

DIN: 08812158

Place: Gurgaon

Date: 14-MAY-24




D N Rozekar

Director, PESL

DIN: 09806223

Place: Gurgaon

Date: 14-MAY-24



Place: Gurgaon

Date: 14-05-2024

UDIN: 24506759BKEIJE2008


R N Meena

(Chief Financial Officer)

PAN: ACMPM6699P

Place: Gurgaon

Date: 14-MAY-24




Satyaprakash Dash

(Company Secretary)

PAN: AEEP9656D

Place: Gurgaon

Date: 14-MAY-24



POWERGRID Energy Services Limited
(A wholly owned subsidiary of POWERGRID)
Saudamini, Plot No. - 2, Sector - 29, Gurugram, Haryana, India, 122001
CIN U40100HR2022GOI102016

Statement of cash flows for the year ended 31st March, 2024

(₹ in Lakh)

Sl. No.	Particulars	For the year ended 31st March, 2024	For the period 14th March, 2022 to 31st March, 2023
A	CASH FLOW FROM OPERATING ACTIVITIES		
	Profit before tax	1,292.75	(1,247.23)
	Adjustments for:		
	Interest income from bank on deposits	(815.46)	(2.57)
	Interest Income from others	(0.01)	
	Provisions- Warranty obligation	634.52	
		(180.95)	(2.57)
	Operating profit before Changes in Assets and Liabilities	1,111.80	(1,249.80)
	Adjustment for changes in Assets and Liabilities:		
	(Increase)/Decrease in Inventory	(7,576.91)	-
	(Increase)/Decrease in Trade Receivables	(264.97)	-
	(Increase)/Decrease in Other current financial assets	0.04	(0.04)
	(Increase)/Decrease in Other current assets	(1,789.31)	(260.81)
	Increase/(Decrease) in Trade Payables	1,266.38	0.44
	Increase/(Decrease) in Other current financial liabilities	13,694.30	1,499.82
	Increase/(Decrease) in Other current liabilities	14,618.11	3,680.22
	Increase/(Decrease) in Other Non current financial liabilities	41.19	
		19,988.83	4,919.63
	Cash generated from operations	21,100.63	3,669.83
	Direct Taxes (Paid)/Refund	(561.25)	(0.28)
	Net Cash Flow from operating activities	20,539.38	3,669.55
B	CASH FLOW FROM INVESTING ACTIVITIES		
	Capital work in progress (including advance for capital expenditure)	(16,096.57)	(321.28)
	Interest income from banks	815.46	2.57
	Interest Income from others	0.01	-
	Bank Deposits made	(15,942.03)	(4,345.82)
	Net Cash used in Investing Activities	(31,223.13)	(4,664.53)
C	CASH FLOW FROM FINANCING ACTIVITIES		
	Proceeds from issue of shares	8,775.00	1,000.00
	Proceeds from Borrowings		
	Non Current	1,916.46	-
	Net cash from financing activities	10,691.46	1,000.00
D	Net change in cash and cash equivalents (A+B+C)	7.71	5.02
E	Cash and cash equivalent (opening balance)	5.02	-
F	Cash and cash equivalent (Closing balance)	12.73	5.02

The accompanying notes (1 to 46) form an integral part of financial statements

Further notes:

Note 1 - Cash and cash equivalents consists 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.

As per our report of even date

For DMRN & Associates
Chartered Accountants
Firm Reg.No.-008100N

CA Bhawna Bansal
Partner
M.No.-506759

Place: Gurgaon

Date: 14-05-2024

UDIN: 24506759BKEIJE 2008



For and on behalf of The Board of Directors

Purshottam Agarwal

Director, PESL

DIN: 08812158

Place: Gurgaon

Date: 14-MAY-24

[Handwritten Signature]

D N Rozekar

Director, PESL

DIN: 09806223

Place: Gurgaon

Date: 14-MAY-24



[Handwritten Signature]

R N Meena

(Chief Financial Officer)

PAN: ACMPM6699P

Place: Gurgaon

Date: 14-MAY-24



Satyaprakash Dash
(Company Secretary)

PAN: AEEP9656D

Place: Gurgaon

Date: 14-MAY-24



POWERGRID Energy Services Limited
(A wholly owned subsidiary of POWERGRID)
Saudamini, Plot No. - 2, Sector - 29, Gurugram, Haryana, India, 122001
CIN U40100HR2022GOI102016
Statement of changes in Equity for the year ended 31st March, 2024

A. Equity Share Capital		(₹ in Lakh)
Particulars		Total
As at 01st April, 2023		1,000.00
Changes during the year (refer note 13)		8,775.00
As at 31st March, 2024		9,775.00
Particulars		Total
As at 14th March, 2022		-
Changes during the year (refer note 13)		1,000.00
As at 31st March, 2023		1,000.00

B. Other Equity			(₹ in Lakh)
Particulars	Reserve & Surplus		Total
	Retained Earnings		
As at 01st April, 2023	(933.33)		(933.33)
Total Comprehensive income for the period	807.69		807.69
As at 31st March, 2024	(125.64)		(125.64)

(₹ in Lakh)			
Particulars	Reserve & Surplus		Total
	Retained Earnings		
As at 14th March, 2022	-		-
Total Comprehensive income for the period	(933.33)		(933.33)
As at 31st March, 2023	(933.33)		(933.33)

The accompanying notes (1 to 46) form an integral part of financial statements
Refer to Note 14 for Nature and movement of Other Equity

As per our report of even date

For DMRN & Associates
Chartered Accountants
Firm Reg.No.-008100N


CA Bhawna Bansal
Partner
M.No.-506759
Place: Gurgaon
Date: 14-05-2024
UDIN: 24506759BKEIJC2008




For and on behalf of The Board of Directors



Parshottam Agarwal
Director, PESL
DIN: 08812158
Place: Gurgaon
Date: 14-MAY-24




D N Rozekar
Director, PESL
DIN: 09806223
Place: Gurgaon
Date: 14-MAY-24




R N Meena
(Chief Financial Officer)
PAN: ACMPM6699P
Place: Gurgaon
Date: 14-MAY-24




Satyaprakash Dash
(Company Secretary)
PAN: AEEP9656D
Place: Gurgaon
Date: 14-MAY-24



Notes to Financial Statements

1. Corporate and General Information

POWERGRID Energy Services 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 (POWERGRID). The registered office of the Company is situated at Saudamini, Plot No. - 2; Sector - 29, Gurugram, Haryana, 122001, India.

The company is engaged in business of investing and/or act as Project Management Consultant in new and emerging business areas viz. Energy Management, Transmission & Distribution business, Electric Vehicle charging infrastructure, Energy Storage, Smart Grid etc.

The financial statements of the company for the year ended 31 March 2024 were approved for issue by the Board of Directors on 14th May 2024.

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 and the provisions of Electricity Act, 2003, in each case, to the extent applicable and as amended thereafter.

ii) Basis of Measurement

The financial statements have been prepared on accrual basis and under the historical cost convention except certain financial assets and liabilities measured at fair value (Refer Note no. 2.11 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 lakhs and two decimals thereof, except as stated otherwise.

iv) Use of estimates

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



the revision and future periods if the revision affects both current and future years (refer Note no. 3 on critical accounting estimates, assumptions and judgments).

v) Current and non-current classification

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

An asset is current when it is:

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

All other assets are classified as non-current.

A liability is current when:

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

All other liabilities are classified as non-current.

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

The Company recognizes twelve months period as its operating cycle.

2.2 Property, Plant and Equipment

Initial Recognition and Measurement

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

Property, Plant and Equipment acquired as replacement of the existing assets are capitalized and its corresponding replaced assets removed/ retired from active use are derecognized.

If the cost of the replaced part or earlier inspection component is not available, the estimated cost of similar new parts/inspection is used as an indication of what the cost of the existing part/ inspection component was when the item was acquired or inspection was carried out.



In the case of commissioned assets, 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 leveling, clearing and grading of land if incurred for construction of building is capitalized as part of cost of the related building.

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 and Equipment is recognized in the carrying amount of the item if it is probable that future economic benefit embodied within the part will flow to the company and its cost can be measured reliably. The carrying amount of the replaced part is derecognized. The costs of the day-to-day servicing of property, plant and equipment are recognized in the Statement of Profit and Loss as incurred.

Derecognition

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

The gain or loss arising on the disposal or retirement of an item of property, plant and equipment is determined as the difference between the net disposal proceeds and the carrying amount of the asset and is recognised in the Statement of Profit and Loss on the date of disposal or retirement.

2.3 Capital Work-In-Progress (CWIP)

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

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

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

Deposit works/cost-plus contracts are accounted for on the basis of statement received from the contractors or technical assessment of work completed.

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

2.4 Intangible Assets and Intangible Assets under development



Intangible assets are measured on initial recognition at cost. After initial recognition, intangible assets are carried at cost less any accumulated amortisation and accumulated impairment losses.

Subsequent expenditure on already capitalized Intangible assets is capitalised when it increases the future economic benefits embodied in an existing asset and is amortised prospectively.

The cost of software (which is not an integral part of the related hardware) acquired for internal use and resulting in significant future economic benefits is recognized as an intangible asset when the same is ready for its use.

Expenditure incurred, eligible for capitalization under the head Intangible Assets, are carried as "Intangible Assets under Development" till such assets are ready for their intended use.

Expenditure on research is recognised as an expense when it is incurred.

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

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

2.5 Depreciation / Amortisation

Property, Plant and Equipment

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

Particulars	Useful life
a. Computers & Peripherals	3 years
b. Servers & Network Components	5 years
c. Solar PV Project Equipment	25 Years
d. Buildings (RCC frame structure)	35 years

Depreciation on spares parts, standby equipment and servicing equipment which are capitalized, is provided on straight line method from the date they are available for use over the remaining useful life of the related assets.

Mobile phones are charged off in the year of purchase.

Residual value is considered as 5% of the Original Cost for all items of Property, Plant and Equipment in line with Companies Act, 2013 except for

(i) Solar PV Project Equipment including Solar Panels for which residual value is considered as 10%

(ii) Computers and Peripherals and Servers and Network Components for which residual value is considered as Nil.



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

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.

Leasehold land is fully amortized over lease period or life of the related plant whichever is lower. Leasehold land acquired on perpetual lease is not amortized.

Intangible Assets

Cost of software capitalized as intangible asset is amortized over the period of legal right to use or 3 years, whichever is less with Nil residual value.

Afforestation charges are amortized over twenty-five years from the date of capitalization of related solar assets following the straight line method, with Nil Residual Value.

Amortisation on additions to/ deductions from Intangible Assets during the year is charged on pro-rata basis from/up to the date on which the asset is available for use/ disposed.

The amortization period and the amortization method for intangible assets is reviewed at each financial year-end and are accounted for as change in accounting estimates in accordance with Ind AS 8 "Accounting Policies, Changes in Accounting Estimates and Errors".

2.6 Borrowing Costs

Borrowing costs directly attributable to the acquisition or construction of qualifying assets are capitalized (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 held for use/consumption for operation and maintenance of assets of customers are included in inventories and recognized as expense on consumption.

Spares which do not meet the recognition criteria as Property, Plant and Equipment 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 option 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 leased assets is 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 amortized cost,
- at fair value through other comprehensive income

The classification depends on the following:

- the entity's business model for managing the financial assets and
- the contractual cash flow characteristics of the financial asset

Initial recognition and measurement

All financial assets are recognised initially at fair value plus, in the case of financial assets not recorded at fair value through profit or loss, transaction costs, if any, that are attributable to the acquisition of the financial asset. However, trade receivables that do not contain a significant financing component are measured at transaction prices.

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 recognized 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 credit risk since initial recognition. If credit risk has not increased significantly, 12-month 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 obligations to deliver cash or another financial asset to another entity or to exchange financial assets or financial liabilities with another entity under conditions that are potentially unfavorable to the Company.

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

Classification, initial recognition and measurement

Financial liabilities are recognized 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. Amortized 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 recognized in the Statement of Profit and Loss when the liabilities are derecognized.

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

Derecognition of financial liability

A financial liability is derecognized 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 recognized in the 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 realize 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. Exchange differences arising from foreign currency translation are recognized in the Statement of Profit and Loss..

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 recognizes revenue when it transfers control of a product or service to a customer.

Amounts disclosed as revenue are net of returns, trade allowances, rebates.

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.

Amounts disclosed as revenue are net of returns, trade allowances, rebates.

2.14.1 Revenue from Operations

Revenue from services rendered over a period of time, such as maintenance contracts, are recognised on straight line basis over the period of the performance obligation or as per the terms of the contract with the customer.

Revenue from construction/installation contracts is recognised in proportion to the stage of completion of the work performed, as per technical assessment of progress of services rendered, at the reporting date, which is determined based on input method.

Revenue from Power Supply is recognised based on the rates as per the Power Purchase Agreements (PPA) entered with Distribution Companies and trading of power through power exchanges.

As at each reporting date, income includes an accrual for services rendered to the customers but not yet billed.



Rebates on early payment are deducted from the amount of revenue and other variable considerations like incentives and performance bonuses are included in revenue

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).

Surcharge recoverable from trade receivables, liquidated damages, warranty claims and interest on advances to suppliers are recognized when no significant uncertainty as to measurability and collectability exists.

Scrap other than steel scrap & conductor scrap are accounted for as and when sold.

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

Dividend income is recognized when right to receive payment is established

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

2.15 Government Grants

Grants-in-aid from Central Government or other authorities towards capital expenditure for projects, betterment of transmission systems, to boost battery Storage Projects to expand renewable energy capacity and specific depreciable assets initially are treated as deferred income when there is a reasonable assurance that they will be received and the Company will comply with the conditions associated with the grant. Deferred Income is recognized in the Statement of Profit and Loss over the useful life of related asset in proportion to which depreciation on these assets is provided. In case of non-monetary government grants, both asset and grant are recorded at nominal value.

Grants that compensate the Company for expenses incurred recognized over the period in which the related costs are incurred and deducted from the related expenses.

2.16 Dividends

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

2.17 Provisions and Contingencies

a) Provisions

Provisions are recognised when the Company has a present obligation (legal or constructive) as a result of a past event, it is probable that an outflow of resources embodying economic benefits will be required to settle the obligation and a reliable estimate can be made of the amount of the obligation. If the effect of the time value of money is material, provisions are discounted. Unwinding of the discount is recognised in the Statement of Profit and Loss as a finance cost. Provisions are reviewed at each Balance Sheet date and are adjusted to reflect the current best estimate.



Provision for warranties:

Provision is made for estimated liability in respect of warranty cost in the year of service. Warranty costs are estimated by the Management on the basis of a technical evaluation and based on specific warranties, claims and claim history.

Provision for warranty is expected to be utilised over a period of one to thirty years

b) Contingencies

Contingent liabilities are disclosed on the basis of judgment of the management / independent experts. These are reviewed at each balance sheet date and are adjusted to reflect the current management estimate.

Contingent liabilities are disclosed when there is a possible obligation arising from past events, the existence of which will be confirmed only by the occurrence or non-occurrence of one or more uncertain future events not wholly within the control of the Company or a present obligation that arises from past events where it is either not probable that an outflow of resources will be required to settle or a reliable estimate of the amount cannot be made. Information on contingent liability is disclosed in the Notes to the Financial Statements.

Contingent assets are possible assets that arise from past events and whose existence will be confirmed only by the occurrence or non-occurrence of one or more uncertain future events not wholly within the control of the Company. Contingent assets are disclosed in the financial statements when inflow of economic benefits is probable on the basis of judgment of management. These are assessed continually to ensure that developments are appropriately reflected in the financial statements.

2.18 Share capital and Other equity

Ordinary shares are classified as equity.

Incremental costs directly attributable to the issue of new shares are shown in equity as a deduction, net of tax, from the proceeds.

2.19 Prior Period Items

Material prior period errors are corrected retrospectively by restating the comparative amounts for prior period presented in which the error occurred or if the error occurred before the earliest period presented, by restating the opening statement of financial position.

2.20 Earning per share

Basic earnings per share is computed using the net profit or loss for the year attributable to the shareholders and weighted average number of shares outstanding during the year.

Diluted earnings per share is computed using the net profit or loss for the year attributable to the shareholders and weighted average number of equity and potential equity' shares outstanding during the year, except where the result would be anti-dilutive.

2.21 Statement of Cash Flows

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

3 Critical Estimates and Judgments



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

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

The areas involving critical estimates or judgments are:

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 is adjusted prospectively, if appropriate.

Provision for warranties:

Provision is estimated in respect of warranty cost in the year of service and it represents the management's best estimate of the future outflow of economic benefit that will be required under the Company's obligation for warranties. It is estimated by the management on the basis of a technical evaluation and based on specific warranties, claims and claim history. The determination of provision for warranties takes into account assumptions which is a subject matter of judgement.

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 the 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



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Note 4/ Capital Work in Progress

Particulars	As at 31st March 2024				E = (A+B+C-D)
	As at 01st April, 2023	Additions during the period	Adjustments	Capitalized during the period	
Plants and Equipments (including associated civil works)	-	-	-	-	-
Construction Stores (net of Provision)	-	13,634.67	-	-	13,634.67
Expenditure during construction (net)	342.92	424.48	-	-	767.40
Total	342.92	14,059.15	-	-	14,402.07

Refer Note # 43 (b) for ageing schedule of Capital WIP.

Note 4A/ Capital Work in Progress

Particulars	As at 31st March 2023	
	As at 31st March 2024	As at 31st March 2023
Construction Stores		
Others	13,634.67	-
Total	13,634.67	-
Construction Stores include:		
i) Material In Transit	13,634.67	-
Total	13,634.67	-

Further Notes:-

1. Refer Note No 43 (b) for ageing of Capital Work in Progress (CWIP) and for CWIP completion schedule for the projects whose completion is overdue or has exceeded its cost compared to original plan.



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Note 5/ Deferred Tax Assets/(Liabilities) (net)

(₹ in Lakh)

Particulars	As at 31st March 2024	As at 31st March 2023
Deferred Tax Assets (A)		
Brought Forward Business Loss	-	312.04
Preliminary Expenses	1.77	1.86
Total Deferred Tax Assets (A)	1.77	313.90

Movements in Deferred Tax Assets

(₹ in Lakh)

Particulars	Unused Tax Losses	Preliminary Expenses to be written off in 5 years	Total
As at 31st March, 2023	312.04	1.86	313.90
Charged/(Credited) to Profit or Loss	312.04	0.09	312.13
As at 31st March, 2023	-	1.77	1.77

Amount Taken to Statement of Profit and Loss

(₹ in Lakh)

Particulars	As at 31st March, 2024	As at 31st March, 2023
(Increase)/Decrease in Deferred Tax Assets	312.13	(313.90)
Increase/(Decrease) in Deferred Tax Liabilities		-
Net amount taken to Statement of Profit and Loss	312.13	(313.90)



Particulars	As at 31st March, 2024	As at 31st March, 2023
Note 6/Other non-current assets		
	(₹ in Lakh)	
Other non-current assets	Amount (Rs.)	Amount (Rs.)
A) Advance for Capital Expenditure		
Unsecured		
a) Against bank guarantees	1,993.57	-
b) Others	365.13	321.28
	2,358.70	321.28
B) Advance other than for Capital Expenditure		
Advance Tax and Tax Deducted at Source	388.6	0.28
	388.6	0.28
Total	2,747.30	321.56

Particulars	Amount (Rs.)	Amount (Rs.)
Note 7/Inventories		
	(₹ in Lakh)	
Inventories	Amount (Rs.)	Amount (Rs.)
Components, Spares & Other Spare Parts	7,575.84	-
Loose Tools	1.07	-
Total	7,576.91	-

Particulars	Amount (Rs.)	Amount (Rs.)
Note 8/Trade Receivables		
	(₹ in Lakh)	
Trade Receivables	Amount (Rs.)	Amount (Rs.)
i) Trade Receivables from Related Parties- Unsecured	264.97	-
Considered Good	-	-
Total	264.97	-

Further Notes:-

- a) Refer note no. 41 for disclosure as per IND AS 115 "Revenue from Contracts with Customers" & Note no. 33 for details of trade receivables from related parties
b) Trade Receivables includes unbilled receivables amounting to ₹ 34.37 Lakhs (Previous Year ₹ Nil)
c) Aging of Trade Receivables is as follows:

Aging of Trade Receivables 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	(₹ in Lakhs)	
									Total	
As at 31.03.2024										
Considered- Good	Disputed	-	-	-	-	-	-	-	-	-
	Undisputed	34.37	-	230.60	-	-	-	-	-	264.97
Significant increase in Credit Risk	Disputed	-	-	-	-	-	-	-	-	-
	Undisputed	-	-	-	-	-	-	-	-	-
Credit Impaired	Disputed	-	-	-	-	-	-	-	-	-
	Undisputed	-	-	-	-	-	-	-	-	-
Total		34.37	-	230.60	-	-	-	-	-	264.97
As at 31.03.2023										
Considered- Good	Disputed	-	-	-	-	-	-	-	-	-
	Undisputed	-	-	-	-	-	-	-	-	-
Significant increase in Credit Risk	Disputed	-	-	-	-	-	-	-	-	-
	Undisputed	-	-	-	-	-	-	-	-	-
Credit Impaired	Disputed	-	-	-	-	-	-	-	-	-
	Undisputed	-	-	-	-	-	-	-	-	-
Total		-	-	-	-	-	-	-	-	-



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Particulars	As at 31st March, 2024	As at 31st March, 2023
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Note 9/Cash and cash equivalents

			(₹ in Lakh)
	Cash and cash equivalents	Amount (Rs.)	Amount (Rs.)
	Balance with Banks		
1	In Current Account	12.73	5.02
	Total	12.73	5.02

Note 10/Bank balances other than cash & cash equivalents

			(₹ in Lakh)
	Bank balances other than cash & cash equivalents	Amount (Rs.)	Amount (Rs.)
	Balance with Banks: -		
1	In Term Deposit (with maturity over 3 months but upto 12 months) (For Consultancy Clients and others)(Including interest accrued)	20,287.85	4,345.82
	Total	20,287.85	4,345.82

Note 11/Other Current Financial Assets

			(₹ in Lakh)
	Other Current Financial Assets	Amount (Rs.)	Amount (Rs.)
	Others		
1	TDS Recovery on Provision	0.00	0.04
	Total	-	0.04

Note 12/Other Current Assets

			(₹ in Lakh)
	Other Current Assets	Amount (Rs.)	Amount (Rs.)
	Advance Other than for Capital Expenditure: -		
	Balance with Customs Port Trust and other authorities	-	
	Others*		
	Considered Good	2,050.12	260.81
	Total	2,050.12	260.81

Further Notes:

* Others include input tax credit- GST etc.



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Note 13 / Equity Share Capital

	(₹ in Lakh)	
	As at 31st March 2024 Amount (Rs.)	As at 31st March 2023 Amount (Rs.)
Equity Share Capital		
Authorised Share Capital (15,00,00,000 equity shares of Rs. 10/- each at par)	15,000.00	1,000.00
Issued, Subscribed and Paid up Share Capital		
9,77,50,000 fully paid up equity shares of Rs. 10/- each at par	9,775.00	1,000.00
Total	9,775.00	1,000.00

Further Notes: -

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

Particulars	For the year ended 31st March, 2024		For the year ended 31st March, 2023	
	No. of Shares	Amount (Rs.)	No. of Shares	Amount (Rs.)
Shares Outstanding at the beginning of the period	1,00,00,000.00	10,00,00,000.00		
Add:- Shares issued During the period*	8,77,50,000.00	87,75,00,000.00	1,00,00,000.00	10,00,00,000.00
Shares Outstanding at the end of the period	9,77,50,000.00	97,75,00,000.00	1,00,00,000.00	10,00,00,000.00

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

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

4) Shareholders holding more than 5% equity shares of the company

Particulars	As at 31st March 2024		As at 31st March 2023		% Change
	No. of Shares	% of holding	No. of Shares	% of holding	
Power Grid Corporation of India Limited (POWERGRID)(Holding Company) #	9,77,50,000.00	100%	1,00,00,000.00	100%	-

5) Shareholding by promoters

Particulars	As at 31st March 2024		As at 31st March 2023		% Change
	No. of Shares	% of holding	No. of Shares	% of holding	
Power Grid Corporation of India Limited (POWERGRID) (Holding Company) #	9,77,50,000.00	100%	1,00,00,000.00	100%	-

Out of 9,77,50,000 (Previous Year 1,00,00,000) Equity Shares, 6 Equity Shares are held by Nominees of M/s. Power Grid Corporation of India Limited on its behalf. M/s. Power Grid Corporation of India Limited is the promoter of the company and there is no change in equity holding percentage during the year.



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Particulars	As at 31st March, 2024	As at 31st March, 2023
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Note 14/Other Equity

(₹ in Lakh)		
Other Equity	Amount (Rs.)	Amount (Rs.)
Reserve and Surplus		
Retained Earnings: -		
Balance at the beginning of the period	(933.33)	-
Add:- Net profit for the period	807.69	(933.33)
Balance at the end of the period	(125.64)	(933.33)

General Reserve is retained earnings of the company which are kept aside out of company's profits. It is a free reserve which can be utilized to meet any unknown future contingencies and to pay dividends to shareholders

Note 15/Borrowings

(₹ in Lakh)		
Borrowings	Amount (Rs.)	Amount (Rs.)
Loan from Power Grid Corporation of India limited (Holding Company)	1,916.46	-
Total	1,916.46	-

Further Notes: -

- 1) The Loans being extended to the company by Holding Company are floating interest rate which get reset periodically. The present rate of interest on the loan is 7.70% p.a. Loan is repayable in Quarterly installments of equal amount over the period of 17 Years from commissioning of the Smart Metering Project 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. 33 for details of loan from Related Party.

Note 16/Other Non current financial Liabilities

(₹ in Lakh)		
Other Non current financial Liabilities	Amount (Rs.)	Amount (Rs.)
Deposit/Retention money from contractor and others	41.19	-
Total	41.19	-

Note 17/Trade Payables MSE

(₹ in Lakh)		
Trade Payables MSE	Amount (Rs.)	Amount (Rs.)
Total o/s dues of creditors of MSE	248.30	-
Total	248.30	-

Note 17A/Trade Payables Other than MSE

(₹ in Lakh)		
Trade Payables Non MSE	Amount (Rs.)	Amount (Rs.)
Total o/s dues of creditors of other than MSE	296.35	0.44
Total o/s dues of creditors of other than MSE- Related Parties	722.17	-
Total	1,018.52	0.44

Aging of Trade payables is as follows

Particulars	(₹ in Lakhs)					
	Not Billed	<1Y	1Y-2Y	2Y-3Y	>3Y	Total
As at 31.03.2024						
MSME						
Disputed		-	-	-	-	-
Undisputed	189.46	58.84	-	-	-	248.30
Total	189.46	58.84	-	-	-	248.30
Others						
Disputed		-	-	-	-	-
Undisputed	291.27	727.25	-	-	-	1,018.52
Total	291.27	727.25	-	-	-	1,018.52
Total Trade Payables	582.54	1,454.50	-	-	-	1,266.82
As at 31.03.2023						
MSME						
Disputed		-	-	-	-	-
Undisputed		-	-	-	-	-
Total	-	-	-	-	-	-
Others						
Disputed		-	-	-	-	-
Undisputed		0.44	-	-	-	0.44
Total	-	0.44	-	-	-	0.44



Note 18/Other Current Financial Liability**(₹ in Lakh)**

Other Current Financial Liability	Amount (Rs.)	Amount (Rs.)
Others		
Due for Capital Expenditure	13,634.67	-
liabilities- Manpower on secondment from POWERGRID (Holding Company)	0.26	
Deposits/Retention money from Contractors	47.13	
Related Party Due	1,824.50	1,842.44
Interest Accrued but not due on Borrowing -from related party	30.48	
Others	-	0.30
Total	15,537.04	1,842.74

Note: - Refer Note #33 for amount payable to related party.

Note 19/Other Current Liabilities**(₹ in Lakh)**

Other Current Liabilities	Amount (Rs.)	Amount (Rs.)
Advance From Customers	18,206.83	3,663.45
Statutory Dues*	91.51	16.77
Total	18,298.34	3,680.22

* Includes TDS Liability

Note 20/Provisions**(₹ in Lakh)**

Provisions	Amount (Rs.)	Amount (Rs.)
Provisions Others	634.51	-
Total	634.51	-

Note 21/Current Tax Liabilities (Net)**(₹ in Lakh)**

Provisions	Amount (Rs.)	Amount (Rs.)
Taxation (including Interest on tax)		
As per last balance sheet	-	
Additions during the year	172.93	
Less:- TDS/Advance Tax	172.93	
Total	-	-



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Particulars	For the year ended 31st March, 2024	For the period 14th March, 2022 to 31st March, 2023
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Note 22/Revenue from Operations

(₹ in Lakh)

Revenue from Operations	Amount (Rs.)	Amount (Rs.)
Consultancy Project Management and Supervision*	6,714.95	
Total	6,714.95	-

Further Notes:

*Consultancy project management and supervision income excludes amounts received from customers (Rs. 2,496.87 Lakhs) for which performance obligation has not been satisfied as on 31st March 2024.

Note 23/Other Income

(₹ in Lakh)

Other Income	Amount (Rs.)	Amount (Rs.)
A) Interest Income from: -		
Indian Banks	815.46	2.57
Others	0.01	-
	815.47	2.57
B) Interest from Advance to Contractors	38.00	-
	38.00	-
Less:- Transferred to expenditure during construction (Net) Note 26	38.00	
Total	815.47	2.57

Note 24/Finance Cost

(₹ in Lakh)

Finance Cost	Amount (Rs.)	Amount (Rs.)
Interest and finance charges on financial liabilities at amortised cost		
Power Grid Corporation of India Limited (Holding Company)	33.87	-
	33.87	-
Less:- Transferred to expenditure during construction (Net) Note 26	33.87	
Total	-	-



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Note 25/Other Expense		
	(₹ in Lakh)	
Other Expense	Amount (Rs.)	Amount (Rs.)
Repair & maintenance		
Buildings	189.07	-
Plant & Machinery: -		
-Sub-Stations	1,048.15	-
-Transmission Lines	529.22	-
-Telecom Equipments	0.02	-
-Others	0.93	-
	1,578.32	-
Stores Consumed	2.70	
Training & Recruitment Expense	0.23	0.48
Legal Expenses	106.33	-
Professional Charges	8.09	133.70
Consultancy Charges	494.01	166.72
Communication Expenses	0.04	
Tender Expenses	4.86	
Audit Fees	0.40	0.35
Printing & Stationery	1.72	-
Books Periodicals and Journals	0.03	-
EDP hire and other charges	0.43	-
Miscellaneous expenses*	3,517.70	1,291.47
Horticulture Expenses	13.07	-
Security Expenses	4.55	-
Hiring of Vehicle	108.83	-
Rates & Taxes	1.00	
Transit Accommodation Expenses	-	
Entertainment Expense	0.37	
Others (Provision for warranty obligation)	634.53	
	6,666.28	1,592.72
Less:- Expenditure during construction (net) - refer note 26	428.61	342.92
Total	6,237.67	1,249.80

Further Notes: -

* Miscellaneous expenses includes Rs. 3,467.45 Lakhs as cost of manpower on secondment basis from POWERGRID (Holding Company).

Note 26/Expenditure during Construction (Net)

	(₹ in Lakh)	
Expenditure during Construction	Amount (Rs.)	Amount (Rs.)
A) Other Expenses		
Repair and Maintenance	0.52	-
Professional Charges	7.65	133.70
Consultancy Charges	140.67	166.72
Tender Expenses	0.78	-
Miscellaneous Expenses	271.18	42.50
Security Expenses	4.54	-
Hiring of Vehicle	2.90	
Entertainment Expense	0.37	
	428.61	342.92
B) Finance Cost		
Interest and finance charges on financial liabilities at amortised cost: -		
- Power Grid Corporation of India Limited	33.87	-
	33.87	-
C) Less:- Other Income		
Interest from: -		
Contractors	38.00	-
	38.00	-
Total (A+B-C)	424.48	342.92



27. Party Balances and Confirmations

a. Some balances shown under Assets and Payables shown under Liabilities include balances subject to confirmation/reconciliation and consequential adjustments if any. However, reconciliations are carried out on an 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.

28. Auditors Remuneration

(Rs in Lakh)			
S. No.	Particulars	For the Year ended 31 st March, 2024	For the period 14 th March, 2022 to 31 st March, 2023
1.	Audit Fees	0.40	0.35
2.	Other Matters (In other capacity)	0.00	0.00
	Total	0.40	0.35

(Applicable Taxes Extra)

29. Employee Benefits

The Company does not have any permanent employees. The personnel working for the company are from holding company on secondment basic and are working on time share 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 being paid by holding company and holding company is raising the invoice to the Subsidiary company towards Manpower Cost (Other Income)/Consultancy charges as per the agreement.

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.

30. Leases

The company does not have any lease arrangements either as a lessor or lessee therefore Ind AS 116 "leases" does not apply to the company.

31. Corporate Social Responsibilities (CSR) :

As per section 135 of the Companies Act, 2013, along with Companies (Corporate Social Responsibility Policy) Rules, 2021 read with DPE guidelines no F.N0.15 (13)/2013-DPE (GM), the Company is required to spend, in every financial year, at least two per cent of the average net profits of the company made during the three immediately preceding financial years in accordance with its Corporate Social Responsibility Policy.

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



32. Fair Value Measurements

Assets and Liabilities which are measured at amortised cost for which Fair values are disclosed

(₹ in lakh)

Financial Instruments by category	As at 31.03.2024	As at 31.03.2023
	Amortised cost	Amortised cost
Financial Assets		
Trade Receivables	264.97	0.00
Cash & cash Equivalents	12.73	5.02
Bank balances other than cash & cash equivalent	20,287.85	4,345.82
Other Current Financial Assets	0.00	0.04
Total Financial assets	20,565.55	4,350.88
Financial Liabilities		
Borrowings	1,916.46	0.00
Trade Payables MSME	248.30	0.00
Trade Payables other than MSME	1,018.52	0.44
Other Financial Liability: -		
Current	15,537.04	1,842.74
Non-Current	41.19	0.00
Total financial liabilities	18,761.51	1,843.18

(i) Fair Value Hierarchy

This section explains the judgements and estimates made in determining the fair values of the financial instruments that are (a) recognised and measured at fair value and (b) 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 lakh)

Particulars	Level	As at 31.03.2024		As at 31.03.2023	
		Carrying Amount	Fair Value	Carrying Amount	Fair Value
Financial Assets					
Total Financial Assets					
Financial Liabilities					
Borrowings	2	1,916.46	2,013.77	-	-
Deposits/retention money from contractors and others	2	41.19	36.83	-	-
Total financial liabilities		1,957.65	2,050.60		

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



Level 1: Level 1 hierarchy includes financial instruments measured using quoted prices. This includes listed equity Instruments and traded 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 include:

- i) the use of quoted market prices or dealer quotes for similar instruments
- ii) 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.

Fair value of financial instruments has been determined by an independent valuer.

33. 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 31.03.2023
Power Grid Corporation of India Limited	India	100%

(b) Subsidiaries of Holding Company

Name of the Entity	Place of business/ Country of incorporation
POWERGRID NM transmission Ltd	India
POWERGRID Unchahar Transmission Ltd	India
POWERGRID Southern Interconnector Transmission System Limited	India
POWERGRID Vemagiri Transmission Ltd	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 Teleservices Limited	India
POWERGRID Narela Transmission Limited	India
POWERGRID Gomti Yamuna Transmission Limited	India
POWERGRID Neemuch Transmission Limited	India
POWERGRID ER NER Transmission Limited	India
Powergrid Khavda RE Transmission System Limited (Erstwhile Khavda RE Transmission Limited)	India



Powergrid Khavda II-B Transmission Limited (Erstwhile Khavda 11-B Transmission Limited)	India
Powergrid Khavda II-C Transmission Limited (Erstwhile Khavda II-C Transmission Limited)	India
Powergrid KPS2 Transmission System Limited	India
Powergrid KPS3 Transmission Limited	India
Powergrid ERWR Power Transmission Limited	India
Powergrid Raipur Pool Dhamtari Transmission Limited (Erstwhile Raipur Pool Dhamtari Transmission Limited)	India
Powergrid Dharamjaigarh Transmission Limited (Erstwhile Dharamjaigarh Transmission Limited)	India
Powergrid Bhadla Sikar Transmission Limited (Erstwhile Bhadla Sikar Transmission Limited)	India
Powergrid Ananthpuram Kurnool Transmission Limited (Erstwhile Ananthpuram Kurnool Transmission Limited) ¹	India
Powergrid Bhadla III Transmission Limited (Erstwhile Bhadla III Transmission Limited) ¹	India
POWERGRID Beawar Dausa Transmission Limited (Erstwhile Beawar Dausa Transmission Limited) ²	India
POWERGRID Ramgarh II Transmission Limited (Erstwhile Ramgarh II Transmission Limited) ³	India
POWERGRID Vataman Transmission Limited (Erstwhile Vataman Transmission Limited) ⁴	India
POWERGRID Koppal Gadag Transmission Limited (Erstwhile Koppal II Gadag II Transmission Limited) ⁴	India
POWERGRID Bikaner III Neemrana Transmission Limited (Erstwhile Bikaner III Neemrana Transmission Limited) ⁵	India
POWERGRID Neemrana Bareilly Transmission Limited (Erstwhile Neemrana II Bareilly Transmission Limited) ⁵	India
Sikar Khetri Transmission Limited ⁶	India
Bidar Transmission Limited ⁶	India

¹ 100% equity acquired from PFC Consulting Limited on 27.09.2023

² 100% equity acquired from PFC Consulting Limited on 30.10.2023

³ 100% equity acquired from REC Power Development and Consultancy Limited on 26.10.2023

⁴ 100% equity acquired from PFC Consulting Limited on 26.12.2023

⁵ 100% equity acquired from PFC Consulting Limited on 27.12.2023

⁶ 100% equity acquired from REC Power Development and Consultancy Limited on 09.02.2024

(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 ¹	India
Butwal-Gorakhpur Cross Border Power Transmission Limited	India
Power Transmission Company Nepal Limited ²	Outside India

¹Under process of liquidation

²Located outside India

(d) List of Subsidiaries of Joint venture Entities

Name of entity	Place of business/ Country of incorporation
EESL EnergyPro Assets Limited ¹	Outside India
EESL Energy Solutions LLC ¹	Outside India
Convergence Energy Services Limited	India

¹Incorporated outside India

(e) Associates of Holding Company

Name of entity	Place of business/ Country of incorporation
POWERGRID Kala Amb Transmission Limited	India
POWERGRID Jabalpur Transmission Limited	India
POWERGRID Warora Transmission Limited	India
POWERGRID Parli Transmission Limited	India

(f) Key Managerial Personnel

Sl. No.	Name	Designation	Date of Appointment	Date of Cessation
1	Sreekant Kandikuppa	Chairman	14/03/2022	31/12/2023
2	Vinod Kumar Singh	Director	14/03/2022	31/05/2023
3	Ravindra Kumar Tyagi	Director	23/06/2022	07/01/2024
4	Ravisankar Ganesan	Chairman	10/01/2024	-
5	Dilip Nagesh Rozekar	Director	08/12/2022	-
6	Purshottam Agarwal	Director	02/06/2023	-
7	Rajil Srivastava	CEO	20/11/2023	-
8	Ram Niwas Meena	CFO	23/03/2023	-
9	Satyaprakash Dash	Company Secretary	20/11/2023	-

(g) 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.

(h) 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 Lakh)

Particulars	As at 31.03.2024	As at 31.03.2023
Amounts Payable: -		
1) Power Grid Corporation of India Limited (Holding Company)		
Purchase of goods and services – Consultancy, Manpower on secondment basis.	1,273.19	1,452.59
Reimbursement of expenses	78.84	389.85
Loan from Holding Company	1,916.46	-
Interest Accrued on Loan	30.48	-
Total	3,298.97	1,842.44
2) Amounts Payable to Subsidiaries of Holding Company		
A) Purchase of goods and services – Inventory		
Powergrid Southern Interconnector Transmission System Limited	19.82	-
Powergrid Medinipur Jeerat Transmission Limited	232.87	-
Powergrid Mithilanchal Transmission Limited	79.18	-
Powergrid Jawaharpur Firozabad Transmission Limited	3.41	-
Powergrid Khetri Transmission System Limited	325.84	-
Powergrid Bhind Guna Transmission Limited	10.25	-
Powergrid Ajmer Phagi Transmission Limited	348.64	-
Powergrid Fatehgarh Transmission Limited	1.13	-
Powergrid Rampur Sambhal Transmission Limited	21.19	-
Powergrid Meerut Simbhavali Transmission Limited	152.31	-
Total	1,194.64	-
Amount Receivable: -		
1) Amount Recoverable from Subsidiaries of Holding Company		
A) Sale of goods and services- O&M services		
Powergrid NM Transmission Limited	11.24	
Powergrid Southern Interconnector Transmission System Limited	55.78	
Powergrid Unchahar Transmission Limited	4.00	
Powergrid Medinipur Jeerat Transmission Limited	72.36	
Powergrid Mithilanchal Transmission Limited	23.52	
Powergrid Varanasi Transmission System Limited	7.59	
Powergrid Jawaharpur Firozabad Transmission Limited	12.44	



Powergrid Khetri Transmission System Limited	21.18	
Powergrid Bhind Guna Transmission Limited	0.26	
Powergrid Ajmer Phagi Transmission Limited	0.95	
Powergrid Fatehgarh Transmission Limited	9.20	
Powergrid Rampur Sambhal Transmission Limited	25.79	
Powergrid Meerut Simbhavali Transmission Limited	20.66	
Total	264.97	-

(i) Transactions with related parties

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

Particulars	(₹ in Lakh)	
	31.03.2024	31.03.2023
Transactions with Holding Company		
Power Grid Corporation of India Ltd		
Reimbursement of expenses	78.84	389.85
Investments Received during the year (Equity/Share application Money)	8,775.00	1,000.00
Purchase of Goods or Services – Manpower on secondment basis	3,708.24	1,239.70
Loan from Holding Company	1,916.46	-
Interest on Loan	33.87	-
Total	14,512.41	2,629.55
Transactions with Subsidiary of Holding Company		
A) Sales of Goods or Services- O&M Charges		
Powergrid NM Transmission Limited	292.40	-
Powergrid Southern Interconnector Transmission System Limited	553.78	-
Powergrid Unchahar Transmission Limited	109.65	-
Powergrid Medinipur Jeerat Transmission Limited	1,753.63	-
Powergrid Mithilanchal Transmission Limited	570.03	-
Powergrid Varanasi Transmission System Limited	197.53	-
Powergrid Jawaharpur Firozabad Transmission Limited	340.62	-
Powergrid Khetri Transmission System Limited	551.36	-
Powergrid Bhuj Transmission Limited	377.94	-



Powergrid Bhind Guna Transmission Limited	276.07	-
Powergrid Ajmer Phagi Transmission Limited	150.87	-
Powergrid Fatehgarh Transmission Limited	239.52	-
Powergrid Rampur Sambhal Transmission Limited	706.12	-
Powergrid Meerut Simbhavali Transmission Limited	595.43	-
Total	6,714.95	-
B) Purchase of Goods or Services- Inventory		
Powergrid NM Transmission Limited	350.41	-
Powergrid Southern Interconnector Transmission System Limited	332.79	-
Powergrid Medinipur Jeerat Transmission Limited	2,546.33	-
Powergrid Mithilanchal Transmission Limited	828.96	-
Powergrid Varanasi Transmission System Limited	1,226.11	-
Powergrid Jawaharpur Firozabad Transmission Limited	177.79	-
Powergrid Khetri Transmission System Limited	273.78	-
Powergrid Bhuj Transmission Limited	602.63	-
Powergrid Bhind Guna Transmission Limited	41.74	-
Powergrid Ajmer Phagi Transmission Limited	557.00	-
Powergrid Fatehgarh Transmission Limited	318.84	-
Powergrid Rampur Sambhal Transmission Limited	181.30	-
Powergrid Meerut Simbhavali Transmission Limited	152.31	-
Total	7,589.97	-

34. 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 segments have been identified on the basis of product/services. The company has a single reportable segment i.e., Energy Services.



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

35. Contingent Liabilities and Contingent Assets

There are no contingent liabilities/Assets as on 31st March, 2024 and 31st March, 2023.

36. Capital and other commitments

(Rs in Lakhs)		
Particulars	As at 31 st March, 2024	As at 31 st March, 2023
Estimated amount of contracts remaining to be executed on capital account and not provided for (net of advances)	2,73,277.79	-

37. 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: -

(₹ in Lakhs)		
Particulars	As at 31 st March, 2024	As at 31 st March, 2023
Long Term Debt	1,916.46	-
Equity	9,649.36	66.67
Long Term Debt to Equity Ratio	20:80	N/A

No changes were made in the objectives, policies or processes for managing capital during the years ended 31.03.2024 and 31.03.2023.

B) Dividends

The company did not pay any dividends during the year ended 31st March, 2024 and 31st March, 2023.

38. Earnings per share



(Amount in ₹)

Particulars	For the year ended 31.03.2024	For the year ended 31.03.2023
(a) Basic and diluted earnings per share attributable to the equity holders of the company	7.21	(42.07)
(b) Total Earnings attributable to the equity holders of the company	8,07,69,491.06	(9,33,33,150.82)
(c) Weighted average number of shares used as the denominator	1,11,98,770.49	22,18,493

39. Financial Risk Management

The Company's principal financial liabilities comprise loans and borrowings 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 recoveries are made, these are recognized in the statement of profit and loss.

(i) Trade Receivables and Contract Assets

Contract Assets primarily relates to companies right to consideration for work completed but not billed at the reporting date and have substantially same risk characteristics as the trade receivables for the same type of contract.



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

• Cash and cash equivalents

The Company held cash and cash equivalents of ₹ 12.73 lakhs (Previous Year ₹ 5.02 Lakhs). The cash and cash equivalents are held with Scheduled Commercial Bank and do not have any significant credit risk.

• Deposits with banks and financial institutions

The Company held deposits with banks and financial institutions of ₹20,287.85 Lakh (Previous Year ₹4,345.82 Lakh). Term deposits are placed with public sector banks and have negligible credit risk.

(iii) Exposure to credit risk :-

(₹ in Lakh)

Particulars	As at 31 st March, 2024	As at 31 st March, 2023
Financial assets for which loss allowance is measured using 12 months Expected Credit Losses (ECL)		
Cash and Cash equivalents	12.73	5.02
Bank Balance other than Cash & Cash equivalent	20,287.85	4,345.82
Other Current Financial Assets	-	0.04
Total	20,300.58	4,350.84
Financial assets for which loss allowance is measured using Life time Expected Credit Losses (ECL)		
Trade Receivables	264.97	-

(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.

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

The Company has customers most of whom are subsidiaries of Holding Company 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 behavior.

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

(v) Aging analysis of trade receivables

The aging analysis of the trade receivables is as below: -



Aging	Unbilled	Note due	0-30 days past due	31-60 days past due	61-90 days past due	91-120 days past due	More than 120 days past due	Total
Gross carrying amount as on 31.03.2024	34.37	-	230.60	-	-	-	-	264.97
Gross carrying amount as on 31.03.2023	-	-	-	-	-	-	-	-

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.

(i) Financing Arrangements

The company had access to the following undrawn borrowing facilities at the end of the reporting period.

(Rs. In Lakhs)

Particulars	As at 31.03.2024	As at 31.03.2023
Expiring beyond one year (Term loan from Holding Company)	1,98,083.54	-

(ii) Maturities of financial liabilities

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

(₹ in Lakh)

Contractual maturities of financial liabilities	Within a year	Between 1-5 years	Beyond 5 years	Total
As at 31.03.2024				
Borrowings (including interest outflows)	33.87	799.74	1,116.72	1,950.33
Trade payables	1,266.82	-	-	1,266.82
Other current financial liabilities	15,503.17	-	-	15,503.17
Total	16,803.86	799.74	1,116.72	18,720.32



As at 31.03.2023				
Borrowings (including interest outflows)	-	-	-	-
Trade payables	0.44	-	-	0.44
Other current financial liabilities	1,842.74	-	-	1,842.74
Others	3,680.22	-	-	3,680.22
Total	5,523.40	-	-	5,523.40

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

As on Reporting date the Company does not have any exposure to currency risk in respect of foreign currency-denominated loans and borrowings and procurement of goods and services whose purchase consideration is foreign currency.

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 the cash flows associated with floating rate borrowings. The various sources of loans being extended to the company by parent company are Fixed interest and floating interest rate which get reset periodically. The Company manages the interest rate risks by maintaining a debt portfolio of fixed and floating rate borrowings. The Company's interest rate risk is not considered significant; hence sensitivity analysis for the risk is not disclosed.

40. 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 positions.

(a) Income tax expense -

Particulars	(₹ in Lakh)	
	For the year ended 31st March, 2024	For the period 14th March, 2022 to 31st March, 2023
Current Tax		
Current tax on profits for the year	172.93	0.00
Adjustments for current tax of prior periods	0.00	0.00
Total current tax expense (A)	172.93	0.00
Deferred Tax expense		
Origination and reversal of temporary differences	312.13	(313.90)
Previously unrecognized tax credit recognized as Deferred tax Asset this year	0.00	0.00



Total deferred tax expense /(benefit) (B)	312.13	(313.90)
Income Tax Expense (A+B)	485.06	(313.90)

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

(₹ in Lakh)

Particulars	For the year ended 31st March, 2024	For the period 14th March, 2022 to 31st March, 2023
Profit/(loss) before income tax expense	1,292.75	(1,247.23)
Tax using Company's Domestic Tax rate @ 25.168% (Previous Year @ 25.168%)	325.36	(313.90)
Tax effect of:		
Add:- Non-Deductible tax items	159.70	0.00
Less:- Tax exempt income	0.00	0.00
Less:- Deferred Tax expense/(income)	312.13	(313.90)
Income tax expense	172.93	0.00

41. Disclosure on Ind AS 115 "Revenue from Contracts with Customers"

a) For milestone-based contracts (consultancy contracts), unsatisfied performance obligation is as follows: -

(₹ in Lakh)

Particulars	As at 31st March, 2024	As at 31st March, 2023
Transaction price related to unsatisfied (or partially satisfied) performance obligation	2,496.87	-
These performance obligations are expected to be satisfied within	2 years	-

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

(₹ in Lakh)

Particulars	As at 31st March, 2024	As at 31st March, 2023
Balance at the beginning	-	-
Add: Revenue recognised during the period	6,714.95	-
Less: Invoiced/transferred to trade receivables during the period	6,680.58	-
Balance at the end	34.37	-

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



(₹ in Lakh)

Particulars	As at 31 st March, 2024	As at 31 st March, 2023
Balance at the beginning	-	-
Add: Advance billing during the period	2,496.87	-
Less: Revenue recognised during the period	-	-
Balance at the end	2,496.87	-

d) The entity determines transaction price based on expected value method considering its past experiences of refunds or significant reversals in amount of revenue. In estimating significant financing component, management considers the financing element in-built 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 Lakh)

Particulars	As at 31 st March, 2024	As at 31 st March, 2023
Contracted Price	6,490.06	-
Add/ (Less)- Discounts/ rebates provided to customer	-	-
Add/ (Less)- Performance bonus	224.89	-
Add/ (Less)- Adjustment for significant financing component	-	-
Add/ (Less)- Other adjustments	-	-
Balance at the end	6,714.95	-

42. Borrowing cost capitalised during the year is ₹33.87 Lakhs (Previous Year ₹Nil) in the respective carrying amount of Capital work in Progress (CWIP) as per Ind AS 23 'Borrowing Costs'.

43. Based on the 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 Lakh)

Sr. No.	Particulars	Trade Payables		Others	
		As at 31.03.2024	As at 31.03.2023	As at 31.03.2024	As at 31.03.2023
1	Principal amount and interest due thereon remaining unpaid to any				



	supplier as at end of each accounting year:				
	Principal	248.30	-	-	-
	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	-	-	-	-

44. 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) i. Aging of Capital Work in Progress is as follows:

Particulars	(₹ in Lakh)				
	<1 Year	1-2 Years	2-3 Years	>3 Years	Total
As at 31.03.2024					
Construction of Solar PV Plant at MP Nagda	11,084.46	342.92	-	-	11,427.39
Smart Metering Project in the state of Gujarat	2,974.69	-	-	-	2,974.69
Total	14,059.15	342.92	-	-	14,402.07
As at 31.03.2023					
Construction of Solar PV Plant at MP Nagda	342.92	-	-	-	342.92



Total	•	342.92	-	-	-	342.92
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ii. For capital-work-in progress (CWIP), the completion of Project is neither overdue, nor has exceeded its cost compared to its original plan.

- c) The company has no intangible assets under development as at 31.03.2024 (Previous Year Nil). Additionally, the company does not have any Intangible asset under development as at 31.03.2024 (Previous Year Nil), whose completion is overdue or has exceeded its cost compared to its original plan.
- d) 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.
- e) The Company is not sanctioned any working capital limit secured against current assets by any Finance Institutions.
- f) The company was not declared as a willful defaulter by any bank or financial Institution or other lender during the financial year.
- g) The company does not have any transactions or Outstanding balance with struck off companies.
- h) The Company does not have any Charges on the Assets of the Company.
- i) The company does not have any Subsidiary Company as such provisions with respect to compliance 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 are not applicable during the financial year.
- j) Ratios

Ratio	Numerator	Denominator	Current Year	Previous Year	Variance (%age)	Reason for variance >25%
(a) Current Ratio	Current Assets	Current Liabilities	0.84	0.83	1.20%	
(b) Debt-Equity Ratio	Total Debt	Shareholder's Equity	0.20	-	100%	Company started its operations in FY 22-23 and obtained debt in the current year.
(c) Debt Service Coverage Ratio	Profit for the period + Depreciation	Interest & Lease Payments	23.85	-	100%	Company started its operations in FY 22-23 and obtained debt in the current year.
(d) Return on Equity Ratio	Profit for the period	Average Shareholder's Equity	0.17	-28.00	100.71%	Company started its operations in FY 22-23 and company is reporting profits for the first time.



(e) Inventory turnover ratio	Revenue from Operations	Average Inventory	1.77	-	100%	Company started its operations in FY 22-23 and company purchased inventory in current financial year
(f) Trade Receivables turnover ratio	Revenue from Operations	Average Trade Receivables (before deducting provision)	50.68	-	100%	Company started its operations in FY 22-23 and revenue from operations started in FY 23-24.
(g) Trade payables turnover ratio	Gross Other Expense (-) FERV, Provisions, Loss on disposal of PPE	Average Trade payables	8.84	5674.38	99.84%	Company started its operations in FY 22-23 and revenue from operations started in FY 23-24.
(h) Net capital turnover ratio	Revenue from Operations	Current Assets - Current Liabilities	(1.21)	-	100%	Company started its operations in FY 22-23 and revenue from operations started in FY 23-24.
(i) Net profit ratio	Profit for the period	Revenue from Operations	0.12	-	100%	Company started its operations in FY 22-23 and revenue from operations started in FY 23-24.
(j) Return on Capital employed	Earnings before interest and taxes	Tangible Net Worth + Total Debt + Deferred Tax Liability	0.11	5.04	97.82%	Company started its operations in FY 22-23 and revenue from operations started in FY 23-24.
(k) Return on investment	Income from Investment + Capital Appreciation	Average Investments	-	-	-	Company does not have any investment

k) 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.

l) 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.

m) The Company has not traded or invested in Cryptocurrency or Virtual Currency during the financial year.



45. Reporting Period

The financial statements of the company has been prepared for the period from 01st April 2023 to 31st March 2024.

46. Figures have been rounded off to nearest rupee in lakh up to two decimal.

As per our report of even date.

For DMRN & Associates

Chartered Accountants

Firm Reg.No.-008100N

CA Bhawna Bansal

Partner

M.No.-506759



For and on behalf of The Board of Directors

Purshottam Agarwal

Director

DIN: 08812158

Place: Gurgaon

Date : 14-MAY-24



D N Rozekar

Director

DIN: 09806223

Place: Gurgaon

Date : 14-MAY-24



Place: Gurgaon

Date : 14-05-2024

UDIN: 24506759BKEIJE2008

R N Meena

(Chief Financial Officer)

PAN: CMPM6699P

Place: Gurgaon

Date : 14-MAY-24



Satyaprakash Dash

(Company Secretary)

PAN: AEEP9656D

Place: Gurgaon

Date : 14-MAY-24

