



# emPOWERing green GRID









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## CORPORATE INFORMATION

POWER GRID CORPORATION OF INDIA LIMITED  
CIN: L40101DL1989GOI038121

|   |  |
|---|--|
| <p><b>Registered Office</b><br/>B-9, Qutab Institutional Area, Katwaria Sarai, New Delhi - 110 016<br/>Phone No. - 011-26560112, 26560115 &amp; 26560193</p>  | <p><b>Company Secretary &amp; Compliance Officer</b><br/>Shri Satyaprakash Dash</p>  |
| <p><b>Corporate Office</b><br/>"Saudamini", Plot No. 2, Sector 29, Gurgaon - 122 001 (Haryana)<br/>Phone No. - 0124-2822999 &amp; 2822000</p>   | <p><b>Website:</b> <a href="http://www.powergrid.in">www.powergrid.in</a><br/><b>E-mail ID:</b> <a href="mailto:investors@powergrid.in">investors@powergrid.in</a></p>   |
| <b>For the Financial Year 2023-24</b>   |  |
| <p><b>Statutory Auditors:</b></p> <ol style="list-style-type: none"> <li><b>M/s S. Ramanand Aiyar &amp; Co., Chartered Accountants</b><br/>708, Surya Kiran Building, 19, Kasturba Gandhi Marg, New Delhi - 110001<br/>E-mail: bala@sraco.in</li> <li><b>M/s. Sagar &amp; Associates, Chartered Accountants</b><br/>H.No.6-3-244/5, Sarada Devi Street, Prem Nagar, Hyderabad, Telangana - 500004<br/>E-mail: sagarandassociates@yahoo.co.in</li> <li><b>M/s Suresh Surana &amp; Associates LLP, Chartered Accountants</b><br/>JK Millennium Centre, 5<sup>th</sup> Floor, 46-D, Jawahar Lal Nehru Road, Kolkata, West Bengal - 700071<br/>E-mail: ramesh@ss-associates.com</li> <li><b>M/s G. D. Apte &amp; Co., Chartered Accountants</b><br/>D - 509, Neelkanth Business Park, Nathani Road, Vidyavihar West, Mumbai - 400086<br/>E-mail: umesh.abhyankar@gdaca.com</li> </ol> | <p><b>Cost Auditors:</b></p> <ol style="list-style-type: none"> <li><b>M/s Dhananjay V. Joshi &amp; Associates, Cost Accountants</b><br/>"CMA Pride", Ground Floor, Plot No. 6, S.No. 16/6 Erandawana Co. Op. Hsg. Society, Erandawana, Pune - 411004<br/>Email: dvjasso@dvjasso.com</li> <li><b>M/s Bandyopadhyaya Bhaumik &amp; Co. Cost Accountants</b><br/>B-125, Chittaranjan Park, New Delhi-110019.<br/>Email: bbhco1994@gmail.com</li> </ol> |
| <p><b>Registrar &amp; Share Transfer Agent:</b><br/><b>Equity Shares:</b><br/><b>KFin Technologies Limited</b><br/>Selenium Building, Tower B, Plot 31-32, Financial District, Nanakramguda, Serilingampally, Hyderabad, Rangareddi, Telangana - 500032<br/>Ph. : 040-67162222<br/>Toll Free No. 18003094001   Email : einward.ris@kfintech.com<br/>Website: www.kfintech.com</p> <p><b>Bonds:</b><br/><b>BEETAL Financial &amp; Computer Services Pvt Ltd.</b><br/>BEETAL HOUSE, 3<sup>rd</sup> Floor, 99, Madangir, Behind LSC, New Delhi - 110062.   Ph. 011-29961281-283, 26051061, 26051064<br/>Telefax: 011-29961284<br/>E-mail: beetalrta@gmail.com, beetal@beetalfinancial.com</p>  | <p><b>Secretarial Auditor:</b><br/><b>M/s Kumar Naresh Sinha &amp; Associates, Company Secretaries</b><br/>121, Vinayak Apartments,<br/>Plot No.: C-58/19, Sector-62, Noida-201309 (U.P.)<br/>Mobile: 9868282032, 9810184269<br/>Email: kumarnareshsinha@gmail.com</p>   |
| <p><b>Bankers:</b><br/>State Bank of India<br/>Indian Overseas Bank<br/>Union Bank of India<br/>HDFC Bank Ltd.<br/>ICICI Bank Ltd.<br/>Axis Bank<br/>IndusInd Bank Ltd.<br/>Punjab National Bank<br/>Canara Bank<br/>IDBI Bank<br/>Bank of India</p>  |  |
| <p><b>Shares and Bonds are Listed at:</b><br/>National Stock Exchange of India Limited<br/>BSE Limited</p>  |  |
| <p><b>Depositories:</b><br/>National Securities Depository Limited<br/>Central Depository Services (India) Limited</p>  |  |
| <b>Debenture Trustees</b>   |  |
| <p><b>For Bond Series XXX to XLI, XLIII to LVI, LVIII to LXIV and LXVI to LXXVI Issue, GoI Bond Issue</b><br/>IDBI Trusteeship Services Ltd.<br/>Universal Insurance Building, Ground Floor, Sir P.M. Road Fort, Mumbai - 400001<br/>Phone: 022-40807000, Email: itsl@idbitrustee.com</p>   |  |



# ABOUT THE REPORT

## REPORTING PRINCIPLES

Power Grid Corporation of India Limited presents its second Integrated Report for the fiscal year 2023-24, offering a comprehensive overview of our financial and non-financial performance. For the purpose of this report, Power Grid Corporation of India Limited is referred to as, "POWERGRID", "the Company," "this Company," "we," "our," and "us". This report emphasizes our commitment to creating value for stakeholders by adopting a sustainable business approach that prioritizes Environmental, Social, and Governance (ESG) factors. Aligned with the International Integrated Reporting <IR> Framework established by the International Integrated Reporting Council (IIRC); we regularly enhance our report each year by providing additional disclosures. This ensures that all our stakeholders receive relevant information about our value creation process, which in turn empowers them to make well-informed decisions. Our Integrated Annual Report aims to offer both quantitative and qualitative insights into key material aspects, as well as our interactions with stakeholders.

### REPORTING PERIOD

This Integrated Report comprehensively assesses the Company's financial and nonfinancial achievements during the period from April 01, 2023, to March 31, 2024. In addition to presenting current performance metrics, comparative data spanning the last three to five years has been integrated into the report, offering valuable insights into performance trends over time.

**Responsibility Statement:** Our Board, in collaboration with management, recognizes the shared responsibility for ensuring the integrity of the information presented in this report. Both the Board and management affirm that the contents of this report are presented in a fair, transparent, and balanced manner.



## REPORTING SCOPE AND BOUNDARY

This company's financial reports, including the Directors' Report, Management Discussion and Analysis, and Corporate Governance Report, adhere to the Companies Act of 2013, Indian Accounting Standards, and the SEBI (Listing Obligations and Disclosure Requirements) Regulations of 2015. The non-financial section follows the International Integrated Reporting framework, with guidance from the Value Reporting Foundation (formerly the International Integrated Reporting Council). Key Performance Indicators (KPIs) are developed according to the Global Reporting Initiative (GRI) Standards. The Business Responsibility and Sustainability Report (BRSR) aligns with the Ministry of Corporate Affairs' National Guidelines on Responsible Business Conduct, which are in line with the United Nations Sustainable Development Goals (UN SDGs) and International Sustainability Standards Board (ISSB) pertaining to environmental, social, and governance responsibilities of businesses.

The ESG KPIs in this report delineates our business model, strategy, notable risks, opportunities, overall performance, resultant outcomes, and prospects for the fiscal year in review. During this reporting period, the non-financial aspects of POWERGRID pertain to the consolidated business activities, encompassing solely fully owned subsidiaries while excluding Joint Ventures and Associate Companies. However, financial performance calculations and reporting incorporate all entities, including Joint Ventures, Subsidiaries, and Associates, are done on a consolidated basis.

### Independent Assurance

M/s Grant Thornton Bharat LLP has conducted reasonable assurance for BRSR Core indicators as per SEBI guidelines and limited assurance for BRSR non-core and Integrated Report in line with International Standard on Assurance Engagements (ISAE) 3000.

The Financial statement's assurance is provided by four statutory auditor as mentioned in the corporate Information page.



# emPOWERing green GRID

India has set an ambitious target of achieving over 500 GW of non-fossil fuel-based electricity generation capacity by 2030. POWERGRID, the nation's largest transmission utility, is playing a pivotal role in integrating clean energy and weaving a Green Grid.



## Building the Infrastructure for Renewables

POWERGRID is actively enabling the integration of renewable energy into the national grid. We have built Green Energy Corridors to connect renewable-rich areas with the grid, established Renewable Energy Management Centers to forecast and schedule renewable generation, and implemented transmission systems for large-scale solar parks and energy zones. These projects are facilitating the evacuation of more than 110 GW of renewable energy capacity, contributing to a cleaner energy future.

## Expanding the Green Portfolio

POWERGRID is constantly innovating and expanding its service portfolio to support a sustainable future. Venturing into Green Hydrogen, a clean fuel alternative, demonstrates the company's commitment to environmental responsibility and technological advancement. In recognition of the growing demand for clean energy, POWERGRID is actively involved in the development of Solar Power Plants and Rooftop Solar Systems, further contributing to India's renewable energy goals.

## Smart Solutions for a Smarter Grid

POWERGRID isn't just building the infrastructure for a renewable future, but also taking steps towards making the grid smarter. Our Smart Grid and Smart Metering solutions enhance overall grid efficiency, empowering consumers with better tools to manage their energy usage. Furthermore, POWERGRID is exploring Battery Energy Storage Systems (BESS) as another key solution. BESS provides flexibility and stability to the grid by enabling the storage and management of renewable energy, a crucial aspect when dealing with the inherent variability of these sources.

## Towards achieving Environment, Social & Governance (ESG) Goals





# A Glance at Excellence

## Report in Brief

### FINANCIAL

\*On consolidated basis

|                         |                                    |
|-------------------------|------------------------------------|
| <b>₹ 45,843 Crore</b>   | <b>₹ 40,819 Crore</b>              |
| Revenue from Operations | EBITDA                             |
| <b>₹ 15,573 Crore</b>   | <b>₹ 16.74</b>                     |
| PAT                     | EPS                                |
| <b>₹ 2,75,991 Crore</b> | <b>68%</b>                         |
| Gross Fixed Assets      | Dividend Pay-out Ratio as % of PAT |

### OPERATIONAL

|                               |                        |
|-------------------------------|------------------------|
| <b>4,036 ckm</b>              | <b>6</b>               |
| Transmission Lines Added      | New Sub-Stations Added |
| <b>19,720 MVA</b>             | <b>99.85%</b>          |
| Transformation Capacity Added | Availability           |
| <b>0.28</b>                   |                        |
| Trippings per line            |                        |

### ENVIRONMENTAL

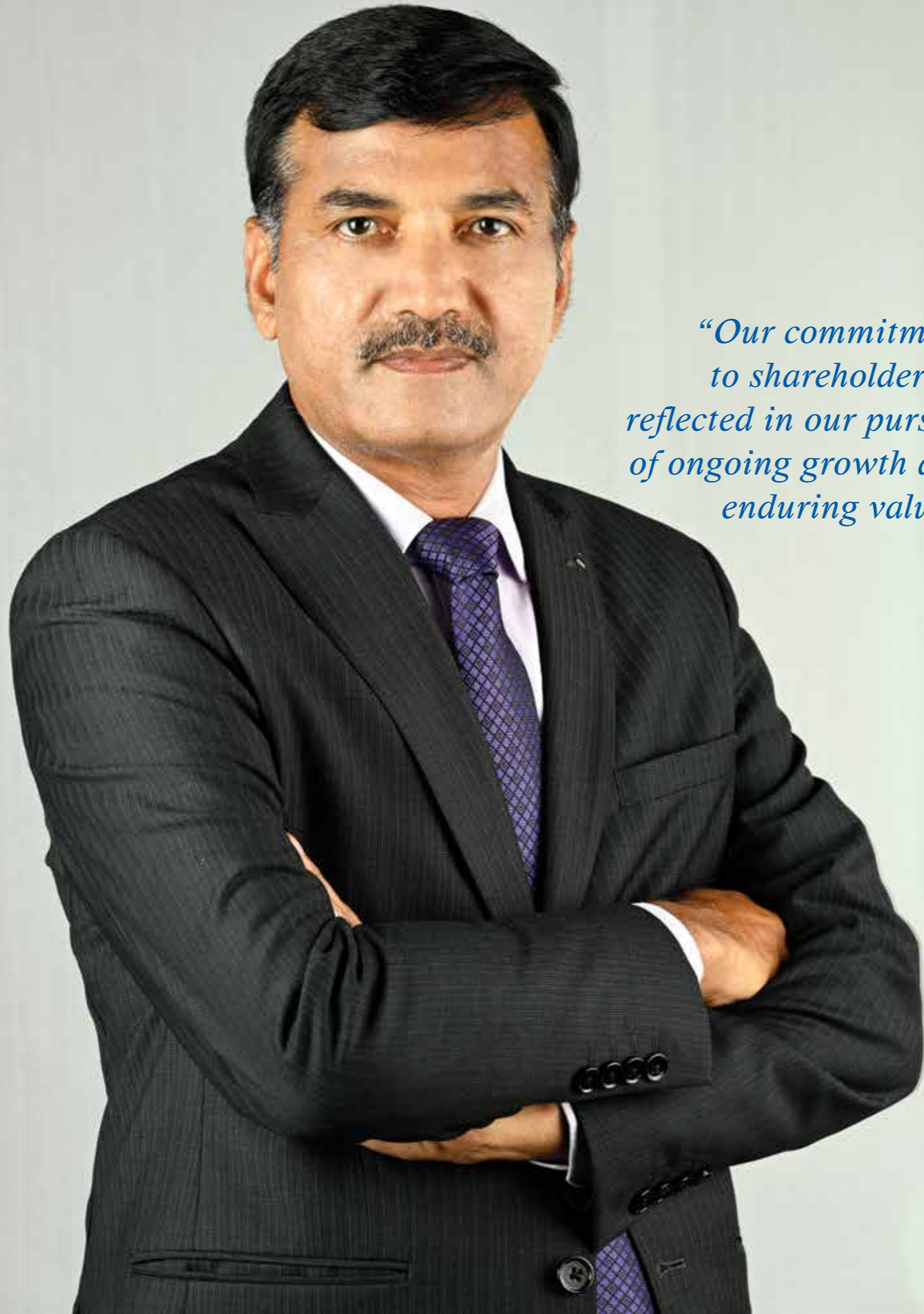
|   |   |
|---|---|
| <b>₹ 125.77 Crore</b>                                 | <b>21.29%</b>   |
| Total expenditure towards Sustainability efforts      | Increase in Emission Offset Compared to Last Year     |
| <b>10,053 MWh</b>                                     | <b>90.01%</b>   |
| Renewable Energy Generated                            | Waste Recycled & Reused                               |
| <b>5.77%</b>  | <b>38.98%</b>   |
| Reduction in Emission Intensity compared to last year | Ground water Recharge as % of Total Water Consumption |

### SOCIAL

|                        |  |
|------------------------|--|
| <b>₹ 330.48 Crore</b>  | <b>124</b>                             |
| CSR Expenditure        | Projects Completed (Nos.)              |
| <b>8316</b>            | <b>6.37</b>                            |
| Total Employees (Nos.) | Average Training Man-days per employee |
| <b>8.39%</b>           | <b>₹ 218.07 Crore</b>                  |
| Women in the workforce | R&D and Innovation Expenditure         |



# LETTER FROM THE CHAIRMAN & MANAGING DIRECTOR



*“Our commitment to shareholders is reflected in our pursuit of ongoing growth and enduring value.”*



## Dear Shareholders,

It is my great pleasure to write to you following a remarkable year of growth across our businesses, highlighting our strong financial health and operational excellence. Our commitment to shareholders is reflected in our pursuit of ongoing growth and enduring value, and as we reflect on the past year, I am pleased to share the significant strides POWERGRID has made in delivering value to stakeholders. This achievement has been made possible through a culture of innovation, continuous improvement, and global outlook.

I am proud to report that we surpassed a market capitalization of ₹3 lakh crore in May 2024, a significant milestone achieved in a short span from ₹2 lakh crore in December 2023. In the last four years, POWERGRID's market capitalization has increased by an impressive 210%. The consolidated income of your Company for the year reached ₹46,913 crore, resulting in a Profit After Tax (PAT) of ₹15,573 crore. This year, we paid a dividend of ₹10,463 crore, compared to ₹10,289 crore last year, representing 68% of our PAT, up from 67% the previous year. This reflects our commitment to balancing dividend payments with retained earnings to support future growth.

**Your Company issued Bonus Shares in the ratio of 1:3 during FY 2023-24.**

We maintain our leadership position in transmission system in India and continue driving the energy transition. Our transmission network spans the entire country, encompassing over 1,77,000 circuit kilometers of transmission lines and 278 substations with a transformation capacity of over 5,27,000 MVA. Our interregional capacity stands at approximately 99,580 MW, accounting for an impressive 84% of the total interregional capacity of the country.

This robust infrastructure is supported by state of the technologies like 765kV and 400kV EHVAC substations, LCC as well as VSC HVDC stations, and advanced reactive power management systems that utilize SVCs and STATCOMs.

Our commitment to minimise the environmental footprint is evident from the fleet of GIS substations for areas with limited land, employing technology up to 765kV.

High Transmission system availability is essential for enabling secure energy transition. Last year, we achieved transmission system availability of 99.85%, one of the highest globally, and our tripping rates are also among the best in the world. Our technical experts work tirelessly to ensure the availability and reliability of India's power transmission system.

Efficient operation and control of our vast transmission system are managed through the National Transmission Asset Management Centre (NTAMC) and Regional Transmission Asset Management Centres (RTAMCs). Our commitment to technology adoption is reflected in our expenditure of ₹218.07 crore in Research & Development and innovation initiatives during the year. We have digitally mapped our assets and the implementation of Reliability Centered Maintenance, has enabled us to monitor, analyze, and effectively manage our asset risks. Our Control Center in Manesar houses a Center of Excellence for control and protection systems, ensuring the security and reliability of our transmission network. We are excited to announce that POWERGRID is in the process of implementing an Asset Management Performance system, utilized by leading utilities globally, which is expected to reduce operational costs by at least 10% while enhancing reliability, security, and risk management.



Your Company has become the largest transmission utility in the world to receive ISO-55001 certification, the global standard for Asset management practices.

Your Company has maintained its leadership position in developing the transmission projects in India. In fiscal year 2024, we aimed for a project execution target of ₹8,800 crore. With invaluable support from our partners, we surpassed expectations, achieving a Capex of ₹12,500 crore, which constitutes over 4% of our Gross Block valued at approximately ₹2,75,000 crore. During the year, POWERGRID added 4,036 circuit kilometers of Extra High Voltage transmission lines, 19,720 MVA of transformation capacity, and six new substations. Among the key projects commissioned were the POWERGRID Neemuch Transmission Limited, the 400kV Mohanlalganj substation, and the 400 kV D/c Lower Subhansiri - Biswanath Chariyali -II, along with 400 kV 2xD/C Khetri-Bhiwadi and several others.

Your Company has demonstrated exceptional project management prowess, keeping the average cost and time overruns well below the industry standards. This has been made possible despite several challenges pertaining to tough terrain, extreme weather conditions and RoW issues. Use of technology, active policy advocacy and proactive planning have been instrumental in overcoming these challenges.

In line with our commitment to sustainable development, we have integrated ESG principles into our core business operations and adopted our ESG vision and targets. We are actively working towards achieving our goals of net zero emissions by 2047, 50% of our energy consumption from renewable sources by 2025, zero waste to landfill by 2030, and being net water positive by 2030. This

year, we witnessed a reduction in scope 1 emissions and made strides towards replacing diesel vehicles with electric vehicles for our business operations. Additionally, rainwater harvesting systems have been implemented across our facilities.

Our commitment to ESG is evident in our robust policies, including an ESG Policy, Water Management Policy, and Waste Management Policy, along with our Supplier Code of Conduct. We are continuously exploring greener alternatives, such as phasing out SF6 gas and adopting technologies like digital substations and drone patrolling to minimize our environmental impact.

Looking ahead, we are preparing to capture ESG disclosures across our value chain, further solidifying our commitment to sustainable business practices. Our Green Hydrogen Pilot Project at Neemrana aims to provide hands-on experience in Green Hydrogen technologies, with plans for commercial-scale projects in the future. Additionally, we are implementing a solar power project at Nagda, with a capacity of 85MW/105MWp.

Your Company has been awarded with Anti-Bribery Management System (ABMS) IS/ISO 37001 certification by the Bureau of Indian Standards (BIS). This reflects our dedication to governance and integrity.

With a strong order book amounting to over ₹110,000 crore, we anticipate higher Capex in the coming years. We are working tirelessly to achieve a capex target of around ₹18,000 crore in FY25. In FY 2024, POWERGRID secured 13 ISTS TBCB projects across the Northern, Western, and Southern regions. In terms of NCT cost, these projects represent about 65% of the total project bids in FY 2023-24, with an annual tariff accounting for 64% of the total. The cabinet approved the Green

Energy Corridor for Ladakh, including the Pang to Kaithal HVDC and VSC stations with associated AC transmission lines at Pang and Leh, in FY 2023-24.

We signed MoU with RVPNL, Rajasthan, to develop intrastate transmission projects worth about ₹10,000 crore. Similar discussions are ongoing with APTRANSCO, Assam, and Uttar Pradesh, indicating our plans to develop intrastate transmission systems. We have also signed a supplementary agreement with Ladakh Power Development Department (LPDD) to implement border area works of Ladakh UT, sanctioned under the RDSS scheme.

Internationally, POWERGRID has established a strong presence in 23 countries across South Asia, Central Asia, Africa, and Europe, successfully undertaking projects in some of the toughest geographies. Our partnership with Africa50 to develop the first PPP mode transmission project in Kenya exemplifies our commitment to expanding our reach. We are currently engaged in several international assignments, including projects for TANESCO in Tanzania, the Zambia Transmission Line in Africa, transmission line construction in Fiji, work for UETCL in Uganda, and the Nepal Gorakhpur Butwal transmission line for international cross-border interconnection. Further in the international consultancy segment, our project in Kenya is progressing well; we have received in-principle approval, and final details are being worked out, with work expected to commence soon. We anticipate significant progress in our other business ventures, including solar generation, smart metering, and data centers.

Date: 31<sup>st</sup> July, 2024

Place : Gurugram

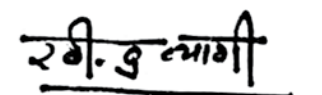
As we celebrate these achievements, we also take pride in the recognition POWERGRID has garnered over the year, including the Platts Global Energy Award, International CSR Award, and Brandon Hall Group Human Capital Management Award. Additionally, we have received accolades such as the SHRM HR Excellence Award for human capital excellence and learning development. Notably, we have been honored with the esteemed ATD BEST Award 2024 for the third time, highlighting our strategic use of talent development to achieve enterprise-wide success. Our commitment to community engagement through extensive CSR programs has positively impacted numerous lives, and we remain dedicated to improving the quality of life in the areas where we operate.

I want to take this opportunity to express my heartfelt gratitude to all our employees for their dedication to the Company, with special recognition to our women employees. Notably, women in STEM make up 80% of our total women workforce, and women constitute 8% of POWERGRID's total employee strength.

On behalf of the Board of Directors and the entire team at POWERGRID, I extend my sincere appreciation for your continued trust and support. We are dedicated to creating long-term value for you, our valued shareholders, and I look forward to your continued partnership as we embark on this journey of growth and excellence.

Thankyou for your confidence in POWERGRID.

Your truly,



(Ravindra Kumar Tyagi)  
Chairman & Managing Director



# POWERGRID: A CLOSER LOOK

## Empowering India's Progress towards a Greener future.

Power Grid Corporation of India Limited (POWERGRID) is a leading transmission company, not just in India, but globally. The company is a Schedule 'A', 'Maharatna' Public Sector Enterprise of Govt. of India, with 51.34% holding of Government of India and the balance is held by public. Established in 1989, POWERGRID has a rich history marked by consistent innovation and a commitment to excellence. With regional offices ensuring seamless operations in diverse regions on pan India basis, POWERGRID has orchestrated transformative impacts nationwide, facilitating efficient power transmission and fostering a robust power ecosystem. Committed to meeting India's evolving energy needs, POWERGRID has integrated the national grid, expanded transmission infrastructure, and created a vast network of transmission lines and substations. Embracing technological advancements, POWERGRID has facilitated efficient power exchange and strengthened renewable energy growth.

The intricate network encompasses various segments for its seamless operation: generation, transmission and distribution. Within this complex framework, POWERGRID predominantly assumes a pivotal role in the transmission sector, facilitating the efficient transfer of power across regions through Inter-State Transmission System. As a key player



in the nation's power infrastructure, POWERGRID operates and maintains an extensive network of transmission lines, substations, and associated infrastructure, ensuring the reliable delivery of power from generating stations to distribution networks spanning multiple states.

We are the vital link between power generation and distribution, acting as the backbone that transmits power across the vast expanse of India. Our vast transmission network of (765/400/220/132kV) Extra High Voltage AC and ( $\pm 800/\pm 500/\pm 320$  kV) Extra High Voltage DC ensures reliable and efficient power delivery to millions of homes, businesses and industries, fueling the nation's growth and development.

POWERGRID has embarked on an impactful journey of value creation within the Indian power sector. Leveraging its robust and reliable transmission network, POWERGRID ensures uninterrupted power supply, fostering economic growth and enhancing the quality of life for millions of Indians. Beyond its core transmission operations, the company has diversified into telecommunications and consultancy services, expanding its portfolio and strengthening its value proposition.

Looking ahead, the Company remains steadfast in its pledge to ensure reliable power transmission and efficient resource utilization across regions, leading India towards a brighter future.



## POWERGRID'S STRATEGIC POSITION IN THE INDIAN POWER SECTOR'S VALUE CHAIN

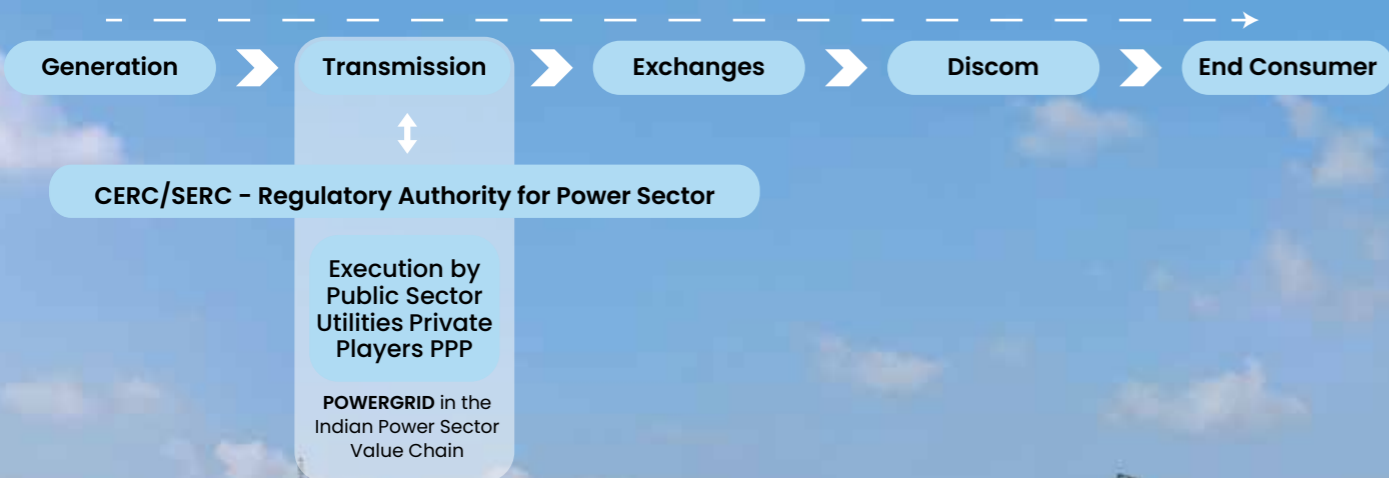
In India's unbundled power sector, POWERGRID occupies a critical space within the transmission segment. It functions as the national grid's central nervous system, enabling connectivity but not directly involved in buying or selling electricity.

Transmission lines bridge the gap between geographically separated power generation sources and consumption centers. This interconnected network facilitates the flow of electricity from diverse sources, catering to regional demands and balancing the energy mix. A robust transmission system is particularly important for integrating variable renewable

energy sources like solar and wind into the grid for wider utilization.

POWERGRID's commitment lies in efficiently maintaining and operating this huge network. It ensures efficient power delivery by minimizing energy loss during transmission. Additionally, we play a crucial role in maintaining grid stability by managing power flows and preventing outages. This robust network underpins the "One Nation, One Grid, One Frequency" initiative, facilitating seamless power exchange between regions and promoting national energy security. Looking ahead, modernizing the transmission sector is crucial for achieving India's clean energy goals. This will enable the integration of large-scale renewable projects, paving the way for a more sustainable power future.

### FLOW OF ELECTRICITY



# HOLISTIC APPROACH TOWARDS VALUE CREATION

## MARKING DIFFERENCE THROUGH



### EMPOWERING OUR PEOPLE

We cultivate a culture of teamwork, nurture talent, enhance leadership capabilities, and act with agility, pride, and passion.

### ETHICAL CONDUCT

We maintain a safe workplace, prioritize environmental stewardship, support our communities, and uphold the highest ethical standards.



### POLICY ADHERENCE

Aligned with the Code of Conduct, our policies establish clear principles across operations, ensuring consistency and effective management.

### INNOVATIVE SOLUTIONS

We pioneer advancements in technology, processes, and products to address current and future challenges effectively.





# CAPITALS WE DEPLOY





# OUR STAKEHOLDERS







# PILLARS OF OUR PURPOSE



## VISION

“World Class, Integrated, Global Transmission Company with Dominant Leadership in Emerging Power Markets Ensuring Reliability, Safety and Economy.”



## MISSION

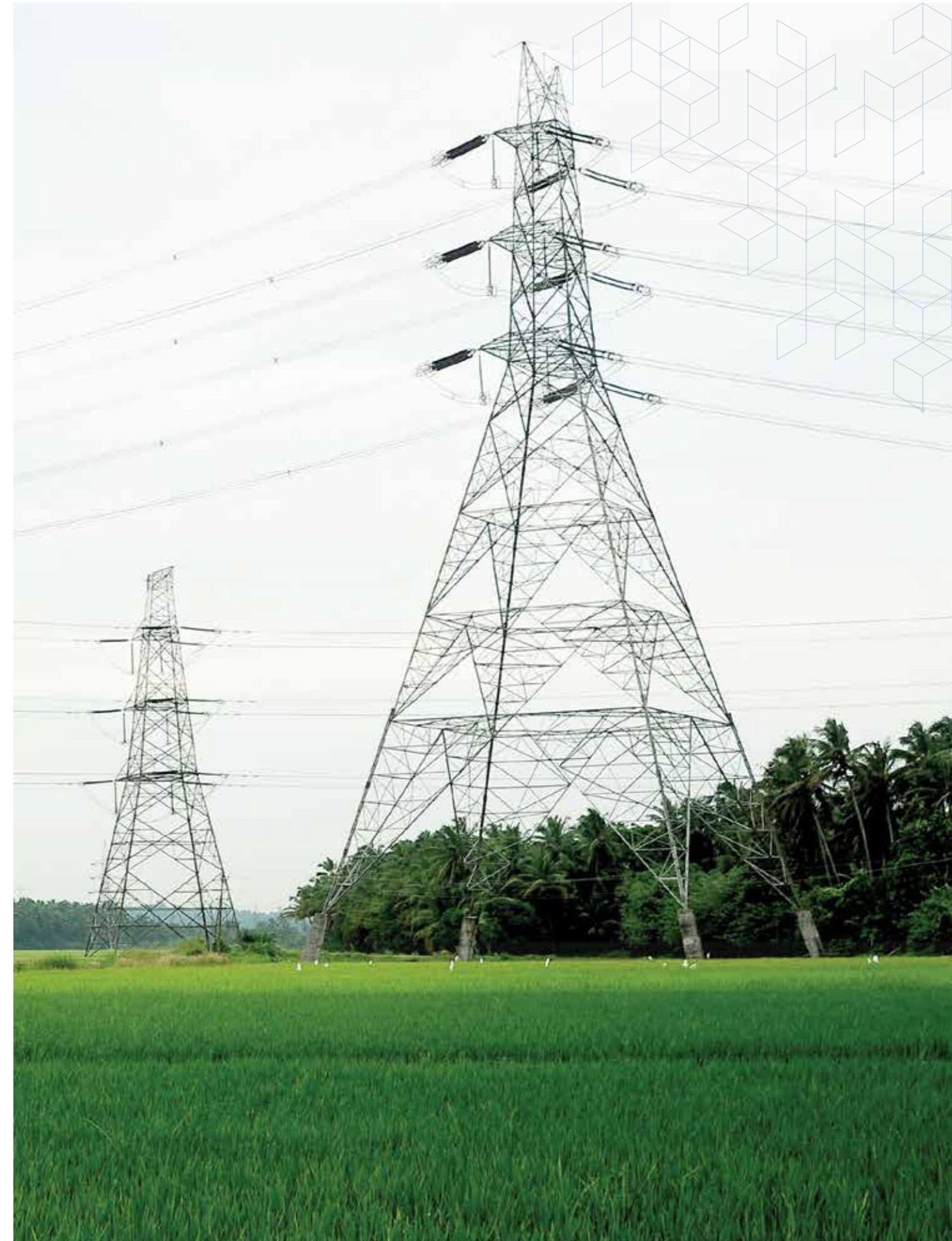
We will become a Global Transmission Company with Dominant Leadership in Emerging Power Markets with World Class Capabilities by:

- **World Class:** Setting superior standards in capital project management and operations for the industry and us.
- **Global:** Leveraging capabilities to consistently generate maximum value for all stakeholders in India and in emerging and growing economies.
- Inspiring, nurturing and empowering the next generation of professionals.
- Achieving continuous improvements through innovation and state of the art technology.
- Committing to highest standards in health, safety, security, and environment.



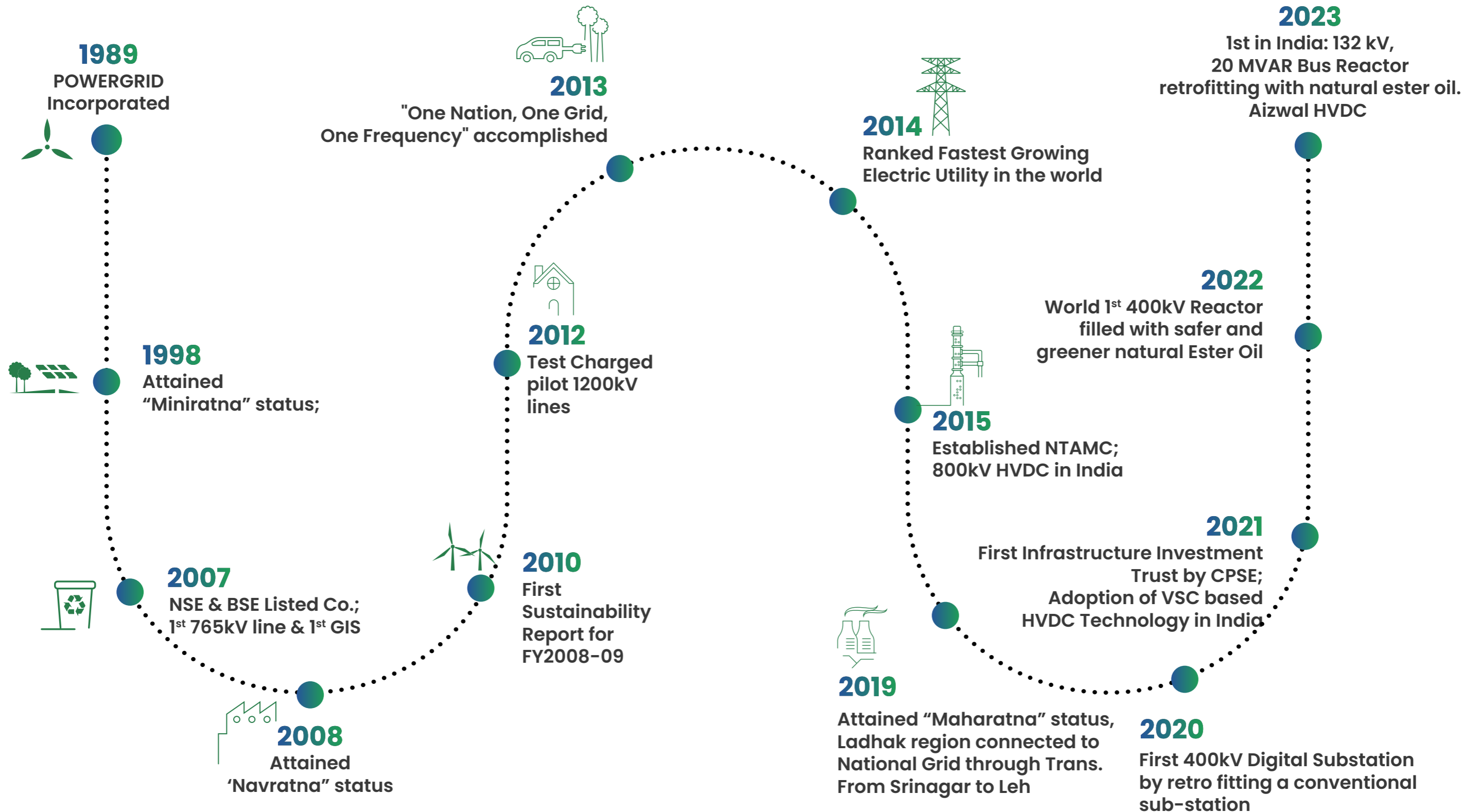
## VALUES

- » Zeal to Excel and Zest for Change
- » Integrity and Fairness in all matters
- » Respect for dignity and potential of individuals
- » Strict adherence to commitments
- » Ensure speed of response
- » Foster learning, creativity, and teamwork
- » Loyalty and pride in POWERGRID





# A Chronicle of Value Creation





# Certifications

**ESG Ratings**

- SUSTAINALYTICS 22.1
- S&P GLOBAL 37
- MSCI A
- LSEG 51

**International Credit Ratings**  
(at par with Sovereign)

- Standard & Poor's **BBB-** (Positive)
- Fitch **BBB-** (Stable)
- Moody's **Baa3** (Stable)

## Domestic Credit Ratings

- CRISIL **AAA** (Stable)
- ICRA **AAA** (Stable)
- CARE **AAA** (Stable)

Quality Management System

Environment Management System

Occupational Health & Safety Management System

Energy Management System

Information Security Management System

Asset Management System

Integrated Management System as per Publicly Available

Social Accountability Standard

Anti Bribery Management System



# AWARDS & ACCOLADES



**Platts Global Energy Award**  
"Corporate Impact - Targeted Programme" Category



**International CSR Excellence 2023 and CSR World Leader 2023**  
"Corporate Impact - Targeted Programme" Category

**"ATD Best Awards 2024"**

Recognized among elite organizations worldwide in field of learning and development



**Brandon Hall Group Human Capital Management Award 2023**

category of Best Advance in competencies and Skill Development.



**SKOCH Gold Award 2023**  
Pugalur Thrissur 2000 MW Voltage Source Converter HCDV System



**ET Edge Best Organisations for Women - 2024**



**"Certificate of Excellence in Learning and Development" at SHRM HR Excellence Awards.**



**Diamond Awards**  
"Smart Technology - Electricity Transmission",  
**Gold Award**  
"Adoption of Artificial Intelligence, Machine Learning and Robotic Solution - Utility."



# BUSINESS PORTFOLIO

Drawing on our extensive experience, we have demonstrated our adeptness at executing complex transmission projects in the most rugged terrains across the nation. Our business structure is delineated into three distinct segments: transmission, telecom, and consultancy. Notably, the transmission segment contributes over 97% of our total revenue.



## TRANSMISSION BUSINESS

POWERGRID leads India's power transmission network, facilitating nationwide transmission of power. Central to our operations is the critical role of the power transmission system, bridging the gap between power generation and distribution for efficient consumer access. Since inception, our mission has been centered on constructing and fortifying a dependable transmission network. We firmly believe that the resilience of our transmission infrastructure and the integration of our national grid are pivotal in fulfilling our **Nationally Determined Contributions (NDC)** as per the Paris Agreement. Aligned with India's commitment to sustainable energy, we proudly pledge to contribute towards integrating 500 GW of non-fossil fuel-based generation capacity by 2030. In our commitment to this ambitious objective, we vigorously pursue the extensive opportunities offered by the Tariff-Based Competitive Bidding (TBCB) framework for both our inter-state and intra-state transmission activities, all while maintaining our

unwavering accountability within the Regulated Tariff Mechanism.

Our extensive infrastructure accommodates various power sources, including **Central Generating Stations (CGS), Independent Power Producers (IPPs), Ultra Mega Power Projects (UMPPs), and Renewable Energy sources**. This holistic approach encompasses **Green Energy Corridors** for eco-friendly power transmission, specialized programs for **Ultra Mega Solar Power Parks, and grid enhancement endeavors**. Additionally, POWERGRID reinforces national power security by establishing inter-state, intra-state, and inter-regional connections, alongside High-Capacity Transmission Corridors. Our focus extends beyond domestic borders, with endeavors to enhance international ties with neighboring nations. With a vast transmission network covering over **1,77,699 Ckm (circuit kilometers)** of lines and **278** substations boasting a transformation capacity exceeding **5,27,446 MVA**, we ensure seamless power transfer across the nation





## TELECOM BUSINESS

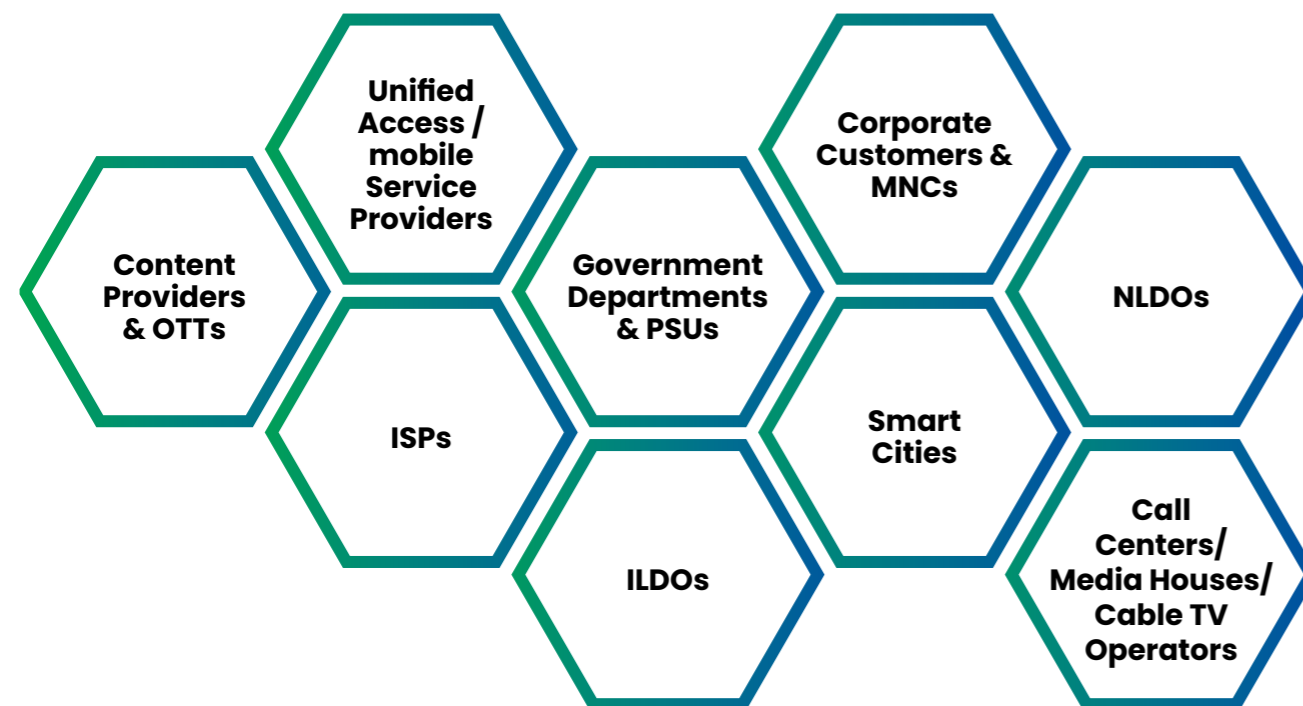


POWERGRID is in Telecom business through its wholly owned subsidiary –POWERGRID Teleservices Limited with its brand name **PowerTel** which is the only Telecom Service Provider in the country having pan India overhead Optic fiber network using Optical Ground Wire on power transmission lines and is offering transmission towers for Mobile

Communications. This network reaches even remote areas like Leh, Ladakh, and the North-eastern Regions, providing reliable connectivity where it was once scarce. PowerTel has a license to operate nationally and as an Internet Service Provider, offering a wide range of services. Apart from providing services directly, PowerTel also leases bandwidth to businesses for data connectivity needs. They cater specifically to enterprises with services like MPLS/VPN and Internet Services, ensuring consistent performance. Our telecom network covers over **1,00,000 kilometers** and more than **3,000 locations** nationwide maintaining backbone availability of ~99.99%.

As India undergoes a significant digital transformation, there is a remarkable surge in demand for telecommunication services. Recognizing this opportunity, POWERGRID has harnessed its transmission infrastructure to pioneer a new era of connectivity, making a substantial impact on the Indian Telecom Sector. Our dedication to progress is evident through our collaborations with initiatives like the **Government of India's Digital India, the National Knowledge Network (NKN), and the Bharat Net projects.**

### Our Telecom Clientele



Company is continuously exploring diverse business opportunities within the dynamic telecom sector. We are entering the **International Long Distance (ILD) Bandwidth Business** to pioneer new frontiers and broaden our global presence. In line with this forward-looking approach, we have initiated the establishment of a pilot **Data Center in Manesar, Gurugram**, marking another significant milestone in our esteemed journey.

To solidify our position as a leader in telecom excellence, we have enhanced the bandwidth capacity of our India-wide telecom network, paving the way for unparalleled connectivity. Further, company is also offering transmission towers for mobile communications.

Only Telecom Service Provider in the country having a PAN India overhead Optic Fiber network on EHV Transmission Lines

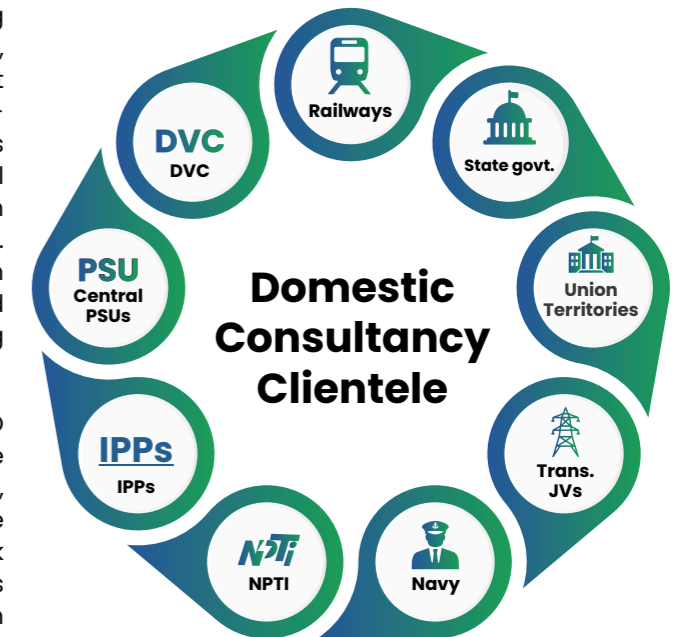
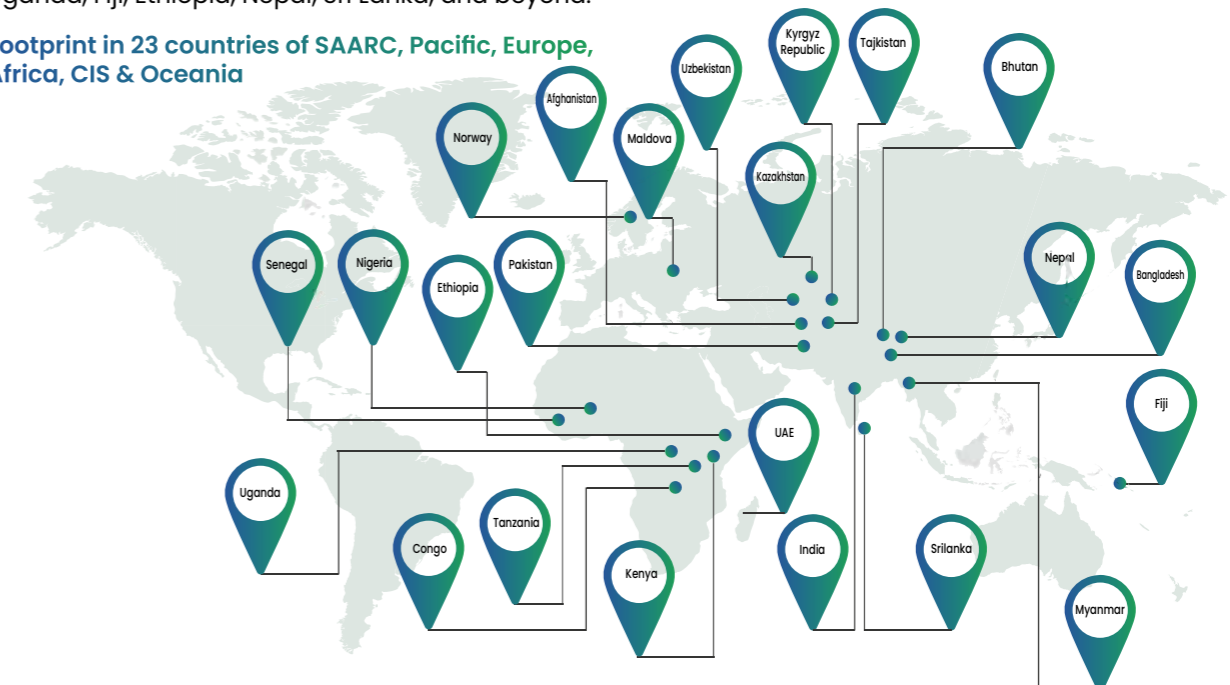
## CONSULTING BUSINESS

POWERGRID's capabilities extend beyond its core operations in transmission and offers consulting services. These services encompass system studies, design engineering, load dispatch, and project management in the areas of transmission, sub-transmission and distribution. POWERGRID specializes in innovative solutions such as integrating Optical Ground Wire (OPGW) into intra-state transmission networks to enhance communication capabilities. Additionally, the company assists clients with procurement management, operational and maintenance strategies, and capacity building programs.

As a leader in the domestic market, POWERGRID is actively pursuing opportunities to undertake transmission projects under the Build, Own, Operate, and Maintain (BOOM) model for renewable energy developers, distribution licensees, and bulk consumers. Moreover, it is exploring joint ventures with state utilities for intra-state transmission system development. Looking forward, POWERGRID aims to venture into the promising field of Green Hydrogen.

Internationally, POWERGRID has a strong presence in 23 countries across South Asia, Central Asia, Africa, and Europe. The company's successful track record of completing projects in challenging geographical terrains demonstrates its expertise. POWERGRID is actively pursuing business opportunities in Kenya, Tanzania, Uganda, Fiji, Ethiopia, Nepal, Sri Lanka, and beyond.

Footprint in 23 countries of SAARC, Pacific, Europe, Africa, CIS & Oceania



## EMERGING BUSINESSES

POWERGRID is consistently expanding its service portfolio by delving into various sectors. These include ventures into **Green Hydrogen**, a sustainable and eco-friendly fuel alternative, as well as the creation of cutting-edge **Data Centers** to meet the escalating need for data storage and processing capacity.

**POWERGRID Energy Services Limited (PESL)**, is our subsidiary which actively explores new and emerging business areas viz. Energy Management, Transmission & Distribution business, Electric Vehicle charging infrastructure, Energy Storage, Smart Grid etc.





# POWERGRID'S SUSTAINABILITY STRATEGY

At this pivotal moment in history, a sustainable energy future takes center stage. POWERGRID leads this transformative endeavor, fully aware that today's choices will reverberate for generations. With unwavering responsibility, we pledge to drive toward a cleaner, more environment friendly future for our nation. With each stride, we renew our commitment to tackle the formidable challenges posed by climate change and pollution. Our objective is clear: shift to renewable energy sources, enhance energy efficiency, reduce water & waste footprints and embrace innovative technologies that mitigate carbon emissions for sustainable development.

Our As we navigate this transition, we stress upon a comprehensive, collaborative approach involving government, businesses, communities, and

individuals. Embracing the digital revolution, we innovate and adopt technology to enhance efficiency and utilize it to act as an enabler for our Sustainability efforts. At POWERGRID, our resolute to sustainability remains unwavering. We commit to implementing these strategies with determination, recognizing that action is the cornerstone for transforming aspirations into reality.

Together, let us illuminate the path toward an environmentally sustainable, economically prosperous, and socially equitable future. Let us collectively shape this transformative journey as architects of a brighter tomorrow.



## 1. Environment and Social Assessment

POWERGRID proactively conducts Environmental and Social (E&S) assessments for all its upcoming Transmission Projects. This involves studying a minimum of three alternative transmission line routes and substations with respect to technical feasibility as well as E&S footprints to identify the most optimal option with minimal E&S impacts for construction. This strategic approach has effectively helped us in avoiding or minimizing involvement in ecologically and socially sensitive areas, including forests, protected areas such as national parks and wildlife sanctuaries, important wetlands, tiger reserves, historically and archaeologically significant areas, human settlements, and religious sites. This commitment has significantly mitigated potential adverse effects in our projects

## 2. Water Footprint

Within our facilities, water consumption is primarily limited to domestic purposes and horticultural activities, with a minor portion allocated for cooling in HVDC substations. Notably, industrial usage of water is absent. To ensure sustainable water management practices, POWERGRID has formulated and adopted a comprehensive Water Management Policy. The objective is to achieve a Net Water Positive status by 2030.

In the fiscal year 2023-24, organization utilized a total of 28,63,430 Kiloliters of water. In spite of the fact that 2023 had witnessed around 33% deficit in normal rainfall in India, POWERGRID was able to replenish about 38.98% of its total water consumption through rainwater harvesting and groundwater recharge.

Regarding water quality management, a major portion of our wastewater, which is essentially domestic sewage, undergoes treatment via Sewage Treatment Plants or Soak pits. Only a small amount of sewage is discharged into the public sewerage system. No industrial effluents are generated in POWERGRID campuses.

## 3. Responsible Resource Consumption & Waste Management

Acknowledging the significant contribution of natural resources to the nation's economy, POWERGRID remains steadfast in its commitment to reduce the reliance on such resources including land in its operations. This pursuit is characterized by a series of innovative measures, including the optimization of designs, integration of digital substations, and adoption of advanced conductors with enhanced current-carrying capabilities.

Aligned with our Waste Management Policy and our objective of achieving Zero Waste to landfill status by 2030, we successfully managed to divert over 90% of the waste generated across our facilities through Recycling & Reuse initiatives. Merely 10% of the waste, predominantly comprising domestic/residential waste, was entrusted to local municipal bodies or authorized third-party entities for environmentally responsible disposal.

## 4. Renewable Energy

POWERGRID aims to fulfill 50% of its energy needs from renewable sources by 2025 and attaining Net Zero status by 2047. To realize these ambitious goals, substantial endeavors are being made in the adoption of renewable



energy initiatives. As of March 2024, the installation of 10.2 MWp of solar capacity has yielded an impressive 10,053 MWh of electricity generation. Furthermore, a proactive approach to reducing diesel usage within the organization has seen the replacement of 155 diesel vehicles with electric alternatives.

In alignment with the Government of India's objective to achieve 500 GW of non-fossil fuel-based capacity by 2030, POWERGRID is assuming a pivotal role in integrating various Renewable Energy Zones into the national grid. This effort involves the establishment of high-capacity green energy corridors, facilitating widespread access to clean and affordable energy for households across the nation.

#### 5. Meaningful CSR

Our community relations are strongly supported by our CSR initiatives, which are integral to our operations. POWERGRID allocates funds towards various socially relevant focus areas including Rural Livelihood, Education, Health, Environment, and Skill Development. These projects are meticulously planned based on comprehensive Need Analysis Studies, which involve consultations with the local population. Following project completion, rigorous Impact Evaluation Studies are conducted to assess the benefits accrued to society.

In the fiscal year 2023-24, against an allocated budget of ₹312.24 Crore, we spent a total of

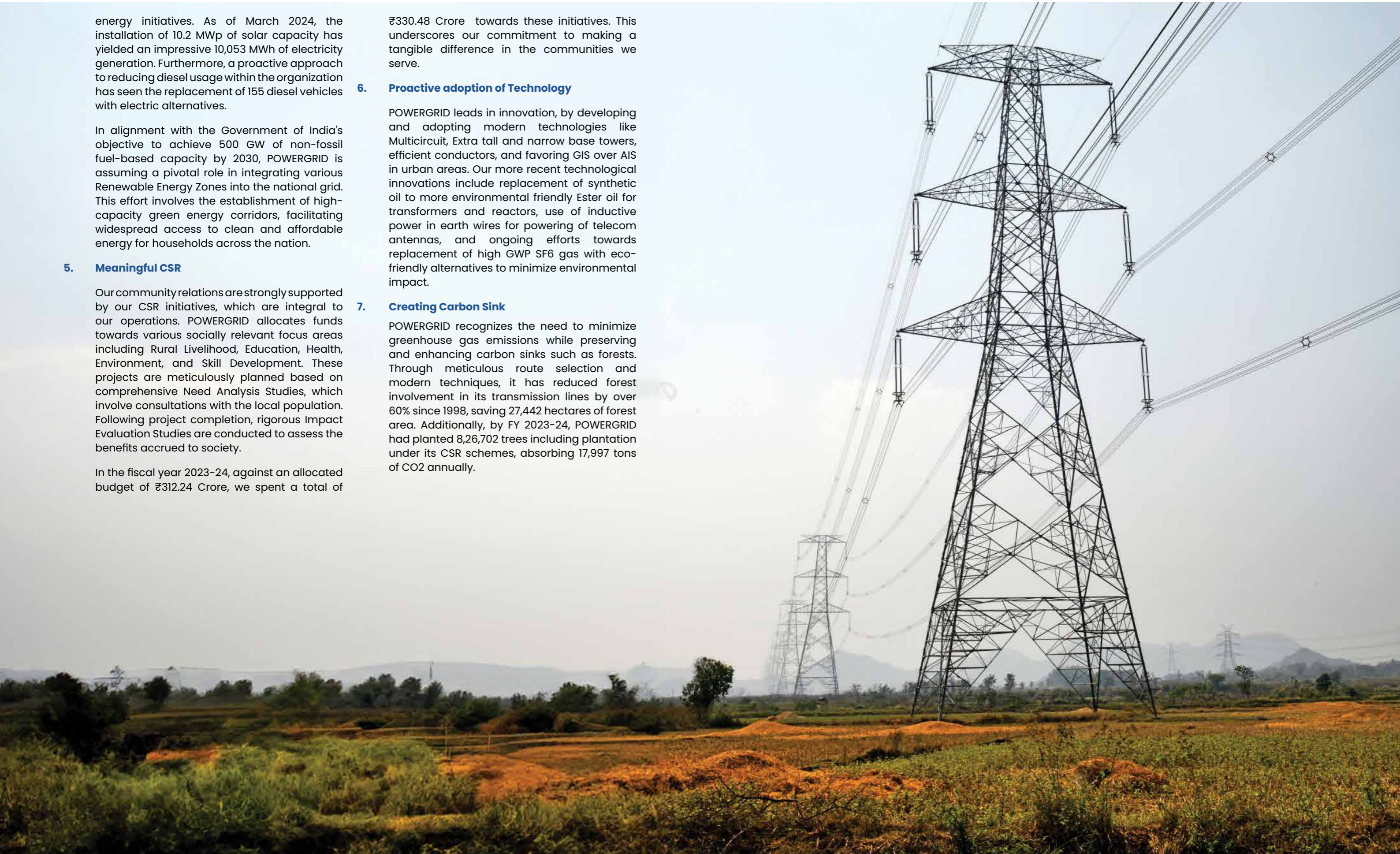
₹330.48 Crore towards these initiatives. This underscores our commitment to making a tangible difference in the communities we serve.

#### 6. Proactive adoption of Technology

POWERGRID leads in innovation, by developing and adopting modern technologies like Multicircuit, Extra tall and narrow base towers, efficient conductors, and favoring GIS over AIS in urban areas. Our more recent technological innovations include replacement of synthetic oil to more environmental friendly Ester oil for transformers and reactors, use of inductive power in earth wires for powering of telecom antennas, and ongoing efforts towards replacement of high GWP SF6 gas with eco-friendly alternatives to minimize environmental impact.

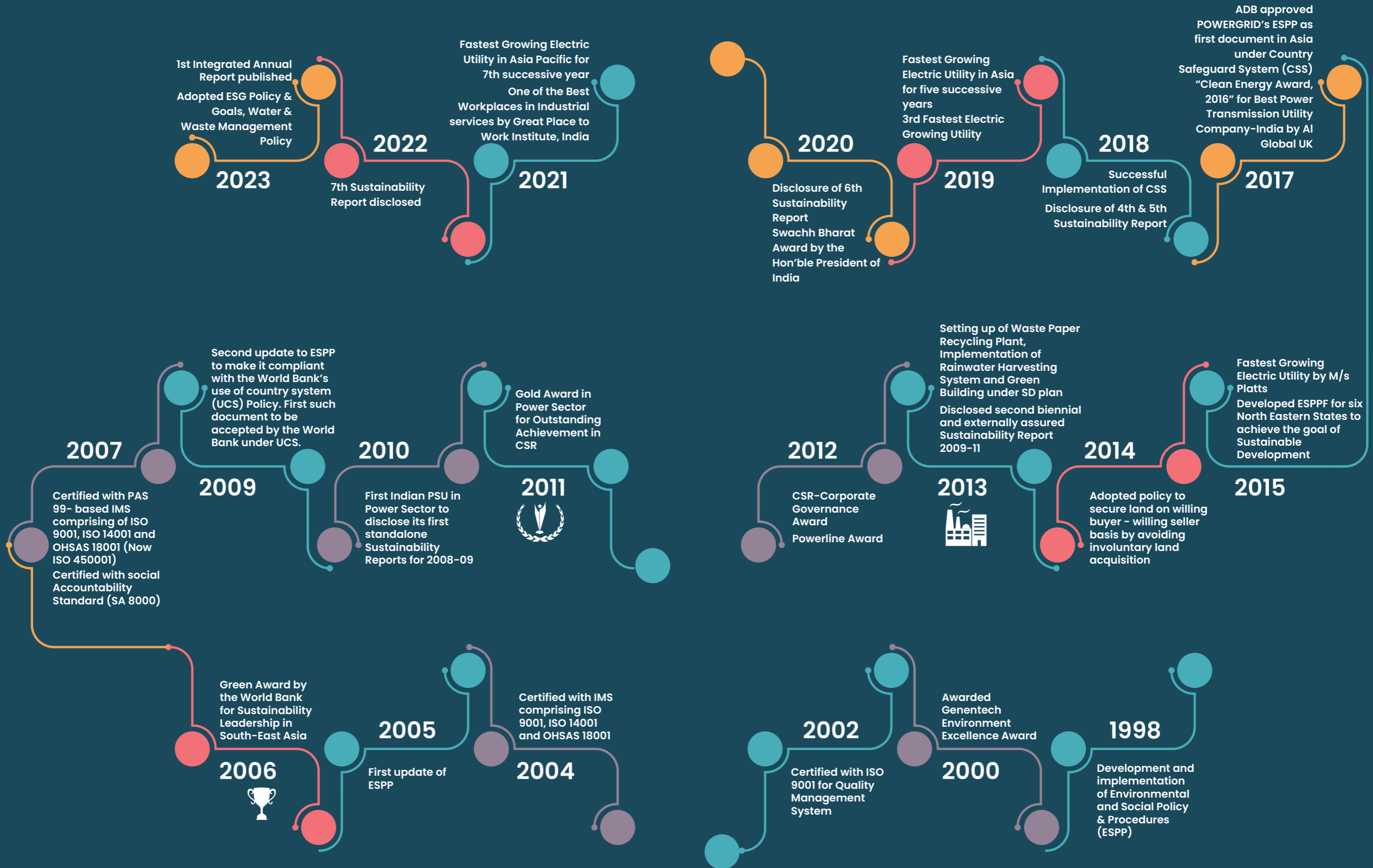
#### 7. Creating Carbon Sink

POWERGRID recognizes the need to minimize greenhouse gas emissions while preserving and enhancing carbon sinks such as forests. Through meticulous route selection and modern techniques, it has reduced forest involvement in its transmission lines by over 60% since 1998, saving 27,442 hectares of forest area. Additionally, by FY 2023-24, POWERGRID had planted 8,26,702 trees including plantation under its CSR schemes, absorbing 17,997 tons of CO2 annually.





Our Sustainability Journey spanning over three decades





# SUSTAINABILITY VISION

POWERGRID is actively pursuing new avenues for responsibly transitioning towards a sustainable and eco-friendly future. Recognizing our responsibility in contributing to the nation's Net Zero objectives, we are committed to establishing resilient infrastructure that embraces renewable energy sources. This entails an ongoing commitment to enhancing efficiency, reducing environmental and social impact of our systems, processes, and services and contribute to a socially just and equitable society.

Our strategy encompasses both long-term objectives and day-to-day initiatives across Environment, Social, and Governance dimensions, adhering to globally recognized frameworks like GRI and UN SDGs.

Sustainability in operations has been a cornerstone of our business practices. This vision has been

Our ESPP has the unique distinction of being certified by two leading multilateral Financial Institutions of the world; The World Bank and the Asian Development Bank under their Use of Country System (UCS) and Country Safeguard System (CSS) respectively and appreciated by other reputed Financial Institutions like KfW.

established way back in 1998 with the disclosure of our Environment and Social Policy & Procedure (ESPP) <https://www.powergrid.in/sites/default/files/inline-files/ESPP.pdf>. Based on the cardinal principles of Avoidance, Minimization, Mitigation and restoration, ESPP defines approach to dealing with Environmental and Social footprints of our business activities. It is worth mentioning that POWERGRID is the first Public Sector Undertaking in Asia to formulate and disclose such a comprehensive policy document addressing all pertinent sustainability issues with an aim to internalize and address all possible externalities associated with its business processes.

In line with our dedication to safeguarding the future and upholding our responsibility to the present, our sustainability initiatives remain predominantly guided by the Environmental, Social, and Governance (ESG) Policy. POWERGRID has adopted its ESG Policy in the year 2023 and also adopted its ESG vision and targets during the same year.



Visit of KfW team to POWERGRID Substation



## ESG Vision for 2030

"Transforming responsibly to a sustainable & greener world"

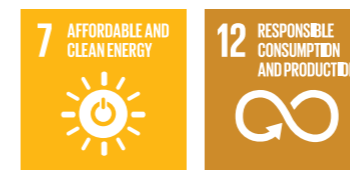


### Transition to low carbon operations:

Reducing carbon intensity across our operations and value chain

### Conscious Consumption:

Judicious use of natural resources



### Nurturing Workplace:

Prioritizing staff well-being through inclusivity and a positive work environment

### Trusted Relationships:

Strengthening relationships with our stakeholders



### Robust Governance:

Adherence to ethical business conduct and a increased focus on transparency and integrity



## ESG TARGETS AND PROGRESS

As part of our ESG journey, we have delineated clear objectives for ourselves. These targets are essential to our overarching mission of promoting sustainability and ethical practices.

This holistic approach aligns with our core values and meets the expectations of our stakeholders, propelling us towards a greater sense of purpose and accomplishment. Through meticulous planning, collaboration, and adherence to industry best practices, we are confident in our ability to achieve these targets and enact meaningful change worldwide.





## Towards a Greener Future

- » On a firm path to become Net Zero Emissions organization by 2047
- » 50% of internal energy use from renewable sources by 2025
- » Becoming a Net Water Positive organization by 2030
- » Achieving the status of "Zero Waste to Landfill" by 2030



## Towards a more Inclusive Society

- » Engage with communities to make a long term positive impact through various CSR initiatives
- » Holistic Reskilling & Upskilling Ecosystem for both Sectoral and Employee Empowerment
- » Prompt Grievance Redressal
- » Vendor Development Programs



## Fostering Governance

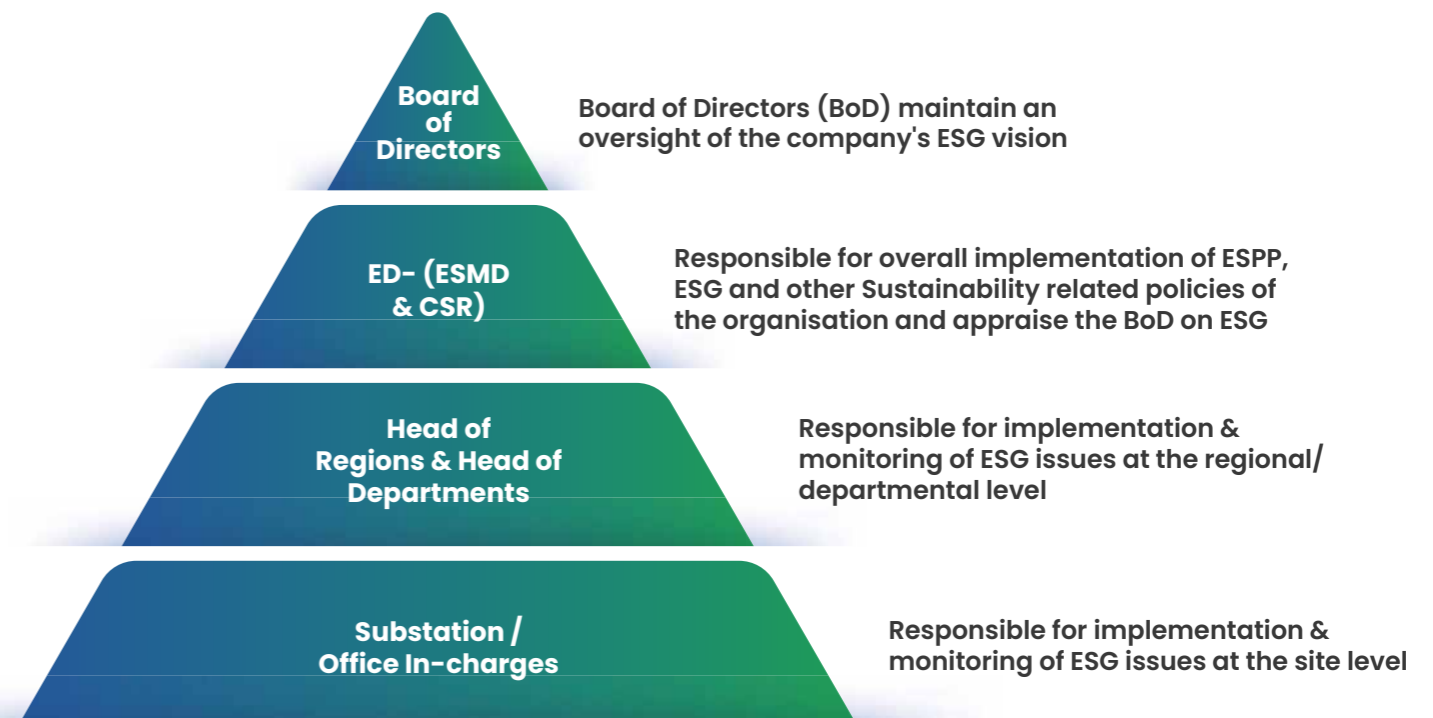
- » Catalysing responsible business practices
- » Efficacy in disclosures to stakeholders
- » Whistleblowing and Fraud Prevention
- » Avoiding Conflict of Interest

| KPI                | Goals/Targets                                     | Target year | Progress in FY24 | Linked Capitals |
|--------------------|---|-------------|------------------|-----------------|
| Emissions          | On a firm path to become Net Zero organization    | 2047        | IN PROGRESS      | Natural Capital |
| Renewable Energy   | 50% of Internal energy use from Renewable sources | 2025        | IN PROGRESS      | Natural Capital |
| Water Conservation | Becoming a Net Water Positive organization        | 2030        | IN PROGRESS      | Natural Capital |
| Waste disposal     | Achieving the status of "Zero Waste to Landfill"  | 2030        | IN PROGRESS      | Natural Capital |

## ESG GOVERNANCE

POWERGRID has embraced a proactive & methodical strategy to ensure responsible operations, emphasizing the prioritization of key Environment, Social & Governance (ESG) concerns and swift action to address them. Our management of these issues is guided by a rigorous ESG Governance framework.

Recognizing the imminent surge in energy demand, we anticipate dynamic shifts in the business landscape. This presents both challenges and opportunities, compelling us to adapt and integrate more responsible and cutting-edge systems and technologies into our operations.





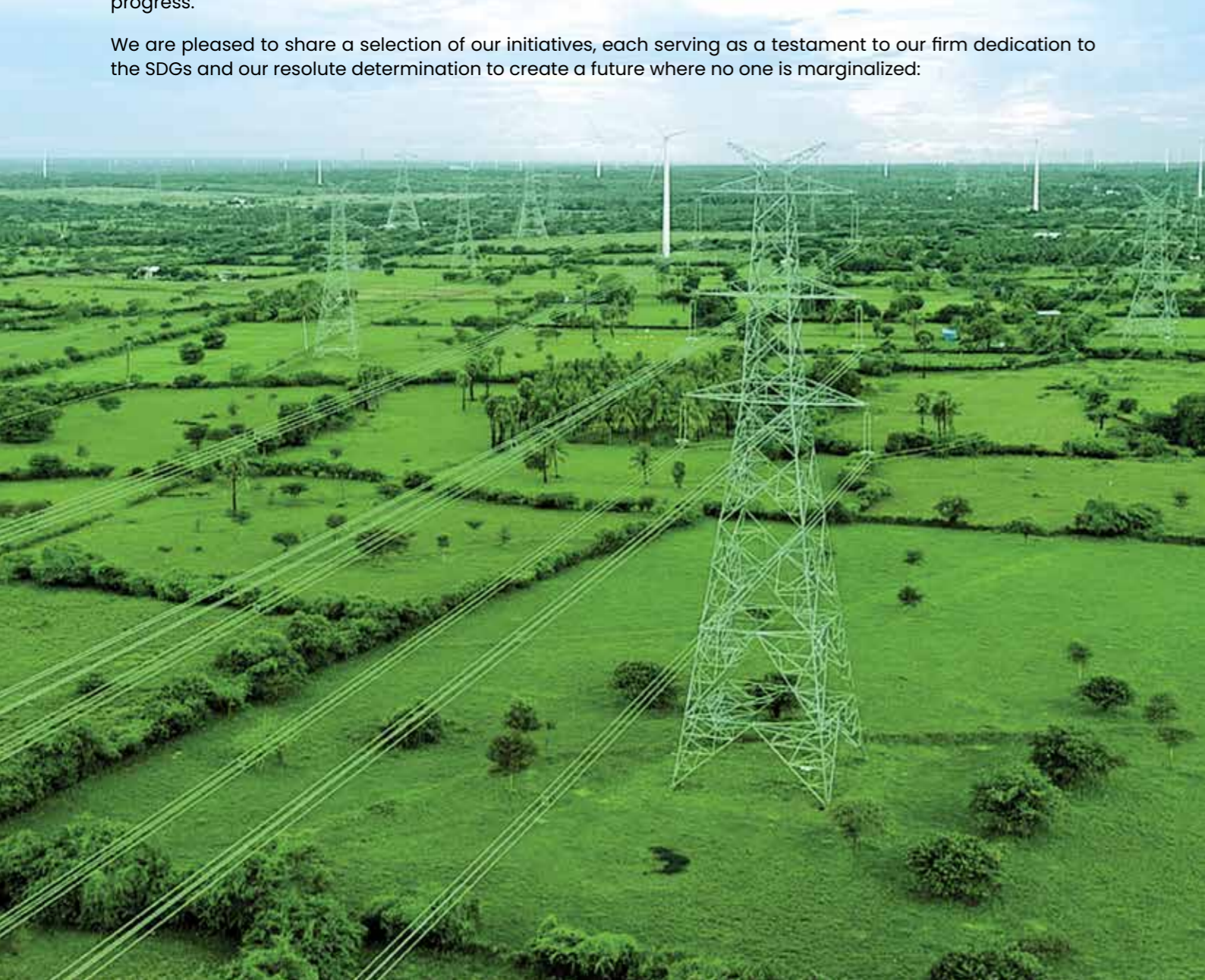


# INITIATIVES ALIGNED WITH UNSDGs

As we reflect on the profound impact of the United Nations Sustainable Development Goals (SDGs), we are pleased to report our unwavering commitment to their principles. Long before their formal adoption at the United Nations Sustainable Development Summit in September 2015, we had embraced their visionary ideals and commenced a transformative journey. Our Environmental and Social Policy and Procedure (ESPP), rooted in the principles of Avoidance, Minimization, and Mitigation, laid the foundation for our alignment with the SDGs.

Guided by a deep-seated dedication to societal well-being, we have consistently championed Environmental Excellence, Social Welfare, and Climate Change initiatives. This commitment is evident in our ongoing efforts to integrate the SDGs seamlessly into our business operations. Throughout the reporting period, we upheld our existing initiatives while embarking on new endeavors that propelled us further along the path of sustainable progress.

We are pleased to share a selection of our initiatives, each serving as a testament to our firm dedication to the SDGs and our resolute determination to create a future where no one is marginalized:



## SDG Goals

## FY 2023-24



Improving Rural Livelihood through Integrated Watershed Management at Jaipatna Block of Kalahandi district in Odisha through ICRISAT at a cost of ₹402.00 Lakhs.



Provide financial assistance for the procurement of 5000 benches to Govt schools and 200 kits for Aanganwadi centers, Varanasi at a cost of ₹ 227.54 Lakhs.

Nutritious Support to TB affected patients in Andhra Pradesh - TB Mukta Bharat at a cost of ₹ 602.82 Lakhs..

Support for nutritional supplements and Learning aid kits to Children of 160 No. Anganwadi centres in Adilabad District, Telangana at a cost of ₹121.41 Lakhs.

Establishment of Mother & New Born Care, Nutrition Rehabilitation Centre and Mobile Pathology centre along with nutrition diet and supplement at Baghpata at a cost of ₹350.00 Lakhs.



Providing financial assistance to ESIC Medical College and Hospital, Faridabad in setting up of advanced robotic surgical system for Robotic Surgery at a cost of ₹2500.00 Lakhs.

POWERGRID Dharamshala/Night Shelter in premises of NIMHANS, Bangalore, Karnataka at a cost of ₹2300.00 Lakhs.

Providing Medical Equipment to AIIMS, Bilaspur at a cost of ₹ 2292.86 Lakhs.

POWERGRID Vishram sadan at MLB medical Collage Jhansi at a cost of ₹1663.57 Lakhs.

POWERGRID Vishram Sadan at RIMS, Ranchi. At a cost of ₹ 1560.00 Lakhs

POWERGRID Vishram Sadan at Sir Sayajirao General (SSG) Hospital, Vadodara at a cost of ₹1495.00 Lakhs.

Equipping Interventional Radiology Suite in POWERGRID Modular OT Complex at ACTREC, TMC at a cost of ₹1350.00 Lakhs.

Providing medical equipments and instruments at various Hospitals in Kalahandi District (Aspirational District), Odisha at a cost of ₹854.06 Lakhs.

Supply and Installation 128 Slice CT scan for emergency medical services department of JIPMER, Pondicherry at a cost of ₹800.00 Lakhs.

Providing Cath lab equipment with advanced features and renovation of Cath Lab premises at Govt. Rajaji Hospital, Madurai, Tamil Nadu at a cost of ₹791.00 Lakhs.



**SDG Goals**

**FY 2023-24**

Providing Medical equipment and development of PHC and Renovation of 3 nos PHC in District health & PW officer under Davanagere District at a cost of ₹683.00 Lakhs.

Providing CT Scanner for Tata Memorial Centre, Homi Bhabha Cancer Hospital & Research Centre, New Chandigarh, Punjab at a cost of ₹650.00 Lakhs.

To improve neonatal health facilities and reduce neonatal mortality in Gujarat. POWERGRID with the help of G.C.S.R.A. provides "NICU on Wheels" for total of 10 locations in Gujarat at a cost of ₹592.66 Lakhs.



Setting up Industrial Training Institute (ITI) at Gorakhpur, Uttar Pradesh at a cost of ₹1600.00 Lakhs & Setting up of Industrial Training Institute (ITI) at Perumbakkam, Kanchipuram district, Tamil Nadu at a cost of ₹1582.00 Lakhs.

Construction of 150 bedded Aryabhata Boy's Hostel and development of park at C.M. Science College, Darbhanga, Bihar at a cost of ₹750.00 Lakhs.

Construction of 120 bedded Hostel for Government Queens College, Varanasi at a cost of ₹490.52 Lakhs.

Repair and Renovation of 16 Govt. primary and higher primary schools, District Mahoba, UP at a cost of ₹303.68 Lakhs.

Construction of Library reading room, common room, internal road and development of surrounding area at Munshi Singh College, Motihari, Bihar at a cost of ₹278.32 Lakhs.

Establishment of POWERGRID Gyan Kendra (PGK) by renovation and upgradation of Shaskiya Barmendra Jila Pustakalay, Nagod, District Satna, M.P. at a cost of ₹215.00 Lakhs.

Supply of items to set up classrooms & Labs under two trades (Internet of Things (Smart City & Smart Health care)) in NSTI (Women), Bengaluru at a cost of ₹55.54 Lakhs.

Establishment of Wi-Fi facility at NIT Jamshedpur campus at a cost of ₹453.00 Lakhs.

Installation of Equipment & machineries, furniture and Audio-visual aids for Skill Development Training Centre Building at Assam Engineering Institute at a cost of ₹120.88 Lakhs.

Furnishing electronic equipment for career counselling building at Roing, Lower Dibang Valley district, Arunachal Pradesh at a cost of ₹4.69 Lakhs.

Distribution of sweaters for students of Government primary school, Khamariya, Tehsil-Mada, Singrauli District.

**SDG Goals**

**FY 2023-24**



Distribution of 65 nos. sewing machine to women members of Self Help Group (SHG) in Rairakhol block of Sambalpur district (under Kishorenagar TLM, Angul Substation at a cost of ₹4.86 Lakhs.

Providing Two Shaft Handloom Weaver's Training by IMCLS GI Zoh SHG at Roing, Lower Dibang Valley district, Arunachal Pradesh at a cost of ₹4.6 Lakhs.



Upgradation and Renovation of existing "Khaswadi Smashan" of Vadodara city under Vadodara Municipal Corporation, Gujarat at a cost of ₹772.37 Lakhs.

02 No. of Vacuum Road Sweeping machine for Gandhinagar Municipal Corporation, Gujarat at a cost of ₹199.00 Lakhs.

Providing one no Truck mounted Vacuum Road Sweeping Machine, Ballistic Solid waste Municipal separator & JCB loader to District Development Commissioner Samba at a cost of ₹142.00 Lakhs.

Providing a Truck Mounted Vacuum Road Sweeping Machine to Malegaon Municipal Corporation, Dist.-Nashik, Maharashtra at a cost of ₹121.40 Lakhs.

Installation of 195 Hand pump in Varanasi at a cost of ₹99.84 Lakhs.

Supply of 1 no. Resource Recovery Vehicle for Namthang Block, Namchi, Sikkim at a cost of ₹30.89 Lakhs.

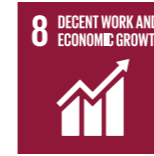
Setting up of 500 hand-pumps in Siddharthnagar district, Uttar Pradesh at a cost of ₹344.40 Lakhs.



Setting up of 500 Solar Lights in Siddharth Nagar district, Uttar Pradesh at a cost of ₹111.44 Lakhs.

Supply and installation of 500 Solar Lights in Sitapur district, Uttar Pradesh at a cost of ₹111.45 Lakhs.

Providing of 60 nos. Batteries for Solar Power Plant at Eliezer Joldan Memorial (EJM) College, Leh at a cost of ₹12.99 Lakhs.



Skill development of workforce for implementation of Smart Metering under RDSS at a cost of ₹2513.48 Lakhs.

Engagement of Apprentices FY2023-24 for ₹1878.12 Lakhs.





| SDG Goals | FY 2023-24  |  |  |
|-----------|---|--|--|
|           | <p>Construction of Schedule Caste Senior Girls Hostel at Tehsil Sarai, Singrauli District, Madhya Pradesh at a cost of ₹242.51 lakhs.</p> <hr/> <p>Providing assistive devices to the differently abled persons in Gonda District, Uttar Pradesh at a cost of ₹155.82 Lakhs.</p> <hr/> <p>Providing assistance for purchase 80 Annie devices for 08 Govt Schools for the blind in the state of Tamil Nadu at a cost of ₹74.40 Lakhs.</p> <hr/> <p>Providing Bunk beds and other items for Shaskiya Aashramshala (Resident school for the tribal), Hotgi, Solapur Maharashtra at a cost of ₹35.97 Lakhs.</p> <hr/> <p>Establishing a Braille lab for visually impaired children in district hospital of Bomdila at a cost of ₹4.8 Lakhs.</p> <hr/> <p>Practicing affirmative action for recruitment of weaker sections of the society in line with Govt of India policy.</p> |  |  |
|           |   | <p>Financial assistance towards construction and development of Shri Badrinath Dham as a spiritual smart hill town, Uttarakhand at a cost of ₹1928.74 Lakhs.</p> <hr/> <p>Providing financial assistance for construction of Community Centers &amp; Development of Govt. Schools, Kota at a cost of ₹765.64 Lakhs.</p> <hr/> <p>Multipurpose Hall at New Police Line, Ara, Bihar at a cost of ₹546.00 Lakhs.</p> <hr/> <p>Renovation of Sanskritik Bhawan at ARA, Bihar at a cost of ₹388.00Lakhs.</p> <hr/> <p>Construction of Auditorium Hall at Bhergaon in District Udalguri, Assam at a cost of ₹299.55 Lakhs.</p> <hr/> <p>Construction of Infrastructure development like Road works, Barriers &amp; Bus stop in Channagiri taluk, Davanagere, Karnataka at a cost of ₹240.40 Lakhs</p> <hr/> <p>Funding assistance for up gradation / improvement of Stadium / Public Sports Field at District Sports Association, Hailakandi (Aspirational District) in Assam at a cost of ₹240.13 Lakhs.</p> <hr/> <p>Construction of Indoor Sports complex for nurturing sports talent for nationally recognized sports like Squash and Chess at North Lakhimpur, Assam at a cost of ₹15.05 Lakhs.</p> |  |
|           |   |  | <p>Commissioned world's first reactor with Natural ester oil to replace synthetic mineral oil.</p> <hr/> <p>Development of Digital Substation resulting in reduced consumption of Natural resources like copper.</p> |

| SDG Goals | FY 2023-24  |  |
|-----------|---|--|
|           | <p>National Awareness Campaign on Energy Conservation through School, State &amp; National level Painting Competition on Energy Conservation-2023 by Bureau of Energy Efficiency (BEE) at a cost of ₹129.51 Lakhs.</p> <hr/> <p>Automatic PET bottle flaking and reverse vending machine to Vijayawada Municipal Corporation, Vijaywada, Andhra Pradesh at a cost of ₹81.24 Lakhs.</p> <hr/> <p>Maintenance of Green Belt at Sector 43, Gurugram at a cost of ₹73.62 Lakhs.</p> <hr/> <p>Carrying out work of flood control and soil erosion control in in Bhelya Van Panchayat under CSR at Jauljibi, Uttarakhand at a cost of ₹71.20 Lakhs.</p> |  |
|           |   | <p>Providing financial assistance of ₹302.10 Lakhs to National Foundation for Communal Harmony (NFCH) for education of 1911 violence affected students from Assam, Manipur and Chhattisgarh under CSR.</p> |
|           |   |  |





# STAKEHOLDER ENGAGEMENT AND MATERIALITY ASSESSMENT

## STAKEHOLDER ENGAGEMENT

Our Stakeholder Identification process meticulously distinguishes between various types of stakeholders engaged in, impacted by, or associated with our operations and activities. This systematic approach enables us to better understand their concerns, meet their expectations, and cultivate strong relationships. Previously, we conducted a comprehensive stakeholders' assessment, identifying key material aspects and categorizing stakeholders into homogeneous groups based on common interests. An effective engagement plan was then developed for each group. Stakeholders related to specific projects were identified considering their impact, influence, partnership, and interest, categorized into three major groups: directly and indirectly affected persons, stakeholders with an interest in or influence over the project, and individuals and institutions involved in project implementation. Our stakeholder list for this reporting year remains consistent with updated details regarding engagement methods, frequency, and significance.

We endeavor to foster positive and transparent connections with all our stakeholders. These connections are continuously fortified through feedback, facilitating enhancements in operational processes and subsequent outcomes. We are convinced that prioritizing the needs of our stakeholders will cultivate enduring relationships grounded in trust, resilience, adaptability, and responsible progress.

## OUR STAKEHOLDER ENGAGEMENT PROCESS IS FURTHER ELABORATED IN THE BELOW SECTION

| Stakeholder group   | Why are these stakeholders important to us  | Whether identified as vulnerable & marginalized group (Yes/No) | Modes of communication (Email, SMS, Newspaper, Pamphlets, Advertisement, Community meetings, Notice board, Website), Other | Frequency of engagement (Annually/ half-yearly/ quarterly / others – please specify)                                   | Strategic Priorities (Purpose and scope of engagement including key topics and concerns raised during such engagement)  |
|---|---|--|--|--|---|
| Shareholders/ Investors (Financial & Social Capital)  | Our Shareholders are of utmost importance to our business. Their value comes in the form of financial investment from owning shares. We are diligent towards increasing shareholder value over the long term to deliver them a higher value and potentially higher dividends. | No   | Annual General Meeting<br>Board meetings<br>Annual Report/ Website<br>Analyst meetings<br>Investor Interactions            | Once a year<br>Minimum 4 times a year<br>Once a year/ As & when required<br>Minimum 4 times a year<br>On regular basis | Wealth Creation & Dividend Payout<br>Review of Performance & Results<br>Sector-specific macro-economic trends & Interest of investors<br>Long-term Partnership                    |
| Customers<br>State Electricity Boards<br>Telecom -Private firms<br>Consultancy (National & International) | Our Customers are the foundation of our long-term success.<br>Customer Delight remains at the center of everything we do.   | No   | Physical meeting during signing of agreements and on need basis<br>Meetings/ Emails/ Calls                                 | With every project<br>As and when required   | Billing Collection & Disbursement Meetings<br>High uptime<br>Immediate resumption of service in case of service breakdown<br>Faster resolution of queries<br>Innovative solutions |

| Stakeholder group  | Why are these stakeholders important to us   | Whether identified as vulnerable & marginalized group (Yes/No) | Modes of communication (Email, SMS, Newspaper, Pamphlets, Advertisement, Community meetings, Notice board, Website), Other   | Frequency of engagement (Annually/ half-yearly/ quarterly / others – please specify)   | Strategic Priorities (Purpose and scope of engagement including key topics and concerns raised during such engagement)   |
|--|--|--|--|--|--|
| Multi lateral Funding Agencies (World Bank, ADB, IFC, KfW, etc.) | Key supporters that ensure their trust with us financially, for various developmental and infrastructure projects for economies/ regions in different geographies.   | No   | Physical/ Virtual Meetings, Trainings / Workshop / Emails<br>Implementation Support / Review Missions, Routine Assessments/ Audits/ Monitoring<br>Progress Reports<br>Project Completion Report (PCR)  | As and when required<br>Quarterly and Half-yearly<br>After Completion of project   | Appraisals/ Discussions for the funding awards<br>Faster resolution of issues and Project feedback status<br>Discussions w.r.t. changes in the regulatory framework time to time   |
| Employees  | Our employees are invaluable assets and fundamental to our sustained growth. They play a crucial role in strengthening our competitiveness and reaffirming our market leadership   | Yes (Women / SC/ST)  | Employee Engagement Survey<br>Open House<br>Performance Review<br>Magazines Cue and Regional Magazines<br>HR Conclave & Department specific meets<br>Communique<br>Grid Darpan (Rajbhasha)<br>Candour (Vigilance)<br>PNBC meetings<br>HR meetings/ Emails/ Telephonic Calls/ Notice Boards | Yearly<br>Quarterly<br>Twice in a year<br>Quarterly<br>As and when required<br>Weekly<br>Half-yearly<br>Yearly<br>As per requirement<br>As and when required                                   | Employee benefits & welfare<br>Safe working environment<br>Career progression<br>Equal opportunities and treatment<br>Upskilling Opportunities<br>Periodic Performance & Feedbacks<br>Meetups/ Townhalls/ Strategy & Performance Meetings to share regular updates |
| Community / Project Affected People (PAPs)                       | Empowering the lives of people within the communities in which we operate remains fundamental to our business sustainability.<br>We continue to strengthen our relationships with the communities and transform their lives through various upliftment programs and initiatives. | Yes  | Public Consultation/ Newspaper<br>Physical visits to the affected region/ Focus Group Discussions<br>CSR initiatives & Community Meetings  | At every stage of the project from conceptualization to Operation & Maintenance<br>Periodic time intervals as per the requirement of Projects<br>Need based (In consultation with communities) | Contribution to society<br>Compliance to Resettlement and & Rehabilitation requirements/ provisions<br>Provide opportunities for self-sustenance and empowerment<br>Empower livelihoods<br>Social Impact assessments & Project monitoring                          |





| Stakeholder group  | Why are these stakeholders important to us  | Whether identified as vulnerable & marginalized group (Yes/No) | Modes of communication (Email, SMS, Newspaper, Pamphlets, Advertisement, Community meetings, Notice board, Website), Other   | Frequency of engagement (Annually/ half-yearly/ quarterly / others - please specify)  | Strategic Priorities (Purpose and scope of engagement including key topics and concerns raised during such engagement)  |
|--|---|--|--|---|---|
| Government Regulators (SEBI / CERC/ BSE / NSE) Ministry of Power Ministry of Finance, Ministry of Environment, Forest and Climate Change | Constructive relationships with the government are critical to our business continuity. We monitor regulatory developments and policies closely, thereby participating in progressive discussions | No   | Compliance Reports/ Forms/ Physical Meetings/ Website/ Emails<br>Emails/ Meetings/ Industry Association Meetups<br>RPC (Regional Power Committee) Meetings<br>Performance monitoring Discussions/ Reports/ Assessments<br>Discussions & Meetings/ Emails for grants<br>CAG Audit   | On a continuous basis<br>As & when a new legislation/ regulation/ rules are proposed<br>Monthly<br>As & when required<br>As & when required<br>As per Regulations | Adherence to compliance requirements under various statutory regulations<br>Comments/ observations on proposed legislations<br>Capital allocation<br>Transparent disclosure practices for them to take informed investment decisions<br>Adherence to environmental and other applicable laws<br>Interest of minority shareholders<br>Coordination for various entitled grants   |
| Suppliers & Contractors  | Our suppliers and contractors are the key part of our value chain.<br>We partner with our suppliers to ensure an effective and efficient procurement process for seamless business operations.    | Yes (MSME / SC/ ST vendors)                                    | Pre bid discussions (PBD)/ Website/ GeM Portal/ Newspaper<br>Review meeting at various management levels<br>Meetings/ Communication for MPR requirements<br>Joint discussions on technological advancements including Research & Development institutions<br>Feedback Sessions<br>Capacity Building Sessions/ Workshops/ Classroom Trainings | With every award<br>Monthly<br>Monthly<br>On a regular basis<br>Once a year<br>As & When Required   | Call for Bids and explanation about the project and timelines etc.<br>Reliable payment schedules<br>Timely redressal of any queries<br>Long-term partnerships and capacity building<br>Discussion for MPR of each contractor & suppliers<br>Encouragement for Make in India & Atmanirbhar Bharat Abhiyan<br>Continuous engagement & Dialogue with Vendors, Suppliers etc.<br>Development of MSMEs Suppliers & Vendors |

| Stakeholder group                      | Why are these stakeholders important to us  | Whether identified as vulnerable & marginalized group (Yes/No) | Modes of communication (Email, SMS, Newspaper, Pamphlets, Advertisement, Community meetings, Notice board, Website), Other | Frequency of engagement (Annually/ half-yearly/ quarterly / others - please specify) | Strategic Priorities (Purpose and scope of engagement including key topics and concerns raised during such engagement)  |
|--|---|--|--|--|---|
| Media                                  | Timely and transparent communication of key to our business, where our key stakeholders put their faith and reliability on what and how we communicate with them, to which the media plays an important role. | No   | Press Briefing/ Invitations to events  | Several Media coverage/ Press Briefings & Exhibitions                                | Transparent and Strategic communications for all relevant stakeholders<br>Continuous feedback channel for all stakeholders & their demands                        |
| Technological Institutions (IITs/IISc) | Nurturing academia and industry relations fosters culture of innovation and technological solutions for businesses and societies.   | No   | MOUs/ Physical Meetings/ Collaborations/ Webinars/ Training Sessions   | As & when required   | Exploring and adopting emerging technologies with Leading academia Institutions for Emerging technologies<br>Research Funding to Academia for sector-specific R&D |





## OUR APPROACH FOR CONSULTING WITH AFFECTED COMMUNITIES

Public consultation/information is an integral part of the POWERGRID project cycle. POWERGRID follows a well-defined procedure for conducting public consultation involving different techniques as laid down in its ESPP, which is also approved by The World Bank under the Use of Country System (UCS). There are 10 different techniques which are used either independently or in combination appropriately at different milestones of the project depending on field conditions. The location for public meeting is usually selected at every 50-100 km involving major villages/habitated area enroute the line. However, in other villages/parts, informal group meetings or other techniques are applied for consultation. The consultation and feedback process is a continuous one and implemented regularly at different milestones of project cycle.

The process of consultation and information dissemination begins even before the start of construction as POWERGRID informs the general public by publishing in 2 (Two) local newspapers in vernacular language on implementation of project indicating the route of final alignment with name of the town /villages its passing through about the project and invites their suggestion, if any. During survey also POWERGRID site officials meet people and inform them about the routing of transmission lines. During construction, every individual, on whose landline is constructed and people affected by RoW, are consulted. Apart from this, public consultation using different technique like Public Meeting, Small Group Meeting, Informal Meeting shall also be carried out during different activities of project cycle.

During public consultations, information about the project is shared, including its complete plan, design standards, health impacts related to EMF, and measures to avoid public utilities like schools and hospitals. Additionally, other impacts of transmission lines and POWERGRID's approach to minimizing and solving them are discussed. The compensation process for Project Affected People (PAPs) is also explained.

Public concerns and questions are addressed thoroughly. Common queries focus on improvements in power availability, safety, and ROW compensation. Participants often ask whether the project will improve power supply and reduce outages, if it is safe for nearby residents working in the fields, the compensation policy for damaged crops and land used for tower footings, employment opportunities for locals, and details on ROW width for tree cutting and corresponding compensation.

For details related to Social Impact Assessments

(SIA) of projects carried out, refer to Annexure-X of Directors' Report.

## MATERIALITY ASSESSMENT

POWERGRID acknowledges the significance of materiality assessments in guiding our ESG strategy, providing insights into the relative importance of ESG factors and their potential impact on value creation. Our approach involves a systematic methodology, including a dedicated materiality survey conducted biennially, engaging both internal and external stakeholders.

Through stakeholder engagement, we delve into the concerns of those stakeholders affected by our operations, identifying key issues with the greatest impact. These were carefully curated into a Materiality Map, categorizing them based on importance.

During the previous financial year, we revisited these material issues, holding discussions with internal stakeholders to evaluate the financial impact of each issue and the impact on stakeholders. Through this assessment, we have derived 19 material issues significant to our value creation process. The issues were also classified as a risk or opportunity and the likely financial implications were ascertained.

Looking ahead, our commitment is driven by a collective vision and grounded in responsible business practices.



### Materiality Assessment Approach



Identification of Stakeholders



Prioritizing of Material Topics



Stakeholder Engagement & Materiality Survey

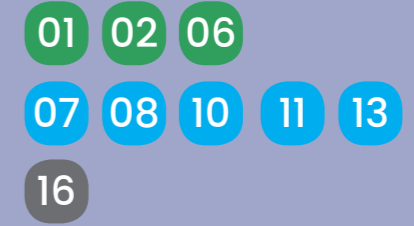
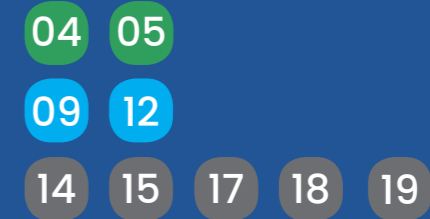


Materiality Survey Analysis & Review



Finalization of Materiality Matrix

## MATERIAL TOPICS



- |             |    |   |
|-------------|----|---|
| Environment | 01 | Climate change                                    |
|             | 02 | Biodiversity/ Environment Protection              |
|             | 03 | Water Management                                  |
|             | 04 | Energy Management                                 |
|             | 05 | GHG Emissions                                     |
|             | 06 | Waste Management                                  |
| Social      | 07 | Freedom of Association & Collective Bargain       |
|             | 08 | Employee Benefit Plan                             |
|             | 09 | Occupational Health & Safety                      |
|             | 10 | Human Rights                                      |
|             | 11 | Diversity, Non-discrimination & equal opportunity |
|             | 12 | Human Capital Development                         |
|             | 13 | Community Relations                               |
| Governance  | 14 | Ethics & integrity                                |
|             | 15 | Regulatory Compliance                             |
|             | 16 | Sustainable Sourcing                              |
|             | 17 | Transparency                                      |
|             | 18 | Technology & Innovation                           |
|             | 19 | Cybersecurity                                     |



# CORPORATE GOVERNANCE

At POWERGRID, our dedication to responsible and ethical business practices remains firm. We prioritize fairness, accountability, and transparency across all operational facets, supported by a robust governance framework. This structure, overseen by influential committees and a steadfast leadership team, encompasses a spectrum of regulations, policies, practices, and procedures. Our approach extends beyond mere compliance; we actively cultivate enduring relationships within the communities we serve. By doing so, we aim to shape POWERGRID characterized by prudence, purpose, and prosperity.

## Board of Directors

Corporate governance practices at POWERGRID are led by our Board of Directors and upheld by our employees throughout the organization. The board maintains oversight of the company's overall vision and offers valuable insights into important matters, safeguarding the interests of stakeholders. Crucial decisions related to investment, diversification, procurement, commercial activities, and finance undergo board approval before implementation. With various committees in place, there's a structured framework to ensure responsible behavior across the organization.

This transparent and proactive approach extends to critical matters affecting both the organization and

its stakeholders. The Board at POWERGRID recognizes its autonomy in making significant investment and operational decisions, particularly as a "Maharatna" company recognized by the Government of India. It is dedicated to exercising its resources responsibly and ethically.

## Board's Tenure

A snapshot of the Board's tenure is summarised below. For the details on Board's tenure, refer to the "Report on Corporate Governance" in Directors' Report.

| Board's Tenure (FY 2023-24)   |             |
|-------------------------------|-------------|
| 0-2 years                     | 06          |
| 2-5 years                     | 06          |
| <b>Board's Average Tenure</b> | <b>2.33</b> |

## Board's Expertise

The Members of the Board are committed to ensuring that the Board complies with the highest standards of Corporate Governance. The table summarizing the key skills, expertise, competencies of the Board can be referred in the "Report on Corporate Governance" in Directors' Report.



## Shri Ravindra Kumar Tyagi Chairman & Managing Director

Shri Ravindra Kumar Tyagi (58 Years), (DIN:09632316) is Chairman and Managing Director of our Company. He is an Electrical Engineer from Punjab Engineering College (P.E.C.), Chandigarh and has completed M(Tech) in Energy Studies from IIT Delhi. Shri Tyagi is a Fulbright Scholar from Carnegie Mellon University, Pennsylvania, USA. He is having a work experience of

over 34 years in Power Sector at various key positions in premier CPSUs in power sector such as POWERGRID and NTPC. He has handled multi-disciplinary functions in various business segments like Asset Management, Project Execution & Monitoring, Engineering, Business Development, Telecom, Load Despatch & Communication, NTAMC, Finance, Commercial, HR Resource Management, Safety, DMS etc. Shri R. K. Tyagi is representing India at various International technical committees for preparing Technical Standards. He is Author of over 50 technical papers which have been presented in National and International conferences. He has also published Handbooks on High Voltage Circuit Breakers and Bamboo Nailing & Sand Piling Technique in Power Transmission. He was appointed as Chairman & Managing Director on our Board in January, 2024.



## Shri Ravisankar Ganesan Director (Finance)

Shri Ravisankar Ganesan (58 years) (DIN: 08816101) is a Mathematics Graduate from University of Madras and is a Cost Accountant from The Institute of Cost Accountants of India. He has also done Post Graduate Diploma in Personnel Management and Post Graduate Diploma in Materials Management from Annamalai University. An accomplished technocrat, he has post qualification experience of 33 years, serving predominantly in POWERGRID (after a brief stint in NLC India Limited) in Construction office, Sub-stations, Regional Headquarters and Corporate Centre located in various parts of India. He has vast experience in key finance functions viz. Resource Mobilisation, Budgeting, Financial Reporting, Commercial and Retiral Benefits Fund Management. He has played a pivotal role in digitization of finance functions, establishment of bill processing hubs and ERP implementation and Development. He also led his team in Business Simulation Competitions and won laurels in National Management Games Championship, besides qualifying the Asian Championship to participate in the Global Management Contest representing India. He was appointed as Director (Finance) on our Board in September, 2022.





## Dr. Yatindra Dwivedi

Director (Personnel)

Dr. Yatindra Dwivedi (58 years), (DIN: 10301390) is Director (Personnel) of our Company. Prior to taking up this assignment, he was Executive Director (HR), POWERGRID and handled challenging & flagship works and delivered results consistently in dynamic business environment. He is a seasoned leader with demonstrated experience of more than 34 years. He has played a pivotal role in alignment of HR Strategy with business and steering organization's growth. He is a business enabler with excellent cross functional knowledge, high acumen and great exposure in policy formulations, HR Process Re-engineering & other Organizational Development initiatives. He started his professional journey with Hindalco Industries and joined POWERGRID in 1993. He has lead various change management initiatives such as SAP implementation, digitization of HR, readiness for future of work, etc. with a focus on building agile & resilient organization. He holds Bachelor degree in engineering from IIT Roorkee, PGDIE from NITIE Mumbai (now IIM Mumbai), PGDM from MDI Gurgaon and Doctorate in Management. He has represented India and won prestigious Asian Management Challenge Championship in 2017. He was appointed as Director (Personnel) on our Board in August, 2023.



## Shri Lalit Bohra

Government Nominee Director

Shri Lalit Bohra (DIN: 08061561) is Joint Secretary in Ministry of New & Renewable Energy, Government of India. He is an Electrical Engineer from Indian Institute of Technology Bombay and an MBA (Finance) from Birla Institute of Technology, Pilani. He belongs to Indian Railway Traffic Service (IRTS) of 1998 Batch. During the tenure of his career spanning more than 30 years, he has work experience of more than 23 years in Logistic sector at various key positions. He is expert in operations and commercial aspect of freight, passenger and suburban transportation. He has also worked as CGM in CONCOR where he has been instrumental in setting up new Dry Ports. After Joining Ministry in 2022, he was looking after Solar Energy sector, which includes PLI Scheme for Solar manufacturing, Rooftop Solar Programme, PM-KUSUM Scheme for solarization of Agricultural sector, CPSU Scheme and battery Storage etc. He was also Director General of National Institute of Solar Energy. He is now looking after Wind Energy including Offshore Wind and Transmission System including Green Energy Corridors along with International Cooperations. He is also on Board of Solar Energy Corporation of India as Government Nominee Director. He was appointed as Govt. Nominee Director on our Board in June, 2024.



## Dr. Saibaba Darbamulla

Government Nominee Director

Dr. Saibaba Darbamulla (DIN: 10167281) is a Graduate in Mechanical Engineering from the Council of Engineering Institutions, London, UK. He is Doctorate in Transportation Safety Area from Indian Institute of Technology (IIT) Delhi and Post-Graduate in Information Management from Management Development Institute (MDI), Gurgaon and Alumnus of Indian Railway Institute of Mechanical and Electrical Engineering, Jamalpur. He belongs to Indian Railway Service of Mechanical Engineering cadre and joined in 1993. During the tenure of his career spanning more than 31 years till now, he had been at various positions on Indian Railways including Divisional Mechanical Engineer, Additional Divisional Railway Manager/Palakkad/Southern Railway, Deputy Director (Rolling Stock) in world Bank aided railway rehabilitation project at Mozambique, Director (IPMD), Director (ISS), Director (Vigilance), Director (MPLADS) etc. His expertise, interalia, includes Railway Operations and Asset Maintenance, project planning & implementation, international tendering & procurement, information management system & data analytics, transportation safety & management, certified lead assessor of quality systems, implementation & monitoring of Central Government Schemes etc. He has experience of serving in Ministries related to core infrastructure in various capacities. Dr. Saibaba Darbamulla is presently working as Joint Secretary in the Ministry of Power. He was appointed as Government Nominee Director on our Board in May, 2023.



## Shri Chetan Bansilal Kankariya

Independent Director

Shri Chetan Bansilal Kankariya (48 Years) (DIN: 09402860) is a Graduate in Chemical Engineering from University of Pune, Maharashtra. He is in the business of land development & building construction having work experience of 26 years in the related field. He has been closely associated with various social organization and municipal corporation for river conservation through plastic pollution control. His area of interest includes management & organization, financial management, CSR activities, etc. He was appointed as an Independent Director on our Board in November, 2021.



## Shri Ram Naresh Tiwari

Independent Director

Shri Ram Naresh Tiwari (44 years) (DIN: 09405377) has dual Master's Degree in History from Bundelkhand University, Jhansi and Journalism from Barkatullah University, Bhopal. He is an agriculturist by profession. His area of interest includes research, development & implementation of technology adoption in the area of agriculture, mixed farming, business cooperative activities, social & agricultural welfare management etc. He was appointed as an Independent Director on our Board in November, 2021.



## NOMINATION AND SELECTION OF BOARD OF DIRECTORS

As a Central Public Sector Enterprise (CPSE), POWERGRID operates under the governance of the Government of India, which oversees the appointment of all Directors to the company's Boards.

The selection process for Functional Directors is managed by the Public Enterprise Selection Board (PESB), with recommendations forwarded to the government for final appointment. Adhering to its status as a listed entity and CPSE, POWERGRID adheres to regulatory frameworks such as the Securities and Exchange Board of India (SEBI) Regulations, the Companies Act of 2013, and associated rules, along with government directives issued by the Department of Public Enterprises (DPE), particularly regarding the appointment of Independent Directors.

Ministry of Power, Government of India, is responsible for appointing Independent Directors to POWERGRID's Board, in accordance with detailed guidelines issued by the DPE, which outline criteria such as experience, qualifications, and age. Both Functional and Independent Directors serve fixed tenures. Government Nominee Directors on POWERGRID's Board are similarly appointed by the Ministry of Power.

## BOARD DIVERSITY

POWERGRID's Board Diversity Policy ([https://www.powergrid.in/sites/default/files/inline-files/05\\_Policy\\_on\\_Diversity\\_of\\_Board.pdf](https://www.powergrid.in/sites/default/files/inline-files/05_Policy_on_Diversity_of_Board.pdf)) clearly states "the board of directors must be structured to achieve an optimal balance between executive and non-executive members, including at least one female director. Non-executive directors must constitute a minimum of fifty percent of the board, with the stipulation that if the chairperson is an executive, at least half of the board must consist of independent directors."

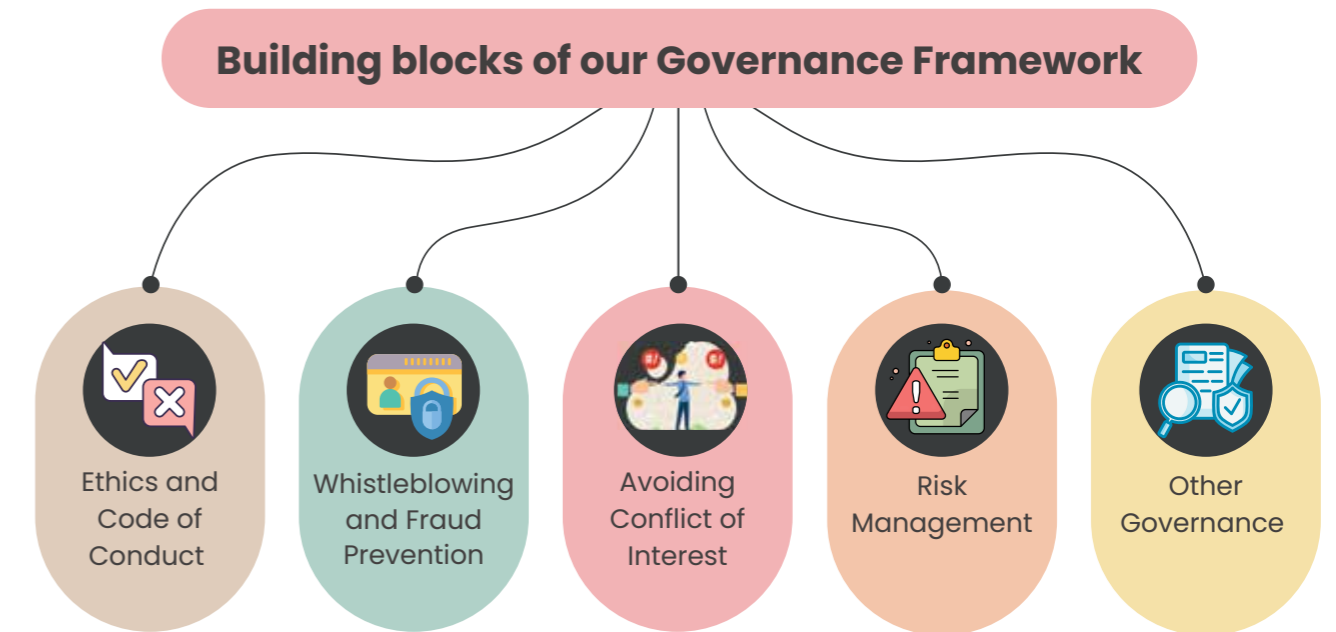
## BOARD LEVEL COMMITTEES ROLES & RESPONSIBILITIES

Details can be found at "Report on Corporate Governance" in Directors' Report.



## GOVERNANCE FRAMEWORK

Ensuring robust governance is paramount to our operations as it forms the bedrock of public confidence and fosters enhanced engagement with our stakeholders. In pursuit of this objective, we have established standardized processes and practices aligned with international benchmarks, which are operationalized through our comprehensive policies. Strict enforcement of these policies and systems is maintained across the organization to uphold integrity and accountability at all levels.



## Ethics and Code of Conduct

In an ongoing commitment to transparency and ethical governance, POWERGRID has implemented two distinct codes of conduct tailored for its Board Members and senior management personnel. These codes are designed to align with the organization's mission and objectives, ensuring that all individuals within the organization operate within the bounds of their authority and prioritize the company's best interests.

Furthermore, the company has established comprehensive Conduct, Discipline, and Appeal rules to govern the behavior (non-discrimination, ethical conduct, etc.) of all permanent employees, including Whole-time directors. All employees and whole-time directors are expected to uphold strict confidentiality regarding sensitive company information, safeguarding both the organization's interests and the privacy of individuals. These rules outline the ethical standards expected of employees and provide a framework for accountability.

Although no incidents were reported, should any instances of anti-competitive behavior, antitrust violations, or monopolistic practices occur, POWERGRID will take legal action in accordance with national laws.

## Whistleblowing and Fraud prevention

The company has implemented a robust Whistleblower and Fraud Prevention Policy aimed at addressing any instances of fraud or suspected fraudulent activities involving POWERGRID employees, as well as representatives of vendors, suppliers, contractors, service providers, or external agencies engaged in business activities with the company. This policy serves to create a secure environment for reporting such incidents and ensures the protection of rights and interests for employees making disclosures related to fraudulent behavior.

To uphold the integrity of the process, the company has established an Empowered Committee and a dedicated Vigilance Department tasked with thoroughly investigating any disclosures made under the policy. This ensures that due diligence is carried out in assessing and addressing reported instances of fraud or misconduct.



## Avoiding Conflict of Interest

The company has established a robust governance framework via its "Related Party Transaction Policy" to mitigate potential or existing conflicts of interest in alignment with legal requirements. The policy undergoes periodic review, approval, and potential amendment by the company's Board of Directors.

## Anti-Bribery Management System

POWERGRID has achieved the esteemed Anti-Bribery Management System (ABMS) IS/ISO 37001 certification. This recognition was conferred by the Bureau of Indian Standards (BIS) after 100% of the company's operations were assessed for corruption.

The ABMS certification awarded to POWERGRID underscores the organization's steadfast commitment to transparency and serves as a proactive measure to uphold fairness and integrity within the institution. This initiative aligns with the directives of the Central Vigilance Commission and the Ministry of Power. In furtherance of this commitment, both BIS and POWERGRID officials will organize regular training sessions on ABMS to ensure comprehensive implementation and continuous improvement.

## Other Governance Policies

POWERGRID's governance policies can be accessed at <https://www.powergrid.in/en/code-conductpolicies?title=&page=1>

# RISK MANAGEMENT

At POWERGRID, we actively evaluate and address evolving business risks in our operational environment. Our structured approach ensures consistent risk assessment. We maintain vigilance, identifying opportunities and emerging risks, and analyzing their implications on daily operations. Our commitment lies in seamlessly integrating a comprehensive risk management framework into our business processes.

To proactively manage potential risks, we leverage a robust Enterprise Risk Management (ERM) framework customized to our needs. This framework encompasses risk identification, assessment, monitoring, management, and mitigation across various aspects of our operations, including strategic, operational, sustainability, governance, and cyber risks. Recognizing their interconnected nature, we rely on Key Performance Indicators (KPIs) to effectively oversee and control our operations.

POWERGRID's Risk Management Process is subject to continuous oversight through the dedicated Board-level Risk Management Committee. This committee, consisting of no fewer than three members primarily selected from the board of directors and Independent Directors, meets regularly (at least quarterly), to assess key performance indicators (KPIs) and significant business risks. They offer recommendations for corrective measures aimed at bolstering operational efficiency. CGM (CP) is the designated Chief Risk Officer and is responsible for overseeing risk management, with duties encompassing the monitoring, management, and reporting of all identified risks.

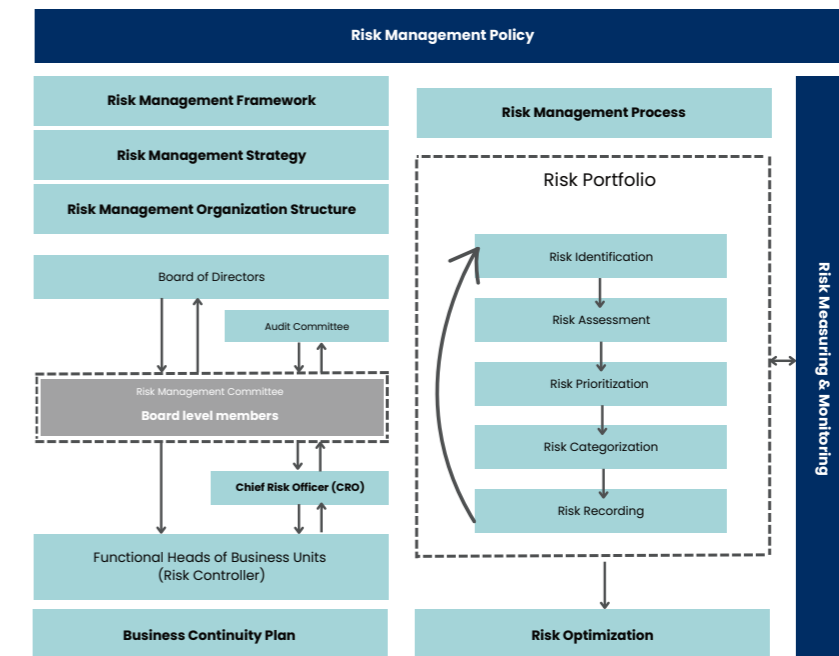
POWERGRID utilizes the Committee of Sponsoring Organizations of the Treadway Commission's (COSO) framework to establish internal controls that integrate seamlessly into its business processes. By adhering to this framework, we ensure that our operations are conducted ethically, transparently, and in alignment with industry standards. The COSO ERM framework provides POWERGRID with a structured approach to risk management, enabling it to understand, prioritize, and manage risks effectively.

Through the five components of the COSO framework - control environment, risk assessment, control activities, information and communication, and monitoring activities - POWERGRID can enhance its governance, strategy-setting, performance, and reporting processes. By implementing the COSO ERM framework, we not only strengthens our risk management practices but also promotes a culture of compliance, accountability, and performance improvement across the organization.

## ERM POLICY AND FRAMEWORK

POWERGRID's ERM policy supports its vision to be a global leader in integrated transmission, emphasizing reliability, safety, and economic efficiency. This policy establishes a robust ERM framework to manage risks by

adopting a proactive approach to project management operations and continuous improvement through innovation and advanced technology. The policy ensures that risk management practices are embedded in all organizational processes, thereby enhancing decision-making and resilience. Governed by the values of integrity, fairness, and respect, the policy undergoes regular reviews to adapt to global standards and stakeholder expectations, ensuring the generation of maximum value while maintaining the highest standards in health, safety, and environmental protection.



## GOVERNANCE AND STRUCTURE

The governance of the ERM system is supported by a well-defined organizational structure:

- Board of Directors**  
 Oversees the overall risk management system and ensures its alignment with strategic objectives.
- Risk Management Committee (RMC)**  
 Comprises directors, including independent members, responsible for developing and implementing risk management policies. The RMC meets quarterly to review risk status and mitigation efforts.
- Chief Risk Officer (CRO)**  
 Responsible for the execution and coordination of risk management activities, including reporting to the RMC.

## BUSINESS CONTINUITY AND CHANGE MANAGEMENT

POWERGRID's ERM framework includes a comprehensive Business Continuity Plan (BCP) to ensure operational resilience in the face of disruptions. The BCP outlines measures for disaster management and crisis response, integrating them with the ERM framework to minimize business impact and enhance safety and security.

Periodic reviews and updates of the ERM policy are conducted to adapt to evolving industry dynamics and organizational needs. This ensures that the ERM system remains relevant and effective in managing emerging risks.

POWERGRID has identified several significant risks and their mitigations those could potentially impact the operations. These risks majorly include delays in securing the Right of Way (RoW) and necessary clearances, which can delay the project timelines; the competitive nature of tariff-based bidding poses challenges in maintaining market share and cost competitiveness; changes in tariff regulations or orders; Environmental and Social (E&S); the reliance on digital systems has increased cybersecurity risks; Human resource risks involve attrition of skilled personnel & recruitment challenges; operational risks pertain to equipment failures, natural calamities etc.

## Inputs

### Financial Capital

₹ **87,145.11 Crore** Equity  
 ₹ **12,500 Crore** CAPEX in FY 24  
 ₹ **1,20,755 Crore** Debt

### Manufacturing Capital

**1,77,699** Operational Transmission Lines (ckm)  
**278** No of Substations  
**>1,00,000** Telecom Network  
**23 countries** Global Footprint

### Intellectual Capital

₹ **218.07 Crore** R&D Spend  
 Management & e-Learning Portal - PRAGYAN  
 Digital Applications for Asset Management - PGDARPAN, UDAAN, PALMS 2.0, Drone Patrolling, AI/ML based Maintenance  
 Knowledge

### Human Capital

**8,316** Total Employees  
**4,26,840** Total Employee Training Hours  
**100%** % Return to work after Paternity / Maternity Leave

### Social & Relationship Capital

**165** CSR Projects Sanctioned  
**100%** Domestic Procurement  
 ₹ **330.48 Crore** CSR Expenditure

### Natural Capital

**10,053 MWh** Renewable Energy Generated  
**44.65%** Reduction in SF6 leakage

## Transmission, Telecom, Consultancy and Emerging Business Areas



Robust Financial Systems



State of art technology



Resilient Supply Chain



Community Engagement



Best in class Operational practices



Efficient Human Resources



Sustainable Business Practices

## Outputs

**Transformation Capacity (MVA)**

**Circuit Kilometres (CKM)**

**Transmission System Availability**

**Digitisation / Adoption of New Technologies**

**Sustainable and Responsible Business Conduct**

# POWERGRID VALUE CREATION MODEL

## Outcome

### Financial Capital

₹ **45,843 Crore** Revenue from Operations  
 ₹ **17.87%** RoNW  
 ₹ **15,573 Crore** PAT

### Manufacturing Capital

**4,036** Additional Transmission Lines operationalised (CKM)  
**6** No of Substations added  
**99.85%** Transmission Network Availability  
**100%** Telecom Backbone Availability

### Intellectual Capital

**4** No of Patents held  
**150+** Training Modules developed  
 ISO 55001 certified Asset Management

### Human Capital

**5.00%** Turnover Rate  
**0** Lost Time Injury Rate  
**8.39%** % women in the workforce

### Social & Relationship Capital

**124** CSR Projects Completed  
**57.52%** MSME Procurement (%)  
**24** Impact Assessment carried out

### Natural Capital

**17.35%** Increase in renewable energy consumption  
**40.65%** Reduction in Scope 1 emissions



# FINANCIAL CAPITAL

Navigating Opportunities, Securing  
Stability with Sound Financial Strategies

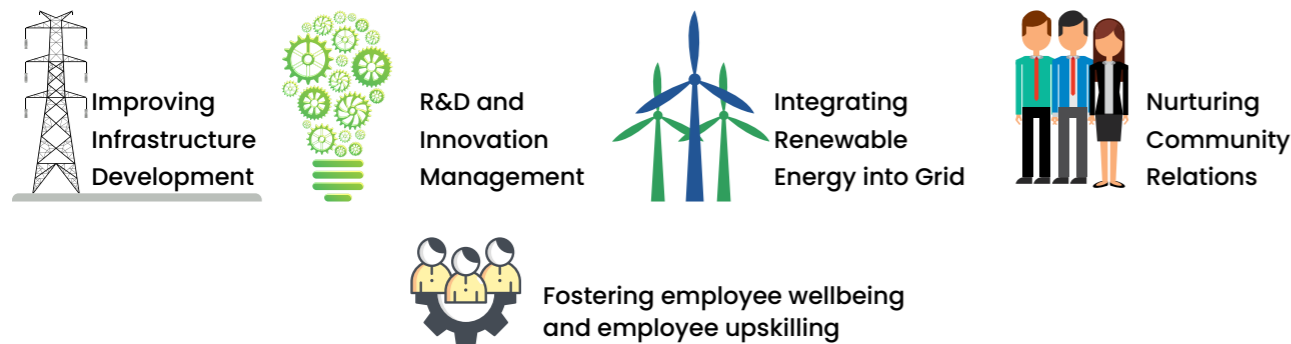


POWERGRID attributes its achievements to robust financial management and forward-thinking strategic planning. Central to our success is the recognition of maintaining a strong financial foundation, ensuring ample funding for operations, investments, and sustainable business growth to benefit stakeholders. Our solid financial position, guided by prudent management practices, allows us to finance critical infrastructure projects, expand our transmission network, and invest in Research and Development and Innovative Technologies, thereby enhancing grid reliability and efficiency. The Company's outstanding financial performance is a result of its strategic focus on expanding operations, enhancing reserves and implementing rigorous cost control measures and efficiency standards. With a robust financial position and a commitment to sustainable growth, POWERGRID is well-positioned for a promising future.

As a forward-thinking public sector utility committed to delivering lasting value, we recognize the crucial role of responsible financial - management in supporting our operational pursuits. This expertise enables us to expand our reach, providing stakeholders with superior services. Throughout the reporting period, our organization witnessed substantial growth across all operational fronts, showcasing our strategic approach to financial management. Our primary goal remains the strategic allocation of financial resources to maximize returns while upholding our Environmental, Social, and Governance (ESG) commitments.

With a comprehensive decision-making framework, we aim to seamlessly integrate financial capital with other resources. This holistic approach ensures coherence in our outcomes, whether it's enhancing operational efficiency, developing our human capital, or strengthening community relations. Through efficient resource management and a resilient balance sheet, we are dedicated to delivering sustainable value to our stakeholders, while maintaining grid reliability and resilience in the face of changing market dynamics and regulatory demands.

## BUILDING A STRONG FINANCIAL FUTURE BY INVESTING IN



## FINANCIAL PERFORMANCE

In the fiscal year 2023-24, our revenue reached ₹ 46,913 Crores, surpassing the ₹ 46,606 Crores recorded in FY 2022-23. The financial performance underscores our commitment to infrastructure investment, the integration of renewable energy into our grid, and fostering technological innovation across our operations. Our success isn't limited to the transmission sector; we've also seen substantial growth in our telecom business. At POWERGRID, we continuously assess operational risks to optimize returns on our financial resources and investments.

Our financial performance in 2023-24 reflects the strength of our business model and our proactive response to industry dynamics. Our commercial operations and financing activities generate the financial capital that supports our operations. Through diligent execution, we have established a robust balance sheet characterized by rapid growth and profitability. Maintaining a stable and prosperous financial position remains our top priority, providing long-term growth prospects supported by a robust business strategy for our stakeholders.

### Revenue from Operation

(₹ in crore)



### Operating Profit

(₹ in crore)



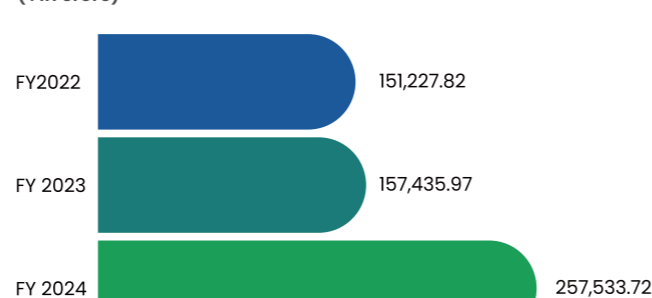
### Total Economic Value Generated

(₹ in crore)



### Market Cap

(₹ in crore)



## Return on Capital Employed

(in %)



(\*On consolidate basis)

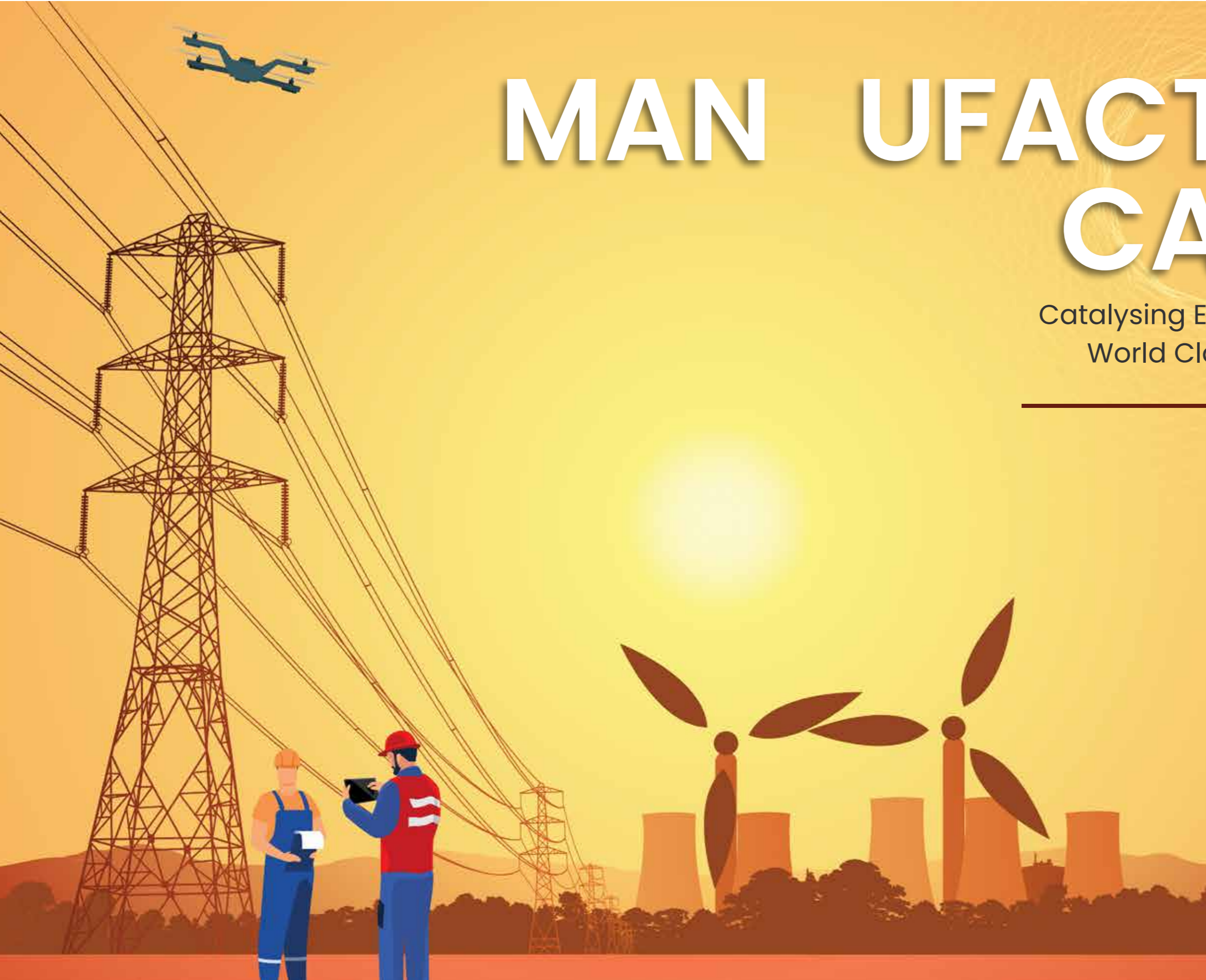
| (Unit: ₹ Crore)                         | FY 2022          | FY 2023          | FY 2024          |
|---|------------------|------------------|------------------|
| Revenue from operations                 | 41,621.64        | 45,603.11        | 45,843.10        |
| Other income                            | 1,076.26         | 1,002.53         | 1,070.02         |
| <b>Total economic value generated</b>   | <b>42,697.90</b> | <b>46,605.64</b> | <b>46,913.12</b> |
| Payment against Long term loan & Bonds  | 15,410.82        | 15,540.65        | 13,440.72        |
| Operating Expenses                      | 2,805.55         | 3,594.62         | 3,505.77         |
| Employee Salary and Wages               | 2,243.89         | 2,508.53         | 2,434.44         |
| Taxes                                   | 2,785.57         | 2,281.88         | 2,940.79         |
| Dividend paid                           | 10,811.96        | 8,544.93         | 11,218.85        |
| CSR Expenditure                         | 273.91           | 327.09           | 324.22           |
| <b>Total Economic Value Distributed</b> | <b>34,331.70</b> | <b>32,797.70</b> | <b>33,864.79</b> |
| <b>Total Economic Value Retained</b>    | <b>8,366.20</b>  | <b>13,807.94</b> | <b>13,048.33</b> |
| Operating Profit                        | 37,642.32        | 40,434.32        | 40,820.91        |
| Operating Margins (%)                   | 90%              | 89%              | 89%              |
| Profit before Taxes (PBT)               | 20,139.38        | 17,453.05        | 19,085.34        |
| Taxes rate (%)                          | 17.47%           | 17.47%           | 17.47%           |
| Profit After Tax (PAT)                  | 16,824.07        | 15,419.74        | 15,573.16        |
| PAT Margins (%)                         | 40%              | 34%              | 34%              |
| Net Fixed Assets                        | 191,772.84       | 185,436.99       | 177,760.55       |
| Share Capital                           | 6,975.45         | 6,975.45         | 9,300.6          |
| Reserves and Surplus                    | 69,280.84        | 76,050.84        | 77,844.51        |
| Shareholder Funds                       | 76,256.29        | 83,026.29        | 87,145.11        |



| (Unit: ₹ Crore)            | FY 2022    | FY 2023    | FY 2024    |
|----------------------------|------------|------------|------------|
| Earning Per Share          | 18.09      | 16.58      | 16.74      |
| Dividend per share         | 11.63      | 9.19       | 12.06      |
| Book value per share       | 81.99      | 89.27      | 93.70      |
| No. of shares (in crore)   | 697.55     | 697.55     | 930.06     |
| Share Price                | 216.80     | 225.70     | 276.9      |
| Market Cap                 | 151,227.82 | 157,435.97 | 257,533.72 |
| CAPEX                      | 9,060      | 9212       | 12,500     |
| EBITDA                     | 37,642.32  | 40,434.32  | 40,820.91  |
| Return on Capital Employed | 11.32%     | 12.27%     | 12.65%     |
| Net profit                 | 16,824.07  | 15,419.74  | 15,573.16  |







# MANUFACTURED CAPITAL

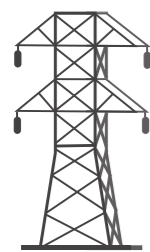
Catalysing Economic Expansion with  
World Class Infrastructure Assets

We have consistently demonstrated our ability to efficiently execute large-scale transmission projects. Over our 35-year journey, we have cultivated unparalleled expertise in transmission, driving growth in the sector across India. Operating as a Public Sector Undertaking, we recognize our responsibility to utilize resources efficiently, enhance operational flexibility, and meet the evolving needs of consumers. Throughout our history, we have pursued comprehensive optimization strategies, improving asset efficiency, performance, and minimizing disruptions caused by tripping incidents.

Our commitment to continuous improvement drives us to elevate our technological standards, ensuring that our transmission infrastructure remains advanced, flexible, and environmentally responsible. Our focus remains steadfast on creating enduring value for all stakeholders. To achieve this, we prioritize structured improvements across three focus areas: Infrastructure development, Asset Management, and Responsible sourcing.



### FOCUS AREAS



Infrastructure Development

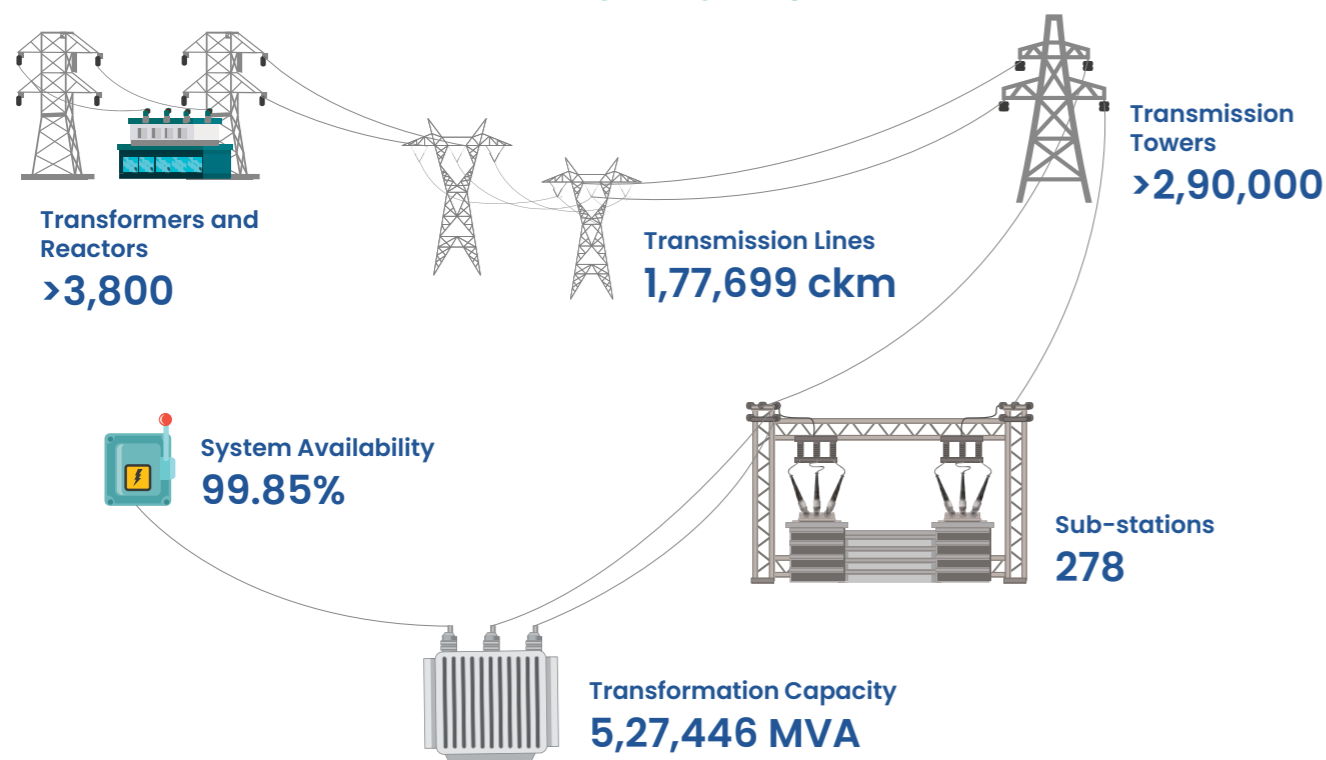


Asset Management



Responsible Sourcing

### HIGHLIGHTS



## INFRASTRUCTURE DEVELOPMENT

POWERGRID's strategic focus on infrastructure expansion demonstrates its proactive approach to meeting the nation's increasing energy demands. With the addition of **4,036 Ckm** of Extra High Voltage (EHV) transmission lines, **19,720 Mega Volt Ampere (MVA)** transformation capacity, and the establishment of **6** new substations during FY 2023-24, POWERGRID underscores its commitment to enhancing the capacity and resilience of the transmission network. These investments are vital in bolstering grid reliability by creating redundant pathways for power transmission, thus minimizing the risk of disruptions and ensuring uninterrupted supply to consumers. Moreover, the expansion of transmission infrastructure facilitates the seamless transmission of power across vast distances, enabling efficient energy distribution from generation sources to consumption centers. By investing in the expansion of its transmission network, POWERGRID not only strengthens the backbone of the nation's power infrastructure but also lays the foundation for sustainable economic growth and development.

### TBCB PERFORMANCE

In the fiscal year 2022-23, prior to last year, we engaged in 21 transmission projects through the Tariff Based Competitive Bidding (TBCB) route and secured victory in 11 projects, amounting to an aggregate tariff of approximately ₹951 Crore, representing 52% of the tariff percentage. The combined project cost of the successful projects in FY 2022-23 amounted to ₹8,387 Crore.

In the most recent fiscal year, 2023-24, our performance in bidding for TBCB projects showed improvement compared to the previous year. We actively participated in 25 ISTS Transmission System Projects and 4 Intra-State Transmission System Projects. Out of these 29 projects, we emerged victorious in 13 transmission projects. The total

estimated project cost of these 13 successful projects is approximately ₹33,528 Crore, with an aggregate annual tariff of about ₹2,888 Crore, accounting for a market share of approximately 64%.

### SERVING BEYOND THE BORDERS

As market leaders in our industry, we have expanded our network to several neighboring countries. We recognize that energy security is as crucial for our neighbors as it is for our own country, significantly contributing to our bilateral relations and our presence in international associations such as SAARC and BIMSTEC. Strategically located in the South-Asian region, we share geographical boundaries with SAARC and BIMSTEC member countries.

Currently, the cumulative power transfer between India and neighboring countries including Bangladesh, Bhutan and Nepal through cross-border interconnections is approximately 4,745 MW. POWERGRID has played a pivotal role in establishing strong cross-border relationships, ensuring the optimal utilization of regional energy resources in South Asia. This year, we formed a joint venture with the **Nepal Electricity Authority (NEA)**, with each party holding **50% equity**, to develop the Indian portion of the **400 kV Gorakhpur (India) – Butwal (Nepal) Transmission Line** and bays at the Gorakhpur end. Further, cross border interconnections with Sri Lanka and Myanmar are advanced stages of discussion at G2G level.

| Cross Border Interconnection between India and | Existing (MW)<br>(As on 31.03.2024) |
|--|-------------------------------------|
| Bangladesh                                     | 1,160                               |
| Bhutan   | 2,185                               |
| Nepal  | 1,400                               |
| <b>Total (approx..)</b>                        | <b>4,745</b>                        |

Successful completion of **5 TBCB projects** during FY24





## EXPANDING GLOBAL REACH: POWERGRID'S INTERNATIONAL PROJECT PIPELINE

POWERGRID continues to assert its global leadership in power transmission infrastructure, with notable strides in the Africa50. As a significant milestone in this collaboration, POWERGRID, in conjunction with Africa50, jointly submitted a Private Investment Proposal (PIP) followed by Project Development Report (PDR) for the development of a transmission system in Kenya. Following a scrutiny process, the PPP Committee of Kenya has endorsed the sponsors' proposal, paving the way for the commencement of the "Negotiations Phase."

Parallely, POWERGRID has further solidified its partnership with Africa50 by inking a cooperation agreement for the implementation of a transmission system in Tanzania under the Public-Private Partnership (PPP) model. Presently, the finalization of the project scope is underway in close coordination with the TANESCO (Tanzania Electricity Supply Company). Similarly, POWERGRID is exploring ways to collaborate with Transmission Company of Nigeria (TCN).

Our proactive pursuit of projects in Kenya, Tanzania and Nigeria underscores our steadfast commitment to sharing transmission infrastructure expertise worldwide. These initiatives not only promise to enrich our business portfolio but also to cultivate robust international alliances within the energy sector.

Our Domestic Consultancy business offers services in various fields related to the power sector. We also collaborate with state utilities & government bodies on various projects.

### Some of the key initiatives during the year include

- » Joint Venture with Rajasthan Rajya Vidyut Prasaran Nigam Limited (RRVPL) for developing the state's intra-state transmission system (value: ₹10,000 crore).
- » Executing about 79 domestic consultancy assignments in various fields including transmission and sub-transmission, design & engineering, EV charging, and renewable energy.
- » Bagged 21 new domestic consultancy assignments during the year.

## Commitment towards electricity consumption from renewable sources

Aligned with India's ambitions on clean energy transition, company aims to consume 50% of its electricity from renewable sources by 2025 and plans to achieve this through large-scale solar PV plants and rooftop Solar PV.

Installation of 10.2 MWp rooftop solar PV systems at more than 153 locations is complete and about 15 MWp Projects are under implementation/planning.

POWERGRID's first large-scale commercial project for the establishment of 85 MW Solar PV project at Nagda is under development. In addition, DPR for 82 MW at Jabalpur, Wardha, Aurangabad, and Khammam Substations has also been initiated for approval. Further, preparatory work for another 100 MW Solar PV Power Plants at various locations is under way.

## POWERGRID PAVES THE WAY FOR A GREEN HYDROGEN FUTURE

POWERGRID is exploring business initiatives in green hydrogen, an environmentally friendly and sustainable energy source poised to revolutionize the energy sector.

POWERGRID's commitment to green hydrogen underscores our proactive stance towards a cleaner energy future. Through pilot projects, strategic alliances, and industry collaborations, we are aiming at advancing green hydrogen technology and its seamless integration into India's energy landscape.

PowerTel through its robust, nationwide network exceeding 100,000 kilometers offers a variety of services, which as resulted in generation of revenue of ₹822 crore in FY 2023-24. PowerTel has actively contributed to strengthening Meghalaya's telecom infrastructure and played a critical role in safeguarding government portals during the G20 summit. PowerTel is planning to establish data centers at 15 strategic locations and international telecom gateways for Nepal and Bangladesh.



## DATA CENTERS

POWERGRID is strategically broadening its horizons with a venture into the data center domain, capitalizing on the company's robust infrastructure and domain expertise to meet the escalating demand for data storage and processing solutions.

### Pilot Project Takes Flight at Manesar, Haryana

The cornerstone of this endeavor is the pilot data center project in Manesar. Construction is underway, with building plans approved by the Gurugram Metropolitan Development Authority (GMDA), affirming our dedication to timely completion. Procurement of IT infrastructure, tailored to the 250-rack capacity, will run concurrently with civil works.

## LADAKH PROJECT

The Cabinet Committee on Economic Affairs, chaired by the Hon'ble Prime Minister, has approved the Green Energy Corridor (GEC) Phase-II – Inter-State Transmission System (ISTS) project for a 13 GW Renewable Energy Project in Ladakh. The project aims to be completed by FY 2029-30, with an estimated total cost of ₹20,773.70 crore, and the Central Financial Assistance (CFA) will cover 40 percent of the project cost, amounting to ₹8,309.48 crore. POWERGRID will serve as the Implementing Agency for this project, utilizing advanced technologies such as Voltage Source Converter (VSC) based High Voltage Direct Current (HVDC) and Extra High Voltage Alternating Current (EHVAC) systems



## ITAMS

The 2021-22 International Transmission Asset Management Study (ITAMS) results were published, highlighting POWERGRID as the top-performing transmission utility. ITAMS, a collaborative effort involving 10 global transmission utilities including TERNA, TenneT, ElectraNet, FINGRID, TRANSCO, OET, and POWERGRID, assesses and compares asset management practices and performance across these utilities.

This recognition is based on both technical measures, such as availability and tripping per line, and financial metrics like Return on Capital Employed (RoCE) and Return on Net Assets (RONA)



# ASSET MANAGEMENT

POWERGRID's commitment to excellence in asset management is through its **Asset Management Policy** and **Strategic Asset Management Plan (SAMP)**

## THE FOUNDATION: ASSET MANAGEMENT POLICY

The Asset Management Policy serves as the cornerstone of POWERGRID's approach. It defines the organization's core principles, objectives, and commitments regarding asset management. This policy establishes a clear framework for decision-making, setting standards for the entire lifecycle of assets. This includes risk management and a continuous improvement philosophy.

## TRANSLATING STRATEGY INTO ACTION: THE STRATEGIC ASSET MANAGEMENT PLAN

The SAMP complements the Asset Management Policy by translating strategic goals into actionable plans. It focuses on optimizing asset performance and maximizing value. The plan outlines long-term asset management strategies that align with POWERGRID's overall goals. These strategies consider factors like asset health, criticality, and lifecycle costs. The SAMP serves as a guide for resource allocation, investment decisions, and prioritizing maintenance activities, ensuring efficient and effective management of POWERGRID's vast asset portfolio.

**Condition Monitoring Tests are carried out as a part of Annual Maintenance Plan (AMP) for all major Assets:**

## Reliability Centered Maintenance (RCM)

POWERGRID's dedication to asset management is further amplified by its implementation of **Reliability Centered Maintenance (RCM)** practices. This integration exemplifies their proactive approach, emphasizing a systematic and data-driven strategy to ensure the reliability and longevity of their critical infrastructure.

### A Systematic Approach to Reliability

RCM focuses on meticulous analysis of assets, particularly high-value ones like transformers and reactors. This analysis allows for the development of targeted maintenance strategies. By leveraging asset data and understanding potential failure modes, criticality is assessed and maintenance activities are prioritized. This minimizes downtime, optimizes operational efficiency, and extends the useful life of the assets.

### Cost Savings and Sustainability

The implementation of RCM delivers significant cost benefits for POWERGRID. By prioritizing maintenance and avoiding unplanned outages, they can minimize maintenance expenses and optimize resource allocation. This not only translates to financial savings but also underscores their commitment to sustainability by reducing resource waste.

The combination of the Asset Management Policy, SAMP, and RCM strengthens the resilience of the power transmission network. This proactive approach ensures reliable and sustainable energy delivery for customers and stakeholders, solidifying POWERGRID's position as a leader in the power transmission sector.

## CENTRALIZED ASSET MANAGEMENT

Establishing a robust transmission system constitutes just one facet of our operations. Maintenance of this infrastructure is paramount, ensuring reliable supply of power and optimal performance of our assets. In support of this, we have established the National Transmission Asset Management Centre (NTAMC) in Manesar, along with several Regional Transmission Asset Management Centers (RTAMCs). These centers enable remote monitoring and operation of our transmission system in real-time. Notably, these facilities are unique in their kind, boasting state-of-the-art machinery and equipment, and are under continuous expert surveillance round the clock.

For increased efficiency and transparency in operation of POWERGRID transmission system, transmission assets are being remotely monitored & operated from remote control centers i.e NTAMC/RTAMCs. As on March 2024, POWERGRID is operating all its 278 sub-stations (along with 03 stations of InvIT) remotely through control centers.

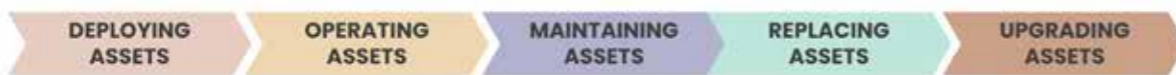
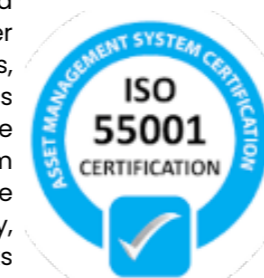
## SUSTAINABLE ASSET MANAGEMENT

Looking ahead, we are dedicated to advancing environmentally sustainable practices within our asset management framework. To this end, we are planning to transition to greener alternatives by replacing outdated SF6 Circuit Breakers (CB) with environmentally sustainable gas or clean air-based switchgear in Air Insulated Substations (AIS). As part of our initiative, we intend to pilot three sets of SF6-free AIS CB installations. Additionally, we aim to pioneer the deployment of the first model of Green Gas Insulated Substations (GIS) in India, starting with the installation at Badarpur AIS.

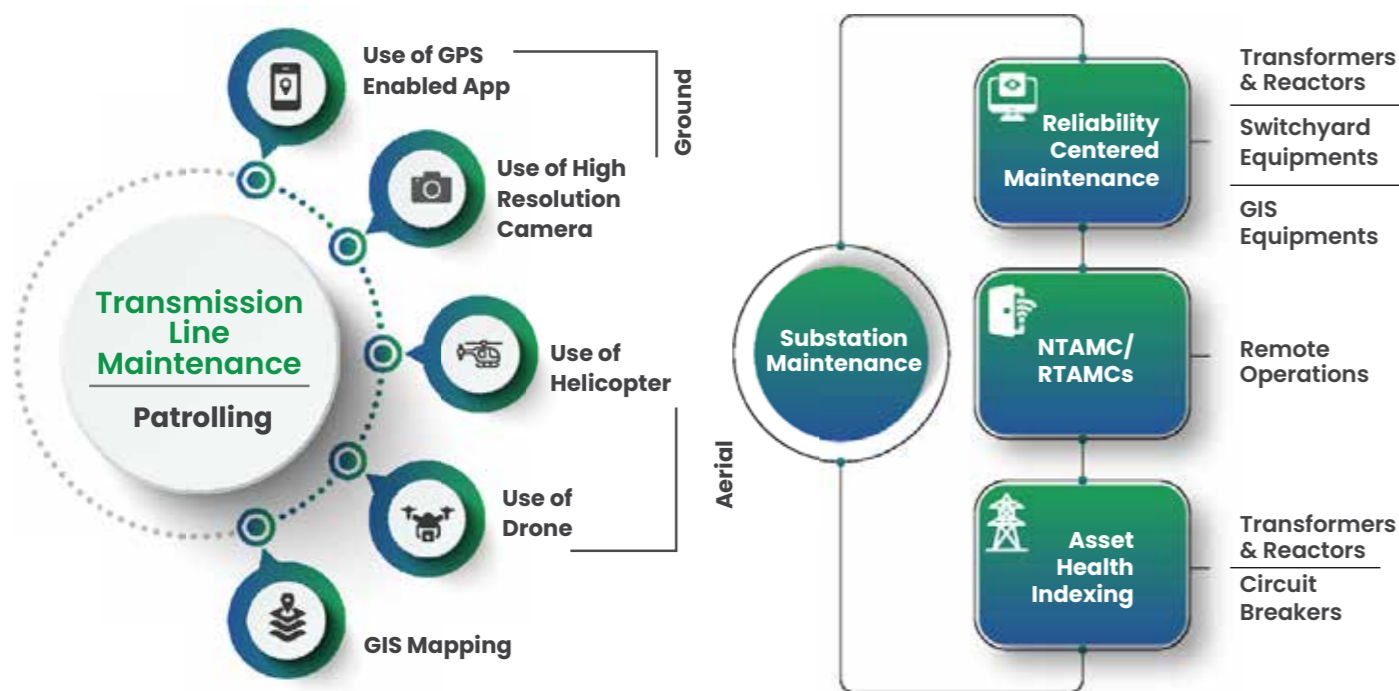


## ISO 55001 CERTIFICATION (ASSET MANAGEMENT)

POWERGRID's alignment with ISO 55001 standards for asset management underscores its commitment to excellence. By adhering to globally recognized benchmarks, the company ensures the highest standards of efficiency, reliability, and risk management across its asset base. During the year, POWERGRID has been recommended for ISO 55001 certification. It emphasizes strategic alignment of asset management objectives with overall organizational goals, robust risk management practices, performance evaluation through key performance indicators (KPIs), and a culture of continual improvement. By promoting stakeholder engagement, compliance with legal requirements, and integration with other management systems, ISO 55001 enables POWERGRID to optimize the value derived from its assets, enhance operational efficiency, and mitigate risks effectively.



In a Cost-Effective way with High Performance Levels





## Retro filling with Environment Friendly Natural Ester Oil

Aligned with its steadfast commitment to sustainability, POWERGRID has embarked on a groundbreaking initiative within its operational infrastructure. The retrofitting of Mineral-oil filled 132kV Shunt Reactors with Natural Ester Oil marks a pioneering endeavor in India's power sector, symbolizing a significant stride towards environmental responsibility & the promotion of greener technologies. By transitioning from conventional mineral oil to Natural Ester oil, POWERGRID not only enhances the efficiency and performance of its infrastructure but also mitigates environmental impact. Natural Ester oil, derived from renewable resources, offers superior biodegradability, and reduced ecological footprint compared to traditional mineral oil, aligning perfectly with POWERGRID's eco-friendly ethos. This innovative retrofitting initiative underscores POWERGRID's proactive approach towards sustainable practices, setting a precedent for the adoption of environmentally conscious solutions across the industry. As a leader in the power sector, POWERGRID continues to pave the way for a greener, more sustainable future, exemplifying its unwavering commitment to environmental stewardship and responsible corporate citizenship.

## Indigenous development of 400kV ERS

POWERGRID relies on Emergency Restoration Systems (ERS) to swiftly repair damaged power lines. Previously, these ERS components, like mast sections and insulated crossarms, were entirely imported. To promote Indian manufacturing, POWERGRID launched a program to develop domestic suppliers for high-voltage ERS (up to 400 kV), aiming to create a self-sufficient supply chain for future repairs.

## Inhouse repair of the 400kV Reactors

POWERGRID has carried out the in-situ repair of 400kV Reactors at Daltonganj & Balipara Sub stations. The repair work involved dismantling of the windings to attend the fault in the core shield. To carry out the repair work, temperature & moisture-controlled environment was prepared at site. The repaired reactor has been taken in-service at both the locations.

## Enhancing Project Efficiency through the Establishment of the RoW Cell

To enhance efficiency in project activities such as land acquisition, negotiations for Right of Way (RoW), clearances, and compensation, we established a dedicated RoW cell. This central RoW cell oversees coordination of land acquisition efforts, conducts regular reviews of regional RoW cells, and updates management on progress. Regional RoW cells were also formed for localized effectiveness. The Corporate Center's Human Resource Development (CC-HRD) is responsible for organizing competency development programs for RoW cell members through suitable training. Additionally, members will develop e-learning and training modules for sharing knowledge on the PRAGYAN platform, reflecting our commitment to improving efficiency and fostering a culture of continuous learning.



# RESPONSIBLE SOURCING

Our strategic approach to procurement prioritizes local sourcing for equipment and technology, fostering the localization of our supply chain to enhance the efficiency and reliability of our transmission systems.

In the fiscal year under review, we have secured over 100% of our equipment, goods, and services, through Domestic Competitive Bidding, a testament to our dedication to domestic sourcing. This strategic approach not only fortifies our value chain but also mitigates risks associated with global disruptions.

### Open and Transparent Selection

We conduct our vendor selection process with openness, transparency, and fairness. Suppliers are evaluated based on a well-defined set of criteria, including their ability to consistently deliver, their technical capabilities, product quality, and cost competitiveness. Equally important is their commitment to environmental and social responsibility, including ethical labor practices. To further enhance transparency, we utilize a structured e-tendering and award system for all contracts.

### Thorough Screening and Assessment

100% of potential supplier, both domestic and international, undergoes a comprehensive screening process. This ensures they meet our strict environmental and social standards, such as prohibiting child labor and forced labor, unsafe working conditions, discrimination, inadequate wages, and possessing valid environmental permits. To ensure the effectiveness of the process, we have established a continuous improvement and monitoring framework that includes regular on-site audits, inspections at manufacturing facilities, ongoing supplier engagement, and transparent reporting. This ensures adherence to safety regulations.

Registered vendors' information appears on the POWERGRID website for stakeholders to access. Contractors are instructed to source items from approved sub-vendors listed on the website. POWERGRID has an online portal for new vendor registration, where vendors must submit relevant documents, such as factory license, Pollution Certificate (consent to operate), ISO / BIS certificate, List of Plant Machinery, testing equipment, organization chart etc. These documents are reviewed, and an assessment of the vendor's manufacturing works is conducted. The assessment covers various aspects including design, manufacturing and testing facilities, quality, safety, woman empowerment, and social accountability concerns. Approved vendors receive an initial one-year approval, which can be extended based on their performance.

### Supporting Local Suppliers and Building Domestic Capacity

POWERGRID actively promotes local sourcing and encourages indigenous participation in our supply chain. We achieve this through various initiatives, including encouraging foreign manufacturers to establish production facilities in India, providing some flexibility in qualifying parameters for promising Indian suppliers, and offering opportunities for Indian manufacturers to collaborate with foreign partners on technical aspects of projects.

### Promotion of Micro, Small and Medium Enterprises (MSMEs)

POWERGRID recognizes the importance of fostering a robust domestic supplier ecosystem. We actively support Micro, Small and Medium Enterprises (MSMEs) through the Public Procurement Policy for MSMEs. This policy exempts MSMEs from bid security and tender document fees, while also granting them purchase preference on relevant projects. In the reporting period, our total procurement from MSMEs (including those owned by SC/ST and women entrepreneurs) exceeded ₹1,448 Crore, surpassing the mandated 25% target. Furthermore, we are committed to vendor development. We conduct regular vendor development sessions at both national and regional levels, and actively participate in industry events alongside government organizations dedicated to MSME growth.

### Supporting MSMEs & growing together





## MAKE IN INDIA

POWERGRID's initiatives aimed at enhancing domestic procurement for its transmission system development and operations have yielded significant results. International manufacturers have been enticed to set up new production facilities within India to meet the demand for equipment including GIS, transformers, reactors, STATCOM, and OPGW. This strategic move has not only diversified the vendor network but also enhanced the efficiency of the supply chain. Moreover, POWERGRID is constantly endeavouring to expand the local vendor base by advocating for indigenous suppliers, Micro and Small Enterprises (MSEs), and existing vendors. These efforts are closely aligned with the overarching Make in India initiative, showcasing the company's commitment to promoting local manufacturing and economic growth.

## SUPPLIER CODE OF CONDUCT

Recognizing the importance of ethical practices throughout its supply chain, POWERGRID enforces a Supplier Code of Conduct. This code outlines the minimum standards expected from businesses partnering with them. Suppliers are required to uphold these principles in their own operations and ideally cascade them down to their subcontractors. The code emphasizes ethical conduct, safety, environmental responsibility, and respect for human rights. By adhering to these standards, POWERGRID aims to create a sustainable and socially responsible supply chain that aligns with their core values of integrity, fairness, and respect.

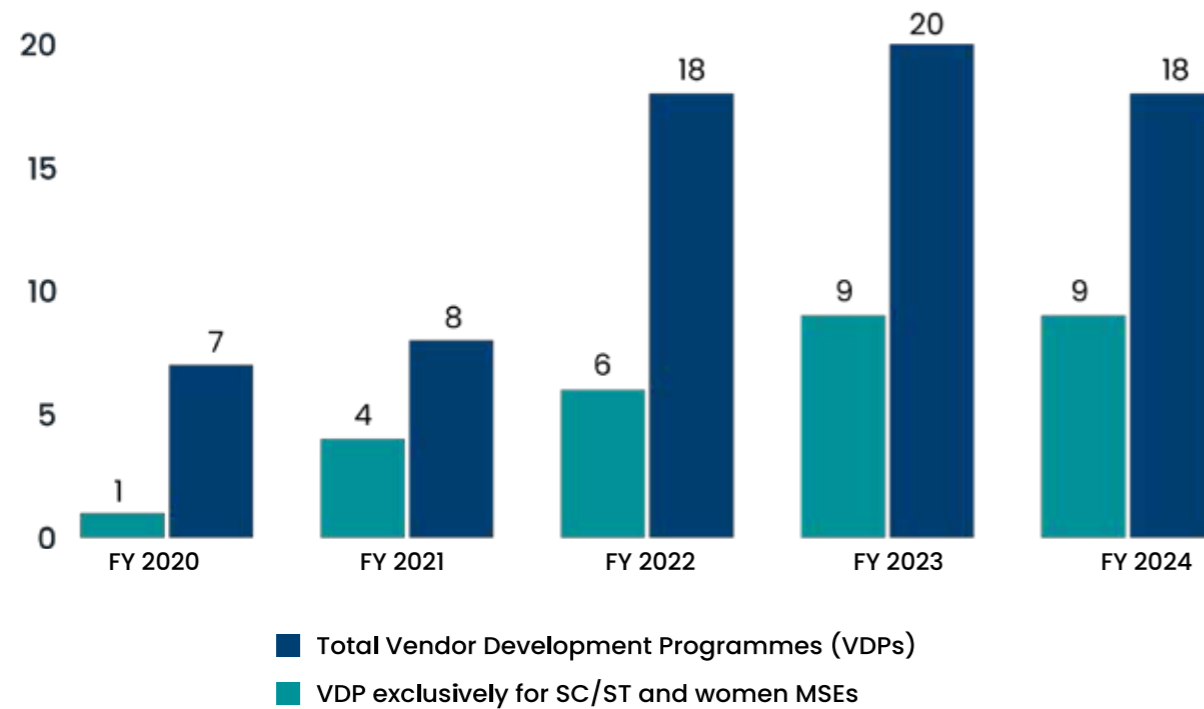
Supplier code of conduct can be accessed at

[https://www.powergrid.in/sites/default/files/code\\_of\\_conduct\\_policies/POWERGRID\\_Supplier\\_Code\\_of\\_Conduct.pdf](https://www.powergrid.in/sites/default/files/code_of_conduct_policies/POWERGRID_Supplier_Code_of_Conduct.pdf)



Foundation stone of Khavda 2 & 3 Pooling stations in Khavda RE Park for evacuation of 4.5GW RE & establishment of 765/400kV Ahmedabad Sub station under Phase-II, Part-C of Khavda RE Scheme

Vendor Development Programmes by POWERGRID





# INTELLECTUAL CAPITAL

Transforming Ideas into Tangible Value through Intellectual Excellence



POWERGRID's intellectual capital serves as the cornerstone of its operational excellence and leadership in innovation within the power sector. Through the integration of advanced technologies, data analytics, and grid optimization solutions, we optimize efficiency, reliability, and asset utilization across our grid infrastructure. Our relentless focus on Research and Development drives the creation of next-generation transmission technologies, facilitates renewable energy integration, and enhances grid resilience against evolving threats like cybersecurity breaches and extreme weather events. Nurturing a culture of innovation, continuous learning, and knowledge sharing among our workforce, we remain at the forefront of technological progress, fostering sustainable growth and delivering value to our customers and stakeholders in a rapidly evolving energy landscape.

As a unified, goal-driven team, our commitment to innovation defines our approach to research and development. This dedication not only boosts operational efficiency but also enhances internal cohesion and facilitates significant business transformation through purposeful technology deployment. Our resilient transmission network is underpinned by our robust R&D capabilities, reaffirming our dedication to sustainable value creation. By promoting creativity, continuous improvement, and the adoption of cutting-edge technologies, we ensure that innovation permeates every facet of our operations.

At POWERGRID, we continually increase our investment in R&D initiatives to enhance our product offerings and deliver greater value to our customers. By seizing market opportunities, whether addressing regional power delivery challenges or providing consulting services to domestic and international clients, we leverage our intellectual prowess to excel in diverse endeavors. Our commitment extends even to the most remote and challenging terrains, illuminating and connecting every corner of the nation in alignment with our mission.



# RESEARCH AND DEVELOPMENT

With POWERGRID's expansive presence across India we harness synergies across departments to effectively manage our infrastructure while constantly seeking new opportunities for growth. Our commitment to innovation, supported by extensive research and development efforts, involves every aspect of our operations, from technology advancement to process innovation, material science exploration, and asset management.

At the forefront of our innovation efforts is POWERGRID's Advanced Research and Technology Centre (PARTeC). This dedicated facility exemplifies our dedication to research and innovation, earning us global recognition. Notably, PARTeC has been officially recognized by the International Smart Grid Action Network (ISGAN) as a premier Research & Test infrastructure facility, authorized to conduct testing, simulation studies, and various research initiatives. It has also received international recognition and is accredited for **ISO 9001 and NABL**, demonstrating our commitment to quality management and customer satisfaction.

Protection Automation and Control laboratory at PARTeC, Manesar has received the prestigious **UCAlug Accreditation** to perform IEC 61850 Conformance Testing. Globally, POWERGRID is the Second Utility to have the UCAlug Accreditation.

POWERGRID prioritizes continuous innovation and development to ensure a robust and reliable power transmission network for India. Our intellectual capital encompasses a skilled workforce, cutting-edge technologies, and strategic collaborations, all contributing significantly to our success.

FOCUS AREAS

**Research and Development**

**Data Privacy and Cybersecurity**

**Digital Transformation**

## Spearheading Technological Advancements:

- **Towards India's First 500MW Offshore Wind Power Evacuation System:**

We are collaborating with IIT Madras and the National Institute of Oceanography to develop this pioneering project, paving the way for integrating offshore wind energy into the national grid.

- **Globally Recognized Testing Capabilities:**

PARTeC's Protection Automation and Control laboratory achieved the prestigious UCAlug Accreditation for IEC 61850 Conformance testing, solidifying POWERGRID's position as a global leader in power transmission technology.

- **Aatmanirbhar Bharat and Make in India:**

In line with these initiatives, we partnered with IIT Kanpur to develop a Substation Inspection Robot employing AI/ML for automated visual inspection, enhancing efficiency and objectivity in substation maintenance.

## Enhancing Efficiency and Reliability:

- **Innovative CVT Condition Monitoring System:**

A unique solution using synchronized voltmeters and RF communication provides real-time data for precise monitoring of Capacitive Voltage Transformers (CVTs), enabling proactive maintenance strategies.

- **Developing Super-Hydrophobic Coating Insulators:**

In collaboration with IIT Kanpur, we are developing next-generation insulators with superior performance, reduced maintenance requirements, and improved resistance to flashovers and arcing.

- **Successful Implementation of 800 kV & 420 kV RIP Bushings:**

These advanced bushings offer enhanced fire safety and minimize equipment damage in unlikely failure scenarios. Their successful installation at Aurangabad and Thiruvalem substations marks a significant milestone.

## Commitment to Public Health and Environmental Responsibility:

- **Electro-Magnetic Field (EMF) Measurements:**

Comprehensive seasonal measurements conducted on transmission lines across various regions confirm that EMF levels are well within international safety guidelines, ensuring the well-being of the public and environment.

## Strengthening Cybersecurity:

- **POWERGRID Centre of Excellence in Cyber Security:**

Established at the Indian Institute of Science, Bangalore, this center propels continuous research and development in cybersecurity for transmission and grid operations, safeguarding our critical infrastructure.

## Power System Simulation and Quality Assurance:

- **Advanced Simulation Studies:**

Breakthroughs in power system simulation studies, including developing project-specific VSC-STATCOM models and root cause analysis of system incidents, have set new standards and improved operational performance.

- **NABL Accreditation for PARTeC Labs:**

The accreditation of various labs at PARTeC reaffirms our unwavering commitment to quality and excellence in testing procedures.

## IN-HOUSE DEVELOPMENT OF CVT SECONDARY VOLTAGE MEASUREMENT KIT

The introduction of the CVT Secondary Voltage Measurement Kit marks a significant milestone in the realm of substation equipment monitoring. It represents the culmination of dedicated efforts aimed at overcoming the limitations of existing methods for monitoring Capacitor Voltage Transformers (CVTs). Recognizing the paramount importance of adhering to Preventive Maintenance Schedules for Substation Equipment, our team embarked on a journey of innovation to devise a solution that would revolutionize CVT monitoring. The concept behind the CVT Secondary Voltage Measurement Kit was born out of a need to address the inherent limitations of manual measurement methods, which often led to discrepancies due to variations in timing between CVTs. To overcome this challenge, our team devised a sophisticated solution involving the development of synchronized voltmeters capable of real-time measurements using RF Communications and GPS timing. This approach ensures that measurements taken between two CVTs are accurately synchronized, thereby enhancing the reliability and accuracy of the monitoring process. Through extensive development stages encompassing conceptualization, component selection, firmware development, and calibration, we meticulously crafted a solution that not only addresses existing limitations but also sets new standards for substation monitoring efficiency and accuracy.

Furthermore, the CVT Secondary Voltage Measurement Kit boasts a range of advanced features designed to optimize functionality and usability. These include the ability to measure AC voltage and frequency at precise synchronized intervals, phase difference calculation between signals from two measurement points, comprehensive data logging capabilities, and robust battery operation for extended use. Moreover, the kit incorporates built-in protections and error message displays for quick diagnostics, ensuring reliable performance in diverse operating conditions. Extensive performance assessments at accredited labs and successful field testing at POWERGRID substations have validated the accuracy and reliability of our product, underscoring its suitability for widespread deployment.

Looking ahead, our commitment to continuous improvement remains unflinching. Future development plans include enhancing frequency measurement accuracy and phase difference resolution, expanding voltage range and RF communication range, and implementing automatic master-slave configuration for simplified operation. By embracing innovation and leveraging technological advancements, we are poised to further elevate the capabilities of the CVT Secondary Voltage Measurement Kit and drive transformative change in the field of substation monitoring.







### 3D PRINTING TECHNOLOGY

POWERGRID is integrating 3D printing technology into its Operations and Maintenance (O&M) framework. This innovative approach was recently demonstrated through the fabrication of 11 Pressure Relief Devices (PRDs) at the HVDC Vizag Substation. By leveraging 3D printing for PRD production, POWERGRID has demonstrated its commitment to tailored solutions that precisely address its operational needs. This initiative underscores the company's proactive embrace of advanced technologies within the power sector.

### CENTRE OF EXCELLENCE (CoE) FOR PROTECTION AND SCADA

POWERGRID established a Center of Excellence (CoE) dedicated to the oversight of 36,000 Intelligent Electronic Devices (IEDs) and 190 SAS gateways, focusing on protection and SCADA functions. The primary objectives of this initiative include optimizing scheme implementation, ensuring uniform settings,



and expediting issue resolution. Proficient personnel equipped with advanced technologies such as Augmented Reality provide adept support for protection-related matters and remote assistance, thereby enhancing operational efficiency.

## DATA PRIVACY & CYBERSECURITY

Ensuring the robustness of our infrastructure is paramount at POWERGRID, especially given the diverse range of services we provide to critical government agencies and departments. Safeguarding sensitive information is at the core of our operations, encompassing data privacy, protection, and cybersecurity across the lifecycle of our services. To fortify our defenses, we have implemented stringent policies and achieved ISO 27001 certification for Information Security Management System across all our offices. Additionally, we prioritize employee training and regularly participate in exercises organized by esteemed bodies such as the Computer Emergency Response Team (CERT-In) and the National Critical Information Infrastructure Protection Center (NCIIPC).

Collaborative efforts are underway to establish a Cybersecurity Centre of Excellence (CoE) in Transmission and Grid Operations at IISc Bengaluru. This initiative aims to foster continuous innovation through research in collaboration with academia, with a sharp focus on enhancing our cyber resilience.

Moreover, as a pivotal player in the transmission sector, POWERGRID actively collaborates with other utilities to strengthen cybersecurity across

the industry. Together, we are steadfastly working towards fortifying our transmission system against cyber threats.

**Zero** cases of privacy breach or loss of customer data

## DIGITAL TRANSFORMATION

POWERGRID has consistently led the way in embracing cutting-edge technologies and implementing intelligent service delivery methods throughout our supply chain. An exemplary effort in this regard involves the integration of machine learning-driven solutions into our operation and maintenance procedures. This integration enables us to conduct thorough analyses and monitor the health of our assets more effectively. Consequently, we can swiftly implement corrective or preventive measures to optimize asset management. Considering the expansion of our asset portfolio, the adoption of advanced technology is proving instrumental in achieving both operational excellence and cost efficiency concurrently.

### UDAAN (UNIQUE DIGITAL ANALYSIS OF ASSETS AND NETWORK)

A cornerstone of POWERGRID's strategy is its digital transformation. The development of an integrated Asset Management Dashboard (UDAAN) provides stakeholders with a centralized platform for accessing critical performance indicators and real-time insights on various facets of Asset Management such as KPIs, asset data, operational issues, future work plans and other relevant information.

UDAAN (Unique Digital Analysis of Assets and Network), our innovative Asset Management Dashboard, serves as a comprehensive platform, consolidating data from diverse sources into a unified interface, streamlining access to key performance indicators (KPIs). This integration represents a significant leap forward in data management, offering decision-makers a centralized hub for assessing asset performance. With its intuitive geospatial interface, UDAAN empowers stakeholders to effortlessly track and evaluate asset statuses. By enhancing data accessibility, this dashboard promotes transparency and facilitates well-informed decision-making, underscoring our commitment to harnessing technology for enhanced operational visibility and strategic management.

### I2P (INTELLIGENT INSPECTION IN POWERGRID)

The implementation of Intelligent Inspection in POWERGRID (I2P) revolutionizes maintenance practices, enabling swift identification of equipment defects and proactive resolution. The implementation of Intelligent Inspection in POWERGRID (I2P) represents a significant leap forward in maintenance practices within the organization. This innovative system utilizes advanced technologies such as QR codes and rugged tablets to streamline the inspection process for substation equipment. By leveraging QR codes on each equipment, I2P simplifies identification, reducing search time and ensuring accurate data logging in the ERP database. The rugged tablets used for data logging are designed to withstand harsh environmental conditions, ensuring reliability and efficiency during inspections. Moreover, the system enables both online and offline data input modes, providing flexibility and accessibility to field personnel. With the ability to capture and store photographs of equipment defects, generate work orders, and issue notifications on-site, I2P facilitates proactive maintenance efforts and timely resolution of issues.

Furthermore, the system's analytics capabilities enable comprehensive asset assessment, identifying trends and patterns that inform decision-making and optimize maintenance strategies. Overall, the implementation of Intelligent Inspection in POWERGRID (I2P) not only enhances the efficiency and effectiveness of maintenance practices but also contributes to the overall reliability and performance of the organization's asset management system.

### PGAMRIT (POWERGRID Asset Management through Artificial Intelligence in Transmission)

The in-house AI/ML tool PG AMRIT (POWERGRID Asset Management through Artificial Intelligence in Transmission) has been seamlessly integrated into the transmission line patrolling platform PG-DARPAN (POWERGRID Digital Application for Routine Patrolling & Assessment of Network). PG AMRIT employs AI/ML algorithms to automatically detect defects in tower photographs. Traditionally, patrol teams manually analyzed these images for defects. However, to enhance efficiency, a new module utilizing image processing and AI/ML techniques has been introduced for automated defect identification. This advancement has significantly optimized the allocation of maintenance resources by prioritizing defect rectification over mere identification. Consequently, the focus has shifted from identifying



defects to promptly addressing them, thereby streamlining line maintenance operations.

## DIGITAL SUBSTATIONS

We have emerged as leaders in the successful execution of digital substation technology projects. Aligned with the vision of India's Digital India Mission, POWERGRID has achieved significant milestones in this realm. In December 2020, we transformed an old substation in Malerkotla, Punjab, into India's inaugural substation employing digital technology at a voltage of 400 kV. Subsequently, in January 2023, we accomplished another feat with the commissioning of the first green field 220/66kV Hallo Majra digital substation in Chandigarh. With the inauguration of the Malerkotla and Hallo Majra Digital Substations, POWERGRID has entered an exclusive league of utilities worldwide with a commercial implementation of Process Bus-based Digital Substations. This advancement in substation technology promises to significantly increase system availability by facilitating comprehensive, online testing of control and protection systems through a singular access point.

The implications are profound. This innovation offers advanced diagnostics, ensuring more precise and accurate visualization of data for informed decision-making. Additionally, it reduces commissioning time, minimizes copper requirements, and contributes to a more environmentally sustainable footprint. This marks a pivotal step towards a more efficient, resilient, and eco-friendly energy infrastructure.

## INTELLECTUAL ASSETS

As a recognition towards its continuous endeavour for developing innovative technologies, POWERGRID has been granted two patents by the Indian Patent Office, Government of India, in the field of sustainability, namely:

- Patent (No. 448560) for an invention entitled 'Field Programmable Gate Array (FPGA) based micro-grid control and monitoring system'.
- Patent (No. 516615) for an invention entitled 'Thermal Energy Storage (TES) Based Air Conditioning System and A Method to Manufacture the Same'

## DRONE PATROLLING OF TRANSMISSION LINES

POWERGRID has initiated drone patrolling to monitor transmission lines, spanning a distance of 900

kilometers. This pioneering method has enhanced operational efficiency and precision, leading to cost and time savings, and facilitating swift issue identification and maintenance. This strategic move underscores POWERGRID's dedication to leveraging cutting-edge technology for the seamless and secure operation of transmission networks.





# NATURAL CAPITAL

Building a Prosperous Future by Valuing and Conserving Nature's Assets.

POWERGRID recognizes the paramount importance of environmental stewardship and sustainable resource management in its operations. The company is deeply committed to prioritizing environmental sustainability and reducing its environmental impact throughout its value chain. To fulfill this commitment, POWERGRID allocates significant investments towards renewable energy, energy efficiency measures, and environmental conservation initiatives. These efforts aim to promote responsible natural resource utilization, curb greenhouse gas emissions, and preserve biodiversity.

In designing its operations, POWERGRID prioritizes strategies to minimize environmental impact, emphasizing low emissions and energy intensity. By avoiding chemical processes that release pollutants into the air or water, the company maintains a relatively clean operational profile. Nevertheless, POWERGRID acknowledges the urgent threat posed by climate change and is dedicated to combat it comprehensively by continuously taking measures to reduce its carbon footprint. While its transmission projects demonstrate commendably low emissions and energy intensity, POWERGRID is vigilant about continually mitigating both direct and indirect emissions.

Since 1998, POWERGRID has embarked on a sustainability journey, initially marked by the disclosure of its Environmental and Social Policy & Procedure (ESPP). This commitment has evolved over time, with the regular publication of biennial Sustainability Reports aligned with Global Reporting Initiative (GRI) frameworks and standards. To further elevate our Sustainability efforts as well as to fulfil the rising aspirations of stakeholders, POWERGRID adopted the Environmental, Social, and Governance (ESG) framework in 2022 and published its first Integrated report for FY 2022-23. Through this framework, the company continues to systematically report on material issues and disclosures while ensuring full compliance with regulatory requirements.

Moreover, POWERGRID aims to make substantial contributions to addressing pressing global challenges such as global warming and climate change. With an ambitious target of achieving net-zero emissions by 2047, the company is poised to play a significant role in combating climate change while upholding its commitment to environmental sustainability and responsible corporate citizenship.







### Energy Management



### Emissions Reduction & Management



### Water Management



### Waste Management



### Biodiversity Conservation



### Climate Change Adaptation Measures

**17.35 %**  
Increase in Renewable Energy Generated

**90.01%**  
of waste recycled or reused

**5.77%**  
Reduction in Emission Intensity

**21.29%**  
Increase in emission offsets

**38.98 %**  
Ground water recharge as % of total water consumption

**₹125.77 Crore**  
Total expenditure towards sustainability efforts

## SUSTAINABILITY THROUGH TECHNOLOGY

POWERGRID, the largest transmission utility of the country, strongly believes in the role of technology in driving positive changes. Accordingly we are not only proactive in adopting modern technologies but we also continuously work towards new innovations. To push our efforts towards development of innovative technologies, we have a dedicated Technology Development department. Our proprietary tower designs, including multi-circuit, narrow base, extra tall, and pole type towers, have significantly mitigated environmental and social impacts associated with transmission lines, including reduced involvement of forest, wildlife areas and Agricultural land. Additionally, our strategic shift from Air Insulated Switchyard (AIS) to Gas Insulated Switchyard (GIS) in land-constrained regions has not only minimized

land requirements and associated social impacts but also streamlined project execution.

One of our key technological breakthroughs involves harnessing induced power in transmission line earth wires, which otherwise goes waste to power telecom antennas, eliminating the need for DG sets and potentially reducing CO<sub>2</sub> emissions by 40-50 tCO<sub>2</sub> eq at each location, thus contributing significantly to climate change mitigation. Furthermore, this innovation eliminates pollutants such as particulate matters, nitrogen oxides, and hydrocarbons associated with DG sets.

Another notable innovation of POWERGRID is the development of digital substations, which drastically reduces the use of copper, a critical natural resource. In a bid to minimize waste, we introduced the world's first 400 kV reactor utilizing natural ester oil instead of synthetic oil. This innovation is expected to substantially decrease hazardous waste generation in our establishments, as used synthetic oil and its containers are classified as hazardous waste under Indian regulations.



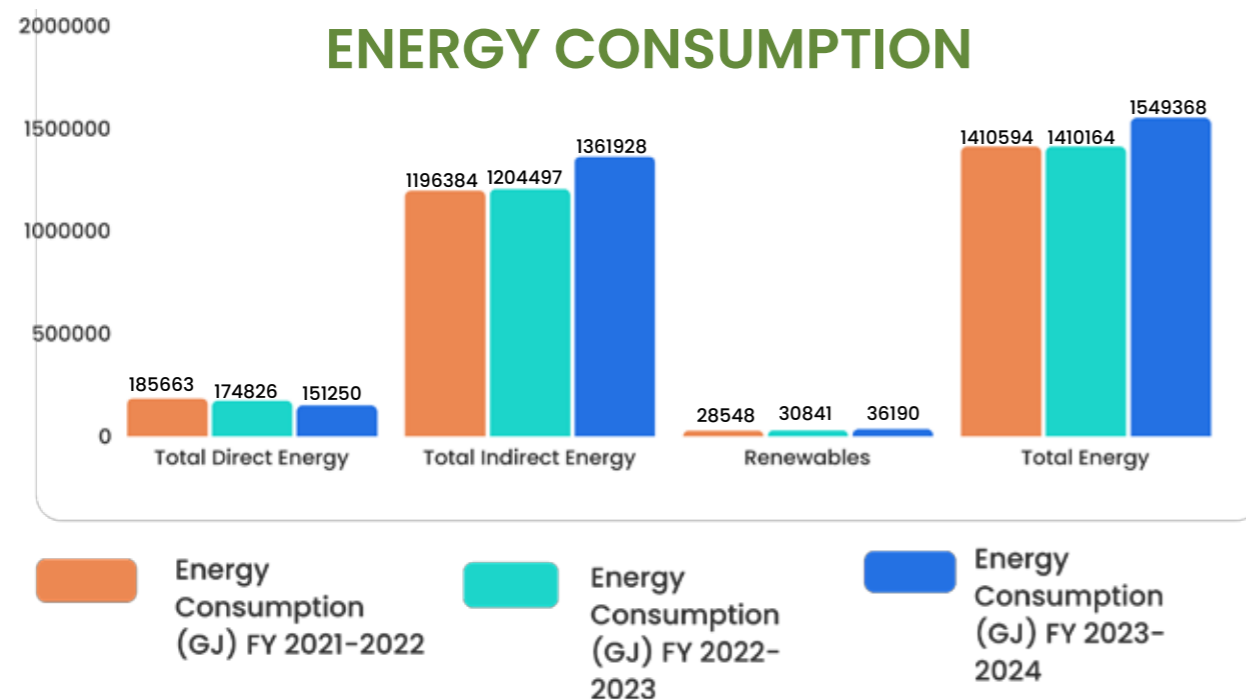




## RESPONSIBLE ENERGY MANAGEMENT

As a pioneering force in the energy sector, POWERGRID continually endeavors to uphold its commitment to efficient and sustainable energy management practices. With an unwavering focus on delivering reliable electricity transmission services across India and maintain a robust National Grid, POWERGRID recognizes the pivotal role in driving operational excellence and fostering environmental stewardship. POWERGRID's comprehensive approach to energy management, encompasses strategies for optimizing energy efficiency, harnessing renewable energy sources, and mitigating environmental impacts. By embracing innovation and adopting best-in-class technologies, POWERGRID strives to navigate the evolving energy landscape while simultaneously contributing to India's sustainable development goals.

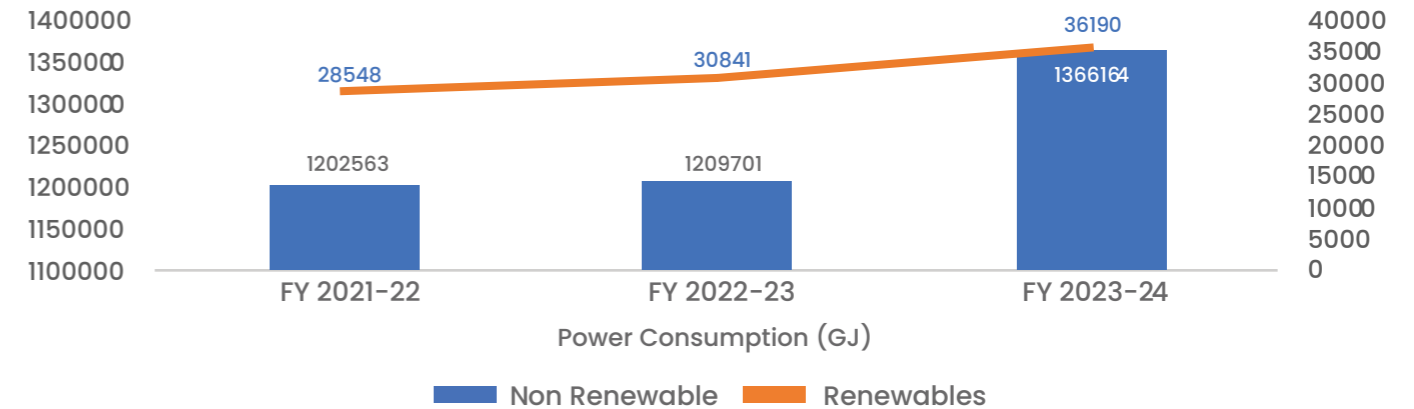
Despite the addition of 6 new substations in FY 24, our direct energy consumption got reduced by 13.49% and renewable energy consumption increased by 17.35%. However, total energy consumption increased by 9.87% due to 13.07% increase in indirect Energy consumption largely due to addition of new substations and STATCOMs in existing substations. STATCOMs are added to enhance the Grid Stability a need arising due to increasing share of Renewables in Indian Grid. Our solar energy capacity stands at 10.2 MWp, which is an increase of 24.39% from previous financial year. India has set ambitious targets to expand its non-fossil fuel-based electricity generation capacity to over 500 GW by 2030.



\*Slight difference in the value of Total Direct Energy Consumption reported in AR of FY 2022-23 and being reported now is due to use of latest Conversion Factor (CF) for Diesel. 1 Litre Diesel = 0.0383 GJ (<https://www.eia.gov/energyexplained/units-and-calculators/energy-conversion-calculators.php>) US Energy Information Administration (USEIA). In AR of FY 2022-23, 1 L Diesel= 0.041 GJ was used.

POWERGRID is an ISO 50001:2018 Energy Management System (EnMS) certified organization, follows a systematic approach to achieve continual improvement of energy performance.

### Increasing share of Renewables



## ENERGY EFFICIENCY

POWERGRID continues to demonstrate steadfast commitment towards energy efficiency across its operational spectrum. This dedication is evident through a multifaceted approach, which includes the adoption of state-of-the-art energy-efficient technologies and the cultivation of a culture conducive to positive behavioral changes regarding energy conservation.



Our company is classified as a Grade-I Energy Service Company (ESCO) under BEE regulations, signifying our capability to invest in and implement energy-efficient projects.

We have implemented various energy conservation measures, such as utilizing low-energy appliances like LED lamps, employing fuel catalyst devices for DG sets, and integrating solar photovoltaic systems in office buildings.

## EMISSIONS REDUCTION AND MANAGEMENT

Despite very low carbon footprint compared to organizations with comparable financial output, POWERGRID acknowledges its accountability for its emissions and reaffirms its dedication to reducing them. Despite maintaining a low leakage rate, fugitive emissions, notably SF6 leakage, comprise a major proportion of our Scope 1 emissions due to its very high Global Warming Potential (GWP). Furthermore, diesel consumption, primarily for vehicle operations, boom/scissor lifts, and DG set testing, contributes to a segment of our Scope 1 emissions. Additionally, the leakage of refrigerant gases plays a minor role in our Scope 1 emissions profile. POWERGRID improved its performance on all the above parameters by reducing SF6 leakage by 44.65%, diesel consumption

by 13% and leakage of refrigerant gases by 8% resulting in our Scope 1 getting reduced by 40.65% despite addition of 6 new substations. This remarkable feat was achieved due to tight inventory management of SF6 and refrigerant gases, effective leak detection and addressal of SF6 and replacement of diesel vehicles by Electrical Vehicles.

Despite the short duration for which the DG sets in our substations are operated, primarily for testing purposes, they undergo systematic and regular maintenance according to a Preventive Maintenance System (PMS). This is due to the presence of two highly reliable and stable sources of electricity: a dedicated feeder from DISCOMs and a tertiary power source directly from the grid. Consequently, emissions from these sets are minimized.

However, our Scope- 2 emissions increased by 13.07%, which is associated with purchase of grid electricity (Total Indirect Energy Consumption). As mentioned in earlier section this happened due to addition of new substations, realization of full electricity load of substations commissioned in later part of FY





To mitigate our diesel consumption, we are transitioning our fleet to electric vehicles (EVs). By the end of the FY 2023-24, we have replaced 155 diesel vehicles with EVs.

We are actively pursuing energy conservation initiatives & progressively integrating renewable energy sources for internal use, aiming to mitigate and decrease our Scope-II emissions.



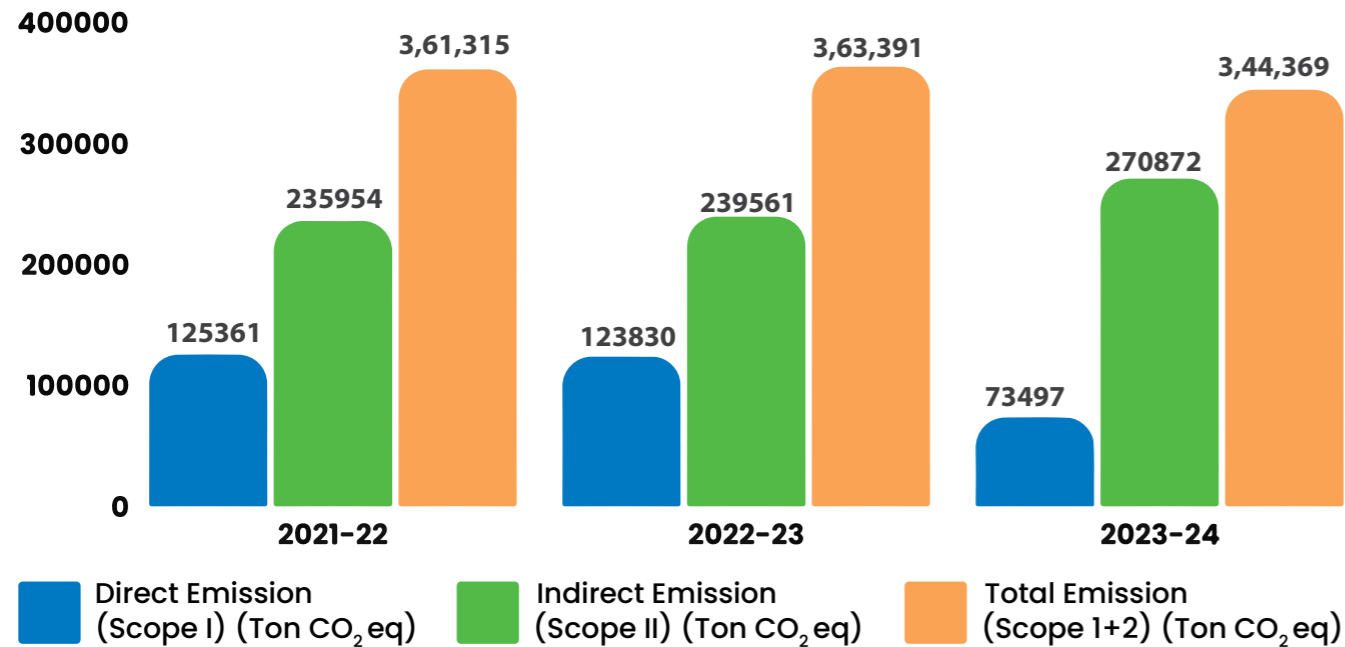
Our approach includes rigorous inventory control of SF6 gas and comprehensive training for personnel on its safe handling, leak detection, and environmental implications. We have installed highly sensitive SF6 leakage detectors across our major equipment, complemented by an alarm system to promptly flag potential leaks

Our ongoing efforts include exploring alternative options to SF6 gas. As part of this initiative, we are executing a pilot project to replace SF6 with a more environmentally friendly alternative in select substations.

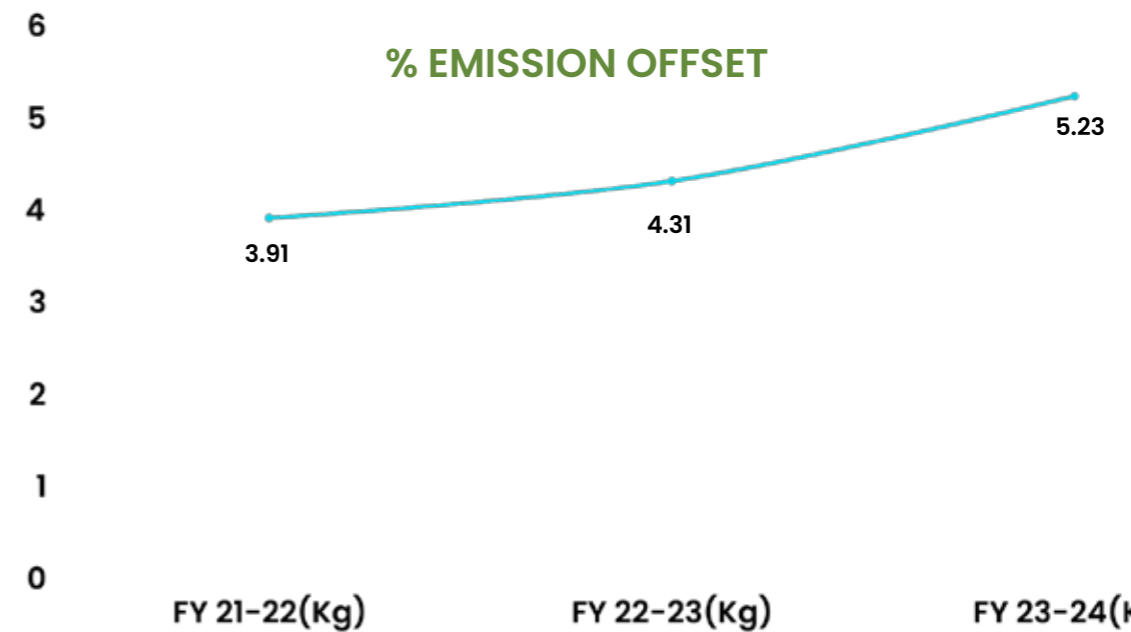
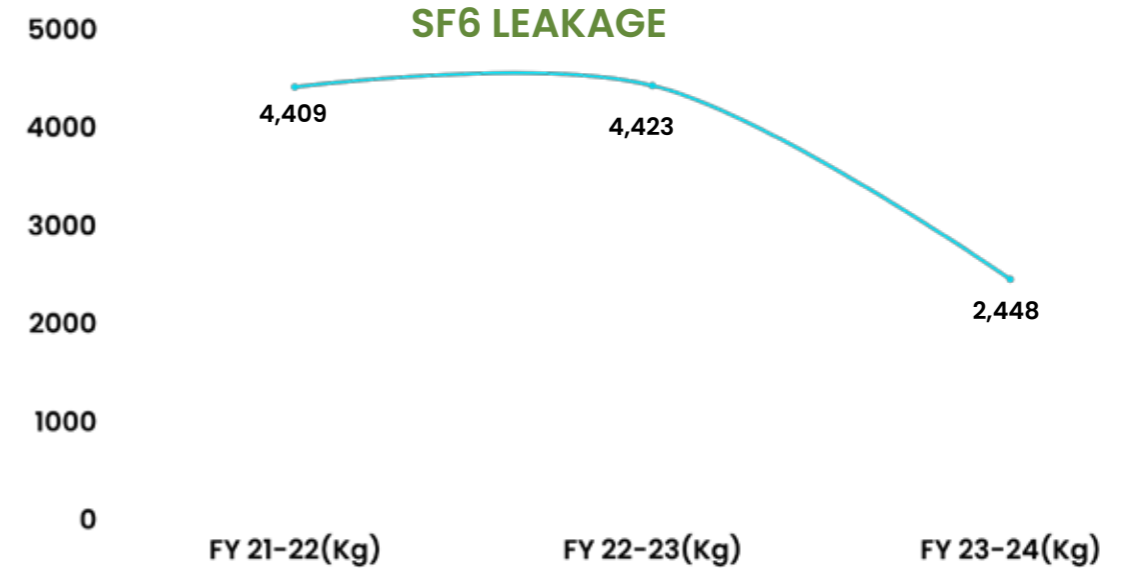


Many of our new and upcoming substations and offices are equipped with R-32 as the refrigerant gas, an eco-friendlier choice compared to options like R-22 and R-410A

### EMISSIONS



Note: 1. Value of CF/EF obtained from IPCC AR-6, CII datasets and step analysis



2022-23 as well as addition of STATCOMs in existing substations. Still our total emissions fell by 5.23% due to the substantial reduction in Scope 1 emissions achieved during the reporting period.

Furthermore, due to Green cover consisting of 8,26,702 trees, we were able to offset 5.23% of our total emissions, registering an increase of 21.29% from the previous Financial Year.

growing concerns about water issues, both in quality and quantity, and unequal access among different user groups, POWERGRID is determined to tackle this vital aspect of our environment. Even though our water use is largely confined to domestic consumption only, we are committed to becoming a Net Water Positive organization by 2030. This means we aim to conserve water and enhance water resources, for larger societal benefits following the principles in our Environmental and Social Policy & Procedures.

## WATER MANAGEMENT

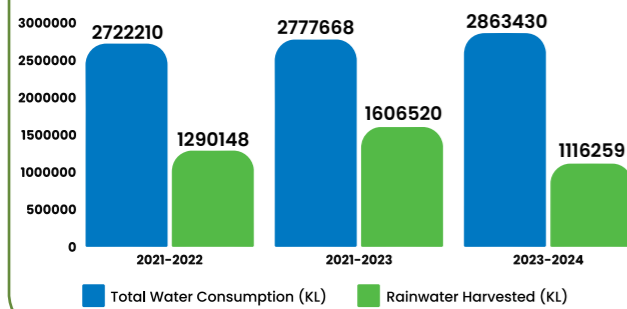
India, with approximately 18% of the global population, possesses only about 4% of the world's water resources, presenting a stark imbalance. With

Recognizing the importance of responsible water management, POWERGRID has developed a comprehensive water management policy, approved by its Board, with the aim of achieving water positivity by 2030. POWERGRID's Water Management policy emphasizes on reducing, recycling, and reusing water while also focusing on maximizing groundwater recharge through rainwater harvesting initiatives. The outcomes of these conservation endeavors are



promising. During the current reporting period, water consumption stood at 28,63,430 KI, marking a slight increase of 3.09% from the previous fiscal year, which corresponds to addition of 6 new substations and construction of new residential units. However, in spite of our best efforts, the rainwater harvesting volume saw a decrease of 30.52%, which is in tandem with the general decrease in annual rainfall in India in 2023 due to El Nino phenomenon. In 2023, India received an annual rainfall of 820 mm, which is 34.76% lesser than annual rainfall in 2022 and 29.31% lesser than long term Average of the country.

### WATER CONSUMPTION & RAINWATER HARVESTED (KI)



Our Malerkotla substation located in Punjab is saving around 15 KI water annually by replacing tradition irrigation by Drip irrigation.



## WASTE MANAGEMENT

POWERGRID has adopted a responsible approach to waste management, guided by the 3R model – Reduce, Reuse, Recycle, as indicated in its Board approved Waste Management Policy ([https://www.powergrid.in/sites/default/files/inline-files/Waste\\_Policy.pdf](https://www.powergrid.in/sites/default/files/inline-files/Waste_Policy.pdf)). The policy also sets an inspirational target for us to achieve and maintain a ‘A Zero Waste to Landfill Corporate’ status by 2030. Here, it is imperative to mention that POWERGRID’s activities don’t involve any chemical processes. Most of the industrial waste generated on our campuses consist of Construction & Demolition Wastes and Scrap materials generated after their useful life during Operation & Maintenance activities. Accordingly, no clear trend in the quantity of different kinds of waste produced would be possible. However, whatever waste is generated during our operations, is taken care of in accordance with the applicable regulations and in line with our waste management policy.

## RESPONSIBLE MATERIAL CONSUMPTION

Conscious consumption of natural resources and responsible material management are crucial for both economic and environmental sustainability. Not only do they significantly impact country’s economy, but their extraction and usage also incur environmental and social costs. In transmission projects, essential raw materials like steel, aluminum, and concrete are utilized. POWERGRID recognizes the importance of conserving these resources and has undertaken various technological and policy initiatives to minimize their usage. These measures include optimizing designs, implementing digital substations, employing efficient conductors with higher capacity, utilizing a judicious mix of HVDC and HVAC, transmitting power at higher voltage levels, and prioritizing multi-circuit towers whenever feasible.

## USED TRANSFORMER OIL

Used Transformer oil, being a synthetic oil is categorized as Hazardous waste as per the provisions of the Hazardous and Other Wastes (Management and Transboundary Movement) Rules, 2016, is carefully handled and managed. Transformer oil is changed rarely in our substations only in exceptional scenarios like usage unsuitability due to failure of equipment. In such cases, it is collected and stored separately without mixing with other waste streams/ materials and labelled as per Form-8. The stored transformer oil along with drums containing it is disposed of by either selling/sending it to actual users or to registered recyclers, within 90 days of generation of the same and annual return as per Form-4 is filed to the concerned State Pollution Control Board (SPCB) before 30th June of next financial year. Drums containing fresh Transformer oil that have been emptied are disposed of by means of an online auction on the website of a Mini Ratna PSU called M/s Metal Scrap Trading Corporation Ltd (MSTCL). To prevent any oil spills mixing with soil or water bodies, the design of transformer includes the provision of oil sump/pits of sufficient volume as an essential feature, with each pit linked to the primary gathering sump. There were no significant spills reported during the reporting period.

Considering the Hazardous nature of used synthetic oil, POWERGRID has replaced it with more eco-friendly Ester oil in its Maithon substation on a trial basis. Depending upon the results of the trial, it will be replicated in other substations, which will further reduce Environmental footprint of our operations.



MAITHON SUBSTATION WITH REACTOR CONTAINING ESTER OIL

## PLASTIC WASTE

In POWERGRID campuses, plastic waste is generated mainly in the form of packaging materials such as thermocol for various equipment as well as materials. The applicable regulations i.e The Plastic Waste Management Rules, 2016 and the Plastic Waste Management (Amendment) Rules, 2022, mandate Extended Producer Responsibility (EPR) for Producer, Importer, and Brand Owner with respect to both pre-consumer and post-consumer plastic packaging waste. POWERGRID has been categorized as Institutional Waste Generator and is responsible for proper segregation and disposal of Plastic waste by handing over all packaging materials and multi-layered plastics to the producers/importers/Brand owners as applicable.





## BATTERIES WASTE MANAGEMENT

POWERGRID utilizes batteries within its substations primarily for relay and protection purposes. Upon reaching the end of their operational lifespan, these batteries are designated as battery waste. The enactment of the Battery Waste Management Rules in 2022 has categorized POWERGRID as a battery consumer and has implemented the EPR framework, thereby holding producers accountable for the refurbishment or recycling of the batteries they distribute. Consequently, POWERGRID manages its battery waste by transferring it to either the battery producers or their authorized agents for proper disposal.

## CONSTRUCTION & DEMOLITION (C&D) WASTE

C&D waste generated in our campuses are either reused largely for filling and levelling purpose within the campus or in third party campus with the explicit permission of the owner.

**Metal Scraps:** Metal Scraps are primarily produced during construction activities taking place in our campuses are sold to scrap vendors through auctions for their recycling and reuse for useful purposes, thus promoting a circular economy approach.

## E-WASTE MANAGEMENT

Electronic waste, including computers, laptops, printers, and cartridges, undergoes proper disposal procedures. It is directed to authorized collection centers, registered dismantlers, or recyclers. Alternatively, it is returned through pick-up or take-back services facilitated by the producer, ensuring responsible handling and recycling of electronic products.

Separation of Biodegradable & Non-biodegradable Wastes at Various Substations of POWERGRID

## BIODIVERSITY MANAGEMENT

Forests, Wildlife Sanctuaries, National Parks and other ecologically rich areas play a dual role in maintaining the environmental equilibrium. On the one hand, they act as carbon sink by absorbing Carbon Dioxide, the most prevalent Green House Gas (GHG), on the other hand, they are the hotspots of biodiversity. Hence, POWERGRID assigns utmost priority to their protection and conservation. Avoidance/Minimization of such ecologically rich area has

### Striving towards Digitalization-Being paperless

Over the years, through our various initiatives utilizing the power of technology, we are trying to make our processes paperless. Our various initiatives that are helping us to achieve this feat include:

- Online Drawing Review and Engineering Approval Management System (DREAMS)
- Start to end digital process of vendor billing
- Payment Processing and Facilitation Center (PPFC)

been made an integral part of the route selection criteria, in line with the basic principles of Avoidance, Minimization and Mitigation as enlisted in our ESPP (<https://www.powergrid.in/sites/default/files/inline-files/ESPP.pdf>) and our ESG policy.

## OUR STEPS TO REDUCE THE IMPACT OF OUR OPERATIONS

Although not mandated by the current regulatory framework, we take the initiative to conduct an Environmental & Social Assessment (ESA) for all upcoming projects. This assessment examines at least three feasible routes or sites, considering various environmental and social factors, including the presence of forests, wildlife, and wetlands. Avoiding ecologically and socially sensitive areas is a key criterion in our route or site selection process, as outlined in our Environmental and Social Policy & Procedures (ESPP). Based on this analysis, we recommend the route or site with the least environmental and social impacts, reflecting our commitment to responsible project development.

Further, while doing such analysis, features of modern technological features such as GIS, GPS, Remote sensing, QGIS etc. are utilized to get the best possible results. This methodological approach has not only helped us in avoidance/minimization of ecologically sensitive areas such as Forest & Wildlife but has also facilitated in reducing the social footprints of our projects by avoidance/minimization of socially sensitive areas such as residential/populated areas, religious places and places of historical & Archaeological importance. Additionally, to manage any residual environmental impact, we prepare a comprehensive Environmental Management Plan (EMP) with measures to address such residual impacts. This EMP becomes a part of the contract conditions and as such its provisions are obligatory for contracts.

In situations where complete avoidance of forests or wildlife areas is not feasible due to challenging terrain and geographical constraints, forest clearance is conducted in compliance with regulatory requirements. If any forest area is affected by our projects, we provide compensation by paying the Net Present Value (NPV) of the forest area and funding compensatory afforestation for an area twice the size. During the reporting period, POWERGRID contributed ₹49 Crore towards compensatory afforestation and ₹34.5 Crore for NPV. These funds are allocated to the CAMPA (Compensatory Afforestation Fund Management and Planning Authority) fund and are used by state forest departments to enhance and protect biodiversity in accordance with the CAMPA Act 2016. Through these measures, POWERGRID actively supports biodiversity enhancement in collaboration with forest authorities.

The details on the operations in/around ecologically sensitive areas is described in the BRSR Principle 6 Essential Indicators Question 11.

### Zero Environmental Violations

With meticulous measures & planning coupled with no tolerance for non-compliance with applicable regulations, POWERGRID witnessed 'zero' violations related to environmental or ecological issues.

Simultaneously, we remain steadfast in our commitment to enhancing carbon sequestration efforts. Through extensive afforestation initiatives, we undertake large-scale plantation campaigns annually, both within our facilities and under our CSR schemes. By the end of FY 2023-24, POWERGRID developed a green cover consisting of 8,26,702 trees, which includes 73,549 trees planted under our CSR activities. This green cover is responsible for sequestration of around 17,997-ton CO<sub>2</sub> Eq, which is almost equal to 5.23% of our total emissions.

Bird Diverters installed in POWERGRID Transmission Lines for protection of Avifauna



By implementing a system of collection and utilization of Reverse Osmosis (RO) reject, our Fatehabad substation is saving 396 KL water and around ₹3,96,000 annually by completely avoiding water supply by private tankers.



Carried out a study titled “Assessment of Impacts of power lines on Avifauna in the Arid planes of Western Gujarat” in association with domain experts from Wildlife Institute of India (WII)

We assessed how the installation of EHV transmission lines affects avifauna, particularly the Great Indian Bustard (GIB), a Critically Endangered species as per IUCN Red List. Our investigation highlighted a significant gap in country-specific credible data regarding this issue, prompting the initiation of this study. The findings of this research are poised to assist all Transmission and Distribution utilities in accurately evaluating the impact of power lines on avifauna and devising more effective measures to safeguard their populations in the future.





# HUMAN CAPITAL

Empowering Growth Through Unleashing Human Potential and Excellence



POWERGRID's ascent to global leadership in power transmission is a testament to the dedication and talent of our workforce. They are the driving force behind our continued growth and operational excellence. Our employees, our most valuable assets, demonstrate unwavering commitment to both our nation and our organization, contributing significantly to India's advancements in power transmission.

Central to our success is a workplace environment characterized by trust, effectiveness, and purpose, prioritizing the well-being and empowerment of our employees. As the industry landscape evolves and skill requirements rapidly change, we are dedicated to keeping our workforce ahead of the curve. Our strategic focus on capacity building revolves around two key objectives: attracting top talent through compelling employee value propositions and empowering our employees to thrive in dynamic circumstances.

Recognizing the indispensable role of our workforce in delivering reliable power transmission services nationwide, we foster a culture of continuous learning, creativity, and collaboration. Our HR processes are carefully designed to recruit, nurture, and empower professionals in alignment with our core values, ensuring a fair, collaborative, and safe work environment.

With a team of 8,316 skilled professionals across various departments, excluding contract employees, we prioritize investment in employee training and development programs. These initiatives aim to enhance technical expertise, promote safety awareness, and cultivate leadership skills. Furthermore, we are steadfast in our commitment to fostering diversity and inclusion, creating a supportive workplace that celebrates diverse perspectives, talents, and backgrounds.





Human Rights



Diversity,  
Equity & Inclusion



Talent Attraction  
& Retention



Fostering Employee  
Wellbeing



Health & Safety



Training &  
Career Development

**8.39 % of women in workforce in FY 24**  
POWERGRID's women diversity increased from 8.15 % in FY 23

**505**  
Trainings conducted in FY24

**431**  
New hires in FY24

**5%**  
Turnover rate

**4,26,840 hours**  
Training hours completed by our employees

**Zero Fatality**  
Maintained zero fatality at workplace

**>44**  
Employee wellbeing programs conducted

## HUMAN RIGHTS

POWERGRID credits its global leadership position in power transmission to its exceptional workforce. Their skills, energy, and drive have been crucial in sustaining continuous growth and unmatched operational excellence. Recognizing our personnel as the cornerstone of our achievements, their commitment to both the nation and the organization has been pivotal in reaching significant milestones in India's power transmission journey. We prioritize our employees' welfare and endeavor to foster a work environment characterized by trust, efficiency, and purpose, where they are appreciated and empowered. POWERGRID is committed to regularly educating its employees and contractor personnel on human rights issues. The company continues to foster a work environment conducive to both industrial harmony and growth.

Our robust Human Rights Policy reaffirms POWERGRID's unwavering dedication to ensuring equal opportunities for all individuals, irrespective of gender, caste, creed, or religion. This commitment extends to our employment practices, which adhere to guidelines promoting the representation of marginalized or disadvantaged groups and individuals with disabilities in Talent Acquisition. Additionally, POWERGRID maintains a strict zero-tolerance policy towards harassment and discrimination in compensation and wage payment, ensuring fairness regardless of gender, caste, creed, or religion. We regularly conduct Human Rights Awareness Sessions for both employees and contractor personnel to foster sensitivity and awareness. We firmly uphold the principles of freedom of opinion, expression, and association, allowing our employees the freedom to form and join associations or unions without any barriers.

POWERGRID places a strong emphasis on human

rights by getting itself SA8000 certification as well as aligning its practices with international labor standards set by the International Labor Organization (ILO).

### Our commitments mirror key aspects of these standards

- Core Labor Standards:**

We uphold employees' rights to form or join trade unions and engage in collective bargaining, in line with ILO Conventions 87 and 98.

- Non-discrimination:**

POWERGRID ensures fair labor practices, prohibiting discrimination in recruitment, compensation, and career advancement based on race, gender, religion, or caste, consistent with ILO Conventions 100 and 111.

- Forced Labor:**

We strictly forbid forced labor practices across our operations and supply chain, adhering to ILO Conventions 29 and 105.

- Child Labor:**

POWERGRID prohibits the employment of children and implements policies to prevent child labor in our supply chain, aligning with ILO Conventions 138 and 182.

- Occupational Safety and Health (OSH):**

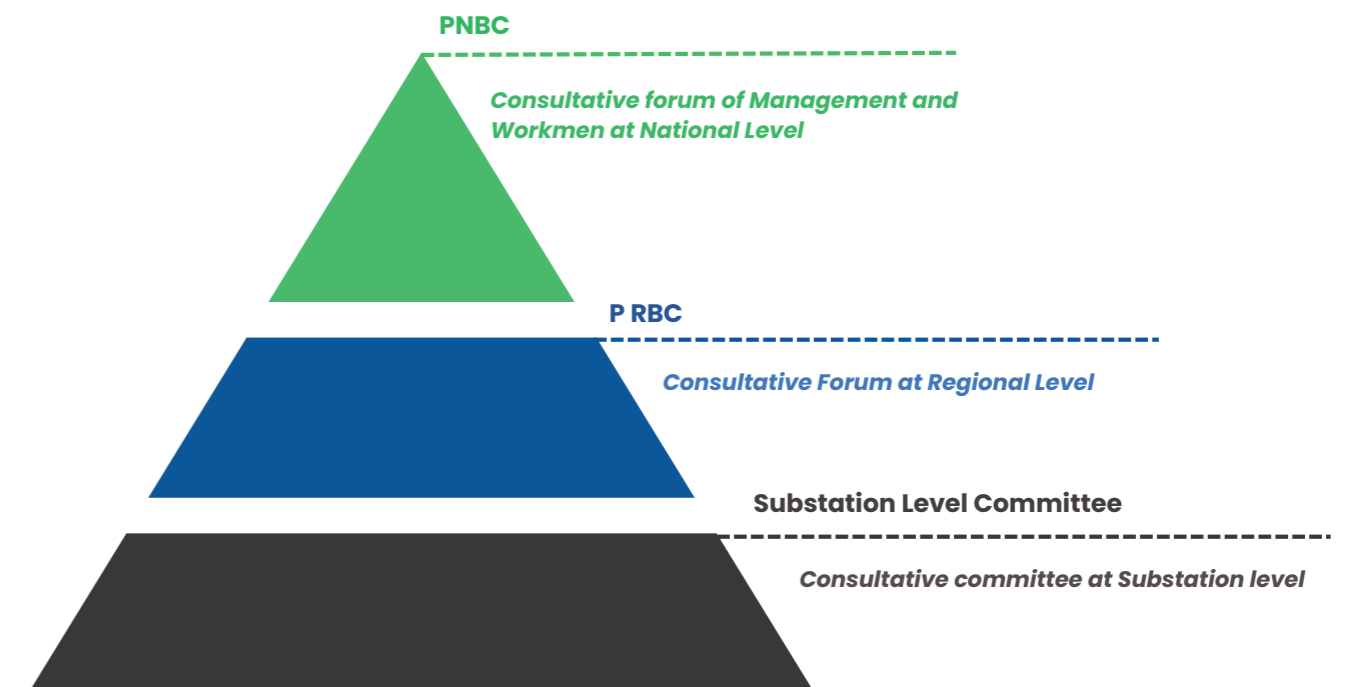
We prioritize worker safety through rigorous safety protocols, training, and fostering a culture of safety awareness, consistent with ILO Conventions 155 and 187.

### Human Rights Assessment

Over the years, POWERGRID has conducted comprehensive assessments to identify and address potential human rights issues within our business operations. These assessments serve as a cornerstone of our commitment to responsible business conduct and guide our efforts in ensuring that human rights considerations are embedded in our decision-making processes.

### Employee Grievance Mechanism

To uphold human rights, POWERGRID has implemented a strong system of internal mechanisms. Led by the Executive Director (HR), who acts as the main contact for complaints regarding human rights violations, the company has set up various channels for addressing concerns. This includes appointing liaison officers to handle discrimination complaints, establishing nodal officers under the Whistle Blower & Fraud Prevention Policy, and forming the Internal Complaints Committee (ICC) to handle sexual harassment complaints. These specialized channels ensure that individuals have a way to voice their concerns and find solutions.





Additionally, POWERGRID has specific departments like the Vigilance Department and HR Department to address breaches of the code of conduct. Through these measures, POWERGRID demonstrates its commitment to fostering a workplace culture grounded in integrity, accountability, and respect for human rights.

Employee Grievance Portal" an online platform is available for employees to raise grievances. Further, POWERGRID has a 3-tier structure of joint consultative forums which ensures proactive resolution of employee issues, which has led to an increase in employee satisfaction and lower attrition rate. ICC (Internal Complaints Committee) constituted under Sexual Harassment of Women in Workplace (Prevention, Prohibition, Redressal) Act, 2013 exists in the Company to handle complaints related to the harassment of sexual nature of women. Women employees are extended certain relaxations like exemption from mandatory posting at difficult locations etc. POWERGRID has also established a separate Reservation Cell at both corporate, as well as regional level to safeguard the legal provision for employees belonging to SC/ST/OBC/ and Persons with Disabilities (PwD) categories. This cell is under direct control of nominated liaison officer(s) to resolve any complaints of discrimination against employees belonging to said categories. Regular meetings are held with the representatives of the above category to proactively resolve any issues.

## DIVERSITY, EQUITY, AND INCLUSION

POWERGRID is committed to fostering a workplace environment that thrives on diversity, embracing a multitude of perspectives to fuel innovation and amplify voices from all walks of life. Central to our mission is the cultivation of a culture where every team member, irrespective of their role, feels valued, respected, and empowered to excel professionally. Our practices prioritize equity and inclusivity across all facets of employment, including recruitment, compensation, performance evaluations, career advancement, and skills enhancement.

In line with our values, POWERGRID maintains a steadfast zero-tolerance stance against any form of discrimination, be it based on gender, age, religion, caste, ethnicity, physical abilities, or any other factor. Our commitment to diversity is reflected in our recruitment strategies, which prioritize equal opportunities for individuals from various communities, states/union territories, religions, genders, castes, and physical abilities. We ensure transparency and fairness in our hiring processes

through open advertisements and active outreach to regional employment exchanges.

Being a Central Public Sector Utility, where the Government of India's ownership is around 51.34%, POWERGRID employs only the Indian nationals. Therefore, with our efforts we yielded a diverse workforce representing 27 states and 7 union territories across India, reflecting the diverse shades of the nation. Furthermore, we extend relaxations and concessions in hiring process to individuals from marginalized groups, including Scheduled Castes, Scheduled Tribes, Other backward classes, Persons with Benchmark Disabilities, Economically Weaker Sections, and Ex-Servicemen. Through these measures, POWERGRID remains steadfast in its commitment to fostering a workplace that values diversity and champions inclusivity at every level.

In the realm of gender diversity, POWERGRID is implementing targeted strategies to increase the presence of women within our workforce. These initiatives encompass several key areas:

- **Inclusive Hiring Practices**

We ensure female representation on selection panels to eliminate biases in selection process.

- **Equal Pay and Opportunity**

Regardless of gender, all employees receive equitable remuneration, and job assignments are made without discrimination. The ratio of basic salary and remuneration of women to men is 1:1.

- **Supportive Policies**

We exceed legal mandates by offering 26 weeks of maternity leave for commissioning and adoptive mothers, as well as Child Care Leave of up to 02 years for women employees and single male parents.

- **Zero Tolerance for Harassment**

Our Prevention of Sexual Harassment Policy includes the establishment of an Internal Complaints Committee chaired by a female executive to address complaints effectively.

- **Educational Initiatives:**

We conduct seminars and training sessions to educate women about their rights and empower them within the workplace.

- **Wellness Programs:**

Initiatives such as installing sanitary pad dispensers and allocating designated parking spaces for expectant mothers contribute



to creating a supportive and inclusive environment.

As POWERGRID recruits through open competition basis, and without any preference or discrimination on gender basis, with the increasing number of women pursuing STEM courses in India, the participation of women in our workforce is poised to increase gradually.

### INCLUSIVITY AT POWERGRID

POWERGRID is committed to fostering an inclusive society where Persons with Benchmark Disabilities (PwBD) have equal opportunities for growth and development, enabling them to lead productive and dignified lives. Through a range of initiatives aimed at rehabilitation and creating an enabling environment, POWERGRID ensures that PwBD individuals have equal access to opportunities, protection of their rights, and the ability to participate fully in society as independent and productive members.

To support this commitment, POWERGRID has implemented an Equal Opportunity Policy ([https://www.powergrid.in/sites/default/files/inline-files/16\\_Equal\\_Opportunity\\_Policy\\_1.pdf](https://www.powergrid.in/sites/default/files/inline-files/16_Equal_Opportunity_Policy_1.pdf)) which includes various provisions benefiting PwBD

candidates and employees. These provisions encompass reservations in both direct recruitment and promotions, identification of suitable posts, relaxation of qualifying marks, provision of scribes, compensatory time during examinations, upper age relaxation, reimbursement of fees and travel expenses, provision of aids and assistive devices, special furniture, wheelchairs, and accessibility enhancements under the Accessible India campaign. Moreover, special casual leave of four days and an additional maximum of ten days for participating in conferences, seminars, workshops, and development programs related to disability. Preference is given to PwBD employees in transfers and postings, and employees with differently abled children are considered for preferential transfer to facilitate their role as caregivers without disrupting their social support system. Additionally, preferences are given in residential quarters, and designated Liaison Officers are nominated to address the needs of PwBD individuals.

Furthermore, a Grievance Redressal Mechanism Committee has been established to address complaints and grievances of PwBD employees, ensuring their concerns are promptly and effectively addressed.



# TALENT ATTRACTION & RETENTION

Acknowledging the dynamic nature of the industry and the evolving skill requirements, we are dedicated to keeping our employees at the forefront. Our strategic emphasis on skill development focuses on attracting talent through compelling employee value propositions and providing them with the resources and support to not only adapt but thrive in changing circumstances. Embracing a comprehensive approach to enhancing human capital, we address various facets of talent management simultaneously, ensuring our workforce remains adaptable and resilient.

During the year, POWERGRID recruited a total of 431 new employees across departments, out of which males are 371 and females are 60.

# FOSTERING EMPLOYEE WELL-BEING

At POWERGRID, our commitment to prioritizing employee welfare is deeply rooted in our organizational culture. We are steadfast in our dedication to improving the physical, mental, financial, and social well-being of our workforce. In line with our pledge to foster a harmonious workplace environment, we consistently focus on addressing diverse aspects of employee wellness.

Employee satisfaction surveys are vital for companies to understand and address workforce concerns, leading to improved retention, productivity, and overall business performance. By soliciting feedback from employees, organizations can enhance engagement, foster a positive work culture, and strengthen their employer brand.

## Health-related webinars for employees

Throughout the year, a total of 22 health-related webinars (11,000 man-hours) were conducted, covering a range of topics including Ayurveda, Cardiovascular health, Endocrinology, ENT, Gastroenterology, Haematology, Internal Medicine, Neurology, Nutrition, Obstetrics & Gynaecology,

Oncology, Ophthalmology, Orthopaedics, Preventive Health, Pulmonology, and Urology. Notably, four webinars were specifically tailored to women's health needs, focusing on Nutrition, Breast and Cervical Cancer awareness, Women's Health in the Workplace, and Joint Care.

Employees are regularly made aware on water-borne diseases like malaria, and chronic illness like Tuberculosis, HIV/AIDS, etc.

## Championing Success in Sports and Beyond

In the fiscal year 2023-24, POWERGRID employees demonstrated outstanding sportsmanship and skill in the Inter-PSU tournaments, competing across nine diverse categories in both indoor and outdoor events. A total of 136 employees, including 95 men and 41 women, showcased their athletic talent, distinguishing themselves with remarkable performances. POWERGRID emerged as champions in three men's tournaments and two women's tournaments, reflecting our commitment to excellence and teamwork. Notably, the POWERGRID Women's Chess Team secured the coveted gold in the Inter CPSU Chess Tournament, while our Football Team and Table Tennis Team also clinched gold



POWERGRID WOMEN CHESS TEAM won GOLD IN INTER CPSU CHESS TOURNAMENT



POWERGRID FOOTBALL TEAM WINS GOLD IN INTER CPSU FOOTBALL TOURNAMENT



POWERGRID TABLE TENNIS TEAM AS CHAMPIONS IN INTER PSU TOURNAMENT

and champion titles, respectively, in their respective categories. These achievements underscore POWERGRID's dedication to create a culture of sportsmanship and success among its employees.

## Economic Wellbeing

POWERGRID offers a comprehensive benefits package to its employees and retirees, ensuring fair and equal wages along with statutory superannuation benefits. Key support programs include the Group Insurance Scheme, Death Relief Scheme, Economic Rehabilitation Scheme, and the SAKSHAM scheme, which provides financial support for the education of deceased employees' children and promotes income opportunities for their families. Additionally, POWERGRID provides top-tier medical facilities for employees and their dependents and extends Post-Retirement Medical Benefits to every retirees and dependent family members in the event of an employee's death during employment.

Details on retirement benefits are mentioned in the BRSR Principle 3 Essential Indicator Question 2.

## Social Wellbeing

Maintaining a healthy work-life balance is crucial for promoting a healthy lifestyle. POWERGRID has implemented several initiatives aimed at enabling its employees to rejuvenate and meet their personal and social commitments effectively. These initiatives include granting special child-care leave to female employees and single male parents, providing paternity leave to eligible male employees, and offering sabbatical leave options for pursuing career aspirations or fulfilling social and familial responsibilities.

At POWERGRID, every employee is entitled to maternity and/or paternity leave and, in this reporting year, we had a 100% retention rate for both male and female employees who went on parental leave.

# HEALTH & SAFETY

POWERGRID acknowledges the inherent occupational hazards confronted by our personnel during their daily duties encompassing the planning, construction, maintenance, and operation of equipment and infrastructure within substations and transmission lines. These hazards pose potential risks of both fatal and non-fatal injuries. In response, we have enacted a robust Safety Policy characterized by industry-leading practices and stringent compliance measures. Our commitment extends beyond mere regulatory compliance as we strive to exceed mandated safety standards.

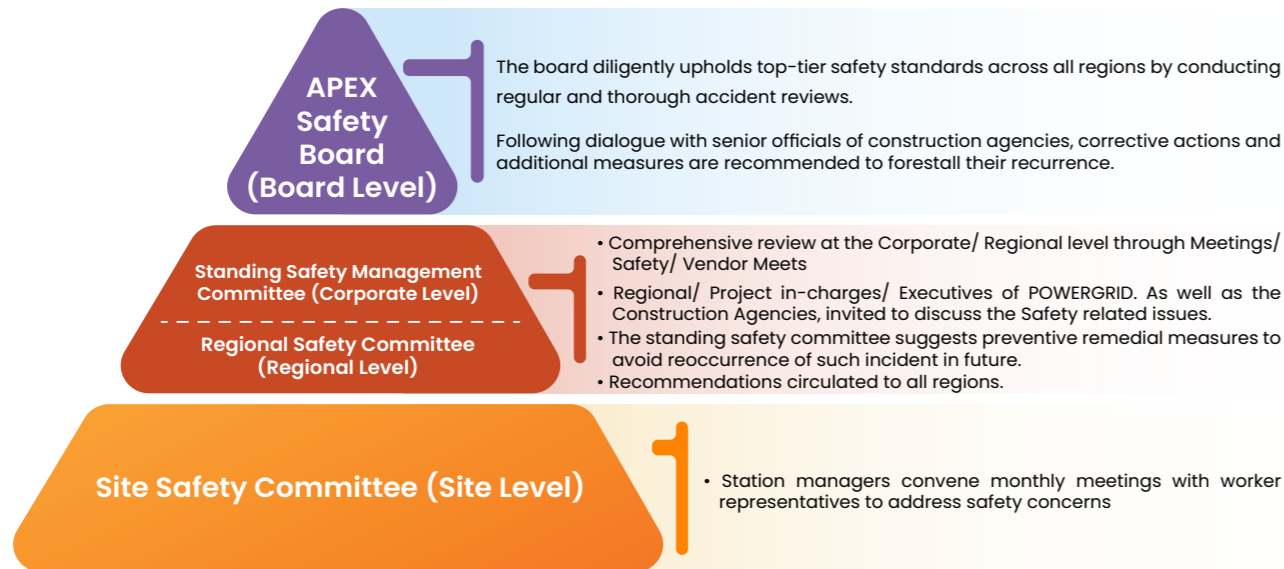
POWERGRID upholds its legal and ethical obligations to ensure the safety of its transmission lines, substations, and personnel, as well as the general public. Adhering to ISO 45001:2018 standards, the company has implemented robust systems and procedures. Transmission facilities comply with relevant Indian laws and international standards, verified by inspections from the Central Electricity Authority.

Pursuing our goal of zero workplace incidents, we have instituted a comprehensive three-tier safety framework throughout the organization to ensure widespread adoption of our Safety Policy. Moreover, a specialized safety unit has been established to furnish technical support to on-site teams, thereby augmenting the efficacy of safety protocols at all operational levels.

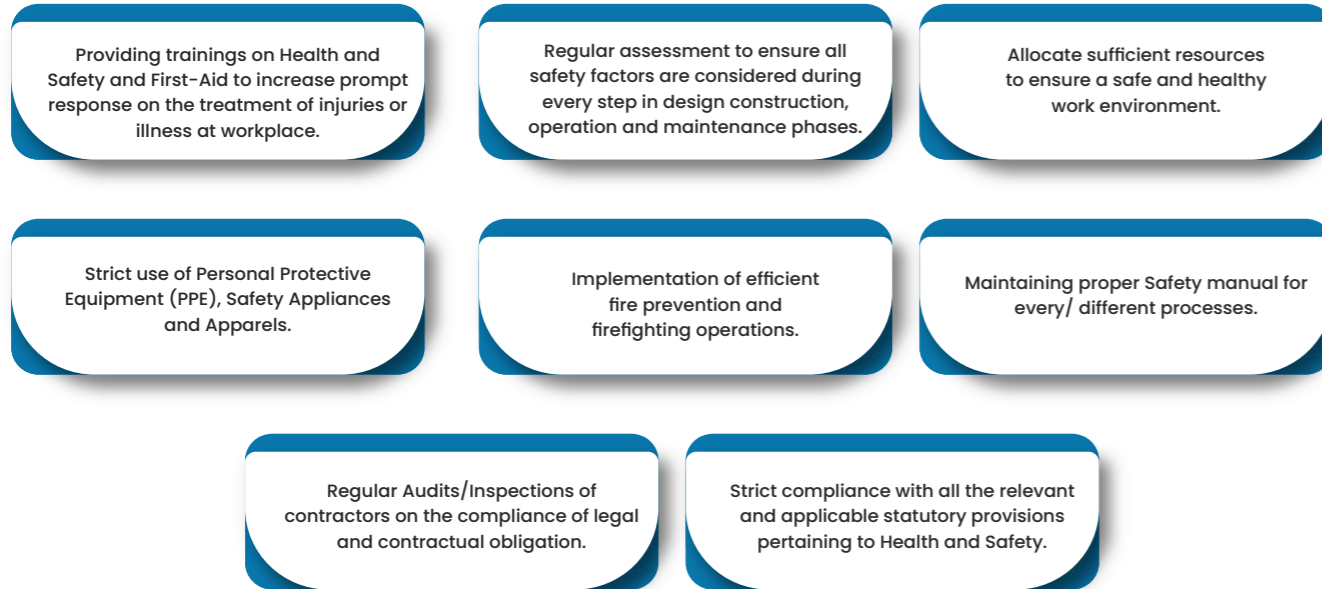
- To foster a robust safety culture, effective communication, employee engagement, and stakeholder consultation are prioritized. This includes extending POWERGRID Safety Rules and relevant regulations to contractors via a Safety Pact, overseen by Project Managers who assess health and safety conditions.



## POWERGRID'S THREE-TIER SAFETY MODEL, GOVERNED BY APEX SAFETY BOARD CHAIRED BY CMD, THE BOARD COMPRISES FUNCTIONAL DIRECTORS AS MEMBERS



### POWERGRID'S Safety Policy



- Safety operations are being digitized for enhanced monitoring and proactive safety measures on-site.
- In efforts to deter accidents, penalties and compensation are imposed on contractors.
- Daily safety briefings, conducted by officers or site supervisors, highlight potential hazards, and recommend precautionary measures.
- Comprehensive training programs cover various safety aspects pertinent to construction, operation, and maintenance tasks, including stress management and first aid.
- Both POWERGRID and contractor employees receive safety training from in-house experts

and external trainers, supplemented by safety demonstrations at construction sites and operational facilities.

## TRAININGS & CAREER DEVELOPMENT

### Driving Excellence: POWERGRID's Investment in Learning and Development



At POWERGRID, we are dedicated to continuous learning and skill enhancement to cultivate top-tier organizational capabilities and ensure unparalleled market competitiveness. Our commitment extends beyond professional growth to the personal development of our workforce, fostering a culture where the success of our organization and our people are mutually reinforcing. Our reskilling and upskilling initiatives are driven by our core value of Zeal to Excel and Zest for Change.

Located in Manesar, the POWERGRID Academy of Leadership (PAL) is pivotal in our training efforts. Recognized by the Central Electricity Authority (CEA) as a Category-I Institution for Training in Transmission, PAL conducts over 500 training programs annually in collaboration with Employee Development Centers nationwide and leading educational institutes globally.

Our comprehensive training programs cover a spectrum of learning needs, including induction, hands-on experience, managerial skills, and behavioural development. Over the past two years, we have invested over 9,20,984 hours in training initiatives, with 4,26,840 hours dedicated in the fiscal year 2023-24 alone. This investment is reflected in an average training days of 7.40 and 6.37 in 2022-23 and 2023-24 respectively. Financially, our commitment to training amounted to ₹35.39 crore in 2022-23 and increased to ₹40.76 crore in 2023-24, excluding travel expenses.

Our eLearning platform, "PRAGYAN," provided over 150 modules tailored to various business verticals and delivered 11 refresher courses, benefiting more than 8,200 employees.

Furthermore, POWERGRID actively supports stakeholder development by engaging 1000+ apprentices in various trades under the Apprentice Act. Our "SANDARSHIKA" mentoring and coaching portal has supported approximately 5,500 employees in their professional growth journeys.

In the past year, we facilitated specialized courses such as enrolling the 3rd batch of 50 employees in Artificial Intelligence/Machine Learning courses at IIT-Bangalore and sponsoring the 2nd batch of 15 employees for an M.Tech program in Power System and Reliability at NIT Jalandhar.

These initiatives underscore our commitment to nurturing talent, enhancing skills, and preparing our workforce for future challenges in the power sector and beyond.

### PRATIPHAL Scheme

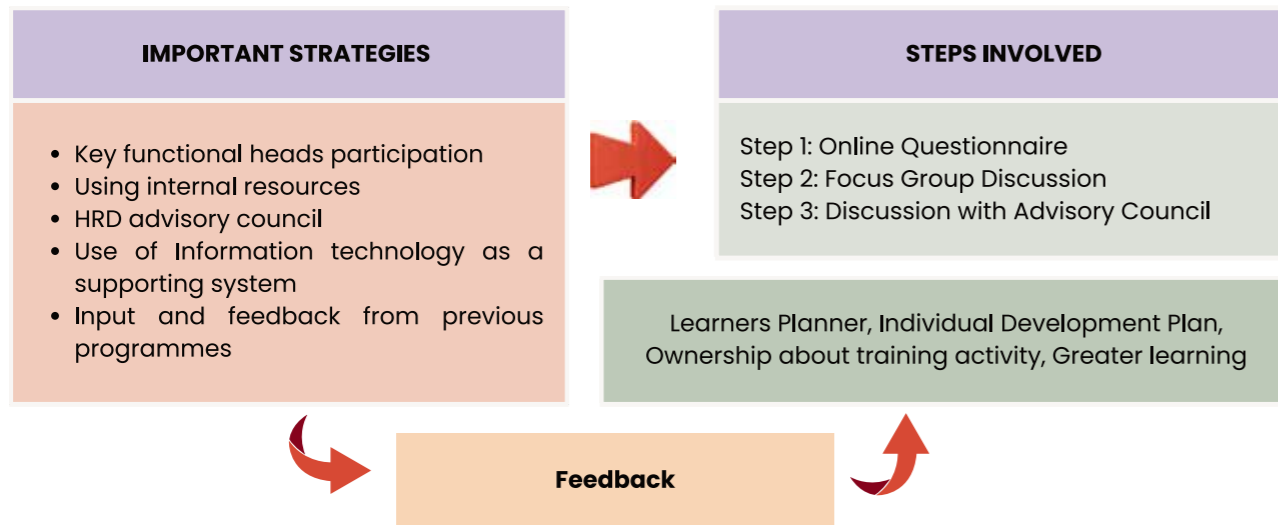
PRATIPHAL is POWERGRID's initiative to foster an achievement-oriented culture, covering all its establishments. It comprises eight reward programs detailed in Annexure I and is administered through a dedicated portal. Appreciation Week, coinciding with POWERGRID's Raising Day, celebrates recipients, with records updated on the portal. All rewards are managed through the PRATIPHAL portal, with records maintained for career development. However, awards do not guarantee promotion rights, and disputes are resolved by the Competent Authority. The scheme, voluntary and aimed at enhancing morale, includes provisions like outbound training programs with family accommodations, coordinated by the Corporate HRD department.



## HR STRATEGY



## ORGANIZATIONAL MISSION AND OBJECTIVES



## Learning and Development

POWERGRID has led the way with innovative learning and development initiatives, earning industry-wide recognition for its online HRD Management Systems. Our Human Resource Development (HRD) interventions focus on empowering employees with new competencies and reinforcing effective work practices to meet organizational needs. Our HRD team plays a crucial role through various initiatives to prepare our workforce for the future. We regularly conduct Organizational Need Assessments (ONA) and competency-based Individual Training Need Analyses (TNA) across the organization. These assessments identify individual competency enhancement needs, guiding the design and planning of training programs. This approach allows POWERGRID to align employees' Individual Development Plans (IDP) with business requirements, ensuring that our workforce's skills remain current and relevant.

The HRD Action Planner, developed through multi-disciplinary collaboration, is a strategic tool to address performance challenges and develop training programs for operational excellence and strategic value addition. Employees receive training tailored to their specific needs and the comprehensive Training Plan Matrix, ensuring they are well-prepared to meet both current and future demands.

## EMPLOYEE UPSKILLING PROGRAMS

In recognition of the pivotal role played by its human capital, POWERGRID has consistently invested in comprehensive training programs aimed at equipping its workforce with the requisite skills and expertise. Notably, initiatives such as hotline maintenance and drone training have been instrumental in empowering employees to navigate and execute complex tasks with proficiency, thereby enhancing operational efficiency and effectiveness across the organization. Throughout the year, these initiatives have yielded substantial outcomes, culminating in the creation of a highly skilled and specialized workforce.

These trained professionals have undergone rigorous instruction and hands-on experience across various facets of asset maintenance, including but not limited to transmission lines, transformers, switchgears, HVDC (High Voltage Direct Current), FACTS (Flexible Alternating Current Transmission Systems), C&P (Control and Protection), and SAS (Substation Automation Systems) etc. By cultivating a diverse talent pool equipped with specialized knowledge and capabilities, POWERGRID reinforces its commitment to operational excellence and ensures the robustness and reliability of its transmission infrastructure.

Continuing its dedication to fostering a culture of innovation and continuous learning, POWERGRID remained steadfast in its commitment to equipping its employees with cutting-edge skills in Artificial Intelligence (AI), Machine Learning (ML), and Data Science. Throughout the year, the company facilitated the completion of a 15-month PG Diploma course for 50 employees, providing them with comprehensive training and expertise in these transformative fields. By investing in such initiatives, POWERGRID not only enhances the skill set and knowledge base of its workforce but also positions itself at the forefront of technological advancement within the power transmission sector.

## Drone pilot training

POWERGRID employees participated in a Drone training program certified by the Directorate General of Civil Aviation (DGCA) at the Indira Gandhi Rastriya Uran Akademi in Gurugram, an autonomous body

under the Ministry of Civil Aviation, Government of India. As a result of this training initiative, 108 employees have obtained Drone Pilot Licenses.

## Hotline training for 765 kV Transmission Line

"Train the Trainers" program for hotline maintenance of 765 kV lines This program, a first in India, trained 26 participants from different regions of POWERGRID in 765 kV Hotline Maintenance.

This training has equipped our team of trainers with the necessary skills to proficiently handle hot line operations on I & V Strings. It marks a significant milestone, empowering them to mentor and develop other employees in the field of 765kV Hotline Operations.

## Triumph in Adverse Conditions

The restoration of the 400kV transmission line from Kishenpur to New Wanpoh is a testament to the exceptional dedication and resilience of our team. Despite the challenging conditions of the Pir Panjal section, our committed staff persevered through difficult terrain and extreme weather to ensure the reliability of the transmission system. Their efforts included strenuous foot patrols and uphill treks in heavy snowfall, blizzards, and sub-zero temperatures. Despite the risks of hypothermia and limited visibility, our team effectively managed to clear faults and restore the line. This project not only showcases the technical skills of our workforce but also underscores their dedication and problem-solving abilities, reinforcing our commitment to operational excellence and reliability.





# SOCIAL & RELATIONSHIP CAPITAL

Creating lasting Value through Community Connections and enduring Commitment



At POWERGRID, our dedication to fostering a sustainable future transcends the boundaries of our operations. We are deeply committed to making a genuine and enduring positive impact on society by empowering communities and promoting their well-being through our Corporate Social Responsibility (CSR) initiatives. Our mission goes beyond mere financial success; it is driven by a sincere desire to significantly contribute to improving people's lives and advancing the health of our planet. Aligned with the core tenets of People, Planet, and Profit, our approach to social and environmental responsibility is firmly grounded in the 3 P's principle. We recognize the critical importance of prioritizing the welfare of individuals, the health of our environment, and the long-term sustainability of our actions. Guided by this principle, we have embarked on a transformative journey aimed at uplifting communities and enhancing the overall quality of life nationwide.

Through a diverse array of social interventions, we have seamlessly integrated communities into our growth trajectory. Our unwavering commitment to community engagement, along with complying with all relevant laws and regulations, serves as the driving force behind our efforts to effect sustainable change. We firmly believe that businesses bear a moral obligation to extend beyond financial objectives and actively contribute to societal improvement. Consequently, we have aligned our CSR initiatives with the United Nations Sustainable Development Goals (SDGs) and the developmental priorities outlined by the Indian Government.

Our focus on holistic development aims to bridge social and economic disparities, fostering inclusivity and empowerment. From healthcare initiatives to educational support, from environmental conservation to skill development programs, our CSR endeavors encompass a broad spectrum of initiatives aimed at effecting meaningful and tangible changes in people's lives.



With a nationwide presence, we have successfully reached and uplifted the lives of underserved populations, particularly in remote and marginalized areas. We work closely with our local communities and have proper channels to address community grievances, and so far, none of our business operations have had negative impact on the community.

Throughout the reporting period, we successfully executed a comprehensive portfolio of 124 Corporate Social Responsibility (CSR) projects aligned with our seven core pillars. These initiatives were carried out with a total expenditure of ₹330.48 Crore, marking 2.74% surge in CSR spending from the preceding year. This substantial increase underscores our steadfast commitment to enhancing community well-being.

To ensure robust governance and oversight of our CSR endeavors, we established a specialized CSR committee. Comprised of key stakeholders including the Chairman and Managing Director, Director (Personnel), and various independent directors, this committee plays a pivotal role in guiding our CSR strategy. Over the course of the reporting year, we convened several CSR meetings, facilitating thorough scrutiny and monitoring of project implementations.

### SEVEN PILLARS OF CSR



|   |  |   |   |                               |                                |
|---|--|---|---|-------------------------------|--------------------------------|
| ₹330.48 Crore<br>Total amount spent during FY 23-24 | ₹342.69 Crore<br>Total CSR Target (2% of previous three years PBT) | ₹30.45 Crore<br>Set off amount from the previous three years excess expenditure | ₹312.24 Crore<br>Net CSR amount to be Spent during FY 23-24 | 124<br>CSR projects completed | 165<br>CSR projects sanctioned |
|---|--|---|---|-------------------------------|--------------------------------|

### Healthcare

Aligned with Sustainable Development Goal 4 (SDG 4), emphasizing inclusive, equitable, and high-quality education, POWERGRID reaffirms its dedication to improving primary healthcare accessibility in local communities. Our focus lies in empowering individuals to proactively manage their healthcare requirements and promoting the adoption of a variety of healthcare initiatives.

### POWERGRID Vishram Sadan

Across India, most tertiary healthcare facilities are situated in metropolitan or capital cities. For economically disadvantaged or middle-income patients traveling from afar, arranging

accommodation for their families incurs an additional financial burden, further straining their resources. Recognizing this predicament at India's premier healthcare institution, POWERGRID has undertaken the construction and approval of Vishram Sadan at various locations, including:

1. AIIMS, New Delhi \*
2. KGMU, Lucknow \*
3. IGIMS, Patna, Bihar \*
4. DMCH, Darbhanga, Bihar \*
5. Guwahati Medical College & Hospital, Assam \*
6. SSG Hospital, Vadodara, Gujarat \*



7. NIMHANS, Bengaluru, Karnataka \*
8. RIMS, Ranchi, Jharkhand \*
9. MKCG, Berhampore, Odisha \*\*
10. Maharani Laxmibai (MLB) Medical College, Jhansi, UP \*\*
11. Sub Divisional Hospital, Areraj, Bihar \*\*
12. Sir Sunder Lal Hospital, BHU, Varanasi, UP \*\*
13. MPT Medical College & Hospital, Siddharth Nagar, UP \*\*
14. AIIMS Bilaspur, Himachal Pradesh \*\*
15. AIIMS, Gorakhpur, UP \*\*

(\* functional; \*\* under construction)

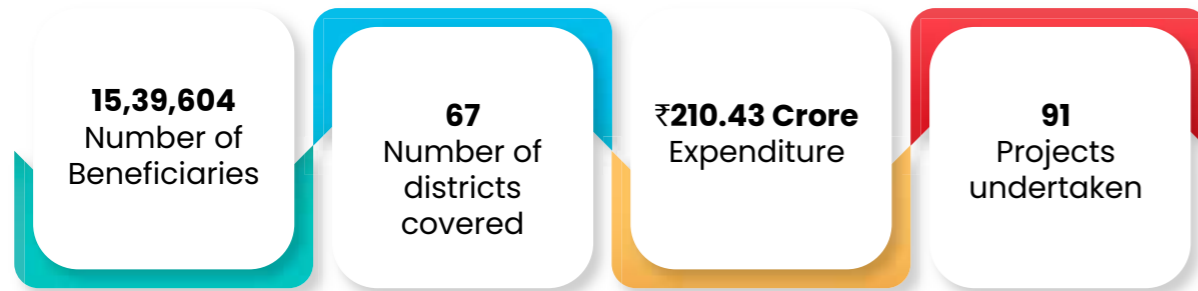


POWERGRID "Vishram Sadan" at National Institute of Mental Health and Neurosciences (NIMHANS), Bangalore was dedicated to the nation by the then Hon'ble MoP & MNRE Shri R.K. Singh, in virtual presence of Dr. Mansukh L Mandaviya, Hon'ble Minister of Health and Family Welfare at a project cost of project ₹23.00 Crore National Institute of Mental Health and Neurosciences(NIMHANS), Bangalore. NIMHANS, Bangalore is a leading Post-Graduate Training Centre in the country particularly in mental health and neuroscience. The patient cases in NIMHANS primarily reach out to the less privileged sections of the society.

POWERGRID "Vishram Sadan" at Sir Sayajirao General Hospital , Vadodara was dedicated to the nation by the then Hon'ble MoP & MNRE, Shri R.K. Singh, in the presence of Smt. Ranjanben Dhananjay Bhatt Honorable Member of Parliament, Vadodara at a project cost of project ₹15.00 Crore Sir Sayajirao General (SSG) Hospital, Vadodara (A Government Hospital owned and governed by Govt. of Gujarat) is a premier Medical Institute in the State of Gujarat. It was established with an objective to provide cheapest super specialty medical facilities and health care to the poor and marginalized sections of population of Gujarat and neighboring States.

POWERGRID's initiatives extend beyond accommodation provision. The organization has equipped government hospitals with medical supplies and ambulances, facilitated the distribution of aid and appliances to





persons with disabilities, and orchestrated health camps nationwide. Collaborating with the Artificial Limbs Manufacturing Corporation of India Ltd (ALIMCO), POWERGRID has distributed a range of free assistive aids such as motorized tricycles, tricycle wheelchairs, walking sticks, Braille kits, crutches, artificial limbs, and hearing aids to individuals with disabilities across the country.

### MAJOR HEALTHCARE PROJECTS UNDERTAKEN IN FY23-24

- Shri J.P Nadda, Hon'ble MP laid foundation stone of "Vishram Sadan" at AIIMS, Bilaspur (H.P) at a project cost of ₹26.75 Crore. & handed over 128 Slice CT Scan Machine & 1.5 Tesla MRI Machine to Hospital in the presence of Dr. Mansukh Mandaviya, Hon'ble Minister of H&FW, C&F, Sh. Anurag Thakur, the then Hon'ble Minister of I&B, Youth Affairs & Sports, Sh. Jai Ram Thakur, Hon'ble former CM of H.P. AIIMS hospital, Bilaspur is expected to attend to the patients from 12 districts of Himachal Pradesh, with special focus on the people from remote and difficult-to reach tribal areas of the State. Daily patient count of the Hospital is between 700-1000 and out of which almost 30-50 patients required CT/MRI scan.
- Providing financial assistance to ESIC Medical College and Hospital, Faridabad in setting up of advanced robotic surgical system for robotic surgery at a project cost of ₹18.50 Crore. ESIC deals with Factory Workers where the employees are vulnerable for injury from heavy objects & fall from height. It is a super specialty tertiary level care hospital. Creation of a Robotic Surgical Excellence Centre will be a great boon to the beneficiaries of ESI who are majorly from the underprivileged working class of the society.
- Waiting Hall at Indira Gandhi Govt. Medical Hospital, Nagpur was dedicated to the nation by Hon'ble Union Minister of Road, Transport and Highways, Govt. of India, Sh. Nitin Gadkari & in the presence of higher officials from POWERGRID and State Govt. of Maharashtra at a project cost of around ₹1.00 Crore. The facility, created would help thousands of attendants of Patients getting admitted to the Hospital.
- Equipping Interventional Radiology Suite in POWERGRID Modular OT Complex at ACTREC, TMC Maharashtra at a project cost of around ₹13.50 Crore. The installation of an IR OT within POWERGRID Modular OT Complex would be the first of its kind in India for cancer care. With the facility, treatment will be provided to around 12-15 patients daily resulting in more than 3000 patients getting benefited annually which will significantly decrease the waitlist and help to treat more patients belonging to the underprivileged section of the society
- "N.I.C.U on Wheels" (Neonatal Intensive Care Unit) was handed over in the august presence of Dr. Trupti Desai, Deputy Director, Medical Services, Govt. of Gujarat, Sh. Pankaj Kumar Kamliya, CEO (Gujarat CSR Authority) at a project cost ₹5.92 Crore. Neonatal Intensive Care Unit (NICU) improve neonatal health facilities and reduce neonatal mortality in Gujarat.

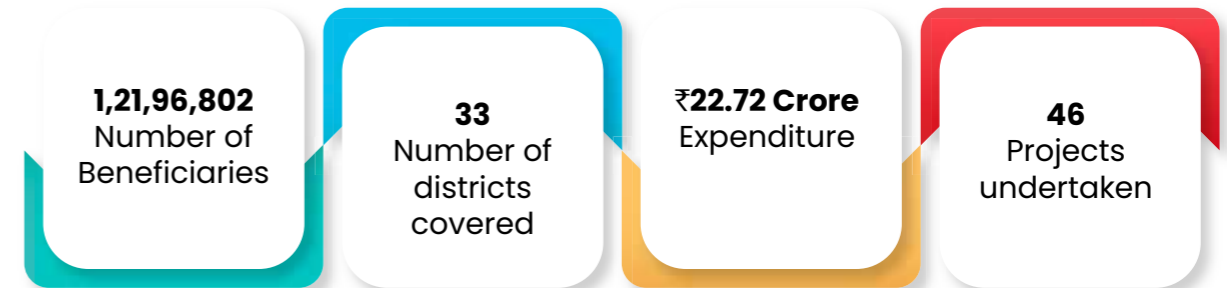
### RURAL DEVELOPMENT

The progress of India's rural regions is crucial for the nation's overall welfare due to the significant population residing there. Enhancing conditions in these areas is essential for achieving social and economic equality and stability. POWERGRID, recognizing this importance, has implemented various initiatives to address rural challenges effectively.

One notable initiative involves collaborating with the International Crops Research Institute for the Semi-Arid Tropics (ICRISAT) to promote smart farming practices. Through this partnership, POWERGRID has introduced innovative techniques to enhance farm productivity among tribal farmers in specified villages. These techniques combine watershed and crop management strategies to boost farm yields and improve livelihoods.

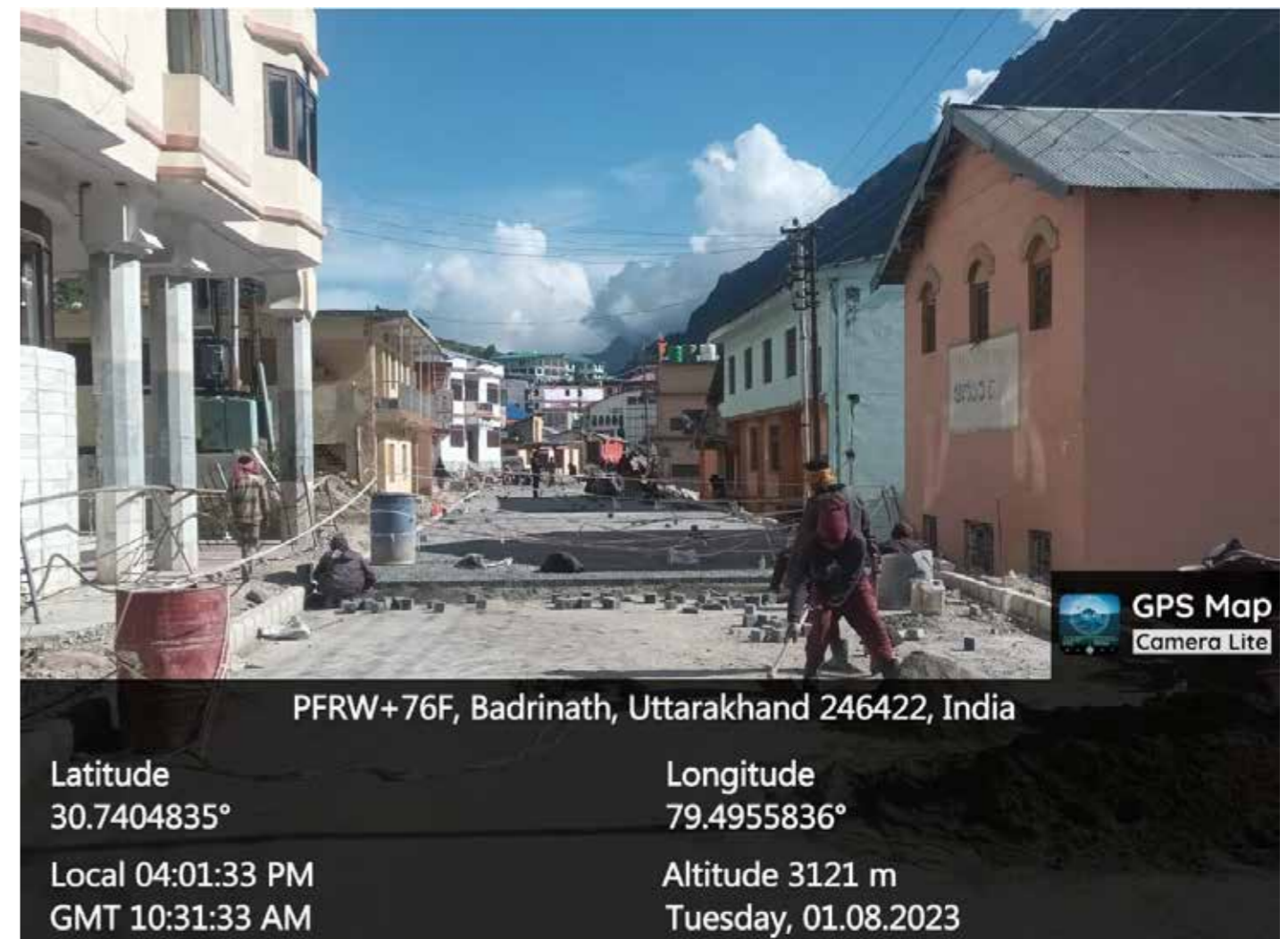
During the reporting period, significant efforts were directed towards establishing nutri-gardens, which not only provided sustenance to tribal households but also promoted their self-sufficiency and enhanced their nutritional intake.

In addition to these initiatives, POWERGRID has undertaken various other projects focusing on providing safe drinking water, sanitation facilities, school toilets, livelihood support for small and marginal farmers, and renovating rural schools. These endeavors reflect POWERGRID's steadfast commitment to uplifting rural and tribal communities across the nation.



### MAJOR RURAL DEVELOPMENT PROJECTS UNDERTAKEN IN FY23-24

- Financial assistance towards construction and development of Shri Badrinath Dham town as a spiritual smart hill town at a project cost of ₹19.29 Crore. The proposed project encompasses providing financial assistance to Government of Uttarakhand for redevelopment of Badrinath as a Spiritual Smart Hill Town. Total area proposed for development work is approximately 85 Hectares. It is estimated that yearly influx of tourists by 2025 will be 15.6 Lakh.





- Construction of Auditorium Hall at Bhergaon in Udalguri, BTAD, Assam at a project cost of ₹3.00 Crore. Huge public meetings, Public Awareness Campaigns, Training Programmes may be organized in this Auditorium hall. It is also known that Archery as a sport is quite prevalent in the region therefore; provision of archery training will also be imparted in the auditorium complex. Auditorium hall complex will be highly beneficial for the general public in vogue.
- Providing financial assistance for construction of various Community Centers & Development of Govt Schools in Kota (Rajasthan) at a project cost of ₹7.65 Crore. Basic infrastructures like adequate number of class rooms, play-ground, boundary wall is essential for providing quality education as well as holistic growth.
- Community Halls help villagers to gather for group activities, social support, public information, Information of Govt Schemes and other. All this provides exposure to opportunities to be more productive and facilitates to upgrade standard of living in rural areas.
- Shri R.K. Singh, the then Honorable Union Minister for Power, New and Renewable Energy, Govt. of India laid foundation stone for various Rural development works in Ara, Bhojpur (Bihar) at a total project cost of ₹6.48 Crore.



- Four nos. (4) nos. of high mast light were handed over at Police Line in Ara, Bhojpur in the august presence of, the then Hon'ble Union Minister of Power & NRE, Sh. R.K Singh at a project cost of ₹0.27 Crore.
- Repair and Renovation of Sanskritik Bhawan in Ara , Bhojpur (Bihar) at a project cost of ₹3.88 Crore. As Ara is administrative headquarters of Bhojpur district, this project will contribute to whole community development of Bhojpur by providing a space for cultural events and activities, and bringing new life and energy to a neighborhood or community. Approx. ₹27 lakh people residing in the Bhojpur district will be benefitted through this project.
- Community Hall at Barbari Police Reserve was handed over in the august presence of DC, SP, Baksa at a project cost ₹1.96 Crore.
- Proposed Auditorium Hall shall be beneficial to more than 20 villages with 100% rural population.

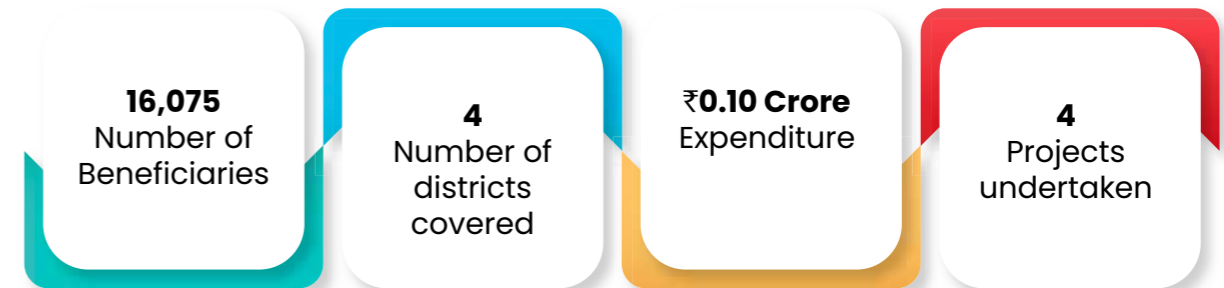
## WOMEN EMPOWERMENT

Promoting women's empowerment is fundamental for comprehensive development within families, communities, and nations. Our unwavering dedication to this cause cultivates self-sufficiency and grants women the autonomy to make choices that positively shape their lives.

In alignment with our commitment, we have instituted programs aimed at facilitating employment opportunities for women. These initiatives encompass comprehensive training sessions in the production of sanitary napkins and tailoring. Beyond imparting essential sewing skills, these programs contribute towards economic stability and nurture entrepreneurial capabilities among women. To ensure widespread accessibility and participation, training centers have been strategically established across various locations.



POWERGRID has also made significant contributions towards the establishment of a functioning women's hostel in the Nuh district of Haryana. This establishment serves as a secure and cost-effective lodging option for young women, alleviating housing concerns and allowing them to concentrate on their professional endeavors. By fostering an environment conducive to personal and career growth, we are empowering women to unlock their full potential and make substantial contributions to society.



## MAJOR WOMEN EMPOWERMENT PROJECTS UNDERTAKEN IN FY23-24.

- Training Center for Silai Machines for skill development ( stitching skills ) at Sheethal Village, Near POWERGRID Bhiwadi (Rajasthan) at a project cost ₹0.02 Crore.
- Distribution of 65 Nos of Sewing Machine to Self Help Group (SHG) members of Rairakhol Block of Sambalpur district (Odisha) at a project cost ₹0.04 Crore. These sewing machines will help SHG members towards empowerment of women members along with their family as most of the SHG members are coming under economically backward section. Approx. 25 ST/SC families will be benefitted.
- Providing Two Shaft Handloom Weaver's Training by IMCLS GI Zoh SHG at Roing, Lower Dibang Valley district, Arunachal Pradesh at a project cost ₹0.04 Crore. With this Training, following facilities shall be provided. a) To Generate self-employment for Citizen of the district. b) To Develop skilled work force in the field of Textile & Handicraft of the district.

## SKILL DEVELOPMENT

POWERGRID remains steadfast in its dedication to community empowerment and youth development, aiming to realize their aspirations. Through a comprehensive array of Skill Development Training Programs, we endeavor to facilitate economic progress, particularly among marginalized populations.

These training endeavors are made possible through strategic partnerships with esteemed institutions such as the National Skill Development Corporation (NSDC), the National Academy of Construction (NAC), and the Central Institute of Plastic Engineering and Technology (CIPET). Covering a wide spectrum of subjects ranging

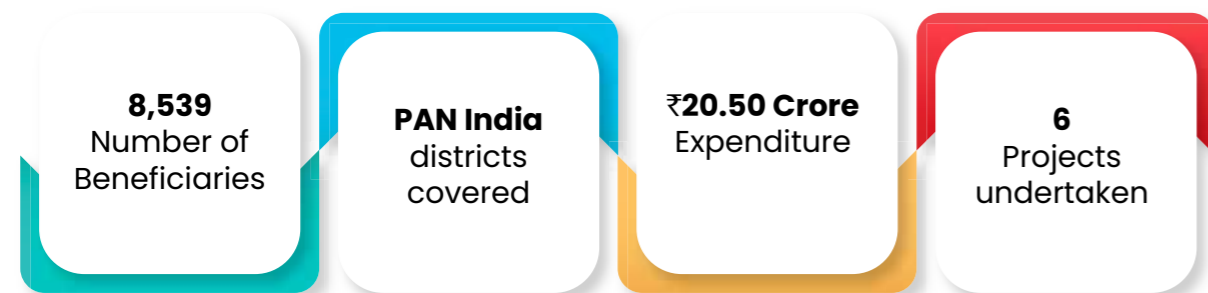




from electrical wiring to plastic engineering, auto repair, and LMV driving, these programs are tailored to cater to diverse skill needs.

By extending these opportunities to economically disadvantaged communities, particularly those in rural areas, we endeavor to equip individuals with invaluable skills that bolster their employability and economic outlook.

In alignment with our commitment to promoting active lifestyles, POWERGRID has embarked on the construction of the POWERGRID Stadium in Satna. Acknowledging the community's keen interest in sports activities, we collaborated with local authorities to fund and establish this facility. By providing a dedicated venue for sports and fitness pursuits, our aim is to inspire community members to prioritize their physical well-being and engage in sports, thus fostering a culture of health and vitality throughout the region.



## MAJOR SKILL DEVELOPMENT PROJECTS UNDERTAKEN IN FY23-24

In the voyage towards growth and development, the Skill India Campaign is yet another initiative which is successfully contributing to shape India. POWERGRID imparted Skill Development training to 6000 youths in the area of Power Sector and related areas in 50 locations across India at a project cost ₹10.18Crore.

## ENVIRONMENT AND ECOLOGY

As a champion of environmental sustainability, POWERGRID recognizes the critical importance of both nurturing our planet and facilitating business growth.

### Afforestation Initiatives

Taking proactive steps towards environmental stewardship and effective climate change management, POWERGRID has consistently undertaken afforestation initiatives. These efforts have yielded significant results, notably in (specified areas), where the company has successfully introduced and nurtured numerous green spaces.

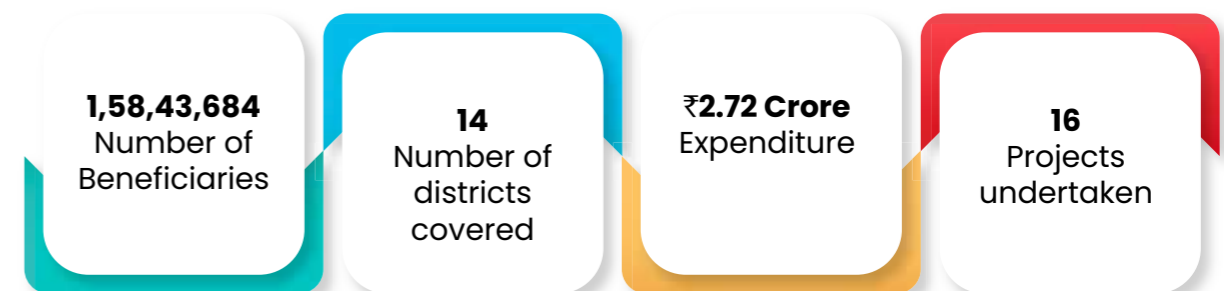
### Promotion of Renewable Energy through Solar Light Installations

In line with our commitment to advancing renewable energy solutions, POWERGRID has taken the lead in installing solar lighting systems across various regions in India. These initiatives not only highlight our dedication to embracing green energy but also emphasize our role in combating climate change.

- Installation of Automatic PET bottle flaking and Reverse Vending machine to Vijayawada Municipal Corporation at a project cost ₹0.81 Crore.



- This CSR initiatives will help for environment conservation and also keeping the surroundings clean. Additionally due to recycling of plastic material, the usage of fossil fuels can be minimized and the same can be stored for future generations.



Installation of 60 nos. Batteries for Solar Power Plant at Eliezer Joldan Memorial (EJM) College, Leh at a project cost ₹0.13 Crore. This will help the College to cater the supply of electricity throughout the day and studies of the students will not hamper. This will also ensure security & safety and environment friendly source of energy in the College.

- Installation of dustbin and management of proper solid waste throughout Chhalamthang village under 11-Namphing GPU of TemiNamphing constituency South Sikkim at a project cost ₹0.04 Crore.
- Installation of the said dustbins will be highly beneficial to the local communities, promote awareness towards cleanliness at large.
- Considering the various tourist attractions present in the state many national and international citizens visit the state on a very regular basis. Therefore to promote proper disposal of plastic and non-plastic waste the installation of dustbins will be very beneficial to the local and other communities.

## DRINKING WATER & SANITATION

Securing access to clean water and sanitation stands as a cornerstone in upholding public health and fostering sustainable communities. These vital resources not only underpin overall well-being but also play a pivotal role in supporting livelihoods, ensuring consistent school attendance, and enhancing community resilience against environmental challenges.

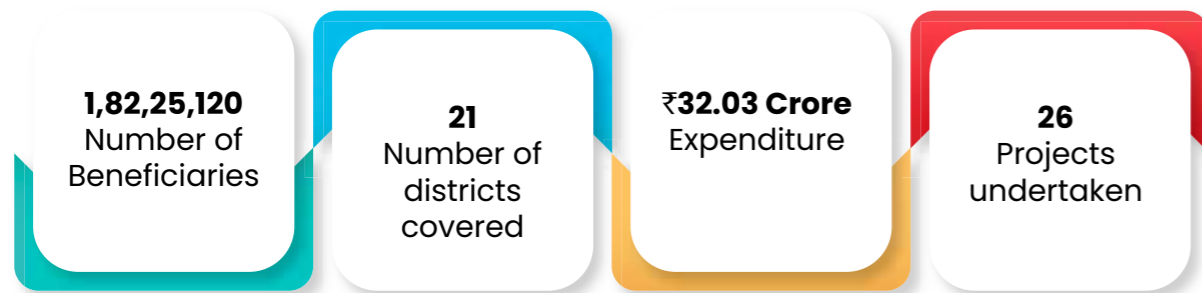
In addressing the risks associated with open defecation, particularly among vulnerable groups such as children susceptible to severe illnesses like diarrhea, initiatives like constructing toilet blocks are essential. As part of our commitment to initiatives like the Swachh Bharat Abhiyan, POWERGRID has embarked on constructing toilet blocks in specific areas, significantly contributing towards improving public health and hygiene standards.





Beyond infrastructure development, our efforts encompass comprehensive awareness campaigns on sanitation. Through a range of activities organized during Swachhta Pakhwada, including cleaning demonstrations, video broadcasts, street plays, and rallies, POWERGRID aims to instill a culture of cleanliness and hygiene within communities. Company also supplied vacuum cleaning trucks to Municipal Corporations in designated areas for mechanized street sanitation.

Recognizing the critical importance of access to hygienic drinking water, POWERGRID has initiated projects to install handpumps in various districts and implement drinking water filtration systems in targeted regions. By facilitating access to clean water resources, we strive to address a crucial aspect of community health and well-being, thereby contributing significantly to the overall welfare of the communities we serve.



### MAJOR DRINKING WATER AND SANITATION PROJECTS UNDERTAKEN IN FY23-24

- Installation of Drinking water purification plant (1000LPH) in Arahalli village at a project cost ₹0.10 Crore.
- RO plant will be useful for the local village of Arahalli with a population of 1541, majority of whom are socially and economically backward class. This will improve the drinking water & sanitation facilities in rural areas.
- Providing Water Tanker for Govt. Degree College, Kargil at a project cost ₹0.27 Crore.
- Kargil is a remote place and educational facilities are not very developed. The majority of population in Kargil is classified as Scheduled Tribe. More than 3000 students are enrolled in various undergraduate degree courses at Govt. Degree College, Kargil, the largest College in Ladakh UT. Permanent water supply for daily use is a primary concern for the college. Approximately 3000 students and 77 nos. of Teachers with Supporting Staff of Govt. Degree College, Kargil will be benefitted.
- Providing Truck mounted Vacuum road Sweeping Machine, Ballistic Solid waste Municipal separator & JCB loader for Samba Distt. at a project cost ₹1.42 Crore.

This endeavor benefit entire population of Samba covered under Bari Brahmana Jammu i.e., population of nearly 3.2 Lakh (ST-5.5 % and SC-28.8%). This initiative result in uplifting the socially & economically weaker sections of society as quality breathable air will be available to general population as well.



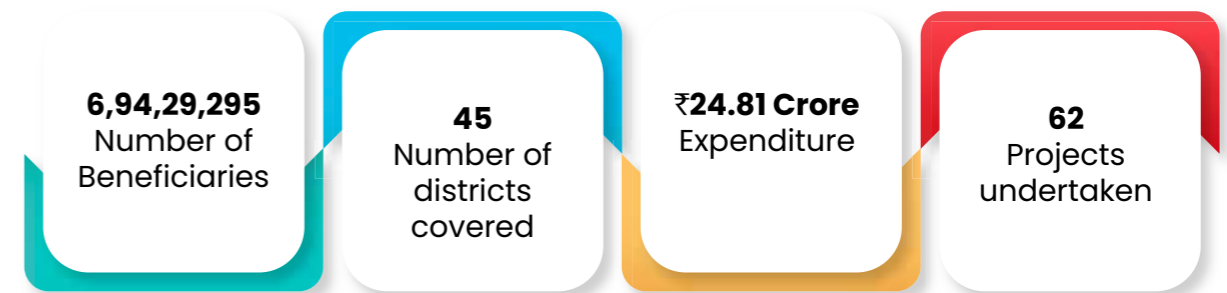
- Providing a Truck Mounted Vacuum Road Sweeping Machine to Malegaon Municipal Corporation, Dist.-Nashik, Maharashtra at a project cost ₹1.21 Crore. Malegaon Municipality having total population of 4,71,312 will be benefited from Supply and delivery of Vacuum Based Diesel Truck Mounted Sweeping Machine Road Sweeper. This will lead to ensuring cleanliness on roads of the municipal areas of Malegaon.

Procurement of Vacuum Road Sweeping Machine for Gandhinagar Municipal Corporation (GMC), Gandhinagar, Gujarat at a project cost ₹1.99 Crore.

The Roads are spread over approx. 100 kms around the sectoral Gandhinagar and cleaning of the same manually is a humongous task for GMC, and manual cleaning creates air pollution also. The Vacuum Road Sweeping machine of approx., 6 Cu-M. Capacity will be useful for cleaning of roads, Pathways with greater efficiency, speed and conveniently. The air pollution level will also be less by this machine.

### Education

POWERGRID believes that education is the stepping-stone towards living a life of dignity, particularly for the underprivileged and the vulnerable.



### MAJOR EDUCATION RELATED PROJECTS UNDERTAKEN IN FY23-24

- Providing financial assistance to National Foundation for Communal Harmony (NFCH) for education of 1911 violence affected children from Assam, Manipur, and Chhattisgarh at a project cost of ₹3.02 Crore. NFCH is assisting about 1911 violence affected orphan/destitute children in the country in the age group of 0-25 years to enable them to attain their school education and bring them in to mainstream society after going through trauma faced by family.
- Provide financial assistance for the procurement of 5000 benches to Govt schools and 200 kits for Aanganwadi centers at a project cost ₹2.27 Crore. 15000 Students from almost every section of the society in 106 schools & approximately 3000 children benefit from these Aanganwadi centers.
- Installation of Equipment & machineries, furniture and Audio-visual aids for Skill Development Training Centre Building at Assam Engineering Institute at a project cost ₹1.20 Crore. Contributing immensely in grooming young technical professionals for the Region. The Skill Development Training Centre is a vital addition to the institute which will empower the institution to contribute in this field more effectively.
- Providing assistance to purchase 80 Annie Devices for 08 Govt. Schools for the Blind in the State of Tamil Nadu at a project cost ₹0.74 Crore. Around 454 Differently Abled Students studying in 08 Govt. Schools for the Blind are benefitted with this Annie Devices.





• Providing 500 Nos Smart Television to facilitate video classes for students of Anganwadi in Bikaner District at a project cost ₹1.85 Crore. In the modern system of Education, there is an inherent need to remove the pressure of rote learning from the children. To fulfill this need, Audio-visual aids are the solutions with the help of which we can bring courses to life with real-world examples. This keeps the students involved in the learning process concurrently with the teachers.



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| 306-4                               | Waste Diverted from disposal  | Waste Management, BRSR             | 102, 262, 263      |

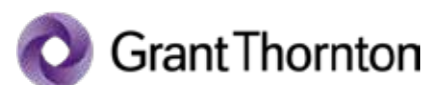


| Disclosure  | Disclosure Title  | Reporting Section/Explanation                         | Page Number        |
|---|---|---|--------------------|
| 306-5   | Waste Directed to Disposal  | Waste Management, BRSR                                | 102, 262, 263      |
| <b>GRI 308: Supplier Environmental Assessment</b> |   |   |                    |
| 308-1   | New suppliers that were screened using environmental criteria   | Responsible Sourcing                                  | 83                 |
| <b>GRI 401: Employment</b>                        |   |   |                    |
| 401-1   | New employee hires and employee turnover  | Talent attraction and Retention; BRSR                 | 114, 231           |
| 401-2   | Benefits provided to full-time employees that are not provided to temporary or part-time employees            | Social Wellbeing                                      | 115                |
| 401-3   | Parental leave  | Social Wellbeing, BRSR                                | 115, 248, 249      |
| <b>GRI 402: Labor/Management Relations</b>        |   |   |                    |
| 402-1   | Minimum notice periods regarding operational changes  | Human Rights  | 110, 111           |
| <b>GRI 403: Occupational Health and Safety</b>    |   |   |                    |
| 403-1   | Occupational health and safety management system  | Health and Safety                                     | 115, 116           |
| 403-2   | Hazard identification, risk assessment, and incident investigation  | Health and Safety                                     | 115, 116           |
| 403-3   | Occupational health services  | Health and Safety                                     | 115, 116           |
| 403-4   | Worker participation, consultation, and communication on occupational health and safety                       | Health and Safety                                     | 115, 116           |
| 403-5   | Worker training on occupational health and safety   | Health and Safety                                     | 115, 116           |
| 403-6   | Promotion of worker health  | Health and Safety                                     | 115, 116           |
| 403-7   | Prevention and mitigation of occupational health and safety impacts directly linked by business relationships | Health and Safety                                     | 115, 116           |
| 403-8   | Workers covered by an occupational health and safety management system  | Health and Safety                                     | 115, 116           |
| 403-9   | Work related injuries   | Health and Safety, BRSR                               | 115, 116, 253      |
| 403-10  | Work- related ill-health  | Health and Safety, Fostering Employee wellbeing, BRSR | 114, 115, 116, 253 |
| <b>GRI 404: Training and Education</b>            |   |   |                    |
| 404-1   | Average hours of training per year per employee   | Trainings and Career Development                      | 116                |
| 404-2   | Programs for upgrading employee skills and transition assistance programs                                     | Trainings and Career Development                      | 116                |
| 404-3   | Percentage of employees receiving regular performance and career development reviews                          | BRSR  | 252                |
| <b>GRI 405: Diversity and Equal Opportunity</b>   |   |   |                    |
| 405-1   | Diversity of governance bodies and employees  | Board Diversity; Diversity Equity and Inclusion       | 62                 |

| Disclosure   | Disclosure Title   | Reporting Section/Explanation        | Page Number   |
|--|--|--------------------------------------|---------------|
| 405-2  | Ratio of basic salary and remuneration of women to men   | Diversity, Equity & Inclusion        | 112           |
| <b>GRI 406: Non-discrimination</b>                               |  |                                      |               |
| 406-1  | Incidents of discrimination and corrective actions taken   | BRSR                                 | 257           |
| <b>GRI 407: Freedom of Association and Collective Bargaining</b> |  |                                      |               |
| 407-1  | Operations and suppliers in which the right to freedom of association and collective bargaining may be at risk | Human Rights                         | 110, 111      |
| <b>GRI 408: Child Labor</b>                                      |  |                                      |               |
| 408-1  | Operations and suppliers at significant risk for incidents of child labor                                      | Human Rights                         | 110, 111      |
| <b>GRI 409: Forced or Compulsory Labor</b>                       |  |                                      |               |
| 409-1  | Operations and suppliers at significant risk for incidents of forced or compulsory labor                       | Human Rights                         | 110, 111      |
| <b>GRI 411: Rights of Indigenous Peoples</b>                     |  |                                      |               |
| 411-1  | Incidents of violations involving rights of indigenous peoples   | Human Rights                         | 110, 111      |
| <b>GRI 412: Human Rights Assessment</b>                          |  |                                      |               |
| 412-1  | Operations that have been subject to human rights reviews or impact assessments                                | Human Rights                         | 110, 111      |
| 412-2  | Employee training on human rights policies or procedures   | Human Rights; BRSR                   | 110, 111, 255 |
| <b>GRI 413: Local Communities</b>                                |  |                                      |               |
| 413-2  | Operations with significant actual and potential negative impacts on local communities                         | Stakeholder Engagement, BRSR         | 52-55, 255    |
| <b>GRI 414: Supplier Social Assessment</b>                       |  |                                      |               |
| 414-1  | New suppliers that were screened using social criteria   | Responsible Sourcing                 | 83            |
| <b>GRI 416: Customer Health and Safety</b>                       |  |                                      |               |
| 416-1  | Assessment of the health and safety impacts of product and service categories                                  | Health and Safety                    | 115, 116      |
| 416-2  | Incidents of non-compliance concerning the health and safety impacts of products and services                  | Health and Safety, BRSR              | 115, 116      |
| <b>GRI 418: Customer Privacy</b>                                 |  |                                      |               |
| 418-1  | Substantiated complaints concerning breaches of customer privacy and losses of customer data                   | Data Privacy and Cybersecurity; BRSR | 90, 91, 269   |
| <b>GRI 419: Socioeconomic Compliance 2016</b>                    |  |                                      |               |
| 419-1  | Non-compliance with laws and regulations in the social and economic area                                       | About the Report; CSR; BRSR          | 6-7, 266      |



# Independent Assurance Statement on Non-Financial Reporting



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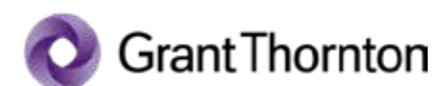
Independent Practitioner's reasonable assurance on non-financial information pertaining to core indicators of Business Responsibility and Sustainability Report ("BRSR Core Information") and limited assurance on identified non-financial information pertaining to non-core indicators ("BRSR non-core") contained in Business Responsibility and Sustainability Report ("BRSR") and limited assurance on identified non-financial information, other than information contained in BRSR, contained in Integrated Annual Report of the Company for the FY 2023-24

To  
**The Board of Directors**  
**Power Grid Corporation of India Limited**  
**Saudamini,**  
**Plot No. 2, Sector-29, Gurgaon,**  
**Gurgaon, HARYANA-122001, India**

We have been engaged to perform assurance engagement for Power Grid Corporation of India Limited ("the Company") as per the Terms of the Assurance plan dated 21 July 2024 read with GeM Contract no. GEMC-511687705303028 dated 4 July 2024 and terms of reference for engagement of consulting agency for Assurance Certification of POWERGRID's BRSR / Integrated Report FY 2023-24, issued by Power Grid Corporation of India Limited ("the Company") to provide reasonable assurance on non-financial information pertaining to core indicators of Business Responsibility and Sustainability Report ("BRSR Core Information" / "Subject Matter 1") and limited assurance on identified non-financial information pertaining to non-core indicators ("BRSR non-Core" / "Subject Matter 2") contained in BRSR of the Company for the financial year 31 March 2024, and limited assurance on the identified non-financial information, other than information contained in BRSR, ("Subject Matter 3") contained in Integrated Annual report of the Company for the financial year ended 31 March 2024 ("Subject Matter 1, Subject Matter 2 and Subject Matter 3 together referred as "Identified Sustainability Information") prepared by management in accordance with the Criteria stated below.

## Identified Sustainability Information

The Identified Sustainability Information included in the BRSR and the Integrated Annual Report of the Company for the financial year ended 31 March 2024.



The non-financial information pertaining to core indicators of BRSR for the financial year ended 31 March 2024 (Subject Matter 1) is summarised below:

| Attribute   | Principle          | Key Performance Indicator   |
|---|--------------------|---|
| Energy footprint  | Principle 6 – 1    | <ul style="list-style-type: none"> <li>Total energy consumption (in Joules or multiples) and energy intensity</li> <li>% of energy consumed from renewable sources</li> <li>Energy intensity</li> </ul>   |
| Water footprint   | Principle 6 – 3    | <ul style="list-style-type: none"> <li>Total water consumption</li> <li>Water consumption intensity</li> </ul>  |
|   | Principle 6 – 4    | <ul style="list-style-type: none"> <li>Water Discharge by destination and levels of treatment</li> </ul>  |
| Greenhouse (GHG) footprint  | Principle 6 – 7    | <ul style="list-style-type: none"> <li>Greenhouse gas emissions (Scope 1 and Scope 2 emissions) &amp; its intensity</li> </ul>  |
| Embracing circularity - details related to waste management by the entity | Principle 6 – 9    | <ul style="list-style-type: none"> <li>Details related to waste generated by the entity (category wise)</li> <li>Waste intensity</li> <li>Each category of waste generated, total waste recovered through recycling, re-using or other recovery operations.</li> <li>For each category of waste generated, total waste disposed by nature of disposal method</li> </ul> |
| Enhancing Employee Wellbeing and Safety                                   | Principle 3 – 1(c) | Spending on measures towards well-being of employees and workers (including permanent and other than permanent)   |
|   | Principle 3 – 11   | Safety related incidents: <ul style="list-style-type: none"> <li>Lost Time Injury Frequency Rate (LTIFR) (per one million-person hours worked)</li> <li>Total recordable work-related injuries</li> <li>No. of fatalities</li> <li>High consequence work-related injury or ill-health (excluding fatalities)</li> </ul>   |
| Enabling Gender Diversity in Business                                     | Principle 5 – 3(b) | Gross wages paid to females as % of total wages paid by the entity  |
|   | Principle 5 – 7    | Complaints filed under the Sexual Harassment of Women at Workplace (Prevention, Prohibition and Redressal) Act, 2013  |
| Enabling Inclusive Development  | Principle 8 – 4    | Percentage of input material (inputs to total inputs by value) sourced from suppliers   |
|   | Principle 8 – 5    | Job creation in smaller towns – Wages paid to persons employed (including employees or workers employed on a permanent or non-permanent / on contract basis) in the locations, as % of total wage cost  |



| Attribute   | Principle       | Key Performance Indicator   |
|---|-----------------|---|
| Fairness in Engaging with Customers and Suppliers | Principle 1 – 8 | Number of days of accounts payables   |
|   | Principle 9 – 7 | Instances involving loss / breach of data of customers as a percentage of total data breaches or cyber security events  |
| Open-ness of business                             | Principle 1 – 9 | Details of concentration of purchases and sales with trading houses, dealers, and related parties along-with loans and advances & investments, with related parties |

The identified non-financial information pertaining to non-core indicators of (BRSR) ("Subject Matter 2") for the financial year ended 31 March 2024 is summarized below:

| Indicator  | Key Performance Indicator   |
|--|---|
| Section C: Principle 1 Essential Indicator 2             | Details of fines / penalties /punishment/ award/ compounding fees/ settlement amount paid in proceedings (by the entity or by directors / KMPs) with regulators/ law enforcement agencies/ judicial institutions  |
| Section C: Principle 1 Essential Indicator 5             | Number of Directors/KMPs/employees/workers against whom disciplinary action was taken by any law enforcement agency for the charges of bribery/ corruption  |
| Section C: Principle 1 Essential Indicator 6             | Details of complaints with regard to conflict of interest   |
| Section C: Principle 2 Essential Indicator 1             | Percentage of R&D and capital expenditure (capex) investments in specific technologies to improve the environmental and social impacts of product and processes to total R&D and capex investments made by the entity   |
| Section C: Principle 3 Essential Indicator 1(a) and 1(b) | 1(a) Details of measures for the well-being of employees<br>1(b) Details of measures for the well-being of workers  |
| Section C: Principle 3 Essential Indicator 5             | Return to work and Retention rates of permanent employees and workers that took parental leave.   |
| Section C: Principle 3 Essential Indicator 9             | Details of performance and career development reviews of employees and worker   |
| Section C: Principle 3 Essential Indicator 13            | Number of Complaints on the following made by employees and workers: <ul style="list-style-type: none"> <li>Working Conditions</li> <li>Health &amp; Safety</li> </ul>  |
| Section C: Principle 5 Essential Indicator (2) & (3a)    | <ul style="list-style-type: none"> <li>Details of minimum wages paid to employees and workers,</li> <li>Median remuneration / wages of male and female</li> </ul>   |
| Section C: Principle 5 Essential Indicator 6             | Number of Complaints on the following made by employees and workers, on: <ul style="list-style-type: none"> <li>Sexual Harassment</li> <li>Discrimination at workplace</li> <li>Child labour</li> <li>Forced labour / Involuntary labour</li> <li>Wages</li> <li>Other human rights related issues</li> </ul> |

| Indicator                                     | Key Performance Indicator  |
|---|--|
| Section C: Principle 6 Essential Indicator 11 | Operations/offices in/around ecologically sensitive areas (such as national parks, wildlife sanctuaries, biosphere reserves, wetlands, biodiversity hotspots, forests, coastal regulation zones etc.) where environmental approvals / clearances are required.   |
| Section C: Principle 7 Essential Indicator 1  | <ul style="list-style-type: none"> <li>a) Number of affiliations with trade and industry chambers/ associations</li> <li>b) Top 10 trade and industry chambers/ associations (determined based on the total members of such body) the entity is a member of/ affiliated to. Operations/offices in/around ecologically sensitive areas (such as national parks, wildlife sanctuaries, biosphere reserves, wetlands, biodiversity hotspots, forests, coastal regulation zones etc.) where environmental approvals / clearances are required</li> </ul> |
| Section C: Principle 9 Essential Indicator 3  | Number of consumer complaints in respect of the following: <ul style="list-style-type: none"> <li>Data Privacy</li> <li>Advertising</li> <li>Cyber-security</li> <li>Delivery of essential services</li> <li>Restrictive trade practices</li> <li>Unfair Trade Practices</li> </ul>  |

The identified non-financial information, other than information contained in BRSR, for the financial year ended 31 March 2024 ("Subject Matter 3") is summarised below:

| Series                         | Material Issue                       | GRI               | Key Performance Indicator   |
|--------------------------------|--------------------------------------|-------------------|---|
| GRI – 200 Economic             | 201 – Economic Performance 2016      | 201 – 1           | Direct economic value generated and distributed.                                |
|                                | 203 – Indirect Economic Impacts 2016 | 203 – 1           | Infrastructure investments and services supported                               |
|                                | 204 – Procurement Practices 2016     | 204 – 1           | Proportion of spending on local suppliers                                       |
|                                | 205 – Anti-corruption 2016           | 205 – 1           | Operations assessed for risks related to corruption                             |
|                                | 206 – Anti-competitive Behavior 2016 | 206 – 1           | Legal actions for anti-competitive behavior, anti-trust, and monopoly practices |
|                                | GRI – 300 Environment                | 302 – Energy 2016 | 302 – 1   |
| 302 – 3                        |                                      |                   | Energy intensity  |
| 303 – Water and Effluents 2018 |                                      | 303 – 3           | Water withdrawal  |
|                                |                                      | 303 – 4           | Water discharge   |
|                                |                                      | 303 – 5           | Water consumption   |
|                                |                                      | 305 – 1           | Direct (Scope 1) GHG emissions  |



| Series                      | Material Issue                             | GRI  | Key Performance Indicator  |
|-----------------------------|--|--|--|
|                             | 305 – Emissions 2016                       | 305 – 2  | Indirect (Scope 2) GHG emissions   |
|                             |  | 305 – 4  | GHG emissions intensity  |
|                             | 306 – Waste 2020                           | 306 – 3  | Waste generated  |
|                             |  | 306 – 4  | Waste diverted from disposal   |
|                             |  | 306 – 5  | Waste directed to disposal   |
| GRI – 400 Social            | 401 – Employment 2016                      | 401 – 1  | New employee hires and employee turnover   |
|                             |  | 401 – 3  | Parental leave   |
|                             | 403 – Occupational Health and Safety 2018  | 403 – 9  | Work – related injuries  |
|                             |  | 403 – 10   | Work – related ill health  |
|                             | 404 – Training and Education 2016          | 404 – 3  | Percentage of employees receiving regular performance and career development reviews |
|                             | 405 – Diversity and Equal Opportunity 2016 | 405 – 2  | Ratio of basic salary and remuneration of women to men                               |
|                             | 406 – Non-discrimination 2016              | 406 – 1  | Incidents of discrimination and corrective actions taken                             |
| 418 – Customer Privacy 2016 | 418 – 1                                    | Substantiated complaints concerning breaches of customer privacy and losses of customer data |  |

Our assurance engagement is with respect to the financial year ended 31 March 2024 information only unless otherwise stated and we have not performed any procedures with respect to earlier periods or any other elements included in the BRSR and Integrated Annual Report, therefore, do not express any opinion/conclusion thereon.

#### Boundary

Boundary of the report covers the business operations of the Company, including its corporate offices, regional offices, operating substations /below mentioned subsidiaries of the Company but excludes the Joint Ventures and Associate Companies of the Company for this reporting period:

| S. No. | Description of site / Name of the Company           | Relationship |
|--------|---|--------------|
| 1.     | POWERGRID Raipur Pool Dhamtari Transmission Limited | Subsidiary   |
| 2.     | POWERGRID Dharamjaigarh Transmission Limited        | Subsidiary   |
| 3.     | POWERGRID ERWR Power Transmission Limited           | Subsidiary   |
| 4.     | POWERGRID Khavda RE Transmission Limited            | Subsidiary   |
| 5.     | POWERGRID KPS2 Transmission Limited                 | Subsidiary   |
| 6.     | POWERGRID KPS3 Transmission Limited                 | Subsidiary   |

| S. No. | Description of site / Name of the Company           | Relationship |
|--------|---|--------------|
| 7.     | POWERGRID Khavda II-C Transmission Limited          | Subsidiary   |
| 8.     | POWERGRID Khavda II-B Transmission Limited          | Subsidiary   |
| 9.     | POWERGRID Neemuch Transmission System Limited       | Subsidiary   |
| 10.    | POWERGRID Energy Services Limited                   | Subsidiary   |
| 11.    | POWERGRID Teleservices Limited                      | Subsidiary   |
| 12.    | POWERGRID ER NER Transmission Limited               | Subsidiary   |
| 13.    | POWERGRID Gomti Yamuna Transmission Limited         | Subsidiary   |
| 14.    | Central Transmission Utility of India Limited       | Subsidiary   |
| 15.    | POWERGRID Ramgarh Transmission Limited              | Subsidiary   |
| 16.    | POWERGRID Sikar Transmission Limited                | Subsidiary   |
| 17.    | POWERGRID Bhadla Transmission Limited               | Subsidiary   |
| 18.    | POWERGRID Aligarh Sikar Transmission Limited        | Subsidiary   |
| 19.    | POWERGRID Narela Transmission Limited               | Subsidiary   |
| 20.    | POWERGRID Bhadla Sikar Transmission Limited         | Subsidiary   |
| 21.    | POWERGRID Bikaner Transmission System Limited       | Subsidiary   |
| 22.    | POWERGRID Meerut Simbhavali Transmission Limited    | Subsidiary   |
| 23.    | POWERGRID Rampur Sambhal Transmission Limited       | Subsidiary   |
| 24.    | POWERGRID Ajmer Phagi Transmission Limited          | Subsidiary   |
| 25.    | POWERGRID Khetri Transmission System Limited        | Subsidiary   |
| 26.    | POWERGRID Fatehgarh Transmission Limited            | Subsidiary   |
| 27.    | POWERGRID Bhuj Transmission Limited                 | Subsidiary   |
| 28.    | POWERGRID Bhind Guna Transmission Limited           | Subsidiary   |
| 29.    | POWERGRID Jawaharpur Firozabad Transmission Limited | Subsidiary   |
| 30.    | POWERGRID Varanasi Transmission System Limited      | Subsidiary   |
| 31.    | POWERGRID Mithilanchal Transmission Limited         | Subsidiary   |
| 32.    | POWERGRID Medinipur Jeerat Transmission Limited     | Subsidiary   |



| S. No. | Description of site / Name of the Company                     | Relationship |
|--------|---|--------------|
| 33.    | POWERGRID Southern Interconnector Transmission System Limited | Subsidiary   |
| 34.    | POWERGRID Unchahar Transmission Limited                       | Subsidiary   |
| 35.    | POWERGRID NM TRANSMISSION LIMITED.                            | Subsidiary   |
| 36.    | POWERGRID Vemagiri Transmission Limited                       | Subsidiary   |
| 37.    | POWERGRID Himachal Transmission Limited                       | Subsidiary   |
| 38.    | POWERGRID Ramgarh II Transmission Limited                     | Subsidiary   |
| 39.    | POWERGRID Bhadla III Transmission Limited                     | Subsidiary   |
| 40.    | POWERGRID Bikaner Neemrana Transmission Limited               | Subsidiary   |
| 41.    | POWERGRID Koppal Gadag Transmission Limited                   | Subsidiary   |
| 42.    | Bidar Transmission Limited                                    | Subsidiary   |
| 43.    | Sikar Khetri Transmission Limited                             | Subsidiary   |
| 44.    | POWERGRID Neemrana Bareilly Transmission Limited              | Subsidiary   |
| 45.    | POWERGRID Ananthpuram Kurnool Transmission Limited            | Subsidiary   |
| 46.    | POWERGRID Vataman Transmission Limited                        | Subsidiary   |
| 47.    | POWERGRID Beawar Dausa Transmission Limited                   | Subsidiary   |

#### Criteria

The criteria used by the Company to prepare the Subject Matter 1 and Subject Matter 2 is summarised below ('BRSR Framework'):

- Regulation 34(2)(f) of the Securities and Exchange Board of India (the "SEBI") (Listing Obligations and Disclosure Requirements), Regulations, 2015, as amended;
- Business Responsibility and Sustainability Reporting Requirements for listed entities as per Master Circular No. SEBI/HO/CFD/PoD2/ CIR/P/2023/120 dated 11 July 2023; and
- SEBI Circular SEBI/HO/CFD/CFD-SEC-2/P/CIR/2023/122 dated 12 July 2023 and clarifications thereto issued by SEBI.

The Company has prepared the Subject Matter 3, based on:

- the principles of the International Integrated Reporting Framework published by the International Integrated Reporting Council ('IIRC') of the Value Reporting Foundation with reference to Global Reporting Initiative ('GRI') Sustainability Reporting Standards ('the GRI Standards') issued by Global Sustainability Standards Board (GSSB).

#### Management's Responsibilities

The Company is responsible for selecting or establishing suitable criteria for preparing the Identified Sustainability Information, taking into account applicable laws and regulations, if any, related to reporting on the Identified Sustainability Information, identification of key aspects, engagement with stakeholders, content, preparation and presentation of the Identified Sustainability Information in accordance with the Criteria. This

responsibility includes design, implementation and maintenance of internal control relevant to the preparation of the BRSR and the Integrated Annual Report and the measurement of the Identified Sustainability Information, which is free from material misstatement, whether due to fraud or error.

#### Inherent limitations

The absence of a significant body of established practice on which to draw to evaluate and measure non-financial information allows for different, but acceptable, measures and measurement techniques and can affect comparability between entities.

#### Auditor's Independence and Quality Control

We are independent of the Company and have fulfilled our other ethical responsibilities in accordance with the requirements of the International Code of Ethics for Professional Accountants issued by the International Ethics Standards Board for Accountants (the 'IESBA Code') and have the required competencies and experience to conduct this assurance engagement.

Our firm applies International Standards on Quality Management ('ISQM') 1 - Quality Management for Firms that Perform Audits or Reviews of Financial Statements, or Other Assurance or Related Services Engagements and accordingly maintains a comprehensive system of quality control including documented policies and procedures regarding compliance with ethical requirements, professional standards and applicable legal and regulatory requirements.

#### Auditor's Responsibility

Our responsibility is to express a reasonable assurance in the form of an opinion on the Subject Matter 1 and express a limited assurance in the form of a conclusion on the Subject Matter 2 and Subject Matter 3, based on the procedures we have performed and evidence we have obtained. We conducted our reasonable assurance engagement and limited assurance engagement in accordance with the ISAE 3000 (Revised), "Assurance Engagements other than Audits or Reviews of Historical Financial Information" ('ISAE 3000 (Revised)') issued by the International Auditing and Assurance Standards Board ('IAASB'). The standard requires that we plan and perform our engagement to obtain reasonable assurance about whether the Subject Matter 1 is prepared, in all material respects, in accordance with the BRSR Framework and limited assurance about whether the Subject Matter 2 and Subject Matter 3 are free from material misstatement.

A reasonable assurance engagement involves assessing the suitability in the circumstances of the Company's use of the Criteria as the basis for the preparation of the Subject Matter 1, assessing the risks of material misstatement of the Subject Matter 1 whether due to fraud or error, responding to the assessed risks as necessary in the circumstances and evaluating the overall presentation of the Subject Matter 1.

A limited assurance engagement involves assessing the suitability in the circumstances of the Company's use of the Criteria as the basis for the preparation of the Subject Matter 2 and Subject Matter 3, identifying areas where material misstatement is likely to arise in the Subject Matter 2 and Subject Matter 3 whether due to fraud or error, designing and performing procedures to address identified risk areas as necessary in the circumstances, and evaluating the overall presentation of the Subject Matter 2 and Subject Matter 3.

A limited assurance engagement is substantially less in scope than a reasonable assurance engagement in relation to both the risk assessment procedures, including an understanding of internal control, and the procedures performed in response to the assessed risks.

The procedures we performed were based on our professional judgment and included inquiries, observation of processes performed, inspection of documents, evaluating the appropriateness of quantification methods and reporting policies, analytical procedures and agreeing or reconciling with underlying records.

Given the circumstances of the engagement, in performing the procedures listed above, our work procedures included the following:

- Physically visited the sites at the corporate office and Sub-stations at Malerkotla and Chandigarh for data and document verification.
- Interviewing senior executives to understand the reporting process, governance, systems and controls in place during the reporting period.



- Reviewing the records and relevant documentation including information from audited financial statements or statutory reports submitted by the Company to support relevant performance disclosures within our scope.
- Evaluating the suitability and application of Criteria and that the Criteria have been applied appropriately to the Identified Sustainability Information.
- Selecting key parameters and representative sampling, based on statistical audit sampling tables and agreeing claims to source information to check accuracy and completeness of claims such as source data, meter data, etc.
- Re-performing calculations to check accuracy of claims,
- Reviewing data from independent sources, wherever available,
- Reviewing data, information about sustainability performance indicators and statements in the report.
- Reviewing and verifying information/ data as per the BRSR framework and IIRC framework;
- Reviewing accuracy, transparency and completeness of the information/ data provided;

The procedures performed in a limited assurance engagement vary in nature and timing from, and are less in extent than for, a reasonable assurance engagement. Consequently, the level of assurance obtained in a limited assurance engagement is substantially lower than the assurance that would have been obtained had we performed a reasonable assurance engagement. Accordingly, we do not express a reasonable assurance opinion about whether the Identified Sustainability Information have been prepared, in all material respects, in accordance with the Criteria.

#### Exclusions

Our assurance engagement scope excludes the following and therefore we do not express an opinion/ a conclusion on the same:

- Any disclosure other than those mentioned in the Identified Sustainability Information section above
- Data and information outside the defined reporting period
- Data related to Company's financial performance, strategy and other related linkages expressed in the BRSR and the Integrated Annual Report.
- The Company's statements that describe expression of opinion, belief, aspiration, expectation, forward looking statements provided by the Company and assertions related to Intellectual Property Rights and other competitive issues.
- Mapping of the Report with reporting frameworks other than those mentioned in Criteria above.

While we considered the effectiveness of management's internal controls when determining the nature and extent of our procedures, our assurance engagement was not designed to provide assurance on internal controls.

The procedures did not include testing controls or performing procedures relating to checking aggregation or calculation of data within IT systems.

#### Opinion

Based on the procedures we have performed and the evidence we have obtained, the Subject Matter 1 included in the BRSR for the financial year ended 31 March 2024 is prepared in all material respects, in accordance with the BRSR Framework.

#### Conclusion

- a) Based on the procedures we have performed and the evidence we have obtained, nothing has come to our attention that causes us to believe that the Subject Matter 2 included in the BRSR for the financial year ended 31 March 2024, is not prepared, in all material respects, in accordance with the BRSR Framework.
- b) Based on the procedures we have performed and the evidence we have obtained, nothing has come to our attention that causes us to believe that the Subject Matter 3 included in the Integrated Annual Report for

the financial year ended 31 March 2024, is not prepared, in all material respects, with reference to GRI Standards.

#### Restriction on use

The Assurance statement has been prepared and addressed to the Board of Directors of the Company at the request of the Company to assist them in reporting on the Company's sustainability performance and activities. Accordingly, the assurance statement may not be suitable for any other purpose and should not be used by any other party other than the Board of Directors of the Company without our prior written consent. Further, we do not accept or assume any duty of care or liability for any other purpose or to any other party to whom the assurance statement is shown or into whose hands it may come without our prior consent in writing.



#### Grant Thornton Bharat LLP

Abhishek Tripathi

Partner

Dated: 24<sup>th</sup> July 2024

Place: Grant Thornton Bharat LLP

Plot No. 19A, 2<sup>nd</sup> Floor, Sector – 16A,

Noida – 201301,

Uttar Pradesh, India





Home

Corporate  
Overview

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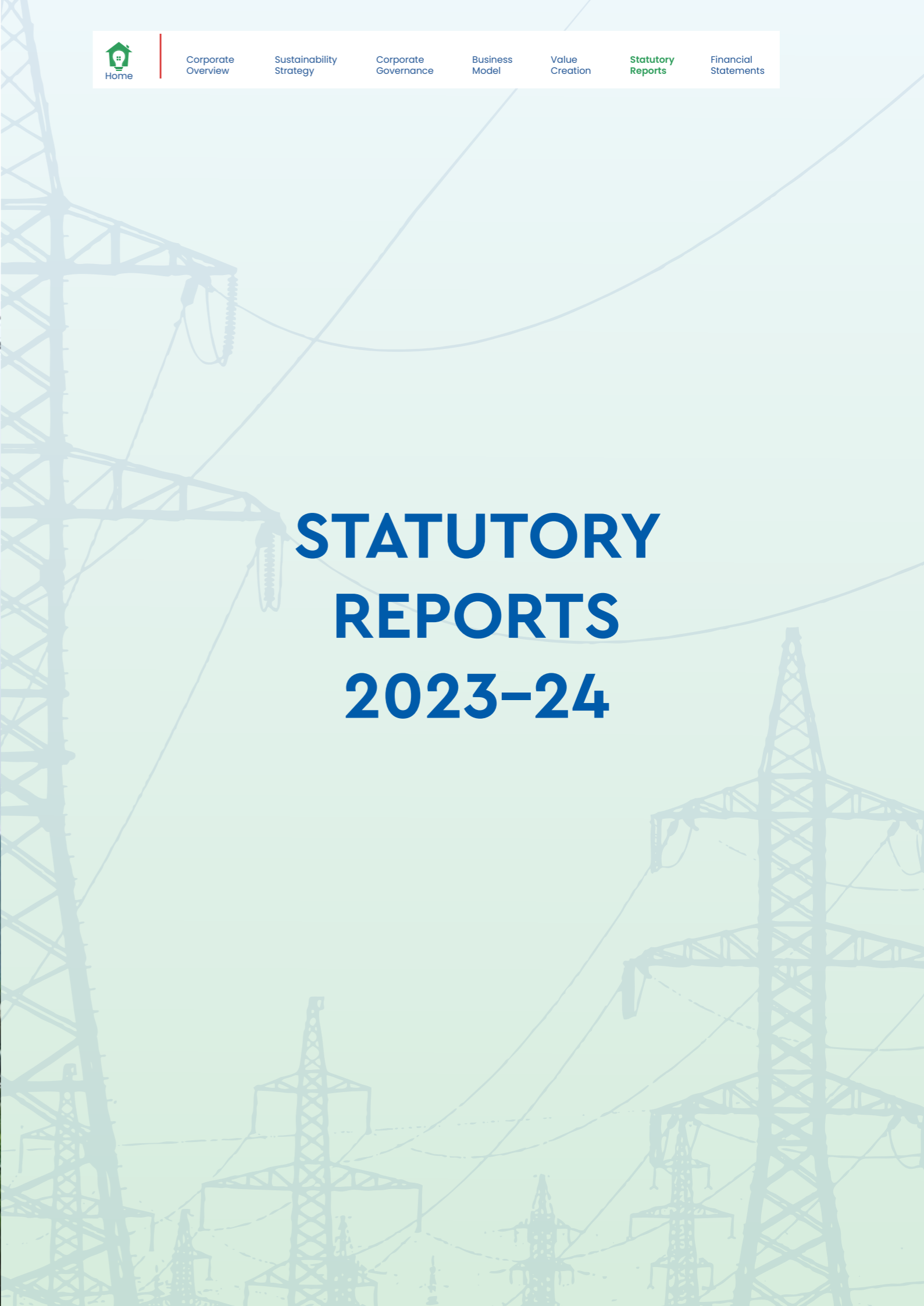
Business  
Model

Value  
Creation

Statutory  
Reports

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Statements

# STATUTORY REPORTS 2023-24





## HISTORICAL FINANCIAL SUMMARY

(Standalone)

(₹ in crore)

| Particulars  | 2023-24          | 2022-23          | 2021-22          | 2020-21          | 2019-20          |
|--|------------------|------------------|------------------|------------------|------------------|
| <b>CONTINUING OPERATIONS:</b>  |                  |                  |                  |                  |                  |
| <b>(A) TOTAL INCOME :</b>  |                  |                  |                  |                  |                  |
| <b>Revenue From Operations</b>   |                  |                  |                  |                  |                  |
| Transmission Revenue   | 40,562.64        | 40,619.30        | 37,812.44        | 36,120.92        | 33,932.94        |
| Other Operating Revenue – Transmission   | 1,310.07         | 1,507.31         | 787.27           | 336.00           | 943.41           |
| Consultancy Revenue  | 518.45           | 509.29           | 753.34           | 501.28           | 610.98           |
| Telecom Revenue  | -                | -                | 580.34           | 707.45           | 698.21           |
| <b>Revenue From Operations</b>   | <b>42,391.16</b> | <b>42,635.90</b> | <b>39,933.39</b> | <b>37,665.65</b> | <b>36,185.54</b> |
| Other Income   | 3,424.21         | 2,591.62         | 2,402.48         | 2,861.46         | 2,132.43         |
| <b>Total Income</b>  | <b>45,815.37</b> | <b>45,227.52</b> | <b>42,335.87</b> | <b>40,527.11</b> | <b>38,317.97</b> |
| <b>(B) EXPENSES :</b>  |                  |                  |                  |                  |                  |
| Employees benefits expense   | 2,376.88         | 2,400.35         | 2,234.76         | 2,110.74         | 1,959.47         |
| Finance costs  | 9,046.87         | 9,707.20         | 8,210.94         | 8,501.01         | 9813.62          |
| Depreciation and amortization expense  | 12,558.19        | 12,858.52        | 12,550.58        | 11,711.68        | 11,073.18        |
| Other Expenses   | 3,259.46         | 3,274.50         | 2,771.62         | 2,498.97         | 2,824.35         |
| <b>Total Expenses</b>  | <b>27,241.40</b> | <b>28,240.57</b> | <b>25,767.90</b> | <b>24,822.40</b> | <b>25,670.62</b> |
| <b>Profit before Exceptional Items, Tax &amp; Regulatory Deferral Account Balances</b> | <b>18,573.97</b> | <b>16,986.95</b> | <b>16,567.97</b> | <b>15,704.71</b> | <b>12,647.35</b> |
| Exceptional Items  | -                | -                | (3,759.51)       | 1,078.64         | -                |
| <b>Profit Before Tax &amp; Regulatory Deferral Account Balances</b>                    | <b>18,573.97</b> | <b>16,986.95</b> | <b>20,327.48</b> | <b>14,626.07</b> | <b>12,647.35</b> |
| Tax expense:   |                  |                  |                  |                  |                  |
| Current Tax  | 3,236.43         | 2,874.82         | 3,282.06         | 2,529.11         | 2,230.74         |
| Deferred Tax   | (604.45)         | (755.98)         | (571.00)         | 560.03           | 1,288.83         |
|  | <b>2,631.98</b>  | <b>2,118.84</b>  | <b>2,711.06</b>  | <b>3,089.14</b>  | <b>3,519.57</b>  |
| <b>Profit for the period before Regulatory Deferral Account Balances</b>               | <b>15,941.99</b> | <b>14,868.11</b> | <b>17,616.42</b> | <b>11,536.93</b> | <b>9,127.78</b>  |
| Net Movement in Regulatory Deferral Account Balances-Income/(Expenses) (net of tax)    | (564.51)         | 256.43           | (522.66)         | 398.85           | 1,683.40         |
| <b>Profit from Continuing Operations</b>   | <b>15,377.48</b> | <b>15,124.54</b> | <b>17,093.76</b> | <b>11,935.78</b> | <b>10,811.18</b> |
| <b>Profit before tax from Discontinued Operations</b>                                  | <b>116.27</b>    | <b>227.74</b>    | <b>-</b>         | <b>-</b>         | <b>-</b>         |
| <b>Tax expense from Discontinued Operations</b>  | <b>19.14</b>     | <b>16.74</b>     | <b>-</b>         | <b>-</b>         | <b>-</b>         |
| <b>Profit from Discontinued Operations</b>   | <b>97.13</b>     | <b>211.00</b>    | <b>-</b>         | <b>-</b>         | <b>-</b>         |
| <b>Profit for the period</b>   | <b>15,474.61</b> | <b>15,335.54</b> | <b>17,093.76</b> | <b>11,935.78</b> | <b>10,811.18</b> |
| Other Comprehensive Income   | (232.89)         | (106.70)         | 290.93           | 25.36            | (104.02)         |
| <b>Total Comprehensive Income for the period</b>                                       | <b>15,241.72</b> | <b>15,228.84</b> | <b>17,384.69</b> | <b>11,961.14</b> | <b>10,707.16</b> |
| Dividend   | 11,218.85        | 8,544.93         | 10,811.96        | 6,821.99         | 4,425.92         |
| Dividend Tax   | -                | -                | -                | -                | 858.69           |

## HISTORICAL FINANCIAL SUMMARY

(Standalone)

(₹ in crore)

| Particulars  | 2023-24           | 2022-23           | 2021-22           | 2020-21           | 2019-20           |
|--|-------------------|-------------------|-------------------|-------------------|-------------------|
| <b>FINANCIAL POSITION</b>  |                   |                   |                   |                   |                   |
| <b>(A) ASSETS</b>  |                   |                   |                   |                   |                   |
| Gross Property, Plant and Equipment                              | 256448.42         | 253484.72         | 247661.53         | 232130.94         | 213210.18         |
| Gross Intangible assets  | 2356.94           | 2339.08           | 2292.17           | 2153.38           | 1980.66           |
|  | 258805.36         | 255823.80         | 249953.70         | 234284.32         | 215190.84         |
| Less: Accumulated Depreciation                                   | 96104.85          | 83546.25          | 70221.94          | 57340.82          | 45354.41          |
| <b>Net Property, Plant &amp; Equipment and Intangible Assets</b> | <b>162700.51</b>  | <b>172277.55</b>  | <b>179731.76</b>  | <b>176943.50</b>  | <b>169836.43</b>  |
| Investment Property  | 1.84              | -                 | -                 | 0.03              | 0.03              |
| Capital work-in-progress   | 9,581.16          | 7,668.13          | 7,344.46          | 17,896.67         | 30,180.08         |
| Intangible assets under development                              | 91.01             | 31.08             | 31.53             | 74.86             | 219.55            |
| <b>Non Current Financial Assets</b>                              |                   |                   |                   |                   |                   |
| Investments  | 8731.63           | 7414.95           | 7228.53           | 4265.36           | 3763.66           |
| Trade Receivables  | 282.95            | 695.57            | -                 | -                 | -                 |
| Loans  | 21502.52          | 16,897.29         | 14,269.78         | 10,474.09         | 12,783.75         |
| Other non-current financial assets                               | 4662.16           | 4810.79           | 4,659.47          | 4,574.48          | 4,106.80          |
| Other non-current assets   | 4,569.56          | 4,905.63          | 4,797.73          | 4,744.56          | 6,127.18          |
| Current assets   | 23,698.33         | 23,231.42         | 24,021.57         | 24,692.38         | 18,409.12         |
| Regulatory Deferral Account Balances                             | 9,599.74          | 10,283.76         | 9,973.04          | 10,606.35         | 10,123.06         |
| <b>Total Assets</b>  | <b>245,421.41</b> | <b>248,216.17</b> | <b>252,057.87</b> | <b>254,272.28</b> | <b>255,549.66</b> |
| <b>(B) LIABILITIES</b>   |                   |                   |                   |                   |                   |
| <b>Borrowings</b>  |                   |                   |                   |                   |                   |
| Non Current Borrowings   | 10,506.95         | 11,389.29         | 11,419.40         | 12,908.07         | 13,542.11         |
| Current maturities of Non Current Borrowings                     | 15,688.15         | 12,003.61         | 15,165.87         | 12,171.41         | 9,558.53          |
|  | 12,075.10         | 12,589.90         | 12,936.27         | 14,125.48         | 14,497.64         |
| Other non-current financial liabilities (**)                     | 3,590.46          | 3,626.30          | 3,550.04          | 3,714.05          | 3,515.63          |
| Non Current Provisions   | 643.11            | 577.61            | 517.05            | 461.93            | 424.71            |
| Deferred tax liabilities(Net)                                    | 9,981.40          | 10,619.90         | 11,416.08         | 11,941.88         | 11,381.85         |
| Other non-current liabilities                                    | 4.77              | 197.10            | 240.89            | 218.06            | 361.04            |
| Current liabilities (**)   | 29,805.81         | 26,296.27         | 36,459.60         | 29,523.30         | 29,089.61         |
| Less: Current maturities of Non Current Borrowings               | 15,688.15         | 12,003.61         | 15,165.87         | 12,171.41         | 9,558.53          |
| <b>Net Current Liabilities</b>                                   | <b>14,117.66</b>  | <b>14,292.66</b>  | <b>21,293.73</b>  | <b>17,351.89</b>  | <b>19,531.08</b>  |
| Deferred Revenue   | 9,461.86          | 10,163.52         | 9,514.54          | 9,754.15          | 10,916.02         |
| <b>Total Liabilities</b>   | <b>158,554.36</b> | <b>165,371.99</b> | <b>175,897.60</b> | <b>184,693.44</b> | <b>191,109.97</b> |
| <b>(C) NET WORTH</b>   |                   |                   |                   |                   |                   |
| Equity Share capital   | 9,300.60          | 6,975.45          | 6,975.45          | 5,231.59          | 5,231.59          |
| Other Equity   | 77,566.45         | 75,868.73         | 69,184.82         | 64,347.25         | 59,208.10         |
| <b>Net worth</b>   | <b>86,867.05</b>  | <b>82,844.18</b>  | <b>76,160.27</b>  | <b>69,578.84</b>  | <b>64,439.69</b>  |
| <b>CAPITAL EMPLOYED</b><br>(Net Fixed Assets+Net Current Assets) | 156,593.03        | 169,212.70        | 167,293.73        | 172,112.58        | 159,155.94        |



## HISTORICAL FINANCIAL SUMMARY (Standalone)

| Particulars   | 2023-24 | 2022-23 | 2021-22 | 2020-21 | 2019-20 |
|---|---------|---------|---------|---------|---------|
| <b>(D) RATIOS</b>   |         |         |         |         |         |
| Net Profit to Capital Employed(%)                               | 9.88    | 9.06    | 10.22   | 6.93    | 6.79    |
| Net Profit to Net Worth(%)                                      | 17.81   | 18.51   | 22.44   | 17.15   | 16.78   |
| Net Worth per Rupee of Paid-up Capital (₹) (##)                 | 9.34    | 8.91    | 8.19    | 7.48    | 6.93    |
| Debt/Equity Ratio (#)   | 58:42   | 60:40   | 63:37   | 67:33   | 69:31   |
| Current Ratio   | 0.8:1   | 0.88:1  | 0.66:1  | 0.84:1  | 0.63:1  |
| Earning per Share (Basic & Diluted EPS) (₹) (##)                | 16.64   | 16.49   | 18.38   | 12.83   | 11.62   |
| Book Value per share (₹) (##)                                   | 93.40   | 89.07   | 81.89   | 74.81   | 69.29   |
| Dividend per share (₹) (##)                                     | 12.0625 | 9.1875  | 11.6250 | 7.3350  | 5.6820  |
| Capital Expenditure (including TBCB) on cash basis (₹ in crore) | 11219   | 8850    | 9426    | 11150   | 15313   |
| <b>(E) OTHER IMPORTANT INFORMATION</b>                          |         |         |         |         |         |
| Length of Transmission Lines (CKT)                              | 167,278 | 166,310 | 165,951 | 162,565 | 156884  |
| No. of Substations  | 259     | 259     | 257     | 250     | 244     |
| Transformation capacity (MVA)                                   | 485,921 | 469,187 | 456,237 | 421,473 | 400269  |
| No. of Employees (\$)   | 8,590   | 8,710   | 8,970   | 9,258   | 9583    |
| Transmission Network availability (%)                           | 99.86%  | 99.82%  | 99.83%  | 99.82%  | 99.82%  |

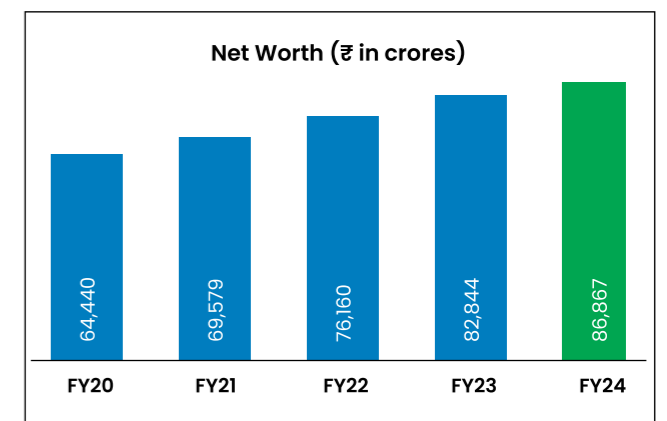
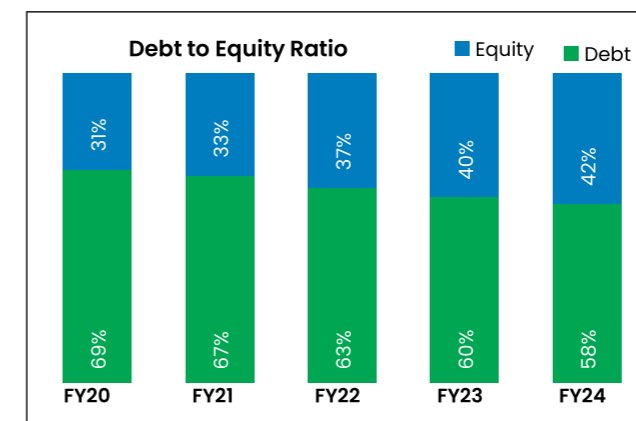
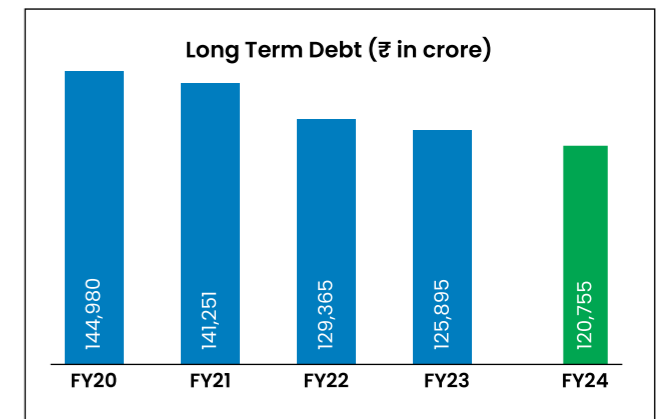
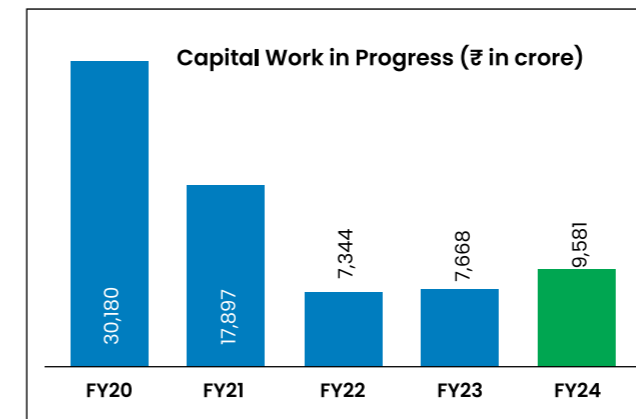
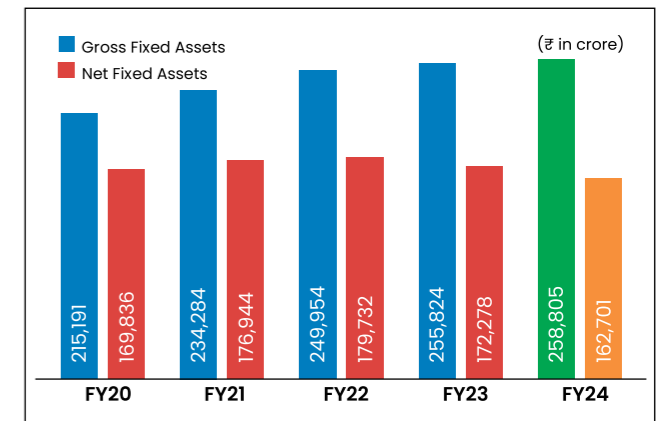
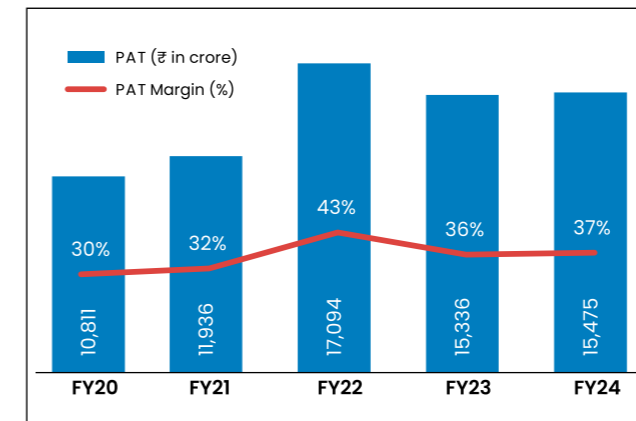
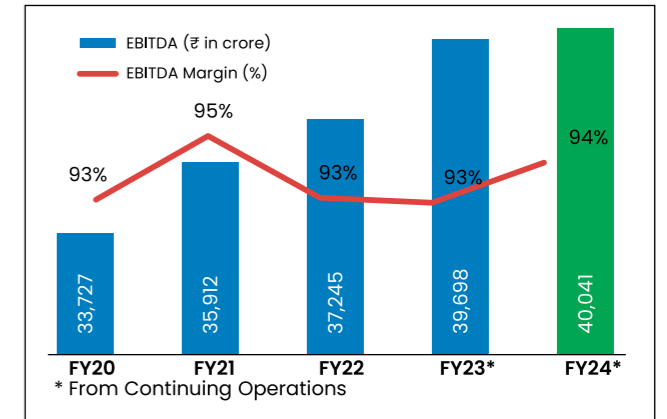
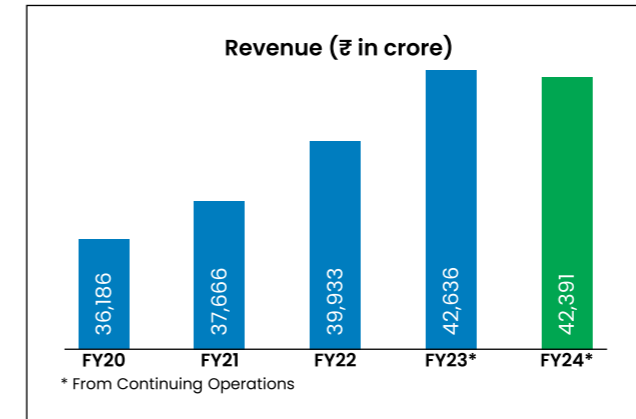
(\*) ) Includes Assets Classified as Held for Sale

(\*\*) Includes Lease Liabilities

(#) For calculation of Debt-Equity Ratio, Loan liability also include Current Maturities of Long Term Loans.

(##) Adjusted for Bonus Shares

(\$) Including FTB employees





## DIRECTORS' REPORT

Dear Shareholders,

On behalf of the Board of Directors, I am pleased to present the 35<sup>th</sup> Annual Report on the performance of your Company, together with the Audited Financial Statements for the financial year ended 31<sup>st</sup> March 2024.

**Key Performance highlights of your Company during FY 2023-24 are briefly mentioned here:**

- Rated **"Excellent"** with a score of **93** in Memorandum of Understanding (MoU) signed with Government of India (GoI) for FY 2022-23. Your Company has consistently received "Excellent" rating under the MoU since signing of its first MoU for FY 1993-94.
- On a standalone basis, the Company's Total Income at **₹45,815.37 crore** and Profit after Tax (PAT) at **₹15,474.61 crore**.
- Achieved system availability of **99.85%**. The trippings per line was restricted to **0.28**.
- Charging of **4,036 circuit km (ckm)** of Extra High Voltage (EHV) transmission lines, **19,720 Mega Volt Ampere (MVA)** transformation capacity and **6 new Substations**.
- Assets of **₹7,618 crore** were capitalized.
- For ensuring effective communication of the existing as well as new substations with Regional Load Despatch Centres (RLDCs) /State Load Despatch Centers (SLDCs), **9,169 km of Optical Ground Wire (OPGW)** network was added.
- Achieved collection efficiency of **100.06%** of billing in FY 2023-24 against collection efficiency of 98.84% of billing in FY 2022-23
- Emerged successful bidder in **13 TCB projects** with an aggregate tariff of **₹2,888 crore** which is about **64%** in terms of annual tariff of projects participated.

### 1. Financial Performance

Financial Performance during year under review (FY 2023-24) as compared to the previous year (FY 2022-23) on standalone basis is summarized below:

(All Figures except per share data are in units as indicated)

| S. No. | Parameters                                | 2023-24     |                 | 2022-23     |                 | Y-o-Y Growth (%) |
|--------|---|-------------|-----------------|-------------|-----------------|------------------|
|        |   | ₹ (Crore)   | US \$ (Million) | ₹ (Crore)   | US \$ (Million) |                  |
| 1      | Revenue <sup>^</sup>                      |             |                 |             |                 |                  |
|        | Transmission Charges                      | 41,872.71   | 4,986.63        | 42,126.61   | 5,016.86        | -0.60            |
|        | Consultancy-Sale of Services              | 518.45      | 61.74           | 509.29      | 60.65           | 1.80             |
| 2      | Other Income <sup>^</sup>                 | 3,424.21    | 407.79          | 2,591.62    | 308.64          | 32.13            |
| 3      | Total Income <sup>^</sup>                 | 45,815.37   | 5,456.16        | 45,227.52   | 5,386.15        | 1.30             |
| 4      | Profit After Tax (PAT) <sup>#</sup>       | 15,474.61   | 1,842.87        | 15,335.54   | 1,826.31        | 0.91             |
| 5      | Earnings per Share (EPS) (₹) <sup>#</sup> | ₹16.64      | \$0.20          | ₹16.49 **   | \$ 0.20 **      | 0.91             |
| 6      | Book Value per Share (₹)                  | ₹93.40      | \$1.11          | ₹89.07 **   | \$ 1.06 **      | 4.86             |
| 7      | Gross Fixed Assets                        | 2,58,807.20 | 30,821.39       | 2,55,823.80 | 30,466.10       | 1.17             |
| 8      | Long term borrowing*                      | 1,20,755.10 | 14,380.74       | 1,25,894.90 | 14,992.84       | -4.08            |
| 9      | Net Worth                                 | 86,867.05   | 10,345.01       | 82,844.18   | 9,865.93        | 4.86             |
| 10     | Debt Equity Ratio                         | 59:41       |                 | 61:39       |                 |                  |
| 11     | Return on Net Worth                       | 17.81%      |                 | 18.51%      |                 |                  |

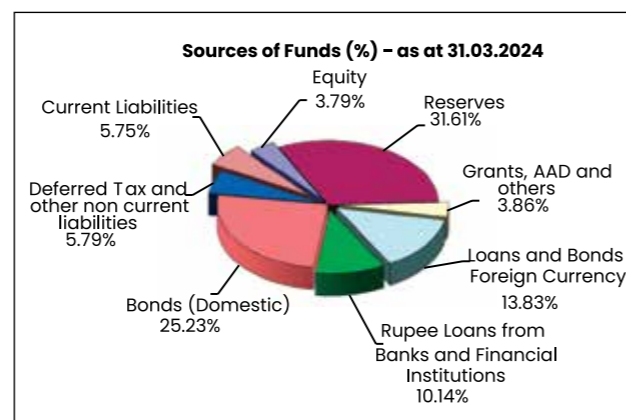
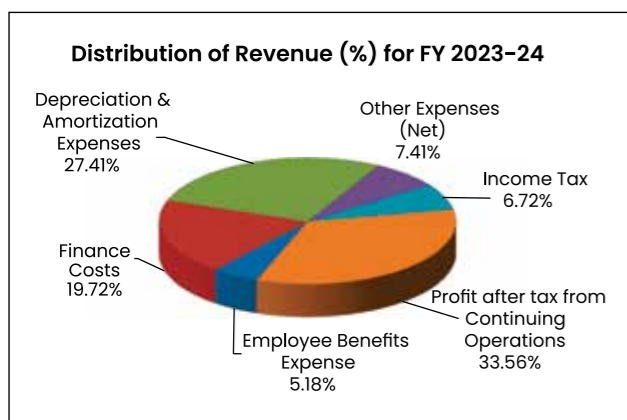
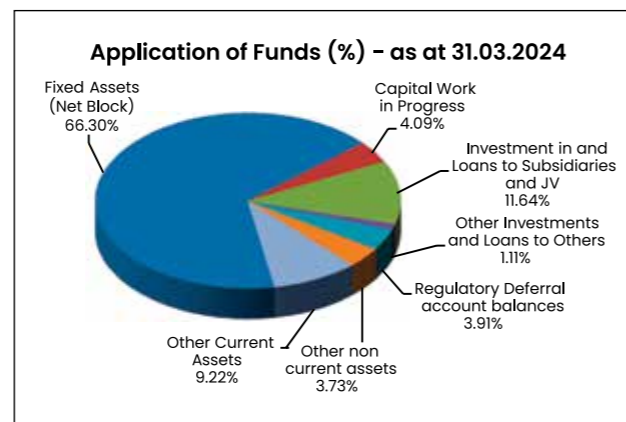
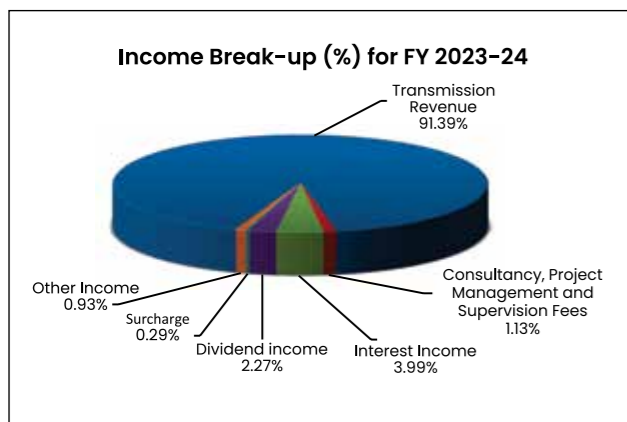
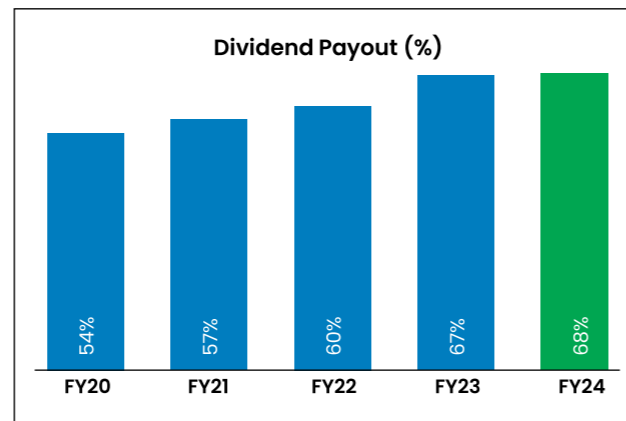
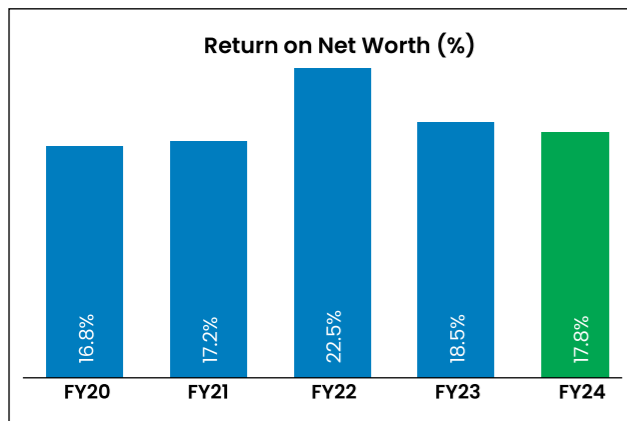
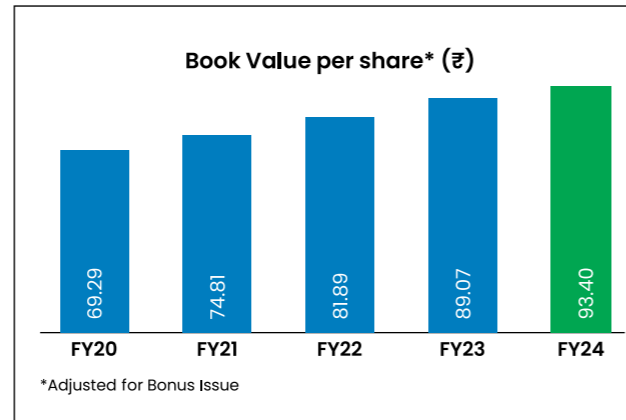
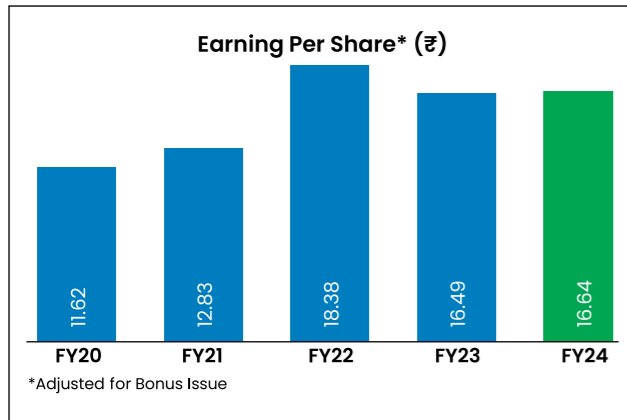
<sup>^</sup> from continuing Operations

<sup>#</sup> including discontinued operations

\* including current maturities of Long-Term Borrowings

\*\* adjusted for bonus issue

Convenience Conversion at US \$ 1= ₹83.97 as on March 31, 2024





**1.1. Dividend**

Your Company has consistently returned value to shareholders through regular dividend distributions. This year, the total dividend payout amounts to ₹10,463 crore, including interim dividends of ₹7,905 crore. The final dividend shall be paid after approval at the Annual General Meeting. The total payout ratio for the year stood at 68% as compared to 67% for the previous year.

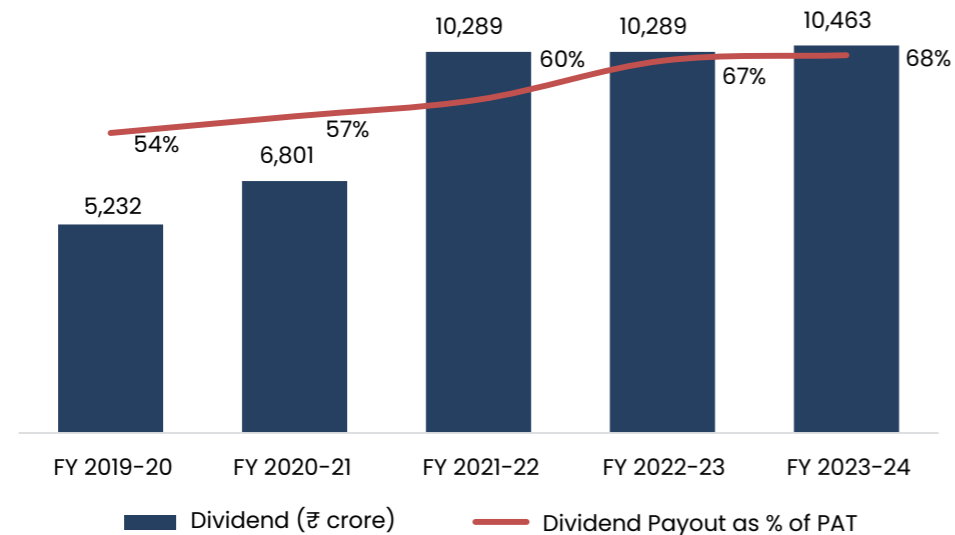
The Company recommended / declared dividend as follows:

| Dividend (per share)    | FY 2023-24   |               | FY 2022-23*    |               |
|-------------------------|--------------|---------------|----------------|---------------|
|                         | in ₹         | in %          | in ₹           | in %          |
| First Interim Dividend  | 4.00         | 40.00         | 3.75           | 37.50         |
| Second Interim Dividend | 4.50         | 45.00         | 3.75           | 37.50         |
| Final Dividend          | 2.75^        | 27.50         | 3.5625         | 35.63         |
| <b>Total Dividend</b>   | <b>11.25</b> | <b>112.50</b> | <b>11.0625</b> | <b>110.63</b> |

^ Recommended for approval of Shareholders

\* adjusted for bonus issue

During last five 5 years, your Company has distributed cumulative dividend of more than ₹ 43,000/- crore as depicted below:



**1.2. Issue of Bonus Shares**

During the year, your Company issued Bonus Shares in the ratio of 1:3 i.e. one new equity Bonus Share of ₹ 10/- each for every three existing equity share of ₹ 10/- each fully paid up. Post issuance of Bonus Share, the paid up equity share capital of the Company is ₹ 9,300.60 crore.

**1.3. Transfer to Reserves**

For FY 2023-24, appropriation of profit has been made as follows:

- a) General Reserve: ₹ 6,000.00 crore
- b) Self-Insurance Reserve: ₹ 301.53 crore

**1.4. Government of India (GOI) Shareholding**

The Government of India's shareholding in the Company remained unchanged at 51.34%.

**2. Significant Developments**

**2.1. Tariff Based Competitive Bidding (TBCB)**

During the year, your Company emerged successful bidder in 13 Inter-State Transmission System Projects under TBCB route:



- (i) Inter State Transmission Project for Transmission Scheme for Solar Energy Zone in Ananthapur (Ananthapur) (2500 MW) and Kurnool (1000 MW), Andhra Pradesh
  - (ii) Inter State Transmission Project for Transmission system for evacuation of power from REZ in Rajasthan (20GW) under Phase-III Part B1
  - (iii) Inter State Transmission System for Transmission system for evacuation of power from REZ in Rajasthan (20GW) under Phase-III Part C1.
  - (iv) Inter State Transmission System for Transmission system for evacuation of power from REZ in Rajasthan (20 GW) under phase III-Part H.
  - (v) Inter State Transmission System for Transmission Scheme for integration of Renewable Energy Zone (Phase-II) in Koppal-II (Phase-A & B) and Gadag-II (Phase- A) in Karnataka.
  - (vi) Inter State Transmission System for Transmission System for Evacuation of Additional 7GW RE Power from Khavda RE Park under Phase-III Part B.
  - (vii) Inter State Transmission System for Transmission system for evacuation of power from Rajasthan REZ Ph-IV (Part-1) (Bikaner Complex): PART-A.
  - (viii) Inter State Transmission System for Transmission system for evacuation of power from Rajasthan REZ Ph-IV (Part-1) (Bikaner Complex): PART-D.
  - (ix) Inter State Transmission System for Transmission system for evacuation of power from REZ in Rajasthan (20GW) under Phase-III Part D – Phase I.
  - (x) Inter State Transmission System for Transmission Scheme for Solar Energy Zone in Bidar (2500 MW), Karnataka.
  - (xi) Inter State Transmission System for Transmission System for evacuation of power from Rajasthan REZ Phase IV (Part 2: 5.5 GW) (Jaisalmer/ Barmer Complex): Part C
  - (xii) Inter-State Transmission System for Transmission System for evacuation of power from potential renewable energy zone in Khavda area of Gujarat under Phase IV (7 GW) Part E2
  - (xiii) Inter-State Transmission System for Transmission System for evacuation of power from Rajasthan REZ Phase IV (Part 2: 5.5 GW) (Jaisalmer/ Barmer Complex): Part E
- 10 project SPVs [Sl. No. (i) to (x) above] were acquired by your Company in FY 2023-24, while the balance 3 project SPVs [Sl. No. (xi) to (xiii) above] shall be acquired in FY 2024-25. The aggregate annual tariff of these 13 projects is about ₹ 2,888 crore.

At the end of FY 2023-24, your Company owned 47 TBCB subsidiaries, the details of which are provided in the Management Discussion & Analysis Report (MD&A).

**2.2. Monetization of Transmission Assets through Securitization**

In the Union Budget 2021-22, asset monetization was highlighted as one of the three key pillars for boosting





and sustaining infrastructure financing in the country. Following this mandate, Niti Aayog developed the 'National Monetization Pipeline' (NMP) with specific targets outlined for each year.

The framework for monetization of core asset monetization as per the NMP has three key imperatives.

- Monetization of 'Rights' not 'Ownership', Assets handed back to the government at the end of transaction life.
- Brownfield de-risked assets, stable revenue streams
- Structured partnerships under defined contractual frameworks with strict KPIs & performance standards

During FY 2023-24, considering the guidance factors given in the NMP for the public sector to determine the scale of asset monetization as an alternative means to meet the funding your Company has monetized the cashflow of its four operational TBCB SPVs viz. 'POWERGRID Bhuj Transmission Limited', 'POWERGRID Khetri Transmission System Limited', 'POWERGRID Medinipur Jeerat Transmission Limited' and 'POWERGRID Varanasi Transmission System Limited' through securitization route by private placement of bonds and raised total ₹5,700 crore in three tranches against monetization target of ₹5,500 crore.

### 2.3. Smart Prepaid Metering Project in Gujarat

Your Company, through its wholly owned Subsidiary, POWERGRID Energy Services Limited (PESL) is executing Smart Metering Projects under Revamped Distribution Sector Scheme (RDSS) in 2 (two) DISCOMs of Gujarat (MGVCL & UGVCL). These projects are being executed under DBFOOT (Design, Build, Fund, Own, Operate and Transfer) mode. PESL will implement the projects in 27 months after which the project will be operated and maintained for approx. 7.5 years.

Under the project 33.56 Lacs and 35.78 Lacs Smart Meters will be installed in MGVCL and UGVCL respectively. PESL is executing the project as Project Implementation Agency (PIA).

The Tendering and award for the Projects was done through GeM Portal. Implementation of the projects is under progress. Network Operation and Monitoring Center (NOMC) in both the DISCOMs are made functional for day-to-day operation and maintenance work.

Approximately 27,000 nos. of Smart Meters in MGVCL and 1,513 nos. of Smart Meters in UGVCL are installed in Prepaid Mode so far. With the implementation of these projects consumers will be able to recharge their meters online through mobile app as well as consumer portal and monitor their daily consumption in real time.

### 2.4. Memorandum of Understanding (MoU) with Rajasthan Rajya Vidyut Prasaran Nigam Limited (RRVPL) for Joint Venture (JV)

Your Company has executed a MoU with RRVPL to incorporate a JV Company for development of Intra-State Transmission System in the State of Rajasthan with an equity Participation of 74% by POWERGRID and 26% by RRVPL. The proposed JV Company shall undertake projects worth upto ₹ 10,000 crore in a phased manner.



## 3. Operational Performance

### 3.1. Asset Management

As on 31<sup>st</sup> March 2024, your Company's total transmission assets including those owned through its wholly owned subsidiaries consisted of 1,503 transmission lines aggregating to 1,77,699 ckm, 278 Substations with an aggregate transformation capacity of 5,27,446 MVA.

Various initiatives/ achievements of your Company during the year in the area of asset management are listed below:

- **ISO 55001:2014 Asset Management System Certification:**

Your Company has been recommended for ISO 55001 certification which is a significant step towards excellence in asset management. This internationally recognized standard outlines the requirements for an effective asset management system, ensuring that organization meet the highest benchmarks in managing their assets efficiently.

Company's commitment to achieve ISO 55001 certification underscores its dedication to continual improvement, risk management, and delivering reliable services. The organization has diligently worked to make its asset management practices compliant with ISO 55001, demonstrating a robust framework for strategic decision-making and sustainable value creation.

Recommendation for ISO 55001 reflects Company's dedication to global best practices in asset management, ultimately leading to enhanced reliability and performance of its infrastructure.



- **Green Initiative - Retrofitting of 132 kV, 20 MVAR Bus Reactor with eco-friendly Natural Ester Oil:**

Your Company has retrofitted 132 kV, 20 MVAR Bus Reactor at Aizawl substation with eco-friendly Natural Ester Oil. The approach aligns with sustainable practices by replacing conventional insulating oils with more environmentally friendly alternative. The retrofitting process was completed with precision, and the Bus Reactor was successfully commissioned on December 1, 2023. This eco-conscious initiative not only contributes to reducing the ecological footprint but also exemplifies the organization's commitment to adopting greener technologies in its operational infrastructure.

- **On-site repair of 400 kV Reactors:**

On-site repair of 400 kV Reactors at Daltonganj & Balipara substations had been carried out by your Company. The repair work involved dismantling of the windings to attend the fault in the core shield. To carry out the repair work, temperature & moisture-controlled environment was prepared at site. The repaired reactors had been taken in-service at both the locations and are presently working satisfactorily.

- **Indigenous development of 400kV Emergency Restoration System (ERS):**

Your Company has taken up initiative for indigenous development of 400 kV Emergency Restoration System (ERS) with agencies and one such ERS has been supplied.



♦ **Reliability Centered Maintenance (RCM) Practices:**

Your Company has successfully implemented Reliability Centered Maintenance (RCM) practices for its critical assets, including Transformers, Reactors, and Transmission Lines w.e.f January 01, 2024. This strategic approach involves a meticulous analysis of each component's reliability, identifying potential failure modes, and developing targeted maintenance plans to enhance overall system performance. It will lead to focused & quality maintenance. This proactive and data-driven approach not only ensures the optimal functioning of key infrastructure components but also contributes to operational efficiency and substantial cost savings. The successful integration of RCM underscores Company's commitment to embracing innovative maintenance strategies for a more reliable and resilient power transmission network.

♦ **Centre of Excellence (CoE)-Protection & SCADA:**

Your Company has established Centre of Excellence (CoE)-Protection & SCADA to manage & validate the database of around 36,000 IEDs and 190 nos. SAS gateways, to ensure proper implementation of scheme, uniformity of settings/ configurations and resolution of on demand issues from centralized location. It enables availability of competent manpower to handle protection issues from central location and ensures effective utilization of expert manpower for remote support to sites using latest technology like Augmented Reality, etc.



♦ **Internal benchmarking:**

Your Company is using Internal benchmarking on key performance indicators to analyze operational performance, identify areas for improvement and achieve optimal operational performance.

♦ **Support to various State utilities:**

Your Company has demonstrated its commitment to collaborative efforts and regional support by providing essential assistance to various State utilities, including GETCO, RVPNL, HPSEB, Sikkim among others, for the critical tasks of restoration and shifting of transmission towers. This cooperative initiative underscores the Company's dedication to ensuring the reliability and resilience of power infrastructure across different regions. By extending necessary support, the Company actively contributes to the efficient functioning and maintenance of the broader electricity grid, fostering a spirit of shared responsibility within the power sector. This collaborative approach not only strengthens inter-utility relationships but also enhances the overall reliability and robustness of the power transmission network in the supported regions.

♦ **Training Programs:**

**Hotline Maintenance** - Your Company has arranged training program for Hotline maintenance for participants from various regions. During the program, participants were trained for 765 kV Hotline Maintenance. This training was the first of its kind in India and has empowered the team of trainers, enabling them to proficiently conduct hot line operations various types of Strings. Furthermore, it will equip them with the expertise needed to mentor and develop other employees in the realm of 765 kV Hotline Operations.

**Drone** - Your Company has arranged DGCA certified Drone training program for employees at Indira Gandhi Rastriya Uran Akademi (An autonomous body under the Ministry of civil aviation, Govt of India), Gurugram



♦ **Initiatives towards digital transformation of Asset Management:**

**Development of Asset Management (AM) Dashboard (UDAAN – Unique Digital Analysis of Asset and Network)** - Implementation of an Asset Management (AM) dashboard marks a pivotal development, aiming to provide a consolidated and user-friendly platform for accessing key performance indicators (KPIs). This innovative solution integrates data dispersed across various locations, offering a centralized hub for comprehensive insights. The AM dashboard not only facilitates a streamlined and efficient process for management but also offers a bird's eye geospatial view of the entire asset management system across the organization. This panoramic perspective enables decision-makers to navigate and assess the status of assets seamlessly. Moreover, the incorporation of this dashboard promotes data democratization, ensuring that relevant stakeholders have access to crucial information, fostering transparency and informed decision-making. The AM dashboard stands as a testament to the organization's commitment to leveraging technology for enhanced operational visibility and strategic management.

**Intelligent Inspection in POWERGRID (I2P)** -Intelligent Inspection module has been implemented in December 2023, utilizing QR codes enabled efficient daily, monthly, quarterly, and half-yearly inspections of substation equipment. The rugged tablets used for data logging are water and dust protected, unaffected by electromagnetic induction, and allow users to input data in both online and offline modes. QR codes on each equipment streamline identification, reducing search time in the ERP database. The system captures and stores photographs of equipment defects, generates work orders and notifications on-site, and ensures data accuracy with prompt error messages. The module also provides analytics for comprehensive asset assessment, addressing issues like erroneous readings and lack of real-time information for on-site teams.

**Drone Patrolling of Transmission Lines** -Successful drone-based patrolling of transmission lines conducted covering about 900 kilometers. Drone-based patrolling enhances the efficiency and effectiveness of monitoring activities, allowing for swift and comprehensive inspections of transmission lines. Drones patrolling enables the identification of potential issues and facilitates timely maintenance efforts. The initiative demonstrates the Company's commitment to leveraging cutting-edge technology for the reliable and secure operation of its transmission infrastructure.

**3.2. National Transmission Asset Management Centre (NTAMC), Manesar and Regional Transmission Asset Management Centres (RTAMCs)**

To facilitate remote operation of your Company's transmission system and monitoring of various parameters on real time basis at Regional and National levels, NTAMC was set up at Manesar, near Gurugram (Haryana) and RTAMCs were set up at various locations across the country. The back-up of the main control centre i.e. BNTAMC is located at Bengaluru (Karnataka). These state-of-the-art centres are manned round-the-clock by experts for effective monitoring and management of transmission assets. Online monitoring of major maintenance activities is also being carried out from NTAMC through Augmented Reality using Headgear. This helps in preventive measures for maloperations.

During FY 2023-24, 7 Extra High Voltage (EHV) substations were integrated with NTAMC for remote operation. By the end of FY 2023-24, a total of 278 substations are being operated remotely from these asset management centres.

**3.3. Cyber Security**

Cybersecurity initiatives are led by the Chief Information Security Officer (CISO) through the Information Security Department in the Company. Your Company's Corporate Office, all Regional Headquarters and 269 substations are certified as per the Information Security Management System ISO:27001. Your Company conducts extensive training programs for employees and participated in programs and simulations organised by Computer Emergency Response Team (CERT-In) and National Critical Information Infrastructure Protection Center (NCIIPC).

In addition, the Company works closely with designated statutory bodies: CERT-In and the NCIIPC. Your Company follows the recommendations issued by these agencies from time to time and shares them with other utilities in the transmission sector. The Company has setup an Indigenous Integrated Information Security Operations Center (I3SOC) for monitoring and threat analysis to strengthen cyber security resilience.

**3.4. Safety**

Your Company holds an ISO 45001:2018 certification for the Occupational Health & Safety Management System, demonstrating its commitment to maintaining a healthy work environment by rigorously following workplace health and safety standards. The Company acknowledges its responsibility to ensure a safe



working environment for both employees and contracted workers. The Company has meticulously incorporated safety considerations into every phase of its operations, from design and construction to operation & maintenance of assets.

With a structured approach implemented across Corporate, Regional, and site levels, the Company promotes accident prevention measures related to transmission lines, substations, and ongoing construction and maintenance activities. Rigorous monitoring and performance reviews are conducted regularly at all levels, overseen by designated safety officers at Corporate and Regional tiers.

Comprehensive safety measures are undertaken, which includes conducting safety audits, inspections, safety trainings, daily briefings, and mock drills for both staff and contract workers across various operation & maintenance sites.

Through various events such as annual celebration of National Safety Day/Week, National Fire Safety Day/Week, and National Electrical Day/Week, the Company engages employees, their families, and contractual workers, fostering awareness and adherence to safety practices at both workplace and home.

All safety-related incidents are meticulously reviewed by Accident Inquiry Committees, Standing Safety Management Committee and POWERGRID Apex Safety Board and recommendations are widely circulated across sites for implementation, ensuring continuous improvement in safety practices.

Various initiatives taken during FY 2023-24 includes:

- Developed an Online Safety Activity Portal for efficient safety reporting and streamlined processes.
- Created a Safety Tab in the PRANIT portal to ensure contractual compliance regarding vendor accidents.
- Initiated a pilot project for remote monitoring of construction sites using AI-equipped head-mounted cameras.
- Established Standard Operating Procedures for utilizing the Safety Corpus Fund to enhance contract workers' welfare.
- Revised contractual provisions to prioritize safety and minimize safety practice gaps.
- Instituted awards to recognize safety excellence among workers.
- Implemented surprise video calls for safety inspections to ensure compliance.
- Sharing lessons from accidents to prevent recurrence and promote continuous improvement in safety practices.
- Implemented safety awareness programs such as Safety Day, Line Man Diwas, Fire Day, Environment Day, and Electrical Safety Day across Company.
- Provided safety awareness training and lectures to employees and contract workers.



Accident Reporting Application developed in SRM PRANIT Portal was inaugurated by Sh. Vibhay Kumar ED (AM, NTAMC, & Safety) in the presence of Sh. R K Rohilla ED(CS) and Sh. Doman Yadav ED (ERP&IT, GA&C)

During FY 2023-24, 7,717 safety trainings, 1,192 safety mock drills and 62,758 safety briefing/ pep talks were conducted.

#### 4. Disaster Management

The Company has a "disaster and crisis management plan" to take immediate action during the pre- and post-disaster period and to quickly restore damaged power infrastructure. It outlines the hierarchy of management at different levels to manage crises and disasters effectively and efficiently, and clearly defines roles / responsibilities of different departments in disaster management.

Based on the input from the Indian Meteorological Department (IMD), the Company has taken preparatory measures before all cyclones in FY 2023-24. Due to advanced preparation and robust infrastructure, the impact to your Company's transmission network was minimal during cyclones. The Company has also fully supported the transmission and distribution utilities of the affected states by providing manpower and equipment to rapidly restore their damaged transmission and distribution networks.

#### 5. Project Implementation

During FY 2023-24, your Company added about 4,036 circuit kilometer (ckm) of Extra High Voltage (EHV) transmission lines, 19,720 Mega Volt Ampere (MVA) transformation capacity and 6 new Substations (including through its subsidiaries).

Further, about 9,169 km of OPGW network was added during the year to support voice and data communication with Regional Load Dispatch Centres (RLDCs) / State Load Despatch Centres (SLDCs) for effective grid management.

##### Transmission Lines

- 400 kV 2xD/C Bikaner-II SEZ – Khetri line along with 240 MVAR line reactor each at Bikaner-II & Khetri
- 400 kV 2xD/C Khetri-Bhiwadi line
- 400 kV D/C Lower Subhansiri – Biswanath Chariyali –II line
- 400 kV D/C Neemuch-Mandsaur line
- 400 kV D/C Neemuch-Chhitorgarh line
- 400 kV D/C Muradnagar-II – Simbhawali line
- 400 kV D/C (Q) Sitamarhi – Dhalkebar line
- 400 kV D/C (Twin HTLS) Fatehgarh-III (Ramgarh-II)-Jaisalmer-II (RVPNL) line
- 400 kV D/C (Twin HTLS) Fatehgarh-III (Ramgarh-II) -Fatehgarh-II line
- LILO of 765 kV Ghatampur – Hapur (WUPPTCL) line at 765 kV GIS Rampur substation
- 132 kV Roing-Chapakowa D/C line

##### Substations

- 765/400/220kV Meerut GIS substation
- 400/220 kV Fatehgarh-III (Ramgarh-II) substation
- 400/220 kV, Bikaner-II substation
- 400/220/132 kV GIS Simbhawali substation
- 400/220/132 kV GIS, Mohanlalganj substation
- 400/220 kV Neemuch substation

As on 31<sup>st</sup> March 2024, the inter-regional power transfer capacity of the transmission assets belonging to the Company and its subsidiaries was 99,580 MW (i.e. 83.86%) out of 1,18,740 MW inter-regional power transfer capacity of the national grid.





## 6. Capital Investment, Fund Mobilization & Investment Approvals

During FY 2023-24, your Company made a consolidated capital investment of **₹11,219 crore** on **cash basis**. To finance this investment, the Company mobilized ₹8,699 crore through bonds & term loans and ₹2,520 crore from Internal accruals and Others. During the year, consolidated capital investment on **accrual basis** was **₹12,500 crore**.

During FY 2023-24, investment approvals for transmission projects under regulated tariff mechanism (RTM) worth ~ ₹3,600 crore have been accorded and Company acquired projects estimated at ~ ₹33,500 crore under the Tariff Based Competitive Bidding (TBCB) mechanism.

## 7. Commercial Performance

Sharing of Inter-state transmission charges is governed by CERC (Sharing of Inter State Transmission Charges and Losses) Regulations, as notified from time to time in line with the National Tariff Policy notified by Govt. of India and provisions of the Electricity Act, 2003. Presently, CERC (Sharing of Inter State Transmission Charges and Losses) Regulations, 2020 are in vogue. As per the Sharing Regulations, the Central Transmission Utility (CTU), had the responsibility of billing & collecting transmission charges on behalf of all ISTS licensees in the country including your Company and disbursing to them. Central Transmission Utility of India Limited (CTUIL), a wholly owned subsidiary of your Company has been notified as CTU by the Government of India. Your Company continues to be a deemed Transmission Licensee under the Electricity Act, 2003.

Your Company, through regular follow up with its customers (DICs) and timely regulatory actions has achieved collection efficiency of 100.06% of billing in FY 2023-24 against collection efficiency of 98.84% of billing in FY 2022-23.

## 8. Other Businesses

### 8.1. Telecom Business

#### a) POWERGRID Teleservices Limited (PowerTel)

Leveraging its countrywide transmission infrastructure, your Company had diversified into Telecom business by installing overhead optic fiber network using OPGW (Optical Ground Wire).

Your Company had incorporated a wholly owned subsidiary 'POWERGRID Teleservices Limited' (PowerTel) on November 25, 2021 to undertake Telecommunications and Digital Technology Business. PowerTel has obtained Unified License with service authorizations for National Long Distance (NLD), Internet Service Provider (ISP-A) & International Long Distance (ILD) from Department of Telecommunications (DoT). The Telecom business of your Company has been transferred to PowerTel w.e.f. October 01, 2023.

PowerTel is providing nationwide services like point-to-point leased line services, Internet leased line, Tower co-location, MPLS based IP-VPN, SD-WAN, DDoS etc. in all parts of the country with its pan India high-capacity network. PowerTel with its Network of more than 1,00,000 km is present in more than 3000 locations covering all the important cities /towns and metros in India. During the year the telecom backbone availability was 100%. During FY 2023-24, revenue from telecom business was **₹822 crore**.



#### Key milestones/ new initiatives by PowerTel during the years are as below:

- Signed an MoU with the State of Meghalaya on March 02, 2024 for strengthening of Telecom Connectivity in the State of Meghalaya.
- During G20 Summit, played a vital role, in close co-ordination with DoT, in fending off multiple cyber-attacks, targeting various Govt. & private portals during the summit and had successfully blocked more than 250 malicious sites and mitigated numerous DDoS cyber-attacks.
- POWERGRID Board accorded approvals for "Expansion of POWERGRID Telecom into Data Center Business and to establish the Pilot Data Center at Manesar." Central Electricity Regulatory Commission (CERC) accorded the permission on November 30, 2022 to set-up the Data Centre (DC) at Manesar through PowerTel and the same is under implementation.
- Received permission from CERC on March 27, 2024 to establish Data Centres at 15 Nos. substation locations across the country. Based on customer requirement and business experience, establishing Data Centres at these locations would be explored.
- Established International Telecom Gateways at Muzaffarpur (Bihar) and Behrampur (West Bengal) to provide Telecom connectivity to Nepal and Bangladesh respectively.
- Company is proud to receive appreciation from ISRO for high degree of excellence in providing & monitoring mission critical Telecom links which supported the Chandrayaan3 Mission.



### 8.2. Consulting Services

Your Company, one of the largest power transmission utilities globally, has developed its expertise in core areas including power transmission projects, sub-transmission systems, distribution management, load dispatch, and communications, both in India and internationally. Leveraging this extensive experience, the Company has provided consulting services to numerous clients domestically and abroad. This year, the Consultancy segment generated operational revenue of **₹553 crore**.

#### a) Domestic Market

Your Company is implementing some of the flagship projects of Government of India as consultancy assignments, these includes strengthening of the Intra-State Transmission and Distribution Systems (33kV and above) namely 'NER Power System Improvement Project' (NERPSIP) in Manipur, Meghalaya, Mizoram, Tripura, Nagaland & Assam, 'Comprehensive Scheme' for strengthening of Transmission & Distribution in Arunachal Pradesh and Sikkim and Prime Minister's Development Package 2015 (PMDP-15).





The Company is also providing consultancy services to Indian Railway for electrification of un-electrified railways tracks in Central, East Central, South-Western & South-East-Central Railway zones and NHAI in Bharatmala Pariyojana.

Your Company is currently executing about 79 nos. of domestic consultancy assignments in various fields including transmission & sub transmission, design & engineering, EV charging, Renewable, etc. During the year, your Company bagged 21 new domestic consultancy assignments.

Some of the major consultancy assignments include:

- MoU signed with UPPTCL for providing consultancy services for establishment of State Transmission Asset Management System (STAMS) for remote operation of EHV substations of UPPTCL.
- Agreement signed with KPDCL, JPDC and LPDD for loss reduction in distribution works under Government of India flagship program of Revamped Distribution Sector Scheme (RDSS).
- Consultancy services to MSETCL for
  - ♦ Up-gradation of existing HVDC Control & Protection System of  $\pm 500$  kV Chandrapur – Padghe HVDC Bipole link to suitable version of control and protection system.
  - ♦ Re-location of Earth Electrode Station of  $\pm 500$  kV Chandrapur-Padghe HVDC link of MSETCL at Anjur.
- Consultancy Services to CG Power and Industrial Solution Limited (CGL) for Design/ Drawing review, approval, manufacturing process inspection, stage inspection, witnessing of routine & Type test (Dynamic Short Circuit test) of 1 Unit of 500 MVA, 400 kV Auto Transformer.
- Consultancy Services to M/s GE T&D India Limited for review, drawing/MQP approval, Inspection/ witnessing of routine test, type test and witnessing short circuit test for 500 MVA 400/220/33 kV three phase ICT.
- Consultancy services to NHIDCL for Construction of 2x25MVA, 66/11 kV, substation at Zojila east portal location and 66 kV D/c line from 220/66 kV Drass substation to 66/11 kV Zojila east portal location substation along with 66 kV underground cable work.
- Consultancy services to NHIDCL for Construction of 50MVA 220/33kV Nilgrar Substation and LIL of



one circuit of SLTS at Nilgrar at West Portal location.

- Consultancy services to CVPPL for Laying of 400 kV Dedicated Transmission Line from Pot Head Yards of 1000 MW Pakal Dul HE Project, 624 MW Kiru HE Project & 540 MW Kwar HE Project to proposed Pooling Station in Kishtwar.

**b) International Market**

On the International front, as on March 31, 2024, your Company has its footprint in 23 countries. Your Company is currently executing about 19 nos. of international consultancy assignments. During the year, your Company bagged 9 nos. of new international consultancy assignments.

Kenya is a strategic gateway to the East African market and a key player in driving regional integration. A privately Initiated Proposal (PIP) for development of transmission project in Kenya has been submitted by your Company in Joint Venture with Africa-50, followed by submission of Project Development Report for implementation of 400 kV & 220 kV Transmission system in Kenya. On May 15, 2024, your Company and Africa 50 received Notice from KETRACO, Kenya to proceed for Negotiation. The estimated cost of the Project is USD 313 Million. Your Company is exploring suitable opportunities to replicate the similar model in other African countries (Tanzania, Mozambique, Republic of Gabon, Nigeria) as well.

**9. Cross Border Interconnections**

India, being centrally placed in South Asian region, has been playing a major role in establishment and planning of cross-border interconnections with various neighbouring countries in South Asia, South East Asia and Middle East, namely Nepal, Bhutan, Bangladesh, Sri Lanka, Myanmar, Maldives, Oman, UAE, Saudi Arabia, and Singapore for optimal utilization of regional energy resources as well as better capacity utilization due to diversity in peak demand among countries.

The present cumulative power transfer between India and neighbouring countries through cross-border interconnections is about 4,745MW. Additional transmission interconnections with Nepal viz. Gorakhpur (India) – New Butwal (Nepal) 400kV D/C (Quad) transmission line is under various stages of implementation.



**10. Quality Management**

Your Company has established and maintained systems and procedures in line with the Publicly Available Specification, PAS 99:2012, while also meeting the standards of ISO 9001:2015 (Quality Management System), ISO 14001:2015 (Environmental Management System), and ISO 45001:2018 (Occupational Health & Safety Management System).

External surveillance audit of Integrated Management System (IMS) was completed successfully during FY 2023-24 without any non-conformity. Re-certification of Social Accountability Standard, SA 8000:2014 was accorded by external agency on May 31, 2023, and all the establishments of the Company have been certified with Social Accountability Standard.

Various initiatives taken in the field of quality management are as follows:

- A total of 16,283 nos. inspection calls attended during FY 2023-24.
- To encourage and develop MSME manufacturers for supply of innovative and quality products and to promoting Atmanirbhar Bharat/ Make in India, during FY 2023-24, 83 nos. new vendors were added (out of which 31 nos. are micro/small enterprises).
- New manufacturers applying for registration in the Company were assessed prior to approval. Compliance



to the audit observations, if any, noted during the assessment got complied by hand holding the manufacturer.

- Meetings and discussions with manufacturers were held for rectifying key quality issues. Internal Quality meets were also organized for knowledge sharing during FY24.
- Micro, Small and Medium Enterprises (MSME), registered with the Company, were sensitized about Zero Defect Zero Effect (ZED) program through various modes.
- To encourage and support new vendor, online vendor registration process development and its Version 2.0 was launched.

## 11. Research & Development (R&D) and Innovation initiatives

As a recognition towards its continuous endeavour for developing innovative technologies, your Company has been granted two patents by the Indian Patent Office, Government of India, in the field of sustainability, namely:

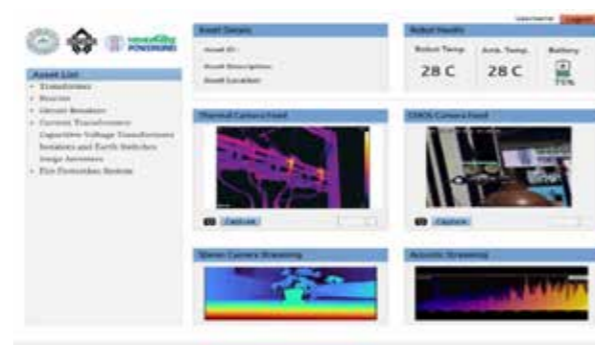
- Patent (No. 448560) for an invention entitled 'Field Programmable Gate Array (FPGA) based micro-grid control and monitoring system'.
- Patent (No. 516615) for an invention entitled 'Thermal Energy Storage (TES) Based Air Conditioning System and A Method to Manufacture the Same'

This recognition exemplifies Company's innovative spirit and steadfast dedication to advancing indigenous technology.

During FY 2023-24, the **expenditure on Research & Development (R&D) and Innovation initiatives** by your Company is **₹218.07 crore**

Key developments in the field of Research and Development are as follows:

- Your Company is gearing up towards development of India's first 500MW offshore wind power evacuation system. In this direction, the Company has entered into collaboration with Department of Oceanography, IIT Madras. An MoU has also signed with National Institute of Oceanography for carrying out marine survey / studies for offshore wind power evacuation system.
- Protection Automation and Control laboratory at PARTeC, Manesar has received the prestigious **UCAIug Accreditation** to perform IEC 61850 Conformance Testing. Globally, POWERGRID is the Second Utility to have the UCAIug Accreditation.
- In line with the 'Aatmanirbhar Bharat' and 'Make in India' initiatives, your Company has developed a **Substation Inspection Robot** in collaboration with Indian Institute of Technology, Kanpur. The robot utilizes advanced vision processing and AI/ ML algorithms to independently identify and flag any damage or failure to any critical components in the substation. The advent of AI-ML applications overcomes the subjectivity in the inspection by avoiding human intervention in the process.



- For Efficient condition monitoring of Capacitive Voltage Transformers (CVTs) across various bays, a comprehensive solution has been meticulously crafted, comprising a pair of synchronized voltmeters capable of precisely measuring voltage and frequency between the two CVTs in real-time via RF Communications. This innovative solution promises enhanced efficiency and reliability in CVT condition monitoring, providing comprehensive insights for effective maintenance strategies.



- Your Company is in the process of development of **Super-Hydrophobic coating insulators** in collaboration with IIT Kanpur, which will improve its performance and reduce the maintenance. Benefit from superior protection against arcing and flashovers, complemented by sustained reduction in leakage currents.
- Your Company has facilitated **development of 800 kV and 420 kV Resin Impregnated Paper (RIP) bushings**. In this regard, development and the supply of one 800 kV and one 420 kV RIP bushing has been successfully completed at the Aurangabad substation, along with one 800 kV RIP bushing at the Thiruvallam substation. These advanced technology bushings are expected to reduce chances of fire breaking out and have minimalistic effects on the nearby equipment in switchyard in the unlikely event of its failure.
- Comprehensive seasonal measurements of Electro-Magnetic Field were conducted on 23 nos. of 400 kV and 765 kV AC transmission lines in different geographies and the results were made public through POWERGRID's internet website. From the measurements, it is ascertained that the EMF levels remain well within the limits prescribed by international guidelines. This signifies that the transmission lines are operating in a safe and compliant manner, with due regard for the health and safety of the public and the environment.
- POWERGRID Centre of Excellence in Cyber Security at Indian Institute of Science, Bangalore is facilitating continuous research, monitoring, development and demonstration of Cybersecurity aspects in Transmission and Grid Operation.
- In the realm of Power System simulation studies, POWERGRID surged ahead in the past year, achieving remarkable milestones that set new standards in the Power system arena like development of project specific VSC-STATCOM model in PSCAD and PSS/e software and carrying out simulation studies to find out the root cause analysis of system induced equipment failures/ tripping in the system that impacted the operational performance.
- Various labs under POWERGRID Advanced Research and Technology Centre (PARTeC) Labs have been accorded prestigious **NABL accreditation** as per IEC 17025 standard for Testing Scope. Attaining the NABL Certificate further underscores POWERGRID's commitment towards quality and excellence.
- During India Smart Utility Week 2024, held at New Delhi, two of the R&D Projects has won prestigious India Smart Grid Forum (ISGF) Innovation Awards 2024.
  - Diamond (1<sup>st</sup> Prize) Award in the category, "Smart Technology - Electricity Transmission", for the project, "Application of Geographic Information System, Remote Sensing and Image Processing in Power Transmission".
  - Gold (3<sup>rd</sup> Prize) Award in the category, "Adoption of Artificial Intelligence, Machine Learning and Robotic Solutions - Utility (including Smart Business Models)", for the project, "Autonomous Robotic Solution for Inspection of High Voltage Electrical Substations".





## 12. Participation in GoI Initiatives

### 12.1. Promotion of 'Make In India'

Your Company has actively promoted the localization of various goods required for the development and operation of the transmission system. By encouraging foreign manufacturers to establish facilities in India, the Company has supported the Government's Make in India initiative. As a result of these efforts, numerous foreign manufacturers have set up new plants and facilities in India over the past few years, producing equipment such as GIS, transformers, reactors, STATCOM, and OPGW. This has expanded the vendor base and led to a more efficient supply chain.

The Company also encourages existing vendors to upgrade their equipment to higher voltage levels and expand their product range to increase the vendor base.

Furthermore, the Company has strongly emphasized sourcing from local suppliers across its procurement verticals, in alignment with the Government of India policy. This commitment is demonstrated by the fact that, during FY 2023-24, a total of ₹23,658 crore (201 contracts) was awarded to Indian vendors. The Company is actively fostering the development of its domestic vendor base by encouraging local supplier participation and enhancing the capacity of existing vendors.

### 12.2. Promotion of Micro, Small and Medium Enterprises (MSME)

In line with Govt. of India directives for promotion of MSMEs, the Company has been complying with the guidelines issued by the Government from time to time. The Company is registered on all the three (03) available Trade Receivable e-Discounting System (TReDS) platforms of (i) Receivable Exchange of India Limited (RXIL) (A NSE – SIDBI JV), (ii) Mynd Solutions Private Ltd (Mlxchange) and (iii) A TREDIS Ltd. (Invoicemart). Trade Receivables Discounting System (TReDS) is the platform for facilitating the financing of trade receivables from corporate and other buyers, including Government Departments and Public Sector Undertakings (PSUs), through multiple financiers.

The Company is regularly encouraging MSME suppliers for on-boarding on TReDS Platforms through various Vendor Development Programs (VDPs) being organized at Corporate Center and across Regional establishments all over the country. Your Company also has contractual provisions that MSME vendors may avail TReDS facilities for payment.

Suitable provisions have already been incorporated in the bidding documents of the Company for procurement of various products and services rendered by Micro and Small Enterprises (MSEs) in line with the Public Procurement Policy of the Government of India. The Company has surpassed the target of mandatory procurement of 25% out of total annual purchases of products and services rendered by Micro and Small Enterprises in line with Public Procurement Policy (Order 2012) read in conjunction with its amendment in November 2018.

In terms of the said policy, the total eligible value of annual procurement of goods produced and services rendered by MSEs (including MSEs owned by SC/ ST and Women entrepreneurs) during financial year 2023-24 was ₹ 2,518 Crore. The total procurement from MSEs (including MSEs owned by SC/ST and Women entrepreneurs) was ₹ 1,448.46 Crore (57.52%). Further, the total procurement from MSEs owned by SC/ ST entrepreneurs is ₹ 48.63 Crore (1.93 %) and from MSEs owned by Women Entrepreneurs is ₹ 95.70 Crore (3.80%) against the sub-targets of 04% and 03% annual procurement from MSEs owned by SC/ ST and Women entrepreneurs respectively. As such, Company is meeting the sub-target as per Public Procurement Policy for MSEs Order 2012, and its Amendment dated November 09, 2018, which, inter alia, directs that in event of failure of such Micro and Small Enterprises to participate in tender process or meet tender requirements and LI price, 4 percent sub-target for procurement earmarked for Micro and Small Enterprises owned by Scheduled Caste or Scheduled Tribe entrepreneurs shall be met from other Micro and Small Enterprises.

Annual procurement plan for FY 2023-24 from MSEs is uploaded on [www.powergrid.in](http://www.powergrid.in).

The Company has taken various steps to encourage MSE participation in the procurement process across India as mentioned below:

- **Purchase preference to MSEs:** Suitable provisions have been incorporated for purchase preference upto 25% from MSEs including 4% from MSEs owned by SC/ST Entrepreneurs and 3% from MSEs owned by Women Entrepreneurs in the Bidding Documents for all procurement of Goods and Services in the ambit of MSEs. For divisible packages, the purchase preference is given to MSEs for upto 25% of package value and for non-divisible packages, the purchase preference is given to lowest MSE bidder for 100% of package value.
- **Relaxation in Bid conditions:** MSEs are given relaxation in financial qualification criteria in all

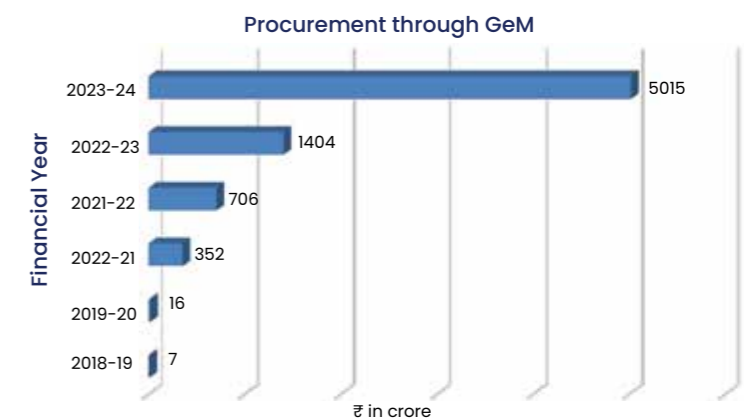
procurement of Goods and Services in the ambit of MSEs. Further to encourage participation of MSEs, for procurement of Goods and Services below ₹5 Crore, 100% relaxation in financial qualification criteria is given to MSE Bidders.

- **Waiver of Earnest Money Deposit (EMD):** MSEs are exempted from submitting Tender fees and EMD in compliance to the Public Procurement Policy for Micro & Small Enterprises Order, 2012.
- **Exclusive Tenders for SC/ST and Women MSEs:** POWERGRID has introduced a distinct approach i.e. 'Exclusive Tenders' for SC/ST and Women MSEs where in only SC/ST MSEs are eligible to participate the tenders for certain Goods and Services.

During this year, in order to encourage and develop Micro and Small manufacturers for supply of innovative & quality products, 18 nos. of Vendor Development Programs (VDPs) have been organized in various parts of the country out of which 09 nos. of VDPs were exclusively held for SC/ST and Women MSEs. In these MSE vendor development programs various presentations were made and discussions were held with representatives of numerous Micro and Small Enterprises of our Country. Special focus was kept on Micro and Small Enterprises owned by SC/ ST and Women entrepreneurs. The response of Micro and Small Enterprises in these meetings was overwhelming. A number of Micro, Small & Medium Enterprises have been developed as sub-vendors and approved for supply of components for various equipment.

### 12.3. Procurement through Government e-Marketplace (GeM):

In line with GoI mandate, procurement through GeM in POWERGRID started in FY 2018-19 and in subsequent years, with persistent emphasis, procurement through GeM has continuously increased. During FY 2023-24, procurement of ₹5,015 crore of Goods & Services (including one time procurement of Smart meters for ₹3,546 crore) was done (on consolidated Basis) from GeM portal which is about 3.5 times the procurement of last FY 2022-23 (₹1,404 crore).



Further, the percentage achievement for FY 2023-24 in respect of GeM procurement works out to 100%, of such procurements of which Feature/categories are available on GeM.

## 13. Sustainable Growth

Your Company is integrating the principles of Environment, Social, and Governance (ESG) into its business operations, emphasizing the importance of the ESG ecosystem. The Company is actively taking steps to align its sustainability practices with global standards.

### 13.1. Environment and Social Management

Your Company has been practicing the standards of sustainable development integrated in its corporate Environmental and Social Policy & Procedures (ESPP) since 1998, that lays down a detailed framework for identification, assessment, and management for environmental and social concerns at organizational and project level based on the established principles of Avoidance, Minimization and Mitigation with provision of restoration too. The comprehensive coverage and content of the ESPP are demonstrated by its acceptance by two leading Multilateral Agencies of the world i.e. The World Bank and ADB under their Use of Country System (UCS) and Country Safeguard System (CSS) policy in 2009 and 2017 respectively.

Further, recognizing the changing business landscape, your Company has been placing significant importance on Environmental, Social, and Governance (ESG) issues and long-term sustainability goals. It is a matter of great satisfaction that your Company has consistently received high ratings from several independent agencies on sustainability parameters, including ESG. However, your Company has planned to further improve its performance by setting higher goals and scaling up its sustainability efforts. Key initiatives taken in this direction include:

- Your Company has set ambitious goals such as 50% Electricity consumption from renewable sources by 2025, achieving Net Zero by 2047, becoming Water positive by 2030 and Zero waste to landfill by 2030, as part of its ESG Policy, Water Management Policy & Waste Management Policy, all of which have already been approved by the Board.





- To achieve the goal of water positivity, your Company is undertaking several steps including reduction of water consumption, implementing rainwater harvesting, treatment & utilization of wastewater and sensitizing employees.
- To reduce its carbon footprints, Company has already taken various measures such as installing rooftop solar PV systems in office buildings & establishments, progressively replacing diesel vehicle by electric vehicles, improving carbon sink through plantation, etc. Additionally, your Company is in the process of establishment of large-scale solar PV plants of 85 MW capacity at Nagda, Distt. Ujjain (M.P.)

Further details on Company's E & S performance/ achievement have been provided under BRSR and Natural Capital sections of this integrated annual report.

### 13.2. Corporate Social Responsibility (CSR)

For social and economic development of communities, your Company undertakes CSR activities in areas of healthcare, drinking water & sanitation, education, skill development, rural development, and other areas of national importance. The projects are conceived in consultation with the stakeholders, primarily in the vicinity of its area of operations.

Your Company has spent ₹330.48 crore during FY 2023-24. Further, during the year Company has approved 165 projects worth ₹471.56 crore.

#### Major CSR Projects undertaken by the Company during FY 2023-24 are:

##### a) Completed / handed over the following major CSR projects:

- Vishram Sadan at Guwahati Medical College & Hospital, Guwahati (Assam).
- Dharamshala/Night Shelter in premises of NIMHANS, Bangalore, Karnataka.
- Vishram Sadan at Sir Sayajirao General (SSG) Hospital, Vadodara Gujarat.
- Supply and Installation 128 Slice CT scan for emergency medical services department of JIPMER, Pondicherry.
- Providing Cath lab equipment with advanced features and renovation of Cath Lab premises at Govt. Rajaji Hospital, Madurai, Tamil Nadu.
- Nutritious Support to TB affected patients in Andhra Pradesh - TB Mukht Bharat.
- To improve neonatal health facilities and reduce neonatal mortality in Gujarat with the help of G.C.S.R.A provides 10 NICU on wheels across 26 blocks of Gujarat.
- Providing financial assistance to National Foundation for Communal Harmony (NFCH) for education of 1911 violence affected students from Assam, Manipur, and Chhattisgarh, etc.
- Pediatric Laparoscope, Cystoscope and Endobronchial Ultra-Sound (EBUS) System for Govt. Medical College, Patiala, Panjab.

##### b) Major CSR projects under progress:

- Construction of Vishram Sadan at RIMS, Ranchi.
- Construction of Vishram Sadan at MLB medical College Jhansi.

- Construction of Vishram Sadan at MKCG Govt, Medical college and Hospital, Berhampur Odisha.
- Equipping Interventional Radiology Suite in POWERGRID Modular OT Complex at ACTREC, TMC.
- Supply and Installation 128 Slice CT scan for Manorama Raje T B Hospital (MRTB) Hospital, Indore, Madhya Pradesh & Tata Memorial Centre, Homi Bhabha Cancer Hospital & Research Centre, New Chandigarh, Punjab.
- Providing Cath lab equipment with advanced features and renovation of Cath Lab premises at Govt. Rajaji Hospital, Madurai, Tamil Nadu.
- Providing Medical Equipment for Department of General Surgery Radiology, Gynae & Obs, and Orthopedics, Deben Mehata Govt. Medical College & Hospital.
- Providing financial assistance to ESIC Medical College and Hospital, Faridabad in setting up of advanced robotic surgical system for Robotic Surgery.
- Providing assistance to Government Hospital, Faridabad for procurement and supply of medical equipment(s) to Civil Hospital, Faridabad and various attached UPHC, DCH, Polyclinics across Faridabad.
- Installation of High Technology Nucleic Acid Amplification testing (ID NAAT) Machine at AIIMS, Mohali.
- Providing Medical Equipment to AIIMS, Raipur (Chhattisgarh), Bilaspur (Himachal Pradesh), Betul (Madhya Pradesh), Nashik & Sasoon (Maharashtra).
- Providing financial assistance for supply of medical equipment to Silchar Medical College, Construction of Sick Newborn Care unit/Pediatric Ward to S.N. Dev Civil Hospital and supply of DG sets to 07 BPHC's at District Cachar, Assam.
- Providing equipment and instruments for Health and Family Welfare department, Karimganj District, Assam under jurisdiction of National Health Mission.
- Providing Normal & ALS Ambulance, Eco Van & Hospital Beds & Nightstands in DDMA & Medical institutions under Govt. of Mizoram.
- Construction of new annex building to Dr. Ravi Boro Civil Hospital at Mushalpur in Baksa District (BTR), Assam.
- Establishment of Component Separation Unit in Blood Bank of Sivasagar Civil Hospital, Sivasagar, Assam.
- Providing Medical Equipment and Machines at District Hospital, Dadra & Nagar Haveli (DNHDD) U/T, GMERS Medical College Hospital, Valsad, various Community Health Centers (Kaprada, Rohina, Bhilad, Atgam, Dungri and etc.) Gujarat.
- Purchasing and supplying of Speed Boat Ambulance; Supply of Medical Equipment/Instrument for Automation in Blood Bank, 2 ALS Ambulances, 6 BLS Ambulance for Hospitals in Goa State.
- Supply & installation of integrated Air source heat pump & hot water storage tank for supply of hot





water at various departments of Davangere district, Karnataka.

- "Sustainable Green Power & Monitoring Services", in District Headquarter Hospital (DHH), Maternal & Child Health Hospital (MCH) and SKCG Autonomous College, Gajapati district, Odisha.
- Proposal for providing relief to the Flash Flood affected areas including Restoration Work of 33kV, 11kV and 400V LT line in Sikkim.
- Supply & Installation of Solar streetlights in Sitapur, Amroha & Siddharthnagar.
- Providing 0.5 MLD Micro Filter Plants at 24 Gram Panchayats in Krishna District, Andhra Pradesh.
- Providing financial assistance for organizing job-oriented skill development training programme in the field of Plastic Engineering & Technology for under privileged / unemployed youth at CIPET, Murthal.
- Smart Class in Rajasthan.
- Setting up Industrial Training Institute (ITI) at Gorakhpur, Uttar Pradesh & Perumbakkam, Kanchipuram district, Tamil Nadu.
- To Develop Thirty (30) nos. Anganwadi Centre as model Anganwadi Centre.
- Repair and Renovation of 16 Govt. primary and higher primary schools, District Mahoba.
- Construction of Library reading room, common room, internal road and development of surrounding area at Munsingh College, Motihari.
- Furnishing of Town Hall Supaul.
- Multipurpose Hall at New Police Line Ara.
- Construction of Community Centers & Development of Govt Schools at Kota Providing Medical equipment and development of PHC and Renovation of 3 no's PHC in District health & PW officer under Davangere District.
- Providing a Truck Mounted Vacuum Road Sweeping Machine to Malegaon Municipal Corporation, Dist.-Nashik, Maharashtra.
- Engagement of Apprentices FY2023-24.
- Skill development of workforce for implementation of Smart Metering under RDSS of Gol.

**Important CSR projects sanctioned during FY 2023-24:**

- Contribution towards PM CARES fund for FY 23-24.
- Procurement of Linear Accelerator for treatment of Cancer patients at Homi Bhabha Cancer Hospital & Research Centre, Vishakhapatnam.
- Construction of 250 bedded Vishram Sadan at AIIMS, Bilaspur, Himachal Pradesh.



- Skill development of workforce for implementation of Smart Metering under RDSS of Gol.
- Providing financial assistance to ESIC Medical College and Hospital, Faridabad for procurement of advanced robotic surgical system.
- Procurement and installation of MRI and CT scan machines AIIMS, Bilaspur, Himachal Pradesh.
- Engagement of apprentice trainees for skill development under CSR initiative of POWERGRID for one year.
- Construction of 200 bedded Vishram Sadan at Sir Sunder Lal Hospital, Banaras Hindu University, Varanasi, U.P.
- Procurement of medical equipment to AIIMS, Raipur, Chhattisgarh.
- Providing smart classrooms systems to 597 smart classrooms in Govt. schools of 3 districts namely Kota, Jodhpur and Jaisalmer of Rajasthan.
- Financial assistance for Equipping Interventional Radiology Suite in POWERGRID Modular OT Complex at ACTREC, TMC Mumbai.
- Providing 1 no. CT Scanners 128 Slice Machine to MGM Medical College & MRTB Hospital, Indore, MP.
- Construction of 15 community halls at Varanasi, UP.
- CT Scanner and Molecular Pathology Lab for Homi Bhabha Cancer Hospital & Research Centre, Punjab.
- Setting up of Diagnostic Lab with medical equipment at Ganesh Shankar Vidyarthi Memorial Medical College (GSVM), Kanpur.
- Supply and installation of medical equipment in 10 PHCs and Repairing & Renovation of 3 PHCs in Davangere District, Karnataka.
- Providing nutritious support to TB affected patients in Andhra Pradesh.
- Providing 10 NICU on wheels across 26 blocks of Gujarat.
- Construction of multi-purpose hall at new Police line, Ara, Distt. Bhojpur, Bihar.

A complete list of all CSR Projects undertaken and sanctioned by the Company during FY 2023-24 are given in **Annexure-X** of this Report.

**14. Governance**

**14.1. Right To Information**

To promote transparency and accountability, an appropriate mechanism has been set up across your Company in line with 'Right to Information Act, 2005'. The Company has nominated Public Information officers and Appellate Authorities at Corporate, Regional Head Quarters and other offices to provide required information to the citizens under the provisions of Act.

The Company has also developed its own web based online RTI portal, which facilitates timely reply of RTI/ Appeal to applicant by real time monitoring of all RTIs/ Appeals. The portal also facilitates auto generation of various RTI reports for internal and external stakeholders.

In FY 2023-24, around 967 RTI applications were received in the Company and processed timely as per the RTI Act, 2005. Training programs / awareness sessions for the Company's CPIOs/PIOs/Appellate Authorities were organized for sensitization about their role in implementation of the RTI Act.

**14.2. Commitment to Transparency and Ethical practices**

Your Company advocates the principles of Transparency, Probity and Ethics in its management functioning. Vigilance Department of your Company performs Preventive, Pro-active as well as Punitive Vigilance and ensures that the best ethical practices are followed in the organization.

**a) Emphasis on Preventive Vigilance**

To strengthen the organizational process and to minimize malpractices in various systems & activities of the organization, emphasis on preventive vigilance is being given. Preventive vigilance focuses on the right types of systems or need for re-engineering proactive approach aimed at identification of opportunities and taking action against potential threats.

During FY 2023-24, 71 surprise inspections, 26 process-on-line inspections and 26 Chief Technical Examiner (CTE) Type inspections were conducted. Pursuant to Vigilance inspections and observations/ recommendations, a number of systemic improvements have been implemented.

**b) Preventive Vigilance Workshops for Capacity Building**



During FY 2023-24, various Preventive Vigilance Workshops and Webinars were conducted for non-vigilance personnel in different regions of the Company. These workshops inter-alia cover contracts management, provisions of Conduct Discipline and Appeal (CDA) Rules, compliances of rules and policies, common irregularities, deliberation of case studies based on real cases, quality aspects as well as Ethics Management which enables the employees to identify and deal with ethical dilemma.

### c) Vigilance Awareness

In pursuance of the directions of the Central Vigilance Commission, Vigilance Awareness Week (VAW) was observed in POWERGRID from 30th October to 5<sup>th</sup> November, 2023 with the theme "भ्रष्टाचार का विरोध करें, राष्ट्र के प्रति समर्पित रहें" "Say no to corruption; commit to the Nation". Further, preventive vigilance measures cum housekeeping activities were also taken up as a 3 month's campaign from August 16, 2023 to November 15, 2023 as a precursor to VAW-2023. Various activities like essay competition, quiz competition, slogan competition etc were organized within and outside POWERGRID in which more than 14,000 students and 12,700 individuals including employees & their family members participated. Awareness Gram Sabhas have been conducted at 197 villages for dissemination of information regarding the menace of corruption wherein about 13,700 villagers were sensitized to curb the corruption and also to raise complaints at the appropriate authority. Vendor Meet was organized at Corporate Centre and all regions. The message of VAW 2023 was propagated through social media platforms, FM Channel and Electronic media. Journal of Vigilance department of POWERGRID (CANDOUR) and Compendium of Vigilance Circulars released in digital mode during the closing ceremony of VAW.



### d) Annual Sectoral Review Meeting

Annual Sectoral Review Meeting (ASRM) of Power Sector by Central Vigilance Commission was organized by POWERGRID in July-2023 at Guwahati. CMDs and CVOs of various organizations of Power Sector participated in the ASRM.

### e) Anti-Bribery Management System (ABMS) IS/ISO 37001

ABMS implementation was also taken up by POWERGRID, so ABMS Policy and Implementation Manual & Procedures prepared were approved by the Management. Internal Audits were conducted and application for ABMS certification submitted to BIS. Final Certification Audit for implementation of Anti Bribery Management System (ABMS) IS/ISO-37001 was completed successfully by BIS in March-2024.

### 14.3. Citizen's Charter

A Citizen's Charter has been formulated for the Company providing a visible front of its Vision, Mission and Objectives. The Citizens' Charter consisting of Company profile, commitments, expectations from citizens, Integrated Management Policy, services offered, values and standards of services, access to information and grievance redressal is available on the Company's website.

## 15. People: Our Core Strength

Your Company has consistently trusted its employees to meet assigned targets and has relentlessly focused on nurturing their skills by addressing their needs through timely and effective HR interventions. The Company strive to develop and implement systems and practices that enable employees to perform at their highest potential. Our commitment is to attract, retain, and develop employees who align with our core values, ensuring

they work in a safe, healthy, non-discriminatory, and approachable environment.

As on 31<sup>st</sup> March 2024, the permanent employees of your Company stood at 8,316 of which women employees constituted 8.39%. The attrition rate of regular employees stood at 1.31% in the year 2023-24. The Company also ensured filling up of key roles of Executive Directors and Chief General Managers in time.

### 15.1. Human Resource Development

POWERGRID is dedicated to fostering an organizational culture that encourages continuous learning, creativity, knowledge-sharing, and overall development. Company's HR processes and systems are meticulously crafted to attract, nurture, and empower professionals in alignment with the Company's core values. Your Company strive to provide an equitable, collaborative, and safe environment that promotes the well-being of our employees.

The POWERGRID Academy of Leadership (PAL) located in Manesar provides a diverse array of training and development opportunities for both its employees and other stakeholders within India and internationally. Recognized as a Category-I Institution for Training in Transmission by the Central Electricity Authority (CEA) under the Ministry of Power, Government of India, PAL is committed to delivering high-quality training in the field. During the year, more than 450 training and development programs were organized at PAL, Employee Development Centres at Regions and associated premier educational institutes in India and abroad.

Your Company has devised a mentoring and coaching program to provide framework for systematic, smooth and easy transfer and exchange of tacit knowledge, information, skills and competencies within the organization. This program is operated through a dedicated portal "SANDARSHIKA". Through "SANDARSHIKA" portal approximately 8000+ employees have benefited.

Your Company has developed 150 e-Learning modules related to different business verticals and 11 refresher courses related to various Company domains benefiting around 8000+ employees. In addition to above, your Company has hosted 7 modules related to Power transmission for Government of India's ambitious "Mission Karmayogi" Programme.

During the year, your Company provided following learning courses to its employee:

- 3<sup>rd</sup> Batch of 50 employees for Artificial Intelligence / Machine Learning course from IIIT-Bangalore.
- 2<sup>nd</sup> batch of 15 employees sponsored for M.Tech program in POWER System and reliability by NIT Jalandhar.

Leveraging its people's capabilities and infrastructure available at PAL for capacity development of Power sector, your Company has taken following initiatives for stakeholder development:

- 1000+ apprentices have been engaged in different trades as per the Apprentice Act.
- An MoU signed amongst National Skill Development Corporation (NSDC), National Skill Development Fund (NSDF), Power Sector Skill Council (PSSC) & POWERGRID for Skill development training of 6000 unemployed youth in power Sector. At present, 5400+ trainees have completed the training across 25 locations in India.





- Signing of MoU with PSSC is under final stage of approval to provide skill development training to 6000 candidates for implementation of Smart Metering under RDSS of Gol across India.
- Under Capacity Building and Institutional Strengthening - North Eastern Region Power System Improvement Project (CBIS-NERPSIP), POWERGRID is undertaking Capacity Building and Institutional Strengthening program for State Power Utilities in 6 (six) states (Assam, Meghalaya, Mizoram, Manipur, Nagaland, Tripura) and Capacity Building under Comprehensive Scheme in 2 (Two) States (Arunachal Pradesh & Sikkim)).

**15.2. Employee Welfare**

In order to respond to the constantly evolving business scenario and to address the dynamic requirements of employees, your Company undertakes regular updation of its policies to keep up with the industry trends. To ensure business continuity and develop & nurture the next generation of leaders to guide the Company through future business challenges and opportunities, Succession Planning & leadership Development Policy has been introduced. Further, to formalize the Company's commitment towards the protection of human rights within its value chain, your Company has introduced Human Rights Policy.



The Medical Rules of the Company were reviewed and rationalized to ensure that physical and mental well-being needs of our employees and their families are met. On the Talent Management front, Workmen Promotion Policy and Executive Transfer Policy were revised to meet changing business requirements and employee's career aspirations.

Your Company has been an ardent advocate of physical and mental wellbeing of its employees and in this direction, has organized numerous health talks on various topics to make its employees aware of the cause of diseases and measures to prevent them. In the wake of new diseases and to keep the employees hale and healthy, your Company encourages preventive medical interventions through preventive health checkup and reimbursement of vaccination. Further, as a novel initiative, a 24\*7 Emergency helpline for dealing with medical emergencies of employees and their dependents is functional.

Your Company has constantly encouraged employees to be physically and mentally fit and active. In this direction, it has bagged the 1<sup>st</sup> position for excellent performance in sports activities in the Annual Performance Awards 2023-24 by Power Sports Control Board.

Your Company encouraged continuous learning and knowledge upgradation of its employees by providing access to more than 5 million online documents/ resources through EBSCO and IEEE collection with 24\*7 access to e-books, e-journals, and standards on different subjects.

Reward and recognition schemes are strategic tools used by organizations to acknowledge and appreciate the efforts and achievements of their employees. These schemes aim to enhance motivation, boost morale, and increase productivity by providing tangible and intangible benefits for exceptional performance. Towards this, PRATIPHAL Award Distribution for FY 2022-23 was held at Nagpur.

Cultural Meet & Exhibition is an event designed to celebrate, showcase, and promote the diversity of cultures within a community, organization, or educational institution. These events provide a platform for participants to share their heritage, traditions, and artistic expressions, fostering mutual respect and understanding among diverse groups. Towards this, Cultural Meet & Exhibition was held on December 10, 2023, at Nagpur.

Your Company has comprehensively reviewed 49 policies and revised 20 policies including Conveyance reimbursement, Child care leave scheme, Fixed Monthly travelling allowance, Higher Education Incentive, Children Merit Award Scheme, Multi-Purpose Advance, Funeral Assistance (SAHARA) Scheme, Acknowledgement of services of retired employees, Benefits to employees posted at Hardship Stations, etc.

**15.3. Grievance Redressal**

It has always been our priority to promptly redress the grievances, particularly those raised by employees, within the broad parameters of guidelines enumerated by Government of India and policy framework. Employees can lodge their grievances through a 'Employee Grievance Portal', which are promptly redressed by designated nodal officers at corporate & regional offices. Modified Employee Grievance Redressal Policy called समाधान was launched in December 2023 to further ease the employee grievance resolution mechanism.



**15.4. Ensuring Social Justice**

A separate cell to look after and safeguard the statutory provisions for SC/ ST/ OBC & PwD categories of employees is in place. Liaison Officer looks after the welfare & safeguard of SC/ ST/ OBC & PwD employees and is assisted by the reservation cell. Liaison Officer also ensures that there is no discrimination on the basis of caste, religion & disabilities amongst the employees. To ensure effective discharge of duties across all establishments of POWERGRID, separate liaison officer for each region has been nominated. The Company implements all directives and guidelines with regard to reservation policy issued by Govt. of India. Annual inspection is also conducted to ensure implementation of directives issued by Govt. of India. Periodic meeting is held with representatives of the association of SC/ ST & OBC to resolve issues, if any. Based on the recommendations of the Parliamentary Committee on Welfare of SC/ST and Ministry of Power, all 03 SC/ST Employees Associations, who were claiming their representations in POWERGRID were successfully merged into one SC/ST Association namely "POWERGRID SC/ST Employees Welfare Association".

**16. Prevention of Sexual Harassment at Workplace**

Training/workshop programs for both male and female employees have been conducted to sensitize them on issues and the law/ Act/ Policy relating to sexual harassment. Workshops on women empowerment, development and gender sensitization are also organized. 03 complaints of sexual harassment was received during FY 2023-24 and the same have been disposed off in stipulated time as per the Guidelines/ Policy.

**17. Implementation of Official Language (Rajbhasha)**

In pursuance of Govt. of India's Rajbhasha policy to promote Indian languages and Rajbhasha "Hindi", your Company has made all round efforts to integrate and promote use of Hindi in its works at all levels. The Company has proved its commitment to ensure the implementation of Rajbhasha policy and to achieve the goal as laid out in the Rajbhasha Annual Target given by Department of Official Language.

To ensure the increased use of Official language, various activities such as Review meets, Anuvad Abhayaas Karyakram, Workshops, Trainings, motivational programmes have been organized. Computer trainings





are being imparted to enhance the working knowledge in Hindi on computers. Hindi classes are also being organized for non-Hindi speaking employees through Hindi Teaching Scheme.

Various activities are undertaken to publicize Hindi every year, Akhil Bhartiya Rajbhasha Sammelans and technical conferences in Hindi, Kavi Sammelans (Poetry sessions), Plays, publication of House Magazines, publication of monthly articles in Hindi via emails are most prominent among these. These programs have been organized both online and offline during the year 2023-24. Also, various competitions throughout the year with special emphasis during Hindi Pakhwada, Vigilance Awareness Week, Swachchhta Pakhwada, Communal Harmony Week etc. along with departmental meetings as well as Official Language Implementation Committee (OLIC) meetings are also being conducted. During this year many personnel were trained under the Hindi Teaching Scheme. Your Company has established one of the best Hindi libraries among Public Sector where popular/literary Magazines and News Papers have been made available for the employees.

Attractive incentive schemes for employees working in Hindi have been implemented as per the government guidelines. In addition, various reward schemes have been introduced to encourage employees to actively participate in promotion of Hindi, by giving articles/write-ups for in-house magazines, reading library books etc.

The effort made by your Company has been applauded in several forums during the year 2023-24. Various awards were given by Town Official Language Implementation Committee (TOLIC), Rajbhasha Vibhag, Ministry of Home Affairs, Govt. of India, and other agencies regarding Implementation of Official Language. The offices at Shillong, Nagpur, Bangalore, and Vadodara headquarters, Korba and Muzaffarpur sub-stations got the first prize; Kolkata and Bhubaneswar Headquarters, Keonjhar, Jabalpur, Raipur, Nellore, Thiruvananthapuram and Moga sub-stations got the second prize, Kurnool; Secunderabad Headquarters and Durgapur sub-stations got the third prize and Faridabad Headquarter, Jamshedpur, Patiala and Aurangabad sub-stations have been honoured with notable awards to name a few. During the same period, in the Hindi Advisory Committee meeting held on August 17, 2023 of the Ministry of Power, POWERGRID was awarded the third prize for 2021-22 and 2022-23 for excellent official language implementation by the Honourable Union Minister of Power.

Besides, Company's efforts were also applauded during various inspections and discussions done by Hon'ble Committee of Parliament on Official Language on different occasions.

## 18. Stakeholder Engagement

Your Company focuses on engaging with all its stakeholders and building cordial relationships with them. This helps us in not only understanding their needs and expectations, but also helps us in recognizing opportunities and mitigating risks to our operations. The Company has a framework for engaging with our stakeholders which also includes categories of Stakeholder along with the respective modes of engagement.

## 19. Management Discussion and Analysis Report

Management Discussion and Analysis Report, forming part of the Directors' Report is placed as **Annexure-I** of this report.

## 20. Business Responsibility and Sustainability Report

The Business Responsibility and Sustainability Report, as stipulated under Regulation 34(2) of the SEBI (LODR) Regulations, 2015, is given in **Annexure-II** and forms part of this Report.

## 21. Conservation of Energy, Technology Absorption and Foreign Exchange Earnings and Outgo

Pursuant to Section 134(3)(m) of Companies Act, 2013 read with Rule 8 of the Companies (Accounts) Rules, 2014, information relating to 'Conservation of energy, technology absorption and foreign exchange earnings and outgo', is given in **Annexure-III** to this Report.

## 22. Auditors

### 22.1 Statutory Auditors of the Company

The Statutory Auditors of the Company are appointed by the Comptroller and Auditor General of India. M/s. S. Ramanand Aiyar & Co., M/s. Sagar & Associates, M/s. Suresh Surana & Associates LLP and M/s. G. D. Apte & Co. were appointed as Joint Statutory Auditors for the FY 2023-24.

The Statutory Auditors have given an unqualified report. The report is self-explanatory and does not require any further comments by the Board.

### 22.2 Comptroller and Auditor General's Comments

The Company has received no comments on the Financial Statements (Standalone and Consolidated) for

the Financial Year ended 31<sup>st</sup> March 2024 from the Comptroller and Auditor General of India (C&AG) under Section 143(6) of the Companies Act, 2013. The communication from C&AG is placed at **Annexure-IV**.

### 22.3 Secretarial Audit

M/s. Kumar Naresh Sinha & Associates, Practicing Company Secretary has conducted Secretarial Audit of the Company for the financial year ended 31<sup>st</sup> March, 2024. The Secretarial Audit Report is placed at **Annexure-V**.

The observations of Secretarial Auditor are as under:

- Half of the board of directors of the Company was not independent as required under Regulation 17(1) of SEBI (LODR) Regulations, 2015 and para 3.1.4 of DPE Guidelines on Corporate Governance with regard to Composition of the Board of Directors.
- The Company did not have at least one independent woman director on its Board as required under Regulation 17(1)(a) of SEBI (LODR) Regulations, 2015 and at least one-woman director as required under section 149(1) of the Companies Act, 2013 read with Companies (Appointment and Qualification of Directors) Rules, 2014.

Your Company's response to the observation made in Secretarial Audit Report is that the power to appoint Independent Directors in POWERGRID, which is a Government Company vests with the Government of India and the Company has taken up the matter for appointment of requisite number of Independent Directors (including one Independent Woman Director) with Government of India.

### 22.4 Cost Auditors & Cost Records

M/s Dhananjay V. Joshi & Associates and M/s Bandyopadhyaya Bhaumik & Co., as Cost Auditors were appointed for the FY 2023-24 under section 148 of the Companies Act, 2013.

Your Company is maintaining Cost Accounting Records as prescribed under the Companies (Cost Records and Audit) Rules, 2014, specified by the Central Government under section 148(1) of the Companies Act, 2013.

The Cost Audit Report for the financial year ended 31<sup>st</sup> March, 2024 will be filed within the prescribed time period under the Companies (Cost Records and Audit) Rules, 2014.

## 23. Board & Committees

### 23.1 Company's Board

During financial year 2023-24, Shri Mohammad Afzal, Joint Secretary, Ministry of Power, Government of India, ceased to be a Director on 17<sup>th</sup> May, 2023. In his place Dr. Saibaba Darbamulla, Joint Secretary, Ministry of Power, Government of India was appointed as Government Nominee Director w.e.f. 18<sup>th</sup> May, 2023.

Dr. Vinod Kumar Singh completed the tenure as Director (Personnel) of POWERGRID on attaining the age of superannuation w.e.f. 31<sup>st</sup> May, 2023.

Shri K. Sreekant, Chairman & Managing Director had been entrusted with the additional charge of the post of Director (Personnel) from 1<sup>st</sup> June, 2023 to 31<sup>st</sup> August, 2023.

Dr. Yatindra Dwivedi assumed the charge of the post of Director (Personnel) w.e.f. 31<sup>st</sup> August, 2023.

Shri Korachara Nagappa Onkarappa, Independent Director ceased to be Director w.e.f. 13<sup>th</sup> December, 2023 due to his demise.

Shri K. Sreekant completed the tenure as Chairman & Managing Director of POWERGRID on attaining the age of superannuation w.e.f. 31<sup>st</sup> December, 2023. In his place Shri Ravindra Kumar Tyagi, Director (Operations), POWERGRID has assumed the charge of the post of Chairman and Managing Director w.e.f. 1<sup>st</sup> January, 2024 and ceased from post of Director (Operations) w.e.f. 31<sup>st</sup> December, 2023.

Shri Ravindra Kumar Tyagi, Chairman & Managing Director had been entrusted with the additional charge of the post of Director (Operations) from 1<sup>st</sup> February, 2024 to 31<sup>st</sup> March, 2024 or till the regular incumbent takes over the charge or until further orders whichever is earlier.

The Board placed on record its appreciation and gratitude to Shri Mohammad Afzal, Dr. Vinod Kumar Singh, Shri Korachara Nagappa Onkarappa and Shri K. Sreekant, for their valuable contribution in steering the affairs of the Company.

In accordance with the provisions of the Companies Act, 2013 and the Articles of Association of the Company, the resolutions w.r.t. reappointment of Shri Ravisankar Ganesan (DIN: 08816101) as Director liable to retire by rotation, has been included in the Notice of Annual General Meeting.



### 23.2 Number of Meetings of the Board

Board of Directors met 16 times during financial year 2023-24. Details regarding dates and attendance at the Board meetings are provided in the Report on Corporate Governance, which forms part of this report.

Report on the Corporate Governance is enclosed at **Annexure-VI**, and the certificate thereon, issued by Practicing Company Secretary pursuant to Schedule V Para E of SEBI (LODR) Regulations, 2015 is attached at **Annexure-VII** to this Report.

### 23.3 Committees of the Board

The Company has constituted Audit Committee, Corporate Social Responsibility Committee, Nomination and Remuneration Committee, Stakeholders' Relationship Committee, Risk Management Committee and other Committees for operational convenience. The composition and scope of the aforesaid Committees are provided in the Report on Corporate Governance, which forms part of this report.

### 23.4 Declaration by Independent Directors

During the financial year, all the Independent Directors have met the requirements specified under Section 149(6) of the Companies Act, 2013 and Regulation 16(1)(b) of SEBI (LODR) Regulations, 2015 for holding the position of 'Independent Director' and necessary declaration from each Independent Director under Section 149(7) of the Companies Act, 2013 and Regulation 25(8) of SEBI (LODR) Regulations, 2015 has been received.

Pursuant to Regulation 34(3) and Schedule V Para C Clause (10)(i) of SEBI (LODR) Regulations, 2015, M/s Naresh Kumar Sinha & Associates, Company Secretaries have issued Certificate of Non-Disqualification of Directors, who were on the Board of the Company during FY 2023-24.

### 23.5 Performance Evaluation of Directors

This has been provided in the 'Report on Corporate Governance' section of this Report and you may refer it for details.

### 23.6 Policy on Director's Appointment and Remuneration

The Company has framed a policy on the remuneration of the Directors, KMPs and employees. The said policy is available on our website at [https://www.powergrid.in/sites/default/files/Investor\\_Relation/Reports\\_Filings/Code\\_of\\_Conduct\\_Policies/04\\_Remuneration%20Policy.pdf](https://www.powergrid.in/sites/default/files/Investor_Relation/Reports_Filings/Code_of_Conduct_Policies/04_Remuneration%20Policy.pdf)

## 24. Compliances

### 24.1 Risk Management Policy

Information on Risk Management Framework is covered in the Management Discussion and Analysis placed at **Annexure-I** of this Report.

### 24.2 Internal Financial Controls and Adequacy

The Board has adopted policies and procedures for ensuring orderly and efficient conduct of its businesses, including adherence to the Company's policies, the safeguarding of its assets, the prevention and detection of frauds, error reporting mechanism, the accuracy and completeness of the accounting records and the timely preparation of reliable financial disclosures.

### 24.3 Annual Return of the Company

In accordance with Section 92(3) read with Section 134(3)(a) of the Companies Act, 2013, Annual Return of the Company is available on the website of the Company and can be accessed at [https://www.powergrid.in/sites/default/files/agm\\_egm\\_files/finalforwebsite\\_MGT7.PDF](https://www.powergrid.in/sites/default/files/agm_egm_files/finalforwebsite_MGT7.PDF)

### 24.4 Loans, Guarantees or Investments

Loans, Guarantees or investments under Section 186 of the Companies Act, 2013 form part of the notes to financial statements attached to this Report.

### 24.5 Contracts or Arrangements with Related Parties

Contracts or arrangements with related parties referred to in Section 188(1) of the Companies Act, 2013, in the prescribed Form AOC-2, are given at **Annexure-VIII** of this Report. Further, attention of the members is drawn on Note No. 55 of the Financial Statement which sets out related party disclosure.

### 24.6 Subsidiaries, Joint Ventures and Associate Companies

As on 31<sup>st</sup> March, 2024, the Company has 47 subsidiaries, 12 Joint Ventures and 4 Associate Companies. Salient features of the financial of our Subsidiaries and Joint Ventures are covered in the Management Discussion and Analysis and a statement in the prescribed Form AOC-1 is annexed as **Annexure-IX** of this Report.

### 24.7 Dividend Distribution Policy

The dividend distribution policy setting out the parameters and circumstance that will be considered by the Board in determining the distribution of dividend to its shareholders and/or retained profits earned by the Company available on the Company's website at <https://www.powergrid.in/sites/default/files/Dividend%20Distribution%20Policy.pdf>

### 24.8 Significant Material Orders

There are no significant and material orders passed by the Regulators or Courts or Tribunals impacting the going concern status and Company's operations in future.

## 25. Annual Report on Corporate Social Responsibility (CSR)

In terms of provisions of Section 135 of the Companies Act, 2013, read with amended Companies (CSR Policy) Rules, 2014, the Annual Report on CSR activities in the format prescribed under the said rules is annexed to this Report at **Annexure-X**.

## 26. Particulars of Employees

Your Company being a Government Company, the provisions of Section 197(12) of the Companies Act, 2013 and relevant rules issued thereunder, are not applicable as per the notification dated 5<sup>th</sup> June, 2015 issued by the Ministry of Corporate Affairs.

The terms and conditions of the appointment of Functional Directors are subject to the applicable guidelines issued by the Department of Public Enterprises (DPE), Government of India from time to time.

## 27. Insolvency and Bankruptcy Code, 2016

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.

## 28. Reporting of Frauds by Auditors

During the year under review, none of the Auditors have reported to the Audit Committee or the Board, under Section 143(12) of the Companies Act, 2013 any instances of fraud committed against the Company by its officers or employees.

## 29. Fixed deposits

We have not accepted any fixed deposits, including from the public and as such, no amount of principal or interest was outstanding as of the Balance Sheet date.

## 30. Secretarial Standards of ICSI

The Company has followed the requirements prescribed under Secretarial Standard on Meetings of Board of Directors (SS-1) and General Meetings (SS-2).

## 31. 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.

## 32. Directors' Responsibility Statement

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

- in the preparation of the annual accounts, the applicable accounting standards had been followed along with proper explanation relating to material departures;
- the Directors had selected such accounting policies and applied them consistently and made judgments and estimates that are reasonable and prudent to give a true and fair view of the situation of the Company at the end of the financial year and of the profit of the Company for that period;
- the Directors had taken proper and sufficient care for the maintenance of adequate accounting records in accordance with the provisions of Companies Act, 2013 for safeguarding the assets of the Company and for preventing and detecting fraud and other irregularities;
- the Directors had prepared the annual accounts on a going concern basis;
- the Directors had laid down internal financial controls to be followed by the Company and that such internal financial controls are adequate and were operating effectively; and



- f. 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.

### 33. Acknowledgements

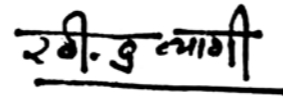
The Board of Directors would like to express their deep sense of appreciation for the guidance and co-operation received from Government of India, particularly the Ministry of Power, Ministry of Finance, Ministry of Home Affairs, Ministry of External Affairs, Ministry of Statistics and Programme Implementation, Ministry of Environment & Forests, Ministry of Corporate Affairs, Central Electricity Regulatory Commission, Appellate Tribunal for Electricity, Central Electricity Authority, NITI Aayog, Department of Public Enterprises, Regional Power Committees, Office of the Comptroller and Auditor General of India, and other concerned Government departments/agencies at the Central and State level without whose active support, the achievements of the Company during the year under review would not have been possible.

Special thanks to our valued customers, State Governments and State power utilities and other clients, who have awarded various consulting works and reposed faith in Company's capability to handle them. The Board also appreciates the contribution of Contractors, Vendors and Consultants for successful implementation of various projects by your Company.

The Directors also acknowledge the valuable suggestions and guidance received from the Statutory Auditors during the audit of accounts of the Company for the year under review. The Board also conveys its sincere thanks to national and international financial institutions, multilateral financial institutions, domestic & international credit rating agencies for their assistance, continued trust and confidence reposed in the Company.

On behalf of Board of Directors, I would like to place on record our deep appreciation of the dedicated efforts and valuable services rendered by the employees contributing to the performance of the Company during the year 2023-24. The commitment displayed by the employees at all levels is exemplary and praise-worthy. I would also like to thank the Executive team for their strong leadership, the employee unions for their support and all our employees for their commitment, enthusiasm, and dedication.

For and on behalf of the Board of Directors



(Ravindra Kumar Tyagi)  
Chairman & Managing Director  
DIN: 09632316

Date: 31<sup>st</sup> July, 2024  
Place: Gurugram

The List of Annexures to the Director's Report are given below:

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|---------------|---|-------------|
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| Annexure II   | Business Responsibility and Sustainability Report   | 228         |
| Annexure III  | Particulars required under Section 134(3)(m) of the Companies Act, 2013 read with Rule 8(3) of Companies (Accounts) Rules, 2014 | 270         |
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## Annexure-I to the Directors' Report

## MANAGEMENT DISCUSSION AND ANALYSIS REPORT

### 1. ECONOMIC & SECTOR OVERVIEW

#### India's Growth Momentum: Powering Ahead

India is set to sustain the momentum of its impressive economic trajectory, maintaining its position as the fastest-growing large economy globally. According to the July'24 World Economic Outlook by IMF, the global economy remains remarkably resilient, with growth holding steady at around 3.2% for FY 24 and 3.3% in FY25. Amid this backdrop, the IMF forecasts India's growth at 6.5% in 2025. As per Economic Survey 23-24, India's real GDP is projected to grow between 6.5% and 7% in the fiscal year 2024-25, demonstrating strong economic resilience. This follows an impressive performance in FY 2024, where the real GDP grew by 8.2%, surpassing the 8% mark in three out of four quarters. The Indian economy has swiftly recovered from the pandemic, with its real GDP in FY 2024 being 20% higher than pre-COVID levels in FY 2020.

India is making significant strides towards environmental sustainability, enhancing climate resilience, energy security, and meeting its Net Zero commitments. During India's presidency at the G-20 summit in 2023, commitments were made to accelerate clean, sustainable, and affordable energy transitions, ensure uninterrupted and diversified energy flows, enhance energy security, and promote competitive international energy markets. Additionally, the G-20 High-Level Voluntary Principles on Hydrogen and voluntary action plans for improving energy efficiency and promoting renewable energy were highlighted. The summit recognized the need for an annual investment of over USD 4 trillion, focusing on renewable energy, with the goal of tripling global renewable energy capacity by 2030 and advancing zero and low-emission technologies.

The production of green hydrogen and its derivatives, green ammonia and green methanol, is set to scale up in the coming years, reflecting a strategic shift towards clean technologies. The government's commitment, demonstrated through the launch of the green hydrogen policy and the National Hydrogen Mission, underscores a focus on both current renewable energy needs and future sustainability goals. These policies are expected to significantly shape India's renewable energy sector, align with global trends, and position India as a key player in the global transition to sustainable energy.

India's National Grid has emerged as one of the largest unified electricity grids in the world, as highlighted in the Economic Survey 2023-24. The country is accelerating its efforts to enhance the contribution of non-fossil fuels in its energy mix. The renewable energy sector in India is expected to attract investments of ₹30.5 lakh crore between 2024 and 2030, creating significant economic opportunities across the value chain. Between 2014 and 2023, the clean energy sector saw new investments of ₹8.5 lakh crore, underscoring the growing momentum towards a sustainable energy future.

The power sector in India has become increasingly viable and attractive to investors, strengthened by the allowance of 100% Foreign Direct Investment (FDI) under the automatic route, including renewable energy. The Government of India has allocated substantial funds towards green hydrogen, solar power and green energy corridors, aligning with the renewable energy target for 2030 and promoting sustainable energy development. From April 2020 to September 2023, the renewable energy sector alone attracted USD 6.1 billion in FDI equity investment, reflecting growing foreign investor confidence in India's green energy initiatives. According to the National Electricity Plan 2022-32, the power generation industry will require a total investment of ₹33 lakh crore by 2032 to meet rising energy demands.

In line with its green energy commitments and the target to achieve net zero by 2070, the government announced several new measures supporting sustainable energy and electric mobility in the interim budget for 2024-25. In a big push for rooftop solar, the budget has proposed to solarize 10 million households by installing rooftop solar plants under the recently announced Pradhan Mantri Suryodaya Yojana initiative. This measure is expected to support around 30 GW of rooftop solar capacity, making clean energy more accessible and creating important carbon credits, which will help India reach its goal of net-zero emissions by 2070. Additionally, the introduction of viability gap funding (VGF) for offshore wind energy projects and Battery Energy Storage Systems (BESS) reflects a significant initiative towards leveraging India's renewable energy potential. These initiatives further support India's objectives of achieving 500 GW of non-fossil fuel based generation capacity and to achieve 50% cumulative electric power installed capacity from non-fossil fuel-based energy resources by 2030.

#### Power Sector Developments 2023-24

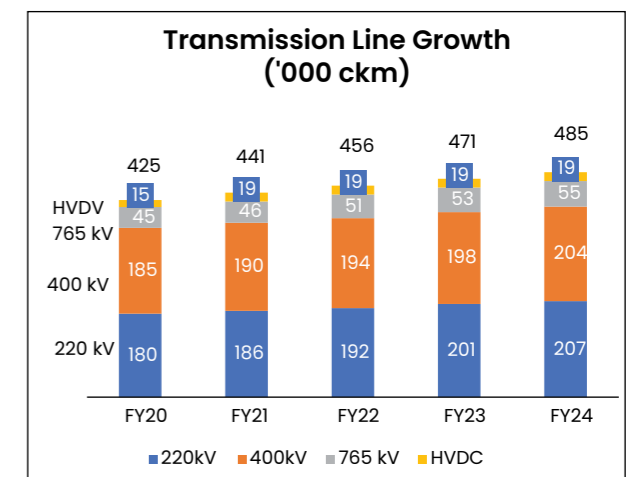
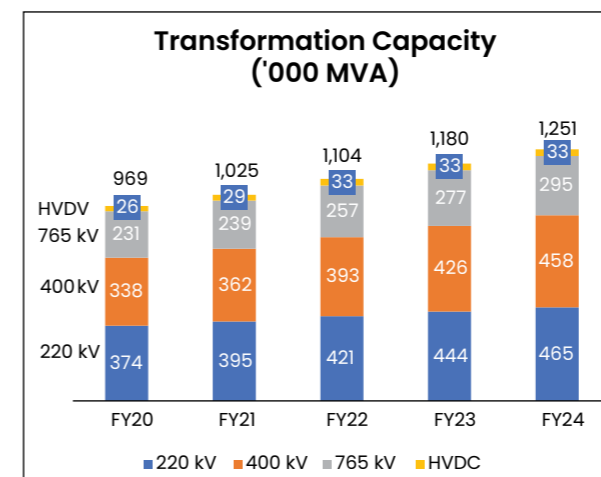
The power sector, comprising three key pillars—Generation, Transmission and Distribution—is vital to India's economic growth. Over the past decade, the country's generation capacity mix has experienced significant changes. As of March 2024, fossil-based capacity accounts for 55.03% of the total capacity mix, while non-fossil-based capacity makes up 44.97%.

The significant development during last three years is tabulated as below:

|   | FY 21-22  | FY 22-23  | FY 23-24  | Growth                      |                                       |
|---|-----------|-----------|-----------|-----------------------------|---------------------------------------|
|   |           |           |           | (Y-o-Y)<br>(FY 24 vs FY 23) | 2 years<br>(CAGR)<br>(FY 24 vs FY 22) |
| <b>Generation</b>   |           |           |           |                             |                                       |
| Total Installed Capacity (incl. RE) GW                                | 399.49    | 416.05    | 441.97    | 6.23%                       | 5.18%                                 |
| Renewable Energy Sources (RES)<br>Capacity GW (excluding large hydro) | 109.85    | 125.15    | 143.64    | 14.78%                      | 14.35%                                |
| Total Generation (incl. RE) BU  | 1,491.86  | 1,624.15  | 1,738.10  | 7.02%                       | 7.94%                                 |
| Generation from RE sources (BU)<br>(excluding large hydro)            | 170.91    | 203.55    | 225.46    | 10.76%                      | 14.86%                                |
| Cross-Border Power Exchange (BU)                                      | 16.83     | 18.09     | 18.00     | -0.50%                      | 3.42%                                 |
| <b>Transmission</b>   |           |           |           |                             |                                       |
| Transmission Lines (ckm) (220 kV and<br>above)                        | 4,56,716  | 4,71,341  | 4,85,544  | 3.01%                       | 3.11%                                 |
| Transformation Capacity (MVA)   | 11,04,450 | 11,80,352 | 12,51,080 | 5.99%                       | 6.43%                                 |
| Inter-Regional Power Transfer<br>Capacity (MW)                        | 1,12,250  | 1,12,250  | 1,16,540  | 3.82%                       | 1.89%                                 |
| Inter-Regional Power Transfer (BU)                                    | 228       | 236       | 249       | 5.51%                       | 4.50%                                 |
| <b>Power Markets</b>  |           |           |           |                             |                                       |
| Short Term Transactions (Nos.)  | 89,544    | 1,02,692  | 1,20,246  | 17.09%                      | 15.88%                                |
| Short Term Transactions (Energy<br>Transacted) BU                     | 162.81    | 171.81    | 171.66    | -0.09%                      | 2.68%                                 |
| <b>Power Supply Position</b>  |           |           |           |                             |                                       |
| Peak Demand (GW)  | 203.01    | 215.88    | 243.27    | 12.69%                      | 9.47%                                 |
| Peak Met (GW) Peak  | 200.54    | 207.23    | 239.93    | 15.78%                      | 9.38%                                 |
| Deficit (%)   | 1.20%     | 4%        | 1.40%     | -                           | -                                     |
| Energy Demand (BU)  | 1,379.81  | 1,511.84  | 1,626.13  | 7.56%                       | 8.56%                                 |
| Energy Met (BU)   | 1,374.02  | 1,504.26  | 1,622.02  | 7.83%                       | 8.65%                                 |
| Deficit (%)   | 0.04%     | 0.50%     | 0.30%     | -                           | -                                     |

Source: CEA & Grid-India Monthly reports

The expansion of the national grid is characterized by the continuous growth in transmission lines and transformation capacity. Country's transmission network is growing rapidly to support the increasing power demand and the expanding power generation capacity in the country and it is crucial to facilitate integration of renewable energy sources into the grid. It has been characterised by not just physical growth in the transmission network but also the introduction of higher transmission voltages and new technologies for bulk power transmission.

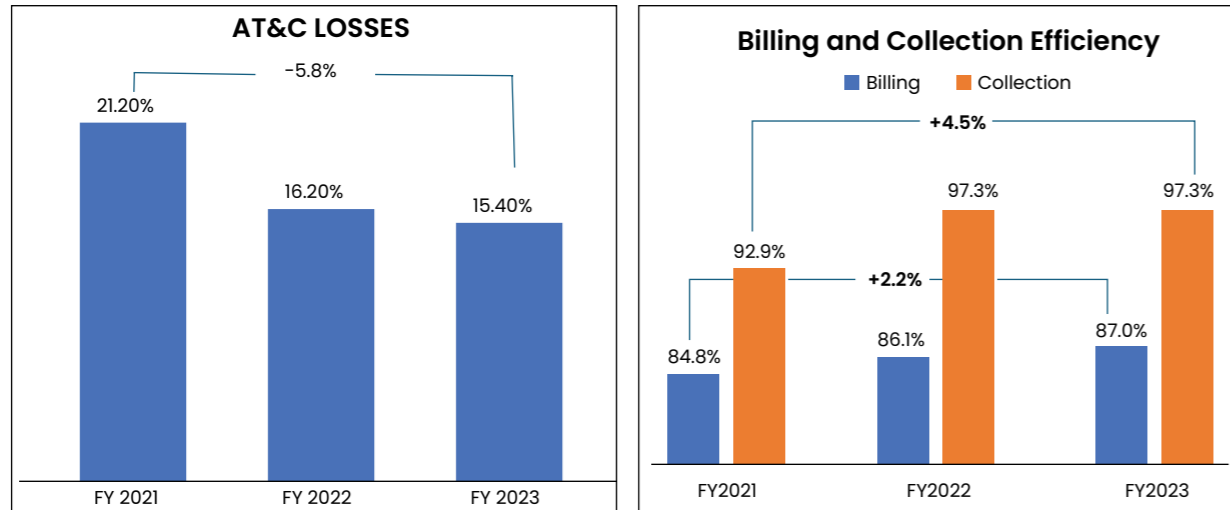


Source: CEA Monthly Reports



The power distribution sector of India is crucial link in the electricity supply chain. AT&C losses decreased to 15.4% in FY23, down from 21.2% in FY21. This improvement is largely attributed to enhanced collection efficiency, which rose from 92.9% in FY21 to 97.3% in FY23, while billing efficiency remained nearly unchanged.

The Government is actively pushing states to decrease their AT&C losses through Revamped Distribution Sector Scheme (RDSS), which aims to reduce these losses to the range of 12-15% and close the gap between the average cost of supply and the aggregate revenue requirement by fiscal year 2024-25.



Source: 12<sup>th</sup> Annual Integrated Rating & Ranking: Power Distribution Utilities

### Key Initiatives/Reforms & Regulatory Changes pertaining to Transmission Sector

#### a) CERC (Terms & Conditions of Tariff) Regulations, 2024

CERC has issued Central Electricity Regulatory Commission (Terms and Conditions of Tariff) Regulations, 2024 for the tariff period from 01.04.2024 to 31.03.2029. Salient feature of Tariff Regulations, pertaining to Transmission includes:

- The Return on Equity (RoE) for transmission assets commissioned before 01.04.2024 has been protected as per the earlier 2019-24 regulations at the rate of 15.5% on pre-tax basis. RoE for transmission assets to be commissioned on and after 01.04.2024 is computed on a pre-tax basis by grossing up the base rate of return on equity of 15.0% at the effective tax rate of the respective financial year.

#### b) Depreciation for existing assets shall continue at 5.28%. For assets commissioned after 01.04.2024, accelerated depreciation is provided for 15 years at 4.22%.

#### c) MoP Electricity (Late Payment Surcharge and Related Matters) Amendment Rules, 2024

MoP vide gazette notification dated 3<sup>rd</sup> June, 2022 has issued MoP Electricity (Late Payment Surcharge and Related Matters) Rules, 2022 superseding MoP Electricity (Late Payment Surcharge) Rules, 2021. Amendment to the said Rule is issued by MoP on 28<sup>th</sup> February, 2024 to align it with CERC (Connectivity and General Network Access to the inter-State Transmission System) Regulations, 2022.

#### d) Effective Date for CERC GNA Regulations, 2022, CERC (Indian Electricity Grid Code) Regulations, 2023 and 1<sup>st</sup> amendment to CERC Sharing Regulations, 2020

CERC vide gazette notifications dated 3<sup>rd</sup> August 2023 has notified that CERC GNA Regulations, 2022, CERC (Indian Electricity Grid Code) Regulations, 2023 and 1<sup>st</sup> amendment to CERC Sharing Regulations, 2020 shall come into force from 1<sup>st</sup> October, 2023. Accordingly, the said Regulations have become effective from 1<sup>st</sup> October, 2023.

#### e) Central Electricity Regulatory Commission (Sharing of Inter-State Transmission Charges and Losses) (First Amendment) Regulations, 2022.

CERC vide Gazette Notification dated 7<sup>th</sup> February, 2023 had issued "First Amendment to Sharing Regulations, 2022". Subject amendment is issued to align CERC Sharing Regulations with CERC GNA regulations. The amended regulations provide for separate methodology for calculation of waiver of transmission charges in respect of drawee DICs which have obtained GNA and GNA<sup>RE</sup>. The methodology is based on actual drawl schedules from waived RE sources, total drawl schedules in concerned months along with conditions applied.

These regulations have come into effect from 1<sup>st</sup> October, 2023 and accordingly the revised billing in line with GNA Regulations is being raised from December, 2023 billing month.

#### f) Central Electricity Regulatory Commission (Sharing of Inter-State Transmission Charges and Losses) (Second Amendment) Regulations, 2023

CERC vide Notification dated 20<sup>th</sup> October, 2023 had issued "Second Amendment to Sharing Regulations, 2022" which has come into effect from 1<sup>st</sup> November, 2023. The amended regulations provide for transmission charges payable and transmission charges liability covering mismatch between ISTS and other ISTS or Intra State elements.

#### g) Central Electricity Regulatory Commission (Sharing of Inter-State Transmission Charges and Losses) (Third Amendment) Regulations, 2023.

CERC vide Gazette Notification dated 26<sup>th</sup> October, 2023 had issued "Third Amendment to Sharing Regulations, 2022" which has come into effect from 26<sup>th</sup> October, 2023. The amended regulations provide for sharing of transmission charges for inter-regional HVDC transmission systems planned to supply power to a particular region, and which is also operated to carry power in the reverse direction due to system requirements. The MW capacity of power flow in reverse direction shall be certified by NLDC by way of actual power flow equal to such capacity.

#### h) Electricity (Amendment) Rules, 2024

Ministry of Power has issued the Electricity (Amendment) Rules, 2024 which come into force from 11<sup>th</sup> January, 2024. They introduced amendments to the existing Electricity Rules of 2005. These rules seek to address various aspects of power generation, transmission, and open access charges.

##### • Rule 21: Establishment, operation, and maintenance of dedicated transmission lines

This rule exempts generating companies, entities setting up captive generating plants, Energy Storage Systems, or consumers with load requirements of at least twenty-five Megawatts for Inter-State Transmission System and ten Megawatts for Intra-State Transmission System from obtaining a license under the Electricity Act. However, compliance with regulations, technical standards, guidelines, and procedures issued under the Act is mandatory.

##### • Rule 22: Open Access Charges

This rule outlines the calculation of wheeling charges, charges for using the network of State Transmission Utilities, and additional surcharges for Open Access Consumers. The additional surcharge for Open Access Consumers is capped at the per-unit fixed cost of power purchase, with a linear reduction over four years from the date of grant.

##### • Rule 23: Gap between approved Annual Revenue Requirement and estimated annual revenue.

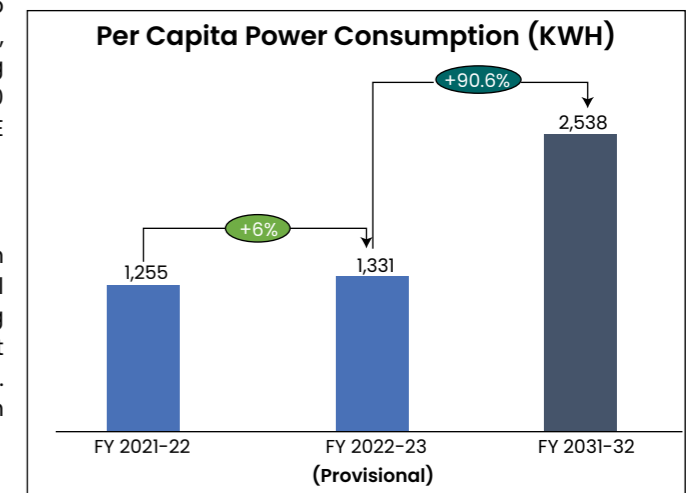
This rule ensures that tariffs are cost-reflective, minimizing any gap between the approved Annual Revenue Requirement and the estimated annual revenue from approved tariffs. For existing gaps at the time of the rules' notification, a maximum of seven yearly instalments is allowed.

### Growth Drivers

As discussed in previous sections, India is going through a phase of energy transition at rapid pace with greater focus on development of new Renewable Energy (RE) resources. Government is actively promoting the adoption of Electric Vehicles (EVs), rooftop solar installations, and solar agriculture pumps, emphasizing India's commitment to achieving a non-fossil energy capacity of 500GW by 2030 and fulfilling 50% of its energy needs through RE by the same year.

### Per Capita Power Consumption

The demand for power in India has been consistently rising, driven by industrial growth, population increase, and expanding electrification. It has become one of the largest producer and consumer of electricity globally. Yet, the per capita electricity consumption in India was 1,331 KWh (FY22-23).



Source: CEA Reports



**Perspective Transmission Network Plan**

Draft National Electricity Plan (NEP) for Transmission envisages addition of 123,577 ckm of transmission lines and 710,940 MVA of transformation capacity (at 220 kV and above voltage levels) during the period 2022-27.

For the inter-state transmission system 53,132 ckm and 426,675 MVA of transformation capacity are required while at the intra-state level, 70,445 ckm and 284,265 MVA are required respectively.

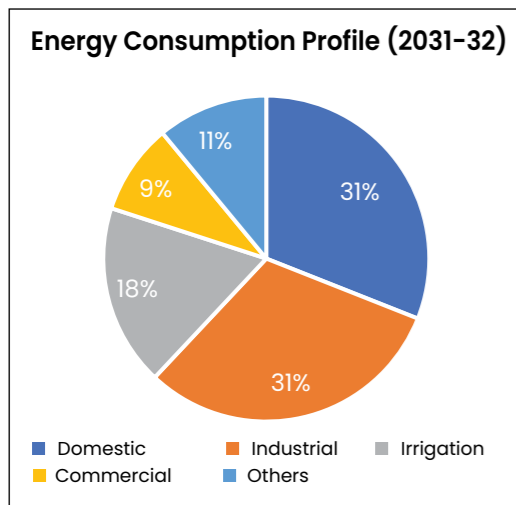
To provide reactive power support adequate reactive compensation in the form of bus reactors and line reactors (at 765 kV and 400 kV levels) and Static compensators (STATCOMs) have been planned. Bus reactors of 51,068 MVAR capacity and line reactors of 57,890 MVAR capacity have been planned for implementation.

**Peak Demand & Energy Requirement**

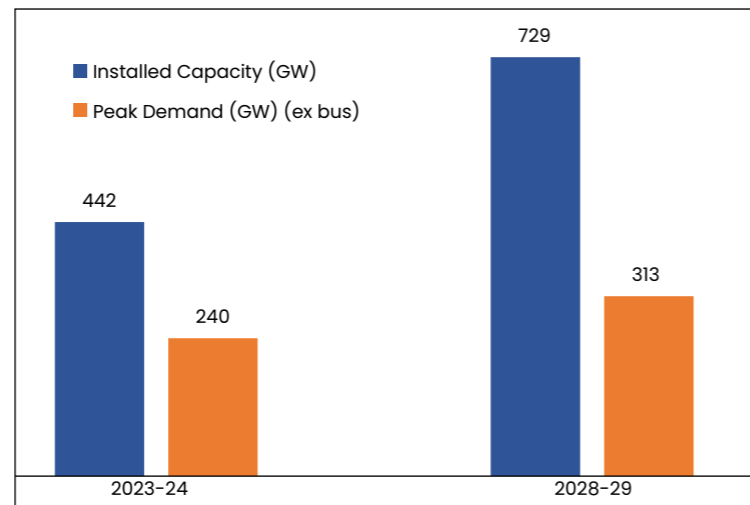
The All India peak demand met in May'24 was about 250 GW which is the highest ever peak demand till date. As per the 20<sup>th</sup> EPS report, projection of Peak demand (ex Bus) and Energy requirements (Ex Bus) for next five years & long term is as given under:

|                                  | Next five year projection |         |         |         |         | Long Term Projection |         |         |
|----------------------------------|---------------------------|---------|---------|---------|---------|----------------------|---------|---------|
|                                  | 2024-25                   | 2025-26 | 2026-27 | 2027-28 | 2028-29 | 2031-32              | 2036-37 | 2041-42 |
| Peak Demand (GW) (ex bus)        | 245                       | 260     | 277     | 295     | 313     | 366                  | 466     | 575     |
| Energy Requirement (BU) (ex bus) | 1695                      | 1797    | 1908    | 2021    | 2139    | 2474                 | 3096    | 3776    |

(Source: 20<sup>th</sup> EPS report)



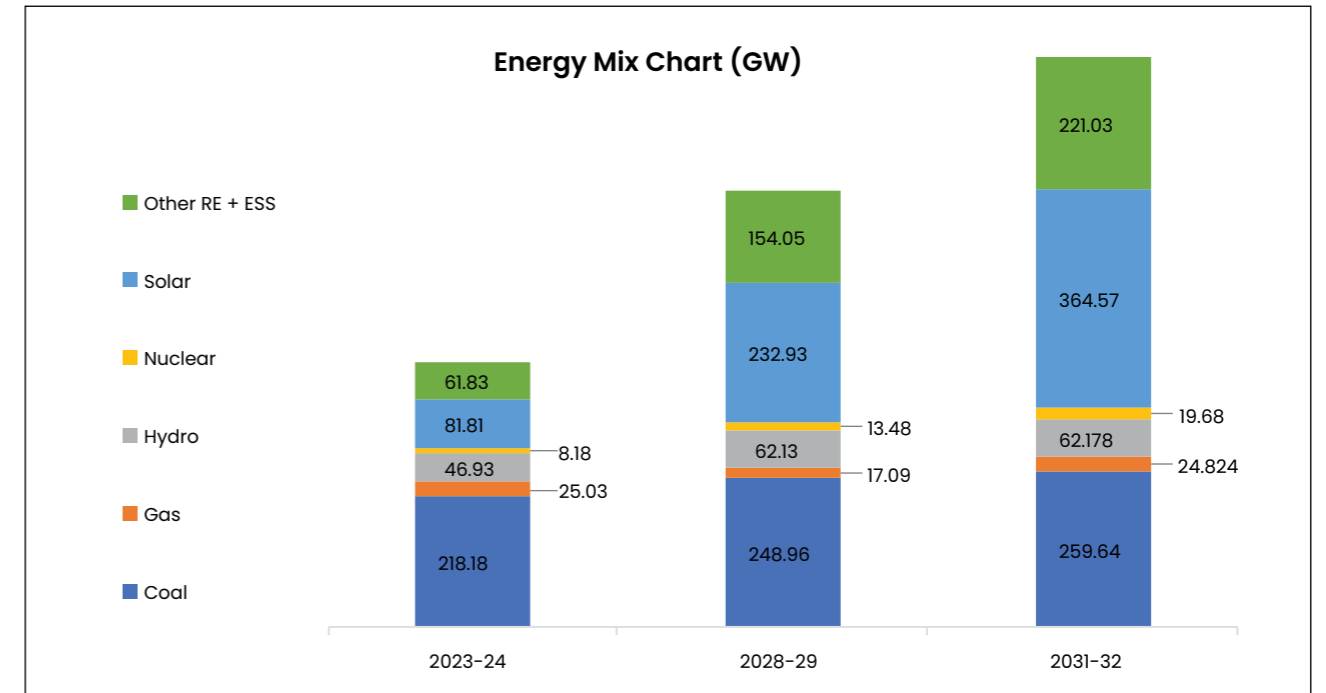
Source: 20<sup>th</sup> EPS Report



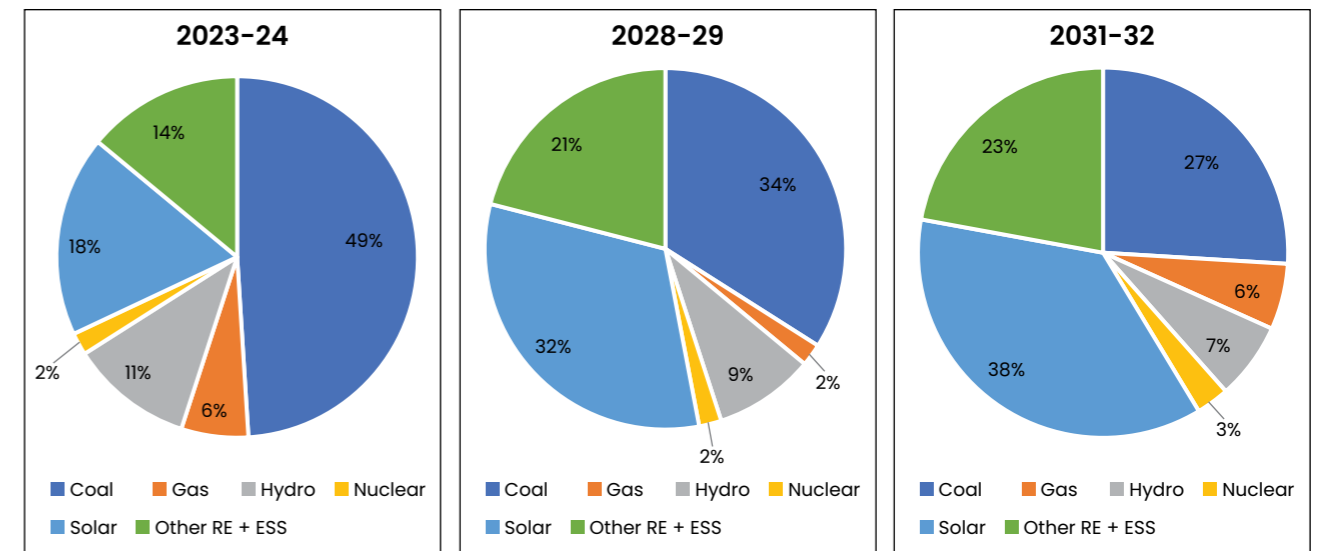
Source: CEA Repot & CTUIL Rolling plan

The figure above illustrates the relative growth of generation capacity in comparison to peak demand. Over the period from 2023-24 to 2028-29, the peak demand is projected to increase by 30.42%, whereas the installed capacity is anticipated to grow by 64.93%. This substantial growth in installed capacity is primarily attributed to the increased addition of Renewable Energy (RE) capacity. However, RE capacity often exhibits a lower Capacity Utilization Factor (CUF), and certain RE sources may not be available during periods of evening peak demand, necessitating the need for storage or capacity addition from alternative sources. For instance, solar power is unavailable during evening peak demand hours and beyond until sunrise, while wind power is seasonal and predominantly available during the April-September months. Consequently, the contribution of RE sources to meeting overall energy demand and peak electricity demand may be limited. Nonetheless, in alignment with the imperative of transitioning towards clean energy, capacity addition from RE sources remains imperative.

**Energy Mix Profile**



Source: CEA Monthly Report, CTUIL Rolling Plan, NEP (Vol II)



Source: CEA Monthly Report, CTUIL Rolling Plan, NEP (Vol II)

**Opportunities in Transmission Sector**

To meet the envisaged peak demand of 313 GW with the total installed capacity of 729 GW by 2028-29, year on year progressive addition of transmission system in ISTS network in terms of new transmission lines (ckm) and substations (MVA) will be required. Additionally, bulk consumers such as Green Hydrogen/Ammonia plants which is planned to be integrated to the grid will further enhance the projected peak demand and hence requisite power to such industries from large RE complexes. Also, by prioritizing offshore wind generation and its effective evacuation, the government aims to accelerate India's transition towards a sustainable and resilient energy future.



Furthermore, due to large scale RES penetration by 2030, the energy balancing would require adequate flexibility in the grid. Flexible resources such as BESS and a Pumped storage system shall be required on pan-India basis.

#### a) Inter-State Transmission System

As per the rolling plan of CTUIL, transmission schemes comprising of 48,619 ckm of transmission lines and transformation capacity of 4,56,035 MVA at estimated cost of ₹2,94,642 crore is expected to be added in the grid cumulatively by 2028-29.

Out of the above, the transmission scheme comprising of 20,322 ckm of transmission lines and transformation capacity of 1,85,055 MVA at estimated cost of ₹95,997 crore is under construction and expected to be added in the grid cumulatively by 2028-29.

Further, the transmission scheme comprising of 28,297 ckm of transmission lines and transformation capacity of 2,70,980 MVA at estimated cost of ₹1,98,645 crore is under planning/bidding/approval and expected to be added in the grid cumulatively by 2028-29. Year wise breakup of transmission lines, transformation capacity and their corresponding cost is as given under:

| Sl. No.      | Financial Year | Ckm addition  | MVA addition    | Broad Estimated cost (₹ in crore) |
|--------------|----------------|---------------|-----------------|-----------------------------------|
| 1            | 2024-25        | -             | 5,500           | 296                               |
| 2            | 2025-26        | 9,612         | 92,390          | 46,414                            |
| 3            | 2026-27        | 11,718        | 1,12,200        | 67,594                            |
| 4            | 2027-28        | 2,085         | 28,000          | 11,097                            |
| 5            | 2028-29        | 4,882         | 32,890          | 70,244                            |
| <b>Total</b> |                | <b>28,297</b> | <b>2,70,980</b> | <b>1,98,645</b>                   |

Source: Rolling Plan 2028-29 for Inter-State Transmission System by CTUIL.

The Inter-Regional (IR) transmission capacity is expected to grow from present level of 1,18,740 MW to about 1,34,540 MW by 2028-29.

#### b) Intra-State Transmission system

The establishment of an Intra-State Transmission System by State Transmission Utilities (STUs) aligns itself with the development of Inter-State transmission and distribution systems, as it serves as a crucial intermediary in the power supply chain between Inter-State Transmission and Distribution Systems.

As per the revised tariff policy, 2016, policy of intra-state transmission projects shall be developed by State Government through competitive bidding process for projects costing above a threshold limit which shall be decided by the SERCs. So far 22 States have declared a limit for augmentation of projects on the TBCB route which opens up the opportunities in Intra-State Transmission system.

#### c) Cross-Border Inter-connections

Given its geographical position, India shares borders with numerous South Asian nations and can significantly contribute to power exchange with these countries, thus optimizing resource utilization and fostering economic development. Transmitting power proves more economical than transporting fuel. Therefore, it is imperative to establish electrical interconnections with neighbouring countries. Such connections would prove advantageous in meeting escalating power demands, sharing diverse energy resources, reducing operational costs through improved resource management, harnessing renewable energy sources and postponing investments by optimizing spinning reserves.

The present cross-border interconnections enable a combined power transfer of approximately 4,745 MW with neighbouring countries such as Nepal, Bhutan, Bangladesh, and Myanmar. Upon the anticipated commissioning of ongoing cross-border interconnections within the next 2-3 years, the power transfer capacity is expected to increase by about 4,120 MW.

Additionally, the projected cross-border power transfer capacity for 2028-29 is expected to reach 13,872 MW.

The existing, under construction, and planned cross-border transmission capacity of India with neighbouring countries is summarized below:

(Fig. in MW)

| Country          | Existing (As on Mar' 2024) | Under Construction | Planned     | Total        |
|------------------|----------------------------|--------------------|-------------|--------------|
| India-Bangladesh | 1160                       | 0                  | 1000        | 2160         |
| India-Bhutan     | 2185                       | 2220               | 0           | 4405         |
| India-Myanmar    | 3                          | 0                  | 504         | 507          |
| India-Nepal      | 1400                       | 1900               | 3000        | 6300         |
| India-Sri Lanka  | 0                          | 0                  | 500         | 500          |
| <b>Total</b>     | <b>4748</b>                | <b>4120</b>        | <b>5004</b> | <b>13872</b> |

Source: Rolling Plan 2028-29 for Inter-State Transmission System by CTUIL.

#### d) One Sun, One World, One Grid

Studies on various aspects related to existing cross-border transmission interconnections and benefits of regional grid interconnections in terms of optimal utilization of energy resources including renewables, utilization of peak time diversity, sharing of reserves, the economy in operation, development of vibrant power market etc. have been identified.

Opportunities of power transfer across following Inter-regional and Intra-regional transmission links through HVDC technology with undersea power cable/overhead lines have been identified. Viability of the proposed interconnections between South Asia-South East Asia, within South Asia, South Asia-Gulf Cooperation Council (GCC) is being explored. MoU with UAE and Saudi-Arabia has been signed for cross border interconnections and interconnections with Sri-Lanka are in advance stages of finalisation.

#### e) Other emerging opportunities

##### i) Transmission system for Off-shore wind

The Ministry of New and Renewable Energy (MNRE) has identified approximately 30 GW of offshore wind power potential along the coasts of Gujarat and Tamil Nadu. Of this, 5 GW of offshore wind in Gujarat and 5 GW in Tamil Nadu have been prioritized for Phase-I development.

The transmission system for integration of Offshore wind power potential includes establishment of Offshore Pooling Station, submarine power cables for integration of Offshore Pooling Station with Onshore Pooling Station and transmission system beyond Onshore Pooling Station. CTUIL has identified transmission system for Phase-I of offshore wind power evacuation system for Gujarat and Tamil Nadu.

##### ii) Greening the Andaman & Nicobar Islands

The electricity demand of the Andaman & Nicobar Islands is mainly met through DG sets, supplemented by small-scale renewable energy sources such as solar and wind power. As per draft NEP, Vol-II a plan has been prepared to connect the Andaman & Nicobar Islands to the mainland via HVDC undersea cables. This ±320 kV, 250 MW HVDC (VSC-based) interconnection, spanning 1150 km, will be the first of its kind in the country. The estimated cost of this transmission project is approximately ₹15,120 crore. This interconnection aims to help the islands transition to green energy by 2028-29.

##### iii) Grid scale battery energy storage technologies

Integration of large scale RE Generation capacity into the Grid poses many challenges like low-capacity utilization factor (CUF), intermittency, round the clock availability etc. To address these challenges, mitigating measures such as deployment of Energy Storage System including Pumped Storage Plants will be needed for providing balancing power during low or no RE period.

##### iv) Hydrogen Economy and Infrastructure

Green Hydrogen (H<sub>2</sub>) is now considered as a pillar of net zero economy. It is expected that there is going to be power requirement in the National Grid to the tune of 125 GW from industries producing Green Hydrogen and Green Ammonia using power from Renewable Energy (RE) resources. These bulk consumers (Green Hydrogen/Ammonia plants) of about 47 GW is planned to be integrated to the grid by 2028-29. The ISTS



planning to provide requisite power to such industries from large RE complexes has already been initiated in this direction.

#### v) Transmission Line Projects on BOOM Basis

Industries with continuous processes, like aluminium production, necessitate a consistent power supply. Any interruption can result in the entire production line shutting down, leading to substantial costs to restart operations. Due to the high stakes involved, these industries often establish captive power plants. However, to meet their substantial power demands, typically ranging from 600 MW to 800 MW, they are now opting for dedicated transmission lines. The implementation of these transmission lines is undertaken by POWERGRID under the BOOM (Building Owner-Operator Model) arrangement.

## 2. COMPANY'S OUTLOOK

### I. Transmission

Our transmission business accounts for about 97% of the total revenue of the Company. The established regulatory framework in India supports resilient and stable cash flows of our transmission revenue, from both RTM and TBCB, maintaining revenue visibility subject to fulfilling operational benchmarks, which we have been consistently maintaining over the years. We have a dominant market position in the interstate transmission sector as we own and operate around 85% of India's inter-regional capacity.

Rolling Plan 2028-29 for Inter-State Transmission System by CTUIL, brings out that the Transmission schemes at estimated cost of ₹ 1,98,645 crore are under planning/bidding/approval and expected to be added in the grid cumulatively by 2028-29. We have been responding to the competition in the sector and it is visible from POWERGRID securing 13 ISTS TBCB projects. In terms of NCT cost, it was about 65% of total project which were bid in FY 23-24 and annual tariff is about 64% of the total.

Some of the major TBCB projects that will be executed during the coming years include Bikaner complex Part A, Koppal - Gadag, Khavda Phase 3 Part B, Bikaner complex Part D, Rajasthan Phase 3 Part D Phase 1. In addition to these, the major RTM project that will be executed include, developing Green Energy Corridor for Ladakh - Pang to Kaithal HVDC and at Pang and Kaithal VSC stations and associated AC transmission line at Pang and Leh. Apart from this we are also actively pursuing opportunities in the intra-state transmission sector.

POWERGRID has strong work in hand of about ₹ 1,10,000 crore. Going forward, we expect higher capex, following several successful tariff-based competitive bidding (TBCB) rounds during the recent times, along with the projects allocated under the regulated tariff mechanism (RTM). For FY 25 we are targeting for CAPEX of more than ₹ 18,000 crore.

Through our dedicated efforts we have gained competitive edge in building and maintaining transmission networks efficiently. We are investing heavily on the process innovation and technology adoption to maintain our leadership in transmission sector. Starting from the current financial year we are targeting to spend 1.5% of our profit before tax towards R&D expenditure.

We are taking significant strides in enhancing our environmental and social impact through technological advancements. By deploying STATCOMs in renewable energy pooling stations, we have improved grid stability and facilitated the integration of intermittent renewable sources. As a step towards indigenization, we are developing domestic suppliers for high-voltage Emergency Restoration Systems, reducing reliance on imports. We are also investing in greening our assets by developing digital substation, exploring alternatives to SF6 gas and committed towards sustainable development. We are determined to drive technological progress and responsible development within the power sector.

### II. Telecom

PowerTel, our subsidiary, operating the telecom business is poised for significant growth in the coming years. India's rapid digital transformation, coupled with supportive government policies, creates a favourable environment for telecom infrastructure expansion. Our extensive fiber optic network coupled with strong financial position makes us a key player in this growing market. Our telecom revenue grew by 13% during the current fiscal and it is poised to grow further in the coming years.

Key Growth Drivers that can contribute to the growth prospects of our telecom segment include the government's emphasis on Digital India and the recent Telecommunications Act 2023. These provide a

conducive environment for telecom infrastructure development. Additionally, our existing pan-India fiber optic network offers a solid foundation for expanding our telecom services, such as data centers and Wi-Fi solutions.

We are also strategically focusing on diversifying our telecom revenue streams through international long-distance business to serve Bangladesh, Bhutan, Nepal etc., data centres - pilot project is under progress at Manesar, Wi-Fi solutions, and FTTH services and thus reduce our reliance on traditional telecom services. Our robust financial health enables us to invest in new projects and compete effectively in the market.

We are also committed to expanding our tower business. A solution for utilizing power transmission towers for mobile communication infrastructure has been presented to the National Broadband Mission, and the Department of Telecommunications has encouraged telecom operators to leverage these towers. Building on this, we have successfully conducted signal testing for FM transmission on our towers in collaboration with the Ministry of Information and Broadcasting, sharing tower locations to facilitate their mapping requirements.

### III. Consultancy

Leveraging our vast experience and expertise in the power sector, we provide comprehensive consultancy services to various Utilities, CPSEs, and private agencies. Our services encompass power transmission system planning and design, substation design and construction, transmission line engineering, contracting, project management, SCADA development, energy efficiency, smart grid infrastructures, and Transmission Asset Management Centres. We play a pivotal role in centrally sponsored schemes in the Northeast region and the UTs of Jammu & Kashmir and Ladakh. With a large pool of experienced professionals and deep domain knowledge, we are playing vital role in implementing the Revamped Distribution Sector Scheme (RDSS) to strengthen distribution and sub-transmission systems. The Company is executing several flagship programs of the Government of India, including the Comprehensive Transmission & Distribution Scheme in Arunachal Pradesh and Sikkim, and the Northeastern Region Power System Improvement Project (NERPSIP). Additionally, we are implementing smart metering and loss reduction works under the Revamped Distribution Sector Scheme (RDSS) through PESL, our subsidiary.

Internationally, we have footprints in 23 countries. We have successfully secured over 130 assignments in the highly competitive international arena, demonstrating our robust expertise and capabilities. With more than 120 projects completed, we have ventured into three key business models: Consultancy, Supply, and Investment under Joint Venture/Public-Private Partnership (JV/PPP) models. Currently, we are actively exploring business opportunities in Kenya, Tanzania, Gabon, Angola, Mozambique, Nepal, Sri Lanka, Saudi Arabia, Myanmar and beyond.

We along with Africa50, have formed strategic alliance aimed to catalyse investments in African market including Kenya, Tanzania, Mozambique among other countries.

### IV. Emerging Areas

We are actively exploring opportunities to undertake transmission projects on Build, Own, Operate, and Maintain (BOOM) model for renewable energy developers, distribution licensees, and bulk consumers with advanced discussions underway with potential clients. POWERGRID is assisting several state utilities including OPTCL and UPPTCL in automating substations and establishing a State Transmission Asset Management System (STAMS).

Our first large-scale grid-connected Solar PV Project with an 85 MW capacity at Nagda, Madhya Pradesh, is scheduled to become operational during FY 2024-25. This plant is expected to generate approximately 184 million units (MU) of solar energy in its first full year of operation.

We have been allocated eight States / Union Territories by the Ministry of New and Renewable Energy (MNRE) under the Pradhan Mantri Surya Ghar: Muft Bijli Yojana. These include Rajasthan, Gujarat, Odisha, Assam, Tamil Nadu, Ladakh, Puducherry, and Lakshadweep. For installing rooftop solar in residential buildings, Company is actively engaging with Odisha, Puducherry, Ladakh and Lakshadweep. Further, Company is pursuing with allocated states for installation of roof top in government buildings. Under this scheme, we will also be installing rooftop solar on our own buildings.

A pilot project on Green Hydrogen at Neemrana is being set up to gain hands-on experience in its production, storage, and applications. This initiative aims to build expertise and practical knowledge in the emerging field of Green Hydrogen. Company is actively exploring opportunities to partner with both government and private entities to scale up Green Hydrogen projects to a commercial level.



### 3. Major Constraints / Challenges / Threats faced in construction, operation & maintenance of Transmission systems and mitigation thereof:

In spite of several policy initiatives taken by Govt. of India and POWERGRID, timely obtaining clearance for forest/wildlife area and securing land for upcoming substations remains a major challenge, largely due to involvement of external factors/agencies. Conserving Right-of-Way (RoW) through forests, agricultural land, urban areas, industrial establishments as well as other infrastructure, upgradation of transfer capacity of lines matching with power transfer requirement, securing land for substations are major areas of concern in development of transmission network in the country.

| Challenges in Construction  | Mitigation actions   |
|---|--|
| 1. Availability of land for construction of Substation/ transmission lines. | <p>Apart from investing in new technologies like Gas Insulated Switchgear (GIS) Substations and Hybrid substation, your Company ensures that its projects have minimal social impact. Your Company identifies a degraded government land for constructing its substation as first preference. In case private land is unavoidable, your Company secures land voluntarily at negotiated rate with landowners. Avoiding involuntary acquisition of land for its substation and securing it through free market mechanism, either directly or utilizing state specific rules/guideline ensures fair compensation. This approach fosters goodwill among landowners, resulting in a smooth acquisition of land for substations.</p> <p>Your Company has designed an innovative twin steel monopole, approximately 64 meters in height, for 400 kV double-circuit transmission lines, capable of turning the line at a right angle. This twin pole structure consists of two monopoles erected side by side, which occupy a smaller footprint on the ground for areas with RoW constraints while offering higher power-carrying capacity and improved mechanical stability. It also reduces visual impact and facilitate easier installation and maintenance.</p> <p>Additionally, your Company has developed a methodology to enhance the load-bearing capacity of loose soil deposits using stone columns. This technique transforms very loose soil, which would otherwise be unsuitable for supporting any structure into a foundation capable of sustaining heavier imposed loads.</p> <p>Narrow Base Multi-circuit Tower without Bottom Cross-Arm along with rock bolt foundation is used at strategic locations.</p> <p>The ground improvement strategy has been adopted at Khavda Renewable Energy Park, employing Vibro Stone Columns, to facilitate construction of equipment foundation in challenging sub-soil conditions.</p> |
| 2. Forest/wildlife Clearances challenges                                    | <p>POWERGRID is leveraging the Fortnightly Regional Coordination Meetings (FRCM) conducted by each Regional Integrated Regional Offices (IRO) of the Ministry of Environment, Forest and Climate Change (MoEFCC) to address its pending forest/wildlife cases and also expedite their approval by the Regional Offices of MoEFCC. Additionally, POWERGRID's access to the Decision Support System (DSS) software of MoEFCC and the PM GatiShakti Portal has facilitated the optimization of transmission line routes concerning forest, protected areas and other right-of-way constraints during the early stages of planning and the formulation of forest/wildlife proposals. Moreover, recent amendments to the Forest Conservation Act and Rules, including introduction of Project Screening Committee (PSC), have further streamlined the forest clearance process and has resulted in avoiding cross references, thus reducing the time required for processing/approval of forest proposal.</p>   |

| Challenges in Construction   | Mitigation actions  |
|--|---|
| 3. Timely expansion of Transmission system to meet the requirements of Renewable Energy (RE) capacity addition | <p><b>Bulk procurement of major equipments</b> like 765 &amp; 400 class Transformer &amp; Reactor, 765, 400, 220 kV class (AIS) CB/CT/Isolator/Substation Structure/CRP &amp; SAS/Surge Arrestors along with LT Transformers, DG SETs, Clamps &amp; connectors being made to cater to the requirement of compressed schedule for RE &amp; other special projects. POWERGRID Board has already allocated ₹1000 Crore fund for advance expenditure against the bulk procurement.</p> <p>The Ease of Doing Business targeted with revision of engineering technical specifications for EHV substations with aligning those of IS/IEC/CEA requirement and standardization of Tower &amp; Foundations etc.</p> <p><b>DREAMS (Drawing Review and Approval Management System)</b></p> <p>Digitalization of the engineering documents for real-time availability of approved documents to stakeholder for expediting project work &amp; also for Document-archiving for future requirement.</p> |
| 4. Sustainability, ESG & Health  | <p><b>Structural health of Residential &amp; Non-residential Buildings:</b></p> <p>Guidelines have been framed &amp; circulated to all POWERGRID Installations.</p> <p><b>Rain-Water Harvesting:</b></p> <p>Guidelines have been framed &amp; being circulated to all POWERGRID Installations. These guidelines shall be applicable for existing Substations &amp; for future stations and shall be part of tender BOQ/ Specification.</p> <p><b>Sewage Treatment Plant:</b></p> <p>Pilot project for 3 Substations has been undertaken which is to be implemented within FY 2024-25.</p>   |

The Company is continuously taking efforts maintain the high standards of availability and reliability of its transmission system through use of latest state-of-art maintenance practices. Maintenance activities are planned well in advance and an 'Annual Maintenance Plan' is prepared for every asset through live line or shutdown maintenance, as per technical feasibility which has minimized the tripping of lines especially. The software tool, Transformer Online Condition Monitoring System (TOCMS), is operational at NTAMC and RTAMC. POWERGRID has invested in the latest available technological tools and techniques for better operational performance and in this direction following latest technologies have been adopted by your Company:

| Challenges in Operations and Maintenance        | Mitigation actions  |
|---|---|
| Increasing operational & maintenance efficiency | <ul style="list-style-type: none"> <li>• <b>ISO 55001 Certification:</b> POWERGRID has taken a significant step towards excellence in asset management by aligning its practices with the ISO 55001 standards. This internationally recognized standard outlines the requirements for an effective asset management system, ensuring that organizations meet the highest benchmarks in managing their assets efficiently.</li> <li>• Implemented <b>Reliability Centered Maintenance (RCM)</b> practices for its critical assets, including Transformers, Reactors and Transmission Lines w.e.f. 1<sup>st</sup> January 2024. This strategic approach involves a meticulous analysis of each component's reliability, identifying potential failure modes and developing targeted maintenance plans to enhance overall system performance. It will lead to significant reduction in man-hours spent on routine maintenance activities and enables focused &amp; quality maintenance.</li> </ul> |



| Challenges in Operations and Maintenance | Mitigation actions  |
|--|---|
|  | <ul style="list-style-type: none"> <li>• <b>Centre of Excellence (CoE) for Protection and SCADA:</b> POWERGRID has established Centre of Excellence (CoE)-Protection &amp; SCADA to manage &amp; validate the database of around 36,000 IEDs and 190 nos. SAS gateways to ensure proper implementation of scheme, uniformity of settings/configurations and resolution of on demand issues from centralized location. It enables availability of competent manpower to handle protection issues from central location and ensures effective utilization of expert manpower for remote support to sites using latest technology like Augmented Reality etc.</li> <li>• Developed In house <b>AI/ ML based defect identification tool PG AMRIT (POWERGRID Asset Management through Artificial Intelligence in Transmission)</b> which has been integrated with transmission line patrolling platform PG-DARPAN (POWERGRID Digital Application for Routine Patrolling &amp; Assessment of Network). PG AMRIT automatically identifies the defects from Tower photographs using AI/ML algorithms. This has aided in optimizing the efforts of line maintenance manpower and shifted the focus from defect identification to defect rectification.</li> <li>• <b>Asset Management Dashboard (UDAAN)</b> to ensure a single window access to all the key performance indicators (KPIs) by integrating data stored in various formats. The dashboard not only facilitates a streamlined and efficient process for management but also offers a bird's eye geospatial view of the entire asset management system across the organization.</li> <li>• <b>Developed In-house, Asset Health Indexing Software for Transformers/Reactors/Circuit Breakers.</b> It automatically fetches and evaluates the Transformer/Reactor/Circuit Breaker data from a centralized database and assigns health index to the equipment based on the extent of deterioration using POWERGRID's own interpretation technique. This will help in migration to Reliability Centered Maintenance of Transmission Asset.</li> <li>• <b>Intelligent Inspection in POWERGRID (I2P):</b> POWERGRID implemented an Intelligent Inspection module utilizing QR codes enabled efficient inspections of substation equipment. The rugged tablets used for data logging are water and dust protected, unaffected by electromagnetic induction, and allow users to input data in both online and offline modes.</li> <li>• <b>Hotline maintenance and Emergency restoration system (ERS):</b> Using hot line maintenance techniques to carry out maintenance of critical elements in live condition to avoid outages. Further, training for Hotline maintenance on 765kV transmission lines has been given first time in India. POWERGRID is also using ERS for quick restoration of transmission lines in case of failures.</li> <li>• <b>Indigenous Vendor Development for Supply of Emergency Restoration System (ERS):</b> Keeping in view the Aatma Nirbhar Bharat Abhiyaan &amp; Make in India initiative of Government of India, taken up indigenous vendor development of Emergency Restoration System (ERS) for emergency restoration of transmission lines.</li> </ul> |

| Challenges in Operations and Maintenance | Mitigation actions   |
|--|--|
|  | <ul style="list-style-type: none"> <li>• <b>Drone Patrolling of Transmission Lines:</b> POWERGRID has successfully conducted drone-based patrolling of transmission lines, covering an impressive 900 kilometers. This innovative approach enhances the efficiency and effectiveness of monitoring activities, allowing for swift and comprehensive inspections of transmission lines. Drones patrolling enables the identification of potential issues and facilitating timely maintenance efforts.</li> <li>• <b>Development of special design for transmission line foundations:</b> Your Company has developed an innovative pile foundation design, featuring three piles under each leg instead of the conventional four. This approach will expedite line completion by requiring fewer piles to be driven, thereby reducing both construction time and overall costs. Additionally, a foundation system incorporating a portal structure beneath one leg has been developed for areas with significant undulations. This innovation eliminates the need for very long standing chimney extensions.</li> <li>• <b>Development of Inhouse capability for survey of new transmission line:</b> To meet the requirements of the Tariff-Based Competitive Bidding (TBCB) projects, your Company has initiated the development of in-house capabilities to select the optimal route for transmission line projects across India. This involves utilizing the latest survey techniques, such as satellite mapping, Georeferenced maps, the Gatishakti portal, and various other available GIS software tools.</li> <li>• <b>Innovative Line Survey technique:</b> Your Company has initiated the use of Light Detection and Ranging (LiDAR) technology to conduct detailed surveys for transmission lines in high mountain and other inaccessible areas. This process involves flying through the line corridor with LiDAR equipment mounted on an aircraft or helicopter. LiDAR uses laser beams to measure distances and generate 3D maps of the terrain, which are then used to route the transmission lines in an effective and optimal manner.</li> <li>• <b>Substation Inspection Robot:</b> POWERGRID has taken up the development of autonomous robot powered with AI/ML algorithms for detection of faults in substation equipment, which will ease the routine inspection activities.</li> <li>• <b>STATCOM's in RE Pooling Stations:</b> STATCOMs were considered for the first time in India with multivendor Inverter Based Resources (IBRs) in RE pooling stations at Rajasthan RE complex. The presence of STATCOMs at strategic locations with unique control features near solar power parks enhances grid stability, improves power quality and facilitates the smooth integration of renewable energy sources into the existing power infrastructure. STATCOMs can provide dynamic reactive power support to regulate voltage levels, ensuring stability and reliability in the grid.</li> <li>• <b>500MVar Thyristor Controlled Reactor:</b> To have a vernier control of voltage profile, a standalone 500MVar TCR has been considered for the first time in India at Kurukshetra to facilitate smooth and reliable operation of HVDC controllers at steady state. Further, it helps in dynamic over voltage control in case of sudden load rejection.</li> <li>• <b>Drone Patrolling, Headgears, AR/VR devices, Industrial Rugged Tablet based Inspection</b> for improved asset inspection efficiency, asset reliability and grid resilience.</li> </ul> |



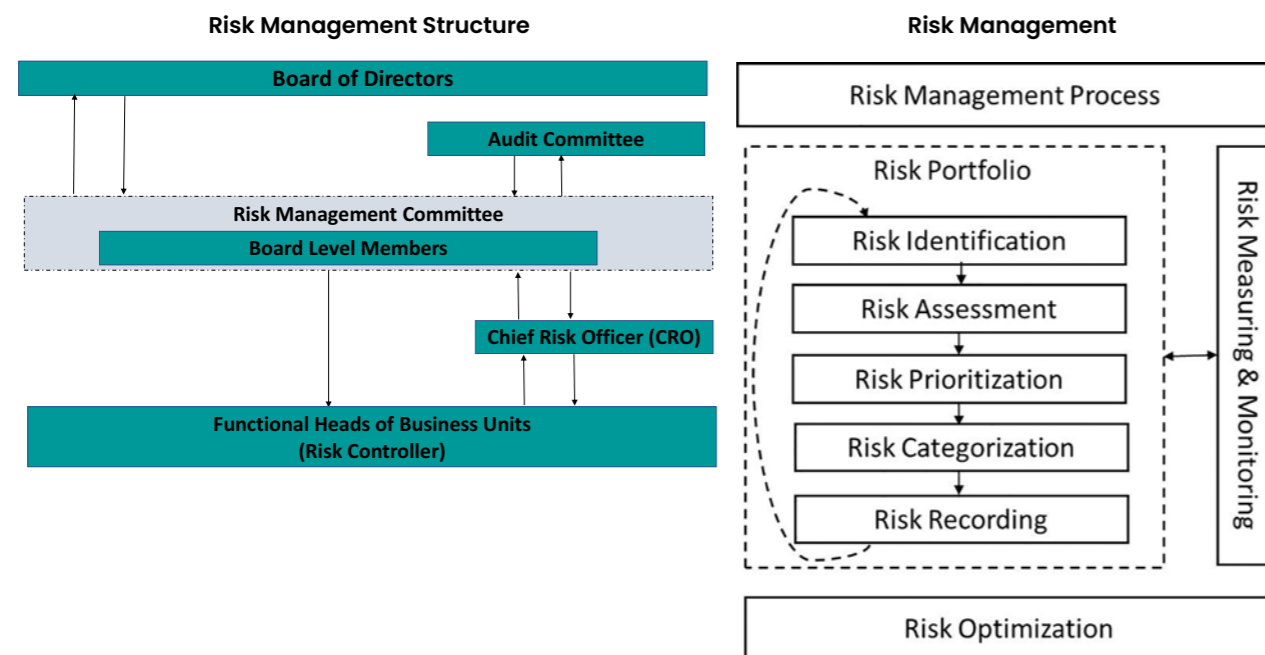
| Challenges in Operations and Maintenance | Mitigation actions   |
|--|--|
|  | <ul style="list-style-type: none"> <li><b>Digitization initiatives (QR tagging of assets, Digital Portals, OCR Reader, Valve Hall Inspection Robot etc.)</b> for improving data management, analysis and asset monitoring.</li> <li><b>Security Operations Centre:</b> POWERGRID has established in partnership with ECIL an Indigenous Integrated Information Security Operations Centre (I3SOC) for monitoring of heterogeneous (i.e. IT, ERP, Telecom, OT, etc.) POWERGRID's digital assets spread across the country.</li> </ul> |

#### 4. Risk Management Framework

Your Company has established a comprehensive Enterprise Risk Management (ERM) framework that enables the achievement of the Company's strategic objectives by identifying, analyzing, assessing, mitigating, monitoring, and governing any risk or potential threat to these objectives. The strategic, operational, financial, HR, compliance, ESG and cyber security risks identified by the businesses and functions are systematically monitored and controlled through various Key Performance Indicators (KPIs).

Your Company has a dedicated Board level Risk Management Committee comprising one Independent Director and three Executive Directors as members to review the KPIs, and processes and address major risks through mitigating actions on a continuing basis to improve business efficiency. The risk management committee also monitors compliance-related risks regularly and ensures strict compliance with all regulatory norms. The systematic and proactive identification of risks, and mitigation thereof, enables your Company to boost performance with effective and timely decision-making.

Your Company has designated a Chief Risk Officer. During the reporting period, three meetings of the Risk Management Committee were held to monitor/review the risks.



#### 5. Internal Financial Control and Adequacy

POWERGRID has a comprehensive internal control mechanism in place to verify the Accounting and Financial Management System, adequacy of controls, material checks, financial propriety aspects and compliance implementation mechanism. The elaborate guidelines for preparation of Accounts are followed consistently for uniform compliance.

In line with the regulatory requirements, the Internal Auditors were appointed by the Board of Directors. Regular and exhaustive Internal Audit on half yearly basis is carried out by the experienced Cost / Chartered Accountant Firms in close co-ordination with Company's own Internal Audit department to ensure that all checks and balances are in place and all internal controls/systems are in order. The Corporate Internal Audit Department also carries out System Audit and Management Audit to reassure the effectiveness of internal control mechanism. The scope of the Internal Audit is derived from the Internal Audit Plan approved by the Audit Committee. The Audit Committee meets at regular intervals. The significant / material audit findings are placed before the Audit Committee for review, discussion and subsequent action.

#### 6. Integrated Management Policy:

POWERGRID is committed to:

- Establish and maintain an efficient and effective "National Grid" with due regard to time, cost, Technology and value additions.,
- Sustainable development through conservation of natural resources and adopting environment friendly technology on principles of Avoidance, Minimization and Mitigation.,
- Ensure safe, occupational hazard free and healthy work environment to the satisfaction of stakeholders in all areas of its activities and shall endeavor to continually improve its management systems and practices in conformity to legal and regulatory provisions.

#### 7. Financial Discussion and Analysis

##### Total Income from Continuing Operations

(₹ in crore)

| Particulars             | FY 2023-24       | FY 2022-23       | Change %    |
|-------------------------|------------------|------------------|-------------|
| Revenue from Operations | 42,391.16        | 42,635.90        | (0.57)      |
| Other Income            | 3,424.21         | 2,591.62         | 32.13       |
| <b>Total Income</b>     | <b>45,815.37</b> | <b>45,227.52</b> | <b>1.30</b> |

Total income from Continuing Operations in FY 2023-24 was ₹45,815.37 crore, which represented an increase of 1.30% over the total income of ₹45,227.52 crore in FY 2022-23. In FY 2023-24, transmission and transmission related activities constituted 91.39% of our total income from Continuing Operations, with the balance coming from consultancy business and other income.

##### Factor affecting your Company's results of operations

###### Tariff norms

The transmission charges of the transmission system or an element used for inter-state transmission of electricity and implemented under Regulated Tariff Mode are governed by tariff regulations notified by CERC according to the Central Government Tariff Policy and legislation. The transmission licensee shall make an application as prescribed in the CERC Tariff Regulations, for determination of tariff based on capital expenditure incurred or projected to be incurred during the prevailing tariff block for the transmission system, as the case may be.

Under Tariff Regulations, your Company has been permitted to charge transmission charges for recovery of Annual Fixed Cost ("AFC") consisting of tariff components such as Return on Equity, Interest on Loan, Depreciation, Operation & Maintenance expenditure and Interest on Working Capital. CERC vide public notice dated 15<sup>th</sup> March, 2024 has issued CERC (Terms and Conditions of Tariff) Regulations, 2024 which shall be applicable for the 2024-29 Tariff Block.

The salient changes in the new tariff regulations are:

- The Return on Equity (RoE) for transmission assets commissioned before 1<sup>st</sup> April, 2024 has been protected as per the earlier 2019-24 regulations at the rate of 15.5% on pre-tax basis. However, the RoE for transmission assets to be commissioned on and after 1<sup>st</sup> April, 2024 is computed on a pre-tax basis by grossing up the base rate of return on equity of 15.0% at the effective tax rate of the respective financial year.
- Depreciation for existing assets shall continue at the same rates. For assets commissioned after 1<sup>st</sup> April, 2024, accelerated depreciation is provided for 15 years at slightly reduced rates and after 15 years, remaining depreciation spread in balance useful life.



- The interest on the loan is calculated considering repayment of the loan for each year deemed to be equal to the allowed depreciation.
- Recovery of Operation & Maintenance (O&M) expenses for maintaining the transmission systems are based on specified norms for Transmission Lines, Substations, HVDC systems, etc.
- For interest on working capital, the rate of interest is considered on a normative basis and is linked to a one-year MCLR of SBI plus 325 bps as of 1<sup>st</sup> April of the tariff year (reduced from 350 bps in 2019-24 block).
- Besides the above rebate for timely payment of transmission charges as per Sharing Regulations, 2020 and Late Payment Surcharge (LPS) as per MoP Rules for delayed payments are also applicable.

For projects being implemented under the TBCB route, the tariff is discovered through a competitive bidding process wherein the successful bidder would be the one who has quoted the lowest levelized tariff for a period of 35 years.

The sharing of Inter-state transmission charges for RTM projects and TBCB projects is governed by CERC (Sharing of Inter-State Transmission Charges and Losses) Regulations, as notified from time to time. Presently, CERC (Sharing of Interstate Transmission Charges and Losses) Regulations, 2020 are in vogue. As per the Sharing Regulations, 2020, the Central Transmission Utility (CTU) has the responsibility of billing, collection and disbursement of transmission charges on behalf of all ISTS licensees in the country. Your Company ceased to be the CTU w.e.f. 1<sup>st</sup> April 2021 and the Central Transmission Utility of India Limited (CTUIL), a wholly-owned subsidiary of the Company, has been notified to undertake and discharge all functions of CTU. However, even with this change, your Company continues to be a deemed Transmission Licensee under the Electricity Act, 2003.

Presently, Electricity (Late Payment Surcharge and Related Matters) Rules, 2022 issued on 3<sup>rd</sup> June, 2022 are in vogue. Amendment to the said Rules was issued by MoP on 28<sup>th</sup> February, 2024 to align it with CERC (Connectivity and General Network Access to the inter-State Transmission System) Regulations, 2022. The LPS shall be payable on outstanding dues after 45 days at the rates specified in the rules. The "Base rate of LPS" is linked to the one-year MCLR of SBI as of 1<sup>st</sup> April of the financial year plus 500 bps. In addition, regulation of access for default in payment of dues has also been provided in the rules.

Certain expenses and income, allowed under CERC Regulations are required to be reimbursed/ passed on to beneficiaries in future, and are to be accounted for in the Statement of Profit and Loss as per the provisions of Ind AS 114 'Regulatory Deferral Accounts'. Such expenses and income, to the extent recoverable/payable as part of tariff under CERC Regulations, are treated as Regulatory Deferral Assets/Liabilities.

## From Continuing Operations

### 7.1 Revenue from Operations

(₹ in crore)

| Particulars  | FY 2023-24       | FY 2022-23       | Change %      |
|--|------------------|------------------|---------------|
| Revenue from Transmission Business (including Other Operating Revenue) | 41,872.71        | 42,126.61        | (0.60)        |
| Consultancy- Project Management & Supervision                          | 518.45           | 509.29           | 1.80          |
| <b>Total</b>   | <b>42,391.16</b> | <b>42,635.90</b> | <b>(0.57)</b> |

Your Company is mainly engaged in the business of Transmission of Power. The revenue from transmission business has decreased by 0.60% mainly due to decrease in interest on differential between provisional and final tariff and one time CERC Order Impact.

Your Company also earns revenue from Consultancy (including project management and supervision services). Consultancy income mainly consists of fee for the execution of transmission and communication system-related projects on a turnkey basis and technical consulting assignments for Indian state utilities, joint venture/ subsidiary companies and utilities in other countries. The revenue from consultancy business increased by 1.80% mainly due to consultancy fee from domestic/foreign consultancy assignments.

### 7.2 Other Income

(₹ in crore)

| Particulars  | FY 2023-24 | FY 2022-23 | Change % |
|--------------|------------|------------|----------|
| Other Income | 3,424.21   | 2,591.62   | 32.13    |

The other income increased mainly due to an increase in dividend income from Subsidiaries and interest from Loan to Subsidiaries.

## 8. Expenses

(₹ in crore)

| Particulars | FY 2023-24 | FY 2022-23 | Change % |
|-------------|------------|------------|----------|
| Expenses    | 27,241.40  | 28,240.57  | (3.54)   |

Expenses have been categorized as (i) Employee Benefits Expense (ii) Finance Costs (iii) Depreciation and Amortization Expense (iv) Other Expenses.

### 8.1 Employee Benefits Expense

(₹ in crore)

| Particulars               | FY 2023-24 | FY 2022-23 | Change % |
|---------------------------|------------|------------|----------|
| Employee Benefits Expense | 2,376.88   | 2,400.35   | (0.98)   |

Employee benefits expenses include salaries and wages, Performance related pay, allowances & benefits, contributions to provident and other funds and staff welfare expenses. The decrease is mainly on account of superannuation of senior officials which is partially offset by increase in Dearness Allowance.

### 8.2 Finance Costs

(₹ in crore)

| Particulars   | FY 2023-24 | FY 2022-23 | Change % |
|---------------|------------|------------|----------|
| Finance Costs | 9,046.87   | 9,707.20   | (6.80)   |

As compared to previous year, the decrease of 6.80% in finance cost was mainly due to decrease in FERV due to decrease in exchange rate, reduction in interest on working capital loans and repayment of long-term loans which is partially offset due to capitalisation of new assets.

### 8.3 Depreciation and Amortization Expenses

(₹ in crore)

| Particulars                            | FY 2023-24 | FY 2022-23 | Change % |
|--|------------|------------|----------|
| Depreciation and amortization expenses | 12,558.19  | 12,858.52  | (2.34)   |

As compared to previous year, the decrease of 2.34% in Depreciation and Amortization Expenses was mainly due to completion of 12 years of life of assets which is partially offset due to capitalisation of new assets.

### 8.4 Other Expenses

(₹ in crore)

| Particulars    | FY 2023-24 | FY 2022-23 | Change % |
|----------------|------------|------------|----------|
| Other Expenses | 3,259.46   | 3,274.50   | (0.46)   |

As compared to previous year, the decrease of 0.46% in other expenses is mainly on account of decrease of foreign exchange rate variation, fair valuation loss on Financial assets (LPSC Scheme) which is partially offset due to increase in System Operation charges, R&M Expenses, training & recruitment expenses, power charges etc.

During the year, allowance for impairment amounting to ₹149.12 crore has been provided towards impairment of investment in Energy Efficiency Services Limited (EESL).



**9 Profit before Tax & Regulatory Deferral Account Balances**

(₹ in crore)

| Particulars  | FY 2023-24 | FY 2022-23 | Change % |
|--|------------|------------|----------|
| Profit before Tax & Regulatory Deferral Account Balances | 18,573.97  | 16,986.95  | 9.34     |

**9.1 Tax Expenses**

Tax expenses consist of Current tax and Deferred tax.

(₹ in crore)

| Particulars  | FY 2023-24 | FY 2022-23 | Change % |
|--------------|------------|------------|----------|
| Current Tax  | 3,236.43   | 2,874.82   | 12.58    |
| Deferred Tax | (604.45)   | (755.98)   | (20.04)  |

Provision for deferred tax is made in respect of timing difference on account of higher depreciation charge available under income tax provisions. In the opinion of the management, it is probable that future economic benefits will flow to the Company in the form of availability of set off against future income tax liability by recognizing MAT credit. Future taxable profits will be adjusted against (a) tax holiday u/s 80-IA of Income Tax Act, 1961 for the projects commissioned upto 31<sup>st</sup> March 2017 (b) initial depreciation on the assets to be commissioned in future and (c) regular income tax depreciation u/s 32 of Income Tax Act, 1961 and thereafter tax amount will be set off against MAT credit. Hence, the same has been recognized as Deferred Tax Assets during the year.

**9.2 Net Movement in Regulatory Deferral Account Balances-Income/(Expenses) (Net of Tax)**

Net movement in Regulatory Deferral Account Balances-Income/(Expenses) (net of tax) for FY 2023-24 stood at ₹(564.51) crore as against ₹256.43 crore in previous year. The decrease is mainly due to decrease in Foreign Currency Fluctuation which is partially offset by increase in Regulatory Deferral Account Balances on account of Deferred Asset for Deferred Tax Liability.

**10 Profit from Discontinued Operations**

(₹ in crore)

| Particulars                                    | FY 2023-24 | FY 2022-23 | Change % |
|--|------------|------------|----------|
| Profit before tax from Discontinued Operations | 116.27     | 227.74     | (48.95)  |
| Tax expense of Discontinued Operations         | 19.14      | 16.74      | 14.34    |
| Profit from Discontinued Operations            | 97.13      | 211.00     | (53.97)  |

The Board of Director in their meeting held on 14<sup>th</sup> July 2023 has approved the proposal for transfer of Telecommunication Business of the Company to POWERGRID Teleservices Limited (PowerTel), a wholly owned subsidiary of the Company.

The Telecommunications Business of the Company was transferred to PowerTel, w.e.f. 1<sup>st</sup> October 2023 at book value as on 30<sup>th</sup> September 2023. In line with IndAS 105, the same is presented as Discontinued Operations in the Statement of Profit and Loss. Accordingly, Profit after tax from discontinued operations is ₹97.13 crore as compared to ₹211.00 crore in previous year.

**11 Profit after Tax (PAT)**

(₹ in crore)

| Particulars            | FY 2023-24 | FY 2022-23 | Change % |
|------------------------|------------|------------|----------|
| Profit after Tax (PAT) | 15,474.61  | 15,335.54  | 0.91     |

Your Company recorded a growth in PAT at 0.91% as compared to previous year mainly due to commissioning of new transmission assets.

**12 Return on Net Worth**

(In %)

| Particulars         | FY 2023-24 | FY 2022-23 | Change |
|---------------------|------------|------------|--------|
| Return on Net Worth | 17.81      | 18.51      | (3.78) |

**13 Financial Ratios**

| Particulars             | FY 2023-24 | FY 2022-23 |
|-------------------------|------------|------------|
| Debtors Turnover        | 3.21       | 3.03       |
| Inventory Turnover      | 32.48      | 32.24      |
| Interest Coverage Ratio | 4.10       | 3.93       |
| Current Ratio           | 0.80       | 0.88       |
| Debt Equity Ratio       | 1.42       | 1.55       |
| Operating Profit Margin | 94%        | 92%        |
| Net Profit Margin       | 36%        | 35%        |

All Ratios are calculated including Discontinued Operations.

Refer Note 64(i) "Additional Regulatory Information as per schedule III to the Companies Act, 2013-Ratios" for reasons for variance >25%

**14 Other Comprehensive Income (Net of Tax)**

(₹ in crore)

| Particulars                       | FY 2023-24 | FY 2022-23 |
|-----------------------------------|------------|------------|
| <b>Other Comprehensive Income</b> |            |            |
| From Continuing Operations        | (231.94)   | (108.04)   |
| From Discontinued Operations      | (0.95)     | 1.34       |

The variation is mainly due to increase in valuation of investment in units of PGINVT and PTC India Limited.

**15 Credit Ratings**

Your Company's financial prudence is strongly reflected in the credit ratings accorded by domestic and international ratings agencies. For details, refer **Report on Corporate Governance**.

**16 Liquidity and Capital Resources**

(₹ in crore)

| Particulars               | FY 2023-24 | FY 2022-23 | % Change |
|---------------------------|------------|------------|----------|
| Cash and cash equivalents | 2,620.55   | 4,146.24   | (36.80)  |

The Company depends on both internal and external sources of liquidity to provide working capital and to fund capital requirements. The decrease in cash and cash equivalents in comparison to previous year is mainly on account of decrease in Term Deposits (with maturity less than 3 months) (including interest accrued).

**17 Cash Flows**

(₹ in crore)

| Particulars  | Year ended March 31 |             |
|--|---------------------|-------------|
|  | 2024                | 2023        |
| Cash and cash equivalents at the beginning of the year | 4,146.24            | 2,457.47    |
| Net cash from operating activities                     | 34,790.13           | 37,839.42   |
| Net cash from / (used in) Investing activities         | (10,433.54)         | (5,701.42)  |
| Net cash from / (used in) Financing activities         | (25,882.28)         | (30,449.23) |
| Cash and cash equivalents at the end of the year       | 2,620.55            | 4,146.24    |

**17.1 Net Cash from Operating Activities**

Net cash flows from operating activities are principally used to service long-term debt, for investments and for payment of dividend.

**17.2 Net Cash from / (used in) Investing Activities**

Net cash used in investing activities during FY 2023-24 was primarily reflected in expenditure on Property,



Plant & Equipment and Capital Work-in-Progress (including advances for capital expenditure) of ₹5,511.80 crore, Loans & Advances to Subsidiaries & Joint Ventures (including repayment) of ₹4,650.02 crore, investment in Subsidiaries, & Joint Ventures & Others (Net) of ₹1,042.69 crore and receipt of interest on deposits, bonds and loans to subsidiaries & JV's, PGINVIT of ₹1,748.70 crore, surcharge received of ₹275.95 crore and dividend received of ₹1,038.02 crore.

### 17.3 Net Cash from / (used in) Financing Activities

During FY 2023-24, your Company raised ₹8,053.00 crore of new long term borrowings. These borrowings included principally Rupee bonds/Loans. The Company repaid ₹13,440.72 crore of long-term borrowings and paid finance cost of ₹9,339.19 crore. In FY 2023-24, the Company paid dividend of ₹11,218.85 crore comprising final dividend of ₹3,313.34 crore for FY 2022-23 and interim dividend of ₹7,905.51 crore for FY 2023-24.

## 18 Capital Expenditure

(₹ in crore)

| Particulars                      | FY 2023-24 | FY 2022-23 | % Change |
|----------------------------------|------------|------------|----------|
| Capital Expenditure (Cash Basis) | 11,219     | 8,850      | 26.77    |

Your Company's capital expenditure is primarily used for the installation of new transmission capacity and the expansion of existing capacity. Our capital expenditure during FY 2023-24 and FY 2022-23 includes CAPEX for TBCB companies of ₹5,563 crore and ₹3,867 crore respectively.

## 19 Non-current Assets

(₹ in crore)

| Particulars        | FY 2023-24  | FY 2022-23  | % Change |
|--------------------|-------------|-------------|----------|
| Non-Current Assets | 2,12,123.34 | 2,14,700.99 | (1.20)   |

Non-current assets have been categorized as (i) Property, Plant & Equipment; (ii) Capital work-in-progress; (iii) Investment Property; (iv) Intangible assets; (v) Intangible assets under development; (vi) Investments (vii) Trade receivables (viii) Loans; (ix) other non-current financial assets; and (x) other non-current assets.

### 19.1 Property, Plant and Equipment

(₹ in crore)

| Particulars                             | FY 2023-24  | FY 2022-23  | % Change |
|---|-------------|-------------|----------|
| Property, Plant & Equipment (Net Block) | 1,61,333.81 | 1,70,801.36 | (5.54)   |

Property, Plant & Equipment (Net Block) has decreased by 5.54%. It mainly consists of Land, Buildings, Transmission Lines, Substations, HVDC, ULDC Equipment, Furniture Fixtures, Right of Use (ROU) assets etc.

### 19.2 Capital work in progress

(₹ in crore)

| Particulars              | FY 2023-24 | FY 2022-23 | % Change |
|--------------------------|------------|------------|----------|
| Capital work-in-progress | 9,581.16   | 7,668.13   | 24.95    |

Capital work-in-progress was increased by 24.95% in FY 2023-24. The cost of materials consumed, erection charges and other expenses incurred for the construction of Property, Plant and Equipment are shown on the Balance Sheet as capital work-in-progress, pending capitalization of the completed project. The change in this amount is due to capitalization of several transmission projects and due to undertaking of new transmission projects.

### 19.3 Investment Property

(₹ in crore)

| Particulars         | FY 2023-24 | FY 2022-23 | % Change |
|---------------------|------------|------------|----------|
| Investment Property | 1.84       | -          | 100      |

## 19.4 Intangible assets

(₹ in crore)

| Particulars       | FY 2023-24 | FY 2022-23 | % Change |
|-------------------|------------|------------|----------|
| Intangible Assets | 1,366.70   | 1,476.19   | (7.42)   |

Intangible Assets consist of Electronic Data Processing Software, Right of Way-Afforestation Expenses, and development of 1200 kV Transmission System.

## 19.5 Intangible assets under development

(₹ in crore)

| Particulars                         | FY 2023-24 | FY 2022-23 | % Change |
|-------------------------------------|------------|------------|----------|
| Intangible assets under development | 91.01      | 31.08      | 192.82   |

Right of way-afforestation expenses during construction period are shown as Intangible assets under development. The change is on account of capitalization of expenditures on Transmission Projects during FY 2023-24 and undertaking of new transmission projects.

## 19.6 Investments

(₹ in crore)

| Particulars             | FY 2023-24      | FY 2022-23      | % Change     |
|-------------------------|-----------------|-----------------|--------------|
| Investments (Quoted)    | 1,515.93        | 1,774.46        | (14.57)      |
| Investments (Un-Quoted) | 7,215.70        | 5,640.49        | 27.93        |
| <b>Total</b>            | <b>8,731.63</b> | <b>7,414.95</b> | <b>17.76</b> |

Investments under 'Quoted' category are investments made in PTC India Limited and POWERGRID Infrastructure Investment Trust (PGInvIT) computed at Fair Value. Investments under 'Unquoted' category consist of equity investment in Subsidiaries & Joint venture companies at cost. Major investments in Subsidiaries & Joint ventures as on 31<sup>st</sup> March 2024 are:

| Sl. No.             | Name of the Subsidiary/Joint Venture                          | Amount invested as on 31.03.2024 (₹ in crore) |
|---------------------|---|---|
| <b>Subsidiaries</b> |   |   |
| 1                   | POWERGRID NM Transmission Limited                             | 490.95  |
| 2                   | POWERGRID Khetri Transmission System Limited                  | 198.75  |
| 3                   | POWERGRID Medinipur Jeerat Transmission Limited               | 661.60  |
| 4                   | POWERGRID Mithilanchal Transmission Limited                   | 233.20  |
| 5                   | POWERGRID Ajmer Phagi Transmission Limited                    | 115.00  |
| 6                   | POWERGRID Himachal Transmission Limited                       | 432.50  |
| 7                   | POWERGRID Fatehgarh Transmission Limited                      | 141.00  |
| 8                   | POWERGRID Southern Interconnector Transmission System Limited | 709.00  |
| 9                   | POWERGRID Varanasi Transmission System Limited                | 187.56  |
| 10                  | POWERGRID Bhuj Transmission Limited                           | 232.00  |
| 11                  | POWERGRID Rampur Sambhal Transmission Limited                 | 151.30  |
| 12                  | POWERGRID Meerut Simbhavali Transmission Limited              | 205.98  |
| 13                  | POWERGRID Bhind Guna Transmission Limited                     | 111.95  |
| 14                  | POWERGRID Bikaner Transmission System Limited                 | 140.00  |
| 15                  | POWERGRID Sikar Transmission Limited                          | 142.00  |
| 16                  | POWERGRID Teleservices Limited                                | 664.02  |
| 17                  | POWERGRID Narela Transmission Limited                         | 100.00  |
| 18                  | POWERGRID Neemuch Transmission System Limited                 | 125.81  |



| Sl. No.               | Name of the Subsidiary/Joint Venture  | Amount invested as on 31.03.2024 (₹ in crore) |
|-----------------------|---|---|
| <b>Joint Ventures</b> |   |   |
| 19.                   | Powerlinks Transmission Limited   | 229.32  |
| 20.                   | Sikkim Power Transmission Limited   | 120.12  |
| 21.                   | North East Transmission Company Limited   | 106.96  |
| 22.                   | Bihar Grid Company Limited  | 337.39  |
| 23.                   | Energy Efficiency Services Limited (Net of provision for diminution in value of investment) | 697.49  |

**19.7 Trade Receivables (Non-Current Assets)**

(₹ in crore)

| Particulars       | FY 2023-24 | FY 2022-23 |
|-------------------|------------|------------|
| Trade receivables | 282.95     | 695.57     |

The Company's portion of dues have been presented at their fair value under Trade Receivables (Non-current/Current) where dues have been rescheduled in pursuant to Electricity (Late Payment Surcharge and Related Matters) Rules, 2022 or otherwise.

**19.8 Loans (Non-Current)**

(₹ in crore)

| Particulars              | FY 2023-24       | FY 2022-23       | % Change     |
|--------------------------|------------------|------------------|--------------|
| Loans to Related Parties | 21,016.53        | 16,450.85        | 27.75        |
| Loans to Employees       | 485.99           | 446.44           | 8.86         |
| <b>Total</b>             | <b>21,502.52</b> | <b>16,897.29</b> | <b>27.25</b> |

The increase in loans in comparison to previous year was mainly due to increase in Unsecured Loans given to Subsidiaries for execution of Projects acquired by the Company through Tariff Based Competitive Bidding (TBCB) route.

**19.9 Other non-current financial assets**

(₹ in crore)

| Particulars                        | FY 2023-24 | FY 2022-23 | % Change |
|------------------------------------|------------|------------|----------|
| Other non-current financial assets | 4,662.16   | 4,810.79   | (3.09)   |

Other non-current financial asset mainly consists of Recoverable from GOI fully serviced Bonds and Lease Receivables. Company has issued Government of India fully serviced bonds amounting to ₹3,487.50 crore during FY 2018-19 for raising of Extra Budgetary Resources (EBR) for GoI scheme of Power System Development Fund in terms of letter no. 7/1/2018-OM dated 21<sup>st</sup> January, 2019 of Ministry of Power, Government of India for meeting accrued liabilities for creation of Capital Assets. The repayment of principal and the interest payment on such bonds shall be met by GoI.

**19.10 Other non-current assets**

(₹ in crore)

| Particulars              | FY 2023-24 | FY 2022-23 | % Change |
|--------------------------|------------|------------|----------|
| Other non-current assets | 4,569.56   | 4,905.63   | (6.85)   |

Other non-current assets mainly comprise of advances for Capital Expenditure, deferred foreign currency Fluctuation Asset, advance recoverable in kind or for value to be received from Customs Port Trust and other authorities.

**20 Current Assets**

(₹ in crore)

| Particulars    | FY 2023-24 | FY 2022-23 | % Change |
|----------------|------------|------------|----------|
| Current Assets | 23,698.33  | 23,231.42  | 2.01     |

Current Assets have been categorized as (i) Inventories; (ii) Investments; (iii) Trade receivables; (iv) Cash & Cash Equivalents; (v) Bank Balances other than cash and cash equivalents; (vi) Loans; (vii) Other current financial assets (viii) Other current assets and (ix) Assets classified as held for sale.

**20.1 Inventories**

(₹ in crore)

| Particulars | FY 2023-24 | FY 2022-23 | % Change |
|-------------|------------|------------|----------|
| Inventories | 1,303.73   | 1,323.55   | (1.50)   |

Inventories are valued at lower of the cost, determined on weighted average basis, and net realizable value. Inventories consist of components, spares & other spare parts, loose tools, consumable stores and other items.

**20.2 Investments**

(₹ in crore)

| Particulars          | FY 2023-24 | FY 2022-23 | % Change |
|----------------------|------------|------------|----------|
| Investments (Quoted) | 608.26     | -          | 100      |

Investments (Quoted) are investments in mutual funds computed at Fair value.

**20.3 Trade Receivables**

(₹ in crore)

| Particulars       | FY 2023-24 | FY 2022-23 | % Change |
|-------------------|------------|------------|----------|
| Trade Receivables | 10,825.80  | 14,304.13  | (24.32)  |

Trade Receivables consists mainly of receivables relating to transmission services and consultancy services. Due to different payment security mechanisms available to the Company, the Company has no material impaired receivables.

**20.4 Cash & Cash Equivalents**

(₹ in crore)

| Particulars               | FY 2023-24 | FY 2022-23 | % Change |
|---------------------------|------------|------------|----------|
| Cash and Cash Equivalents | 2,620.55   | 4,146.24   | (36.80)  |

Cash & Cash Equivalents decreased by 36.80% in FY 2023-24 as compared to previous year was mainly on account of decrease in term deposits (with maturity less than 3 months) (including Interest accrued).

**20.5 Bank Balances other than cash & cash equivalents**

(₹ in crore)

| Particulars                                      | FY 2023-24 | FY 2022-23 | % Change |
|--|------------|------------|----------|
| Bank balances other than cash & cash equivalents | 2,406.18   | 588.20     | 309.08   |

Bank Balances other than cash & cash equivalents increased by 309.08% during FY 2023-24 as compared to previous year was mainly on account of increase in term deposits (with maturity over 3 months but up to 12 months) (including interest accrued) in banks for consultancy clients & others.



**20.6 Loans (Current)**

(₹ in crore)

| Particulars | FY 2023-24 | FY 2022-23 | % Change |
|-------------|------------|------------|----------|
| Loans       | 450.49     | 455.10     | (1.01)   |

The decrease in Loans from previous year to FY 2023-24 was mainly on account of decrease of current maturities of Loans to Subsidiary Companies.

**20.7 Other current financial assets.**

(₹ in crore)

| Particulars                    | FY 2023-24 | FY 2022-23 | % Change |
|--------------------------------|------------|------------|----------|
| Other current financial assets | 5,020.57   | 1,930.57   | 160.06   |

As compared to previous year, other current financial assets increased by 160.06% during FY 2023-24 mainly on account of increase in Contract Assets.

**20.8 Other Current Assets**

(₹ in crore)

| Particulars          | FY 2023-24 | FY 2022-23 | % Change |
|----------------------|------------|------------|----------|
| Other current assets | 201.89     | 222.77     | (9.37)   |

As compared to previous year, the other current assets have decreased by 9.37% in FY 2023-24 mainly on account of decrease in advances recoverable in kind or for value to be received from Customs Port-Trust and other authorities.

**20.9 Assets Classified as Held for Sale**

The balance share of 26% of 4 associate companies amounting to ₹260.86 crore will be transferred in line with Transmission Service Agreement (TSA) and the same was shown as "Assets Classified as Held for Sale".

**21 Indebtedness**

The Company relies on both Rupee and foreign currency denominated borrowings. A significant part of our external funding has been through long-term foreign currency loans from multilateral agencies such as the World Bank and the Asian Development Bank, which are guaranteed by GOI. Following table sets forth, by currency, our outstanding debt, and its maturity profile (currency conversions are as of 31<sup>st</sup> March 2024):

(₹ in crore)

| Loan Name               | 2024-25          | 2025-26          | 2026-27          | 2027-28          | 2028-29 Onwards  | Total             |
|-------------------------|------------------|------------------|------------------|------------------|------------------|-------------------|
| 1. Domestic Bonds       | 8,762.55         | 7,687.30         | 11,200.58        | 9,691.30         | 24,577.41        | 61,919.14         |
| 2. Domestic Loans       | 3,448.44         | 3,698.44         | 3,951.18         | 3,491.84         | 10,305.02        | 24,894.92         |
| <b>3. Foreign Loans</b> |                  |                  |                  |                  |                  |                   |
| US\$                    | 2,615.63         | 2,480.95         | 2,253.53         | 2,015.77         | 18,268.94        | 27,634.82         |
| EUR                     | 652.66           | 650.25           | 646.06           | 636.24           | 1,673.14         | 4,258.35          |
| SEK                     | 198.73           | 198.73           | 198.73           | 146.74           | 47.39            | 790.32            |
| JPY                     | 10.14            | 10.14            | 255.48           | 245.34           | 736.45           | 1,257.55          |
| Sub Total (3)           | 3,477.16         | 3,340.07         | 3,353.80         | 3,044.09         | 20,725.92        | 33,941.04         |
| <b>TOTAL (1+2+3)</b>    | <b>15,688.15</b> | <b>14,725.81</b> | <b>18,505.56</b> | <b>16,227.23</b> | <b>55,608.35</b> | <b>120,755.10</b> |

**21.1 Long-term borrowings**

(₹ in crore)

| Particulars          | FY 2023-24  | FY 2022-23  | % Change |
|----------------------|-------------|-------------|----------|
| Long-term borrowings | 1,05,066.95 | 1,13,891.29 | (7.75%)  |

Long-term borrowings include amounts raised from private placement of bonds, term loans from banks and financial institutions. Due to the repayment of loans during last year our borrowings have decreased by 7.75% as compared to the previous year.

**21.2 Secured Loans**

The secured loans (excluding current maturities of long-term loans) as at 31<sup>st</sup> March 2024 and 2023 were ₹65,012.12 crore and ₹75,338.05 respectively. Most of these loans have been secured by floating charges on the moveable and immovable properties of the Company. The following table presents the secured debt as at 31<sup>st</sup> March 2024:

| Particulars   | Amount (₹ in crore) | % of total unsecured debt |
|---|---------------------|---------------------------|
| Bonds denominated in Rupees                                       | 33,775.24           | 51.95                     |
| Term Loans and other Loans from Banks and Financial Institutions: |                     |                           |
| Denominated in Foreign Currency                                   | 26,323.90           | 40.49                     |
| Denominated in Rupees   | 4,912.98            | 7.56                      |
| <b>Total</b>  | <b>65,012.12</b>    | <b>100</b>                |

**21.3 Unsecured Loans**

The unsecured loans (excluding current maturities) as at 31<sup>st</sup> March 2024 and 2023 were ₹40,054.83 crore and ₹38,553.24 crore respectively, which consist of domestic bonds, loans from foreign financial institutions/ Banks such as the Natixis (Formerly Credit National) in France, Japan International Cooperation Agency (Formerly Japan Bank for International Co-operation) in Japan, Skandinaviska Enskilda Banken AB (publ.) in Sweden and AB Svensk Exportkredit, Sweden, etc.

The following table presents our unsecured debt as at 31<sup>st</sup> March 2024:

| Particulars  | Amount (₹ in crore) | % of total unsecured debt |
|--|---------------------|---------------------------|
| Bonds denominated in Rupees                                  | 19,381.35           | 48.39                     |
| Term Loans (From Domestic Banks and Foreign Currency Loans): |                     |                           |
| Denominated in Foreign Currency                              | 4,139.98            | 10.33                     |
| Denominated in Rupees  | 16,533.50           | 41.28                     |
| <b>Total</b>   | <b>40,054.83</b>    | <b>100</b>                |

**22 Advance Against Depreciation (AAD)**

Advance against depreciation (AAD) was a component of tariff that was permitted to be charged under CERC regulations for the Block 2004-09, to cover shortfall in respect of depreciation in a year on assets, for repayment of debts. AAD was done away with in the tariff block 2009-2014 and depreciation rate were reworked. Due to change in these tariff norms and the depreciation rates w.e.f. 1<sup>st</sup> April 2009, the outstanding AAD has been taken to transmission income after 12 years from the date of commercial operation to the extent the depreciation charged in respect of transmission system is more than the depreciation recovery under tariff. As on 31<sup>st</sup> March 2024, AAD has decreased by 18.43% from ₹706.73 crore during FY 2022-23 to ₹576.49 crore in FY 2023-24.

**23 Current Liabilities**

(₹ in crore)

| Particulars         | FY 2023-24 | FY 2022-23 | % Change |
|---------------------|------------|------------|----------|
| Current Liabilities | 29,805.81  | 26,296.27  | 13.35    |

Current Liabilities includes (i) Borrowings; (ii) Trade payables (iii) Other current Financial Liabilities (iv) Other current Liabilities; (v) Provisions; (vi) Current Tax Liabilities (Net) and (vii) Lease Liabilities.

**23.1 Borrowings (Current)**

(₹ in crore)

| Particulars | FY 2023-24 | FY 2022-23 | % Change |
|-------------|------------|------------|----------|
| Borrowings  | 18,381.67  | 14,626.22  | 25.68    |

The Borrowings were increased due to increase in current maturities of Long Term Borrowings.



**23.2 Trade payables**

(₹ in crore)

| Particulars    | FY 2023-24 | FY 2022-23 | % Change |
|----------------|------------|------------|----------|
| Trade payables | 354.07     | 325.02     | 8.94     |

Trade payables as at 31<sup>st</sup> March 2024 were 8.94% higher as compared to 31<sup>st</sup> March 2023.

**23.3 Other Current Financial Liabilities**

(₹ in crore)

| Particulars                         | FY 2023-24 | FY 2022-23 | % Change |
|-------------------------------------|------------|------------|----------|
| Other current financial liabilities | 7,875.60   | 7,392.53   | 6.53     |

Other current financial liabilities mainly include Interest accrued but not due on borrowings, dues for capital expenditure, deposits/retention money from contractors and others etc. Other current financial liabilities as at 31<sup>st</sup> March 2024 were 6.53% higher as compared to 31<sup>st</sup> March 2023.

**23.4 Other Current liabilities**

(₹ in crore)

| Particulars               | FY 2023-24 | FY 2022-23 | % Change |
|---------------------------|------------|------------|----------|
| Other current liabilities | 2,606.93   | 3,132.40   | (16.78)  |

Other current liabilities as at 31<sup>st</sup> March 2024 were 16.78% lower as compared to 31<sup>st</sup> March 2023 mainly on account of advances from customers.

**23.5 Provisions**

(₹ in crore)

| Particulars                                 | FY 2023-24 | FY 2022-23 | % Change |
|---|------------|------------|----------|
| Provisions for Employee Benefits and others | 583.36     | 781.41     | (25.35)  |

As compared to previous year, the provisions for Employee Benefits and others decreased by 25.35%.

**24 BUSINESS AND FINANCIAL REVIEW OF JOINT VENTURE COMPANIES and SUBSIDIARIES for FY 2023-24**
**JOINT VENTURE (JV) COMPANIES:**
**(i) POWERLINKS TRANSMISSION LIMITED (POWERLINKS):**

POWERGRID and Tata Power Company Limited are the Joint Venture Partners in this Joint Venture Company and hold 49% and 51% equity respectively. POWERLINKS was incorporated to undertake the implementation of Transmission Lines associated with Tala HEP, East-North interconnector and Northern Region Transmission System from Siliguri in West Bengal via Bihar to Uttar Pradesh and was the first public - private partnership in Power Transmission. POWERLINKS progressively commissioned the project by August, 2006. POWERGRID received ₹38.98 crore as dividend during FY 2023-24 from this JV.

As on 31<sup>st</sup> March 2024, POWERLINKS had a paid-up capital of ₹468.00 crore and POWERGRID's share in its paid-up capital is ₹229.32 crore

**Financial Highlights of this JV:**

(₹ in crore)

| Particulars                      | FY 2023-24 | FY 2022-23 |
|----------------------------------|------------|------------|
| POWERGRID's investment in Equity | 229.32     | 229.32     |
| Gross Income                     | 139.54     | 138.83     |
| Profit after Tax                 | 81.54      | 81.08      |
| Earnings per Share* (₹)          | 1.74       | 1.73       |

\*Face value per Share is ₹10 each.

**(ii) TORRENT POWERGRID LIMITED (TPL)**

POWERGRID and Torrent Power Limited are the Joint Venture Partners in this Joint Venture Company and hold 26% and 74% equity respectively. The Company was incorporated to undertake the implementation of transmission system associated with 1100 MW Gas Based project (Sugen) Generation Station of Torrent Power Ltd. at Akhakhhol in Surat District of Gujarat.

As on 31<sup>st</sup> March 2024, TPL had paid-up capital of ₹90 crore. POWERGRID's share in the paid-up capital is ₹23.40 crore. The project was progressively commissioned in March 2011. POWERGRID has received ₹2.11 crore as dividend during FY 2023-24 from this JV.

**Financial Highlights of this JV:**

(₹ in crore)

| Particulars                      | FY 2023-24 | FY 2022-23 |
|----------------------------------|------------|------------|
| POWERGRID's investment in Equity | 23.40      | 23.40      |
| Gross Income                     | 28.42      | 40.39      |
| Profit after Tax                 | 16.98      | 21.24      |
| Earnings per Share* (₹)          | 1.89       | 2.36       |

\*Face value per Share is ₹10/- each.

**(iii) NORTH EAST TRANSMISSION COMPANY LTD. (NETC):**

POWERGRID entered into a Joint Venture Agreement with ONGC Tripura Power Project Company Ltd. (OTPC), Government of Tripura, Manipur, Mizoram, Assam Electricity Grid Corporation Ltd., Meghalaya and Nagaland for establishment of Transmission Line of 400 kV D/C Palatana- Silchar- Bongaigoan Transmission Project associated with 726.6 MW Palatana Gas based Power Project in the state of Tripura.

As on 31<sup>st</sup> March 2024, NETC had paid-up share capital of ₹411.40 crore. POWERGRID's share in the paid-up capital is ₹106.96 crore. The project was progressively commissioned in February, 2015. NETC has paid ₹19.25 crore dividend during FY 2023-24 to POWERGRID.

**Financial Highlights of this JV:**

(₹ in crore)

| Particulars                      | FY 2023-24 | FY 2022-23 |
|----------------------------------|------------|------------|
| POWERGRID's investment in Equity | 106.96     | 106.96     |
| Gross Income                     | 285.39     | 304.98     |
| Profit after Tax                 | 71.13      | 88.63      |
| Earnings per Share* (₹)          | 1.73       | 2.15       |

\*Face value per Share is ₹10/- each.

**(iv) PARBATI KOLDAM TRANSMISSION COMPANY LIMITED (PKTCL)**

POWERGRID and India Grid Trust (IGT) are the Joint Venture Partners in this Joint Venture Company and hold 26% and 74% equity respectively. PKTCL was incorporated to undertake the implementation of transmission lines associated with Parbati-II (800 MW) HEP and Koldam (800 MW) HEP.

As on 31<sup>st</sup> March 2024, PKTCL had paid-up capital of ₹272.84 crore. POWERGRID's share in the paid-up capital is ₹70.94 crore. The Project was progressively commissioned in November, 2015. POWERGRID has received ₹3.55 crore dividend during FY 2023-24 from this JV.

**Financial Highlights of this JV:**

(₹ in crore)

| Particulars                      | FY 2023-24 | FY 2022-23 |
|----------------------------------|------------|------------|
| POWERGRID's investment in Equity | 70.94      | 70.94      |
| Gross Income                     | 143.16     | 142.87     |
| Profit after Tax                 | 46.57      | 43.19      |
| Earnings per Share* (₹)          | 1.70       | 1.59       |

\*Face value per Share is ₹10/- each.

**(v) SIKKIM POWER TRANSMISSION LIMITED (SPTL)**

POWERGRID and Teesta Urja Ltd. are the Joint Venture Partners in this Joint Venture Company and hold 30.92% and 69.08% equity respectively. SPTL was incorporated to undertake the implementation of transmission lines associated with 1,200 MW Teesta-III Hydro Electric Power Project to Kishanganj sub-station.

As on 31<sup>st</sup> March 2024, SPTL had Paid-Up Capital of ₹388.45 crore. POWERGRID's share in the paid-up capital was ₹120.12 crore. The Project commissioned progressively in February, 2019

**Financial Highlights of this JV:**

(₹ in crore)

| Particulars                      | FY 2023-24 | FY 2022-23 |
|----------------------------------|------------|------------|
| POWERGRID's investment in Equity | 120.12     | 120.12     |
| Gross Income                     | 256.41     | 254.11     |
| Profit after Tax                 | 67.37      | 51.67      |
| Earnings per Share* (₹)          | 1.73       | 1.33       |

\*Face value per Share is ₹10/- each.

**(vi) NATIONAL HIGH POWER TEST LABORATORY PRIVATE LIMITED (NHPTL):**

NHPTL is a joint venture Company of NTPC, NHPC, POWERGRID, DVC and CPRI with equal equity participation of 20% each. The main aim of the NHPTL is to establish an online high power short circuit test facility in the country. This Facility is being established for the first time in the country at Bina (M.P.) to provide a full range of short circuit testing for the electrical equipment in conformance to Indian and International Standards.

As on 31<sup>st</sup> March 2024, NHPTL had paid up share capital of ₹225.60 crore. POWERGRID's share in the paid-up capital was ₹48.80 crore.

High Voltage Transformer (HVTR) Section of Laboratory under Phase-I put under commercial operation with effect from 1<sup>st</sup> July 2017. The HVTR lab is capable of Short Circuit (SC) testing of power transformers for all possible ratings with voltage class starting from 132 kV to 765 kV. Medium Voltage Transformer (MVTR) Section was written off.

**Financial Highlights of this JV:**

(₹ in crore)

| Particulars                      | FY 2023-24 | FY 2022-23 |
|----------------------------------|------------|------------|
| POWERGRID's investment in Equity | 48.80      | 30.40      |
| Gross Income                     | 46.11      | 20.18      |
| Profit after Tax                 | 20.89      | (111.29)   |
| Earnings per Share* (₹)          | 1.40       | (7.15)     |

\*Face value per Share is ₹10/- each.

**(vii) BIHAR GRID COMPANY LIMITED (BGCL):**

POWERGRID entered into a Shareholders' Agreement on 29<sup>th</sup> December, 2012 with Bihar State Power (Holding) Company Limited {BSP(H)CL} for implementation of Intra-State Transmission System in the State of Bihar on 50:50 equity participation basis.

As on 31<sup>st</sup> March 2024, BGCL had the Paid-up Share Capital of ₹674.78 crore. POWERGRID's share in the paid-up capital was ₹337.39 crore.

The Company is implementing Transmission System Strengthening Schemes in Bihar under Phase-IV, Part-I worth ₹2,024 crore. The major components of Part-I Projects are under commercial operation. Further, works Phase-IV, Part-II worth ₹1,688 crore and Supplementary works worth ₹111 crore are under final stage of implementation.

**Financial Highlights of this JV:**

(₹ in crore)

| Particulars                      | FY 2023-24 | FY 2022-23 |
|----------------------------------|------------|------------|
| POWERGRID's investment in Equity | 337.39     | 334.13     |
| Gross Income                     | 295.86     | 252.30     |
| Profit after Tax                 | (141.07)   | (88.17)    |
| Earnings per Share* (₹)          | (2.10)     | (1.28)     |

\*Face value per Share is ₹10/- each.

**(viii) RINL POWERGRID TLT PRIVATE LIMITED (RPTPL)**

POWERGRID and Rashtriyaspat Nigam Ltd. (RINL) formed a joint venture Company, RPTPL, on 50:50 equity participation basis for setting up a Transmission Line Tower (TLT) manufacturing plant at Visakhapatnam with a view to exploit the emerging opportunity in transmission line tower manufacturing business. As on 31<sup>st</sup> March 2024, the JV Company has paid up share capital of ₹8.00 crore. However, keeping in view the business scenario of tower manufacturing, the Board of Directors of POWERGRID accorded approval for closure of the Company.

**(ix) ENERGY EFFICIENCY SERVICES LIMITED (EESL):**

POWERGRID entered into a Joint Venture Agreement with NTPC Ltd., Power Finance Corporation Ltd., and REC Ltd. The JV Company viz. EESL is to promote measures of Energy Efficiency, Energy Conservation and Climate Change and is carrying out business related to energy audit of Government buildings, consultancy assignments etc. in India and globally.

As on 31<sup>st</sup> March 2024, EESL had Paid-up Share Capital of ₹2,156.82 crore. POWERGRID's share in the paid-up capital was ₹846.61 crore (39.25%).

**Financial Highlights of this JV:**

(₹ in crore)

| Particulars                           | FY 2023-24 | FY 2022-23 |
|---------------------------------------|------------|------------|
| POWERGRID's investment in Equity      | 846.61     | 463.61     |
| Gross Income (including other income) | 1,871.54   | 2,448.79   |
| Profit after Tax                      | (393.83)   | (331.74)   |
| Earnings per Share* (₹)               | (1.83)     | (2.37)     |

\*Face value per Share is ₹10/- each.

**(x) Cross Border Power Transmission Company Limited (CPTCL):**

POWERGRID entered into Shareholders' Agreement on 9<sup>th</sup> July 2012 with IL&FS Energy Development Company Limited (IEDCL), SJVN Limited (SJVN) and Nepal Electricity Authority (NEA) of Nepal and incorporated a JV Company in India i.e. Cross Border Power Transmission Company Limited for implementation of Indian portion viz. Muzaffarpur-Sursand section (India Portion) of 400 kV D/C Muzaffarpur-Dhalkebar Indo-Nepal Cross Border transmission line.

The Shareholding of POWERGRID, SJVN, IEDCL and NEA in the said JV Company is 26%, 26%, 38% and 10% respectively. As on 31<sup>st</sup> March 2024, CPTCL had paid-up capital of ₹48.50 crore. At present, POWERGRID equity is ₹12.62 crore. It is prudent to mention here that IEDCL vide their letter dated 25<sup>th</sup> August, 2021 has informed that their board has proposed to divest the shares held by IEDCL in CPTCL (i.e. 38%), as per mandate of NCLT approved resolution framework. Further, IEDCL proposed the divestment of the shares directly to other shareholders of CPTCL viz. POWERGRID, SJVN and NEA in proportion to their existing shareholdings in line with the Shareholder's Agreement dated 9<sup>th</sup> July, 2012 (SHA). Currently, the approval from NCLT is under process.

POWERGRID has received ₹3.15 crore dividend during FY 2023-24 from this JV.

**(xi) Power Transmission Company Nepal Limited (PTCN):**

POWERGRID entered into a Joint Venture cum Share Purchase Agreement on 5<sup>th</sup> April, 2014 with Nepal Electricity Authority (NEA), Hydroelectricity Investment & Development Company Ltd. (HIDCL) of Nepal and IL&FS Energy Development Company Ltd. (IEDCL) and incorporated a JV Company in Nepal i.e. Power Transmission Company Nepal Limited (PTCN) for implementation of Dhalkebar - Bhattamod



400 kV Transmission Line (Nepal Portion of 400 kV D/C Dhalkebar - Muzaffarpur Indo-Nepal Cross Border transmission line). The Dhalkebar - Muzaffarpur Indo-Nepal Cross Border Transmission line is being used for Transmission of power between India & Nepal.

The Shareholding of NEA, POWERGRID, HIDCL and IEDCL in the said JV Company is 50%, 26%, 14% and 10% respectively. It is prudent to mention here that IEDCL vide their letter dated 10<sup>th</sup> March, 2023 had informed that their board has proposed to divest the shares held by IEDCL in PTCN (i.e. 10%), as per mandate of NCLT approved resolution framework. Further, IEDCL proposed the divestment of the shares directly to other shareholders of PTCN viz. NEA, POWERGRID and HIDCL in proportion to their existing shareholdings in line with the Shareholder's Agreement dated 5<sup>th</sup> April, 2014 (SHA). Currently, the approval from NCLT is under process.

As on 31<sup>st</sup> March, 2024, PTCN had Authorized, issued & paid-up share capital of NPR 45 crore. At present, POWERGRID equity is NPR 11.70 crore including 1,30,000 Bonus shares of NPR 100/- each. The line is under commercial operation w.e.f. 19<sup>th</sup> February, 2016. POWERGRID has received ₹1.32 crore dividend during FY 2023-24 from this JV.

**(xii) Butwal - Gorakhpur Cross Border Power Transmission Limited (BGCBPTL)**

POWERGRID entered into a Joint Venture Agreement with Nepal Electricity Authority (NEA) for implementation of Indian portion of 400 kV New Butwal (Nepal)-Gorakhpur (India) Cross Border Transmission Line. The Shareholding of both NEA & POWERGRID is 50% each in the JV Company. The JV Company was incorporated on 31<sup>st</sup> August, 2022 in India.

As on 31<sup>st</sup> March, 2024, BGCBPTL had paid-up capital of ₹20 crore. POWERGRID's shares in the paid-up capital was ₹10 crore.

**SUBSIDIARY COMPANIES:**

**(i) POWERGRID NM TRANSMISSION LIMITED (PNMTL)**

PNMTL was acquired by POWERGRID on 29<sup>th</sup> March, 2012 under Tariff Based Competitive Bidding for establishing Transmission System associated with IPPs of Nagapattinam / Cuddalore Area (Package A) on build, own, operate and maintain (BOOM) basis. The Transmission System comprising 765kV D/C and 765kV S/C traverses the states of Tamil Nadu and Karnataka. PNMTL was granted transmission license by CERC in June, 2013. All the project elements had been progressively commissioned by January 2019.

As on 31<sup>st</sup> March, 2024, PNMTL had an Authorized and Paid-up Share Capital of ₹496.25 crore and ₹490.95 crore. PNMTL paid first interim dividend of ₹5.89 crore, second interim dividend of ₹14.24 crore, third interim dividend of ₹14.24 crore and fourth interim dividend of ₹11.78 crore for FY 2023-24.

(₹ in crore)

| Particulars      | FY 2023-24 | FY 2022-23 |
|------------------|------------|------------|
| Gross Income     | 171.50     | 365.09     |
| Profit after Tax | 54.63      | 222.39     |

**(ii) POWERGRID UNCHAHAR TRANSMISSION LIMITED (PUTL)**

POWERGRID Unchahar Transmission Limited ("PUTL") was acquired by POWERGRID on 24<sup>th</sup> March, 2014 under Tariff Based Competitive Bidding for establishment of transmission system for Associated Transmission System ("ATS") of Unchahar Thermal Power Station ("TPS") on a build-own-operate-maintain (BOOM) basis. The transmission system comprising Unchahar - Fatehpur 400kV Double Circuit (D/C) line (about 106.74 circuit kilometer) traverses the state of Uttar Pradesh. PUTL was granted transmission license by Central Electricity Regulatory Commission on 21<sup>st</sup> July, 2014 and the project had been commissioned on 1<sup>st</sup> October 2016.

PUTL is also Investment Manager of POWERGRID Infrastructure Investment Trust ("PGInvIT").

As on 31<sup>st</sup> March 2024, PUTL had an Authorized Share Capital of ₹14 crore and Paid-up Share Capital of ₹12.96 crore respectively. PUTL paid first interim dividend of ₹3.82 crore, second interim dividend of ₹3.37 crore and third interim dividend of ₹3.63 crore for FY 2023-24. PUTL further proposed a final dividend of ₹3.24 crore for FY 2023-24.

(₹ in crore)

| Particulars      | FY 2023-24 | FY 2022-23 |
|------------------|------------|------------|
| Gross Income     | 28.65      | 28.75      |
| Profit after Tax | 14.39      | 14.83      |

**(iii) POWERGRID SOUTHERN INTERCONNECTOR TRANSMISSION SYSTEM LIMITED (PSITSL)**

PSITSL was acquired by POWERGRID on 4<sup>th</sup> December, 2015 under Tariff Based Competitive Bidding for "Strengthening of Transmission System Beyond Vemagiri" Project on build, own operate and maintain (BOOM) basis. The transmission project comprising of 765 kV & 400 kV D/C transmission lines which traverse the states of Andhra Pradesh, Telangana & Karnataka and include establishment of one 765/400 kV Substation as well as 400kV bay extension at two existing sub-stations in the state of Andhra Pradesh. The Company was granted transmission license by CERC in March 2016. All the project elements had been progressively commissioned by January, 2020.

The Company has also implemented following works under regulated tariff mechanism:

- 765 KV Spare (1-Ph) Reactor unit at 765 kV Chilakaluripeta substation (Commissioned w.e.f. 31<sup>st</sup> August, 2023).
- To bypass NGR to use switchable line reactor as Bus reactor at 765 kV Chilakaluripeta substation (Commissioned w.e.f. 12<sup>th</sup> May, 2023).

As on 31<sup>st</sup> March, 2024, PSITSL had an Authorized Share Capital of ₹731 crore and Paid-up Share Capital of ₹709 crore. PSITSL paid first interim dividend of ₹20.56 crore, second interim dividend of ₹39.70 crore, third interim dividend of ₹32.61 crore and fourth interim dividend of ₹27.65 crore for FY 2023-24.

(₹ in crore)

| Particulars      | FY 2023-24 | FY 2022-23 |
|------------------|------------|------------|
| Gross Income     | 481.03     | 481.06     |
| Profit after Tax | 128.93     | 129.91     |

**(iv) POWERGRID MEDINIPUR - JEERAT TRANSMISSION LIMITED (PMJTL)**

PMJTL was acquired by POWERGRID on 28<sup>th</sup> March, 2017 under Tariff based competitive bidding for Transmission System associated with "765kV Strengthening in Eastern Region (ERSS-XVIII)" on build, own, operate and maintain (BOOM) basis. The Transmission System includes establishment of 765kV and 400kV Transmission lines which traverse the states of West Bengal and Jharkhand and includes establishment of two new 765/400kV Substations in West Bengal. The Company was granted transmission license by CERC in June, 2017. All the project elements had been progressively commissioned by August, 2022.

As on 31<sup>st</sup> March, 2024, PMJTL had an Authorised and Paid-up Share Capital of ₹682.00 crore and ₹661.60 crore respectively. PMJTL paid first interim dividend of ₹61.66 crore, second interim dividend of ₹ 54.09 crore, third interim dividend of ₹55.57 crore and fourth interim dividend of ₹49.62 crore for FY 2023-24.

(₹ in crore)

| Particulars      | FY 2023-24 | FY 2022-23 |
|------------------|------------|------------|
| Gross Income     | 597.34     | 589.62     |
| Profit after Tax | 213.00     | 223.65     |

**(v) POWERGRID MITHILANCHAL TRANSMISSION LIMITED (PMTL)**

PMTL was acquired by POWERGRID on 12<sup>th</sup> January, 2018 under Tariff Based Competitive Bidding for "Establishment of Transmission System for Eastern Region Strengthening Scheme- XXI (ERSS-XXI)" on build, own, operate and maintain (BOOM) basis. The Transmission System includes establishment of 400kV Transmission lines in the state of Bihar and establishment of three new 400/220/132 kV Substations in Bihar. The Company was granted transmission license by CERC in April, 2018. All the project elements had been progressively commissioned by October, 2021.

As on 31<sup>st</sup> March, 2024, PMTL had an Authorised and Paid-up Share Capital of ₹245.50 crore and ₹233.20 crore respectively. PMTL paid first interim dividend of ₹8.86 crore, second interim dividend of ₹10.26 crore, third interim dividend of ₹10.03 crore, fourth interim dividend of ₹7.93 crore and fifth interim dividend of ₹2.33 crore for FY 2023-24.

(₹ in crore)

| Particulars      | FY 2023-24 | FY 2022-23 |
|------------------|------------|------------|
| Gross Income     | 176.53     | 177.51     |
| Profit after Tax | 39.86      | 41.11      |

**(vi) POWERGRID VARANASI TRANSMISSION SYSTEM LIMITED (PVTSL)**

PVTSL was acquired by POWERGRID on 27<sup>th</sup> March, 2018 under Tariff Based Competitive Bidding for establishing Transmission System for new Western Region– Northern Region 765kV Inter Regional Corridor on build, own, operate and maintain (BOOM) basis. The Transmission System includes establishment of a 765kV D/C Transmission Line from Vindhyachal pooling station to Varanasi which traverse the states of Madhya Pradesh and Uttar Pradesh. The Company was granted transmission license by CERC in August 2018. The project was commissioned in August, 2021.

As on 31<sup>st</sup> March, 2024, PVTSL had an Authorized and Paid-up Share Capital of ₹198.90 crore and ₹187.56 crore respectively. PVTSL paid first interim dividend of ₹5.06 crore, second interim dividend of ₹7.31 crore, third interim dividend of ₹6.38 crore and fourth interim dividend of ₹6.00 crore for FY 2023-24.

(₹ in crore)

| Particulars      | FY 2023-24 | FY 2022-23 |
|------------------|------------|------------|
| Gross Income     | 121.48     | 122.13     |
| Profit after Tax | 26.24      | 29.16      |

**(vii) POWERGRID JAWAHARPUR FIROZABAD TRANSMISSION LIMITED (PJFTL)**

PJFTL was acquired by POWERGRID on 21<sup>st</sup> December, 2018 under Tariff based competitive bidding for establishing intra-state Transmission System in Uttar Pradesh for Evacuation of Power from 2 X 660 MW Jawaharpur Thermal Power Project and Construction of 400 kV Substation at Firozabad along with associated Transmission Lines on build, own, operate and maintain (BOOM) basis. The Company was granted transmission license by UPERC on 5<sup>th</sup> July 2019. All the project elements had been progressively commissioned by July, 2021.

As on 31<sup>st</sup> March, 2024, PJFTL had an Authorized and Paid-up Share Capital of ₹89.60 crore. PJFTL paid first interim dividend of ₹47.31 crore and second interim dividend of ₹2.69 crore for FY 2023-24.

(₹ in crore)

| Particulars      | FY 2023-24 | FY 2022-23 |
|------------------|------------|------------|
| Gross Income     | 69.07      | 59.16      |
| Profit after Tax | 26.68      | 18.97      |

**(viii) POWERGRID KHETRI TRANSMISSION SYSTEM LIMITED (PKTSL)**

PKTSL was acquired by POWERGRID on 29<sup>th</sup> August, 2019 under Tariff based competitive bidding to establish Transmission system associated with LTA application from Rajasthan SEZ (Part -C) on build, own, operate and maintain (BOOM) basis. The Company was granted transmission license by CERC on 19<sup>th</sup> December, 2019. The project was commissioned on 4<sup>th</sup> October, 2021.

As on 31<sup>st</sup> March, 2024, PKTSL had an Authorized and Paid-up Share Capital of ₹209.00 crore and ₹198.75 crore respectively. PKTSL paid first interim dividend of ₹9.94 crore, second interim dividend of ₹4.97 crore, third interim dividend of ₹2.98 crore, fourth interim dividend of ₹12.92 crore, fifth interim dividend of ₹5.57 crore and sixth interim dividend of ₹11.93 crore for FY 2023-24.

(₹ in crore)

| Particulars      | FY 2023-24 | FY 2022-23 |
|------------------|------------|------------|
| Gross Income     | 158.69     | 130.84     |
| Profit after Tax | 48.41      | 26.84      |

**(ix) POWERGRID BHIND GUNA TRANSMISSION LIMITED (PBGTL)**

PBGTL was acquired by POWERGRID on 11<sup>th</sup> September, 2019 under Tariff based competitive bidding to establish transmission system for Intra-State Transmission Work associated with construction of 400 kV Substation near Guna & Intra-State Transmission Work associated with construction of 220 kV S/s near Bhind in Madhya Pradesh on Build, Own, Operate and Maintain (BOOM) basis. The Company was granted transmission license in December, 2020 by MPERC. The project was commissioned on 7<sup>th</sup> October, 2022.

As on 31<sup>st</sup> March, 2024, PBGTL had an Authorized and Paid-up Share Capital of ₹120.42 crore and ₹111.95 crore respectively. PBGTL paid first interim dividend of ₹8.73 crore, second interim dividend of ₹3.13 crore, third interim dividend of ₹6.72 crore and fourth interim dividend of ₹5.04 crore for FY 2023-24.

(₹ in crore)

| Particulars      | FY 2023-24 | FY 2022-23 |
|------------------|------------|------------|
| Gross Income     | 70.97      | 32.77      |
| Profit after Tax | 23.22      | 9.18       |

**(x) POWERGRID AJMER PHAGI TRANSMISSION LIMITED (PAPTL)**

PAPTL was acquired by POWERGRID on 3<sup>rd</sup> October 2019 under Tariff based competitive bidding to establish transmission system for Construction of Ajmer (PG)-Phagi 765 kV D/C line along with associated bays for Rajasthan SEZ on build, own, operate and maintain (BOOM) basis. The Company was granted transmission license by CERC on 4<sup>th</sup> March 2020. The project was commissioned on 6<sup>th</sup> May 2021.

As on 31<sup>st</sup> March 2024, PAPTL had an Authorized and Paid-up Share Capital of ₹125 crore and ₹115 crore respectively. PAPTL paid first interim dividend of ₹3.45 crore, second interim dividend of ₹3.45 crore, third interim dividend of ₹5.17 crore, fourth interim dividend of ₹1.15 crore and fifth interim dividend of ₹7.48 crore for FY 2023-24.

(₹ in crore)

| Particulars      | FY 2023-24 | FY 2022-23 |
|------------------|------------|------------|
| Gross Income     | 79.12      | 66.17      |
| Profit after Tax | 20.69      | 10.25      |

**(xi) POWERGRID FATEHGARH TRANSMISSION LIMITED (PFTL)**

PFTL was acquired by POWERGRID on 14<sup>th</sup> October 2019 under Tariff based competitive bidding to establish Transmission system associated with LTA applications from Rajasthan SEZ Part-B on build, own, operate and maintain (BOOM) basis. The Company was granted transmission license by CERC on 4<sup>th</sup> March 2020. The project was commissioned on 1<sup>st</sup> September 2021.

As on 31<sup>st</sup> March 2024, PFTL had an Authorized and Paid-up Share Capital of ₹141.00 crore. PFTL paid first interim dividend of ₹4.23 crore, second interim dividend of ₹2.96 crore, third interim dividend of ₹4.23 crore, fourth interim dividend of ₹5.36 crore, fifth interim dividend of ₹3.53 crore and sixth interim dividend of ₹4.09 crore for FY 2023-24.

(₹ in crore)

| Particulars      | FY 2023-24 | FY 2022-23 |
|------------------|------------|------------|
| Total Income     | 92.89      | 77.73      |
| Profit after Tax | 24.62      | 12.86      |

**(xii) POWERGRID BHUJ TRANSMISSION LIMITED (PBTL)**

PBTL was acquired by POWERGRID on 16<sup>th</sup> October, 2019 under Tariff based competitive bidding to establish transmission system for providing connectivity to RE projects at Bhuj-II (2000MW) in Gujarat on build, own, operate and maintain (BOOM) basis. The transmission system includes establishment of new 2 x 1500 MVA (765/400 kV), 4 x 500 MVA (400/220 kV) Bhuj - II PS and reconfiguration of Bhuj PS - Lakadia PS 765 kV D/c line so as to establish Bhuj - II - Lakadia 765 kV D/c line as well as Bhuj - Bhuj II 765 kV D/c line. The Company was granted transmission license by CERC on 3<sup>rd</sup> March 2020. All the project elements had been progressively commissioned by November, 2022.

The Company is also implementing 'Requirement of additional FOTE of STM-16 capacity at Bhuj-II substation to cater to connectivity of RE Gencos' works under regulated tariff mechanism.

As on 31<sup>st</sup> March 2024, PBTL had an Authorized and Paid-up Share Capital of ₹236.00 crore and ₹232.00 crore respectively. PBTL paid first interim dividend of ₹ 8.58 crore, second interim dividend of ₹4.64 crore, third interim dividend of ₹3.02 crore and fourth interim dividend of ₹1.86 crore for FY 2023-24.

(₹ in crore)

| Particulars      | FY 2023-24 | FY 2022-23 |
|------------------|------------|------------|
| Gross Income     | 132.67     | 66.11      |
| Profit after Tax | 18.57      | 2.31       |



**(xiii) POWERGRID RAMPUR SAMBHAL TRANSMISSION LIMITED (PRSTL)**

PRSTL was acquired by POWERGRID on 12<sup>th</sup> December 2019 under Tariff based competitive bidding to establish transmission System for construction of 765/400/220kV GIS Substation at Rampur and 400/220/132kV GIS Substation at Sambhal with associated Transmission Lines on build, own, operate and maintain (BOOM) basis. The Company was granted transmission license by UPERC in September 2020. The project was commissioned on 31<sup>st</sup> March 2023.

As on 31<sup>st</sup> March 2024, PRSTL had an Authorized and Paid-up Share Capital of ₹166 crore and ₹151.30 crore respectively.

(₹ in crore)

| Particulars      | FY 2023-24 | FY 2022-23 |
|------------------|------------|------------|
| Gross Income     | 104.94     | 21.09      |
| Profit after Tax | 32.50      | 6.79       |

**(xiv) POWERGRID MEERUT SIMBHAVALI TRANSMISSION LIMITED (PMSTL)**

PMSTL was acquired by POWERGRID on 19<sup>th</sup> December 2019 under Tariff based competitive bidding to establish transmission system for Construction of 765/400/220 kV GIS Substation at Meerut with associated lines and 400/220/132 kV GIS Substation at Simbhaoli with associated Transmission lines on build, own, operate and maintain (BOOM) basis. The Company was granted transmission license by UPERC on 18<sup>th</sup> September 2020. The project has been completely commissioned with effect from 29<sup>th</sup> April 2023.

As on 31<sup>st</sup> March 2024, PMSTL had an Authorized and Paid-up Share Capital of ₹220.00 crore and ₹205.98 crore respectively.

(₹ in crore)

| Particulars      | FY 2023-24 | FY 2022-23 |
|------------------|------------|------------|
| Gross Income     | 107.44     | 0.06       |
| Profit after Tax | 28.41      | (0.17)     |

**(xv) POWERGRID RAMGARH TRANSMISSION LIMITED (PRTL)**

PRTL was acquired by POWERGRID on 9<sup>th</sup> March 2021 under Tariff based competitive bidding to establish Transmission System for "Transmission System Strengthening Scheme for evacuation of Power from Solar Energy Zones in Rajasthan (8.1 GW) under Phase-II Part-A" on Build, Own, Operate and Maintain (BOOM) basis. The Company was granted transmission license by CERC on 31<sup>st</sup> May 2021. All the project elements were commissioned on 24<sup>th</sup> December 2023.

The Company is also implementing following works under regulated tariff mechanism:

- Transmission system for evacuation of power from REZ in Rajasthan (20GW) under Phase-III Part E1
- Implementation of Bus Sectionalizer at 400kV Level of 765/400/220kV Fatehgarh- III PS (Section-2)
- Transmission system for evacuation of power from REZ in Rajasthan (20 GW) under Phase III –Part E2
- Grant of 400kV & 220kV bays to RE generators at Fatehgarh-III (erstwhile Ramgarh-II) PS under ISTS
- Augmentation of Transformation Capacity at 400/220 kV Fatehgarh-III PS (Section-1) by 400/220 kV, 1x500MVA ICT (5<sup>th</sup>)
- Implementation of 400kV bay for RE generators at Fatehgarh-III (erstwhile Ramgarh-II)
- Implementation of 1 no. of 220 kV line bay at 400/220 kV Fatehgarh-III PS (Sec-1) for interconnection of BESS of JSW Renew Energy Five Ltd.

As on 31<sup>st</sup> March 2024, Company had an Authorized and Paid-up Share Capital of ₹35 crore and ₹32.01 crore respectively.

(₹ in crore)

| Particulars      | FY 2023-24 | FY 2022-23 |
|------------------|------------|------------|
| Gross Income     | 13.11      | 0.01       |
| Profit after Tax | 2.84       | (0.01)     |

**(xvi) POWERGRID BIKANER TRANSMISSION SYSTEM LIMITED (PBTSL)**

PBTSL was acquired by POWERGRID on 25<sup>th</sup> March 2021 under Tariff based competitive bidding to establish Transmission System for "Transmission System Strengthening Scheme for evacuation of Power from Solar Energy Zones in Rajasthan (8.1 GW) under Phase-II Part-F" on Build, Own, Operate and Maintain (BOOM) basis. The Company was granted transmission license by CERC on 15<sup>th</sup> July, 2021. All the project elements had been progressively commissioned by 24<sup>th</sup> July, 2023

The Company has also commissioned '220kV bays for RE Generators and 400/220kV ICTs at Bikaner-II PS' works under regulated tariff mechanism:

Further, following works are being implemented under regulated tariff mechanism:

- Implementation of 1 no. of 400 kV line bay at 400/220 kV Bikaner-II PS for interconnection of 1000 MW Solar Project of SJVN Ltd.
- Implementation of 2 no. of 220 kV line bays at 400/220 kV Bikaner-II PS for interconnection of solar projects (ACME Solar Holdings Pvt. Ltd., Prerak Greentech Pvt. Ltd.)
- Transmission System for Evacuation of Power from Rajasthan REZ Phase-IV (Part-1) (Bikaner Complex) Part-E
- Implementation of 1 no. of 220kV line bay at 400/220 kV Bikaner-II PS for interconnection of solar project (M/s NHPC Ltd).
- Implementation of 2 no. of 220 kV line bays at 400/220kV Bikaner-II PS for interconnection of RE power park of M/s ALF Solar Amarsar Pvt Ltd.
- Augmentation of transformation capacity at 400/220kV Bikaner-II PS by 400/220kV, 1x500 MVA ICT (3<sup>rd</sup>)
- Implementation of Bus Sectionalizer at 400kV level of 400/220kV Bikaner-II PS

As on 31<sup>st</sup> March 2024, Company had an Authorized and Paid-up Share Capital of ₹140 crore each. PBTSL paid first interim dividend of ₹4.56 Crore, second interim dividend of ₹5.95 Crore and third interim dividend of ₹9.10 Crore for FY 2023-24.

(₹ in crore)

| Particulars      | FY 2023-24 | FY 2022-23 |
|------------------|------------|------------|
| Gross Income     | 120.20     | 0.02       |
| Profit after Tax | 22.02      | (0.30)     |

**(xvii) POWERGRID SIKAR TRANSMISSION LIMITED (PSTL)**

PSTL was acquired by POWERGRID on 4<sup>th</sup> June 2021 under Tariff based competitive bidding to establish Transmission System for "Transmission system strengthening scheme for evacuation of power from solar energy zones in Rajasthan (8.1 GW) under Phase II –Part C" on Build, Own, Operate and Maintain (BOOM) basis. The Company was granted transmission license by CERC on 27<sup>th</sup> May 2022. The project is under implementation.

As on 31<sup>st</sup> March 2024, Company had an Authorized and Paid-up Share Capital of ₹142 crore each.

**(xviii) POWERGRID BHADLA TRANSMISSION LIMITED (PBdTL)**

PBdTL formerly known as Fatehgarh Bhadla Transco Limited was acquired by POWERGRID on 4<sup>th</sup> June 2021 under Tariff based competitive bidding to establish Transmission System for "Transmission system strengthening scheme for evacuation of power from solar energy zones in Rajasthan (8.1 GW) under phase II – Part B" on Build, Own, Operate and Maintain (BOOM) basis. The Company was granted transmission license by CERC on 25<sup>th</sup> November 2022. The project is under implementation.

As on 31<sup>st</sup> March 2024, the Company had an Authorized and Paid-up Share Capital of ₹89.35 crore and ₹73.21 crore respectively.

**(xix) POWERGRID VEMAGIRI TRANSMISSION LIMITED (PVTL)**

PVTL was acquired by POWERGRID on 18<sup>th</sup> April 2012 under Tariff based competitive bidding for establishing Transmission system associated with IPPs of Vemagiri Area (Package A). The transmission system comprising 765kV D/C lines which traverse the state of Andhra Pradesh and Telangana.

As on 31<sup>st</sup> March 2024, PVTL had an Authorized and Paid-up Share Capital of ₹5 Lakh.

CERC vide Order dated 6<sup>th</sup> April 2015 stated that Vemagiri-Khammam-Hyderabad 765 kV D/C lines under

the project is neither required as an evacuation line nor as a system strengthening line, no useful purpose will be served by adopting the transmission charges and granting license to the petitioner for the said transmission line and has withdrawn the regulatory approval for the Transmission project.

**(xx) POWERGRID HIMACHAL TRANSMISSION LIMITED (PHTL)**

POWERGRID has acquired 74% stake on 25<sup>th</sup> March 2021 held by Jaiprakash Power ventures Ltd. (JPVL) in JPL (Jaypee POWERGRID Limited) and hence JPL has become a wholly owned subsidiary of POWERGRID. Consequent upon acquisition, name of the Company has been changed from Jaypee POWERGRID Limited to PHTL. The project was commissioned on 1<sup>st</sup> April 2012.

PHTL is engaged in operation and maintenance of (i) 400 Kv D/C Karcham Wang to Abdullapur Transmission Line with 219.80 KM (ii) LLO of 400 kV D/C Baspa-Jhakri Line with 4.0 KM.

As on 31<sup>st</sup> March 2024, the Authorized and Paid-up Share Capital of PHTL is ₹300 crore each. PHTL paid first interim dividend of ₹27 crore, second interim dividend of ₹9 crore and third interim dividend of ₹12 crore for FY 2023-24.

(₹ in crore)

| Particulars      | FY 2023-24 | FY 2022-23 |
|------------------|------------|------------|
| Gross Income     | 129.61     | 134.77     |
| Profit after Tax | 53.19      | 49.69      |

**(xxi) POWERGRID ALIGARH SIKAR TRANSMISSION LIMITED (PASTL)**

PASTL formerly known as Sikar-II Aligarh Transmission Limited was acquired by POWERGRID on 8<sup>th</sup> June 2021 under Tariff based competitive bidding to establish transmission system for "Transmission system strengthening scheme for evacuation of power from solar energy zones in Rajasthan (8.1 GW) under Phase II – Part D" on build, own, operate and maintain (BOOM) basis. The transmission system comprises establishment of a 765kV D/C transmission line from Sikar to Aligarh and associated Substation extension works in the State of Rajasthan and Uttar Pradesh. The Company was granted transmission license on 28<sup>th</sup> May, 2022 by CERC. The project is under implementation.

As on 31<sup>st</sup> March 2024, Company had an Authorized and Paid-up Share Capital of ₹100 crore and ₹99.95 crore respectively.

**(xxii) CENTRAL TRANSMISSION UTILITY OF INDIA LIMITED (CTUIL)**

Pursuant to mandate of Government of India, POWERGRID incorporated Central Transmission Utility of India Limited, as its wholly-owned Subsidiary on 28<sup>th</sup> December 2020. This Subsidiary has been mandated to be acquired by Government of India.

As on 31<sup>st</sup> March 2024, the Authorized and Paid-up Share Capital of CTUIL is ₹1 crore and ₹0.05 crore respectively. CTUIL paid total interim dividend of ₹40 crore during FY 2023-24.

(₹ in crore)

| Particulars      | FY 2023-24 | FY 2022-23 |
|------------------|------------|------------|
| Gross Income     | 103.17     | 71.62      |
| Profit after Tax | 68.78      | 51.11      |

**(xxiii) POWERGRID TELESERVICES LIMITED (POWERTEL)**

PowerTel has been incorporated on 25<sup>th</sup> November 2021, as a 100% wholly owned subsidiary of POWERGRID, to undertake the Telecommunications and Digital Technology Business of POWERGRID.

Unified License agreement for service authorizations for National Long Distance (NLD), Internet Service Provider – A (ISP-A) & International Long Distance (ILD) was obtained on 11<sup>th</sup> May 2023. Further, Infrastructure Provider-1 (IP-1) registration certificate has been received on 16<sup>th</sup> February 2023.

The Telecommunications and Digital Technology Business of POWERGRID has been transferred to PowerTel w.e.f. 1<sup>st</sup> October 2023.

During the year, PowerTel has maintained Telecom backbone availability of 100%. POWERGRID is expanding its business into Data Centre services through PowerTel and a commercial Data Centre at POWERGRID Manesar Substation, Haryana is under implementation. Permission has also been received on 27<sup>th</sup> March 2024 from CERC for Data Centres establishment at 15 substation locations across the country. Based on customer requirement and business experience, PowerTel would explore establishing Data Centres at these locations.

As on 31<sup>st</sup> March 2024, the Authorized and Paid-Up Share Capital of PowerTel is ₹800 crore and ₹664.02 crore respectively.

(₹ in crore)

| Particulars      | FY 2023-24* | FY 2022-23 |
|------------------|-------------|------------|
| Gross Income     | 473.22      | 0.19       |
| Profit after Tax | 157.32      | (0.06)     |

\*Unaudited

**(xxiv) POWERGRID ENERGY SERVICES LIMITED (PESL)**

PESL was incorporated on 14<sup>th</sup> March 2022 as a wholly-owned Subsidiary of POWERGRID to undertake the Energy Management projects in India and Abroad.

PESL has entered into O&M agreements with 14 TBCB SPV's (wholly owned subsidiaries of POWERGRID (Holding Company) for providing Operations and Maintenance (O&M) services including Warranty Services w.e.f. 1<sup>st</sup> July 2023.

PESL 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.

In its endeavor towards effective energy management, PESL has entered into agreements with Madhya Gujarat Vij Company Ltd. (MGVCL) and Uttar Gujarat Vij Company Ltd. (UGVCL) in August 2023 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.

As on 31<sup>st</sup> March 2024, Company had an Authorized and Paid-up Share Capital of ₹150 crore and ₹97.75 crore respectively.

(₹ in crore)

| Particulars      | FY 2023-24 | FY 2022-23 |
|------------------|------------|------------|
| Gross Income     | 75.30      | 0.03       |
| Profit after Tax | 8.08       | (9.33)     |

**(xxv) POWERGRID NARELA TRANSMISSION LIMITED (PNTL)**

PNTL, formerly known as Khetri-Narela Transmission Limited was acquired by POWERGRID on 11<sup>th</sup> May 2022 under Tariff based competitive bidding to establish Transmission System for "Transmission System Strengthening Scheme for Evacuation of Power from Solar Energy Zones in Rajasthan (8.1 GW) under Phase-II Part-G", on build, own, operate and maintain (BOOM) basis. The Company was granted transmission license by CERC on 26<sup>th</sup> September 2022. The project is under implementation.

As on 31<sup>st</sup> March 2024, Company had an Authorized and Paid-up Share Capital of ₹166 crore and ₹100 crore respectively.

**(xxvi) POWERGRID GOMTI YAMUNA TRANSMISSION LIMITED (PGYTL)**

PGYTL, formerly known as Mohanlalganj Transmission Limited, was acquired by POWERGRID on 30<sup>th</sup> May 2022 under Tariff based competitive bidding to establish transmission system for Construction of 400/220/132kV GIS Substation at Mohanlalganj (Lucknow) with associated 400kV lines and other 765kV & 400kV LLO lines at 765kV GIS Substation Rampur and 400kV LLO (Quad Moose on Monopole) at 400kV GIS Substation at Sector 123 Noida. The Company was granted transmission license by UPERC on 20<sup>th</sup> December 2022. All the project elements had been progressively commissioned by 24<sup>th</sup> March 2024.

As on 31<sup>st</sup> March 2024, PGYTL had an Authorized and Paid-up Share Capital of ₹100 crore and ₹96 Crore respectively.

(₹ in crore)

| Particulars      | FY 2023-24 | FY 2022-23 |
|------------------|------------|------------|
| Gross Income     | 27.00      | 0.05       |
| Profit after Tax | 10.68      | (0.77)     |



**(xxvii) POWERGRID NEEMUCH TRANSMISSION SYSTEM LIMITED (PNTSL)**

PNTSL formerly Neemuch Transmission Limited was acquired by POWERGRID on 24<sup>th</sup> August 2022 under Tariff based competitive bidding to establish Transmission System for evacuation of Power from Neemuch SEZ on Build, Own, Operate and Transfer (BOOT) basis. The Company was granted transmission license by CERC on 27<sup>th</sup> December 2022. The project was commissioned on 24<sup>th</sup> April 2024.

As on 31<sup>st</sup> March 2024, Company had an Authorized and Paid-up Share Capital of ₹175.00 crore and ₹125.81 crore respectively.

**(xxviii) POWERGRID ER NER TRANSMISSION LIMITED (PENTL)**

PENTL, formerly known as ER NER Transmission Limited was acquired by POWERGRID on 10<sup>th</sup> October 2022 under Tariff based competitive bidding to establish Inter-State Transmission System for System Strengthening Scheme for Eastern and North Eastern Regions on Build, Own, Operate and Transfer (BOOT) basis. The Company was granted transmission license by CERC on 4<sup>th</sup> February 2023. The project is under implementation.

As on 31<sup>st</sup> March 2024, Company had an Authorized Share Capital of ₹36.05 crore and Paid-up Share Capital of ₹10.05 crore.

**(xxix) POWERGRID ERWR POWER TRANSMISSION LIMITED (PEPTL)**

PEPTL formerly ERWR Power Transmission Limited was acquired by POWERGRID on 21<sup>st</sup> March 2023 under Tariff based competitive bidding to establish Transmission System for Transmission system strengthening scheme for 400/220/132 kV Jagdalpur sub-station of CSPTCL and 400/220 kV Jeypore sub-station of POWERGRID. The Company was granted transmission license by CERC on 31<sup>st</sup> July 2023. The project is under implementation.

As on 31<sup>st</sup> March 2024, Company had an Authorized and Paid-up Share Capital of ₹5 Lakh.

**(xxx) POWERGRID KHAVDA RE TRANSMISSION SYSTEM LIMITED (PKRETSL)**

PKRETSL formerly known as Khavda RE Transmission Limited was acquired by POWERGRID on 21<sup>st</sup> March 2023 under Tariff based competitive bidding to establish Transmission Network Expansion in Gujarat associated with integration of RE projects from Khavda potential RE zone on Build, Own, Operate and Transfer (BOOT) basis. The Company was granted transmission license by CERC on 17<sup>th</sup> August 2023. The project is under implementation.

As on 31<sup>st</sup> March 2024, Company had an Authorized and Paid-up Share Capital of ₹26.05 crore and ₹12.76 crore respectively.

**(xxxi) POWERGRID KPS2 TRANSMISSION SYSTEM LIMITED (PKPS2TSL)**

PKPS2TSL formerly known as KPS2 Transmission Limited was acquired by POWERGRID on 21<sup>st</sup> March 2023 under Tariff based competitive bidding for establishment of Khavda Pooling Station-2 (KPS2) in Khavda RE Park on Build, Own, Operate and Transfer (BOOT) basis. The Company was granted transmission license on 4<sup>th</sup> August 2023. The project is under implementation.

The Company is also implementing 'Interconnection of RE developer's DTL at Bay no 416 of KPS-2 (400kV Bus Section-I)' works under regulated tariff mechanism.

As on 31<sup>st</sup> March 2024, Company had an Authorized and Paid-up Share Capital of ₹8.05 Crore and ₹1.30 Crore respectively.

**(xxxii) POWERGRID KPS3 TRANSMISSION LIMITED (PKPS3TL)**

PKPS3TL formerly known as KPS3 Transmission Limited was acquired by POWERGRID on 21<sup>st</sup> March 2023 under Tariff based competitive bidding for establishment of Khavda Pooling Station-3 (KPS3) in Khavda RE Park on Build, Own, Operate and Transfer (BOOT) basis. The Company was granted transmission license on 31<sup>st</sup> August 2023. The project is under implementation.

The Company is also implementing 'Transmission system for evacuation of power from potential Renewable Energy Zone in Khavda area of Gujarat under Phase IV (7GW): Part E3' works under regulated tariff mechanism.

As on 31<sup>st</sup> March 2024, Company had an Authorized Share capital of ₹7.05 Crore and Paid-up Share Capital of ₹6.30 Crore.

**(xxxiii) POWERGRID KHAVDA II-B TRANSMISSION LIMITED (PKIIBTL)**

PKIIBTL formerly known as KHAVDA II-B Transmission Limited was acquired by POWERGRID on 21<sup>st</sup> March 2023 under Tariff based competitive bidding for establishment of Transmission scheme for evacuation of 4.5 GW RE injection at Khavda P.S. under Phase-II – Part B on Build, Own, Operate and Transfer (BOOT) basis. The Company was granted transmission license on 22<sup>nd</sup> August 2023. The project is under implementation.

As on 31<sup>st</sup> March 2024, Company had an Authorized and Paid-up Share Capital of ₹26.05 crore.

**(xxxiv) POWERGRID KHAVDA II-C TRANSMISSION LIMITED (PKIICTL)**

PKIICTL formerly known as KHAVDA II-C Transmission Limited was acquired by POWERGRID on 21<sup>st</sup> March 2023 under Tariff based competitive bidding for establishment of Transmission scheme for evacuation of 4.5 GW RE injection at Khavda P.S. under Phase-II – Part C on Build, Own, Operate and Transfer (BOOT) basis. The Company was granted transmission license on 31<sup>st</sup> July 2023. The project is under implementation.

As on 31<sup>st</sup> March 2024, Company had an Authorized and Paid-up Share Capital of ₹5 lakh.

**(xxxv) POWERGRID BHADLA SIKAR TRANSMISSION LIMITED (PBSTL)**

PBSTL formerly known as Bhadla Sikar Transmission Limited was acquired by POWERGRID on 28<sup>th</sup> March 2023 under Tariff based competitive bidding to establish Transmission system associated with LTA applications from Rajasthan SEZ Part-E on Build, Own, Operate and Maintain (BOOM) basis. The Company was granted transmission license by CERC on 30<sup>th</sup> August 2023. The project is under implementation.

As on 31<sup>st</sup> March 2024, Company had an Authorized and Paid-up Share Capital of ₹37 crore and ₹1 lakh respectively.

**(xxxvi) POWERGRID DHARAMJAIGARH TRANSMISSION LIMITED (PDTL)**

PDTL formerly known as Dharamjaigarh Transmission Limited was acquired by POWERGRID on 28<sup>th</sup> March 2023 under Tariff based competitive bidding to establish Western Region Expansion Scheme- XXVIII (WRES-XXVIII) & XXIX (WRES-XXIX) on Build, Own, Operate and Transfer (BOOT) basis. The Company was granted transmission license by CERC on 31<sup>st</sup> July 2023. The project is under implementation.

As on 31<sup>st</sup> March 2024, Company had an Authorized and Paid-up Share Capital of ₹1 lakh.

**(xxxvii) POWERGRID RAIPUR POOL DHAMTARI TRANSMISSION LIMITED (PRPDTL)**

PRPDTL formerly known as Raipur Pool Dhamtari Transmission Limited was acquired by POWERGRID on 28<sup>th</sup> March 2023 under Tariff based competitive bidding to establish Transmission System associated with Western Region Expansion Scheme -XXVII (WRES-XXVII) on Build, Own, Operate and Transfer (BOOT) basis. The Company was granted transmission license on 23<sup>rd</sup> August 2023. The project is under implementation.

As on 31<sup>st</sup> March 2024, the Authorized and Paid-up Share Capital of PRPDTL is ₹1 lakh.

**(xxxviii) POWERGRID BHADLA III TRANSMISSION LIMITED (PBIIITL)**

PBIIITL formerly known as BHADLA III TRANSMISSION LIMITED was acquired by POWERGRID on 27<sup>th</sup> September, 2023 under Tariff based competitive bidding for "Transmission system for evacuation of power from REZ in Rajasthan (20GW) under Phase-III Part-B1" on Build, Own, Operate and Transfer (BOOT) basis. The Company was granted transmission license by CERC on 29<sup>th</sup> February 2024. The project is under implementation.

The Company is also implementing '1 no. of 400 kV line bay at 765/400/220kV Bhadla-III PS for interconnection of M/s ReNew Solar (Shakti Six) Pvt. Ltd.' works under regulated tariff mechanism.

As on 31<sup>st</sup> March 2024, the Authorized and Paid-up Share Capital of PBIIITL was ₹1 lakh.

**(xxxix) POWERGRID ANANTHPURAM KURNOOL TRANSMISSION LIMITED (PAKTL)**

PAKTL formerly known as Ananthpuram Kurnool Transmission Limited was acquired by POWERGRID on 27<sup>th</sup> September 2023 under Tariff based competitive bidding to establish Inter-State Transmission System for "Transmission scheme for Solar Energy Zone in Ananthapur (Ananthapur) (2500MW) and Kurnool (1000MW), Andhra Pradesh". The Company was granted transmission license by CERC on 29<sup>th</sup> February 2024. The project is under implementation.

The Company is also implementing '3 nos. of 400kV line bays at Ananthapuram PS for integration of RE generation projects' works under regulated tariff mechanism.

As on 31<sup>st</sup> March 2024, Company had an Authorized and Paid-up Share Capital of ₹1 Lakh.

**(xi) POWERGRID RAMGARH II TRANSMISSION LIMITED (PRIITL)**

PRIITL formerly known as Ramgarh II Transmission Limited was acquired by POWERGRID on 26<sup>th</sup> October 2023 under Tariff based competitive bidding to establish "Transmission system for evacuation of power from REZ in Rajasthan (20GW) under Phase-III Part C1". The Company was granted transmission license by CERC on 13<sup>th</sup> April 2024. The project is under implementation.

As on 31<sup>st</sup> March 2024, Company had an Authorized and Paid-up Share Capital of ₹5 Lakh.

**(xii) POWERGRID BEAWAR DAUSA TRANSMISSION LIMITED (PBDTL)**

PBDTL formerly known as Beawar Dausa Transmission Limited was acquired by POWERGRID on 30<sup>th</sup> October 2023 under Tariff based competitive bidding to establish "Transmission System for evacuation of power from REZ in Rajasthan (20GW) under Phase-III Part H". The Company was granted transmission license by CERC on 13<sup>th</sup> April 2024. The project is under implementation.

As on 31<sup>st</sup> March 2024, Company had an Authorized and Paid-up Share Capital of ₹1 Lakh.

**(xiii) POWERGRID VATAMAN TRANSMISSION LIMITED (PVTL)**

PVTL formerly known as Vataman Transmission Limited was acquired by POWERGRID on 26<sup>th</sup> December 2023 under Tariff based competitive bidding to establish Transmission System for evacuation of Additional 7GW RE Power from Khavda RE Park under Phase-III Part B. The Company was granted transmission license by CERC on 13<sup>th</sup> April 2024. The project is under implementation.

As on 31<sup>st</sup> March 2024, Company had an Authorized and Paid-up Share Capital of ₹1 Lakh.

**(xiv) POWERGRID KOPPAL GADAG TRANSMISSION LIMITED (PKGTL)**

PKGTL formerly known as Koppal II Gadag II Transmission Limited was acquired by POWERGRID on 26<sup>th</sup> December 2023 under Tariff based competitive bidding for "Transmission Scheme for Integration of Renewable Energy Zone (Phase-II) in Koppal-II (Phase-A & B) and Gadag-II (Phase-A) in Karnataka" on Build, Own, Operate and Transfer (BOOT) basis. The Company has filed petition with CERC for grant of transmission license. The project is under implementation.

As on 31<sup>st</sup> March 2024, Company had an Authorized and Paid-up Share Capital of ₹1 Lakh.

**(xv) POWERGRID BIKANER NEEMRANA TRANSMISSION LIMITED (PBNTL)**

PBNTL formerly known as Bikaner III Neemrana Transmission Limited was acquired by POWERGRID on 27<sup>th</sup> December 2023 under Tariff based competitive bidding for "Transmission system for evacuation of power from Rajasthan REZ Ph-IV (Part I) (Bikaner Complex): PART-A" on Build, Own, Operate and Transfer (BOOT) basis. The Company was granted transmission license by CERC on 15<sup>th</sup> April 2024. The project is under implementation.

As on 31<sup>st</sup> March 2024, Company had an Authorized and Paid-up Share Capital of ₹1 Lakh.

**(xvi) POWERGRID NEEMRANA BAREILLY TRANSMISSION LIMITED (PNBTL)**

PNBTL formerly known as Neemrana II Bareilly Transmission Limited was acquired by POWERGRID on 27<sup>th</sup> December 2023 under Tariff based competitive bidding to establish Transmission System for evacuation of power from Rajasthan REZ Ph-IV (Part-I) Bikaner Complex-Part D on Build, Own, Operate and Transfer (BOOT) basis. The Company was granted transmission license by CERC on 22<sup>nd</sup> April 2024. The project is under implementation.

As on 31<sup>st</sup> March 2024, Company had an Authorized and Paid-up Share Capital of ₹1 Lakh.

**(xvii) POWERGRID SIKAR KHETRI TRANSMISSION LIMITED (PSKTL)**

PSKTL formerly known as Sikar Khetri Transmission Limited was acquired by POWERGRID on 09<sup>th</sup> February 2024 under Tariff based competitive bidding for establishment of "Transmission system for evacuation of power from REZ in Rajasthan (20GW) under Phase-III Part D – Phase I" on Build, Own, Operate and Transfer (BOOT) basis. The Company was granted transmission license by CERC on 28<sup>th</sup> May 2024. The project is under implementation.

As on 31<sup>st</sup> March 2024, Company had an Authorized and Paid-up Share Capital of ₹5 Lakh.

**(xviii) POWERGRID BIDAR TRANSMISSION LIMITED (PBTL)**

PBTL formerly known as Bidar Transmission Limited was acquired by POWERGRID on 9<sup>th</sup> February, 2024 under Tariff based competitive bidding to establish Transmission System for "Transmission Scheme for Solar Energy Zone in Bidar (2500 MW), Karnataka" on Build, Own, Operate and Transfer (BOOT) basis. The Company has filed petition with CERC for grant of transmission license. The project is under implementation.

As on 31<sup>st</sup> March 2024, Company had an Authorized and Paid-up Share Capital of ₹5 Lakh.

**(xix) POWERGRID KHAVDA IV-E2 POWER TRANSMISSION LIMITED (PKIVE2PTL)**

PKIVE2PTL formerly known as Khavda IV-E2 Power Transmission Limited was acquired by POWERGRID on 30<sup>th</sup> May, 2024 under Tariff based competitive bidding for establishment of "Transmission System for Evacuation of Power from potential renewable energy zone in Khavda area of Gujarat under Phase- IV (7 GW): Part E2" on Build, Own, Operate and Transfer (BOOT) basis. The Company has filed petition with CERC for grant of transmission license. The project is under implementation.

As on 31<sup>st</sup> March 2024, the Authorized and Paid-up Share Capital of PKIVE2PTL was ₹5 lakh.

**25. Consolidated Financial Statements of POWERGRID**

The consolidated financial statements have been prepared in accordance with Ind AS 110- 'Consolidated Financial Statements' and Ind AS 28 - 'Investments in Associates and Joint Ventures'. On a consolidated basis, the Total Income of the Company, during FY 2023-24, stood at ₹46,913.12 crore as against ₹46,605.64 crore during FY 2022-23, registering an increase of about 0.66%. Total Expenses for the year ended 31<sup>st</sup> March 2024 stood at ₹27,808.23 crore as against ₹29,070.47 crore for the year ended 31<sup>st</sup> March 2023. Profit after Tax during FY 2023-24 increased by 0.99% vis-a-vis FY 2022-23. A brief summary of the results on a consolidated basis is given below:

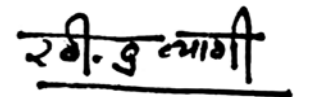
(₹ in crore)

| Particulars  | FY 2023-24 | FY 2022-23 |
|--|------------|------------|
| Total Income   | 46,913.12  | 46,605.64  |
| Profit before Tax & Regulatory Deferral Account Balances | 19,085.34  | 17,453.05  |
| Profit after Tax   | 15,573.16  | 15,419.74  |
| Net Cash from operating activities                       | 37,289.50  | 40,202.87  |

**26. Material developments in Human Resources / Industrial Relations**

Please refer to Human Resource section of Director's Report for details.

For and on behalf of the Board of Directors



**(Ravindra Kumar Tyagi)**  
Chairman & Managing Director  
DIN: 09632316

Date: 31<sup>st</sup> July, 2024

Place: Gurugram



## Annexure-II to the Directors' Report

## BUSINESS RESPONSIBILITY AND SUSTAINABILITY REPORT (FY 2023-24)

**SECTION A – General disclosures**
**SECTION B – Management and process disclosures**
**SECTION C – Principle-wise performance disclosure**

|                    |   |
|--------------------|---|
| <b>Principle 1</b> | Businesses should conduct and govern themselves with integrity and in a manner that is ethical, transparent and accountable         |
| <b>Principle 2</b> | Businesses should provide goods and services in a manner that is sustainable and safe   |
| <b>Principle 3</b> | Businesses should respect and promote the well-being of all employees, including those in their value chains                        |
| <b>Principle 4</b> | Businesses should respect the interests of and be responsive to all its stakeholders  |
| <b>Principle 5</b> | Businesses should respect and promote human rights  |
| <b>Principle 6</b> | Businesses should respect and make efforts to protect and restore the environment   |
| <b>Principle 7</b> | Businesses, when engaging in influencing public and regulatory policy, should do so in a manner that is responsible and transparent |
| <b>Principle 8</b> | Businesses should promote inclusive growth and equitable development  |
| <b>Principle 9</b> | Businesses should engage with and provide value to their consumers in a responsible manner  |

### SECTION A – GENERAL DISCLOSURES

**Details of the listed entity**

|     |  |   |
|-----|--|---|
| 1.  | <b>Corporate Identity Number (CIN) of the Listed Entity</b>  | L4010IDL1989GOI038121   |
| 2.  | <b>Name of the Company</b>   | Power Grid Corporation of India Limited   |
| 3.  | <b>Year of incorporation</b>   | 1989  |
| 4.  | <b>Registered office address</b>   | B-9, Qutab Institutional Area, Katwaria Sarai, New Delhi-110016                           |
| 5.  | <b>Corporate address</b>   | "Saudamini", Plot No.2, Sector 29, Gurugram, Haryana-122001                               |
| 6.  | <b>E-mail</b>  | sustainability@powergrid.in   |
| 7.  | <b>Telephone</b>   | 0124-2822999 / 0124-2822000   |
| 8.  | <b>Website</b>   | www.powergrid.in  |
| 9.  | <b>Financial year for which reporting is being done</b>  | FY 2023-24 (April 1,2023 to March 31, 2024)   |
| 10. | <b>Name of the Stock Exchange(s) where shares are listed</b>   | National Stock Exchange (NSE) and Bombay Stock Exchange (BSE)                             |
| 11. | <b>Paid-up Capital</b>   | ₹9,300.60 Crore   |
| 12. | <b>Name and contact details of the person who may be contacted in case of any queries on the BRSR report</b> | Shri A Nagaraju<br>Executive Director (ESMD & CSR)<br>Email ID: nagaraju1965@powergrid.in |

|     |                                   |  |
|-----|-----------------------------------|--|
| 13. | <b>Reporting boundary</b>         | All the non-financial aspects of POWERGRID for this reporting period covers the business activities of POWERGRID on a consolidated basis. (ONLY covering the fully owned subsidiaries and excludes the Joint Ventures and Associate Companies for this reporting period)<br><br>However, the financial performance wherever considered for any calculation/ reporting has been done on a consolidated basis which includes all JVs, Subsidiaries and Associates. |
| 14. | <b>Name of assurance provider</b> | M/s Grant Thornton Bharat LLP  |
| 15. | <b>Type of assurance obtained</b> | Reasonable Assurance for BRSR Core and Limited Assurance for BRSR Non Core   |

**Products/Services**
**16. Details of business activities (accounting for 90% of the turnover):**

| S. No. | Description of Main Activity | Description of Business Activity   | % of Turnover of the entity |
|--------|------------------------------|--|-----------------------------|
| 1.     | Transmission of Power        | POWERGRID primarily operates in Inter-state and Intra-state transmission of power in the country | 97                          |

**17. Products/Services sold by the entity (accounting for 90% of the entity's Turnover):**

| S. No. | Product/Service | NIC Code | % of total Turnover contributed |
|--------|-----------------|----------|---------------------------------|
| 1.     | Transmission    | 3510     | 97                              |

**Operations**
**18. Number of locations where plants and/or operations/offices of the entity are situated:**

| Location      | Number of plants   | Number of offices | Total |
|---------------|--|-------------------|-------|
| National      | 278 substations*   | 12                | 290   |
| International | For International Locations, the Company provides only consultancy services to overseas clients and does not have any plants in international locations. | 1                 | 1     |

\*Note The data excludes Pan India network of Telecom present in more than 3000 locations, substations and transmission lines that are presently under construction and temporary offices for consultancy works.

**19. Markets served by the entity:**
**a. Number of locations**

| Locations                        | Number   |
|----------------------------------|--|
| National (No. of States)         | Pan India – Across all the States and Union Territories of India |
| International (No. of Countries) | 5 Countries  |

**b. What is the contribution of exports as a percentage of the total turnover of the entity?**

0.143%

**c. A brief on types of customers**

The customers of the Company's Transmission business are Designated Inter State Customers like state DISCOMs, generating companies, bulk consumers, railways etc. In addition, the Company also provides consultancy services to domestic customers (state power utilities, DISCOMs, private entities, CPSEs, etc.) and international customers in more than 23 countries. Company provides telecom services to Telecom Service providers, Govt departments, Public Sector utilities, Internet Service providers, Enterprises, large corporates etc.

## Employees

### 20. Details as of the end of Financial Year:

#### a. Employees and workers (including differently abled):

| S. No.           | Particulars              | Total (A) | Male    |           | Female  |           |
|------------------|--------------------------|-----------|---------|-----------|---------|-----------|
|                  |                          |           | No. (B) | % (B / A) | No. (C) | % (C / A) |
| <b>EMPLOYEES</b> |                          |           |         |           |         |           |
| 1.               | Permanent (D)            | 6733      | 6120    | 90.90%    | 613     | 9.10%     |
| 2.               | Other than Permanent (E) | 274       | 248     | 90.51%    | 26      | 9.49%     |
| 3.               | Total employees (D + E)  | 7007      | 6368    | 90.88%    | 639     | 9.12%     |
| <b>WORKERS</b>   |                          |           |         |           |         |           |
| 4.               | Permanent (F)            | 1583      | 1498    | 94.63%    | 85      | 5.37%     |
| 5.               | Other than Permanent (G) | 17177     | 16510   | 96.12%    | 667     | 3.88%     |
| 6.               | Total workers (F + G)    | 18760     | 18008   | 95.99%    | 752     | 4.01%     |

Note: Permanent employees includes all personnel on rolls of the Company excluding Workmen. 'Other than permanent employees' include those on fixed term contract. Permanent workers include workmen who are on rolls of the Company. 'Other than permanent workers' are engaged through third party contractors.

#### b. Differently abled Employees and workers:

| S. No.                             | Particulars                               | Total (A) | Male    |           | Female  |           |
|------------------------------------|---|-----------|---------|-----------|---------|-----------|
|                                    |   |           | No. (B) | % (B / A) | No. (C) | % (C / A) |
| <b>DIFFERENTLY ABLED EMPLOYEES</b> |   |           |         |           |         |           |
| 1.                                 | Permanent (D)                             | 180       | 164     | 91.11%    | 16      | 8.89%     |
| 2.                                 | Other than Permanent (E)                  | 4         | 4       | 100.00%   | 0       | 0.00%     |
| 3.                                 | Total differently abled employees (D + E) | 184       | 168     | 91.30%    | 16      | 8.70%     |
| <b>DIFFERENTLY ABLED WORKERS</b>   |   |           |         |           |         |           |
| 4.                                 | Permanent (F)                             | 48        | 48      | 100%      | 0       | 0.00%     |
| 5.                                 | Other than permanent (G)                  | 0         | 0       | NIL       | 0       | NIL       |
| 6.                                 | Total differently abled workers (F + G)   | 48        | 48      | 100%      | 0       | 0.00%     |

### 21. Participation/Inclusion/Representation of women

|                          | Total (A) | No. and percentage of Females |           |
|--------------------------|-----------|-------------------------------|-----------|
|                          |           | No. (B)                       | % (B / A) |
| Board of Directors       | 8         | 0                             | 0         |
| Key Management Personnel | 9         | 0                             | 0         |

Note: Key Management Personnel, includes whole-time directors, Company Secretary, Independent Directors as well as Government Nominated Directors

### 22. Turnover rate for permanent employees and workers (Disclose trends for the past 3 years)

|                     | FY 2022-23 |        |       | FY 2021-22 |        |       | FY 2020-21 |        |       |
|---------------------|------------|--------|-------|------------|--------|-------|------------|--------|-------|
|                     | Male       | Female | Total | Male       | Female | Total | Male       | Female | Total |
| Permanent Employees | 5.22%      | 5.02%  | 5.20% | 5.20%      | 3.16%  | 5.03% | 4.98%      | 3.75%  | 4.88% |
| Permanent Workers   | 3.98%      | 7.65%  | 4.19% | 6.43%      | 9.52%  | 6.61% | 4.99%      | 4.39%  | 4.95% |

## Holding, subsidiary and associate companies (including joint ventures)

### 23. (a) Names of holding / subsidiary / associate companies / joint ventures

| S. No. | Name of the holding / subsidiary / associate companies / joint ventures (A) | Indicate whether holding / Subsidiary / Associate / Joint Venture | % of shares held by listed entity | Does the entity indicated at column A, participate in the Business Responsibility initiatives of the listed entity? (Yes/No) |
|--------|---|---|-----------------------------------|--|
| 1.     | POWERGRID Raipur Pool Dhamtari Transmission Limited                         | Subsidiary  | 100                               | Yes  |
| 2.     | POWERGRID Dharamjaigarh Transmission Limited                                | Subsidiary  | 100                               | Yes  |
| 3.     | POWERGRID ERWR Power Transmission Limited                                   | Subsidiary  | 100                               | Yes  |
| 4.     | POWERGRID Khavda RE Transmission Limited                                    | Subsidiary  | 100                               | Yes  |
| 5.     | POWERGRID KPS2 Transmission Limited   | Subsidiary  | 100                               | Yes  |
| 6.     | POWERGRID KPS3 Transmission Limited   | Subsidiary  | 100                               | Yes  |
| 7.     | POWERGRID Khavda II-C Transmission Limited                                  | Subsidiary  | 100                               | Yes  |
| 8.     | POWERGRID Khavda II-B Transmission Limited                                  | Subsidiary  | 100                               | Yes  |
| 9.     | POWERGRID Neemuch Transmission System Limited                               | Subsidiary  | 100                               | Yes  |
| 10.    | POWERGRID Energy Services Limited   | Subsidiary  | 100                               | Yes  |
| 11.    | POWERGRID Teleservices Limited  | Subsidiary  | 100                               | Yes  |
| 12.    | POWERGRID ER NER Transmission Limited                                       | Subsidiary  | 100                               | Yes  |
| 13.    | POWERGRID Gomti Yamuna Transmission Limited                                 | Subsidiary  | 100                               | Yes  |
| 14.    | Central Transmission Utility of India Limited                               | Subsidiary  | 100                               | Yes  |
| 15.    | POWERGRID Ramgarh Transmission Limited                                      | Subsidiary  | 100                               | Yes  |
| 16.    | POWERGRID Sikar Transmission Limited  | Subsidiary  | 100                               | Yes  |
| 17.    | POWERGRID Bhadla Transmission Limited                                       | Subsidiary  | 100                               | Yes  |
| 18.    | POWERGRID Aligarh Sikar Transmission Limited                                | Subsidiary  | 100                               | Yes  |
| 19.    | POWERGRID Narela Transmission Limited                                       | Subsidiary  | 100                               | Yes  |



| S. No. | Name of the holding / subsidiary / associate companies / joint ventures (A) | Indicate whether holding/ Subsidiary/ Associate/ Joint Venture | % of shares held by listed entity | Does the entity indicated at column A, participate in the Business Responsibility initiatives of the listed entity? (Yes/No) |
|--------|---|--|-----------------------------------|--|
| 20.    | POWERGRID Bhadla Sikar Transmission Limited                                 | Subsidiary   | 100                               | Yes  |
| 21.    | POWERGRID Bikaner Transmission System Limited                               | Subsidiary   | 100                               | Yes  |
| 22.    | POWERGRID Meerut Simbhavali Transmission Limited                            | Subsidiary   | 100                               | Yes  |
| 23.    | POWERGRID Rampur Sambhal Transmission Limited                               | Subsidiary   | 100                               | Yes  |
| 24.    | POWERGRID Ajmer Phagi Transmission Limited                                  | Subsidiary   | 100                               | Yes  |
| 25.    | POWERGRID Khetri Transmission System Limited                                | Subsidiary   | 100                               | Yes  |
| 26.    | POWERGRID Fatehgarh Transmission Limited                                    | Subsidiary   | 100                               | Yes  |
| 27.    | POWERGRID Bhuj Transmission Limited   | Subsidiary   | 100                               | Yes  |
| 28.    | POWERGRID Bhind Guna Transmission Limited                                   | Subsidiary   | 100                               | Yes  |
| 29.    | POWERGRID Jawaharpur Firozabad Transmission Limited                         | Subsidiary   | 100                               | Yes  |
| 30.    | POWERGRID Varanasi Transmission System Limited                              | Subsidiary   | 100                               | Yes  |
| 31.    | POWERGRID Mithilanchal Transmission Limited                                 | Subsidiary   | 100                               | Yes  |
| 32.    | POWERGRID Medinipur Jeerat Transmission Limited                             | Subsidiary   | 100                               | Yes  |
| 33.    | POWERGRID Southern Interconnector Transmission System Limited               | Subsidiary   | 100                               | Yes  |
| 34.    | POWERGRID Unchahar Transmission Limited                                     | Subsidiary   | 100                               | Yes  |
| 35.    | POWERGRID NM Transmission Limited   | Subsidiary   | 100                               | Yes  |
| 36.    | POWERGRID Vemagiri Transmission Limited                                     | Subsidiary   | 100                               | Yes  |
| 37.    | POWERGRID Himachal Transmission Limited                                     | Subsidiary   | 100                               | Yes  |
| 38.    | POWERGRID Ramgarh II Transmission Limited                                   | Subsidiary   | 100                               | Yes  |
| 39.    | POWERGRID Bhadla III Transmission Limited                                   | Subsidiary   | 100                               | Yes  |
| 40.    | POWERGRID Bikaner Neemrana Transmission Limited                             | Subsidiary   | 100                               | Yes  |
| 41.    | POWERGRID Koppal Gadag Transmission Limited                                 | Subsidiary   | 100                               | Yes  |
| 42.    | Bidar Transmission Limited  | Subsidiary   | 100                               | Yes  |
| 43.    | Sikar Khetri Transmission Limited   | Subsidiary   | 100                               | Yes  |
| 44.    | POWERGRID Neemrana Bareilly Transmission Limited                            | Subsidiary   | 100                               | Yes  |

| S. No. | Name of the holding / subsidiary / associate companies / joint ventures (A) | Indicate whether holding/ Subsidiary/ Associate/ Joint Venture | % of shares held by listed entity | Does the entity indicated at column A, participate in the Business Responsibility initiatives of the listed entity? (Yes/No) |
|--------|---|--|-----------------------------------|--|
| 45.    | POWERGRID Ananthpuram Kurnool Transmission Limited                          | Subsidiary   | 100                               | Yes  |
| 46.    | POWERGRID Vataman Transmission Limited                                      | Subsidiary   | 100                               | Yes  |
| 47.    | POWERGRID Beawar Dausa Transmission Limited                                 | Subsidiary   | 100                               | Yes  |
| 48.    | Bihar Grid Company Limited  | Joint Venture  | 50                                | Yes  |
| 49.    | RINL Powergrid TLT Pvt. Limited   | Joint Venture  | 50                                | Yes  |
| 50.    | Butwal-Gorakhpur Cross Border Power Transmission Limited                    | Joint Venture  | 50                                | Yes  |
| 51.    | Powerlinks Transmission Limited   | Joint Venture  | 49                                | Yes  |
| 52.    | Energy Efficiency Services Limited  | Joint Venture  | 39.25                             | Yes  |
| 53.    | Sikkim Power Transmission Ltd.  | Joint Venture  | 30.92                             | Yes  |
| 54.    | Torrent POWERGRID Limited   | Joint Venture  | 26                                | Yes  |
| 55.    | Parbati Koldam Transmission Company Limited                                 | Joint Venture  | 26                                | Yes  |
| 56.    | North East Transmission Company Limited                                     | Joint Venture  | 26                                | Yes  |
| 57.    | Cross Border Power Transmission Company Limited                             | Joint Venture  | 26                                | Yes  |
| 58.    | Power Transmission Company Nepal Limited                                    | Joint Venture  | 26                                | Yes  |
| 59.    | National High-Power Test Laboratory Private Limited                         | Joint Venture  | 21.63                             | Yes  |
| 60.    | POWERGRID Kala Amb Transmission Limited                                     | Associate  | 26                                | Yes  |
| 61.    | POWERGRID Jabalpur Transmission Limited                                     | Associate  | 26                                | Yes  |
| 62.    | POWERGRID Warora Transmission Limited                                       | Associate  | 26                                | Yes  |
| 63.    | POWERGRID Parli Transmission Limited  | Associate  | 26                                | Yes  |

#### CSR Details

##### 24.

- i. Whether CSR is applicable as per section 135 of Companies Act, 2013: Yes
- ii. Turnover (in Rs.): 45,843.10 Crore **(Consolidated basis)**
- iii. Net worth (in Rs.): 87,145.11 Crore **(Consolidated basis)**

**25. Complaints/Grievances on any of the principles (Principles 1 to 9) under the National Guidelines on Responsible Business Conduct:**

| Stakeholder group from whom complaint is received | Grievance Redressal Mechanism in Place (Yes/No) (If Yes, then provide web-link for grievance redress policy)  | FY 2023-2024                               |  |            | FY 2022-2023                               |  |            |
|---|---|--|--|------------|--|--|------------|
|   |   | Number of complaints filed during the year | Number of complaints pending resolution at close of the year | Re-remarks | Number of complaints filed during the year | Number of complaints pending resolution at close of the year | Re-remarks |
| Communities                                       | Yes<br>( <a href="https://www.powergrid.in/public-complaints-0">https://www.powergrid.in/public-complaints-0</a> )  | 213  | 0  |            | 179  | 0  |            |
| Investors & Shareholders                          | Yes<br>( <a href="https://www.scores.gov.in/scores/Welcome.html">https://www.scores.gov.in/scores/Welcome.html</a> )<br>( <a href="https://www.powergrid.in/dispute-resolution-mechanism-stock-exchanges">https://www.powergrid.in/dispute-resolution-mechanism-stock-exchanges</a> ) | 4581                                       | 0  |            | 4183                                       | 0  |            |
| Employees and workers                             | Yes. Grievance Redressal Mechanism is in place. The policy is only available for access of employees and workers.   | 66   | 0  |            | 49   | 0  |            |
| Customers   | Yes<br>( <a href="https://pal.powergrid.in/vms-app">https://pal.powergrid.in/vms-app</a> )  | -  | -  |            | -  | -  |            |
| Value Chain Partners                              | Yes<br>( <a href="https://pal.powergrid.in/vms-app">https://pal.powergrid.in/vms-app</a> )  | 7  | 5  |            | 8  | 0  |            |
| Other (Vigilance)                                 | Yes<br>( <a href="https://tejas.powergrid.in/vigilance-complaints/">https://tejas.powergrid.in/vigilance-complaints/</a> )  | 73   | 12   |            | 71   | 7  |            |

**26. Overview of the entity's material responsible business conduct issues**

Please indicate material responsible business conduct and sustainability issues pertaining to environmental and social matters that present a risk or an opportunity to your business, rationale for identifying the same, approach to adapt or mitigate the risk along-with its financial implications.

| S. No. | Material issue identified | Indicate whether risk or opportunity (R/O) | Rationale for identifying the risk / opportunity  | In case of risk, approach to adapt or mitigate  | Financial implications of the risk or opportunity (Indicate positive or negative implications) |
|--------|---------------------------|--|---|---|--|
| 1      | Climate change            | Risk                                       | <ul style="list-style-type: none"> <li>Extreme weather events such as enhanced intensity and frequency of Hurricanes, wind, floods and Rainfall caused by Climate Change may adversely impact our physical infrastructure.</li> </ul> | <b>Adaptation:</b> <ul style="list-style-type: none"> <li>Identify climate risks in the Risk Management Framework of the organization.</li> </ul> | Negative   |

| S. No. | Material issue identified            | Indicate whether risk or opportunity (R/O) | Rationale for identifying the risk / opportunity   | In case of risk, approach to adapt or mitigate  | Financial implications of the risk or opportunity (Indicate positive or negative implications) |
|--------|--------------------------------------|--|--|---|--|
|        |                                      |  | <ul style="list-style-type: none"> <li>Increasing ambient temperature is likely to reduce the current carrying capacity of conductors.</li> <li>Climate Change leading to dryer weather and increased ambient temperature causes increased incidents of forest fires, which, in turn, poses additional risk to transmission lines passing through Forest area.</li> <li>This phenomena will also have direct or indirect impact on the health of the workforce such as working in extreme climatic conditions would be detrimental to the health and could lead to loss in productivity</li> </ul> | <ul style="list-style-type: none"> <li>Identify and map areas/ locations vulnerable to climate risks.</li> <li>Safeguard our workforce from impacts of extreme climatic change by taking reasonable measures.</li> </ul> <b>Mitigation:</b> <ul style="list-style-type: none"> <li>Strengthening of existing infrastructure in vulnerable areas, in line with present climate scenario as well as future climate predictions.</li> <li>Proper consideration and integration of present as well as future climate scenario in planning and design of upcoming transmission projects in Climate Vulnerable area.</li> </ul> |  |
| 2      | Biodiversity/ Environment Protection | Opportunity                                | <ul style="list-style-type: none"> <li>Avoidance / minimization of Forest/Biodiversity rich areas result in timely project completion.</li> <li>Avoidance of financial levies such as NPV, CA, Cost of medicinal plantation, payment of part project cost etc by avoiding/minimizing Forest/protected areas.</li> <li>Reduced legal liability.</li> <li>Enhanced public image and Natural Capital</li> </ul>   |   | Positive   |
| 3      | Water Management                     | Opportunity                                | <ul style="list-style-type: none"> <li>Reduced financial liability in the form of cost of water supplied by third party, reduced cost of energy for water extraction and reduced cost of wastewater management.</li> <li>Opportunity to achieve the status of "Net Water Positive" organization by reducing water consumption and water conservation through Rainwater Harvesting and Groundwater recharge.</li> </ul>   |   | Positive   |



| S. No. | Material issue identified                   | Indicate whether risk or opportunity (R/O) | Rationale for identifying the risk / opportunity   | In case of risk, approach to adapt or mitigate   | Financial implications of the risk or opportunity (Indicate positive or negative implications) |
|--------|---|--|--|--|--|
| 4      | Energy Management                           | Opportunity                                | <ul style="list-style-type: none"> <li>Reduction in Energy consumption will lead to reduced financial liability.</li> <li>Demand side management of energy will also lead to reduction in both Scope-I and Scope-II emissions.</li> <li>On supply side, increased share of renewal energy will further reduce our Scope-II emissions.</li> </ul>   |  | Positive   |
| 5      | GHG Emissions                               | Opportunity                                | <ul style="list-style-type: none"> <li>Achieving net-zero status by 2047</li> <li>Access to funds and loans at competitive rates</li> <li>Greening of supply chain</li> <li>Better stakeholder relations and public image</li> </ul>   |  | Positive   |
| 6      | Waste Management                            | Risk                                       | <ul style="list-style-type: none"> <li>Non-compliance with the applicable regulatory framework may attract penal action from regulatory bodies/Pollution control Boards</li> <li>Failure to manage Hazardous waste properly pose a risk to our own establishment, property, manpower &amp; environment.</li> <li>Increased financial cost towards disposal of both Hazardous and Non-hazardous waste.</li> </ul> | <ul style="list-style-type: none"> <li>Ensuring complete and non-negotiable compliance with all applicable regulations.</li> <li>Utilizing all available opportunities for waste management through the cardinal principles of Reduce, Recycle and Reuse.</li> <li>Training &amp; Sensitization of employees.</li> <li>Ensuring proper identification, segregation, containment and timely disposal of Hazardous waste.</li> </ul> | Negative   |
| 7      | Freedom of Association & Collective Bargain | Opportunity                                | POWERGRID exercises Freedom of Association and Collective Bargain which fosters positive employee relations and leads to open and constructive engagement with the management.   |  | Positive   |

| S. No. | Material issue identified    | Indicate whether risk or opportunity (R/O) | Rationale for identifying the risk / opportunity   | In case of risk, approach to adapt or mitigate  | Financial implications of the risk or opportunity (Indicate positive or negative implications) |
|--------|------------------------------|--|--|---|--|
| 8      | Employee Benefit Plan        | Opportunity                                | POWERGRID values its employees and provides various employee welfare plans giving them a sense of care and security. These plans instil a feeling of job satisfaction and motivation in our employees. This is demonstrated by low attrition rates of our employees. We believe in investing in and retaining our talent pool hence promoting positive work environment  |   | Positive   |
| 9      | Occupational Health & Safety | Risk                                       | <ul style="list-style-type: none"> <li>POWERGRID has large number of employees and workers working across several locations of the country. Ensuring safety of our workforce is crucial for our daily operations.</li> <li>In addition to the physical and financial costs, each safety incident can also have a negative impact on the health, well-being, and morale of employees, as well as the Company's reputation.</li> </ul> | <ul style="list-style-type: none"> <li>We take all necessary precautions to ensure a safe and secure workplace.</li> <li>We have a dedicated safety policy which drives our approach to assure safety of our employees. A safety cell is in place which regularly looks after and monitors these issues.</li> <li>Regular safety audits are being done and workforce is given trainings and made aware to ensure self-safety</li> </ul> | Negative   |
| 10     | Human Rights                 | Risk                                       | <ul style="list-style-type: none"> <li>Due to constant evolvement of Labour Laws and Relations around the world and the sensitive nature of this issue, Human Rights is an inherent risk to any business</li> </ul>  | <ul style="list-style-type: none"> <li>We have adequate policies in place that clearly states that human right violation is a very critical issue and will be dealt with repercussions.</li> </ul>  |  |
|        |                              |  | <ul style="list-style-type: none"> <li>While all measures are in place to safeguard our workforce and related parties from any Human Right Violations, we understand that there still can be instances where these rights could be breached in ways not in our control and spectrum.</li> </ul>  | <ul style="list-style-type: none"> <li>There are channels provided to stakeholders to report any cases/concerns of any violations.</li> <li>We stay updated with the latest developments in this space and comply with all the regulations</li> </ul>   | Negative   |

| S. No. | Material issue identified                         | Indicate whether risk or opportunity (R/O) | Rationale for identifying the risk / opportunity   | In case of risk, approach to adapt or mitigate | Financial implications of the risk or opportunity (Indicate positive or negative implications) |
|--------|---|--|--|--|--|
| 11     | Diversity, Non-discrimination & equal opportunity | Opportunity                                | We believe in giving an equal and fair opportunity to every band of people and hiring talent from diverse backgrounds. Due to a diverse workforce, we bring in different and fresh perspectives to solve our business cases.   |  | Positive   |
| 12     | Human Capital Development                         | Opportunity                                | Investing in upskilling our workforce, increasing knowledge and potential and fostering innovation is a fundamental part in our Company. It leads to employees taking up efficient and modern-day approach to solve our business issues and being an agile workforce.                    |  | Positive   |
| 13     | Ethics & integrity                                | Opportunity                                | POWERGRID's organizational culture has ethical behavior ingrained in it. Ethics and values create a trustworthy working environment.   |  | Positive   |
| 14     | Regulatory Compliance                             | Opportunity                                | Timely compliance with the regulatory and statutory requirements ensures that going concern for the business is maintained. Mindful compliance helps us to handle risks associated with legal violations, environmental damage etc.  |  | Positive   |
| 15     | Sustainable Sourcing                              | Opportunity                                | Our sustainable sourcing approach helps us in collaborating with suppliers following sustainable procurement practices. By being environmentally responsible and sourcing resources in a sustainable manner, we can avoid supply chain disruptions caused due to unsustainable practices |  | Positive   |
| 16     | Transparency                                      | Opportunity                                | Our active grievance redressal mechanism, policies around whistleblowing, sexual harassment etc. demonstrates our ability to address the concerns/queries of our stakeholders in an open and transparent way.  |  | Positive   |

| S. No. | Material issue identified | Indicate whether risk or opportunity (R/O) | Rationale for identifying the risk / opportunity   | In case of risk, approach to adapt or mitigate  | Financial implications of the risk or opportunity (Indicate positive or negative implications) |
|--------|---------------------------|--|--|---|--|
| 17     | Technology & Innovation   | Opportunity                                | POWERGRID believes in adopting latest technology in its business operations. With right technology and innovation maintain the role pioneer adopting technology in the power sector  |   | Positive   |
| 18     | Cybersecurity             | Risk                                       | <ul style="list-style-type: none"> <li>Lack of cybersecurity safeguards can lead to cyber-attacks which in turn lead to data breaches, disrupt operations and sometimes lead to legal liability.</li> <li>Cybersecurity breaches can also lead to loss of productivity and can damage the Company's reputation.</li> </ul> | <ul style="list-style-type: none"> <li>Company has formulated Information Security policy and ensured processes in place for Cybersecurity &amp; data privacy.</li> <li>Company complies with ISO27001:2013 and meets all the applicable legal, statutory, regulatory and contractual requirements pertaining to cybersecurity</li> </ul> | Negative   |
| 19     | Community Relations       | Opportunity                                | POWERGRID believes in giving back to the community and taking care of their rights and needs. As our major business involves acquiring land, we foster good relations with the locals there which ultimately leads to smooth working of our business   |   | Positive   |

**SECTION B – MANAGEMENT AND PROCESS DISCLOSURES**

**This section is aimed at helping businesses demonstrate the structures, policies, and processes put in place towards adopting the NGRBC principles and core elements.**

| S. No. | Principle Description  |
|--------|--|
| P1     | Businesses should conduct and govern themselves with integrity and in a manner that is ethical, transparent and accountable        |
| P2     | Businesses should provide goods and services in a manner that is sustainable and safe  |
| P3     | Businesses should respect and promote the well-being of all employees, including those in their value chains                       |
| P4     | Businesses should respect the interests of and be responsive to all their stakeholders   |
| P5     | Businesses should respect and promote human rights   |
| P6     | Businesses should respect and make efforts to protect and restore the environment  |
| P7     | Businesses when engaging in influencing public and regulatory policy, should do so in a manner that is responsible and transparent |
| P8     | Businesses should promote inclusive growth and equitable development   |
| P9     | Businesses should engage with and provide value to their consumers in a responsible manner   |



| Disclosure Requirements  | P1  | P2  | P3  | P4  | P5  | P6  | P7 | P8  | P9  |
|--|---|-----|-----|-----|-----|-----|----|-----|-----|
| <b>Policy and management processes</b>   |   |     |     |     |     |     |    |     |     |
| 1. a. Whether your entity's policy/policies cover each principle and its core elements of the NGRBCs. (Yes/No)   | Yes   | Yes | Yes | Yes | Yes | Yes | No | Yes | Yes |
| b. Has the policy been approved by the Board? (Yes/No)   | Yes   | Yes | Yes | Yes | Yes | Yes | NA | Yes | Yes |
| c. Web Link of the Policies, if available  | The Policies covering these principles are available on the Company's website under 'Policies' section. ( <a href="https://www.powergrid.in/index.php/policies">https://www.powergrid.in/index.php/policies</a> )   |     |     |     |     |     |    |     |     |
| 2. Whether the entity has translated the policy into procedures. (Yes / No)  | Yes   | Yes | Yes | Yes | Yes | Yes | NA | Yes | Yes |
| 3. Do the enlisted policies extend to your value chain partners? (Yes/ No)   | Yes   | Yes | Yes | Yes | Yes | Yes | NA | Yes | Yes |
| 4. Name of the national and international codes/certifications/labels/ standards (e.g. Forest Stewardship Council, Fairtrade, Rainforest Alliance, Trustea) standards (e.g. SA 8000, OHSAS, ISO, BIS) adopted by your entity and mapped to each principle. | POWERGRID has framed various policies that conform to different applicable statutes/guidelines/rules/policies etc., issued by the Government of India from time to time. Some key certifications / standards adopted widely across the Company are listed below: <ul style="list-style-type: none"> <li>• ISO9001:2015 - Quality Management System</li> <li>• PAS 99:2012 - Integrated Management System</li> <li>• ISO 45001:2018 - Occupational Health &amp; Safety Management System</li> <li>• SA 8000:2014 - Social Accountability Standard</li> <li>• ISO 50001:2018 - Energy Management System</li> <li>• ISO14001:2015 - Environment Management System</li> <li>• ISO 27001:2013 - Information Security Management System</li> <li>• ISO 37001:2016 - Anti-Bribery Management Systems</li> <li>• ISO 55001:2014 - Asset Management Systems</li> </ul> |     |     |     |     |     |    |     |     |
| 5. Specific commitments, goals and targets set by the entity with defined timelines, if any.   | 1. 50% of electricity consumption from Renewable sources by 2025<br>2. Strive to become a net zero emission Company by 2047.<br>3. Goal of becoming a Net Water Positive organization by 2030<br>4. Aspire to achieve and maintain 'A Zero Waste to Landfill Corporate' status by 2030<br>5. Aim to achieve and maintain "Zero Fatality" status   |     |     |     |     |     |    |     |     |
| 6. Performance of the entity against the specific commitments, goals and targets along-with reasons in case the same are not met.  | Refer to Sustainability Chapter of the Integrated Report and Principle wise section of BRSR.  |     |     |     |     |     |    |     |     |

| Disclosure Requirements   | P1  | P2 | P3 | P4 | P5 | P6 | P7 | P8 | P9 |
|---|---|----|----|----|----|----|----|----|----|
| <b>Governance, Leadership and Oversight</b>   |   |    |    |    |    |    |    |    |    |
| 7. Statement by director responsible for the business responsibility report, highlighting ESG related challenges, targets and achievements (listed entity has flexibility regarding the placement of this disclosure) | <p>I am pleased to announce the publication of POWERGRID's latest Business Responsibility &amp; Sustainability Report (BRSR). This report offers a comprehensive overview of our commitment to environmental stewardship, social responsibility, and good governance practices.</p> <p>At POWERGRID, we understand the critical role we play in building a sustainable future. We are not just a power transmission Company; we are a responsible corporate citizen dedicated to minimizing our environmental footprint and contributing positively to society.</p> <p>This year's BRSR highlights the significant progress we've made in several key areas:</p> <ul style="list-style-type: none"> <li>• <b>Reduced Emissions:</b> Our multi-pronged approach to emission reduction, including SF6 leak detection, exploring greener alternatives, and adopting electric vehicles, is making a tangible difference.</li> <li>• <b>Energy Efficiency Leadership:</b> As a BEE Grade-I ESCO, we are actively promoting energy conservation within our operations and have set an ambitious target of achieving 50% renewable energy consumption by 2025.</li> <li>• <b>Sustainable Practices:</b> We prioritize responsible water management, minimize material consumption, and manage waste responsibly, striving for "Zero Waste to Landfill" by 2030.</li> <li>• <b>Biodiversity Conservation:</b> Through careful route selection, environmental assessments, and collaboration with experts, we minimize the impact of our infrastructure on wildlife and natural habitats.</li> <li>• <b>Green Cover Development:</b> Our extensive afforestation drives have significantly expanded green cover, contributing to carbon sequestration and environmental well-being.</li> <li>• <b>Technological Innovation:</b> We are constantly pioneering innovative technologies like multi-circuit towers and natural ester oil reactors, reducing land use and environmental impact.</li> </ul> <p>This report represents just a snapshot of our ongoing efforts. We are committed to achieving Net Zero status by 2047 and remain dedicated to exceeding our ESG goals.</p> <p>We invite you to explore the BRSR in detail and learn more about how POWERGRID is powering a sustainable future. We welcome your feedback and look forward to collaborating with all stakeholders in this critical journey.</p> <p style="text-align: right;"><b>Abhay Choudhary</b><br/>Director (Projects)</p> |    |    |    |    |    |    |    |    |
| 8. Details of the highest authority responsible for implementation and oversight of the Business Responsibility policy (ies).   | Director (Projects)   |    |    |    |    |    |    |    |    |
| 9. Does the entity have a specified Committee of the Board/ Director responsible for decision making on sustainability related issues? (Yes / No). If yes, provide details.   | Director (Projects)<br>Email: <a href="mailto:d.proj@powergrid.in">d.proj@powergrid.in</a>  |    |    |    |    |    |    |    |    |

## 10. Details of Review of NGRBCs by the Company

| Subject for Review   | Indicate whether review was undertaken by Director/ Committee of the Board/ Any other Committee |    |    |    |    |    |    |    |    | Frequency (Annually/ Half Yearly/ Quarterly/ Any other- please specify) |    |    |    |    |    |    |    |    |
|--|---|----|----|----|----|----|----|----|----|---|----|----|----|----|----|----|----|----|
|  | P1  | P2 | P3 | P4 | P5 | P6 | P7 | P8 | P9 | P1  | P2 | P3 | P4 | P5 | P6 | P7 | P8 | P9 |
| Performance against above policies and follow up action  | Y   | Y  | Y  | Y  | Y  | Y  | NA | Y  | Y  | All reviews are conducted on a need basis                               |    |    |    |    |    |    |    |    |
| Compliance with statutory requirements of relevance to the principles and , rectification of any non-compliances | Y   | Y  | Y  | Y  | Y  | Y  | NA | Y  | Y  | All reviews are conducted on a need basis                               |    |    |    |    |    |    |    |    |

| 11. Has the entity carried out independent assessment/ evaluation of the working of its policies by an external agency? (Yes/No). If yes, provide name of the agency* | P1 | P2 | P3 | P4 | P5 | P6 | P7 | P8 | P9 |
|---|----|----|----|----|----|----|----|----|----|
|   | Y  | Y  | Y  | Y  | Y  | Y  | NA | Y  | Y  |

## 12. If answer to question (1) above is "No" i.e. not all Principles are covered by a policy, reasons to be stated:

| Questions   | Principle 7- Responsible public policy advocacy   |
|---|---|
| The entity does not consider the Principles material to its business (Yes/No)   | No  |
| The entity is not at a stage where it is in a position to formulate and implement the policies on specified principles (Yes/No) | No  |
| The entity does not have the financial or/ human and technical resources available for the task (Yes/No)                        | No  |
| It is planned to be done in the next financial year (Yes/No)  | No  |
| Any other reason (please specify)   | POWERGRID is a member of various industrial and trade bodies and participates in these forums on issues and policy matters that impact its interests. Wherever required, we give our comments on various approach papers, consultation papers, draft regulations/ rules etc. issued by CERC, CEA, MoP, TRAI , MoEFCC and other authorities in a responsible and transparent manner. |

## SECTION C – PRINCIPLE WISE PERFORMANCE DISCLOSURE

**Principle I: Businesses should conduct and govern themselves with integrity, and in a manner that is ethical, transparent, and accountable**

## ESSENTIAL INDICATORS

## 1. Percentage coverage by training and awareness programmes on any of the principles during the financial year:

| Segment   | Total number of training and awareness programmes held | Topics/ Principles covered under the training and its impact  | % of persons in respective category covered by the awareness programmes |
|---|--|---|---|
| Board of Directors                                    | 1  | Familiarization programs covering issues related to Safety, Health and Environment, Strategy/Industry Trends, Ethics & Governance and Legal & Regulatory matters and operations of the Company. | 100%  |
| Key Managerial Personnel                              | 1  | Familiarization programs covering issues related to Safety, Health and Environment, Strategy/Industry Trends, Ethics & Governance and Legal & Regulatory matters and operations of the Company. | 100%  |
| Employees other than BoD and KMPs (excluding Workmen) | 474  | Technical, Behavioral, Leadership, Wellbeing, Posh Act, Health & Safety etc.  | 77%   |
| Workers (Workmen Employees)                           | 193  | Technical, Behavioral, Leadership, Wellbeing, Posh Act, Health & Safety etc.  | 84%   |

## 2. Details of fines / penalties /punishment/ award/ compounding fees/ settlement amount paid in proceedings (by the entity or by directors / KMPs) with regulators/ law enforcement agencies/ judicial institutions, in the financial year, in the following format (Note: the entity shall make disclosures on the basis of materiality as specified in Regulation 30 of SEBI (Listing Obligations and Disclosure Obligations) Regulations, 2015 and as disclosed on the entity's website):

The Company has established a robust governance structure to ensure compliance with all the statutory regulations. There have been no fines, penalties or any other form of settlement/ punitive payment made during the year.

| Monetary        |                 |  |                 |                   |  |
|-----------------|-----------------|--|-----------------|-------------------|--|
|                 | NGRBC Principle | Name of the regulatory/ enforcement agencies/judicial institutions | Amount (in INR) | Brief of the case | Has an appeal been preferred? (Yes/No) |
| Penalty/Fine    | Nil             | Nil  | Nil             | Nil               | Nil                                    |
| Settlement      | Nil             | Nil  | Nil             | Nil               | Nil                                    |
| Compounding fee | Nil             | Nil  | Nil             | Nil               | Nil                                    |
| Non-Monetary    |                 |  |                 |                   |  |
|                 | NGRBC Principle | Name of the regulatory/ enforcement agencies/judicial institutions | Amount (in INR) | Brief of the case | Has an appeal been preferred? (Yes/No) |
| Imprisonment    | Nil             | Nil  | Nil             | Nil               | Nil                                    |
| Punishment      | Nil             | Nil  | Nil             | Nil               | Nil                                    |



3. Of the instances disclosed in Question 2 above, details of the Appeal/ Revision are preferred in cases where monetary or non-monetary action has been appealed.

| Case details | Name of the regulatory/enforcement agencies/judicial institutions |
|--------------|---|
| NA           | NA  |

4. Does the entity have an anti-corruption or anti-bribery policy? If yes, provide details in brief and if available, provide a web link to the policy.

POWERGRID is committed to observe transparency and consistency in all its operations. POWERGRID follows a number of policies/rules to strengthen ethical conduct at all levels including the following:

- Code of Business Ethics & Conduct:** POWERGRID has laid down two separate Code of Business Ethics & Conduct – one for Board Members and another for Senior Management Personnel (including those deputed in Subsidiaries/ Joint Ventures) in alignment with Company's Vision & Mission and aims at enhancing ethical and transparent process in managing the affairs of the Company.
- POWERGRID Conduct and Discipline Appeal rules (POWERGRID CDA Rules):** POWERGRID CDA Rules define the desirable and non-desirable acts and conduct for the employees and extend to all employees working with it (including those deputed in Subsidiaries/ Joint Ventures). The aspects of Bribery and Corruption are also covered under CDA rules. There is laid down procedure for actions in the case of non-compliance with the defined terms as well as for any misconduct.
- Whistle Blower and Fraud Prevention Policy:** Whistle Blower and Fraud Prevention policy provides a system for disclosures made by employees or complaint of any fraud or suspected fraud involving employees of POWERGRID (all full time, part-time or employees appointed on adhoc / temporary/contract basis) as well as representative of vendors, suppliers, contractors, service providers or any outside agency(ies) doing any type of business with POWERGRID.
- Anti-Bribery Management System:** POWERGRID is committed to implement Anti-Bribery Management system as per ISO 37001 in all its establishments and business functions to ensure compliance of ethical norms and transparency.

Link for the above policies is <https://www.powergrid.in/code-conductpolicies?title=&page=1>

In addition, several initiatives have been taken / are being taken by POWERGRID to strengthen integrity, transparency and fairness in its business practices which includes the following:

- Well defined "Delegation of Powers" is in place delineating the powers of the top executives and below for carrying out work in systematic manner.
- "Works & Procurement Policy and Procedure (WPPP) for Pre-award and Post award Stages" (as amended from time to time) with a view to make the policies and procedures more systematic, transparent and easy to administer uniformly throughout its business operations with major thrust on expeditious and decentralized decision making coupled with accountability and responsibility.
- "Integrity Pact Program" has been implemented which is considered as a useful tool in ensuring transparency in the procurement process. Contracts above ₹100 Crore are also monitored by a panel of "Independent External Monitors (IEMs)". Further, Standard Operating Procedures (SOPs) pertaining to Integrity Pact Program (IPP) have been reviewed by CVC and a revised SOP (SOP 2021) has been formulated for adoption. POWERGRID has implemented the revised SOP in its business context. As per the revised SOP, the Contractor shall also sign the Integrity pact with its subcontractors before employing under the Contract.
- POWERGRID, majorly, focuses on preventive, pro-active vigilance aiming at better transparency and to inculcate good governance within the organization

5. Number of Directors/KMPs/employees/workers against whom disciplinary action was taken by any law enforcement agency for the charges of bribery/ corruption.

|           | FY 2023-24 | FY 2022-23 |
|-----------|------------|------------|
| Directors | 0 (NIL)    | 0 (NIL)    |
| KMPs      | 0 (NIL)    | 0 (NIL)    |
| Employees | 0 (NIL)    | 1          |
| Workers   | 0 (NIL)    | 0 (NIL)    |

6. Details of complaints with regard to conflict of interest:

No complaints were received with regard to conflict of interest against Directors/ KMPs in FY23 and FY22.

|  | FY 2023-24 |         | FY 2022-23 |         |
|--|------------|---------|------------|---------|
|  | Number     | Remarks | Number     | Remarks |
| Number of complaints received in relation to issues of Conflict of Interest of the Directors | 0 (NIL)    |         | 0 (NIL)    |         |
| Number of complaints received in relation to issues of Conflict of Interest of the KMPs      | 0 (NIL)    |         | 0 (NIL)    |         |

7. Provide details of any corrective action taken or underway on issues related to fines/penalties/action taken by regulators/ law enforcement agencies/ judicial institutions, on cases of corruption and conflicts of interest.

None.

8. Number of days of accounts payables ((Accounts payable \*365) / Cost of goods/services procured) in the following format:

|                                | FY 2023-24 | FY 2022-23 |
|--------------------------------|------------|------------|
| Number of days account payable | 34.44      | 30.87      |

9. Openness of business

Provide details of concentration of purchases and sales with trading houses, dealers, and related parties along-with loans and advances & investments, with related parties, in the following format:

| Parameter                  | Metrics  | FY 2023-24     | FY 2022-23     |
|----------------------------|--|----------------|----------------|
| Concentration of Purchases | a. Purchase from trading houses as % of total purchases                                    | Not Applicable | Not Applicable |
|                            | b. Number of trading houses where purchases are made from                                  | Not Applicable | Not Applicable |
|                            | c. Purchase from top 10 trading houses as % of total purchases from trading house          | Not Applicable | Not Applicable |
| Concentration of Sales     | a. Sales to dealers / distributors as % of the total sales                                 | Not Applicable | Not Applicable |
|                            | b. Number of dealers/distributors to whom sales are made                                   | Not Applicable | Not Applicable |
|                            | c. Sales to top 10 dealers / distributors as % of total sales to dealers / distributors    | Not Applicable | Not Applicable |
| Share of RPTs in           | a. Purchase (Purchases with related parties / Total Purchases)                             | 0.22%          | 0.06%          |
|                            | b. Sales (Sales to related parties/Total Sales)  | 0.08%          | 0.07%          |
|                            | c. Loans and advances (Loans & advances given to related parties / Total loans & advances) | 3.67%          | 0.00%          |
|                            | d. Investments (Investments in related parties / Total investments made)                   | 81.21%         | 97.28%         |

\* As per Consolidated Financial statements (i.e after elimination)

**Principle 2: Businesses should provide goods and services in a manner that is sustainable and safe.**

### ESSENTIAL INDICATORS

1. **Percentage of R&D and capital expenditure (CAPEX) investments in specific technologies to improve product and processes' environmental and social impacts to total R&D and capex investments made by the entity, respectively.**

|       | Current Financial Year | Previous Financial Year | Details of improvements in environmental and social impacts   |
|-------|------------------------|-------------------------|---|
| R&D   | 45.90%                 | -                       | <p><b>1. STATCOM's in RE Pooling Stations viz. Bhadla-II, Bikaner-II, Fatehgarh-II</b></p> <p>A STATCOM is a device that helps maintain stability in the power grid by managing voltage fluctuations. It works much faster than traditional methods and is particularly useful for integrating renewable energy sources like solar and wind, which can be unpredictable. STATCOMs were first used in India at solar power plants in Rajasthan to improve grid stability and reliability.</p> <p><b>2. ERS up to 400kV Twin Moose transmission lines through indigenous vendor development:</b></p> <p>POWERGRID relies on Emergency Restoration Systems (ERS) to swiftly repair damaged power lines. Previously, these ERS components, like mast sections and insulated crossarms, were entirely imported. To promote Indian manufacturing, POWERGRID launched a program to develop domestic suppliers for high-voltage ERS (up to 400 kV), aiming to create a self-sufficient supply chain for future repairs.</p> <p><b>3. 400kV Twin Mono Poles at Mohanlalganj</b></p> <p>To strengthen the power grid in a congested urban area, a unique solution using twin monopoles was implemented. Traditional towers wouldn't fit, and extending existing ones wasn't feasible. This design uses two steel monopoles connected horizontally for increased stability and load capacity. This approach reduced the footprint, improved aesthetics, and simplified construction and maintenance.</p> |
| CAPEX | 45.04%                 | 34.95%                  | POWERGRID is involved in building the infrastructure to evacuate renewable energy. These projects involve building new substations and transmission lines, particularly in areas where there is high concentration of solar and wind farms. This will strengthen the grid and allow for the smooth integration of more renewable energy into the national grid.   |

2. **a. Does the entity have procedures in place for sustainable sourcing? (Yes/No)**

POWERGRID follows a set of pre-defined processes and procedures towards sustainable sourcing for its various procurement needs. These processes and procedures are designed to ensure that POWERGRID's procurement activities are environmentally and socially responsible and that they comply with all relevant statutory requirements.

Some of the key elements of POWERGRID's sustainable procurement practices include:

- **Compliance with statutory requirements:** POWERGRID requires all contractors to comply with all relevant laws and regulations related to pollution prevention, labor standards and occupational health and safety like The Environment (Protection) Act, 1986, The Air (Prevention and Control of Pollution) Act, 1981, The Water (Prevention and Control of Pollution) Act, 1974, Contract Labor (Regulation & Abolition) Act 1970, Employee's Compensation Act 1923, Equal Remuneration Act 1979, Minimum Wages Act 1948, Child Labor (Prohibition & Regulation) Act 1986 etc.

- **Development of an environmental management plan:** Contractors that are awarded contracts for supply-cum-installation packages are required to develop and implement an environmental management plan. This plan must identify and assess the environmental impacts of the project and it must outline the measures that will be taken to mitigate these impacts.
- **Adoption of an Integrity Pact Program:** POWERGRID has adopted an Integrity Pact Program, which is a legally binding agreement between POWERGRID and its contractors. The Integrity Pact commits the contractor to observe the highest standards of business ethics and it prohibits the contractor from engaging in corrupt or fraudulent practices.
- **Adherence to strict safety norms:** POWERGRID places a great emphasis on adoption of a safe work culture to prioritize occupational health & safety of the personnel involved and to prevent/mitigate any loss of life/property. To this effect, Fatal accident(s) in any ongoing contract(s) results in non-responsiveness of bids based on pre-defined criteria specified in the bidding documents.
- **Compliance to Social Accountability norms:** The Contractor is also required to comply with all requirements of Social Accountability Standards SA 8000 which inter-alia measures the performance of companies in eight areas important to social accountability in the workplace: child labour, forced labour, health and safety, free association and collective bargaining, discrimination, disciplinary practices, working hours and compensation.

Besides above, considering the nature of procurement for large & complex technical transmission projects required for enhancing and maintaining the seamless power transmission, each procurement under the respective project in POWERGRID is critical in nature. Therefore, each supplier undergoes various level of scrutiny for capacity & capability analysis such as package-wise qualifying requirement, pre-defined events etc.

The procurement process of POWERGRID follows sound business principles and complies to various environmental, social, and governance norms thus ensuring sustainability in its entire procurement chain.

**b. If yes, what percentage of inputs were sourced sustainably?**

The above information outlines a defined procedure for sustainable sourcing, including supplier codes of conduct for environmental standards, child labor and fundamental human rights. All contractors are required to comply with these codes, as well as with specific standards such as SA8000 and the Integrity Pact.

3. **Describe the processes in place to safely reclaim your products for reusing, recycling and disposing at the end of life, for (a) Plastics (including packaging) (b) E-waste (c) Hazardous waste and (d) other waste.**

The Company derives its guidance from Waste Management Policy. The Company's waste management practices are centered towards Inventorization of the waste generated, segregation of waste generated in different categories; reduction of waste, calculation of the intensity of waste generation, recycling of the waste materials and reuse of the waste, wherever possible, for economic and environmental benefits; and at last disposal of the residual waste in the most environment-friendly manner.

| Waste type                    | Waste management procedure in place   |
|-------------------------------|---|
| Plastic (including packaging) | POWERGRID, categorized as an Institutional Waste Generator, is responsible for sorting and returning packaging materials and multi-layered plastics to producers, importers, or brand owners as needed.   |
| E-waste                       | POWERGRID has proper procedure for E-waste management, which includes the waste to be directed to authorized collection centers, registered dismantlers, or recyclers and the e-waste is also returned through pick-up or take-back services facilitated by the producer, ensuring responsible handling and recycling of electronic products.<br><br>POWERGRID manages its battery waste by transferring it to either the battery producers or their authorized agents for proper disposal. |



| Waste type                                  | Waste management procedure in place  |
|---|--|
| Hazardous waste                             | Transformer oil, classified as hazardous according to the Hazardous and Other Wastes (Management and Transboundary Movement) Rules, 2016, is seldom replaced and in exceptional cases, where it turns out to be unsuitable for further use, the used oil is collected separately, labeled according to Form-8, and stored without commingling with other waste streams. Within 90 days of generation, it is either sold or sent to registered recyclers, with an annual return filed per Form-4 to the relevant State Pollution Control Board (SPCB).<br>Empty drums previously containing fresh Transformer oil are disposed of through online auctions hosted on the website of Metal Scrap Trading Corporation Ltd (MSTCL). |
| Other waste (wastepaper and paper products) | Paper wastes are managed by sending it through government authorized recyclers, as applicable.   |

4. Whether Extended Producer Responsibility (EPR) is applicable to the entity's activities (Yes / No). If yes, whether the waste collection plan is in line with the EPR plan submitted to Pollution Control Boards? If not, provide steps taken to address the same.

Not Applicable

**Principle 3: Businesses should respect and promote the well-being of all employees, including those in their value chains**

**ESSENTIAL INDICATORS**

1. a. Details of measures for the well-being of employees.

| Category                              | % of employees covered by |                  |             |                    |             |                    |              |                    |              |                     |               |
|---------------------------------------|---------------------------|------------------|-------------|--------------------|-------------|--------------------|--------------|--------------------|--------------|---------------------|---------------|
|                                       | Total (A)                 | Health insurance |             | Accident insurance |             | Maternity benefits |              | Paternity benefits |              | Day care facilities |               |
|                                       |                           | Nos. (B)         | % (B / A)   | Nos. (C)           | % (C / A)   | Nos. (D)           | % (D / A)    | Nos. (E)           | % (E / A)    | Nos. (F)            | % (F / A)     |
| <b>Permanent employees</b>            |                           |                  |             |                    |             |                    |              |                    |              |                     |               |
| Male                                  | 6120                      | 6120             | 100%        | 6120               | 100%        | NA                 | NA           | 6120               | 100%*        | 691                 | 11.29%        |
| Female                                | 613                       | 613              | 100%        | 613                | 100%        | 613                | 100%*        | NA                 | NA           | 95                  | 15.50%        |
| <b>Total</b>                          | <b>6733</b>               | <b>6733</b>      | <b>100%</b> | <b>6733</b>        | <b>100%</b> | <b>613</b>         | <b>100%*</b> | <b>6120</b>        | <b>100%*</b> | <b>786</b>          | <b>11.67%</b> |
| <b>Other than Permanent employees</b> |                           |                  |             |                    |             |                    |              |                    |              |                     |               |
| Male                                  | 248                       | 248              | 100%        | 248                | 100%        | NA                 | NA           | 0                  | NIL          | 2                   | 0.81%         |
| Female                                | 26                        | 26               | 100%        | 26                 | 100%        | 26                 | 100%         | NA                 | NA           | 0                   | NIL           |
| <b>Total</b>                          | <b>274</b>                | <b>274</b>       | <b>100%</b> | <b>274</b>         | <b>100%</b> | <b>26</b>          | <b>100%</b>  | <b>0</b>           | <b>NIL</b>   | <b>2</b>            | <b>0.73%</b>  |

\* 100% of eligible employees.

b. Details of measures for the well-being of workers:

| Category                 | % of workers covered by |                  |           |                    |           |                    |           |                    |           |                     |           |
|--------------------------|-------------------------|------------------|-----------|--------------------|-----------|--------------------|-----------|--------------------|-----------|---------------------|-----------|
|                          | Total (A)               | Health insurance |           | Accident insurance |           | Maternity benefits |           | Paternity benefits |           | Day care facilities |           |
|                          |                         | Nos. (B)         | % (B / A) | Nos. (C)           | % (C / A) | Nos. (D)           | % (D / A) | Nos. (E)           | % (E / A) | Nos. (F)            | % (F / A) |
| <b>Permanent workers</b> |                         |                  |           |                    |           |                    |           |                    |           |                     |           |
| Male                     | 1498                    | 1498             | 100%      | 1498               | 100%      | NA                 | NA        | 1498               | 100%*     | 54                  | 3.60%     |
| Female                   | 85                      | 85               | 100%      | 85                 | 100%      | 85                 | 100%*     | NA                 | NA        | 13                  | 15.30%    |

| Category                            | % of workers covered by |                  |             |                    |             |                    |              |                    |              |                     |              |
|-------------------------------------|-------------------------|------------------|-------------|--------------------|-------------|--------------------|--------------|--------------------|--------------|---------------------|--------------|
|                                     | Total (A)               | Health insurance |             | Accident insurance |             | Maternity benefits |              | Paternity benefits |              | Day care facilities |              |
|                                     |                         | Nos. (B)         | % (B / A)   | Nos. (C)           | % (C / A)   | Nos. (D)           | % (D / A)    | Nos. (E)           | % (E / A)    | Nos. (F)            | % (F / A)    |
| <b>Total</b>                        | <b>1583</b>             | <b>1583</b>      | <b>100%</b> | <b>1583</b>        | <b>100%</b> | <b>85</b>          | <b>100%*</b> | <b>1498</b>        | <b>100%*</b> | <b>67</b>           | <b>4.23%</b> |
| <b>Other than Permanent workers</b> |                         |                  |             |                    |             |                    |              |                    |              |                     |              |
| Male                                | 16510                   | 16510            | 100%        | 16510              | 100%        | NA                 | NA           | NA                 | NA           | NA                  | NA           |
| Female                              | 667                     | 667              | 100%        | 667                | 100%        | 667                | 100%*        | NA                 | NA           | NA                  | NA           |
| <b>Total</b>                        | <b>17177</b>            | <b>17177</b>     | <b>100%</b> | <b>17177</b>       | <b>100%</b> | <b>667</b>         | <b>100%*</b> | <b>NA</b>          | <b>NA</b>    | <b>NA</b>           | <b>NA</b>    |

\* 100% of eligible employees.

c. Spending on measures towards well-being of employees and workers (including permanent and other than permanent) in the following format –

|   | FY 2023-24<br>Current Financial Year | FY 2022-23<br>Previous Financial Year |
|---|--------------------------------------|---------------------------------------|
| Cost incurred on well-being measures as a % of total revenue of the Company | 0.63%                                | 0.60%                                 |

2. Details of retirement benefits.

We consider our human resources as our most crucial assets. We strive to provide them with an array of perks and benefits which include but are not limited to retirement benefits provided for all regular employees, provident fund, pension, gratuity, post-retirement medical benefits, etc.

| Benefits                                | FY 2023-24  |   |  | FY 2022-23  |   |  |
|---|---|---|--|---|---|--|
|   | No. of employees covered as a % of total employees  | No. of workers covered as a % of total workers  | Deducted and deposited with the authority (Y/N/N.A.) | No. of employees covered as a % of total employees  | No. of workers covered as a % of total workers  | Deducted and deposited with the authority (Y/N/N.A.) |
| PF                                      | 100%  | 100%  | Y  | 100%  | 100%  | Y  |
| Gratuity                                | 100%  | 100%  | NA   | 100%  | 100%  | NA   |
| ESI                                     | NIL*  | 100% of eligible workers  | Y (wherever applicable)                              | NIL*  | 100% of eligible workers  | Y (wherever applicable)                              |
| Medical facilities & Accident Insurance | 100% of Permanent employees are provided medical facilities from the Company.                               | 100% of Permanent workers are provided medical facilities from the Company.   | NA   | 100% of Permanent employees are provided medical facilities from the Company.                               | 100% of Permanent workers are provided medical facilities from the Company.   | NA   |
|   | 100% of Other than permanent employees are provided Group Personal Accident Insurance and Health Insurance. | 100% of Other than permanent workers who are not covered under ESI are provided Employee Compensation Insurance and Health Insurance. |  | 100% of Other than permanent employees are provided Group Personal Accident Insurance and Health Insurance. | 100% of Other than permanent workers who are not covered under ESI are provided Employee Compensation Insurance and Health Insurance. |  |

| Benefits                         | FY 2023-24   |  |  | FY 2022-23   |  |  |
|----------------------------------|--|--|--|--|--|--|
|                                  | No. of employees covered as a % of total employees | No. of workers covered as a % of total workers | Deducted and deposited with the authority (Y/N/N.A.) | No. of employees covered as a % of total employees | No. of workers covered as a % of total workers | Deducted and deposited with the authority (Y/N/N.A.) |
| Pension                          | 100% of permanent employees                        | 100% of permanent workers                      | Y  | 100% of permanent employees                        | 100% of permanent workers                      | Y  |
| Post-retirement medical benefits | 100% of permanent employees                        | 100% of permanent workers                      | NA   | 100% of permanent employees                        | 100% of permanent workers                      | NA   |

\* None of the employees (permanent or other than permanent) are eligible for ESI by virtue of their salary/ wages being over the prescribed wage limit for coverage.

### 3. Accessibility of workplaces

**Are the premises / offices of the entity accessible to differently abled employees and workers, as per the requirements of the Rights of Persons with Disabilities Act, 2016? If not, whether any steps are being taken by the entity in this regard.**

Yes, POWERGRID fosters an inclusive culture throughout the organization and takes special care to make its workplaces accessible. All the establishments of the Company are accessible to differently abled employees and workers and are compliant with the requirements of the Rights of Persons with Disabilities Act, 2016.

The Company further concretizes its commitment following an "Equal Opportunity Policy" framework including the aspects related to providing a conducive, barrier-free environment and systems for supporting differently employees and workers. We are also committed to conforming to the standards under Accessible India Campaign/ Sugamya Bharat Abhiyaan and thus have the facilities of ramp, disabled friendly elevators, accessible parking, accessible toilets, screen reading access on our website, etc. for *divyangjan*.

### 4. Does the entity have an equal opportunity policy as per the Rights of Persons with Disabilities Act, 2016? If so, provide a web link to the policy.

Yes, POWERGRID has an Equal Opportunity policy (with the requirements of the Rights of Persons with Disabilities Act, 2016), which shows the Company's commitment to promote diversity and inclusion among the workforce, aiming to create a harmonious workplace for all, regardless of their gender, nativity, community, religious beliefs or person with physical and/or mental disability, such that all employees can achieve their full potential.

### 5. Return to work and Retention rates of permanent employees and workers that took parental leave.

| Gender       | Permanent employees |                 | Permanent workers   |                 |
|--------------|---------------------|-----------------|---------------------|-----------------|
|              | Return to work rate | Retention rate* | Return to work rate | Retention rate* |
| Male         | 100%                | 100%            | 100%                | 100%            |
| Female       | 100%                | 100%            | 100%                | 100%            |
| <b>Total</b> | <b>100%</b>         | <b>100%</b>     | <b>100%</b>         | <b>100%</b>     |

### 6. Is there a mechanism available to receive and redress grievances for the following categories of employees and workers? If yes, give details of the mechanism in brief.

Grievance redressal has been one of the key priorities of our business setup. The Company has adhered to its commitment, where it has always promptly redressed the grievances of its employees and other relevant stakeholders within the broad parameters of guidelines enumerated by the Government of India (and its agencies) and policy framework.

|                                | (If Yes, then give details of the mechanism in brief)  |
|--------------------------------|--|
| Permanent workers              | POWERGRID has a well-laid-out Grievance Redressal Mechanism for addressing the concerns of its permanent workers. A detailed procedure/ mechanism is in place for time bound redressal of worker grievance and to promote fair and equitable employee relations.<br>Since FY 2020-21, we have shifted the employee grievances procedure online through the Employee Self-Service (ESS) Portal of the Company.      |
| Other than permanent workers   | In respect of other than permanent workers, they may raise their grievances in writing/ through e-mail to the concerned authority. Further, the Company believes in an open-door policy towards the redressal of employee grievances, including those of other than permanent workers.   |
| Permanent employees            | The entity has a well-laid-out Grievance Redressal Mechanism for addressing the concerns of its permanent employees. A detailed procedure/ mechanism is in place for time-bound redressal of employee grievances and to promote fair and equitable employee relations.<br>Starting from FY 2020-21, employee grievances procedure has been moved online through Employee Self-Service (ESS) Portal of the Company. |
| Other than permanent employees | In respect of other than permanent employees, they may raise their grievances in written/ through e-mail to the concerned authority.<br>Moreover, the Company believes in an open-door policy towards redressal of employee grievance, including those of other than permanent employees.  |

### 7. Membership of employees and workers in association(s) or Unions recognized by the listed entity:

| Category                  | FY 2023-24  |   |          | FY 2022-23  |   |         |
|---------------------------|---|---|----------|---|---|---------|
|                           | Total employees/ workers in the respective category (A) | No. of employees/ workers in the respective category, who are part of the association(s) or Union (B) | % (B/ A) | Total employees/ workers in the respective category (C) | No. of employees/ workers in the respective category, who are part of the association(s) or Union (D) | % (D/C) |
| Total permanent employees | 6733  | 1001  | 14.87%   | 6618  | 1036  | 16%     |
| Male                      | 6120  | 952   | 15.56%   | 6036  | 986   | 16%     |
| Female                    | 613   | 49  | 7.99%    | 582   | 50  | 9%      |
| Total permanent workers   | 1583  | 1583  | 100%     | 1724  | 1724  | 100%    |
| Male                      | 1498  | 1498  | 100%     | 1626  | 1626  | 100%    |
| Female                    | 85  | 85  | 100%     | 98  | 98  | 100%    |

**Note:** In addition to the above, employees belonging to SC/ ST/ OBC communities are also represented by various associations.

### 8. Details of training given to employees and workers:

POWERGRID regularly conducts training on various aspects of health and safety, including safety in the construction of transmission lines and substations, operation and maintenance of transmission lines and substations, stress and health management, fire safety and first aid.

POWERGRID has incorporated training on health and safety as part of all our contract documents. Contractors must comply with all health and safety-related guidelines for training. Safety training for contract workers is provided by POWERGRID's Corporate and Regional Safety Departments and external faculties to familiarize them with safety aspects.



| Category          | FY 2023-24  |                               |              |                      |           | FY 2022-23  |                               |              |                      |              |
|-------------------|-------------|-------------------------------|--------------|----------------------|-----------|-------------|-------------------------------|--------------|----------------------|--------------|
|                   | Total (A)   | On health and safety measures |              | On skill upgradation |           | Total (D)   | On health and safety measures |              | On skill upgradation |              |
|                   |             | No. (B)                       | % (B / A)    | No. (C)              | % (C / A) |             | No. (E)                       | % (E / D)    | No. (F)              | % (F / D)    |
| <b>Employees*</b> |             |                               |              |                      |           |             |                               |              |                      |              |
| Male              | 6120        | 4980                          | 81.37        | 4742                 | 77        | 6036        | 5306                          | 87.90        | 5384                 | 89.19        |
| Female            | 613         | 534                           | 87.11        | 480                  | 78        | 582         | 501                           | 86.08        | 540                  | 92.78        |
| <b>Total</b>      | <b>6733</b> | <b>5514</b>                   | <b>81.89</b> | <b>5222</b>          | <b>78</b> | <b>6618</b> | <b>5807</b>                   | <b>87.74</b> | <b>5924</b>          | <b>89.51</b> |
| <b>Workers*</b>   |             |                               |              |                      |           |             |                               |              |                      |              |
| Male              | 1498        | 1239                          | 82.71        | 1269                 | 85        | 1626        | 1355                          | 83.33        | 1510                 | 92.86        |
| Female            | 85          | 72                            | 84.70        | 68                   | 80        | 98          | 69                            | 70.4         | 93                   | 94.89        |
| <b>Total</b>      | <b>1583</b> | <b>1311</b>                   | <b>82.82</b> | <b>1337</b>          | <b>84</b> | <b>1724</b> | <b>1424</b>                   | <b>82.59</b> | <b>1603</b>          | <b>92.98</b> |

\* Data is for Permanent Employees and Permanent Workers

- Total of 1875 nos. of safety trainings (employees including workers) conducted in FY2023-24
- Total of 5842 nos. of safety training conducted for construction agency workers/staff. in FY2023-24
- Total of 1207 nos. of safety trainings (employees including workers) conducted in FY2022-23
- Total of 5374 nos. of safety training conducted for construction agency workers/staff. In FY2022-23

#### 9. Details of performance and career development reviews of employees and workers:

| Category          | FY 2023-24  |             |             | FY 2022-23  |             |             |
|-------------------|-------------|-------------|-------------|-------------|-------------|-------------|
|                   | Total (A)   | No. (B)     | % (B / A)   | Total (C)   | No. (D)     | % (D / C)   |
| <b>Employees*</b> |             |             |             |             |             |             |
| Male              | 6120        | 6120        | 100%        | 6036        | 6036        | 100%        |
| Female            | 613         | 613         | 100%        | 582         | 582         | 100%        |
| <b>Total</b>      | <b>6733</b> | <b>6733</b> | <b>100%</b> | <b>6618</b> | <b>6618</b> | <b>100%</b> |
| <b>Workers*</b>   |             |             |             |             |             |             |
| Male              | 1498        | 1498        | 100%        | 1626        | 1626        | 100%        |
| Female            | 85          | 85          | 100%        | 98          | 98          | 100%        |
| <b>Total</b>      | <b>1583</b> | <b>1583</b> | <b>100%</b> | <b>1724</b> | <b>1724</b> | <b>100%</b> |

\* Data is for Permanent Employees and Permanent Workers

#### 10. Health and safety management system:

##### a. Whether an occupational health and safety management system has been implemented by the entity? (Yes/ No). If yes, what is the coverage of such a system?

POWERGRID is committed to the safety and well-being of its employees. The Company is certified under ISO 45001:2018, an internationally recognized Occupational Health & Safety Management System. This certification demonstrates POWERGRID's commitment to creating a safe and healthy workplace for all employees.

POWERGRID adheres to established norms and regulations on occupational health and safety. This includes implementing a comprehensive safety management system that covers all aspects of workplace safety, from hazard identification and risk assessment to training and emergency response. POWERGRID's commitment to safety extends beyond its own employees. The Company also requires its contractors to adhere to the same safety standards. This ensures that all workers associated with POWERGRID are protected in a safe and healthy work environment.

##### b. What are the processes used to identify work-related hazards and assess risks on a routine and non-routine basis by the entity?

POWERGRID takes hazard identification and risk assessment (HIRA) very seriously as part of its proactive approach to occupational health and safety. The Company conducts comprehensive surveys of the workplace to identify potential hazards that could pose a threat. This evaluation enables POWERGRID to assess the potential harm that could arise from exposure to these hazards. This information is then used to determine the specific personal protective gear and equipment necessary for each worker, as well as to prioritize the implementation of control measures.

POWERGRID employs a wide range of control measures to effectively mitigate risks associated with identified hazards. These measures include eliminating or substituting hazardous elements, implementing cutting-edge engineering controls, enforcing robust administrative controls and providing high-quality personal protective equipment.

To ensure ongoing compliance and constant improvement, POWERGRID conducts routine and surprise visits. Diligent inspectors meticulously evaluate the implementation of all safety procedures. This unwavering commitment to monitoring and assessment ensures that any potential unidentified work-related hazards are promptly detected. In such instances, immediate action is taken to address and mitigate these risks, ensuring that the well-being of every employee remains safeguarded within POWERGRID's dynamic work environment.

##### c. Whether you have processes for workers to report work-related hazards and to remove themselves from such risks. (Y/N)

Yes, the most common type of work-related hazards for the workers working on Company projects is Electrocutation and working at height. To deal with both work-related hazards regular system-related confirmations/ permissions are obtained. The Company strictly adheres to all the safety protocols in its operational activities. These procedures are followed both locally as well as on the worksites. We also follow 100% supervision policy for all our transmission projects where safety officers and supervisors are present.

##### d. Do the employees/ workers of the entity have access to non-occupational medical and healthcare services? (Yes/No)

Yes, POWERGRID has provided all its sites with access to non-occupational medical and healthcare services, either through on-site or through tie-ups with top hospitals, with best-in-class medical facilities. To ensure prompt response to a sudden medical emergency, in various establishments/townships, the Company engages with various medical consultants that are available for certain time of the day.

#### 11. Details of safety related incidents, in the following format:

| Safety incident/number   | Category* | FY 2023-24 | FY 2022-23 |
|--|-----------|------------|------------|
| Lost Time Injury Frequency Rate (LTIFR) (per one-million-person hour worked) | Employees | 0          | 0.10       |
|  | Workers   | 0.03       | 0.11       |
| Total recordable work-related injuries                                       | Employees | 0          | 2          |
|  | Workers   | 4          | 10         |
| No. of fatalities  | Employees | 0          | 0          |
|  | Workers   | 2          | 7          |
| High consequence work-related injury or ill-health (excluding fatalities)    | Employees | 0          | 1          |
|  | Workers   | 0          | 4          |

\* Employees include all personnel on the payroll of POWERGRID. Workers include third party contractors. This definition is applicable to this table only.

#### 12. Describe the measures taken by the entity to ensure a safe and healthy workplace.

- Safety cell: Monitors and reviews safety performance and promotes all safety measures for accident prevention in transmission lines and substations.
- Safety Audits and Training: Regular safety audits, inspections, safety briefings and mock drills carried out for all contract workers and employees at various O&M and construction sites. Safety trainings are organized on various safety aspects such as fire safety, stress and health management and first aid. Mock drills are also organized at sites to prepare for any untoward incident, urgency, or emergency.

- Daily briefing: Regularly conducted discuss safety guidelines, accident preventive measures and committee recommendation to help educate the workers on the possible hazards associated with their work and its mitigation measures.
- Safety week involving events to raise awareness among employees and family members.
- Precautions, such as, fire safety measures, including alarms and drills, are implemented at all the Company's establishments.

**13. Number of complaints on the following made by employees and workers:**

|                    | FY 2023-24            |                                       |         | FY 2022-23            |                                       |         |
|--------------------|-----------------------|---------------------------------------|---------|-----------------------|---------------------------------------|---------|
|                    | Filed during the year | Pending resolution at the end of year | Remarks | Filed during the year | Pending resolution at the end of year | Remarks |
| Working conditions | 2                     | 0                                     |         | 0                     | 0                                     |         |
| Health & safety    | 0                     | 0                                     |         | 0                     | 0                                     |         |

**14. Assessments for the year:**

POWERGRID is certified under SA8000:2014, a globally recognized social accountability standard. The certification is awarded by third-party auditors who assess the Company's compliance with international standards set forth by the International Labor Organization (ILO). These standards address issues such as child labor, forced labor, discrimination, sexual harassment and remuneration. POWERGRID is also ISO 45001 (Occupational health and safety management system) certified, thereby upholding its legal and ethical obligations to ensure the safety of its transmission lines, substations, and personnel, as well as the community.

|                             | % of your plants and offices that were assessed (by entity or statutory authorities or third parties) |
|-----------------------------|---|
| Health and safety practices | 100   |
| Working conditions          | 100   |

**15. Provide details of any corrective action taken or underway to address safety-related incidents (if any) and on significant risks/concerns arising from assessments of health & safety practices and working conditions.**

The Company has adhered to all health and safety practices outlined in its policies and statutory requirements. Any dangerous occurrences are investigated by an accident enquiry committee, which analyzes the reasons for the occurrence and suggests preventive measures to avoid future incidents.

The recommendations of the accident enquiry committee are widely circulated at all sites for implementation and learning. Additionally, all dangerous occurrences and safety aspects are reviewed by the Standing Safety Management Committee and the Company's Apex Safety Board, which includes representatives from all regional offices and board level representatives of construction agencies. The committee discusses safety augmentations for implementation.

**Principle 4: Businesses should respect the interests of and be responsive to all its stakeholders.**
**ESSENTIAL INDICATORS**
**1. Describe the processes for identifying key stakeholder groups of the entity.**

At POWERGRID, fostering strong collaborative relationships with stakeholders is regarded as a cornerstone of its organizational philosophy. Recognizing the significance of understanding stakeholder needs and concerns, the Company actively engages in cooperative efforts aimed at reducing risks, upholding social legitimacy, enhancing credibility and earning stakeholders' unwavering confidence.

POWERGRID's stakeholder community encompasses a diverse range of key actors, including dedicated employees, trusted suppliers, valued customers, reliable business partners, vigilant regulatory agencies and the local communities situated around the operational sites. Within these local communities, POWERGRID diligently identifies and prioritizes support for disadvantaged, vulnerable and marginalized sections, ensuring that no one is left behind in their pursuit of sustainable development.

Internally, POWERGRID places special emphasis on internal stakeholders, such as employees belonging to diverse backgrounds, including persons with disabilities (PWD), individuals from Scheduled Castes (SC), Scheduled Tribes (ST) and women. The Company recognizes the immense value and potential

these stakeholders bring, nurturing an inclusive work environment that promotes equal opportunities and encourages their active participation.

Externally, POWERGRID diligently identifies and supports project-affected persons/families (PAPs/PAFs) within the local communities. Their focus extends to particularly vulnerable groups, including widow women-headed families, individuals from SC/ST communities and persons with disabilities (PWD). By addressing their unique challenges and empowering these external stakeholders, POWERGRID strives to ensure equitable development and foster sustainable progress within the communities they serve.

Through this comprehensive and compassionate approach to stakeholder engagement, POWERGRID establishes itself as a responsible corporate entity committed to making a positive impact on the lives of those directly or indirectly affected by its operations. By actively involving stakeholders, POWERGRID not only enhances their own organizational effectiveness but also contributes to the broader goal of societal well-being and inclusive growth.

**2. List stakeholder groups identified as key for your entity and the frequency of engagement with each stakeholder group.**

| Stakeholder group | Whether identified as vulnerable & marginalized group (Yes/No) | Channels of communication (Email, SMS, Newspaper, Pamphlets, Advertisement, Community meetings, Notice board, Website), Other | Frequency of engagement (Annually/ half-yearly/ quarterly / others – please specify) | Purpose and scope of engagement including key topics and concerns raised during such engagement |
|-------------------|--|---|--|---|
|-------------------|--|---|--|---|

<For the detailed table. Please refer to the Stakeholder Engagement and Materiality Assessment Chapter of this Integrated Report at Page 52-55. >

**Principle 5: Businesses should respect and promote human rights**
**ESSENTIAL INDICATORS**
**1. Employees and workers who have been provided training on human rights issues and policy(ies) of the entity, in the following format:**

| Category               | FY 2023-24   |  |             | FY 2022-23   |  |             |
|------------------------|--------------|--|-------------|--------------|--|-------------|
|                        | Total (A)    | No. of employees / workers covered (B) | % (B / A)   | Total (C)    | No. of employees / workers covered (D) | % (D / C)   |
| <b>Employees</b>       |              |  |             |              |  |             |
| Permanent              | 6733         | 6733                                   | 100%        | 6618         | 6618                                   | 100%        |
| Other than permanent   | 274          | 274                                    | 100%        | 368          | 368                                    | 100%        |
| <b>Total employees</b> | <b>7007</b>  | <b>7007</b>                            | <b>100%</b> | <b>6986</b>  | <b>6986</b>                            | <b>100%</b> |
| <b>Workers</b>         |              |  |             |              |  |             |
| Permanent              | 1583         | 1583                                   | 100%        | 1724         | 1724                                   | 100%        |
| Other than permanent   | 17177        | 17177                                  | 100%        | 14290        | 14290                                  | 100%        |
| <b>Total workers</b>   | <b>18760</b> | <b>18760</b>                           | <b>100%</b> | <b>16014</b> | <b>16014</b>                           | <b>100%</b> |

**2. Details of minimum wages paid to employees and workers.**

| Category         | FY 2023-24 |                       |           |                        |           | FY 2022-23 |                       |           |                        |           |
|------------------|------------|-----------------------|-----------|------------------------|-----------|------------|-----------------------|-----------|------------------------|-----------|
|                  | Total (A)  | Equal to minimum wage |           | More than minimum wage |           | Total (D)  | Equal to minimum wage |           | More than minimum wage |           |
|                  |            | No. (B)               | % (B / A) | No. (C)                | % (C / A) |            | No. (E)               | % (E / D) | No. (F)                | % (F / D) |
| <b>Employees</b> |            |                       |           |                        |           |            |                       |           |                        |           |
| <b>Permanent</b> |            |                       |           |                        |           |            |                       |           |                        |           |
| Male             | 6120       | 0                     | 0%        | 6120                   | 100%      | 6036       | 0                     | 0%        | 6036                   | 100%      |



| Category                    | FY 2023-24   |                       |             |                        |             | FY 2022-23   |                       |               |                        |               |
|-----------------------------|--------------|-----------------------|-------------|------------------------|-------------|--------------|-----------------------|---------------|------------------------|---------------|
|                             | Total (A)    | Equal to minimum wage |             | More than minimum wage |             | Total (D)    | Equal to minimum wage |               | More than minimum wage |               |
|                             |              | No. (B)               | % (B / A)   | No. (C)                | % (C / A)   |              | No. (E)               | % (E / D)     | No. (F)                | % (F / D)     |
| Female                      | 613          | 0                     | 0%          | 613                    | 100%        | 582          | 0                     | 0%            | 582                    | 100%          |
| <b>Other than permanent</b> |              |                       |             |                        |             |              |                       |               |                        |               |
| Male                        | 248          | 0                     | 0%          | 248                    | 100%        | 330          | 0                     | 0%            | 330                    | 100%          |
| Female                      | 26           | 0                     | 0%          | 26                     | 100%        | 38           | 0                     | 0%            | 38                     | 100%          |
| <b>Total employees</b>      | <b>7007</b>  | <b>0</b>              | <b>0%</b>   | <b>7007</b>            | <b>100%</b> | <b>6986</b>  | <b>0</b>              | <b>0%</b>     | <b>6986</b>            | <b>100%</b>   |
| <b>Workers</b>              |              |                       |             |                        |             |              |                       |               |                        |               |
| <b>Permanent</b>            |              |                       |             |                        |             |              |                       |               |                        |               |
| Male                        | 1498         | 0                     | 0%          | 1498                   | 100%        | 1626         | 0                     | 0             | 1626                   | 100%          |
| Female                      | 85           | 0                     | 0%          | 85                     | 100%        | 98           | 0                     | 0             | 98                     | 100%          |
| <b>Other than permanent</b> |              |                       |             |                        |             |              |                       |               |                        |               |
| Male                        | 16510        | 16510                 | 100%        | 0                      | 0%          | 13603        | 13603                 | 100%          | 0                      | NIL           |
| Female                      | 667          | 667                   | 100%        | 0                      | 0%          | 687          | 687                   | 100%          | 0                      | NIL           |
| <b>Total workers</b>        | <b>18760</b> | <b>18760</b>          | <b>100%</b> | <b>0</b>               | <b>0%</b>   | <b>16014</b> | <b>14290</b>          | <b>89.23%</b> | <b>1724</b>            | <b>10.77%</b> |

### 3. Details of remuneration/salary/wages.

#### a. Median remuneration / wages

|                                  | Male   |   | Female |   |
|----------------------------------|--------|---|--------|---|
|                                  | Number | Median remuneration/ salary/ wages of respective category | Number | Median remuneration/ salary/ wages of respective category |
| Board of Directors (BoD)         | 6      | 8,888,345   | 0      | 0   |
| Key managerial personnel         | 7      | 8,832,338   | 0      | 0   |
| Employees other than BoD and KMP | 6701   | 2,293,428   | 658    | 2,169,108   |
| Workers                          | 1668   | 1,412,334   | 102    | 1,472,866   |

\*Data is for Permanent Employee and Permanent Workers.

#### b. Gross wages paid to females as % of total wages paid by the entity, in the following format:

|   | FY 2023-24<br>(Current Financial Year) | FY 2022-23<br>(Previous Financial Year) |
|---|--|---|
| Gross wages paid to females as % of total wages | 8.04                                   | 7.50                                    |

\*Data is for Permanent Employees and Permanent Workers as on 31.03.2024.

### 4. Do you have a focal point (individual/ committee) responsible for addressing human rights impacts or issues caused or contributed to by the business? (Yes/No)

POWERGRID believes that growth and success of business multiplies when human rights and values are respected and protected. The Company has formulated its Human Rights policy to express & institutionalize its commitment to embrace practices that support human rights in every geography where it operates. Compliance to the human rights policy is ensured at the Offices/ Projects/ Stations/ Regions by the respective heads and at the Corporate Centre by Executive Director (HR). Executive Director (HR) is also the nodal officer for receipt of complaints/ grievances regarding human rights violation.

### 5. Describe the internal mechanisms in place to redress grievances related to human rights issues.

At POWERGRID, the reverence for the dignity and untapped potential of every individual lies at the core of their

values. Recognizing that a steadfast commitment to human rights policy is paramount for both the growth and success of the business, POWERGRID aims to achieve the following objectives:

- Upholding the Social and Economic Dignity:** Ensuring that all employees are treated with respect, fairness and equality, regardless of gender, race, status or religion.
- Commitment to Human Rights and Labor Standards:** Adhering to Indian laws and International Human Rights Agreements, safeguarding every worker's/employee's fundamental rights.

To reinforce its commitment to human rights, POWERGRID has implemented a robust internal framework. The Executive Director (HR) serves as the nodal officer for human rights complaints and grievances. Additionally, liaison officers address discrimination-related complaints, nodal officers manage issues under the Whistle Blower & Fraud Prevention Policy, and the Internal Complaints Committee (ICC) handles sexual harassment complaints. These specialized avenues ensure individuals can voice concerns and seek resolution. Complementing these efforts, the Vigilance and HR Departments address code of conduct violations. Through this comprehensive approach, POWERGRID maintains an environment of integrity, accountability, and respect for human rights.

### 6. Number of complaints on the following made by employees and workers:

|                                   | FY 2023-24            |                                       |         | FY 2022-23            |                                       |         |
|-----------------------------------|-----------------------|---------------------------------------|---------|-----------------------|---------------------------------------|---------|
|                                   | Filed during the year | Pending resolution at the end of year | Remarks | Filed During the year | Pending resolution at the end of year | Remarks |
| Sexual harassment                 | 3                     | 0                                     | --      | 1                     | 0                                     |         |
| Discrimination at workplace       | 0                     | 0                                     |         | 8                     | 0                                     |         |
| Child labour                      | 0                     | 0                                     |         | 0                     | 0                                     |         |
| Forced labour/ Involuntary labour | 0                     | 0                                     |         | 0                     | 0                                     |         |
| Wages                             | 15                    | 0                                     |         | 0                     | 0                                     |         |
| Other human rights-related issues | 0                     | 0                                     |         | 0                     | 0                                     |         |

### 7. Complaints filed under the Sexual Harassment of Women at Workplace (Prevention, Prohibition and Redressal) Act, 2013, in the following format:

|  | FY 2023-24<br>Current Financial Year | FY 2022-23<br>Previous Financial Year |
|--|--------------------------------------|---------------------------------------|
| Total complaints reported under Sexual Harassment of Women at Workplace (Prevention, Prohibition and Redressal) Act, 2013 (PoSH) | 3                                    | 1                                     |
| Complaints on PoSH as a % of female employees/ workers   | 0.43                                 | 0.14                                  |
| Complaints on PoSH upheld  | 3                                    | 0                                     |

\*Data is for Permanent Employees and Permanent Workers

### 8. Mechanisms to prevent adverse consequences to the complainant in discrimination and harassment cases.

For discrimination cases, liaison officers for different categories of employees i.e., SC/ ST/ OBC/ PwD have been identified to record and resolve their complaints as per laid down procedures. For prevention of sexual harassment at workplace, Internal Complaints Committee (ICC) has been formed at Corporate as well as regional level with responsibility of resolving harassment related complaints as well as prevent any kind of victimization of the complainant. Further, the Company ensures implementation of these mechanisms under its broad set of policies on Human rights, Equal Opportunity, Prevention of Sexual Harassment, etc. as well as government guidelines. There is zero tolerance towards discrimination of any kind.

### 9. Do human rights requirements form part of your business agreements and contracts? (Yes/No)

Yes, the Company understands its larger responsibility towards its value chain partners with respect to Human

rights related aspects and ensures that provisions related to it such as prohibition of child labor, prevention of forced and compulsory labor, payment of wages and other compliances related to labor laws are built into contracts with its value chain partners.

#### 10. Assessments of the year

|                             | % of your plants and offices that were assessed (by the entity or statutory authorities or third parties)   |
|-----------------------------|---|
| Child labour                | The Company is certified under SA8000:2014, a globally recognized social accountability standard. The standard covers a range of workplace practices, including child labor, forced or compulsory labor, health and safety, discrimination and remuneration. Audits for compliance with the standard are conducted by third-party auditors on a sampling basis. |
| Forced/involuntary labour   |   |
| Sexual harassment           |   |
| Discrimination at workplace |   |
| Wages                       |   |
| Others – please specify     |   |

#### 11. Provide details of any corrective actions taken or underway to address significant risks/concerns arising from the assessments at Question 9 above.

We had a clean reporting year with no instances of misconduct or discrimination and we maintained our commitment to upholding moral working practices by complying with all applicable standards.

### Principle 6: Businesses should respect and make efforts to protect and restore the environment

#### ESSENTIAL INDICATORS

##### 1. Details of total energy consumption (in Joules or multiples) and energy intensity:

| Parameter  | FY 2023-24       | FY 2022-23       |
|--|------------------|------------------|
| <b>From renewable sources</b>  |                  |                  |
| Total electricity consumption (A) GJ   | 36,190           | 30,841           |
| Total fuel consumption (B)   | Nil              | Nil              |
| Energy consumption through other sources (C)   | Nil              | Nil              |
| <b>Total energy consumed from renewable sources (A+B+C) GJ</b>   | <b>36,190</b>    | <b>30,841</b>    |
| <b>From non-renewable sources</b>  |                  |                  |
| Total electricity consumption (D) GJ   | 13,61,928        | 12,09,701        |
| Total fuel consumption (E) GJ  | 1,51,250         | 1,69,622         |
| Energy consumption through other sources (F)   | Nil              | Nil              |
| <b>Total energy consumed from non-renewable sources (D+E+F)</b>  | <b>15,13,178</b> | <b>13,79,323</b> |
| <b>Total energy consumed (A+B+C+D+E+F)</b>   | <b>15,49,368</b> | <b>14,10,164</b> |
| Energy intensity per rupee of turnover (Total energy consumed/Revenue from operations) GJ/Rs Crore   | 33.79            | 30.92            |
| Energy intensity per rupee of turnover adjusted for Purchasing Power Parity (Total energy consumed/Revenue from operations adjusted for PPP) GJ/Rs Crore | 683.38           | 625.25           |
| Energy intensity in terms of physical output   | Not Applicable   | Not Applicable   |
| Energy intensity (optional) – the relevant metric may be selected by the entity GJ/MVA   | 2.94             | 2.78             |

Revenue from Operations (Rs Crore) : FY 2023-24: 45,843.10 and FY 2022-23: 45,603.11

PPP Adjusted Revenue from Operations (Rs Crore): FY 2023-24: 2267.22 and FY 2022-23: 2255.35

(Source for PPP – <https://data.worldbank.org/indicator/PA.NUS.PPP?skipRedirection=true&view=map> )

Note: Indicate if any independent assessment/ evaluation/assurance has been carried out by an external agency? (Y/N) If yes, name of the external agency.

Yes, M/s Grant Thornton Bharat LLP

#### 2. Does the entity have any sites/facilities identified as designated consumers (DCs) under the performance, achieve and trade (PAT) Scheme of the Government of India? (Y/N) If yes, disclose whether targets set under the PAT scheme have been achieved. In case targets have not been achieved, provide the remedial action taken if any.

Not Applicable. Power Transmission projects/systems are not covered under PAT schemes of Government of India.

#### 3. Provide details of the following disclosures related to water, in the following format:

| Parameter   | FY 2023-24       | FY 2022-23       |
|---|------------------|------------------|
| <b>Water withdrawal by source (in kilolitres)</b>   |                  |                  |
| (i) Surface water   | 68,707           | 71,034           |
| (ii) Groundwater  | 23,91,200        | 23,60,841        |
| (iii) Third-party water (municipal water supplies)  | 4,03,524         | 3,45,793         |
| (iv) Seawater / desalinated water   | Nil              | Nil              |
| (v) Others  | Nil              | Nil              |
| <b>Total volume of water withdrawal (in kilolitres) (i + ii + iii + iv + v)</b>   | <b>28,63,430</b> | <b>27,77,668</b> |
| <b>Total volume of water consumption (in kilolitres)</b>  | <b>28,63,430</b> | <b>27,77,668</b> |
| <b>Water intensity per rupee of turnover (water consumed / turnover) KL/Rs Crore</b>  | 62.46            | 60.91            |
| <b>Water intensity per rupee of Turnover adjusted for Purchasing Power Parity (PPP) (Total Water consumption/ Revenue from operations adjusted for PPP) KL/Rs Crore</b> | 1,262.97         | 1,231.59         |
| <b>Water intensity in terms of physical output</b>  | Not Applicable   | Not Applicable   |
| <b>Water intensity (optional) – the relevant metric may be selected by the entity KL/MVA</b>  | 5.43             | 5.47             |

Note: Indicate if any independent assessment/ evaluation/assurance has been carried out by an external agency? (Y/N) If yes, name of the external agency.

Yes, M/s Grant Thornton Bharat LLP

#### 4. Provide the following details related to water discharged:

| Parameter  | FY 2023-24 | FY 2022-23 |
|--|------------|------------|
| <b>Water discharge by destination and level of treatment (in kilolitres)</b> |            |            |
| (i) To Surface water   | Nil        | Nil        |
| - No treatment   |            |            |
| - With treatment – please specify level of treatment                         |            |            |
| (ii) To Groundwater  | 10,98,808  |            |



| Parameter  | FY 2023-24   | FY 2022-23 |
|--|--|------------|
| - No treatment                                       | Nil  |            |
| - With treatment – please specify level of treatment | 100% wastewater discharged to Ground Water is treated through Soak pits. |            |
| (iii) To Seawater                                    | Nil  |            |
| - No treatment                                       |  |            |
| - With treatment – please specify level of treatment |  |            |
| (iv) Sent to third-parties                           | 1,38,997   |            |
| - No treatment                                       | 1,38,997 is sent to municipal sewage                                     |            |
| - With treatment – please specify level of treatment | 1,29,835   |            |
| (v) Others   | Wastewater treated through STPs and reused within the campus             |            |
| - No treatment                                       |  |            |
| - With treatment – please specify level of treatment | Sewage treated through STPs.   |            |
| <b>Total water discharged (in kilolitres)</b>        | 13,67,639  |            |

It may be noted that in POWERGRID establishments, water is mainly used for domestic purpose (except for a small quantity of water which is used as a makeup water for cooling purpose). There is no use of water for industrial purpose resulting in no generation of industrial effluents. At the same time, no products are produced in our business activities. Hence, there is no product embedded water in our business activities. The wastewater generated in our establishments is essentially domestic sewage consisting of black water and grey water, which is turn, is treated with either Soak pits or Sewage Treatment Plants (STPs) and only a small quantity of this domestic sewage generated from the establishments located in urban areas is discharged into municipal sewerage system. Hence, in order to bring the required clarity, water consumption has been taken as water withdrawal, while providing the details of wastewater generated, its treatment and disposal.

Note: Indicate if any independent assessment/ evaluation/ assurance has been carried out by an external agency? (Y/N) If yes, name of the external agency.

Yes, M/s Grant Thornton Bharat LLP

**5. Has the entity implemented a mechanism for zero liquid discharge? If yes, provide details of its coverage and implementation.**

Yes, POWERGRID has a mechanism in place to ensure Zero Liquid discharge, in spite of the fact that no industrial effluents are generated in our substations. The only wastewater generated in our campuses is domestic sewage (a mixture of Black and Grey Water) from offices and residential campuses, which is treated either by soak pits or Sewage Treatment Plants (STP) and reused in the campus itself. Only a small quantity of domestic sewage generated in a few offices located in urban areas is discharged in municipal sewerage system.

**6. Please provide details of air emissions (other than GHG emissions) by the entity:**

| Parameter   | Unit   | FY 2023-24 | FY 2022-23 |
|---|--|------------|------------|
| NOx   | Not Applicable.  |            |            |
| Sox   | It is pertinent to mention that in electric power substations, no chemical processes are involved, resulting in non-generation of any air pollutants in our operations/establishments. The only sources of air pollution in our substations is Diesel Generators, which are used only as a backup arrangement and occasionally run mainly for testing purpose for very short duration, as our substations have two very stable source of auxiliary power i.e. Dedicated feeder from Discoms and a separate reliable power source from Grid Transformers. |            |            |
| Particulate matter (PM)                                 |  |            |            |
| Persistent organic pollutants (POP)                     |  |            |            |
| Volatile organic compounds (VOC)                        |  |            |            |
| Hazardous air pollutants (HAP)                          |  |            |            |
| Others – ozone-depleting substances (HCFC – 22 or R-22) |  |            |            |

Note: Indicate if any independent assessment/ evaluation/assurance has been carried out by an external agency? (Y/N) If yes, name of the external agency.

Yes, M/s Grant Thornton Bharat LLP

**7. Provide details of greenhouse gas emissions (Scope 1 and Scope 2 emissions) and its intensity:**

| Parameter   | Unit  | FY 2023-24     | FY 2022-23     |
|---|---|----------------|----------------|
| <b>Total Scope 1 emissions</b> (Break-up of the GHG into CO <sub>2</sub> , CH <sub>4</sub> , N <sub>2</sub> O, HFCs, PFCs, SF <sub>6</sub> , NF <sub>3</sub> , if available)                              | Metric tonnes of CO <sub>2</sub> equivalent   | 73,497         | 1,23,830       |
| <b>Total Scope 2 emissions</b> (Break-up of the GHG into CO <sub>2</sub> , CH <sub>4</sub> , N <sub>2</sub> O, HFCs, PFCs, SF <sub>6</sub> , NF <sub>3</sub> , if available)                              | Metric tonnes of CO <sub>2</sub> equivalent   | 2,70,872       | 2,39,561       |
| <b>Total Scope 1 and Scope 2 emission intensity per rupee of turnover</b> (Total Scope 1 and Scope 2 GHG emissions / Revenue from operations)   | Metric tonnes CO <sub>2</sub> Eq/Rs Crore     | 7.51           | 7.97           |
| <b>Total Scope 1 and Scope 2 emission intensity per rupee of turnover adjusted for Purchasing Power Parity (PPP)</b> (Total Scope 1 and Scope 2 GHG emissions / Revenue from operations adjusted for PPP) | Metric tonnes of CO <sub>2</sub> Eq/ Rs Crore | 151.89         | 161.12         |
| <b>Total Scope 1 and Scope 2 emission intensity in terms of physical output</b>   |   | Not Applicable | Not Applicable |
| <b>Total Scope 1 and Scope 2 emission intensity (optional) – the relevant metric may be selected by the entity</b>  | Metric tonnes of CO <sub>2</sub> Eq/ MVA      | 0.65           | 0.72           |

# Value of CF/EF obtained from CEA User Guide (Version 19) IPCC AR-6, CII datasets and step analysis

# Slight variations in values of Scope-1 for FY 2022-23 being reported here from those reported for FY 2022-23 is due to the use of updated CF/EF.

Note: Indicate if any independent assessment/ evaluation/assurance has been carried out by an external agency? (Y/N) If yes, name of the external agency.

Yes, M/s Grant Thornton Bharat LLP

**8. Does the entity have any project related to reducing greenhouse gas emissions? If Yes, then provide details.**

Considering the catastrophic impacts of climate change, there is broad consensus among various stakeholders including Policy makers, Investors, Financial Institutions, Industries and citizens that every possible efforts should be made to control and mitigate this possibly the greatest threat to the existence of Earth. POWERGRID as a responsible organization comprehensively shares this sense of urgency of taking effective measures to combat climate crisis, the world is facing today. Guided by our ambitious Goal of becoming a Net Zero Emission organization as mandated by our Board approved ESG Policy, we have started many initiatives towards reducing our Green House Gas emission:

- **Management of SF<sub>6</sub>:** SF<sub>6</sub> gas, which is a highly potent Green Huse gas forms the bulk of our Scope-1 emissions. Due to a tight inventory management and leakage management system being practiced in POWERGRID, the leakage rate of SF<sub>6</sub> remains well below the acceptable limits (1% for AIS and 0.5% for GIS). In FY 2023-24, our SF<sub>6</sub> leakage has reduced by almost 44.65%. However, POWERGRID is also seriously considering replacing it with other technically feasible and economically viable alternatives. With the fast-paced technological developments around SF<sub>6</sub>, we are hopeful about staggered phase out of the same. In fact, we have started the process of replacing SF<sub>6</sub> in two of our substations located at Imphal and Badarpur on a pilot basis. Depending upon the results of these trials as well as availability of suitable technology in the form of viable alternatives, we will plan SF<sub>6</sub> phase out at higher voltage level substations.
- **Reducing dependence on Grid Electricity by adopting Renewable sources of Energy:** Our Scape-2 emissions, which results from purchase of Grid electricity forms around 66% of our total emissions. POWERGRID is committed to derive 50% of its power requirements from Non fossil sources by 2025. Accordingly, we are taking every effort to enhance our Solar PV capacity. Currently, at our various locations, the total solar

PV installed is around 10.2 MW, which is fulfilling around 2.6% of our total electricity requirements. Further, 85 MW of dedicated solar plant is under installation at Nagda (MP), which is expected to significantly enhance the percentage of renewables in our power consumption mix, thus substantially reducing our Scope-2 emissions. Additionally, around 80 MW of dedicated solar plants are in the planning stage.

- Focus on developing Green Cover:** POWERGRID is aware that trees/Forests play an important role in fighting climate change by absorbing atmospheric Carbon Dioxide apart from providing several other benefits such as preventing soil erosion, flooding and urban heat island phenomena. Accordingly, we have set an ambitious target for ourselves of developing a green cover at our premises. During FY 2023-24, 53885 trees were planted in addition to already existing trees, resulting in a green cover consisting of total number of standing trees at 7,53,153 in our premises located across the length and breadth of the country. Additionally, during last 10 years 73,549 trees were planted under our CSR initiatives. In total the Green cover developed by us is responsible for an offset of 5.23% of our total emissions. Furthermore, POWERGRID has planned to participate in Green Credit Program of Government of India, which focuses on rejuvenation of degraded forest land of the country.

**9. Provide details related to waste management by the entity, in the following format:**

| Parameter   | FY 23-24  | FY 22-23  |
|---|---|---|
| <b>Total Waste generated (in metric tonnes)</b>   |   |   |
| Plastic waste (A)   | 10.088  | 38.556  |
| E-waste (B)   | 9.766   | 41.001  |
| Bio-medical waste (C)   | Nil   | Nil   |
| Construction and demolition waste (D)   | 2391.369  | 1425.974  |
| Battery waste (E)   | 145.717   | 269.584   |
| Radioactive waste (F)   | Not Applicable  | Not Applicable  |
| Other Hazardous waste. Please specify, if any. (G)  | 139.439 (Used Transformer oil & STP sludge)   | 421.586 (Used Transformer Oil & STP Sludge)   |
| Other Non-hazardous waste generated (H). Please specify, if any. (Break-up by composition i.e. by materials relevant to the sector)   | 6609.137<br>Breakup of above figure:<br>Steel Scrap - 2490.194<br>Aluminium Scrap - 750.166<br>Insulator Waste - 3221.087<br>Waste Wood Material - 146.940<br>Empty Gas Cylinders - 0.750 | 9,131.31<br>Breakup of above figure:<br>Steel Scrap - 2977.073<br>Aluminium Scrap - 1357.401<br>Insulator Waste - 4562.290<br>Waste Wood Material - 234.546 |
| <b>Total (A+B + C + D + E + F + G + H)</b>  | <b>9305.516</b>   | <b>11328.011</b>  |
| <b>Waste intensity per rupee of Turnover</b> (Total Waste generated/Revenue from operations) <b>Metric tons/Rs Crore</b>  | 0.203   | 0.248   |
| <b>Waste intensity per rupee of Turnover adjusted for Purchasing Power Parity (PPP)</b> (Total Waste generated/ Revenue from operations adjusted for PPP) <b>Metric tons/Rs Crore</b> | 4.10  | 5.02  |
| <b>Waste intensity in terms of physical output</b>  | Not Applicable  | Not Applicable  |
| <b>Waste intensity (optional) – the relevant metric may be selected by the entity Metric tons/MVA</b>   | 0.017   | 0.022   |
| <b>For each category of waste generated, total waste recovered through recycling, re-using or other recovery operations (in metric tonnes)</b>  |   |   |

| Parameter   | FY 23-24  | FY 22-23   |
|---|---|--|
| <b>Category of waste</b>  | Plastic Waste, E-Waste, Battery Waste, Other Hazardous Waste (Except STP Sludge), Metal Scrap & Insulator Waste |  |
| (i) Recycled  | 6,692.457   | 9,659.911  |
| (ii) Re-used  | Nil   | Nil  |
| (iii) Other recovery operations   | Nil   | Nil  |
| <b>Total</b>  | <b>6692.457</b>   | <b>9,659.911</b>   |
| <b>Category of waste</b>  | Construction & Demolition Waste and Waste Wooden Material   |  |
| (i) Recycled  | Nil   | Nil  |
| (ii) Re-used  | 2,539.059   | 1,660.52   |
| (iii) Other recovery operations   | Nil   | Nil  |
| <b>Total</b>  | <b>2,539.059</b>  | <b>1,660.52</b>  |
| <b>For each category of waste generated, total waste disposed by nature of disposal method (in metric tonnes)</b> |   |  |
| Category of waste   | STP Sludge  |  |
| (i) Incineration  | Nil   | Nil  |
| (ii) Landfilling  | Nil   | Nil  |
| (iii) Other disposal operations   | 74 (Handed over to Authorized agencies for Environmentally sound disposal)                                      | 7.58 (Handed over to Authorized agencies for Environmentally sound disposal) |
| <b>Total</b>  | <b>74</b>   | <b>7.58</b>  |

Note: As mentioned in earlier section, POWERGRID's activities don't involve any chemical process. As such, no process wastes are generated in its establishments. Most of the industrial wastes consist of C&D Wastes and Scrap materials generated after their useful life during Operation & Maintenance activities. Accordingly, no clear trend in the quantity of different kinds of waste produced would be possible. Note: Indicate if any independent assessment/ evaluation/assurance has been carried out by an external agency? (Y/N) If yes, name of the external agency.

Yes, M/s Grant Thornton Bharat LLP

**10. Briefly describe the waste management practices adopted in your establishments. Describe the strategy adopted by your Company to reduce the usage of hazardous and toxic chemicals in your products and processes and the practices adopted to manage such wastes.**

POWERGRID's waste management practices are guided by the principles of Reduce, Recycle and Reuse, as defined in its "Waste Management Policy", which in turn is duly approved by its Board. Accordingly, POWERGRID ensures proper recycling and reuse of the waste material generated in its establishment either in house or through M/s MSTCL, A Miniratna Public Sector Enterprise or by returning the waste material to producer in line with newly introduced principle of Extended Producer Responsibility (EPR), while fully complying with all applicable regulations. A small quantity of Hazardous waste consisting of STP Sludge is handed over to Authorized Agencies for Environmentally sound disposal. Another, important feature of our approach towards waste management is responsible consumption of resources, which not only results in preservation of precious natural resources, but also helps in reducing the quantity of waste materials generated.

POWERGRID's Waste Management Policy can be accessed at: <https://www.powergrid.in/policies>

**11. If the entity has operations/offices in/around ecologically sensitive areas (such as national parks, wildlife sanctuaries, biosphere reserves, wetlands, biodiversity hotspots, forests, coastal regulation zones, etc.) where environmental approvals/clearances are required, please specify details in the following format:**



| S. No. | Location of operations/offices  | Type of operations | Whether the conditions of environmental approval / clearance are being complied with? (Y/N)<br>If no, the reasons thereof and corrective action taken, if any. |
|--------|---|--------------------|--|
| 1      | 765 kV D/c Fatehpur-Agra line involving 4.6535 Ha. of forest in the State of Uttar Pradesh  | Transmission Lines | Yes  |
| 2      | 400 kV D/c Bikaner-Khetri line involving 1.7066 Ha. of forest in the state of Rajasthan   | Transmission Lines | Yes  |
| 3      | 400 kV D/c Ramgarh-Jaisalmer line involving 0.092 Ha. of forest in the state of Rajasthan   | Transmission Lines | Yes  |
| 4      | 400 kV D/c Khetri-Bhiwadi line involving 4.3654 Ha. of forest in the state of Haryana   | Transmission Lines | Yes  |
| 5      | Construction of 400 kV D/C Quad Bikaner(PG) - Bikaner II (PS) Transmission line involving 0.8142 Ha. of forest in the state of Rajasthan  | Transmission Lines | Yes  |
| 6      | 400 kV D/c Bikaner-Khetri line involving 1.7425 Ha. of forest in the state of Rajasthan   | Transmission Lines | Yes  |
| 7      | 765 kV D/c Khetri-Jhatikara line involving 2.2401 Ha. of forest in the state of Rajasthan   | Transmission Lines | Yes  |
| 8      | 400 kV D/c Khetri-Sikar line involving 1.3706 Ha. of forest in the state of Rajasthan   | Transmission Lines | Yes  |
| 9      | 765 kV D/c Sikar-Aligarh line involving 15.0147 Ha. of forest in the state of Haryana   | Transmission Lines | Yes  |
| 10     | 400 kV D/c Khetri-Bhiwadi line involving 1.6238 Ha. of forest in the state of Rajasthan   | Transmission Lines | Yes  |
| 11     | 765 kV D/c Khetri-Jhatikara line involving 4.89 Ha. of forest in the state of Delhi   | Transmission Lines | Yes  |
| 12     | Diversion of 400 kV M/C Vindhyachal -Satna 1,2,3,4 & 400 kV D/C Vindhyachal Sasan Rewa transmission line involving 84.617 Ha. of forest in the state of Madhya Pradesh  | Transmission Lines | Yes  |
| 13     | 765 kV S/c Fatehpur-Agra line involving 3.8602 Ha. of forest in the state of Uttar Pradesh  | Transmission Lines | Yes  |
| 14     | LILO of Sarojini Nagar (400kV) - Unnao (765kV) 400kV S/C Line @ 400KV GIS Sub Station Mohanlalganj and LILO of 400kV S/C Lucknow-Sultanpur Transmission Line at 400 KV Sub Station Mohanlalganj line involving 3.1142 Ha. of forest in the state of Uttar Pradesh | Transmission Lines | Yes  |

| S. No. | Location of operations/offices  | Type of operations | Whether the conditions of environmental approval / clearance are being complied with? (Y/N)<br>If no, the reasons thereof and corrective action taken, if any. |
|--------|---|--------------------|--|
| 15     | 400 kV D/c Sikar-Neemrana line involving 0.483 Ha. of forest in the state of Haryana  | Transmission Lines | Yes  |
| 16     | LILO of 400 kV Bamnawali-Jhatikara at Dwarka line involving 10.9736 Ha. of forest in the state of Delhi   | Transmission Lines | Yes  |
| 17     | 400 kV DC Neemuch - Mandsaur line involving 72.4802 Ha. of forest in the state of Madhya Pradesh  | Transmission Lines | Yes  |
| 18     | 400 kV M/c Navasari - Magarwada line involving 2.5694 Ha. of forest in the state of Gujarat   | Transmission Lines | Yes  |
| 19     | Diversion (due to Bullet Train) of 400 kV D/c Tarapur-Boisar, 400 kV D/c Tarapur-Padghe, LILO of 400 kV Gandhar-Padghe, 220 kV Tarapur-Boisar & 400 kV M/c Navasari-Boisar line involving 22.6944 Ha. of forest in the state of Maharashtra | Transmission Lines | Yes  |
| 20     | 765 kV D/c Khetri-Narela line involving 16.0591 Ha. of forest in the state of Haryana   | Transmission Lines | Yes  |
| 21     | Diversion of 132KV S/C Gohpur-Nirjuli line involving 19.791 Ha. of forest in the state of Assam   | Transmission Lines | Yes  |
| 22     | 400 kV D/c Neemuch-Chittorgarh line involving 19.46 Ha. of forest in the state of Madhya Pradesh  | Transmission Lines | Yes  |
| 23     | 400 kV D/c Neemuch-Chittorgarh line involving 50.1952 Ha. of forest in the state of Rajasthan   | Transmission Lines | Yes  |
| 24     | 400 kV D/c Neemuch-Mandsaur line involving 19.46 Ha. of forest in the state of Rajasthan  | Transmission Lines | Yes  |

Note: It may kindly be noted that avoidance of ecologically sensitive areas such National Parks, Wildlife Sanctuaries, Forest etc form the most important part of our route/site selection criteria. Accordingly, a mandatory Environmental and Social assessment is conducted for each of our project in line with our Corporate Environment and Social Policy & Procedure (ESPP) by studying at least three possible alternative routes/sites and the most optimum route/site having the least Environment & Social impacts is selected as Final route/site. However, in few cases, wherein, complete avoidance of forest/wildlife areas is not possible in our Transmission Lines, due to peculiarity of terrain and geographical constraint, Forest/Wildlife clearance is obtained as per the provisions of applicable regulations. The details of such transmission Lines are provided above..

## 12. Details of Environmental Impact Assessments of projects undertaken by the entity based on applicable laws, in the current financial year:

Not Applicable.

Transmission Projects are not covered under the purview of the EIA Notifications of 1994 and 2006. Accordingly, Environmental Impact Assessment Study is not conducted for any of our projects. However, POWERGRID mandatorily conducts Environmental & Social Assessment of its Transmission Projects as mentioned in the previous section.

**13. Is the entity compliant with the applicable environmental law/ regulations/ guidelines in India; such as the Water (prevention and control of pollution) Act, Air (prevention and control of pollution) Act, Environment Protection Act and rules there under (Y/N). If not, provide details of all such non-compliances:**

POWERGRID is in compliance with all applicable laws/Regulations/guidelines pertaining to the Environment and Forest.

**PRINCIPLE 7: Businesses, when engaging in influencing public and regulatory policy, should do so in a manner that is responsible and transparent**

**ESSENTIAL INDICATORS**

**1. a. Number of affiliations with trade and industry chambers/ associations.**

We have a total of 11 affiliations with trade and industry chambers and associations during the reporting period.

**b. List the top 10 trade and industry chambers/ associations (determined based on the total members of such a body) the entity is a member of/ affiliated to.**

| S. No. | Name of the trade and industry chambers/ associations              | Reach of trade and industry chambers/ associations | About the chambers  |
|--------|--|--|---|
| 1      | Federation of Indian Chambers of Commerce and Industry (FICCI)     | National   | A non-government, not-for-profit organization, FICCI is the voice of India's business and industry. It serves its members from the Indian private and public corporate sectors and multinational companies. FICCI provides a platform for networking and consensus building within and across sectors and is the first port of call for Indian industry, policy makers and the international business community.    |
| 2      | Confederation of Indian Industry (CII)                             | National   | CII is a non-government, not-for-profit, industry-led and industry-managed organization, with around 9000 members from the private as well as public sectors, including SMEs and MNCs. The Confederation of Indian Industry (CII) works to create and sustain an environment conducive to the development of India, partnering Industry, Government and civil society, through advisory and consultative processes. |
| 3      | CII PSE Council  | National   | Part of CII as mentioned above.   |
| 4      | The Associated Chambers of Commerce & Industry of India (ASSOCHAM) | National   | ASSOCHAM works as a conduit between industry and the Government. With more than 100 national and regional sector councils, It is an impactful representative of the Indian industry. It is driving four strategic priorities - Sustainability, Empowerment, Entrepreneurship and Digitisation.  |
| 5      | PHD Chamber of Commerce & Industry (PHDCCI)                        | National   | PHD Chamber of Commerce and Industry (PHDCCI) has been working as a catalyst for the promotion of Indian industry, trade and entrepreneurship for the past 117 years.   |
| 6      | Central Board of Irrigation & Power (CBIP)                         | National   | CBIP has been rendering dedicated services to the professional organization, engineers and individuals in the country related to Power, Water Resources and Renewable Energy Sectors for the last 90 years.   |
| 7      | World Energy Council (WEC) India                                   | National   | A country member of World Energy Council (WEC), a global and inclusive body for thought leadership and tangible engagement in the pursuit of sustainable supply and use of energy.  |

| S. No. | Name of the trade and industry chambers/ associations  | Reach of trade and industry chambers/ associations | About the chambers   |
|--------|--|--|--|
| 8      | India Infrastructure Forum (IIF)                       | National   | The India Infrastructure Forum is an initiative from India Infrastructure Publishing, a leading provider of information, analysis and insight on infrastructure sectors in India. The sectors we cover include energy, transportation, urban infrastructure and communications.  |
| 9      | Power Foundation                                       | National   | The Foundation aims to be a credible think-tank and a leading policy advocacy body in the power sector and undertake pioneering efforts in commissioning independent and evidence-based studies in power sector.   |
| 10     | South Asia Forum for Infrastructure Regulation (SAFIR) | International                                      | SAFIR was established in May 1999 with the aim to provide high quality capacity building and training on infrastructure regulation and related topics in South Asia. The forum provides a platform for experience sharing amongst the regulators of the region and build regulatory decision-making and response capacity in South Asia. |
| 11     | South Asia Forum on Energy Investment (SAFEI)          | International                                      | USAID through its SAREP program has institutionalized a facilitating forum (SAFEI) for creating an investor friendly ecosystem for development of regional energy projects and enhancing private sector participation in the region.   |

**2. Provide details of corrective action taken or underway on any issues related to anti-competitive conduct by the entity, based on adverse orders from regulatory authorities.**

No such issues regarding anti-competitive conduct by the entity were reported during the year.

**PRINCIPLE 8: Businesses should promote inclusive growth and equitable development**

**ESSENTIAL INDICATORS**

**1. Details of Social Impact Assessments (SIA) of projects undertaken by the entity based on applicable laws, in the current financial year.**

During the reporting period, none of POWERGRID's project required SIA as no land was acquired involuntarily invoking provisions of 'Right to Fair Compensation and Transparency in Land Acquisition, Rehabilitation and Resettlement (RFCTLARR) Act, 2013'. It may be noted that in the reporting period POWERGRID has either selected barren government land for constructing its substation or secured land through direct purchase on "Willing Buyer Willing Seller" basis at market/negotiated rate, as per provisions under Section-46 of RFCTLARR Act, 2013.

| Name and brief details of project   | SIA notification No. | Date of notification | Whether conducted by independent external agency (Yes/No) | Results communicated in public domain (Yes/No) | Relevant web link |
|---|----------------------|----------------------|---|--|-------------------|
| Refer to Annexure -X to Directors' Report (Annual Report on CSR Activities for FY 2023-24) for complete list of SIA carried out |                      |                      |   |  |                   |

**2. Provide information on the project(s) for which ongoing Rehabilitation and Resettlement (R&R) is being undertaken by your entity:**

During the reporting period, POWERGRID reiterated its commitment to responsible land acquisition practices. Whether it be securing government-owned land for its substations or voluntarily engaging in direct land purchases on a "Willing Buyer Willing Seller" basis at fair market or negotiated rates, the Company ensures that all land acquisitions are carried out with utmost transparency and mutual consent. It is important to note that there have been no instances of involuntary land acquisition, thereby eliminating the presence of Project Affected Persons (PAP) or Project Displaced Persons (PDP). Consequently, the need for extensive Resettlement and Rehabilitation (R&R) activities has not arisen.

However, POWERGRID's dedication to social progress extends beyond land acquisition. Through its robust Corporate Social Responsibility (CSR) initiatives, the Company proactively supports the broader community. These initiatives focus on uplifting the well-being and prosperity of the local communities, promoting



sustainable development and fostering positive social impact. By engaging in meaningful and impactful CSR endeavors, POWERGRID contributes to the holistic growth and welfare of the communities it operates in, establishing itself as a catalyst for positive change.

In summary, POWERGRID's land acquisition practices demonstrate its unwavering commitment to ethical and voluntary approaches. While ensuring the absence of involuntary displacement, the Company extends its support to the community at large through impactful CSR initiatives, solidifying their role as a responsible corporate citizen dedicated to creating a sustainable and inclusive future.

| S No.          | Name of project for which R&R is ongoing | State | District | No. of project affected families (PAFs) | % of PAFs covered by R&R | Amounts paid to PAFs in the FY (In ₹) |
|----------------|--|-------|----------|---|--------------------------|---------------------------------------|
| Not Applicable |  |       |          |   |                          |                                       |

### 3. Describe the mechanisms to receive and redress grievances of the community.

In accordance with the broad principles of the policy framework and the parameters of the Government of India's stated guidelines, grievance redressal is always given top priority in the Company. We have created an online interface through which employees may file grievances.

For systematic and fast settlement of grievances within predetermined time periods, the Company has established nodal officials at corporate and regional offices. To comply with GOI guidelines on reservation concerns for SC/ ST/ OBC/ Ex-servicemen/ PWD, a Reservation Cell has been established at both the corporate and regional levels.

The Company has also developed a Citizen's Charter that outlines its Vision, Mission and Objectives in a clear and precise manner. This also includes the Company's principles, commitments, expectations from citizens, integrated management policy, services offered, values and standards of services, access to information and grievance redressal.

To further smoothen the relationship with community, we have developed an effective Grievance Redress Mechanism (GRM) to resolve any grievance of community/public. The GRM has two tiers, the first being Project/Substation level Grievance Redress Committee (GRC) and the second being the Corporate Level GRC chaired by the Director (Projects) of the Company. All written and verbal complaints received by Project level GRC are to be resolved within 20 days of receipt of complaint. If the complainant is not satisfied with the outcome of the project level GRC, he/she can approach the Corporate Level GRC, which in turn, has to resolve the complaint/grievance within 45 days. Notice regarding Corporate Level GRC is publicly available and can be accessed at:

<https://www.powergrid.in/sites/default/files/inline-files/Notice-regarding-Corporate-Level-GRC.pdf>

Moreover, members of public can also directly raise their queries/questions/concerns with POWERGRID at: <https://www.powergrid.in/public-complaints-0>

### 4. Percentage of input material (inputs to total inputs by value) sourced from suppliers:

|  | FY 2023-24 | FY 2022-23 |
|--|------------|------------|
| Directly sourced from MSMEs/ small producers * | 57.52%     | 53.34%     |
| Directly from within India                     | 100%       | 100%       |

\*Of the Total Eligible Procurement

### 5. Job creation in smaller towns – Disclose wages paid to persons employed (including employees or workers employed on a permanent or non-permanent/on contract basis) in the following locations, as % of total wage cost

| Location     | FY 2023-24 | FY 2022-23 |
|--------------|------------|------------|
| Rural        | 47.54%     | 47.09%     |
| Semi-Urban   | 8.07%      | 8.04%      |
| Urban        | 30.16%     | 30.30%     |
| Metropolitan | 13.91%     | 14.23%     |

(Places categorized as per RBI Classification System – rural / semi-urban / urban / metropolitan)

\* Data is for permanent employees and permanent workers. Wages paid to persons employed outside India has been taken in account to calculate total wage cost.

## PRINCIPLE 9: Businesses should engage with and provide value to their consumers in a responsible manner

### ESSENTIAL INDICATORS

#### 1. Describe the mechanisms in place to receive and respond to consumer complaints and feedback.

The Company has set up Unified Compliant Portal as one-stop solution for all consumer complaints. It receives and categorizes the complaints based on the departments/ locations concerned and expedites resolution.

#### 2. Turnover of products and/or services as a percentage of turnover from all products/services that carry information about:

|   | As a % to total turnover |
|---|--------------------------|
| Environmental and social parameters relevant to the product | NA                       |
| Safe and responsible usage                                  | NA                       |
| Recycling and/or safe disposal                              | NA                       |

#### 3. Number of consumer complaints in respect of the following:

|                                | FY 2023-24              |                                   | Remarks | FY 2022-23               |                                   | Remarks |
|--------------------------------|-------------------------|-----------------------------------|---------|--------------------------|-----------------------------------|---------|
|                                | Receive during the year | Pending resolution at end of year |         | Received during the year | Pending resolution at end of year |         |
| Data privacy                   | 0                       | 0                                 |         | 0                        | 0                                 |         |
| Advertising                    | NA                      | NA                                |         | NA                       | NA                                |         |
| Cyber-security                 | 0                       | 0                                 |         | 0                        | 0                                 |         |
| Delivery of essential services | 0                       | 0                                 |         | 0                        | 0                                 |         |
| Restrictive trade practices    | 0                       | 0                                 |         | 0                        | 0                                 |         |
| Unfair trade practices         | 0                       | 0                                 |         | 0                        | 0                                 |         |
| Other                          | 0                       | 0                                 |         | 0                        | 0                                 |         |

#### 4. Details of instances of product recalls on account of safety issues.

|                   | Number | Reasons for recall |
|-------------------|--------|--------------------|
| Voluntary recalls | NA     | NA                 |
| Forced recalls    | NA     | NA                 |

#### 5. Does the entity have a framework/policy on cyber security and risks related to data privacy? (Yes/No) If available, provide a web link to the policy.

Yes, we have an Information Security Policy publicly available in our website, which focuses on protecting critical information and infrastructure from unauthorized access, use, disclosure, modification, and disposal, whether intentional or unintentional. It maintains the confidentiality, integrity, and availability of information related to the organization's critical processes and systems, along with sensitive/personal information of employees and other related third parties. The entity ensures business continuity through the systemic reduction of information security risks in all spheres of its business operations. Additionally, the Company is ISO 27001 Information Security Management Systems certified, which means POWERGRID complies and meets with all applicable legal, statutory, regulatory, and contractual requirements, thereby fulfilling the requirements of internal and external auditing of the system.

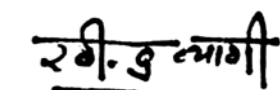
#### 6. Provide details of any corrective actions taken or underway on issues relating to advertising and delivery of essential services; cyber security and data privacy of customers; re-occurrence of instances of product recalls; penalty/action taken by regulatory authorities on the safety of products/services.

No such instances have been reported during FY 2023-24.

#### 7. Provide the following information relating to data breaches:

- Number of instances of data breaches – NIL
- Percentage of data breaches involving personally identifiable information of customers – NIL
- Impact, if any, of the data breaches – NIL

For and on behalf of the Board of Directors



(Ravindra Kumar Tyagi)  
Chairman & Managing Director  
DIN: 09632316

Date: 31<sup>st</sup> July, 2024  
Place: Gurugram

## Annexure-III to the Directors' Report

**Particulars required under Section 134(3)(m) of the Companies Act, 2013 read with Rule 8 (3) of the Companies (Accounts) Rules, 2014**
**A. Conservation of Energy**
**Various Energy Conservation Measures Taken by POWERGRID:**

- **Development of efficient and low-loss transmission system**

POWERGRID designs its transmission systems to be energy efficient with low losses. Right from planning to execution stage and throughout the Operations & Maintenance (O&M) period of the transmission schemes, various alternatives/ technologies for power transmission are examined with the major criteria for selection of transmission system/ technology being to reduce losses.

Some of the measures taken by POWERGRID to develop an efficient and low-loss transmission network includes:

- a) Optimization of various parameters at the design stage, such as selecting conductors after detailed optimization studies, which considers reduction of line losses as one of the primary criteria.
- b) Selection of bus bar materials and the clamps and connectors after meeting stringent quality requirements so that losses are optimized. In case of Transformer & Reactor packages, the limit on losses is specified for manufacturers encouraging them to adopt best manufacturing practices. In the case of HVDC system, the selection of parameters is done in such a way that overall losses are minimized under various system operating conditions.
- c) In case of transmission hardware, the material with lower losses is specified. Parameters and types of various other equipment are also chosen in a manner that the losses are optimized.

- **Use of LED lights and Solar street-lamps**

Installation of LED lights and solar energy-based street-lamps for illumination of substation premises have also been undertaken by your Company, these initiatives are helping in conservation of energy in substation premises.

- **Renewable energy adoption**

Roof top solar plants are installed/ being installed in substations to reduce the dependency of auxiliary requirement on conventional sources. It is in accordance with POWERGRID's commitment to have 50% of its auxiliary power consumption by 2025 through renewable sources.

**B. Technology Absorption**
**Efforts made towards Research & Development and Technology absorption:**

1. Your Company continues to take up research and development activities for new technologies in the field of power transmission systems. POWERGRID, by virtue of its research initiatives is a part of International bodies like CIGRE, IEC, IEEE etc. for various technologies and is contributing significantly in its International standardization efforts.
2. **Indigenous development of 400kV Emergency Restoration System (ERS):** Your Company has taken up initiative for indigenous development of 400 kV Emergency Restoration System (ERS) with agencies and one such ERS has been supplied.
3. Your Company has established an **Indigenous Integrated Information Security Operations Centre (I3SOC)** in partnership with Electronics Corporation of India Limited (ECL), for monitoring of heterogeneous (i.e. IT, ERP, Telecom, OT, etc.) POWERGRID's digital assets spread across the country.
4. **STATCOMs at strategic locations:** STATCOMs have been considered for the first time in India for connecting near to Rajasthan RE generation park where multivendor Inverter Based Resources (IBRs) with solar and wind are injecting power to existing grid. The presence of STATCOMs at strategic locations with unique control features near solar power parks enhances grid stability and resilience, improves power quality, and facilitates the smooth integration of renewable energy sources into the existing power infrastructure. It provides dynamic reactive power support to regulate voltage levels, ensuring stability and reliability in the grid.

5. **Use of Latest survey techniques:** Your Company has initiated the development of in-house capabilities to select the optimal route for planning transmission line projects across India. This involves utilizing the latest survey techniques, such as **satellite mapping, Georeferenced maps, the Gatishakti portal**, and various other available GIS software tools.
6. **Use of Light Detection and Ranging (LiDAR) Technology:** Your Company has initiated the LiDAR technology to conduct detailed surveys for transmission lines in high mountains and other inaccessible areas. This process involves flying through the line corridor with LiDAR equipment mounted on an aircraft or helicopter. LiDAR uses laser beams to measure distances and generate 3D maps of the terrain, which are then used to route the transmission lines in an effective and optimal manner.
7. **Reprofiling of reactor with eco-friendly Natural Ester Oil:** 132 kV, 20 MVAR Bus Reactor located in Aizawl has been successfully reprofiled with eco-friendly Natural Ester Oil. This shall result in several benefits such as reduced environmental impact, improved biodegradability resulting in improved fire safety and enhanced lifecycle.
8. **Reliability Centered Maintenance (RCM) practices:** Your Company has implemented RCM practices for its critical assets, including Transformers, Reactors, and Transmission Lines. This strategic approach involves a meticulous analysis of each component's reliability, identifying potential failure modes, and developing targeted maintenance plans to enhance overall system performance. It will lead to significant reduction in man-hours spent on routine maintenance activities and enables focused & quality maintenance.
9. **Centre of Excellence (CoE)-Protection & SCADA:** Your Company established Centre of Excellence (CoE)-Protection & SCADA to manage & validate the database of around 36,000 IEDs and 190 nos. SAS gateways, to ensure proper implementation of scheme, uniformity of settings/configurations and resolution of on demand issues from centralized location. It enables availability of competent manpower to handle protection issues from central location and ensures effective utilization of expert manpower for remote support to sites using latest technology like Augmented Reality, etc.
10. Your Company has implemented an **Intelligent Inspection module** utilizing QR codes enabled efficient inspections of substation equipment. The substation maintenance personnel are being equipped with rugged industrial tablets and associated work applications to digitalize their work processes, reduce work duplicity, and improve maintenance reliability. The application has been integrated with backend remote central servers for processing the necessary maintenance data.
11. **Hotline maintenance** of transmission lines & Sub-stations at 765kV and 400kV level using Insulated Bucket.
12. **Drone-based patrolling of transmission lines:** This innovative approach enhances the efficiency and effectiveness of monitoring activities, allowing for swift and comprehensive inspections of transmission lines. Drones patrolling enables the identification of potential issues and facilitating timely maintenance efforts.
13. Your Company has deployed the use of **AR/ VR based digital headgears** in O&M related works. These headsets have enabled remote expert assistance in fieldwork, thereby leading to reduced downtime, knowledge transfer, higher safety and higher reliability in equipment performance.
14. Towards structural health assessment of transmission line towers, evaluation of strain in critical members of tower has been carried out during diverse loading conditions using wireless strain gauges in test bed.
15. Considering the benefits accrued and feedback on migration to **Resin Impregnated Paper (RIP) bushings** in lower voltage level equipment and in pursuit of advancing technology for higher voltage level RIP Bushings intended for 765kV Transformer and Reactor applications, your Company has facilitated development of 800kV and 420kV RIP bushings. In this regard, development and the supply of one 800kV and one 420kV RIP bushing has been successfully completed at the Aurangabad substation, along with one 800kV RIP bushing at the Thiruvallam substation.
16. For efficient condition monitoring of Capacitive Voltage Transformers (CVTs) across various bays, a comprehensive solution has been developed, comprising a pair of synchronized voltmeters capable of precisely measuring voltage and frequency between the two CVTs in real-time via RF Communications.
17. Your Company has designed an innovative **twin steel monopole**, approximately 64 meters in height, for 400 kV double-circuit transmission lines, capable of turning the line at a right angle. This twin pole structure consists of two monopoles erected side by side, which occupy a smaller footprint on the ground while offering higher power carrying capacity.



18. Your Company has developed a methodology **to enhance the load-bearing capacity of loose soil deposits using stone columns**. This technique transforms very loose soil, which would otherwise be unsuitable for supporting any structure, into a foundation capable of sustaining heavier imposed loads.
19. **Comprehensive seasonal measurement of Electromagnetic Field magnitude** due to 400kV and 765kV transmission lines across diverse geographic regions were carried out on 23 nos. lines to validate the design values. From the measurements, it is ascertained that the EMF levels remain well within the limits prescribed by international guidelines.
20. Your Company has taken up **development of Super-Hydrophobic coating insulators**, in collaboration with IIT Kanpur, which will improve its performance and reduce the maintenance. Benefit from superior protection against arcing and flashovers, complemented by sustained reduction in leakage currents ensured by long-term hydrophobicity is an added advantage.
21. Your Company has planned to convert 132 kV Badarpur AIS Sub-station to Green Substation. This will be the first green gas filled substation in India. Under this initiative, green gas shall be used as SF6 alternative in equipment. This will help to fulfil the commitment of Govt. of India of achieving the target of net zero emissions by 2070. Under this initiative, your Company has also planned for the replacement of 3 sets of conventional 145 kV Circuit Breakers at Imphal Sub-station with SF6 free circuit Breakers on pilot basis.
22. To avoid Bird mortality due to collision/electrocution with power lines, your Company is installing bird diverters in the transmission lines passing through GIB area.
23. Your Company has planned to implement APM (Asset Performance Management) systems, leveraging advanced analytics and predictive maintenance techniques to optimize asset performance, minimize downtime, and enhance overall operational efficiency.
24. Your Company has signed an MoU with ISRO to develop Spatial Decision Support System for managing transmission towers. This includes development of geospatial dashboard & tools for visualization and analysis of towers prone to various disasters such as flood, river course change, landslides, forest fires, lightning, cyclone, etc. It will also facilitate monitoring vegetation growth along the Right-of-Way of transmission corridor.
25. Your Company has planned to procure 02 nos Variable Shunt Reactor (VSR) to mitigate the need for frequent switching of bus reactors.
26. Your Company had commissioned the World's first 420kV 50MVAR Natural Ester based Reactor at Maithon S/S of ER2 in August 2021 and the reactor has been in satisfactory operation since. To gain experience of performance of Synthetic Ester in Reactors, your Company is procuring 02 nos. 420kV 63MVAR spare reactors, filled with Synthetic Ester.
27. Your Company is executing 765/400/220KV Digital Substation with State-of-the-Art Process Bus technology. The technology, with all other major benefits of digital technology, shall optimize use of PVC Cables, to limit negative impact on the environment.
28. Your Company has framed Rainwater Harvesting guidelines for collection and storage of rain, rather than allowing it to run off. Rainwater is to be stored in reservoir with percolation, so that it seeps down and restores the ground water to ensure sustainable process that helps in preserving water for future needs.
29. Your Company is undertaking pilot projects for Modular water purifier type small **Sewage Treatment Plants (STP)** to collect, treat, and discharge wastewater, providing a service essential to environmental and public health.
30. Your Company has framed **Structural Health Monitoring (SHM)** guidelines for existing building & structures for taking decisions regarding future management of the structure, related to maintenance requirement, steps needed to prolong the life of the structure, to downgrade the use or if needed to discard the use of the structure under consideration.
31. Your Company has developed an innovative pile foundation design, featuring three piles under each leg instead of the conventional four. This approach will expedite line completion by requiring fewer piles to be driven, thereby reducing both construction time and overall costs. Additionally, a foundation system incorporating a portal structure beneath one leg has been developed for areas with significant undulations. This innovation eliminates the need for very long-standing chimney extensions.
32. Installed 500 MVAR TCR (Thyristor Controlled Reactor) at Kurukshehra, a self-regulating device for Reactive VAR absorption.

33. Multi-level gantry has been used in GIS and AIS substations with multi-ckt. lines to optimize line corridor areas near substation.
34. 400kV Twin Mono Poles with enriched load bearing capacity are being adopted for improved mechanical stability and lesser footprint for areas with RoW constraints. This would also reduce visual impact and facilitate easier installation and maintenance.
35. Narrow Base Multi-circuit Tower without Bottom Cross-Arm along with rock bolt foundation are being adopted at strategic locations.
36. The ground improvement strategy has been adopted at Khavda Renewable Energy Park, employing Vibro Stone Columns, to facilitate construction of equipment foundation in challenging sub-soil conditions.

### C. Foreign Exchange Earnings and Outgo:

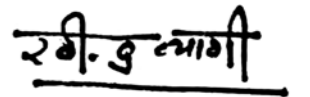
(₹ in crore)

| A. Actual foreign exchange outgo on account of: |                                 |                |
|---|---------------------------------|----------------|
| 1.  | Capital Goods & Spare Parts     | 105.00         |
| 2.  | Professional & Consultancy Fees | 2.12           |
| 3.  | Interest                        | 1927.98        |
| 4.  | Others                          | 21.30          |
| <b>Total</b>                                    |                                 | <b>2056.40</b> |

| B. Actual foreign exchange earned towards |                                 |              |
|---|---------------------------------|--------------|
| 1.  | Professional & Consultancy Fees | 51.60        |
| <b>Total</b>                              |                                 | <b>51.60</b> |

For and on behalf of the Board of Directors



(Ravindra Kumar Tyagi)  
Chairman & Managing Director  
DIN: 09632316

Date: 31<sup>st</sup> July, 2024  
Place: Gurugram

## Annexure-IV to the Directors' Report

**COMMENTS OF THE COMPTROLLER AND AUDITOR GENERAL OF INDIA UNDER SECTION 143(6)(b) OF THE COMPANIES ACT, 2013 ON THE FINANCIAL STATEMENTS OF POWER GRID CORPORATION OF INDIA LIMITED FOR THE YEAR ENDED 31 MARCH 2024**

The preparation of financial statements of Power Grid Corporation of India 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 auditors appointed by the Comptroller and Auditor General of India under section 139 (5) of the Act are 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 22 May 2024.

I, on behalf of the Comptroller and Auditor General of India, have conducted a supplementary audit of the financial statements of Power Grid Corporation of India Limited for the year ended 31 March 2024 under section 143(6)(a) of the Act. This supplementary audit has been carried out independently without access to the working papers of the statutory auditors and is limited primarily to inquiries of the statutory auditors and company personnel and a selective examination of some of the accounting records.

On the basis of my supplementary audit nothing significant has come to my knowledge which would give rise to any comment upon or supplement to statutory auditors' report under section 143(6)(b) of the Act.

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



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

Place: New Delhi

Date: 29/07/2024

**COMMENTS OF THE COMPTROLLER AND AUDITOR GENERAL OF INDIA UNDER SECTION 143(6)(b) READ WITH SECTION 129(4) OF THE COMPANIES ACT, 2013 ON THE CONSOLIDATED FINANCIAL STATEMENTS OF POWER GRID CORPORATION OF INDIA LIMITED FOR THE YEAR ENDED 31 MARCH 2024**

The Act preparation of consolidated financial statements of Power Grid Corporation of India Limited for the year ended 31 March 2024 in accordance with the financial reporting framework prescribed under the Companies, 2013 (Act) is the responsibility of the management of the company. The statutory auditors appointed by the Comptroller and Auditor General of India under section 139(5) read with section 129(4) of the Act is responsible for expressing opinion on the financial statements under section 143 read with section 129(4) 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 22 May 2024.

I, on behalf of the Comptroller and Auditor General of India, have conducted a supplementary audit of the consolidated financial statements of Power Grid Corporation of India Limited for the year ended 31 March 2024 under Section 143(6)(a) read with section 129(4) of the Act. We conducted a supplementary audit of financial statements of Power Grid Corporation of India Limited and subsidiaries, associate companies and jointly controlled entities listed in Annexure I but did not conduct supplementary audit of the financial statements of subsidiaries, associate companies and jointly controlled entities listed in Annexure II for the year ended on that date. Further, section 139(5) and 143(6)(a) of the Act are not applicable to Powerlinks Transmission Limited, Torrent Power Grid Limited, Parbati Koldam Transmission Company Limited and Butwal-Gorakhpur Cross Border Power Transmission Limited being private entities and Power Transmission Company Nepal Limited being incorporated in foreign country under the respective laws, for appointment of their Statutory Auditors and for conduct of supplementary audit. Accordingly, Comptroller and Auditor General of India has neither appointed the Statutory Auditors nor conducted the supplementary audit of these companies. This supplementary audit has been carried out independently without access to the working papers of the statutory auditors and is limited primarily to inquiries of the statutory auditors and company personnel and a selective examination of some of the accounting records.

On the basis of my supplementary audit nothing significant has come to my knowledge which would give rise to any comment upon or supplement to statutory auditor's report under section 143(6)(b) of the Act.

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



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

Place: New Delhi

Date: 29/07/2024



## Annexure I

| <b>List of Subsidiaries, Associate Companies and Jointly Controlled Entities whose financial statements were audited by the Comptroller and Auditor General of India</b> |   |
|--|---|
| <b>Subsidiaries incorporated in India:</b>   |   |
| Sl. No.  | Name of entity  |
| 1.   | Powergrid Ramgarh Transmission Limited                        |
| 2.   | Powergrid Bikaner Transmission System Limited                 |
| 3.   | Powergrid Bhadla Transmission Limited                         |
| 4.   | Powergrid Aligarh Sikar Transmission Limited                  |
| 5.   | Powergrid Narela Transmission Limited                         |
| 6.   | Powergrid Southern Interconnector Transmission System Limited |
| 7.   | Powergrid Bhadla Sikar Transmission Limited                   |
| 8.   | Powergrid Himachal Transmission Limited                       |
| 9.   | Powergrid Ananthpuram Kurnool Transmission Limited            |
| 10.  | Bidar Transmission Limited                                    |
| 11.  | Powergrid Mednipur Jeerat Transmission Limited                |
| 12.  | Powergrid Vemagiri Transmission Limited                       |
| 13.  | Powergrid NM Transmission Limited                             |
| 14.  | Central Transmission Utility of India Limited                 |
| 15.  | Powergrid Sikar Transmission Limited                          |

| <b>Joint Ventures incorporated in India:</b> |                |
|--|----------------|
| S No.  | Name of entity |
| 1  | Nil            |

## Annexure II

| <b>List of Subsidiaries, Associate Companies and Jointly Controlled Entities whose financial statements were not audited by the Comptroller and Auditor General of India</b> |   |
|--|---|
| <b>Subsidiaries incorporated in India:</b>   |   |
| S No.  | Name of entity                                      |
| 1.   | Powergrid Unchahar Transmission Limited             |
| 2.   | Powergrid Mithilanchal Transmission Limited         |
| 3.   | Powergrid Varanasi Transmission System Limited      |
| 4.   | Powergrid Jawaharpur Firozabad Transmission Limited |
| 5.   | Powergrid Khetri Transmission System Limited        |
| 6.   | Powergrid Bhuj Transmission Limited                 |
| 7.   | Powergrid Bhind Guna Transmission Limited           |
| 8.   | Powergrid Ajmer Phagi Transmission Limited          |
| 9.   | Powergrid Fatehgarh Transmission Limited            |
| 10.  | Powergrid Rampur Sambhal Transmission Limited       |
| 11.  | Powergrid Meerut Simbhavali Transmission Limited    |
| 12.  | Powergrid Teleservices Limited                      |
| 13.  | Powergrid Energy Services Limited                   |
| 14.  | Powergrid Gomti Yamuna Transmission Limited         |
| 15.  | Powergrid Neemuch Transmission System Limited       |
| 16.  | Powergrid ER NER Transmission Limited               |
| 17.  | Powergrid ERWR Power Transmission Limited           |
| 18.  | Powergrid Khavda RE Transmission System Limited     |
| 19.  | Powergrid Khavda II- B Transmission Limited         |
| 20.  | Powergrid Khavda II-C Transmission Limited          |
| 21.  | Powergrid KPS2 Transmission System Limited          |
| 22.  | Powergrid KPS3 Transmission Limited                 |
| 23.  | Powergrid Raipur Pool Dhamtari Transmission Limited |
| 24.  | Powergrid Dharamjaigarh Transmission Limited        |
| 25.  | Powergrid Bhadla III Transmission Limited           |
| 26.  | Powergrid Beawar Dausa Transmission Limited         |
| 27.  | Powergrid Ramgarh II Transmission Limited           |
| 28.  | Powergrid Bikaner Nemrana Transmission Limited      |

|     |  |
|-----|--|
| 29. | Powergrid Neemrana Bareilly Transmission Limited |
| 30. | Powergrid Vataman Transmission Limited           |
| 31. | Powergrid Koppal Gadag Transmission Limited      |
| 32. | Sikar Khetri Transmission Limited                |

| Joint Ventures incorporated in India: |   |
|---------------------------------------|---|
| S No.                                 | Name of entity                                      |
| 1.                                    | North East Transmission Company Limited             |
| 2.                                    | National High Power Test Laboratory Private Limited |
| 3.                                    | Bihar Grid Company Limited                          |
| 4.                                    | Energy Efficiency Services Limited                  |
| 5.                                    | Cross Border Power Transmission Company Limited     |
| 6.                                    | RINL Powergrid TLT Private Limited                  |
| 7.                                    | Sikkim Power Transmission Limited                   |

**FORM NO. MR-3**
**SECRETARIAL AUDIT REPORT**
**FOR THE FINANCIAL YEAR ENDED ON MARCH 31, 2024**

[Pursuant to section 204(1) of the Companies Act, 2013 and Rule 9 of the Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014]

To,  
**The Members,**  
**Power Grid Corporation of India Limited**  
**CIN: L40101DL1989GOI038121**  
**B-9 Qutab Institutional Area,**  
**Katwaria Sarai, New Delhi-110016**

We have conducted the secretarial audit of the compliance of applicable statutory provisions and the adherence to good corporate practices by **Power Grid Corporation of India Limited** (hereinafter called "the Company"), having its Registered Office at **B-9 Qutab Institutional Area, Katwaria Sarai, New Delhi-110016**. 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**, 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 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 31, 2024**, according to the provisions of:

- (i) The Companies Act, 2013 (the Act) and the rules made thereunder;
- (ii) The Securities Contracts (Regulation) Act, 1956 ('SCRA') and the rules made thereunder;
- (iii) The Depositories Act, 1996 and the Regulations and Bye-laws framed thereunder;
- (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;
- (v) 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;
  - b) The Securities and Exchange Board of India (Prohibition of Insider Trading) Regulations, 2015;
  - c) The Securities and Exchange Board of India (Issue of Capital and Disclosure Requirements) Regulations, 2018;
  - d) The Securities and Exchange Board of India (Share Based Employee Benefits and Sweat Equity) Regulations, 2021; **(Not applicable to the Company during the audit period)**
  - e) The Securities and Exchange Board of India (Issue and Listing of Non-Convertible Securities) Regulations, 2021;
  - 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;
  - g) The Securities and Exchange Board of India (Delisting of Equity Shares) Regulations, 2021 **(Not applicable to the Company during the audit period)**;
  - h) The Securities and Exchange Board of India (Buyback of Securities) Regulations, 2018 **(Not applicable to the Company during the audit period)** and
  - i) The Securities and Exchange Board of India (Infrastructure Investment Trusts) Regulations, 2014.



(vi) The other laws, as identified and confirmed by the management, the following law is specifically applicable to the Company based on the sector/ industry:

(a) The Electricity Act, 2003 and Rules and Regulations made there under.

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(s) and other designated professionals.

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

- i. Secretarial Standards issued by The Institute of Company Secretaries of India.
- ii. The Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015.
- iii. Guidelines on Corporate Governance for Central Public Sector Enterprises (CPSEs) issued by the Department of Public Enterprises vide their OM No. 18(8)/2005-GM dated 14<sup>th</sup> May, 2010.
- iv. Guidelines on Capital Restructuring of Central Public Sector Enterprises (CPSEs) as stipulated in the O.M.F No. 5/2/2016-Policy dated 27<sup>th</sup> May, 2016 issued by Department of Investment and Public Asset Management (DIPAM), Ministry of Finance, Government of India.

During the period under review, the Company has complied with the provisions of the Act, Rules, Regulations, Guidelines, Standards etc. mentioned above subject to the following observations:

- i. Half of the board of directors of the Company was not independent as required under Regulation 17(1) of SEBI (LODR) Regulations, 2015 and para 3.1.4 of DPE Guidelines on Corporate Governance with regard to Composition of the Board of Directors.
- ii. The Company did not have at least one independent woman director on its Board as required under Regulation 17(1)(a) of SEBI (LODR) Regulations, 2015 and at least one-woman director as required under section 149(1) of the Companies Act, 2013 read with Companies (Appointment and Qualification of Directors) Rules, 2014.

**We further report that:**

1. The Board of Directors of the Company is duly constituted with proper balance of Executive Directors, Non-Executive Directors and Independent Directors except the observations under the Regulation 17(1) of SEBI (LODR) Regulations, 2015 mentioned above and in this regard the Company has received notices from BSE and NSE. 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.
2. Ministry of Corporate Affairs has exempted Government Companies from complying with the provisions of Section 178(2) & Scheduled IV with regard to performance evaluation of Board, its committees and individual directors. The performance evaluation of Functional Directors, Government Nominee Directors and Independent Directors of the Company is done by Ministry of Power (administrative ministry) as per applicable Rules and Procedures.
3. Adequate notice(s) was given to all directors to schedule the Board Meetings. Agenda and detailed notes on agenda were generally sent in line with the statutory provisions in this regard 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 of the Board / Committee thereof were carried with unanimously during the period under review.

**We further report that** on the basis of information and explanation provided to us, we are of the opinion that, 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 audit period the Company has following events/actions having a major bearing on the Company's affairs in pursuance of the above referred laws, rules, regulations, guidelines, standards etc.: -

- i. The Company has declared and paid the following interim dividends:
  - a) 1<sup>st</sup> interim dividend of Rs. 4.00 per equity share of Rs. 10/- each i.e., @40% of the paid-up equity share capital on 7<sup>th</sup> November 2023.
  - b) 2<sup>nd</sup> interim dividend of Rs. 4.50 per equity share of Rs. 10/- each i.e., @45% of the paid-up equity share capital on 7<sup>th</sup> February 2024.
- ii. The Board in its meeting held on 22<sup>nd</sup> May 2024 has recommended a final dividend of Rs. 2.75 per share (i.e., @ 27.5% on the paid-up equity share capital) for the financial year 2023-24 subject to the approval of the

shareholders at the ensuing Annual General Meeting of the Company.

iii. During the period under review the Company has acquired 10 Companies under TBCB route.

iv. The Company has issued bonds of Rs. 6900/- Crore as per details mentioned below: -

| Sr. No. | Type of Bonds  | Amount (Rs. in crore) |
|---------|--|-----------------------|
| 1.      | 7.50% POWERGRID BONDS -LXXIII Issue 2023-24 (Bond 73 <sup>rd</sup> Issue) Unsecured, Non-Convertible, Non-Cumulative, Taxable, Redeemable bonds in the nature of debentures        | 1250 Crore            |
| 2.      | 7.70% POWERGRID BONDS -LXXIV Issue 2023-24 (Bond 74 <sup>th</sup> Issue) Unsecured, Non-Convertible, Non-Cumulative, Taxable, Redeemable bonds in the nature of debentures         | 2250 Crore            |
| 3.      | 7.65 % POWERGRID BONDS -LXXV Issue 2023-24 (Bond 75 <sup>th</sup> Issue) Unsecured, Non-Convertible, Non-Cumulative, Taxable, Redeemable bonds in the nature of debentures         | 2200 Crore            |
| 4       | 7.35% POWERGRID BONDS -LXXVI Issue 2023-24 (Bond 76 <sup>th</sup> Issue) Listed, Unsecured, Non-Convertible, Non-Cumulative, Taxable, Redeemable bonds in the nature of debentures | 1200 Crore            |

**For, Kumar Naresh Sinha & Associates  
Company Secretaries**

Sd/-

**CS Naresh Kumar Sinha  
(Proprietor)**

**FCS: 1807; CP No.: 14984**

**PR: 610/2019**

**FRN: S2015UP440500**

**UDIN: F001807F000609986**

**Place: Noida**

**Date: June 24, 2024**

*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.*

**Annexure A**

To,  
The Members  
**Power Grid Corporation of India Limited**  
CIN: L40101DL1989GOI038121  
B-9 Qutab Institutional Area,  
Katwaria Sarai, New Delhi-110016

**Auditor's responsibility**

Based on audit, our responsibility is to express an opinion on the compliance with the applicable laws and maintenance of records by the Company. We conducted our audit in accordance with the auditing standards CSAS 1 to CSAS 4 ("CSAS") prescribed by the Institute of Company Secretaries of India ("ICSI"). These standards require that the auditor complies with statutory and regulatory requirements and plans and performs the audit to obtain reasonable assurance about compliance with applicable laws and maintenance of records.

Due to the inherent limitations of an audit including internal, financial and operating controls, there is an unavoidable risk that some misstatements or material non-compliances may not be detected, even though the audit is properly planned and performed in accordance with the CSAS. Our report of even date is to be read along with this letter.

- 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 audit.
- 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.
- We have not verified the correctness and appropriateness of financial records and Books of Accounts of the Company and for which we relied on the report of statutory auditor.
- Wherever required, we have obtained the Management representation about the compliance of laws, rules and regulations and happening of events etc.
- The compliance of the provisions of Corporate and other applicable laws, rules, regulations, standards is the responsibility of management. Our examination was limited to the verification of procedures on random test basis.
- 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.

**For, Kumar Naresh Sinha & Associates  
Company Secretaries**

**Sd/-  
CS Naresh Kumar Sinha  
(Proprietor)  
FCS: 1807; CP No.: 14984  
PR: 610/2019  
FRN: S2015UP440500  
UDIN: F001807F000609986**

**Place: Noida  
Date: June 24, 2024**

**Annexure - VI to the Directors' Report**

**REPORT ON CORPORATE GOVERNANCE**

**1. The Company's Governance Philosophy**

Corporate Governance is about promoting corporate fairness, transparency and accountability in the best interests of various stakeholders in the Company. Your Company, Power Grid Corporation of India Limited (POWERGRID or the Company) believes that good governance entails trusteeship, empowerment and accountability of the management while remaining proactive towards Government policies. The Company's Governance process is focused towards achieving its Vision and Mission.

*VISION*

World Class, Integrated, Global Transmission Company With Dominant Leadership in Emerging Power Markets Ensuring Reliability, Safety and Economy.

*MISSION*



**World Class: Setting superior standards in capital project management and operations for the industry and ourselves**



**Global: Leveraging capabilities to consistently generate maximum value for all stakeholders in India and in emerging and growing economies**



**Inspiring, nurturing and empowering the next generation of professionals**



**Achieving continuous improvements through innovation and state-of-the-art technology**



**Committing to highest standards in health, safety, security and environment**

The Corporate Governance of POWERGRID is geared by the following:

- To meet the short term, medium term & long-term objectives and specific targets set by the Government of India and by the Board every year, by empowering people at the most appropriate levels keeping the job profile/functions in view.
- To respond to the challenges and the emerging opportunities and to play a pivotal role in the economic development of the country.

The corporate governance structure specifies the distribution of duties, rights, responsibilities, and powers among different participants in the Company. All strategic decisions regarding investment, diversification, major decisions regarding procurement, commercial and finance are implemented after approval by the Board.

The Board of Directors comprises of the Chairman and Managing Director, Functional Directors, Government Nominee Directors and Non-Official Part Time Directors (Independent Directors).

The Board has constituted several committees; some of them are mandated by law and others have been formed to aid effective functioning of the Company.



| Statutory Committees                            | Non-Statutory Committees   |
|---|--|
| Audit Committee                                 | Committee on Investment on Projects  |
| Stakeholders' Relationship Committee            | Committee on Award of Contracts  |
|   | Committee for Bonds  |
| Nomination and Remuneration Committee           | Committee on Transfer/Split/Rematerialization etc. of shares   |
|   | Committee of Directors for New Businesses  |
| Risk Management Committee                       | Committee for monetization of assets through Infrastructure Investment Trust (InvIT)                               |
|   | Committee for TBCB Projects  |
| Corporate Social Responsibility (CSR) Committee | Exchange Risk Management Committee   |
|   | Committee of Directors on compliance to Government of India (GoI) Directives on procurement and national missions. |

Advisory Boards consisting of eminent persons have been constituted for Environment and Social Policy and Procedures, Research and Development and Telecom Business, to advise the Company on critical issues in these areas.

Distribution of authority and powers within the organisation are laid down as per 'Delegation of Powers' matrix to ensure transparency and accountability. Your Company has implemented 'Works and Procurement Policy and Procedure for Pre-award and Post-award Stages' with a view to make the policies and procedures more systematic, transparent, and easy to administer with major thrust on expeditious and decentralized decision making coupled with responsibility.

Besides adhering to the provisions of SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015, as amended from time to time (hereinafter referred as SEBI LODR), the Company is also required to follow the Guidelines on Corporate Governance issued by Department of Public Enterprises, Government of India.

The compliance status of your Company with regard to Corporate Governance and disclosure requirements for FY 2023-24 have been detailed in this report.

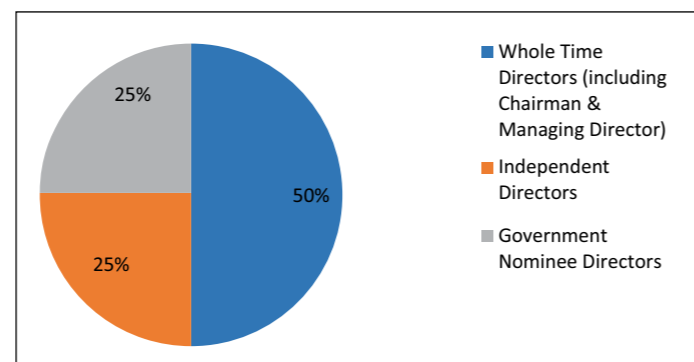
## 2. Board of Directors

### 2.1. Size and Composition of the Board

POWERGRID is a Government Company within the meaning of Section 2(45) of the Companies Act, 2013 (the Act) and the President of India presently holds 51.34% of the total paid-up share capital. The power to appoint Directors vests with the President of India. The qualification, experience, expertise etc. of all the Directors are given in Director's profile of this Annual Report from page no. 59 to 61.

As on 31<sup>st</sup> March, 2024, the Board of your Company comprised of eight Directors, four Whole Time Directors including the Chairman & Managing Director, two Government Nominee Directors and two Independent Directors.

The composition of Board of Directors i.e. at least 50% of the Board comprises of Independent Directors is not in conformity with SEBI (LODR). As the power to appoint the Directors on the Board vests with the Government India, the Company from time to time has been requesting administrative ministry i.e. Ministry of Power to appoint requisite number of Independent Directors including a independent woman director on the Board so as to ensure compliance with SEBI (LODR) and guideline of Department of Public Enterprises.



### Relationship Between Directors

All the Independent Directors meet with the requirements specified under Section 149 (6) of the Act, 2013 and clause (b) of sub-regulation (1) of regulation 16 of SEBI (LODR) for holding the position of 'Independent Director' and None of the Directors of the Company is related to each other and are independent of the Management.

### 2.2. Age Limit and Tenure of Directors

The age limit for the Chairman & Managing Director and other Whole Time Directors is 60 years.

The Chairman & Managing Director and other Whole Time Directors are appointed for a period of five years from the date of taking over of charge or till the date of superannuation of the incumbent or till further orders from the Government of India, whichever event occurs earlier. On appointment by the Government of India, these Directors are co-opted as Additional Directors and the appointment is regularized by Shareholders of the Company. Government Nominee Directors representing the Ministry of Power, Government of India are appointed as Government Nominee Director by the Board of Directors in terms of Section 161(3) of the Act. Independent Directors are generally appointed by the Government of India for tenure of three years.

The details of Directors as on 31<sup>st</sup> March, 2024 were as follows:

| Details of Directors                         |                              | Name                                      | Date of Joining the Board |
|--|------------------------------|---|---------------------------|
| Category                                     | Designation                  |   |                           |
| 1. Whole Time Directors                      | Chairman & Managing Director | Shri Ravindra Kumar Tyagi*                | 01.01.2024                |
|  | Director (Personnel)         | Dr. Yatindra Dwivedi                      | 31.08.2023                |
|  | Director (Projects)          | Shri Abhay Choudhary<br>(upto 30.06.2024) | 01.11.2020                |
|  | Director (Finance) & CFO     | Shri Ravisankar Ganesan                   | 21.09.2022                |
| 2. Government Nominees Part – time Directors | Government Nominee Directors | Shri Dilip Nigam<br>(upto 17.04.2024)     | 06.06.2022                |
|  |                              | Dr. Saibaba Darbamulla                    | 18.05.2023                |
| 3. Non-official Part-time Directors          | Independent Directors        | Shri Chetan Bansilal Kankariya            | 17.11.2021                |
|  |                              | Shri Ram Naresh Tiwari                    | 18.11.2021                |
|  |                              |   |                           |

\* Shri Ravindra Kumar Tyagi, Chairman & Managing Director was holding the position of Director (Operations) from 12.08.2022 to 31.12.2023.

### 2.3. Board Meetings and Attendance

During FY 2023-24, Sixteen Board meetings were held on various dates – 19<sup>th</sup> May, 2023, 8<sup>th</sup> June, 2023, 16<sup>th</sup> June, 2023, 14<sup>th</sup> July, 2023, 31<sup>st</sup> July, 2023, 30<sup>th</sup> August, 2023, 10<sup>th</sup> October, 2023, 20<sup>th</sup> October, 2023, 7<sup>th</sup> November, 2023, 22<sup>nd</sup> November, 2023, 16<sup>th</sup> December, 2023, 19<sup>th</sup> January, 2024, 7<sup>th</sup> February, 2024, 18<sup>th</sup> February, 2024, 5<sup>th</sup> March, 2024 and 19<sup>th</sup> March, 2024. Meetings were generally scheduled well in advance and the Notice, detailed Board agenda, management reports and other explanatory Board notes were circulated to the Directors. The members of the Board had complete access to all the required information of the Company. Senior management were also invited to the Board meetings as and when required to provide additional inputs to the items that were discussed by the Board. In case of an urgency, resolutions were passed by circulation.

During FY 2023-24, the maximum interval between any two meetings was 40 days. Details of number of Board meetings attended by Directors, attendance at last Annual General Meeting (AGM), number of other directorships / committee memberships [viz. Audit Committee and Stakeholders' Relationship Committee as per Regulation 26 of SEBI LODR held by them during the FY 2023-24 are tabulated below.

| Name of Director  | No. of Board Meetings |          | Attendance at the last AGM (held on 30.08.2023) | No. of Directorship as on 31.03.2024 in other Companies | No. of Companies in which Membership or Chairmanship of Committee as on 31.03.2024 as per Regulation 26 of SEBI (LODR)* |            | Directorship held in other Listed Companies as on 31.03.2024 and category of Directorship |                          |
|---|-----------------------|----------|---|---|---|------------|---|--------------------------|
|   | Entitled to attend    | Attended |   |   | Chairmanship  | Membership | Name of Companies   | Category of Directorship |
| <b>Whole Time Directors</b>   |                       |          |   |   |   |            |   |                          |
| Shri Ravindra Kumar Tyagi, Chairman & Managing Director (w.e.f. 01.01.2024) & Director (Operations) (upto 31.12.2023) | 16                    | 16       | Yes   | 03  | NIL   | NIL        | NIL   | NIL                      |
| Dr. Yatindra Dwivedi, Director (Personnel) (w.e.f. 31.08.2023)  | 11                    | 11       | N/A   | 06  | NIL   | 01         | NIL   | NIL                      |
| Shri Abhay Choudhary, Director (Projects)   | 16                    | 16       | Yes   | 10  | NIL   | NIL        | NIL   | NIL                      |
| Shri Ravisankar Ganesan, Director (Finance) & CFO   | 16                    | 16       | Yes   | 08  | 01  | 02         | NIL   | NIL                      |
| Shri K. Sreekant, CMD (upto 31.12.2023)   | 11                    | 11       | Yes   | N/A   | N/A   | N/A        | N/A   | N/A                      |
| Dr. Vinod Kumar Singh, Director (Personnel) (upto 31.05.2023)   | 01                    | 01       | N/A   | N/A   | N/A   | N/A        | N/A   | N/A                      |
| <b>Non-executive Directors (Government Nominees)</b>  |                       |          |   |   |   |            |   |                          |
| Shri Dilip Nigam, Advisor, MNRE - Government Nominee Director   | 16                    | 11       | Yes   | NIL   | NIL   | NIL        | NIL   | NIL                      |
| Dr. Saibaba Darbamulla, Jt. Secy. - Government Nominee Director   | 16                    | 15       | Yes   | NIL   | NIL   | 01         | NIL   | NIL                      |
| Mr. Mohammad Afzal Jt. Secy. - Government Nominee Director (upto 17.05.2023)  | N/A                   | N/A      | N/A   | N/A   | N/A   | N/A        | N/A   | N/A                      |
| <b>Independent Directors</b>  |                       |          |   |   |   |            |   |                          |
| Shri Onkarappa K.N. (upto 13.12.2023)   | 10                    | 10       | Yes   | N/A   | N/A   | N/A        | N/A   | N/A                      |
| Shri Chetan Bansilal Kankariya  | 16                    | 16       | Yes   | NIL   | 02  | 02         | NIL   | NIL                      |
| Shri Ram Naresh Tiwari  | 16                    | 16       | Yes   | 01  | 02  | 04         | NIL   | NIL                      |

**Notes:**

N/A indicates that concerned person was not a Director on that relevant date.

\*Includes committee position in POWERGRID.

**2.4. Skills / expertise / competencies of the Board of Directors as on 31<sup>st</sup> March, 2024.**

| Name of Director                                      | Skills / Expertise / Competencies |                         |                      |            |                           |                            |                                     |
|---|-----------------------------------|-------------------------|----------------------|------------|---------------------------|----------------------------|-------------------------------------|
|   | Power Sector Expertise            | Technical / Engineering | Financial Management | Leadership | Human Resource Management | Risk & Strategy Management | Environment, Research & Development |
| Shri Ravindra Chairman & Managing Director            | ✓                                 | ✓                       | ✓                    | ✓          | ✓                         | ✓                          | ✓                                   |
| Shri Abhay Choudhary, Director (Projects)             | ✓                                 | ✓                       |                      | ✓          | ✓                         | ✓                          | ✓                                   |
| Dr. Yatindra Dwivedi, Director (Personnel)            | ✓                                 | ✓                       | ✓                    | ✓          | ✓                         | ✓                          |                                     |
| Shri Ravisankar Ganesan, Director (Finance) & CFO     | ✓                                 |                         | ✓                    | ✓          |                           | ✓                          |                                     |
| Shri Dilip Nigam, Govt. Nominee Director              | ✓                                 | ✓                       | ✓                    | ✓          | ✓                         | ✓                          | ✓                                   |
| Dr Saibaba Darbamulla, Govt. Nominee Director         | ✓                                 | ✓                       | ✓                    | ✓          | ✓                         | ✓                          | ✓                                   |
| Shri Chetan Bansilal, Kankariya, Independent Director | ✓                                 | ✓                       | ✓                    | ✓          | ✓                         | ✓                          | ✓                                   |
| Shri Ram Naresh Tiwari, Independent Director          | ✓                                 |                         |                      | ✓          | ✓                         | ✓                          | ✓                                   |

**2.5. Separate Meeting of Independent Directors**

A separate meeting of Independent Directors was held on 23.03.2024. The meeting was attended by all the Independent Directors. In this meeting, Independent Directors assessed the quality, quantity and timeliness of flow of information between the Company management and the Board which is necessary for the Board to perform their duties effectively and reasonably.

**2.6. Information placed before the Board of Directors, inter alia includes:**

The Board has complete access to all information with the Company. The information regularly supplied to the Board includes:

- Annual operating plans and budgets and updates, if any.
- Annual Accounts, Directors' Report, etc.
- Quarterly financial results of the Company.
- Minutes of meetings of Audit Committee and other committees of the Board including minutes of Subsidiary Companies.
- Major Investments, formation of Subsidiaries and Joint Ventures, Strategic Alliances, etc.
- Award of large Contracts.
- All related party transactions.
- Disclosure of Interest by Directors about directorship and committee positions occupied by them in other Companies.
- Declaration of independency by Independent Directors.
- Monthly Report on Commercial Status of the Company.
- Quarterly Report on Business Activities of various Subsidiaries Companies.
- Quarterly Report on Compliance of various laws.



- xiii. Quarterly Report on Compliance with Corporate Governance; Reconciliation of Share Capital Audit and Investors' Complaints.
- xiv. Report on the status of various ongoing projects/Scheme and Budget Utilization.
- xv. Report on the O&M Review.
- xvi. Any significant development in Human Resources/ Industrial Relations front like signing of wage agreement, etc.
- xvii. Non-compliance of any Regulatory, statutory or listing requirement and shareholders' service such as non-payment of dividend, delay in share transfer etc.
- xviii. Short-Term investment of surplus funds.
- xix. Other materially important information.

**2.7. Post meeting follow-up system**

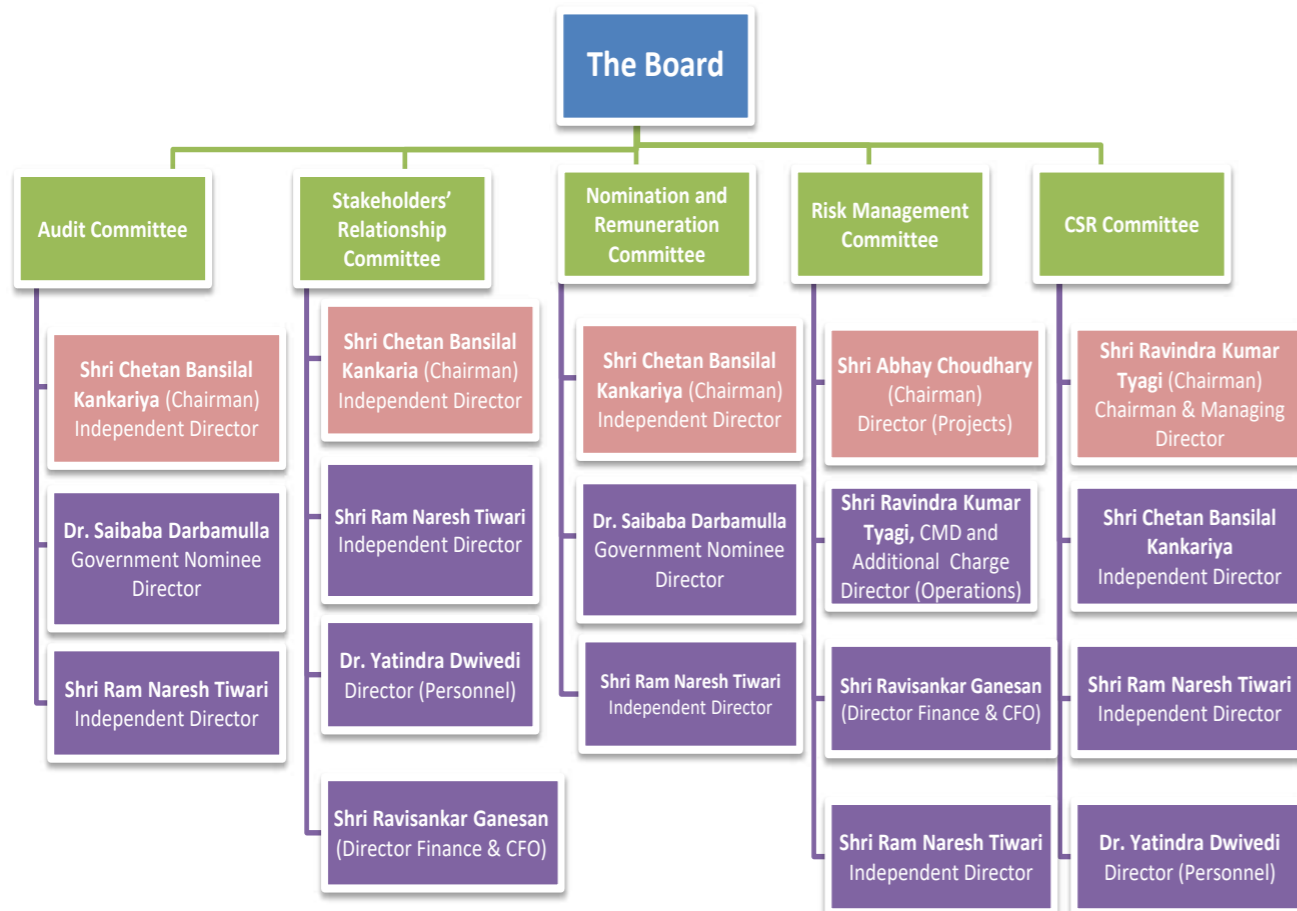
The Governance process in the Company includes an effective post-meeting follow-up, review and reporting process for action taken on decisions of the Board and the Board Committee(s).

**3. Committees of the Board of Directors**

The Board has constituted the following Statutory Committees:

- i. Audit Committee
- ii. Stakeholders' Relationship Committee
- iii. Nomination and Remuneration Committee
- iv. Risk Management Committee
- v. Corporate Social Responsibility (CSR) Committee

**Committee of Board of Directors**  
(as on 31<sup>st</sup> March, 2024)



**3.1. Audit Committee**

**Meeting, Attendance, Constitution and Composition**

The Company has constituted Audit Committee in line with the provisions of Section 177 of the Act and Regulation 18 of SEBI LODR.

Eleven meetings of the Audit committee were held during FY 2023-24.

Attendance of Audit Committee Meeting during FY 2023-24:

| Name of the Committee Member               | Committee Position | No. of meeting entitled to attend | No. of meeting attended |
|--|--------------------|-----------------------------------|-------------------------|
| Shri Chetan Bansilal Kankariya             | Chairman           | 11                                | 11                      |
| Dr. Saibaba Darbamulla (w.e.f. 16.12.2023) | Member             | 4                                 | 4                       |
| Shri Ram Naresh Tiwari                     | Member             | 11                                | 11                      |
| Shri Onkarappa K. N. (upto 13.12.2023)     | Member             | 7                                 | 7                       |

The Company Secretary is the Secretary of the Committee.

**Powers of Audit Committee**

The powers of the Audit Committee include the following:

- i. To investigate any activity within its terms of reference.
- ii. To seek information on and from any employee.
- iii. To obtain outside legal or other professional advice.
- iv. To secure attendance of outsiders with relevant expertise, if it considers necessary.
- v. To protect whistle blowers.
- vi. To consider other matters as referred by the Board.

**Terms of Reference**

The brief terms of reference of the Audit Committee are as under –

- i. Oversight of our Company's financial reporting process and the disclosure of its financial information to ensure that the financial statement is correct, sufficient and credible.
- ii. Recommending to the Board regarding fixation of audit fee to be paid to statutory auditors appointed by the Comptroller & Auditor General under the Companies Act, 2013 and approval for payment with respect to any other services rendered by the statutory auditors.
- iii. Reviewing, with the management, the Standalone and Consolidated annual financial statements and Auditors' Report thereon before submission to the Board for approval, with particular reference to:
  - a. Matters required to be included in the Director's Responsibility Statement to be included in the Board's report in terms of Clause (c) of Sub-section 3 of Section 134 of the Act.
  - b. Changes, if any, in accounting policies and practices and reasons for the same.
  - c. Major accounting entries involving estimates based on the exercise of judgment by management.
  - d. Significant adjustments made in the financial statements arising out of audit findings.
  - e. Compliance with listing and other legal requirements relating to financial statements.
  - f. Disclosure of any related party transactions.
  - g. Qualifications/modified opinions in the draft audit report.
- iv. Reviewing/examining, with the management, the quarterly Standalone financial statements and consolidated quarterly financial statements along with Limited Review Report by the Statutory Auditors of the Company of all the entities / companies whose Accounts are to be consolidated, before submission to the Board for approval.
- v. Reviewing, with the management, the statement of uses / application of funds raised through an issue (public issue, rights issue, preferential issue, etc.), the statement of funds utilized for purposes other than those stated in the offer document / prospectus / notice and the report submitted by the monitoring

agency monitoring the end use/ utilization of proceeds of a public or rights issue & related matters and making appropriate recommendations to the Board to take up steps in this matter.

- vi. Reviewing, with the management, performance of statutory and internal auditors and adequacy of the internal control systems.
- vii. Reviewing the adequacy of internal audit function, if any, including the structure of the internal audit department, staffing and seniority of the official heading the department, reporting structure, coverage and frequency of internal audit.
- viii. Discussing with internal auditors and / or auditors any significant findings and follow up there on.
- ix. Reviewing the findings of any internal investigations by the internal auditors / auditors / agencies into matters where there is suspected fraud or irregularity or a failure of internal control systems of a material nature and reporting the matter to the Board.
- x. Discussing with statutory auditors before the audit commences, about the nature and scope of audit as well as post-audit discussion to ascertain any area of concern.
- xi. To look into the reasons for substantial defaults in the payment to the depositors, debenture holders, shareholders (in case of non-payment of declared dividends) and creditors.
- xii. To review / oversee the functioning of vigil mechanism / Whistle Blower mechanism of the Company.
- xiii. To review the follow up action on the audit observations in the Comptroller & Auditor General audit.
- xiv. To review the follow up action taken on the recommendations of Committee on Public Undertakings (COPU) of the Parliament.
- xv. Provide an open avenue of communication between the independent auditor, internal auditor and the Board.
- xvi. Approval or any subsequent modification of transactions of the Company with related parties.
- xvii. Review all related party transactions in the Company. (For this purpose, the Audit Committee may designate a member who will be responsible for reviewing related party transactions). The term 'related party transactions' shall have the same meaning as provided in Regulation 2(1)(zc) of the SEBI LODR.
- xviii. Reviewing with the independent auditor the co-ordination of audit efforts to ensure completeness of coverage, reduction of redundant efforts, and the effective use of all audit resources.
- xix. Considering and review the following with the independent auditor and the management:
  - a. The adequacy of internal controls including computerized information system controls and security; and
  - b. related findings and recommendations of the independent auditor and internal auditor, together with the management responses.
- xx. Considering and reviewing the following with the management, internal auditor and the independent auditor:
  - a. Significant findings during the year, including the status of previous audit recommendations; and
  - b. Any difficulties encountered during audit work including any restrictions on the scope of activities or access to required information.
- xxi. Reviewing and monitoring the Auditor's independence and performance, and effectiveness of audit process.
- xxii. Scrutiny of inter-corporate loans and investments.
- xxiii. Valuation of undertakings or assets of the Company, whenever it is necessary.
- xxiv. Evaluation of Internal Financial Controls and Risk Management Systems.
- xxv. Reviewing the compliance with the provisions of SEBI (Prohibition of Insider Trading) (Amendment) Regulations, 2018 at least once in a financial year and verifying that the systems for internal control are adequate and are operating effectively.
- xxvi. Reviewing the utilization of loans and / or advances from / investment by the Company in the Subsidiary exceeding ₹100 crore or 10% of the asset size of the subsidiary, whichever is lower including existing loans / advances / investments existing as on the date.
- xxvii. Carrying out any other function as is mentioned in the terms of reference of the Audit Committee under the Act, SEBI LODR and DPE Guidelines on Corporate Governance for CPSEs, as amended from time to time.

### Review of information by Audit Committee

The Audit Committee mandatorily reviews the following information:

- i. Management discussion and analysis of financial condition and results of operations.
- ii. Statement of significant related party transaction submitted by management.
- iii. Management letters / letters of internal control weaknesses issued by the statutory auditors.
- iv. Internal audit reports relating to internal control weaknesses.
- v. The appointment, removal and terms of remuneration of the chief internal auditor.
- vi. Certification/declaration of financial statements by the Chief Executive Officer/Chief Financial Officer.
- vii. Statement of deviations:
  - a. Quarterly statement of deviation(s) including report of monitoring agency, if applicable, submitted to stock exchange(s) in terms of Regulation 32(1).
  - b. Annual statement of funds utilized for purposes other than those stated in the offer document/prospectus/notice in terms of Regulation 32(7).

### 3.2. Stakeholders' Relationship Committee

The Company has constituted Stakeholders' Relationship Committee in line with the provisions of Section 178(5) of the Act and Regulation 20 of SEBI LODR.

Two meetings of the Stakeholders' Relationship Committee were held during the FY 2023-24.

Attendance of Stakeholders' Relationship Committee Meeting during FY 2023-24:

| Name of the Committee Member             | Committee Position | No. of meeting entitled to attend | No. of meeting attended |
|--|--------------------|-----------------------------------|-------------------------|
| Shri Chetan Bansilal Kankariya           | Chairman           | 2                                 | 2                       |
| Shri Ram Naresh Tiwari                   | Member             | 2                                 | 2                       |
| Shri Ravisankar Ganesan                  | Member             | 2                                 | 1                       |
| Dr. Yatindra Dwivedi (w.e.f. 31.08.2023) | Member             | 1                                 | 1                       |
| Shri Onkarappa K. N. (upto 13.12.2023)   | Chairman           | 1                                 | 1                       |
| Dr. Vinod Kumar Singh (upto 31.05.2023)  | Member             | 1                                 | 1                       |

#### Terms of Reference

The scope of the Committee is to resolve the grievances of the security holders including complaints related to transfer / transmission of shares, non-receipt of annual report, non-receipt of declared dividends, issue of new / duplicate certificates, etc.

#### Name and designation of Compliance Officer

In accordance with the SEBI LODR, Shri Mrinal Shrivastava, Company Secretary, was the Compliance Officer up to 30.04.2024 and the Board has appointed Shri Satyaprakash Dash, Company Secretary, as the Compliance Officer w.e.f. 01.05.2024.

#### Investors' Grievances

During FY 2023-24, the Company has attended to investors' grievances expeditiously. The details of the complaints received and disposed of during the year are as under:

| S. No     | Description                                      | Total           |          |          |         |
|-----------|--|-----------------|----------|----------|---------|
|           |  | Opening Balance | Received | Attended | Pending |
| <b>A.</b> | <b>Complaints received from Statutory Bodies</b> |                 |          |          |         |
|           | SEBI   | -               | 10       | 10       | -       |
|           | Stock Exchanges                                  | -               | 1        | 1        | -       |
|           | Consumer Forum/Court cases                       | -               | -        | -        | -       |
|           | Advocate Notices                                 | -               | -        | -        | -       |



| S. No        | Description                      | Total           |              |              |         |
|--------------|----------------------------------|-----------------|--------------|--------------|---------|
|              |                                  | Opening Balance | Received     | Attended     | Pending |
| <b>B.</b>    | <b>Dividends</b>                 |                 |              |              |         |
|              | Non receipt of dividend warrants | -               | 4,281        | 4,281        | -       |
| <b>C.</b>    | <b>Share certificates</b>        |                 |              |              |         |
|              | Non receipt of share certificate | -               | 287          | 287          | -       |
| <b>D.</b>    | <b>Refund orders</b>             |                 |              |              |         |
|              | Non receipt of refund orders     | -               | -            | -            | -       |
| <b>Total</b> |                                  | -               | <b>4,579</b> | <b>4,579</b> | -       |

SCORES is a centralized web-based complaints redressal system through which the investors can lodge complaint(s) against the Company for their grievance.

SEBI vide Circular dated 31<sup>st</sup> July 2023, has established a common Online Dispute Resolution Portal ('ODR Portal') for resolution of disputes arising in the Indian securities market. The investors can initiate dispute resolution through the ODR Portal (<https://smartodr.in/login>) after exhausting all available options for resolution of their grievance.

#### Shares lying in Share Escrow Account

In pursuance of Schedule V (F) of SEBI LODR, details of shares lying in the shares escrow account are as under:

| SHARES IN THE SHARE ESCROW ACCOUNT          |                      |               |                      |               |                      |               |                      |               |                      |               |
|---|----------------------|---------------|----------------------|---------------|----------------------|---------------|----------------------|---------------|----------------------|---------------|
| Event                                       | IPO                  |               | FPO [2010]           |               | FPO [2013]           |               | Bonus Issue [2021]   |               | Bonus Issue [2023]   |               |
|   | No. of Share-holders | No. of Shares | No. of Share-holders | No. of Shares | No. of Share-holders | No. of Shares | No. of Share-holders | No. of Shares | No. of Share-holders | No. of Shares |
| As on 01.04.2023                            | 5                    | 1379          | 0                    | 0             | 0                    | 0             | 0                    | 0             | 5                    | 458           |
| Transfers during the Financial year 2023-24 | 0                    | 0             | 0                    | 0             | 0                    | 0             | 0                    | 0             | 0                    | 0             |
| As on 31.03.2024                            | 5                    | 1379          | 0                    | 0             | 0                    | 0             | 0                    | 0             | 5                    | 458           |

The voting rights on the shares in the Escrow Account will remain frozen till the rightful owner of such shares claims the shares. These shares are lying in Demat form in a Pool Account with the Registrars i.e. M/s KFin Technologies Limited and the benefits accrued on them are being properly accounted for.

#### 3.3. Nomination and Remuneration Committee

The Company has constituted Nomination and Remuneration Committee in line with the provisions of Section 178 of the Act and Regulation 19 of SEBI LODR.

Two meetings of the Nomination and Remuneration Committee were held during FY 2023-24.

Attendance of Nomination and Remuneration Committee Meeting during FY 2023-24:

| Name of the Committee Member               | Committee Position | No. of meeting entitled to attend | No. of meeting attended |
|--|--------------------|-----------------------------------|-------------------------|
| Shri Chetan Bansilal Kankariya             | Chairman           | 2                                 | 2                       |
| Shri Ram Naresh Tiwari                     | Member             | 2                                 | 2                       |
| Dr. Saibaba Darbamulla (w.e.f. 18.05.2023) | Member             | 2                                 | 2                       |
| Mr. Mohammed Afzal (upto 17.05.2023)       | Member             | 0                                 | 0                       |

#### Terms of Reference

The Nomination and Remuneration Committee recommends the Board a policy/scheme relating to the Performance Related Pay (PRP) and other variable pay of the employees; the roles as specified in the Companies Act, 2013 (the Act) / Regulation 19 read with Para (A) of Part D of Schedule II of the SEBI (LODR),

including any amendments thereto from time to time, and such other roles/responsibilities as may be assigned by the Board from time to time.

#### Performance Evaluation of Directors

Ministry of Corporate Affairs has exempted Government Companies from complying with the provisions of Section 178(2) & para VIII of Schedule IV of the act with regard to performance evaluation of Board, its committees and individual directors. The performance evaluation of Functional Directors, Government Nominee Directors and Independent Directors of your Company is done by Ministry of Power (Administrative Ministry) as per applicable Rules and Procedures.

#### 3.4. Risk Management Committee

POWERGRID had constituted Risk Management Committee in line with the requirement of Regulation 21 of SEBI LODR.

Three meetings of Risk Management Committee were held during the FY 2023-24.

Attendance of Risk Management Committee during FY 2023-24:

| Name of the Committee Member                 | Committee Position | No. of meeting entitled to attend | No. of meeting attended |
|--|--------------------|-----------------------------------|-------------------------|
| Shri Abhay Choudhary                         | Chairman           | 3                                 | 3                       |
| Shri Ravindra Kumar Tyagi* (upto 31.12.2023) | Member             | 3                                 | 2                       |
| Shri Ravisankar Ganesan                      | Member             | 3                                 | 3                       |
| Shri Ram Naresh Tiwari (w.e.f. 16.12.2023)   | Member             | 0                                 | 0                       |
| Shri Onkarappa K. N. (upto 13.12.2023)       | Member             | 3                                 | 3                       |

\*in capacity of Director (Operations).

#### Terms of Reference

The brief terms of reference of the Risk Management Committee are as under –

- Monitoring and reviewing the Risk management plan of the Company;
- Providing updates to the Board on key risks and their mitigation; and
- Such other role/responsibilities as may be assigned by the Board from time to time.

Your Company has implemented an 'Enterprise Risk Management Framework' (ERM framework). The details of the same are given in Management Discussion and Analysis.

#### 3.5. Corporate Social Responsibility (CSR) Committee

POWERGRID has constituted a CSR Committee in line with the requirements of Section 135 of the Act and Department of Public Enterprises' Guidelines on Corporate Social Responsibility and Sustainability for Central Public Sector Enterprises.

Eleven meetings of the CSR Committee were held during the FY 2023-24.

Attendance of Corporate Social Responsibility (CSR) Committee during FY 2023-24:

| Name of the Committee Member                  | Committee Position | No. of meeting entitled to attend | No. of meeting attended |
|---|--------------------|-----------------------------------|-------------------------|
| Shri Ravindra Kumar Tyagi (w.e.f. 01.01.2024) | Chairman           | 4                                 | 4                       |
| Dr. Yatindra Dwivedi (w.e.f. 31.08.2023)      | Member             | 6                                 | 6                       |
| Shri Ram Naresh Tiwari                        | Member             | 11                                | 11                      |
| Shri Chetan Bansilal Kankariya                | Member             | 11                                | 11                      |
| Shri K. Sreekant (upto 31.12.2023)            | Chairman           | 7                                 | 7                       |

| Name of the Committee Member            | Committee Position | No. of meeting entitled to attend | No. of meeting attended |
|---|--------------------|-----------------------------------|-------------------------|
| Shri Onkarappa K. N. (upto 13.12.2023)  | Member             | 6                                 | 6                       |
| Dr. Vinod Kumar Singh (upto 31.05.2023) | Member             | 1                                 | 1                       |

**Terms of Reference**

The brief terms of reference of the CSR Committee are as under –

- Formulate & recommend to the Board a Corporate Social Responsibility Policy (the CSR Policy) indicating activities to be undertaken by Company as specified in Schedule VII (Activities which may be included by companies in their Corporate Social Responsibility Policies) of the Companies Act, 2013;
- Recommend the amount of expenditure to be incurred on activities referred to in sr.no. i) above; and
- Monitor CSR Policy from time to time & institute a transparent monitoring mechanism for implementation of CSR projects, programs or activities undertaken by the Company.

**4. Remuneration of Directors**

Being a Government Company, the appointment, tenure and remuneration of Directors is decided by the Government of India. Remuneration paid to Chairman & Managing Director and Functional Directors during FY 2023-24 was as per terms and conditions of their appointment.

Independent Directors are only paid sitting fees as per the Board / Committee meetings attended {rate fixed by the Board within the ceiling under the Rule 4 of the Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014 read with the Section 197 of the Act} and in accordance with the Government Guidelines for attending the Board Meeting as well as Committee Meetings.

The remuneration paid to the Whole Time Directors during FY 2023-24 is as under:

| S. No. | Directors                               | Designation                  | Salary (in ₹) | Benefits (in ₹) | Bonus / Commission (in ₹) | Performance Linked Incentive (in ₹) | Total (in ₹) |
|--------|---|------------------------------|---------------|-----------------|---------------------------|-------------------------------------|--------------|
| 1.     | Shri Ravindra Kumar Tyagi               | Chairman & Managing Director | 58,03,023     | 6,17,715        | -                         | 27,56,141                           | 91,76,879    |
| 2.     | Shri Abhay Choudhary                    | Director (Projects)          | 50,56,741     | 5,07,648        | -                         | 28,47,490                           | 84,11,879    |
| 3.     | Shri Ravisankar Ganesan                 | Director (Finance) & CFO     | 48,14,176     | 6,72,349        | -                         | 26,37,575                           | 81,24,100    |
| 4.     | Dr. Yatindra Dwivedi (w.e.f 31.08.2023) | Director (Personnel)         | 29,75,761     | 7,55,495        | -                         | 16,12,518                           | 53,43,774    |
| 5.     | Shri K. Sreekant (upto 31.12.2023)      | Chairman & Managing Director | 68,32,099     | 6,92,424        | -                         | 22,39,735                           | 97,64,258    |
| 6.     | Dr. Vinod Kumar Singh (upto 31.05.2023) | Director (Personnel)         | 31,10,054     | 2,13,692        | -                         | 4,76,326                            | 38,00,072    |

The Government Nominee Directors on the Company's Board do not draw any remuneration/sitting fee for attending Board/ Committee meetings from the Company.

**Notes:**

- Performance Linked Incentives are payable to the Whole-Time Directors as employees of the Company as per DPE Guidelines.
- The terms of appointment of the Whole-Time Directors, as issued by the Government of India, provides for three months' notice period or salary in lieu thereof for severance of service.

Details of Payment made towards sitting fee to Independent Directors during FY 2023-24 are given below:

| Independent Directors          | Sitting Fee       |                       | Total (₹)   |
|--------------------------------|-------------------|-----------------------|-------------|
|                                | Board Meeting (₹) | Committee Meeting (₹) |             |
| Shri Chetan Bansilal Kankariya | 6,80,000/-        | 13,80,000/-           | 20,60,000/- |
| Shri Ram Naresh Tiwari         | 6,80,000/-        | 9,30,000/-            | 16,10,000/- |

| Independent Directors                  | Sitting Fee       |                       | Total (₹)   |
|--|-------------------|-----------------------|-------------|
|  | Board Meeting (₹) | Committee Meeting (₹) |             |
| Shri Onkarappa K. N. (upto 13.12.2023) | 4,40,000/-        | 7,50,000/-            | 11,90,000/- |

**Shareholding of Directors**

The details of shares of the Company held by the Directors as on 31<sup>st</sup> March, 2024 are given below:

| Name of Directors              | Designation                  | No. of Equity Shares Held |
|--------------------------------|------------------------------|---------------------------|
| Shri Ravindra Kumar Tyagi      | Chairman & Managing Director | 77                        |
| Shri Abhay Choudhary           | Director (Projects)          | 1425                      |
| Shri Ravisankar Ganesan        | Director (Finance)           | 1034                      |
| Dr. Yatindra Dwivedi           | Director (Personnel)         | 2044                      |
| Shri Dilip Nigam               | Government Nominee Director  | Nil                       |
| Dr. Saibaba Darbamulla         | Government Nominee Director  | Nil                       |
| Shri Chetan Bansilal Kankariya | Independent Director         | Nil                       |
| Shri Ram Naresh Tiwari         | Independent Director         | Nil                       |

**5. Monitoring of Subsidiaries**

The Company does not have any material unlisted Subsidiary Company in terms of SEBI LODR or the subsidiaries as defined under Guidelines on Corporate Governance for Central Public Sector Enterprises issued by Department of Public Enterprises, Government of India. However, minutes of the meeting of the Board of Directors of the subsidiaries are placed before the Company's Board periodically along with status of subsidiaries. Further, pursuant to Regulations 16 (1)(c) and 46 of the SEBI LODR, your Company has formulated a policy for determining 'material' subsidiaries and the policy has been disclosed on the Company's website and a web link thereto is also given as under:

[https://www.powergrid.in/sites/default/files/code\\_of\\_conduct\\_policies/06\\_Policy%20on%20Subsidiaries.pdf](https://www.powergrid.in/sites/default/files/code_of_conduct_policies/06_Policy%20on%20Subsidiaries.pdf)

**6. General Body Meetings**

Date, time and location where the last three Annual General Meetings were held as under:

| Year    | Date      | Time     | Venue  | Special Resolution Passed  |
|---------|-----------|----------|--|--|
| 2022-23 | 30-Aug-23 | 11:00 AM | Though Video Conferencing / other Audio Visual Means | <ol style="list-style-type: none"> <li>To enhance borrowing limit from ₹6000 Crore to ₹8,000 Crore, from domestic market through issue of secured / unsecured, non-convertible, non-cumulative/cumulative, redeemable, taxable / tax-free Debentures/Bonds under Private Placement for the Financial Year 2023-24.</li> <li>To raise funds up to ₹12,000 Crore, from domestic market through issue of secured/unsecured, non-convertible, non-cumulative / cumulative, redeemable, taxable/tax-free Debentures/Bonds under Private Placement during the Financial Year 2024-25 in one or more tranches/offers.</li> </ol>  |
| 2021-22 | 29-Aug-22 | 11:00 AM | Though Video Conferencing / other Audio Visual Means | <ol style="list-style-type: none"> <li>To approve the appointment of Shri Chetan Bansilal Kankariya (DIN:09402860) as an Independent Director.</li> <li>To approve the appointment of Shri Onkarappa K. N. (DIN:09403906) as an Independent Director.</li> <li>To approve the appointment of Shri Ram Naresh Tiwari (DIN: 09405377) as an Independent Director.</li> <li>To raise funds up to ₹6,000 Crore From domestic market through issue of secured/unsecured, non-convertible, non-cumulative/cumulative, redeemable, taxable/ tax free debentures/Bonds under private placement during Financial Year 2023-24 in up to twenty tranches/offers.</li> </ol> |



| Year    | Date      | Time     | Venue  | Special Resolution Passed  |
|---------|-----------|----------|--|--|
| 2020-21 | 24-Sep-21 | 11:00 AM | Though Video Conferencing / other Audio Visual Means | 1. To raise funds up to ₹6,000 Crore, from domestic market through issue of secured / unsecured, non-convertible, non-cumulative/cumulative, redeemable, taxable / tax-free Debentures/Bonds under Private Placement during Financial Year 2022-23 in up to twenty tranches/ offers. |

#### Special Resolution passed through Postal Ballot

During FY 2023-24, no special resolution was passed through postal ballot. Further, there is no immediate proposal for passing any special resolution through the Postal Ballot.

#### 7. Credit Rating

The credit rating assigned to various debt instruments by the credit rating agencies during FY 2023-24 are as under:

##### Rating by Domestic Rating Agency:

| Sr. No. | Credit Rating Agency | Rating for Long term Debt Instrument / Bank Borrowing | Rating for Short term Bank Borrowing | Rating for Commercial Paper |
|---------|----------------------|---|--------------------------------------|-----------------------------|
| 1       | ICRA                 | (ICRA) AAA (Stable)                                   | (ICRA) A1+                           | (ICRA) A1+                  |
| 2       | CRISIL               | CRISIL AAA / Stable                                   | CRISIL A1+                           | CRISIL A1+                  |
| 3       | CARE                 | CARE AAA; Stable                                      | CARE A1+                             | CARE A1+                    |

##### Rating by Foreign Rating Agency:

| Sr. No. | Credit Rating Agency     | Rating Assigned         |
|---------|--------------------------|-------------------------|
| 1       | Moody's Investor Service | Baa3 Outlook: Stable    |
| 2       | S&P                      | BBB (-) Outlook: Stable |
| 3       | Fitch                    | BBB (-) Outlook: Stable |

#### 8. Disclosures

- The transactions with related parties contain (i) payment to Companies under Joint Venture Agreement and on account of contracts for works/services, (ii) remuneration to key managerial personnel and (iii) equity contribution to subsidiaries, which are not in the nature of potential conflicts of interest of the Company at large. Details of related party transactions are included in the Notes to the Accounts as per Indian Accounting Standards – IndAS-24 notified by the Central Government.
- Your Company does not have any material Subsidiary Company and web link of the policy is provided as under:  
[https://www.powergrid.in/sites/default/files/code\\_of\\_conduct\\_policies/06\\_Policy%20on%20Subsidiaries.pdf](https://www.powergrid.in/sites/default/files/code_of_conduct_policies/06_Policy%20on%20Subsidiaries.pdf)
- Your Company has established an Enterprise Risk Management Framework and Internal Control Framework for Chief Executive Officer (CEO)/Chief Financial Officer (CFO) Certification. Chief General Manager (Corporate Planning) has been appointed as Chief Risk Officer of the Company.
- There are no material individual transactions with related parties which are not in the normal course of business.
- There are no material individual transactions with related parties or others, which are not on an arm's length basis. Further, pursuant to Regulation 23 SEBI LODR, your Company has formulated a policy on materiality of related party transactions and disclose the same on the website of POWERGRID and a web link is provided as under:  
[https://www.powergrid.in/sites/default/files/code\\_of\\_conduct\\_policies/11\\_Policy%20on%20Related%20Party%20Transactions.pdf](https://www.powergrid.in/sites/default/files/code_of_conduct_policies/11_Policy%20on%20Related%20Party%20Transactions.pdf)
- Your Company has complied with the requirements of the SEBI LODR and Guidelines on Corporate Governance for Central Public Sector Enterprises issued by Ministry of Heavy Industries and Public Enterprises, Department of Public Enterprises, Government of India except that the Company is non-compliant w.r.t. the requisite number of Independent Directors, including one independent woman director on the Board.
- Details of non-compliance:  
Your Company has been complying with the mandatory requirements of SEBI LODR and the Act, except the requirement pertaining to composition of Board of Directors with respect to the requisite number of Independent Directors for the FY 2023-24, FY 2022-23, 2021-22 and 2020-21 including one independent woman director from July, 2021.

Due to the non-compliance mentioned above, NSE and BSE have sought clarifications and imposed penalty(ies) for the aforesaid periods. Your Company suitably replied to the clarifications and requested NSE and BSE for the waiver of fines.

POWERGRID, being a Government Company within the meaning of Section 2(45) of the Companies Act, 2013 the power to appoint functional / Official Part-time Directors / Non-Official Part-time Directors (Independent Directors) vests with the Government of India. The matter has already been taken up with Administrative Ministry i.e. Ministry of Power for filling up the vacant post of Independent Directors.

- The Company has separate Vigilance Department which deals with fraud or suspected fraud involving employees / representatives of suppliers, contractors, consultants, service provider, or any other party doing business with POWERGRID. Whistle Blower and Fraud Prevention Policy have been approved by the Board of Directors and the same has been uploaded on the website of POWERGRID. During FY 2023-24, no person was denied access to the Audit Committee. The web link of the Whistle Blower and Fraud Prevention Policy is as under:  
[https://www.powergrid.in/sites/default/files/code\\_of\\_conduct\\_policies/Whistle\\_Blower\\_Fraud\\_Prevention\\_Policy.pdf](https://www.powergrid.in/sites/default/files/code_of_conduct_policies/Whistle_Blower_Fraud_Prevention_Policy.pdf)
- The Financial Statements for FY 2023-24 have been prepared as per the Indian Accounting Standards notified under Section 133 of the Act.
- Information on adoption (and compliance) / Non-adoption of the non-mandatory requirements w.r.t. corporate Governance Report is at Annexure - I.
- The compliance with Corporate Governance requirements specified in Regulation 17 to 27 and Clauses (b) to (i) of sub-regulation (2) of regulation 46 of SEBI LODR have been made.
- Certificate Pursuant to Regulation 34 (3) and Schedule V Para C clause (10) (i) of SEBI LODR has been obtained from Company Secretary in Practice that none of the Directors on the Board of the Company have been debarred or disqualified from being appointed or continuing as Directors of the companies by the Securities and Exchange Board of India (SEBI) / Ministry of Corporate Affairs (MCA) or any such statutory authority.
- The Detail of fees paid/payable to the Statutory Auditors by POWERGRID during FY 2023-24 Standalone is shown in 'Note 40-Other Expenses' under sub-head 'Payments to Statutory Auditors'.
- The Company / its subsidiary Company has not provided any loan / advances to firm / companies in which Directors are interested.
- None of the Independent Director resigned during the Financial Year 2023-24. Shri Onkarappa K. N., Independent Director ceased to be Director w.e.f. 13.12.2023 due to demise.
- None of the securities of the Company have ever been suspended from trading.

#### CEO/CFO Certification

As required by Regulation 17 (8) of the SEBI LODR, the Compliance Certificate as specified in Part B of Schedule II of the said Regulation duly signed by Shri Ravindra Kumar Tyagi, Chairman & Managing Director and Shri Ravisankar Ganesan, Director (Finance & CFO) was placed before the Board of Directors at the meeting held on 22<sup>nd</sup> May, 2024.

#### 9. Means of Communication

The Company communicates with its shareholders through the Annual Report, General Meeting, Newspapers and disclosures through the website.

The Company also communicates with its Institutional shareholders through Analysts and Investors meets held during the end of each quarter where Directors and Senior Officials of the Company interact with the investor community.

Information and latest updates and announcements made by the Company can be accessed at Company's website at <https://www.powergrid.in/> and including the following:

| Sr. No. | Details   | Link   |
|---------|---|--|
| 1       | Quarterly/Half-yearly/Annual Financial Results                  | <a href="https://www.powergrid.in/en/annual-quarterly-results">https://www.powergrid.in/en/annual-quarterly-results</a><br><a href="https://www.powergrid.in/en/annual-results">https://www.powergrid.in/en/annual-results</a> |
| 2       | Quarterly shareholding pattern                                  | <a href="https://www.powergrid.in/en/share-holding-pattern">https://www.powergrid.in/en/share-holding-pattern</a>  |
| 3       | Quarterly Corporate Governance Report                           | <a href="https://www.powergrid.in/en/corporate-governance">https://www.powergrid.in/en/corporate-governance</a>  |
| 4       | Corporate disclosures made from time to time to Stock Exchanges | <a href="https://www.powergrid.in/en/meetingsnotices">https://www.powergrid.in/en/meetingsnotices</a>  |

**Quarterly Results**

| Publication of Financial Results in Newspapers & Magazine. |  |   |  |
|--|--|---|--|
| Sl. No.  | Publication of Financial Results for the quarter ended | Date(s) of publication                          | Newspapers & Magazine  |
| 1  | 30.06.2023   | 01.08.2023 & 02.08.2023<br>August, 2023 Issue   | Times of India, Economic Times, Hindustan Times, Hindustan, Mint, NIE, Financial Express, Mid Day, Pioneer, Aj.<br>Magazine - Dalal Street, Business Today.<br>Website- PSU Watch.com, TOI.com+ET.com  |
| 2  | 30.09.2023   | 08.11.2023 & 09.11.2023<br>November, 2023 Issue | Times of India, Economic Times, HT, Mint, Dainik Jagran, Business Standard (Both), Business Line, Statesman, Free Press Journal, Millennium Post, Rashtriya Sahara.<br>Magazine: Forbes, Business Today<br>Website: midday.com+gujaratimidday.com  |
| 3  | 31.12.2023   | 08.02.2024 & 09.02.2024<br>February 2024 Issue  | Times of India, Hindustan Times, Mint, Mid Day, Amar Ujala, Aj, Financial Express, New Indian Express, Pioneer<br>Magazine- India Today, Open Magazine, Dalal Street, Wealth Insight<br>Website: Moneycontrol.com, Livemint.com  |
| 4  | 31.03.2024   | 23.05.2024 & 24.05.2024<br>June 2024 Issue      | Times of India, Economic Times, Hindustan Times, Hindustan, Mint, Business Line, The Statesman, Business Standard (Both), Mid Day, Divya Bhaskar, Free Press Journal +Navshakti, Millenium Post<br>Magazine: Business World, Forbes, Business Today<br>Website: TOI.com+ET.com, businesstoday.in |

These Results are also displayed at Company's website at: <https://www.powergrid.in/en/>

**Official Releases and Presentations**

The Company's official news releases, other press coverage, presentations made to institutional investors or to the analysts are also hosted on the Website of the Company and can be accessed at:

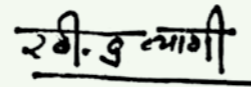
<https://www.powergrid.in/en/investors-relations> and <https://www.powergrid.in/en/financials-presentations>

**10. Code of Conduct**

The Board of Directors have laid down two separate Codes of Conduct – one for Board Members and another for Senior Management Personnel in alignment with Company's Mission & Objectives and aims at enhancing ethical and transparent process in managing the affairs of the Company. The 'Code of Business Conduct and Ethics for Board Members' and the 'Code of Business and Ethics for Senior Management Personnel' are available at the website of the Company.

Declaration required under Regulation 26 (3) of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015.

All the members of the Board and Senior Management Personnel have affirmed compliance with the Code of Business Conduct and Ethics for the financial year ended 31<sup>st</sup> March, 2024.



Date: 31<sup>st</sup> July, 2024

Place: Gurugram

(Ravindra Kumar Tyagi)

Chairman & Managing Director

**11. Code of Insider Trading**

In pursuance of the Securities and Exchange Board of India (Prohibition of Insider Trading) Regulations, 2015 and as amended from time to time, the Board has laid down 'Code of Practices & Procedures for Fair Disclosure of Unpublished Price Sensitive Information and Conduct for Regulating, Monitoring & Reporting of Trading by Insiders of Power Grid Corporation of India Limited with an aim that 'Designated Persons' shall not derive any benefit or assist others to derive any benefit from the access to and possession of Unpublished Price Sensitive Information about the Company which is not in the public domain and thus constitutes insider information. The Company Secretary has been designated as Compliance Officer for this Code.

**12. Familiarization program for Independent Directors**

The Company familiarizes the Independent Directors with the activities and functioning of the Company and their roles, rights, responsibilities in the Company, nature of the industry in which the Company operates, business model of the Company, etc., through various programmes and presentations. The details of such familiarization programmes are disclosed on the Company's website and a web link thereto is also given as under:

<https://www.powergrid.in/en/familiarisation-programme-independent-directors>

**13. Disclosures in relation to the sexual Harassment of Women at Workplace (Prevention, Prohibition and Redressal) Act, 2013**

| Sr. No. | Particulars   | No. of Complaints |
|---------|---|-------------------|
| 1.      | Number of Complaints filed during FY 2023-24.             | 3                 |
| 2.      | Number of Complaints disposed of during FY 2023-24.       | 3                 |
| 3.      | Number of Complaints pending as on end of the FY 2023-24. | 0                 |

**14. Particulars of senior management and change therein during FY 2023-24**

| Sr. No. | Name                    | Designation (ED/CFO/ Company Secretary) | Date of assumption of charge | Date of cessation |
|---------|-------------------------|---|------------------------------|-------------------|
| 1.      | Mukesh Khanna           | ED                                      | 05-08-2021                   | -                 |
| 2.      | Anish Anand             | Dy CVO                                  | 02-09-2020                   | -                 |
| 3.      | Subir Sen               | ED                                      | 14-09-2015                   | -                 |
| 4.      | Ashok Pal               | Dy COO                                  | 01-03-2021                   | -                 |
| 5.      | Dilip Nagesh Rozekar    | COO                                     | 01-11-2022                   | -                 |
| 6.      | Manju Gupta             | ED                                      | 04-09-2023                   | -                 |
| 7.      | Atul Kumar Bali         | ED                                      | 04-09-2023                   | -                 |
| 8.      | Adish Kumar Gupta       | ED                                      | 01-09-2022                   | -                 |
| 9.      | Kailash Kumar Gupta     | ED                                      | 04-09-2023                   | -                 |
| 10.     | Pankaj Pandey           | ED                                      | 04-09-2023                   | -                 |
| 11.     | Burra Vamsi Rama Mohan  | COO                                     | 01-12-2022                   | -                 |
| 12.     | Doman Yadav             | ED/CISO                                 | 01-01-2024                   | -                 |
| 13.     | L Ganesh                | ED                                      | 01-11-2023                   | 31-12-2023        |
| 14.     | Vikram Singh Bhal       | ED                                      | 12-08-2022                   | -                 |
| 15.     | Rajesh Srivastava       | ED                                      | 06-07-2022                   | -                 |
| 16.     | S K Mishra              | ED/CEO                                  | 14-09-2015                   | 06-07-2023        |
| 17.     | Rajesh Kumar            | ED                                      | 17-12-2019                   | -                 |
| 18.     | Anoop Singh             | ED                                      | 01-12-2022                   | -                 |
| 19.     | Alok .                  | ED                                      | 05-08-2021                   | -                 |
| 20.     | Ravinder Nagpal         | ED                                      | 01-10-2021                   | 30-04-2023        |
| 21.     | Rakesh Kumar            | ED                                      | 04-09-2023                   | -                 |
| 22.     | Rajil Srivastava        | CEO                                     | 01-01-2023                   | -                 |
| 23.     | Laxman S Negi           | ED (HR)                                 | 01-03-2024                   | -                 |
| 24.     | R K Rohilla             | ED                                      | 04-09-2023                   | -                 |
| 25.     | A Barat                 | ED                                      | 05-08-2021                   | -                 |
| 26.     | Subhash Chander Taneja  | ED                                      | 01-01-2023                   | 31-05-2023        |
| 27.     | Pramod Kumar            | ED (Fin)                                | 02-09-2020                   | 30-06-2023        |
| 28.     | Stanley Mathews         | ED (HRD)                                | 04-09-2023                   | -                 |
| 29.     | Tarun Bajaj             | ED                                      | 06-07-2022                   | -                 |
| 30.     | Jasbir Singh            | ED                                      | 04-09-2023                   | -                 |
| 31.     | P C Garg                | COO                                     | 01-12-2020                   | -                 |
| 32.     | Dharmendra Kumar Javeri | ED                                      | 04-09-2023                   | -                 |
| 33.     | Vibhay Kumar            | ED                                      | 04-09-2023                   | -                 |



| Sr. No. | Name                          | Designation (ED/CFO/ Company Secretary) | Date of assumption of charge | Date of cessation |
|---------|-------------------------------|---|------------------------------|-------------------|
| 34.     | Upendra Pande                 | ED                                      | 21-06-2017                   | -                 |
| 35.     | Arun K Mishra                 | ED                                      | 05-08-2021                   | 30-11-2023        |
| 36.     | Naveen Srivastava             | ED                                      | 16-01-2021                   | -                 |
| 37.     | B Anantha Sarma               | ED                                      | 18-01-2019                   | -                 |
| 38.     | P Jayachandran                | ED                                      | 05-08-2021                   | 31-05-2023        |
| 39.     | A P Gangadharan               | ED                                      | 05-08-2021                   | 30-04-2023        |
| 40.     | A Nagaraju                    | ED                                      | 06-07-2022                   | -                 |
| 41.     | Balanarayan K P               | ED                                      | 01-12-2023                   | 28-02-2024        |
| 42.     | Thiruchitrabalam Krishnakumar | ED                                      | 01-09-2022                   | -                 |
| 43.     | A K Mishra                    | ED                                      | 17-12-2019                   | -                 |
| 44.     | Yugesh Kumar Dixit            | ED                                      | 01-02-2021                   | -                 |
| 45.     | Ram Naresh Singh              | ED                                      | 14-09-2015                   | 31-08-2023        |
| 46.     | Satish Chandra                | ED                                      | 02-09-2020                   | 31-08-2023        |
| 47.     | M K Gupta                     | ED                                      | 04-09-2023                   | 31-10-2023        |
| 48.     | Ashok Kumar Behera            | ED                                      | 01-02-2024                   | -                 |
| 49.     | Upananda Kataki               | ED                                      | 04-09-2023                   | -                 |
| 50.     | Utpal Sharma                  | ED                                      | 04-09-2023                   | 31-01-2024        |
| 51.     | Purshottam Agarwal            | ED (Fin)                                | 06-07-2022                   | -                 |
| 52.     | Mrinal Shrivastava            | Company Secretary                       | 01-07-2020                   | -                 |

## 15. General Shareholders' Information

### i. Annual General Meeting

Date: 22<sup>nd</sup> August, 2024

Time: 11:00 AM

Venue: Ministry of Corporate Affairs (MCA) has vide Circular dated 25<sup>th</sup> September, 2023 and SEBI vide Circular dated 7<sup>th</sup> October, 2023 has permitted to conduct Annual General Meeting (AGM) through Video Conferencing (VC) or other Audio-Visual Means (OAVM). In compliance with aforesaid Circulars, the Annual General meeting of the Company will be held through VC / OAVM.

### ii. Financial Year

The Company's Financial Year is from 1<sup>st</sup> April to 31<sup>st</sup> March.

### iii. Payment of Dividend

The Board of Directors of the Company recommended final dividend of ₹2.75 per share 27.5% for FY 2023-24. In addition, 1<sup>st</sup> interim dividend of ₹4 per share (40%) and 2<sup>nd</sup> interim dividend of ₹4.5 per share (45%) were paid on 6<sup>th</sup> December, 2023 and 5<sup>th</sup> March, 2024, respectively.

The record date for payment of Final Dividend for FY 2023-24 is 16<sup>th</sup> August, 2024.

### iv. Dividend History

| Year    | Total Paid-up Capital as on 31 <sup>st</sup> March of the Year (₹ in Crore) | Total Amount of Dividend Paid for the Financial Year (₹ in Crore) | Date of AGM in which dividend was declared | Date of Payment of Final Dividend |
|---------|---|---|--|-----------------------------------|
| 2016-17 | 5,231.59  | 2,275.75  | 19.09.2017                                 | 04.10.2017                        |
| 2017-18 | 5,231.59  | 2,746.58  | 18.09.2018                                 | 26.09.2018                        |
| 2018-19 | 5,231.59  | 4,357.91  | 27.08.2019                                 | 04.09.2019                        |
| 2019-20 | 5,231.59  | 5,231.59  | 22.09.2020                                 | 09.10.2020                        |

| Year    | Total Paid-up Capital as on 31 <sup>st</sup> March of the Year (₹ in Crore) | Total Amount of Dividend Paid for the Financial Year (₹ in Crore) | Date of AGM in which dividend was declared | Date of Payment of Final Dividend |
|---------|---|---|--|-----------------------------------|
| 2020-21 | 5,231.59  | 6,801.08  | 24.09.2021                                 | 08.10.2021                        |
| 2021-22 | 6,975.45  | 10,288.79   | 29.08.2022                                 | 20.09.2022                        |
| 2022-23 | 6,975.45  | 8,544.92  | 30.08.2023                                 | 11.09.2023                        |
| 2023-24 | 9,300.60  | 3,720.24 <sup>^</sup>   | 07.11.2023 <sup>^^</sup>                   | 06.12.2023 <sup>^^^</sup>         |
| 2023-24 | 9,300.60  | 4,185.27 <sup>^</sup>   | 07.02.2024 <sup>^^</sup>                   | 05.03.2024 <sup>^^^</sup>         |

<sup>^</sup>Amount of Interim Dividend

<sup>^^</sup>Date of Board Meeting declaring Interim Dividend

<sup>^^^</sup>Date of Payment of Interim Dividend

### v. Transfer of unclaimed/unpaid amounts to Investor Education and Protection Fund

In accordance with the provisions of Sections 124, 125 and other applicable provisions, if any, of the Act, read with the Investor Education and Protection Fund Authority (Accounting, Audit, Transfer and Refund) Rules, 2016 the amount of dividend remaining unclaimed or unpaid for a period of seven years from the date of transfer, is required to be transferred to the Investor Education and Protection (IEPF).

The procedure for the same has been mentioned on the website of the Company - <https://www.powergrid.in/en/iepf-details-0>

#### Details of IEPF Nodal Officer

| Nodal Officer  | Deputy Nodal Officer  |
|--|---|
| <b>Shri Satyaprakash Dash</b><br>Company Secretary<br>Email: companysecretary@powergrid.in | <b>Shri Arup Samanta</b><br>Sr. Deputy General Manager<br>Email: arupsamanta@powergrid.in |

### vi. Listing on Stock Exchange

POWERGRID equity shares are listed on the following Stock Exchanges:

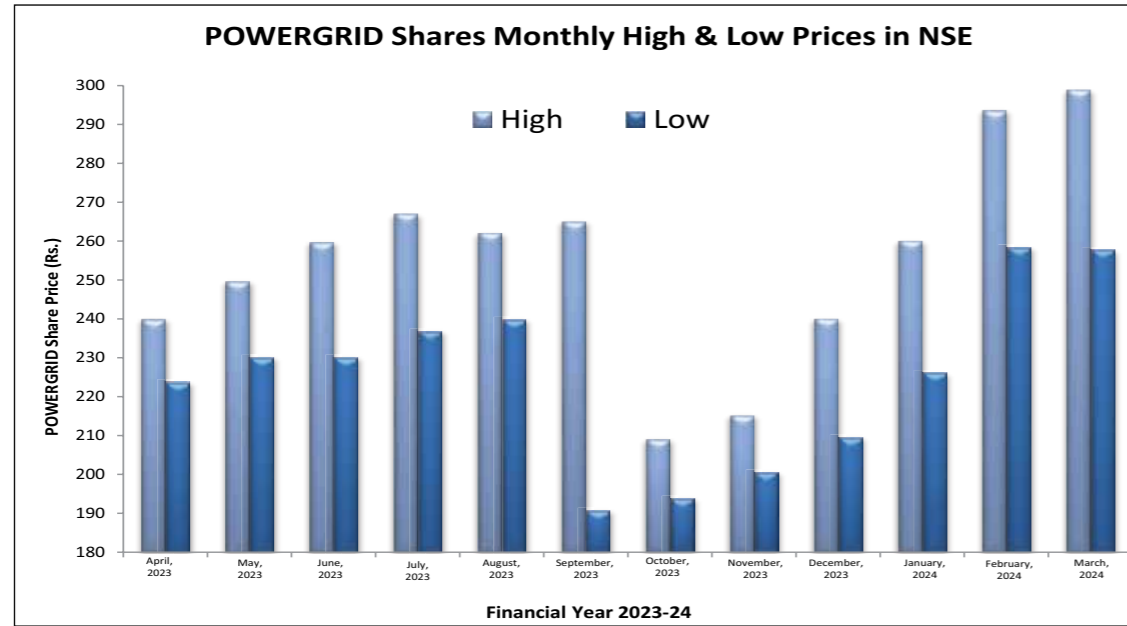
| National Stock Exchange of India Limited   | BSE Limited   |
|--|---|
| Exchange Plaza, Plot No. C/1,<br>G Block, Bandra-Kurla Complex, Bandra (E),<br>Mumbai - 400 051. | Phiroze Jeejeebhoy Towers,<br>Dalal Street,<br>Mumbai - 400 001 |
| Scrip Code : POWERGRID EQ  | Scrip Code: 532898  |
| Stock Code: ISIN - INE752E01010  |   |

The payment of annual listing fee for the FY 2023-24 was made to National Stock Exchange of India Limited and BSE Ltd.

### vii. POWERGRID's Shares Market Price Data - NSE

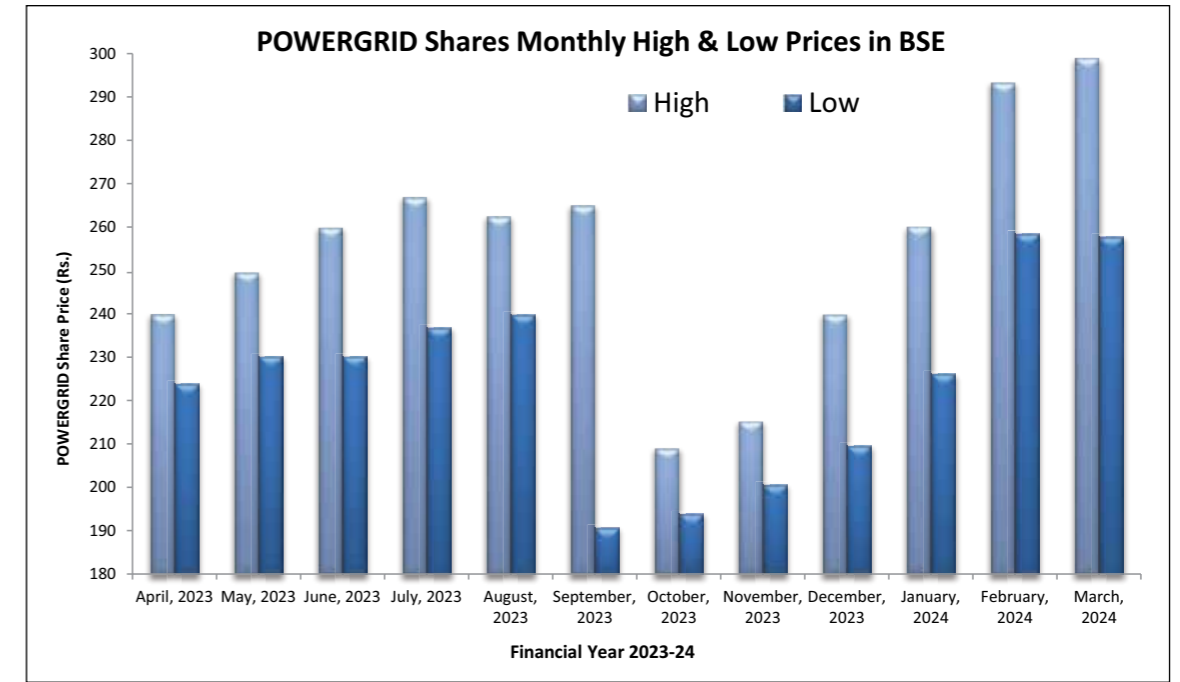
|                 | High (₹) | Low (₹) | Sum of Turnover in Lac (₹) during the Month |
|-----------------|----------|---------|---|
| April, 2023     | 239.90   | 223.70  | 2,74,040.56                                 |
| May, 2023       | 249.60   | 230.00  | 4,70,257.19                                 |
| June, 2023      | 259.70   | 230.05  | 4,74,568.81                                 |
| July, 2023      | 267.00   | 236.70  | 6,70,472.47                                 |
| August, 2023    | 262.00   | 239.75  | 5,59,422.64                                 |
| September, 2023 | 265.00   | 190.65  | 7,04,721.01                                 |
| October, 2023   | 209.00   | 193.75  | 5,23,170.97                                 |

|                | High (₹) | Low (₹) | Sum of Turnover in Lac (₹) during the Month |
|----------------|----------|---------|---|
| November, 2023 | 215.10   | 200.50  | 6,17,063.49                                 |
| December, 2023 | 239.95   | 209.45  | 10,43,357.35                                |
| January, 2024  | 260.00   | 226.05  | 8,94,766.51                                 |
| February, 2024 | 293.65   | 258.30  | 16,44,701.95                                |
| March, 2024    | 298.90   | 257.65  | 10,77,988.23                                |

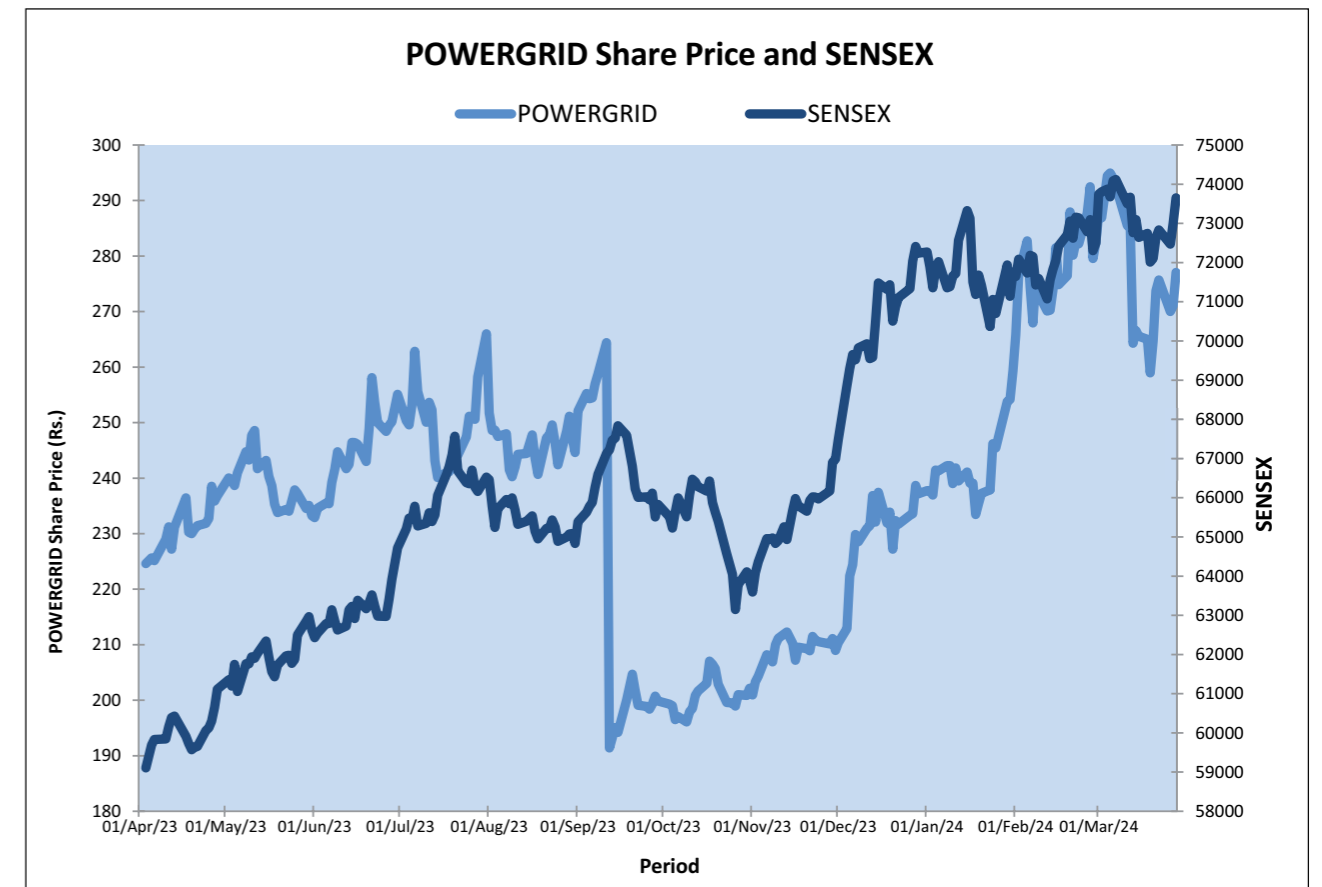


viii. POWERGRID's Shares Market Price Data - BSE

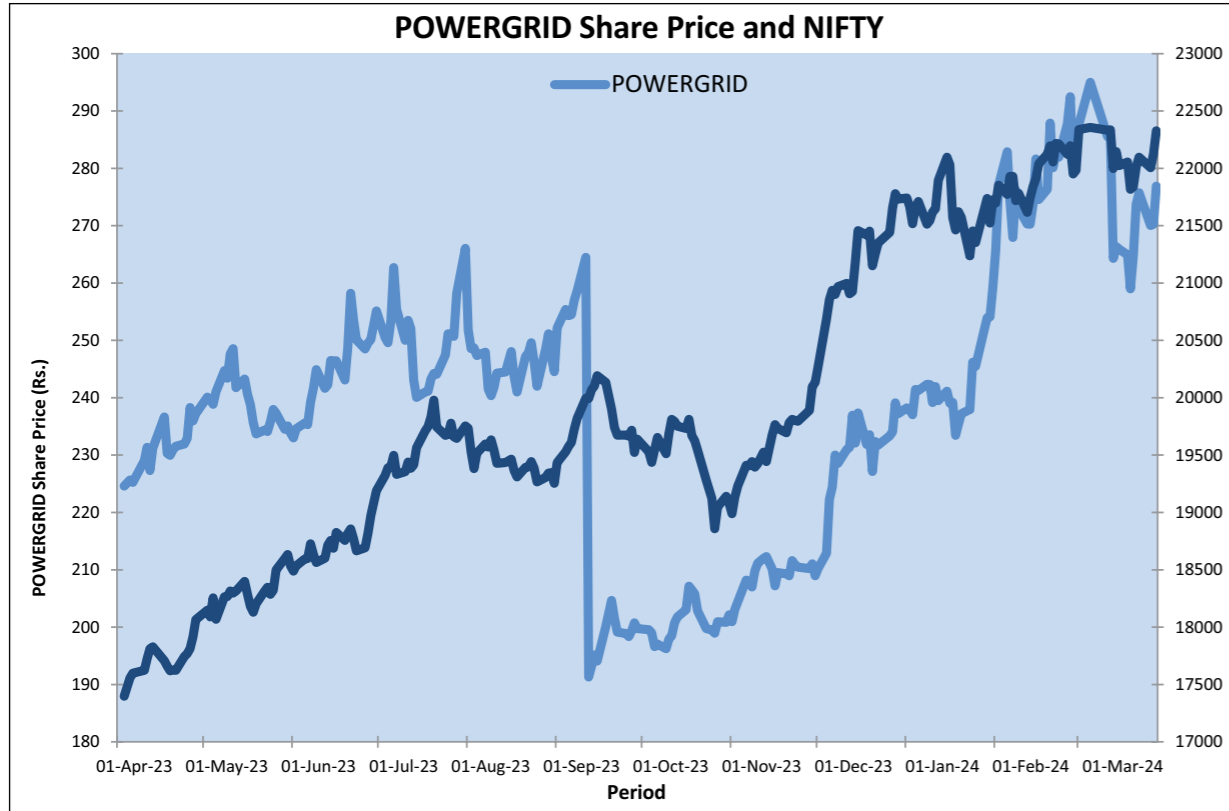
|                 | High (₹) | Low (₹) | Sum of Turnover in Lac (₹) during the Month |
|-----------------|----------|---------|---|
| April, 2023     | 239.85   | 223.8   | 13,050.50                                   |
| May, 2023       | 249.45   | 230.05  | 19,372.12                                   |
| June, 2023      | 259.8    | 230.05  | 11,263.08                                   |
| July, 2023      | 266.85   | 236.8   | 14,777.33                                   |
| August, 2023    | 262.45   | 239.75  | 16,710.92                                   |
| September, 2023 | 264.95   | 190.65  | 25,368.55                                   |
| October, 2023   | 208.9    | 193.8   | 60,582.47                                   |
| November, 2023  | 215.1    | 200.55  | 22,237.08                                   |
| December, 2023  | 239.75   | 209.5   | 74,591.48                                   |
| January, 2024   | 260      | 226.1   | 44,607.77                                   |
| February, 2024  | 293.3    | 258.45  | 58,054.30                                   |
| March, 2024     | 298.95   | 257.75  | 51,943.43                                   |



ix. Performance in comparison to indices NSE NIFTY, BSE SENSEX and POWERGRID







**x. Registrar and Transfer Agents.**

| EQUITY SHARES   | BONDS   |
|---|---|
| KFin Technologies Limited<br>Selenium Tower B, Plot No. 31 & 32, Financial District, Nanakramguda, Serilingampally, Hyderabad - 500 032.<br>Toll free No.1800-309-4001.<br>E-mail: einward.ris@kfintech.com | BEETAL Financial & Computer Services Private Limited.<br>BEETAL HOUSE, 3 <sup>rd</sup> Floor, 99, Madangir, Behind LSC, New Delhi - 110062.<br>Ph. 011-29961281-283, 26051061, 26051064<br>Fax: 011-29961284<br>E-mail: beetalrta@gmail.com, beetal@beetalfinancial.com |

**xi. Share Transfer System**

As per Regulation 40 of SEBI LODR, as amended, securities of listed companies can be transferred only in dematerialized form with effect from 1<sup>st</sup> April, 2019, except in case of request received for transmission or transportation of securities.

Pursuant to Regulation 40(9) of SEBI LODR, certificate confirming due compliance of shares transfer formalities by the Company from a Practicing Company Secretary were submitted to Stock Exchanges within stipulated time.

**xii. Shareholding as on 31<sup>st</sup> March, 2024**

Shares held by different categories of shareholders and according to the size of the holdings as on 31<sup>st</sup> March, 2024 are given below:

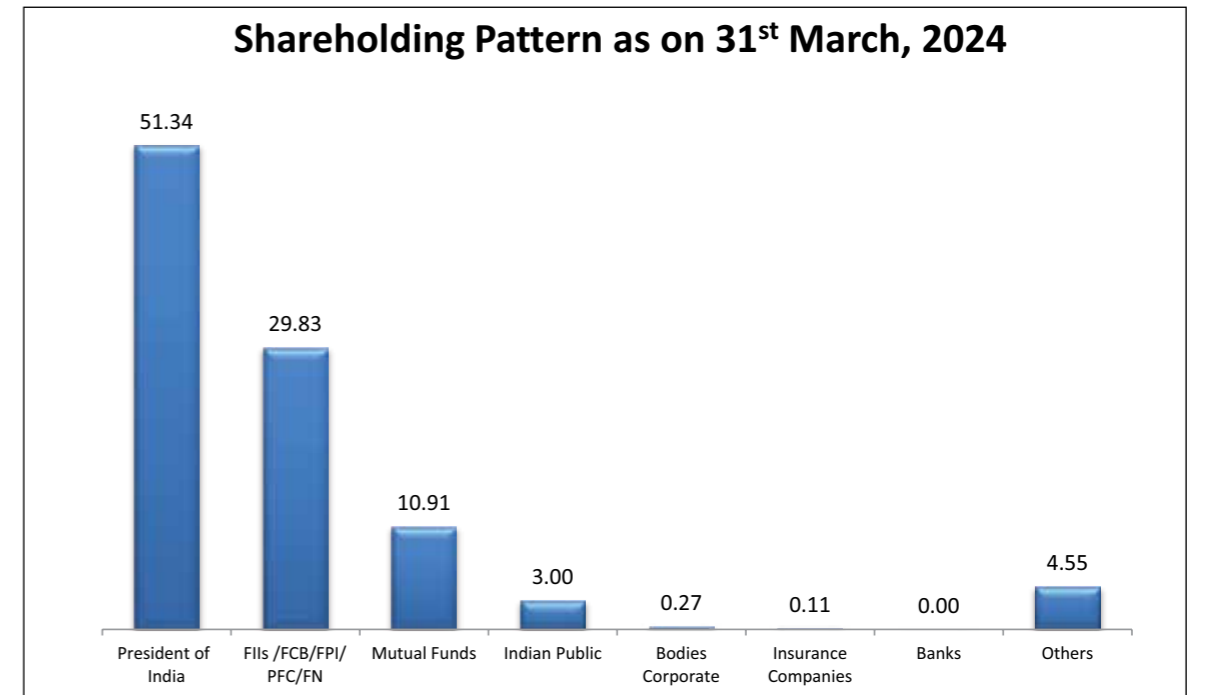
**a. Distribution of shareholding according to size, % of holding as on 31<sup>st</sup> March, 2024:**

| Category      | Total Cases | Total Cases % | Total Shares | Total Amount (₹) | Total Amount % |
|---------------|-------------|---------------|--------------|------------------|----------------|
| 1 – 5000      | 10,95,071   | 99.48         | 24,41,90,888 | 2,44,19,08,880   | 2.63           |
| 5001 – 10000  | 2,775       | 0.25          | 1,93,80,347  | 19,38,03,470     | 0.21           |
| 10001 – 20000 | 1,078       | 0.10          | 1,51,14,818  | 15,11,48,180     | 0.16           |
| 20001 – 30000 | 299         | 0.03          | 73,86,110    | 7,38,61,100      | 0.08           |
| 30001 – 40000 | 160         | 0.01          | 56,21,657    | 5,62,16,570      | 0.06           |

| Category       | Total Cases      | Total Cases % | Total Shares          | Total Amount (₹)       | Total Amount % |
|----------------|------------------|---------------|-----------------------|------------------------|----------------|
| 40001 – 50000  | 98               | 0.01          | 44,51,709             | 4,45,17,090            | 0.05           |
| 50001 – 100000 | 234              | 0.02          | 1,71,04,709           | 17,10,47,090           | 0.18           |
| 100001 & Above | 1,135            | 0.10          | 8,98,73,53,581        | 89,87,35,35,810        | 96.63          |
| <b>Total</b>   | <b>11,00,850</b> | <b>100.00</b> | <b>9,30,06,03,819</b> | <b>93,00,60,38,190</b> | <b>100.00</b>  |

**b. Shareholding pattern as on 31<sup>st</sup> March, 2024**

| Sl. No.      | Category             | Total Shares          | % To Equity   |
|--------------|----------------------|-----------------------|---------------|
| 1            | President of India   | 4,77,48,84,280        | 51.34         |
| 2            | FIs /FCB/FPI/ PFC/FN | 2,77,39,31,259        | 29.83         |
| 3            | Mutual Funds         | 1,01,51,40,875        | 10.91         |
| 4            | Indian Public        | 27,86,25,223          | 3.00          |
| 5            | Bodies Corporate     | 2,52,42,808           | 0.27          |
| 6            | Insurance Companies  | 99,28,097             | 0.11          |
| 7            | Banks                | 1,23,291              | 0.00          |
| 8            | Others               | 42,27,27,986          | 4.45          |
| <b>Total</b> |                      | <b>9,30,06,03,819</b> | <b>100.00</b> |



**c. Major Shareholders**

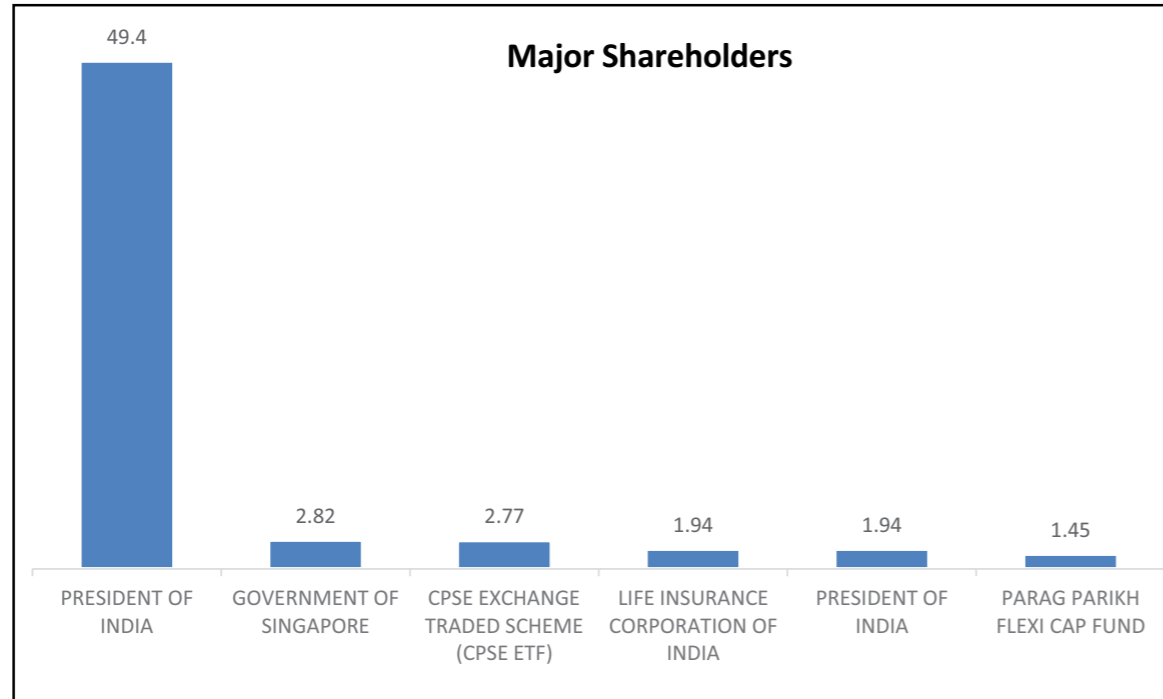
Details of Shareholders holding more than 1% of the paid-up capital of the Company as on 31<sup>st</sup> March, 2024 are given below:

| S. No. | Name of the shareholder                | Shares         | % equity | Category |
|--------|--|----------------|----------|----------|
| 1      | President of India <sup>A</sup>        | 4,59,48,49,080 | 49.40    | POI      |
| 2      | Government of Singapore                | 26,18,53,613   | 2.82     | FPC      |
| 3      | CPSE Exchange Traded Scheme (CPSE ETF) | 25,73,88,775   | 2.77     | MUT      |
| 4      | Life Insurance Corporation of India    | 18,08,02,466   | 1.94     | QIB      |

| S. No. | Name of the shareholder     | Shares       | % equity | Category |
|--------|-----------------------------|--------------|----------|----------|
| 5      | President of India^^        | 18,00,35,200 | 1.94     | POI      |
| 6      | Parag Parikh Flexi Cap Fund | 13,49,58,517 | 1.45     | MUT      |

^ represented through Ministry of Power

^^ represented through Ministry of DoNER

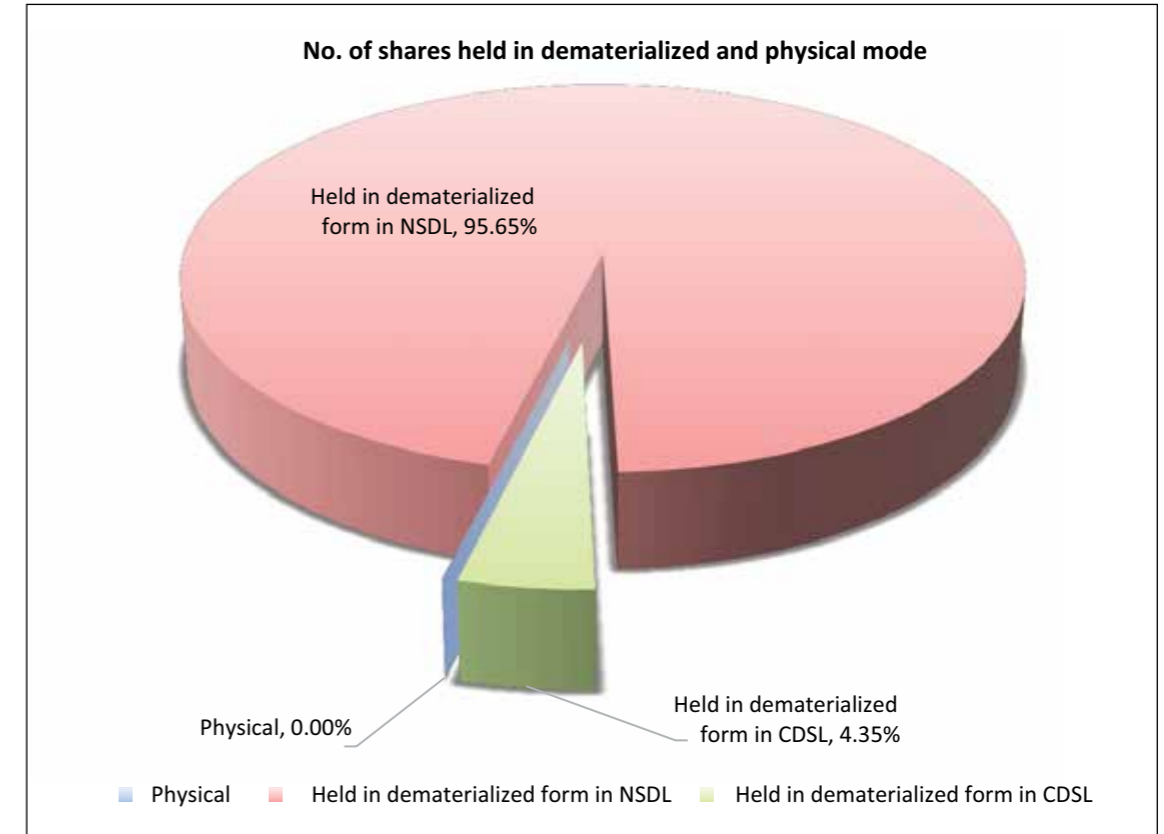


### xiii. Dematerialization of Shares

The shares of the Company are in compulsory dematerialized segment and are available for trading system of both National Securities Depository Limited (NSDL) and Central Depository Services (India) Limited (CDSL).

#### No. of shares held in dematerialized and physical mode

| S. No        | Physical/Demat                      | Number of Holders | Number of Shares      | % of total capital issued |
|--------------|-------------------------------------|-------------------|-----------------------|---------------------------|
| 1            | Physical                            | 9,913             | 49,187                | 0.00                      |
| 2            | Held in dematerialized form in NSDL | 4,48,472          | 8,89,59,71,858        | 95.65                     |
| 3            | Held in dematerialized form in CDSL | 6,77,361          | 40,45,82,774          | 4.35                      |
| <b>Total</b> |                                     | <b>11,35,746</b>  | <b>9,30,06,03,819</b> | <b>100.00</b>             |



The name and addresses of the Depositories are as under:

1. **National Securities Depository Limited**

Trade World, 4<sup>th</sup> Floor, Kamala Mills Compound, Lower Parel, Mumbai – 400 013.

2. **Central Depository Services (India) Limited**

Marathon Futurex, A Wing, 25<sup>th</sup> floor, NM Joshi Marg, Lower Parel, Mumbai-400013, Maharashtra.

xiv. **Outstanding GDRs/ADRs/Warrants or any Convertible instruments, conversion date and likely impact on equity**

No GDRs/ADRs/Warrants or any Convertible instruments have been issued by the Company.

xv. **Commodity price risk or foreign exchange risk and hedging activities -**

The Company does not deal in commodities, hence disclosures pursuant to SEBI Circular dated November 15, 2018, is not required to be provided.

xvi. **Location of POWERGRID Plants**

POWERGRID has 278 Sub-Station located all over the country.

xvii. **Address for correspondence:**

Power Grid Corporation of India Limited,  
B-9, Qutab Institutional Area,  
Katwaria Sarai, New Delhi – 110 016.

Telephone No.: 011-26560112, 26560115, 26560193,

E-mail ID: [investors@powergrid.in](mailto:investors@powergrid.in) Website <https://www.powergrid.in/>

**Dispatch of Documents in electronic form**

Sections 101 and 136 of the Act read with the Companies (Management and Administration) Rules, 2014 and Regulation 36 of SEBI LODR and the MCA Circular dated 25<sup>th</sup> September, 2023 read with SEBI circular dated 7<sup>th</sup> October, 2023 requirement for sending physical copies of Annual Report to the Shareholders of the Company has been relaxed upto 30<sup>th</sup> September, 2024 and permitted to send Annual Report containing notice of AGM, Board's Report, Financial Statements and other documents etc. through emails only to its shareholders who have registered their e-mail address(es) with their DP/the Company.



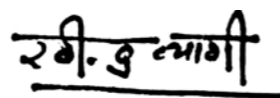
**16. Annexure-I**
**Non-Mandatory Requirements**

1. **The Board:** The Company is headed by an Executive Chairman.
2. **Shareholder Rights:** The financial results for the half year ended 30<sup>th</sup> September, 2023 were published in Business Standard on 8<sup>th</sup> November, 2023 and also put up on website. Separate half year report has not been sent to the shareholders. Significant events have been disclosed on the Company website: [www.powergrid.in](http://www.powergrid.in).
3. **Modified opinion(s) in audit report:** The Statutory Auditors have issued unmodified opinion on the standalone and the consolidated financial statements of the Company for the year ended 31<sup>st</sup> March, 2024.
4. **Reporting of Internal Auditor:** The Internal auditor reports to the Audit Committee.

**Certificate on Corporate Governance**

The Certificate on Corporate Governance is being published as an Annexure- VII to the Directors' Report.

For and on behalf of the Board of Directors



(Ravindra Kumar Tyagi)

Chairman & Managing Director  
DIN: 09632316

Date: 31<sup>st</sup> July, 2024

Place: Gurugram

**Annexure - VII to the Directors' Report**
**CERTIFICATE ON COMPLIANCE OF CONDITIONS OF CORPORATE GOVERNANCE FOR THE FY 2023-24**

To,  
The Members,  
**Power Grid Corporation of India Limited**

1. We have examined the compliance of conditions of Corporate Governance by **Power Grid Corporation of India Limited, CIN: L40101DL1989GOI038121** ("the Company"), for the year ended on **March 31, 2024**, as stipulated in the Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015 ("the Listing Regulations") and as stipulated in the guidelines of Department of Public Enterprises (DPE) on Corporate Governance for Central Public Sector Undertakings issued in May 2010.
2. The compliance of conditions of Corporate Governance is the responsibility of the Management. This responsibility includes the design, implementation and maintenance of internal control and procedures to ensure compliance with the conditions of the Corporate Governance stipulated in the Listing Regulations and DPE guidelines on Corporate Governance.
3. Our responsibility is limited to examining the procedures and implementation thereof, adopted by the Company for ensuring compliance with the conditions of the Corporate Governance as stipulated in the Listing Regulations and DPE guidelines on Corporate Governance. It is neither an audit nor an expression of opinion on the financial statements of the Company.
4. Based on our examination of the relevant records and according to the information and explanations provided to us and the representations provided by the Management, we certify that the Company has complied with the conditions of Corporate Governance as stipulated in regulations 17 to 27 and clauses (b) to (i) of regulation 46(2) and para C and D of Schedule V of the SEBI Listing Regulations and DPE guidelines on Corporate Governance during the year ended **March 31, 2024** subject to the following:
  - i. *Half of the board of directors of the Company was not independent as required under Regulation 17(1) of SEBI (LODR) Regulations, 2015 and para 3.1.4 of DPE Guidelines on Corporate Governance with regard to Composition of the Board of Directors.*
  - ii. *The Company did not have at least one independent woman director on its Board as required under Regulation 17(1)(a) of SEBI (LODR) Regulations, 2015 and at least one-woman director with effect from June 1 2022 as required under section 149(1) of the Companies Act, 2013 read with Companies (Appointment and Qualification of Directors) Rules, 2014.*
5. We further state that such compliance is neither an assurance as to the future viability of the Company nor the efficiency or effectiveness with which the Management has conducted the affairs of the Company.

Place: Noida  
Date: 24.06.2024

For Kumar Naresh Sinha & Associates  
Company Secretaries

Sd/-

CS Naresh Kumar Sinha  
(Proprietor)

FCS: 1807; C P No.: 14984

PR: 610/2019

FRN: S2015UP440500

UDIN: F001807F000610085

## Annexure-VIII to the Directors' Report

**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 arms length transaction under third proviso thereto.

| 1. Details of contracts or arrangements or transactions not at arm's length basis                                    |   |
|--|---|
| a) Name(s) of the related party and nature of relationship   | -   |
| b) Nature of contracts / arrangements / transactions   | -   |
| c) Duration of the contracts / arrangements / transactions   | -   |
| d) Salient terms of the contracts or arrangements or transactions including the value, if any                        | -   |
| e) Justifications for entering into such contracts or arrangements or transactions                                   | -   |
| f) Date(s) 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 arrangement or transactions at arm's length basis                                |   |
| (A) a) Name(s) of the related party and nature of relationship   | 1. POWERGRID NM Transmission Limited<br>2. POWERGRID Unchahar Transmission Limited<br>3. POWERGRID Southern Interconnector Transmission System Limited<br>4. POWERGRID Medinipur Jeerat Transmission Limited<br>5. POWERGRID Mithilanchal Transmission Limited<br>6. POWERGRID Varanasi Transmission System Limited<br>7. POWERGRID Jawaharpur Firozabad Transmission Limited<br>8. POWERGRID Khetri Transmission System Limited<br>9. POWERGRID Ajmer Phagi Transmission Limited<br>10. POWERGRID Bhind Guna Transmission Limited<br>11. POWERGRID Bhuj Transmission Limited<br>12. POWERGRID Fatehgarh Transmission Limited<br>13. POWERGRID Meerut Simbhavali Transmission Limited<br>14. POWERGRID Rampur Sambhal Transmission Limited<br>15. POWERGRID Ramgarh Transmission Limited<br>16. POWERGRID Bikaner Transmission System Limited<br>17. POWERGRID Bhadla Transmission Limited<br>18. POWERGRID Sikar Transmission Limited<br>19. POWERGRID Aligarh Sikar Transmission Limited<br>20. POWERGRID Narela Transmission Limited |

|   | 21. POWERGRID Gomti Yamuna Transmission Limited<br>22. POWERGRID Neemuch Transmission System Limited<br>23. POWERGRID ER NER Transmission Limited<br>24. POWERGRID Khavda II-B Transmission Limited<br>25. POWERGRID Khavda II-C Transmission Limited<br>26. POWERGRID Khavda RE Transmission System Limited<br>27. POWERGRID KPS2 Transmission System Limited<br>28. POWERGRID KPS3 Transmission Limited<br>29. POWERGRID ERWR Power Transmission Limited<br>30. POWERGRID Raipur Pool Dhamtari Transmission Limited<br>31. POWERGRID Dharamjaigarh Transmission Limited<br>32. POWERGRID Bhadla Sikar Transmission Limited<br>33. POWERGRID Ananthpuram Kurnool Transmission Limited<br>34. POWERGRID Bhadla III Transmission Limited<br>35. POWERGRID Beawar Dausa Transmission Limited<br>36. POWERGRID Ramgarh II Transmission Limited<br>37. POWERGRID Bikaner Neemrana Transmission Limited<br>38. POWERGRID Neemrana Bareilly Transmission Limited<br>39. POWERGRID Vataman Transmission Limited<br>40. POWERGRID Koppal Gadag Transmission Limited<br>41. Sikar Khetri Transmission Limited<br>42. Bidar Transmission Limited<br>The aforementioned Project SPVs are 100% wholly owned subsidiaries of POWERGRID acquired by POWERGRID under Tariff Based Competitive Bidding (TBCB). |                            |  |        |  |   |                                   |             |            |   |   |           |            |   |   |                            |                          |   |   |             |            |   |   |             |            |   |  |               |            |
|---|--|----------------------------|--|--------|--|---|-----------------------------------|-------------|------------|---|---|-----------|------------|---|---|----------------------------|--------------------------|---|---|-------------|------------|---|---|-------------|------------|---|--|---------------|------------|
| b) Nature of contracts / arrangements/ transactions | Part (A) POWERGRID to provide security (ies) / guarantee(s) in connection with loan (s) and / or any form of debt including ECBs and / or to provide inter corporate loan (s) on cost-to-cost basis or prevailing market rates, or a combination thereof, upto an amount of ₹50,527.10 Crore (Rupees Fifty Thousand Five Hundred Twenty Seven Crore and Ten Lakh) to aforementioned Project SPVs.<br>However, the agreements entered are presently limited to ₹46,054.51 Crore (Rupees Forty Six Thousand Fifty Four Crore and Fifty One Lakh only) as per the following amounts:  |                            |  |        |  |   |                                   |             |            |   |   |           |            |   |   |                            |                          |   |   |             |            |   |   |             |            |   |  |               |            |
|   | <table border="1"> <thead> <tr> <th>S. No.</th> <th>Company Name</th> <th>Amount</th> <th>Date(s) of approval by the Board, if any</th> </tr> </thead> <tbody> <tr> <td>1</td> <td>POWERGRID NM Transmission Limited</td> <td>₹1150 Crore</td> <td>01/02/2018</td> </tr> <tr> <td>2</td> <td>POWERGRID Unchahar Transmission Limited</td> <td>₹90 Crore</td> <td>21/06/2014</td> </tr> <tr> <td>3</td> <td>POWERGRID Southern Interconnector Transmission System Limited</td> <td>₹2964 Crore<br/>₹5.93 Crore</td> <td>12/09/2020<br/>06/07/2022</td> </tr> <tr> <td>4</td> <td>POWERGRID Medinipur Jeerat Transmission Limited</td> <td>₹2800 Crore</td> <td>29/03/2017</td> </tr> <tr> <td>5</td> <td>POWERGRID Mithilanchal Transmission Limited</td> <td>₹1000 Crore</td> <td>02/11/2017</td> </tr> <tr> <td>6</td> <td>POWERGRID Varanasi Transmission System Limited</td> <td>₹795.58 Crore</td> <td>20/06/2020</td> </tr> </tbody> </table>   | S. No.                     | Company Name                             | Amount | Date(s) of approval by the Board, if any | 1 | POWERGRID NM Transmission Limited | ₹1150 Crore | 01/02/2018 | 2 | POWERGRID Unchahar Transmission Limited | ₹90 Crore | 21/06/2014 | 3 | POWERGRID Southern Interconnector Transmission System Limited | ₹2964 Crore<br>₹5.93 Crore | 12/09/2020<br>06/07/2022 | 4 | POWERGRID Medinipur Jeerat Transmission Limited | ₹2800 Crore | 29/03/2017 | 5 | POWERGRID Mithilanchal Transmission Limited | ₹1000 Crore | 02/11/2017 | 6 | POWERGRID Varanasi Transmission System Limited | ₹795.58 Crore | 20/06/2020 |
| S. No.  | Company Name   | Amount                     | Date(s) of approval by the Board, if any |        |  |   |                                   |             |            |   |   |           |            |   |   |                            |                          |   |   |             |            |   |   |             |            |   |  |               |            |
| 1   | POWERGRID NM Transmission Limited  | ₹1150 Crore                | 01/02/2018                               |        |  |   |                                   |             |            |   |   |           |            |   |   |                            |                          |   |   |             |            |   |   |             |            |   |  |               |            |
| 2   | POWERGRID Unchahar Transmission Limited  | ₹90 Crore                  | 21/06/2014                               |        |  |   |                                   |             |            |   |   |           |            |   |   |                            |                          |   |   |             |            |   |   |             |            |   |  |               |            |
| 3   | POWERGRID Southern Interconnector Transmission System Limited  | ₹2964 Crore<br>₹5.93 Crore | 12/09/2020<br>06/07/2022                 |        |  |   |                                   |             |            |   |   |           |            |   |   |                            |                          |   |   |             |            |   |   |             |            |   |  |               |            |
| 4   | POWERGRID Medinipur Jeerat Transmission Limited  | ₹2800 Crore                | 29/03/2017                               |        |  |   |                                   |             |            |   |   |           |            |   |   |                            |                          |   |   |             |            |   |   |             |            |   |  |               |            |
| 5   | POWERGRID Mithilanchal Transmission Limited  | ₹1000 Crore                | 02/11/2017                               |        |  |   |                                   |             |            |   |   |           |            |   |   |                            |                          |   |   |             |            |   |   |             |            |   |  |               |            |
| 6   | POWERGRID Varanasi Transmission System Limited   | ₹795.58 Crore              | 20/06/2020                               |        |  |   |                                   |             |            |   |   |           |            |   |   |                            |                          |   |   |             |            |   |   |             |            |   |  |               |            |



| S. No. | Company Name  | Amount  | Date(s) of approval by the Board, if any                           |
|--------|---|---|--|
| 7      | POWERGRID Jawaharpur Firozabad Transmission Limited | ₹378 Crore  | 03/01/2019   |
| 8      | POWERGRID Khetri Transmission System Limited        | ₹854 Crore  | 02/08/2019   |
| 9      | POWERGRID Ajmer Phagi Transmission Limited          | ₹506 Crore  | 01/10/2019   |
| 10     | POWERGRID Bhind Guna Transmission Limited           | ₹485 Crore  | 01/10/2019   |
| 11     | POWERGRID Bhuj Transmission Limited                 | ₹945.92 Crore   | 09/02/2022   |
| 12     | POWERGRID Fatehgarh Transmission Limited            | ₹570 Crore  | 01/10/2019   |
| 13     | POWERGRID Meerut Simbhavali Transmission Limited    | ₹889.90 Crore   | 23/03/2023   |
| 14     | POWERGRID Rampur Sambhal Transmission Limited       | ₹691 Crore  | 19/12/2019   |
| 15     | POWERGRID Ramgarh Transmission Limited              | ₹290 Crore<br>₹482.12 Crore<br>₹4.85 Crore                                  | 11/02/2021<br>31/07/2023<br>14/07/2023                             |
| 16     | POWERGRID Bikaner Transmission System Limited       | ₹1264 Crore<br>₹163.75 Crore<br>₹17.66 Crore<br>₹4.03 Crore<br>₹64.72 Crore | 09/11/2021<br>19/05/2023<br>06/03/2023<br>29/08/2022<br>06/07/2022 |
| 17     | POWERGRID Bhadla Transmission Limited               | ₹804.11 Crore   | 14/07/2023   |
| 18     | POWERGRID Sikar Transmission Limited                | ₹1325 Crore   | 11/02/2021   |
| 19     | POWERGRID Aligarh Sikar Transmission Limited        | ₹1020.89 Crore  | 23/03/2023   |
| 20     | POWERGRID Narela Transmission Limited               | ₹1375 Crore   | 07/02/2024   |
| 21     | POWERGRID Gomti Yamuna Transmission Limited         | ₹973 Crore  | 11/10/2021   |
| 22     | POWERGRID Neemuch Transmission System Limited       | ₹704 Crore  | 29/08/2022   |
| 23     | POWERGRID ER NER Transmission Limited               | ₹257 Crore  | 26/09/2022   |
| 24     | POWERGRID Khavda II-B Transmission Limited          | ₹956 Crore  | 06/03/2023   |
| 25     | POWERGRID Khavda II-C Transmission Limited          | ₹2310 Crore   | 06/03/2023   |
| 26     | POWERGRID Khavda RE Transmission System Limited     | ₹666 Crore  | 06/03/2023   |

| S. No. | Company Name  | Amount      | Date(s) of approval by the Board, if any |
|--------|---|-------------|--|
| 27     | POWERGRID KPS2 Transmission System Limited          | ₹790 Crore  | 06/03/2023                               |
| 28     | POWERGRID KPS3 Transmission Limited                 | ₹758 Crore  | 06/03/2023                               |
| 29     | POWERGRID ERWR Power Transmission Limited           | ₹230 Crore  | 06/03/2023                               |
| 30     | POWERGRID Raipur Pool Dhamtari Transmission Limited | ₹224 Crore  | 06/03/2023                               |
| 31     | POWERGRID Dharamjaigarh Transmission Limited        | ₹215 Crore  | 06/03/2023                               |
| 32     | POWERGRID Bhadla Sikar Transmission Limited         | ₹1176 Crore | 06/03/2023                               |
| 33     | POWERGRID Ananthpuram Kurnool Transmission Limited  | ₹1032 Crore | 30/08/2023                               |
| 34     | POWERGRID Bhadla III Transmission Limited           | ₹1795 Crore | 30/08/2023                               |
| 35     | POWERGRID Beawar Dausa Transmission Limited         | ₹1799 Crore | 20/10/2023                               |
| 36     | POWERGRID Ramgarh II Transmission Limited           | ₹1459 Crore | 20/10/2023                               |
| 37     | POWERGRID Bikaner Neemrana Transmission Limited     | ₹2431 Crore | 07/02/2024                               |
| 38     | POWERGRID Neemrana Bareilly Transmission Limited    | ₹1690 Crore | 07/02/2024                               |
| 39     | POWERGRID Vataman Transmission Limited              | ₹3128 Crore | 07/02/2024                               |
| 40     | POWERGRID Koppal Gadag Transmission Limited         | ₹2400 Crore | 07/02/2024                               |

**Short Term Loans**

| S. No. | Company Name  | Amount       | Date(s) of approval by the Board, if any |
|--------|---|--------------|--|
| 1      | POWERGRID Meerut Simbhavali Transmission Limited    | ₹68.50 Crore | 02/11/2017                               |
| 2      | POWERGRID Jawaharpur Firozabad Transmission Limited | ₹22 Crore    |  |
| 3      | POWERGRID Ramgarh Transmission Limited              | ₹7 Crore     |  |
| 4      | POWERGRID Gomti Yamuna Transmission Limited         | ₹11.50 Crore |  |
| 5      | POWERGRID Rampur Sambhal Transmission Limited       | ₹11.50 Crore |  |

|            |   |   |
|------------|---|---|
|            |   | Part (B) POWERGRID to render all inputs and services as may be required by the aforementioned Projects SPVs.<br>Part (C) POWERGRID to provide Post-CoD activities including O&M Consultancy as may be required by the Project SPVs. |
|            | c) Duration of the contracts / arrangements / transactions                                    | Part (A) As mutually agreed<br>Part (B) As mutually agreed<br>Part (C) As mutually agreed   |
|            | d) Salient terms of the contracts or arrangements or transactions including the value, if any | Refer (b)   |
|            | e) Amount paid as advances, if any:   | NIL   |
| <b>(B)</b> | a) Name(s) of the related party and nature of relationship                                    | <b>POWERGRID Himachal Transmission Limited</b>  |
|            | b) Nature of contracts / arrangements/ transactions   | Loan agreement between POWERGRID and POWERGRID Himachal Transmission Limited entered on 29 <sup>th</sup> April, 2021.   |
|            | c) Duration of the contracts / arrangements / transactions                                    | 1 <sup>st</sup> May, 2021 to 31 <sup>st</sup> August, 2024  |
|            | d) Salient terms of the contracts or arrangements or transactions including the value, if any | Inter Corporate Loan of ₹15,914.24 Lakh was provided by POWERGRID to POWERGRID Himachal Transmission Limited (PHTL) on 1 <sup>st</sup> May, 2021 on cost to cost basis. Loan is repayable in monthly instalments of ₹4 crore each.  |
|            | e) Date(s) of approval by the Board, if any   | 21 <sup>st</sup> April, 2021  |
|            | f) Amount paid as advances, if any:   | Nil   |
| <b>(C)</b> | a) Name(s) of the related party and nature of relationship                                    | <b>POWERGRID Himachal Transmission Limited</b>  |
|            | b) Nature of contracts / arrangements/ transactions   | MOU dated 7 <sup>th</sup> January, 2020 entered between POWERGRID and PHTL for operation and maintenance (O&M) of all indoor and outdoor equipment installed in 400 kV Bays as detailed in MOU at Abdullapur substation.            |
|            | c) Duration of the contracts / arrangements / transactions                                    | 1 <sup>st</sup> April, 2019 to 31 <sup>st</sup> March, 2024   |
|            | d) Salient terms of the contracts or arrangements or transactions including the value, if any | O&M Charges payable by PHTL to POWERGRID on quarterly basis as per the year wise table given in MOU.  |
|            | e) Date(s) of approval by the Board, if any   | Not applicable  |
|            | f) Amount paid as advances, if any:   | Nil   |
| <b>(D)</b> | a) Name(s) of the related party and nature of relationship                                    | <b>POWERGRID Himachal Transmission Limited</b>  |
|            | b) Nature of contracts / arrangements / transactions  | Lease Rent agreement between POWERGRID and POWERGRID Himachal Transmission Limited.   |
|            | c) Duration of the contracts / arrangements / transactions                                    | 1 <sup>st</sup> June, 2021 to 31 <sup>st</sup> May, 2026  |
|            | d) Salient terms of the contracts or arrangements or transactions including the value, if any | Lease Rent payable by PHTL to POWERGRID on monthly basis as per the year wise details given in the Agreement.   |
|            | e) Date(s) of approval by the Board, if any   | 19 <sup>th</sup> May, 2023  |

|            |   |   |
|------------|---|---|
|            | f) Amount paid as advances, if any:   | Nil   |
| <b>(E)</b> | a) Name(s) of the related party and nature of relationship                                    | <b>Bihar Grid Company Limited (BGCL), Joint Venture Company</b>   |
|            | b) Nature of contracts / arrangements / transactions  | Consultancy for post-award Techno Managerial services for Strengthening of Transmission System in Bihar-Phase-IV, (Part-II).  |
|            | c) Duration of the contracts / arrangements / transactions                                    | 24 months (Extendable automatically in case of delay till completion of the scope as per Agreement).  |
|            | d) Salient terms of the contracts or arrangements or transactions including the value, if any | Providing post-award engineering, design, quality assurance & inspection related services for the packages awarded by BGCL under strengthening of Transmission System in Bihar-Phase-IV, (Part-II). Agreement signed on 24 <sup>th</sup> April, 2018. The revised estimated cost of the project is ₹1,688.36 Crore (excluding IEDC & IDC) and service charges payable to POWERGRID @ 2% of the actual executed cost of the project. |
|            | e) Date(s) of approval by the Board, if any   | 16 <sup>th</sup> March, 2018 (351 <sup>st</sup> Board meeting of POWERGRID)   |
|            | f) Amount paid as advances, if any:   | Nil   |
| <b>(F)</b> | a) Name(s) of the related party and nature of relationship                                    | <b>Bihar Grid Company Limited (BGCL), Joint Venture Company</b>   |
|            | b) Nature of contracts / arrangements/ transactions   | Consultancy for Post-award Techno Managerial services (Post-award Engineering & QA&I only) for Strengthening of Transmission System in Bihar- Phase-IV (Part-I).  |
|            | c) Duration of the contracts / arrangements / transactions                                    | 24 months (Extendable automatically in case of delay till completion of the scope as per Agreement).  |
|            | d) Salient terms of the contracts or arrangements or transactions including the value, if any | Providing post-award engineering, quality assurance & inspection related services for the packages awarded by BGCL under strengthening of Transmission System in Bihar-Phase-IV, (Part-I). Agreement signed on 1 <sup>st</sup> January, 2015. The revised cost of the project is ₹2,024.11 Crore and service charges @ 2% of the actual executed cost of the project.   |
|            | e) Date(s) of approval by the Board, if any   | 24 <sup>th</sup> December, 2014 (308 <sup>th</sup> Board meeting of POWERGRID)  |
|            | f) Amount paid as advances, if any:   | Nil   |
| <b>(G)</b> | a) Name(s) of the related party and nature of relationship                                    | <b>Bihar Grid Company Limited (BGCL), Joint Venture Company</b>   |
|            | b) Nature of contracts / arrangements/ transactions   | Consultancy for pre-award Techno Managerial services for Strengthening of Transmission System in Bihar-Phase-IV, (Part-II).   |
|            | c) Duration of the contracts / arrangements / transactions                                    | Mutually agreed   |
|            | d) Salient terms of the contracts or arrangements or transactions including the value, if any | Providing pre-award engineering services to BGCL under strengthening of Transmission System in Bihar-Phase-IV, (Part-II). Agreement signed on 30 <sup>th</sup> May, 2019. The revised estimated cost of the project is ₹111.14 Crore.   |
|            | e) Date(s) of approval by the Board, if any   | 7 <sup>th</sup> May, 2019 (365 <sup>th</sup> Board meeting of POWERGRID)  |
|            | f) Amount paid as advances, if any:   | Nil   |
| <b>(H)</b> | a) Name(s) of the related party and nature of relationship                                    | <b>Teestavalley Power Transmission Company Limited (TPTL), Joint Venture Company</b>  |
|            | b) Nature of contracts / arrangements/ transactions   | 1. Consultancy for execution of 2 nos. 400 kV AIS bays and 2x63 MVAR Reactors at Kishenganj POWERGRID S/S (Subsequently, scope revised to GIS from AIS).<br>2. O&M Consulting service for 02 nos 400kV Line bays alongwith 02 nos Line reactors at Kishenpur S/S for Rangpo & Teesta Line.  |



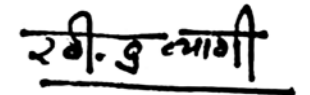
|     |   |   |
|-----|---|---|
|     | c) Duration of the contracts / arrangements / transactions                                    | 1. 26 months (Extendable automatically in case of delay till completion of the scope as per Agreement).<br>2. 72 Months commencing from FY 2018-19 to FY 2023-24.   |
|     | d) Salient terms of the contracts or arrangements or transactions including the value, if any | 1. Providing all services i.e. procurement, engineering, implementation including testing and commissioning for 2 nos. 400 kV GIS bays and 2x63 MVAR reactors at Kishenganj. Agreement signed on 1 <sup>st</sup> September, 2009 having revised project cost as on 31 <sup>st</sup> March, 2021 is ₹56.10 Crore and consultancy fee @15% of the actual executed cost of the project.<br>2. O&M Consulting service for 02 nos 400kV Line bays alongwith 02 nos Line reactors at Kishenpur S/S for Rangpo & Teesta Line having estimated charges of ₹48.230 Lacs (FY2021-22) excluding applicable taxes.  |
|     | e) Date(s) of approval by the Board, if any   | 10 <sup>th</sup> August, 2020 (378 <sup>th</sup> Board meeting of POWERGRID)  |
|     | f) Amount paid as advances, if any:   | Nil   |
| (I) | a) Name(s) of the related party and nature of relationship                                    | <b>National High Power Test Laboratory Pvt. Ltd. (NHPTL), Joint Venture Company</b>   |
|     | b) Nature of contracts / arrangements/ transactions   | Consultancy for establishment of On-line High Power Short Circuit Test Facility at Bina Substation.   |
|     | c) Duration of the contracts / arrangements / transactions                                    | Mutually agreed   |
|     | d) Salient terms of the contracts or arrangements or transactions including the value, if any | Providing all services i.e. procurement, engineering, implementation including testing and commissioning for establishment of On-line High Power Short Circuit Test Facility at Bina Substation. Agreement Signed on 25 <sup>th</sup> November, 2010 having estimated project cost of ₹247.06 Crore and Consultancy fee @ 10% of the actual executed cost of the project.   |
|     | e) Date(s) of approval by the Board, if any   | Not applicable  |
|     | f) Amount paid as advances, if any:   | No amount was paid to NHPTL as advance for this contract.   |
| (J) | a) Name(s) of the related party and nature of relationship                                    | <b>Cross-Border Power Transmission Company Ltd, Joint Venture Company</b>   |
|     | b) Nature of contracts / arrangements/ transactions   | To provide O&M of Indian portion (Muzaffarpur to Sursand) of 400KV D/C Muzaffarpur (India) - Dhalkebar (Nepal) transmission line along with 2 nos of 220KV bays at Muzaffarpur substation.  |
|     | c) Duration of the contracts / arrangements / transactions                                    | O&M Agreement was signed on dated 23 <sup>rd</sup> August, 2023 with validity upto 31 <sup>st</sup> March 2024. Further, Extension of O&M Agreement upto 31 <sup>st</sup> March 2025 is under approval.   |
|     | d) Salient terms of the contracts or arrangements or transactions including the value, if any | Routine and preventive maintenance of the above Transmission line i.e. works not requiring shut down such as a) Routine patrolling of the Transmission line at regular intervals and maintaining the records b) Inspection of the foundation and checking the completeness of the tower members. c) Loping & Chopping and bush clearance not involving Tree cutting / chopping and right of way issues. d) Attending to minor repairs of chimney and removal of excess soil. e) Replacement of missing tower members / damaged tower members. f) Tightening of fasteners in the towers up to safe working level / height. g) Visual inspection of Jumpers and Insulators. h) Special patrolling of the line in case of any tripping or Auto reclose.<br>Minor shutdown nature works such as: a) Replacement of missing Spacers/ Spacer dampers, Conductor Vibration dampers, Arcing horns, broken insulators, tower members and tightening of the fasteners in the towers above the safe working height / level, earth wire VD. b) Rectification in respect of conductor and earth wire snapping not involving tower collapse, jumper cut. c) Attending to displacement of Conductor Vibration dampers. d) Repair to Conductor. |

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|     | e) Date(s) of approval by the Board, if any   | 27 <sup>th</sup> August, 2019   |
|     | f) Amount paid as advances, if any:   | ₹50 Lakh received on 16 <sup>th</sup> August, 2016 as revolving funds. No amount paid as advances thereafter.   |
| (K) | a) Name(s) of the related party and nature of relationship                                    | <b>Butwal-Gorakhpur Cross Border Power Transmission Limited (BGCPTL)</b>  |
|     | b) Nature of contracts / arrangements/ transactions   | Project Management Consultancy (PMC) Agreement signed with BGCPTL on 24 <sup>th</sup> May 2023.   |
|     | c) Duration of the contracts / arrangements / transactions                                    | 22 months (31 <sup>st</sup> July 2025)  |
|     | d) Salient terms of the contracts or arrangements or transactions including the value, if any | Providing Consultancy Services for Project Management for the implementation of Indian portion of New Butwal – Gorakhpur 400 kV Double Circuit (Quad Moose) cross-border interconnection with the total consultancy fee ₹ 29.26Cr.  |
|     | e) Date(s) of approval by the Board, if any   | 31 <sup>st</sup> July 2023 (419 <sup>th</sup> Board meeting of POWERGRID)   |
|     | f) Amount paid as advances, if any:   | Nil   |
| (L) | a) Name(s) of the related party and nature of relationship                                    | <b>POWERGRID Energy Services Limited (A wholly owned subsidiary of POWERGRID)</b>   |
|     | b) Nature of contracts / arrangements/ Transactions   | Part (A) Umbrella agreement with PESL for providing consultancy services for Expert Manpower services including technical, legal, logistics & other support for O&M activities of Transmission Assets as per the scope agreed between POWERGRID and PESL.<br>Part (B) To provide Inter-corporate Loan for an amount upto Rs.2000 Crore (Rupees Two Thousand Crores) as and when required for Smart Metering Work in two DISCOMs of Gujarat State and any other requirement that may arise.<br>Part (C) Lease of the land to POWERGRID Energy Services Limited for Nagda Solar PV Power Project. |
|     | c) Duration of the contracts / arrangements / transactions                                    | Part (A) As mutually agreed.<br>Part (B) As mutually agreed.<br>Part (C) As mutually agreed.  |
|     | d) Salient terms of the contracts or arrangements or transactions including the value, if any | Part (A) Refer (b)<br>Part (B) Refer (b)<br>Part (C) Refer (b)  |
|     | e) Date(s) of approval by the Board, if any   | 415 <sup>th</sup> Board Meeting held on 19.05.2023 for Part (A)<br>420 <sup>th</sup> Board Meeting held on 30.08.2023 for Part (B)<br>429 <sup>th</sup> Board Meeting held on 05.03.2024 for Part (C)   |
| (M) | a) Name(s) of the related party and nature of relationship                                    | <b>POWERGRID Energy Services Limited (A wholly owned subsidiary of POWERGRID)</b>   |
|     | b) Nature of contracts / arrangements/ Transactions   | Consultancy services to PESL for providing inputs and services for implementation of RDSS projects in UTs of Jammu & Kashmir and UT of Ladakh.  |
|     | c) Duration of the contracts / arrangements / transactions                                    | Duration of agreement between PESL and POWERGRID is till the closure of project by PESL.<br>As per agreement between PESL and clients, duration of project is –<br>• JPDCL & KPDCL: 02 Years<br>• LPDD: 03 Years  |
|     | d) Salient terms of the contracts or arrangements or transactions including the value, if any | Date of agreement: 20.03.2024<br>Total Project Cost of RDSS works: 2146.29 Crs<br>Total Consultancy Fee of RDSS works: 7% of actual executed project cost excluding applicable taxes<br>POWERGRID's share of total CF: 5%<br>PESL's share of total CF: remaining 2%   |

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|     | e) Date(s) of approval by the Board, if any   | 429 <sup>th</sup> Board Meeting held on 05.03.2024.   |
| (N) | a) Name(s) of the related party and nature of relationship                                    | <b>POWERGRID Teleservices Limited (A wholly owned subsidiary of POWERGRID)</b>  |
|     | b) Nature of contracts / arrangements / Transactions  | Part (A) Provide Inter Corporate loan to PowerTel towards working capital requirement;<br>Part (B) Availing any other products / services from PowerTel;<br>Part (C) Provide Inter Corporate loan to PowerTel towards Execution of Telecom Project;<br>Part (D) Provide Inter Corporate loan to PowerTel towards Establishment of Pilot Data Centre at Manesar;<br>Part (E) Providing the land to PowerTel at POWERGRID Manesar substation on Lease/Rental basis for establishment of of Pilot Data Centre;<br>Part (F) Providing the Support Services to PowerTel during execution of the Data Centre project at Manesar;<br>Part (G) Providing the support service to PowerTel related to laying and O&M of OPGW.   |
|     | c) Duration of the contracts / arrangements / transactions                                    | Part (A) 12 Months Contract;<br>Part (B) No service availed till date;<br>Part (C) 60 Months contract;<br>Part (D) 60 Months contract;<br>Part (E) 240 Months contract;<br>Part (F) Commence with effect from date of Investement approval of Data Centre at Manesar till completion of the project;<br>Part (G) Proposal is under approval with PowerTel Board and thereafter agreement will be signed.  |
|     | d) Salient terms of the contracts or arrangements or transactions including the value, if any | Part (A) Inter Corporate loan towards working capital requirement for an amount upto ₹200 Crore (Rupees Two Hundred Crore only);<br>Part (B) Availing any other products / services from PowerTel that would be provided and/or procured from third party by PowerTel, the same may be availed at cost plus 10% to cover the cost and overheads of PowerTel;<br>Part (C) Inter Corporate loan towards capital requirement for execution of Telecom Projects, for an amount upto ₹605.92 Crore as and when required from POWERGRID, on cost to cost basis;<br>Part (D) Inter Corporate loan towards capital requirement for establishment of Pilot Data Centre at POWERGRID Manesar substation for an amount up to ₹571.06 Crore, as and when required from POWERGRID, on cost to cost basis;<br>Part (E) As per CERC Order the lease/rental shall be evaluated by an external independent valuer. The Lease rent is Rs.15 Lakh/Year for 1 <sup>st</sup> and 2 <sup>nd</sup> year. Thereafter 5% increment in every 2 year);<br>Part (F) Providing Inputs & services to establishment of the Pilot Data Centre Project. A consultancy Fee @ 0.5% of the actual project cost (excluding IDC and Consultancy fee) plus GST as applicable towards the inputs & services.<br>Part (G)<br>i) Laying of OPGW on POWERGRID/SEBs/other utilities transmission lines for PowerTel at cost plus 0.5% to cover the cost and overhead.<br>ii) O&M for OPGW laid on POWERGRID/SEBs/other utilities transmission lines and exclusively utilized by PowerTel, at a cost plus 10% to cover the cost and overhead.<br>iii) Minor works such as the creation of a new joint box, laying of OPGW on a small span, etc. exclusively for PowerTel at cost plus 10% to cover the cost and overhead." |

|  |   |   |
|--|---|---|
|  | e) Date(s) of approval by the Board, if any | Part (A) 418 <sup>th</sup> Board Meeting held on 14.07.2023;<br>Part (B) 425 <sup>th</sup> Board Meeting held on 16.12.2023.;<br>Part (C) 422 <sup>nd</sup> Board Meeting held on 20.10.2023;<br>Part (D) 422 <sup>nd</sup> Board Meeting held on 20.10.2023;<br>Part (E) 422 <sup>nd</sup> Board Meeting held on 20.10.2023;<br>Part (F) 422 <sup>nd</sup> Board Meeting held on 20.10.2023;<br>Part (G) 433 <sup>rd</sup> Board Meeting held on 05.06.2024. |
|  | f) Amount paid as advances, if any:         | Nil   |

For and on behalf of the Board of Directors



(Ravindra Kumar Tyagi)

Chairman &amp; Managing Director

DIN: 09632316

 Date: 31<sup>st</sup> July, 2024

Place: Gurugram



(Pursuant to first proviso to sub-section (3) of section 129 read with rule 5 of Companies (Accounts) Rules, 2014)

**Statement containing salient features of the financial statement of subsidiaries or associate companies or joint ventures**

**Part 'A': Subsidiaries**

(₹ in crore)

| Sl. No. | Name of Subsidiaries  | Reporting period for the subsidiary concerned, if different from the holding company's reporting period | Reporting currency and Exchange rate as on the last date of the relevant financial year in the case of foreign subsidiaries | Share capital | Reserves & surplus | Total assets | Total Liabilities | Investments | Turn-over | Profit before taxation | Provision for taxation | Profit after taxation | Proposed Dividend | % of share holding |
|---------|---|---|---|---------------|--------------------|--------------|-------------------|-------------|-----------|------------------------|------------------------|-----------------------|-------------------|--------------------|
| 1       | Powergrid Vemagiri Transmission Limited                       | N.A.  | N.A.  | 0.05          | (19.48)            | -            | 19.43             | Nil         | -         | -                      | -                      | -                     | -                 | 100%               |
| 2       | Powergrid NM Transmission Limited                             | N.A.  | N.A.  | 490.95        | 6.20               | 1,121.40     | 624.25            | Nil         | 169.67    | 73.57                  | 18.94                  | 54.63                 |                   | 100%               |
| 3       | Powergrid Unchahar Transmission Limited                       | N.A.  | N.A.  | 12.96         | 15.68              | 62.78        | 34.14             | Nil         | 28.29     | 14.98                  | 0.59                   | 14.39                 |                   | 100%               |
| 4       | Powergrid Southern Interconnector Transmission System Limited | N.A.  | N.A.  | 709.00        | 21.59              | 3,456.74     | 2,726.15          | Nil         | 477.08    | 172.90                 | 43.97                  | 128.93                |                   | 100%               |
| 5       | Powergrid Medinipur Jeerat Transmission Limited               | N.A.  | N.A.  | 661.60        | 10.83              | 3,245.87     | 2,573.44          | Nil         | 591.21    | 285.95                 | 72.95                  | 213.00                |                   | 100%               |
| 6       | Powergrid Mithilanchal Transmission Limited                   | N.A.  | N.A.  | 233.20        | 5.95               | 1,184.07     | 944.92            | Nil         | 175.06    | 53.71                  | 13.85                  | 39.86                 |                   | 100%               |

(₹ in crore)

|    |   |      |      |        |       |          |        |     |        |       |       |       |  |      |
|----|---|------|------|--------|-------|----------|--------|-----|--------|-------|-------|-------|--|------|
| 7  | Powergrid Varanasi Transmission System Limited      | N.A. | N.A. | 187.56 | 3.77  | 919.57   | 728.24 | Nil | 120.50 | 35.22 | 8.97  | 26.25 |  | 100% |
| 8  | Powergrid Jawaharpur Firozabad Transmission Limited | N.A. | N.A. | 89.60  | 10.34 | 450.43   | 350.49 | Nil | 58.04  | 35.77 | 9.09  | 26.68 |  | 100% |
| 9  | Powergrid Khetri Transmission System Limited        | N.A. | N.A. | 198.75 | 14.72 | 982.92   | 769.05 | Nil | 153.52 | 64.79 | 16.38 | 48.41 |  | 100% |
| 10 | Powergrid Bhuj Transmission Limited                 | N.A. | N.A. | 232.00 | 3.92  | 1,159.67 | 923.75 | Nil | 131.75 | 24.82 | 6.25  | 18.57 |  | 100% |
| 11 | Powergrid Bhind Guna Transmission Limited           | N.A. | N.A. | 111.95 | 2.13  | 569.94   | 455.86 | Nil | 70.63  | 30.79 | 7.57  | 23.22 |  | 100% |
| 12 | Powergrid Ajmer Phagi Transmission Limited          | N.A. | N.A. | 115.00 | 9.03  | 570.03   | 446.00 | Nil | 76.85  | 27.68 | 6.99  | 20.69 |  | 100% |
| 13 | Powergrid Fatehgarh Transmission Limited            | N.A. | N.A. | 141.00 | 6.05  | 656.11   | 509.06 | Nil | 90.26  | 32.99 | 8.37  | 24.62 |  | 100% |
| 14 | Powergrid Rampur Sambhal Transmission Limited       | N.A. | N.A. | 151.30 | 38.35 | 863.99   | 674.34 | Nil | 104.80 | 43.45 | 10.95 | 32.50 |  | 100% |

(₹ in crore)

| Sl. No. | Name of Subsidiaries                             | Reporting period for the subsidiary concerned, if different from the holding company's reporting period | Reporting currency and Exchange rate as on the last date of the relevant financial year in the case of foreign subsidiaries | Share capital | Reserves & surplus | Total assets | Total Liabilities | Investments | Turn-over | Profit before taxation | Provision for taxation | Profit after taxation | Proposed Dividend | % of share holding |
|---------|--|---|---|---------------|--------------------|--------------|-------------------|-------------|-----------|------------------------|------------------------|-----------------------|-------------------|--------------------|
| 15      | Powergrid Meerut Simbhavali Transmission Limited | N.A.  | N.A.  | 205.98        | 28.23              | 1,198.13     | 963.92            | Nil         | 107.42    | 37.93                  | 9.52                   | 28.41                 |                   | 100%               |
| 16      | Central Transmission Utility of India Limited    | N.A.  | N.A.  | 0.05          | 54.87              | 2,096.68     | 2,041.76          | Nil         | 21.97     | 92.18                  | 23.40                  | 68.78                 |                   | 100%               |
| 17      | Powergrid Ramgarh Transmission Limited           | N.A.  | N.A.  | 32.01         | 2.32               | 355.48       | 321.15            | Nil         | 12.82     | 3.81                   | 0.96                   | 2.85                  |                   | 100%               |
| 18      | Powergrid Himachal Transmission Limited          | N.A.  | N.A.  | 300.00        | 102.22             | 423.47       | 21.25             | Nil         | 126.93    | 62.72                  | 2.64                   | 53.20                 |                   | 100%               |
| 19      | Powergrid Bikaner Transmission System Limited    | N.A.  | N.A.  | 140.00        | 11.18              | 1,539.66     | 1,388.48          | Nil         | 119.64    | 29.43                  | 7.41                   | 22.02                 |                   | 100%               |
| 20      | Powergrid Sikar Transmission Limited             | N.A.  | N.A.  | 142.00        | (0.98)             | 1,327.56     | 1,186.54          | Nil         | -         | (0.51)                 | (0.13)                 | (0.38)                |                   | 100%               |
| 21      | Powergrid Bhadla Transmission Limited            | N.A.  | N.A.  | 73.21         | (0.93)             | 806.59       | 734.31            | Nil         | -         | (0.38)                 | (0.10)                 | (0.28)                |                   | 100%               |
| 22      | Powergrid Aligarh Sikar Transmission Limited     | N.A.  | N.A.  | 99.95         | (0.06)             | 1,079.10     | 979.21            | Nil         | -         | (0.07)                 | (0.02)                 | (0.05)                |                   | 100%               |
| 23      | Powergrid Teleservices Limited                   | N.A.  | N.A.  | 664.02        | 95.20              | 1,537.53     | 778.31            | Nil         | 470.01    | 198.20                 | 40.87                  | 157.33                |                   | 100%               |

(₹ in crore)

| Sl. No. | Name of Subsidiaries                            | Reporting period for the subsidiary concerned, if different from the holding company's reporting period | Reporting currency and Exchange rate as on the last date of the relevant financial year in the case of foreign subsidiaries | Share capital | Reserves & surplus | Total assets | Total Liabilities | Investments | Turn-over | Profit before taxation | Provision for taxation | Profit after taxation | Proposed Dividend | % of share holding |
|---------|---|---|---|---------------|--------------------|--------------|-------------------|-------------|-----------|------------------------|------------------------|-----------------------|-------------------|--------------------|
| 24      | Powergrid Energy Services Limited               | N.A.  | N.A.  | 97.75         | (1.25)             | 473.44       | 376.94            | Nil         | 67.15     | 12.93                  | 4.85                   | 8.08                  |                   | 100%               |
| 25      | Powergrid Narela Transmission Limited           | N.A.  | N.A.  | 100.00        | (1.16)             | 1,380.04     | 1,281.20          | Nil         | -         | (1.04)                 | (0.26)                 | (0.78)                |                   | 100%               |
| 26      | Powergrid Gomti Yamuna Transmission Limited     | N.A.  | N.A.  | 96.00         | 9.90               | 984.12       | 878.22            | Nil         | 26.72     | 14.27                  | 3.59                   | 10.68                 |                   | 100%               |
| 27      | Powergrid Neemuch Transmission System Limited   | N.A.  | N.A.  | 125.81        | (1.50)             | 811.67       | 687.36            | Nil         | -         | (1.72)                 | (0.44)                 | (1.28)                |                   | 100%               |
| 28      | Powergrid ER NER Transmission Limited           | N.A.  | N.A.  | 10.05         | (0.70)             | 64.02        | 94.67             | Nil         | -         | (0.36)                 | (0.09)                 | (0.27)                |                   | 100%               |
| 29      | Powergrid ERWR Power Transmission Limited       | N.A.  | N.A.  | 0.05          | -                  | 31.53        | 31.48             | Nil         | -         | -                      | -                      | -                     |                   | 100%               |
| 30      | Powergrid Khavda RE Transmission System Limited | N.A.  | N.A.  | 12.76         | (1.12)             | 292.90       | 281.26            | Nil         | -         | (1.50)                 | (0.38)                 | (1.12)                |                   | 100%               |
| 31      | Powergrid Khavda II- B Transmission Limited     | N.A.  | N.A.  | 26.05         | (0.19)             | 499.48       | 473.62            | Nil         | -         | (0.26)                 | (0.07)                 | (0.19)                |                   | 100%               |
| 32      | Powergrid Khavda II-C Transmission Limited      | N.A.  | N.A.  | 0.05          | (0.01)             | 1,157.39     | 1,157.35          | Nil         | -         | (0.01)                 | -                      | (0.01)                |                   | 100%               |



| Sl. No. | Name of Subsidiaries                                | Reporting period for the subsidiary concerned, if different from the holding company's reporting period | Reporting currency and Exchange rate as on the last date of the relevant Financial year in the case of foreign subsidiaries | Share capital | Reserves & surplus | Total assets | Total Liabilities | Investments | Turn-over | Profit before taxation | Provision for taxation | Profit after taxation | Proposed Dividend | % of share holding |
|---------|---|---|---|---------------|--------------------|--------------|-------------------|-------------|-----------|------------------------|------------------------|-----------------------|-------------------|--------------------|
| 33      | Powergrid KPS2 Transmission System Limited          | N.A.  | N.A.  | 1.30          | (0.07)             | 85.27        | 84.04             | Nil         | -         | (0.09)                 | (0.02)                 | (0.07)                |                   | 100%               |
| 34      | Powergrid KPS3 Transmission Limited                 | N.A.  | N.A.  | 6.30          | (0.06)             | 133.66       | 127.42            | Nil         | -         | (0.08)                 | (0.02)                 | (0.06)                |                   | 100%               |
| 35      | Powergrid Raipur Pool Dhamtari Transmission Limited | N.A.  | N.A.  | 0.01          | (0.01)             | 45.41        | 45.41             | Nil         | -         | (0.01)                 | -                      | (0.01)                |                   | 100%               |
| 36      | Powergrid Dharamjagarh Transmission Limited         | N.A.  | N.A.  | 0.01          | -                  | 60.50        | 60.49             | Nil         | -         | -                      | -                      | -                     |                   | 100%               |
| 37      | Powergrid Bhadla Sikar Transmission Limited         | N.A.  | N.A.  | 0.01          | (0.27)             | 515.15       | 515.41            | Nil         | -         | (0.36)                 | (0.09)                 | (0.27)                |                   | 100%               |
| 38      | Powergrid Ananthapuram Kurnool Transmission Limited | N.A.  | N.A.  | 0.01          | -                  | 95.79        | 95.78             | Nil         | -         | -                      | -                      | -                     |                   | 100%               |
| 39      | Powergrid Bhadla III Transmission Limited           | N.A.  | N.A.  | 0.01          | (0.01)             | 131.31       | 131.31            | Nil         | -         | (0.01)                 | -                      | (0.01)                |                   | 100%               |
| 40      | Powergrid Beawar Dausa Transmission Limited         | N.A.  | N.A.  | 0.01          | (0.01)             | 124.82       | 124.82            | Nil         | -         | (0.01)                 | -                      | (0.01)                |                   | 100%               |

(₹ in crore)

| Sl. No. | Name of Subsidiaries                             | Reporting period for the subsidiary concerned, if different from the holding company's reporting period | Reporting currency and Exchange rate as on the last date of the relevant Financial year in the case of foreign subsidiaries | Share capital | Reserves & surplus | Total assets | Total Liabilities | Investments | Turn-over | Profit before taxation | Provision for taxation | Profit after taxation | Proposed Dividend | % of share holding |
|---------|--|---|---|---------------|--------------------|--------------|-------------------|-------------|-----------|------------------------|------------------------|-----------------------|-------------------|--------------------|
| 41      | Powergrid Ramgarh II Transmission Limited        | N.A.  | N.A.  | 0.05          | (0.56)             | 160.41       | 160.92            | Nil         | -         | (0.01)                 | (0.19)                 | 0.18                  |                   | 100%               |
| 42      | Powergrid Bikaner Neemrana Transmission Limited  | N.A.  | N.A.  | 0.01          | (0.01)             | 22.65        | 22.65             | Nil         | -         | (0.01)                 | -                      | (0.01)                |                   | 100%               |
| 43      | Powergrid Neemrana Bareilly Transmission Limited | N.A.  | N.A.  | 0.01          | (0.01)             | 21.12        | 21.12             | Nil         | -         | (0.01)                 | -                      | (0.01)                |                   | 100%               |
| 44      | Powergrid Vataman Transmission Limited           | N.A.  | N.A.  | 0.01          | -                  | 72.26        | 72.25             | Nil         | -         | -                      | -                      | -                     |                   | 100%               |
| 45      | Powergrid Koppal Gadag Transmission Limited      | N.A.  | N.A.  | 0.01          | -                  | 22.20        | 22.19             | Nil         | -         | -                      | -                      | -                     |                   | 100%               |
| 46      | Sikar Khetri Transmission Limited                | N.A.  | N.A.  | 0.05          | (0.55)             | 59.23        | 59.73             | Nil         | -         | (0.01)                 | (0.18)                 | 0.17                  |                   | 100%               |
| 47      | Bidar Transmission Limited                       | N.A.  | N.A.  | 0.05          | (0.13)             | 68.48        | 68.56             | Nil         | -         | (0.01)                 | (0.03)                 | 0.02                  |                   | 100%               |

**Names of subsidiaries which are yet to commence operations:**

|    |   |    |   |
|----|---|----|---|
| 1  | Powergrid Vemagiri Transmission Limited (not a going concern) | 14 | Powergrid Raipur Pool Dhamtari Transmission Limited |
| 2  | Powergrid Sikar Transmission Limited                          | 15 | Powergrid Dharamjaigarh Transmission Limited        |
| 3  | Powergrid Bhadla Transmission Limited                         | 16 | Powergrid Bhadla Sikar Transmission Limited         |
| 4  | Powergrid Aligarh Sikar Transmission Limited                  | 17 | Powergrid Ananthpuram Kurnool Transmission Limited  |
| 5  | Powergrid Narela Transmission Limited                         | 18 | Powergrid Bhadla III Transmission Limited           |
| 6  | Powergrid Neemuch Transmission System Limited                 | 19 | Powergrid Beawar Dausa Transmission Limited         |
| 7  | Powergrid ER NER Transmission Limited                         | 20 | Powergrid Ramgarh II Transmission Limited           |
| 8  | Powergrid ERWR Power Transmission Limited                     | 21 | Powergrid Bikaner Neemrana Transmission Limited     |
| 9  | Powergrid Khavda RE Transmission System Limited               | 22 | Powergrid Neemrana Bareilly Transmission Limited    |
| 10 | Powergrid Khavda II- B Transmission Limited                   | 23 | Powergrid Vataman Transmission Limited              |
| 11 | Powergrid Khavda II-C Transmission Limited                    | 24 | Powergrid Koppal Gadag Transmission Limited         |
| 12 | Powergrid KPS2 Transmission System Limited                    | 25 | Sikar Khetri Transmission Limited                   |
| 13 | Powergrid KPS3 Transmission Limited                           | 26 | Bidar Transmission Limited                          |

**Names of subsidiaries which have been liquidated or sold during the year: NIL**

**Part "B": Associates and Joint Ventures**

**Statement pursuant to Section 129 (3) of the Companies Act, 2013 related to Associate Companies and Joint Ventures**

(₹ in crore)

| Name of Associates/<br>Joint Ventures               | Latest audited Balance Sheet Date | Shares of Associate / Joint Ventures held by the company on the year end |                     | Description of how there is significant influence | Reason why the associate/ joint venture is not consolidated | Net worth attributable to Shareholding as per latest audited Balance Sheet | Profit / Loss for the year       |                                       |
|---|-----------------------------------|--|---------------------|---|---|--|----------------------------------|---------------------------------------|
|   |                                   | Number   | Extend of Holding % |   |   |  | i. Consid-ered in Con-solidation | ii. Not Consid-ered in Con-solidation |
| <b>Joint Ventures</b>                               |                                   |  |                     |   |   |  |                                  |                                       |
| Powerlinks Transmission Limited                     | 31.03.2024                        | 22,93,20,000   | 49%                 | Shareholding is more than 20%                     | N.A.  | 475.20   | 40.06                            | N.A.                                  |
| Torrent Power Grid Limited                          | 31.03.2024                        | 2,34,00,000  | 26%                 | Shareholding is more than 20%                     | N.A.  | 37.72  | 4.42                             | N.A.                                  |
| Parbati Koldam Transmission Company Limited         | Unaudited                         | 7,09,37,620  | 26%                 | Shareholding is more than 20%                     | N.A.  | 92.90  | 12.10                            | N.A.                                  |
| Sikkim Power Transmission Limited                   | Unaudited                         | 12,01,20,000   | 30.92%              | Shareholding is more than 20%                     | N.A.  | 182.13   | 20.85                            | N.A.                                  |
| North East Transmission Company Limited             | 31.03.2024                        | 10,69,64,000   | 26%                 | Shareholding is more than 20%                     | N.A.  | 142.49   | 22.00                            | N.A.                                  |
| National High Power Test Laboratory Private Limited | Unaudited                         | 4,88,00,000  | 22%                 | Shareholding is more than 20%                     | N.A.  | 12.32  | (6.08)                           | N.A.                                  |
| Bihar Grid Company Limited                          | 31.03.2024                        | 33,73,92,404   | 50%                 | Shareholding is more than 20%                     | N.A.  | 412.33   | (70.52)                          | N.A.                                  |



| Name of Associates/<br>Joint Ventures                          | Latest<br>audited<br>Balance<br>Sheet Date | Shares of Associate / Joint Ventures<br>held<br>by the company on the year end |   | Description<br>of how there<br>is significant<br>influence | Reason why<br>the associate/<br>joint venture<br>is not<br>consolidated          | Net worth<br>attributable to<br>Shareholding<br>as per latest<br>audited<br>Balance Sheet | Profit / Loss for the year               |   |
|--|--|--|---|--|--|---|--|---|
|  |  | Number   | Amount of<br>Investment<br>Extend of<br>Holding % |  |  |   | i. Consid-<br>ered in Con-<br>solidation | ii. Not Consid-<br>ered in Con-<br>solidation |
| Energy Efficiency<br>Services Limited                          | Unaudited                                  | 84,66,10,000   | 39.25%  | Shareholding<br>is more than<br>20%                        | N.A.   | 624.35  | (51.10)                                  | N.A.  |
| Cross Border Power<br>Transmission<br>Company Limited          | Unaudited                                  | 1,26,12,473  | 26%   | Shareholding<br>is more than<br>20%                        | N.A.   | 35.12   | 4.18                                     | N.A.  |
| RINL Powergrid TLT<br>Private Limited                          | Unaudited                                  | 40,00,000  | 50%   | Shareholding<br>is more than<br>20%                        | N.A.   | -   | -  | N.A.  |
| Butwal-Gorakhpur<br>Cross Border Power<br>Transmission Limited | 31.03.2024                                 | 1,00,00,000  | 50%   | Shareholding<br>is more than<br>20%                        | N.A.   | 9.91  | (0.08)                                   | N.A.  |
| Power Transmission<br>Company<br>Nepal Limited                 | Unaudited                                  | 11,70,000  | 26%   | Shareholding<br>is more than<br>20%                        | N.A.   | 14.51   | 2.23                                     | N.A.  |
| <b>Associates</b>  |  |  |   |  |  |   |  |   |
| Powergrid Kala Amb<br>Transmission Limited                     | 31.03.2024                                 | 1,58,60,000  | 26%   | Shareholding<br>is more than<br>20%                        | Accounted<br>as Assets<br>classified<br>as held for<br>sale as per Ind<br>AS 105 | N.A.  | N.A.                                     | N.A.  |
| Powergrid Jabalpur<br>Transmission<br>Limited                  | 31.03.2024                                 | 5,89,96,600  | 26%   | Shareholding<br>is more than<br>20%                        | Accounted<br>as Assets<br>classified<br>as held for<br>sale as per Ind<br>AS 105 | N.A.  | N.A.                                     | N.A.  |
| Powergrid Warora<br>Transmission<br>Limited                    | 31.03.2024                                 | 10,22,58,000   | 26%   | Shareholding<br>is more than<br>20%                        | Accounted<br>as Assets<br>classified<br>as held for<br>sale as per Ind<br>AS 105 | N.A.  | N.A.                                     | N.A.  |

| Name of Associates/<br>Joint Ventures      | Latest<br>audited<br>Balance<br>Sheet Date | Shares of Associate / Joint Ventures<br>held<br>by the company on the year end |   | Description<br>of how there<br>is significant<br>influence | Reason why<br>the associate/<br>joint venture<br>is not<br>consolidated          | Net worth<br>attributable to<br>Shareholding<br>as per latest<br>audited<br>Balance Sheet | Profit / Loss for the year               |   |
|--|--|--|---|--|--|---|--|---|
|  |  | Number   | Amount of<br>Investment<br>Extend of<br>Holding % |  |  |   | i. Consid-<br>ered in Con-<br>solidation | ii. Not Consid-<br>ered in Con-<br>solidation |
| Powergrid Parli<br>Transmission<br>Limited | 31.03.2024                                 | 8,37,46,000  | 26%   | Shareholding<br>is more than<br>20%                        | Accounted<br>as Assets<br>classified<br>as held for<br>sale as per Ind<br>AS 105 | N.A.  | N.A.                                     | N.A.  |

**Names of associates or joint ventures which are yet to commence operations:** RINL Powergrid TLT Pvt Limited (not a going concern)  
**Names of associates or joint ventures which have been liquidated or sold during the year:** NIL

**For and on behalf of the Board of Directors**

|   |  |   |
|---|--|---|
| <b>Satyaprakash Dash</b><br>Company Secretary | <b>G Ravisankar</b><br>Director (Finance)<br>DIN: 08816101 | <b>R K Tyagi</b><br>Chairman & Managing Director<br>DIN: 09632316 |
|---|--|---|

As per our report of even date

For **S. RAMANAND AIYAR & CO**  
Chartered Accountants  
FRN : 000990N

For **SAGAR & ASSOCIATES**  
Chartered Accountants  
FRN : 003510S

For **SURESH SURANA & ASSOCIATES LLP**  
Chartered Accountants  
FRN : 121750W/W-100010

For **G. D. APTE & CO**  
Chartered Accountants  
FRN : 100515W

**CA Puneet Jain**  
Partner  
M. No. 520928

**CA Ajay Kumar Mishra**  
Partner  
M. No. 205468

**CA Avilas Agarwal**  
Partner  
M. No. 062668

**CA C. M. Dixit**  
Partner  
M. No. 17532

Date: 22 May 2024  
Place: Mumbai

## Annexure-X to the Directors' Report

**ANNUAL REPORT ON CORPORATE SOCIAL RESPONSIBILITY (CSR) ACTIVITIES**
**1. BRIEF OUTLINE ON CSR POLICY OF THE COMPANY**

The Policy is named as POWERGRID's Corporate Social Responsibility and Sustainability (CSR&S) Policy.

**Vision**

To be a Corporate that sets a long term strategy for Social & Economic Development of communities through initiatives in Healthcare, Education, Rural Development, Skill Development, Sanitation and other areas of national importance and adhere to sustainable environmental practices.

**Mission**

To align CSR and Sustainability Policy with the business policy so as to conduct business in a sustainable manner, adhering to the principles of Avoidance, Minimization and Mitigation in dealing with environmental & social issues and to undertake high impact community development projects of national and local importance in consultation with stakeholders.

**Activities under CSR**

The activities proposed to be undertaken under CSR shall include all the activities mentioned in Schedule VII of the Companies Act, 2013 (the Act).

The Corporation will give preference to the stakeholders who are directly impacted by its operation for CSR activities. Since such stakeholders are generally located in the periphery of the commercial operations of the Corporation, POWERGRID will accord priority for CSR activities in local areas and neighbourhood areas of its operations.

The Geographical limits of a District where POWERGRID has its presence shall be considered as "local area" for CSR&S activities. In addition, POWERGRID shall also undertake CSR activities outside it. Ratio of CSR spends between local areas and outside would be approximately 75:25. However, projects/activities executed under directives of Government of India or of foremost concern of the national development agenda will be outside the purview of this ratio. The CSR&S Committee is authorized to approve any project, irrespective of the amount involved, which is beyond the above ratio.

Priority will be given for CSR activities to the stakeholders directly impacted by operations of the Corporation.

CSR Projects or Programmes or activities undertaken in India shall only amount to CSR expenditure.

**Mode of Execution of CSR activities**

CSR activities shall preferably be implemented in a project mode. Implementation of various activities will normally be done through placement of award by the Corporation as per Works & Procurement Policy of the Corporation. Services of various departments of Central, State Governments, Panchayati Raj Institutions, etc. may also be availed for implementation of CSR activities on deposit work basis.

CSR activities/projects/programmes, may also be taken up in association with a registered trust or a registered society or a Company established by the Corporation or its holding or subsidiary or associate Company, submitted to fulfilling requirements, as mentioned in the Act.

**Communication Strategy**

The electronic media shall be used for broader communication with the stakeholders. Display on website, emails, Annual CSR booklet, Annual Report, etc. will be key instruments to decipher the CSR initiatives of POWERGRID.

**Funding of CSR activities**

The Corporation will be required to spend annually on CSR, two percent of the average net profit made during the three immediately preceding financial years.

**2. COMPOSITION OF CSR COMMITTEE**

In compliance with the provisions of Section 135(1) of the Companies Act, 2013, as on 31.03.2024, the CSR Committee comprised of:

| S. No. | Name of Director                              | Designation / Nature of Directorship                   | Number of meetings of CSR Committee held during the year | Number of meetings of CSR Committee attended during the year |
|--------|---|--|--|--|
| 1.     | Shri Ravindra Kumar Tyagi (w.e.f. 01.01.2024) | Chairman & Managing Director/Chairman of CSR Committee | 4  | 4  |
| 2.     | Dr. Yatindra Dwivedi (w.e.f. 31.08.2023)      | Director (Personnel)/ Member of CSR Committee          | 6  | 6  |
| 3.     | Shri Ram Naresh Tiwari                        | Independent Director/ Member of CSR Committee          | 11   | 11   |
| 4.     | Shri Chetan Bansilal Kankariya                | Independent Director/ Member of CSR Committee          | 11   | 11   |

**3. THE WEB-LINK(S) WHERE COMPOSITION OF CSR COMMITTEE, CSR POLICY AND CSR PROJECTS APPROVED BY THE BOARD ARE DISCLOSED ON THE WEBSITE OF THE COMPANY**

| S. No. | Access to details of               | Web-Link  |
|--------|------------------------------------|---|
| 1.     | Composition of CSR Committee       | <a href="https://www.powergrid.in/en/composition-committees-board-directors">https://www.powergrid.in/en/composition-committees-board-directors</a>                   |
| 2.     | CSR Policy                         | <a href="https://www.powergrid.in/en/about-us-csr">https://www.powergrid.in/en/about-us-csr</a>   |
| 3.     | CSR projects approved by the Board | <a href="https://apps.powergrid.in/pgdocs/2024/07/Comp_Sect_Docs/Projects_detail.pdf">https://apps.powergrid.in/pgdocs/2024/07/Comp_Sect_Docs/Projects_detail.pdf</a> |

**4. THE EXECUTIVE SUMMARY ALONG WITH WEB-LINK(S) OF IMPACT ASSESSMENT OF CSR PROJECTS CARRIED OUT IN PURSUANCE OF SUB-RULE (3) OF RULE 8 OF THE COMPANIES (CORPORATE SOCIAL RESPONSIBILITY POLICY) RULES, 2014**

Detail of CSR projects eligible for Impact Assessment under sub-rule (3) of Rule 8 of the Companies (Corporate Social Responsibility Policy) Rules, 2014 is available at [https://apps.powergrid.in/pgdocs/2024/07/Comp\\_Sect\\_Docs/Projects\\_eligible\\_for\\_Impact\\_Assessment.pdf](https://apps.powergrid.in/pgdocs/2024/07/Comp_Sect_Docs/Projects_eligible_for_Impact_Assessment.pdf)

The complete report on Impact Assessment is available at [https://apps.powergrid.in/pgdocs/2024/07/Comp\\_Sect\\_Docs/Annu\\_Rep\\_Docs\\_2024.pdf](https://apps.powergrid.in/pgdocs/2024/07/Comp_Sect_Docs/Annu_Rep_Docs_2024.pdf)

5. a) Average net profit of the Company as per sub-section (5) of Section 135: **₹17,134.07 Crore**  
 b) Two percent of average net profit of the Company as per sub-section (5) of Section 135: **₹342.69 Crore**  
 c) Surplus arising out of the CSR projects or programmes or activities of the previous financial years: **Nil**  
 d) Amount required to be set-off for the financial year: **₹30.45 Crore**  
 e) Total CSR obligation for the financial year [(b) + (c) - (d)]: **₹312.24 Crore**
6. a) Amount spent on CSR Projects: **₹317.14 Crore** (Ongoing projects = ₹176.21 Crore; Other than Ongoing projects = ₹140.93 Crore)  
 b) Amount spent in Administrative Overheads: **₹13.07 Crore**  
 c) Amount spent on Impact Assessment: **₹0.27 Crore**  
 d) Total amount spent for the Financial Year [(a)+(b)+(c)]: **₹330.48 Crore**  
 e) CSR amount spent or unspent for the Financial Year:

| Total Amount Spent for the Financial Year (in ₹) | Amount Unspent (in ₹)   |                  |   |        |                  |
|--|---|------------------|---|--------|------------------|
|  | Total Amount transferred to Unspent CSR Account as per sub-section (6) of Section 135 |                  | Amount transferred to any fund specified under Schedule VII as per second proviso to sub-section (5) of Section 135 |        |                  |
|  | Amount  | Date of transfer | Name of the Fund  | Amount | Date of transfer |
| 330,47,63,608                                    | 0.00  | N.A.             | N.A.  | N.A.   | N.A.             |



f) Excess amount for set-off:

| S. No. | Particulars   | Amount (in ₹)  |
|--------|---|----------------|
| (1)    | (2)   | (3)            |
| (i)    | Two percent of average net profit of the Company as per sub-section (5) of Section 135                      | 3,12,22,93,466 |
| (ii)   | Total amount spent for the financial year   | 3,30,47,63,608 |
| (iii)  | Excess amount spent for the financial year [(ii)-(i)]   | 18,24,70,142   |
| (iv)   | Surplus arising out of the CSR projects or programmes or activities of the previous financial years, if any | 0              |
| (v)    | Amount available for set-off in succeeding financial years [(iii)-(iv)]                                     | 18,24,70,142   |

7. DETAILS OF UNSPENT CORPORATE SOCIAL RESPONSIBILITY AMOUNT FOR THE PRECEDING THREE FINANCIAL YEARS

| 1      | 2                           | 3  | 4  | 5   | 6   |                  | 7   | 8                  |
|--------|-----------------------------|--|--|---|---|------------------|---|--------------------|
|        |                             |  |  |   | Amount (in ₹)   | Date of transfer |   |                    |
| S. No. | Preceding Financial Year(s) | Amount transferred to Unspent CSR Account under Section 135 (6) (in ₹) | Balance Amount in Unspent CSR Account under Section 135 (6) (in ₹) | Amount Spent in the Financial Year (in ₹) | Amount transferred to a Fund as specified under Schedule VII as per second proviso to Section 135 (5), if any |                  | Amount remaining to be spent in succeeding financial years (in ₹) | Deficiency, if any |
| 1.     | 2020-21                     | 0  | 0  | 2,40,48,01,918                            | 0   | NIL              | NIL   | -                  |
| 2.     | 2021-22                     | 0  | 0  | 2,71,13,87,826                            | 0   | NIL              | NIL   | -                  |
| 3.     | 2022-23                     | 0  | 0  | 3,21,66,10,491                            | 0   | NIL              | NIL   | -                  |
|        | <b>Total</b>                |  |  | <b>8,33,28,00,235</b>                     |   |                  |   | -                  |

8. WHETHER ANY CAPITAL ASSETS HAVE BEEN CREATED OR ACQUIRED THROUGH CORPORATE SOCIAL RESPONSIBILITY AMOUNT SPENT IN THE FINANCIAL YEAR

YES  NO

If yes, enter the number of Capital assets created/ acquired: N.A.

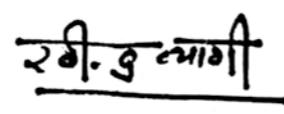
Furnish the details relating to such asset(s) so created or acquired through Corporate Social Responsibility amount spent in the Financial Year:

| S. No. | Short particulars of the property or asset(s) [including complete address and location of the property] | Pincode of the property or asset(s) | Date of creation | Amount of CSR amount spent | Details of entity/ Authority/ beneficiary of the registered owner |      |                    |
|--------|---|-------------------------------------|------------------|----------------------------|---|------|--------------------|
|        |   |                                     |                  |                            | CSR Registration Number, if applicable                            | Name | Registered address |
| (1)    | (2)   | (3)                                 | (4)              | (5)                        | (6)   |      |                    |
| N.A.   |   |                                     |                  |                            |   |      |                    |

9. SPECIFY THE REASON(S), IF THE COMPANY HAS FAILED TO SPEND TWO PER CENT OF THE AVERAGE NET PROFIT AS PER SECTION 135(5): N.A.



Dr. Yatindra Dwivedi  
Director (Personnel)  
DIN: 10301390



Ravindra Kumar Tyagi  
CMD & Chairman CSR Committee  
DIN: 09632316

Date : 31<sup>st</sup> July, 2024  
Place : Gurugram

# STANDALONE FINANCIAL STATEMENTS

**Standalone Balance Sheet as at 31 March 2024**

(₹ in crore)

| Particulars  | Note No | As at 31 March 2024 | As at 31 March 2023* | As at 01 April 2022* |
|--|---------|---------------------|----------------------|----------------------|
| <b>ASSETS</b>                                      |         |                     |                      |                      |
| <b>Non-current assets</b>                          |         |                     |                      |                      |
| Property Plant and Equipment                       | 4       | 161,333.81          | 170,801.36           | 178,175.63           |
| Capital work-in-progress                           | 5       | 9,581.16            | 7,668.13             | 7,344.46             |
| Investment Property                                | 6       | 1.84                | -                    | -                    |
| Intangible assets                                  | 7       | 1,366.70            | 1,476.19             | 1,556.13             |
| Intangible assets under development                | 8       | 91.01               | 31.08                | 31.53                |
| <b>Financial Assets</b>                            |         |                     |                      |                      |
| Investments  | 9       | 8,731.63            | 7,414.95             | 7,228.53             |
| Trade receivables                                  | 10A     | 282.95              | 695.57               | -                    |
| Loans  | 10      | 21,502.52           | 16,897.29            | 14,269.78            |
| Other non-current financial assets                 | 11      | 4,662.16            | 4,810.79             | 4,414.47             |
| Other non-current assets                           | 12      | 4,569.56            | 4,905.63             | 4,797.73             |
|  |         | <b>212,123.34</b>   | <b>214,700.99</b>    | <b>217,818.26</b>    |
| Assets Classified as Held for Sale                 | 19A     | -                   | -                    | 245.00               |
|  |         | <b>212,123.34</b>   | <b>214,700.99</b>    | <b>218,063.26</b>    |
| <b>Current assets</b>                              |         |                     |                      |                      |
| Inventories  | 13      | 1,303.73            | 1,323.55             | 1,352.60             |
| <b>Financial Assets</b>                            |         |                     |                      |                      |
| Investments  | 14A     | 608.26              | -                    | -                    |
| Trade receivables                                  | 14      | 10,825.80           | 14,304.13            | 13,017.04            |
| Cash and cash equivalents                          | 15      | 2,620.55            | 4,146.24             | 2,457.47             |
| Bank balances other than Cash and cash equivalents | 16      | 2,406.18            | 588.20               | 513.57               |
| Loans  | 17      | 450.49              | 455.10               | 328.27               |
| Other current financial assets                     | 18      | 5,020.57            | 1,930.57             | 6,125.77             |
| Other current assets                               | 19      | 201.89              | 222.77               | 210.99               |
|  |         | <b>23,437.47</b>    | <b>22,970.56</b>     | <b>24,005.71</b>     |
| Assets Classified as Held for Sale                 | 19A     | 260.86              | 260.86               | 15.86                |
|  |         | <b>23,698.33</b>    | <b>23,231.42</b>     | <b>24,021.57</b>     |
| <b>Regulatory Deferral Account Balances</b>        | 20      | 9,599.74            | 10,283.76            | 9,973.04             |
| <b>Total Assets</b>                                |         | <b>245,421.41</b>   | <b>248,216.17</b>    | <b>252,057.87</b>    |
| <b>EQUITY AND LIABILITIES</b>                      |         |                     |                      |                      |
| <b>Equity</b>                                      |         |                     |                      |                      |
| Equity Share capital                               | 21      | 9,300.60            | 6,975.45             | 6,975.45             |
| Other Equity                                       | 22      | 77,566.45           | 75,868.73            | 69,184.82            |
|  |         | <b>86,867.05</b>    | <b>82,844.18</b>     | <b>76,160.27</b>     |
| <b>Liabilities</b>                                 |         |                     |                      |                      |
| <b>Non-current liabilities</b>                     |         |                     |                      |                      |
| <b>Financial Liabilities</b>                       |         |                     |                      |                      |
| Borrowings   | 23      | 105,066.95          | 113,891.29           | 114,199.40           |
| Lease liabilities                                  |         | 37.24               | 61.63                | 27.04                |
| Other non-current financial liabilities            | 24      | 3,553.22            | 3,564.67             | 3,523.00             |
| Provisions   | 25      | 643.11              | 577.61               | 517.05               |
| Deferred tax liabilities(Net)                      | 26      | 9,981.40            | 10,619.90            | 11,416.08            |
| Other non-current liabilities                      | 27      | 4.77                | 197.10               | 240.89               |
|  |         | <b>119,286.69</b>   | <b>128,912.20</b>    | <b>129,923.46</b>    |

**Standalone Balance Sheet as at 31 March 2024 (Contd.)**

(₹ in crore)

| Particulars  | Note No | As at 31 March 2024 | As at 31 March 2023* | As at 01 April 2022* |
|--|---------|---------------------|----------------------|----------------------|
| <b>Current liabilities</b>   |         |                     |                      |                      |
| <b>Financial Liabilities</b>   |         |                     |                      |                      |
| Borrowings   | 28      | 18,381.67           | 14,626.22            | 24,646.10            |
| Lease liabilities  |         | 4.18                | 4.09                 | 2.74                 |
| <b>Trade payables</b>  |         |                     |                      |                      |
| (A) total outstanding dues of micro enterprises and small enterprises                      | 29      | 49.79               | 48.69                | 47.19                |
| (B) total outstanding dues of creditors other than micro enterprises and small enterprises | 29      | 304.28              | 276.33               | 218.95               |
| Other current financial liabilities  | 30      | 7,875.60            | 7,392.53             | 7,408.90             |
| Other current liabilities  | 31      | 2,606.93            | 3,132.40             | 3,203.41             |
| Provisions   | 32      | 583.36              | 781.41               | 932.31               |
| Current Tax Liabilities (Net)  | 33      | -                   | 34.60                | -                    |
|  |         | <b>29,805.81</b>    | <b>26,296.27</b>     | <b>36,459.60</b>     |
| <b>Deferred Revenue</b>  | 34      | 9,461.86            | 10,163.52            | 9,514.54             |
| <b>Total Equity and Liabilities</b>  |         | <b>245,421.41</b>   | <b>248,216.17</b>    | <b>252,057.87</b>    |

\* Restated (Refer Note 66(A))

The accompanying notes (1 to 67) form an integral part of financial statements

For and on behalf of the Board of Directors

**Satyaprakash Dash**  
Company Secretary

**G Ravisankar**  
Director (Finance)  
DIN: 08816101

**R K Tyagi**  
Chairman & Managing Director  
DIN: 09632316

As per our report of even date

 For **S. RAMANAND AIYAR & CO**  
Chartered Accountants  
FRN : 000990N

 For **SAGAR & ASSOCIATES**  
Chartered Accountants  
FRN : 003510S

 For **SURESH SURANA & ASSOCIATES LLP**  
Chartered Accountants  
FRN : 121750W/W-100010

 For **G. D. APTE & CO**  
Chartered Accountants  
FRN : 100515W

**CA Puneet Jain**  
Partner  
M. No. 520928

**CA Ajay Kumar Mishra**  
Partner  
M. No. 205468

**CA Avilas Agarwal**  
Partner  
M. No. 062668

**CA C. M. Dixit**  
Partner  
M. No. 17532

Date: 22 May 2024

Place: Mumbai



**Standalone Statement of Profit and Loss for the year ended 31 March 2024**

(₹ in crore)

| Particulars  | Note No. | For the year ended 31 March 2024 | For the year ended 31 March 2023* |
|--|----------|----------------------------------|-----------------------------------|
| <b>Continuing Operations</b>   |          |                                  |                                   |
| Revenue From Operations  | 35       | 42,391.16                        | 42,635.90                         |
| Other Income   | 36       | 3,424.21                         | 2,591.62                          |
| <b>Total Income</b>  |          | <b>45,815.37</b>                 | <b>45,227.52</b>                  |
| <b>EXPENSES</b>  |          |                                  |                                   |
| Employee benefits expense  | 37       | 2,376.88                         | 2,400.35                          |
| Finance costs  | 38       | 9,046.87                         | 9,707.20                          |
| Depreciation and amortization expense  | 39       | 12,558.19                        | 12,858.52                         |
| Other expenses   | 40       | 3,259.46                         | 3,274.50                          |
| <b>Total expenses</b>  |          | <b>27,241.40</b>                 | <b>28,240.57</b>                  |
| <b>Profit before Tax and Regulatory Deferral Account Balances</b>                    |          | <b>18,573.97</b>                 | <b>16,986.95</b>                  |
| Tax expense:   |          |                                  |                                   |
| Current tax - Current Year   |          | 3,238.91                         | 2,948.58                          |
| - Earlier Years  |          | (2.48)                           | (73.76)                           |
| Deferred tax   | 26       | (604.45)                         | (755.98)                          |
|  |          | <b>2,631.98</b>                  | <b>2,118.84</b>                   |
| <b>Profit for the period before Regulatory Deferral Account Balances</b>             |          | <b>15,941.99</b>                 | <b>14,868.11</b>                  |
| Net movement in Regulatory Deferral Account Balances- Income/(Expenses) (net of tax) | 41       | (564.51)                         | 256.43                            |
| <b>Profit from Continuing Operations</b>   |          | <b>15,377.48</b>                 | <b>15,124.54</b>                  |
| Profit before Tax from Discontinued Operations                                       |          | 116.27                           | 227.74                            |
| Tax expense of discontinued operations   |          | 19.14                            | 16.74                             |
| <b>Profit from Discontinued Operations (refer note 65)</b>                           |          | <b>97.13</b>                     | <b>211.00</b>                     |
| <b>Profit for the period</b>   |          | <b>15,474.61</b>                 | <b>15,335.54</b>                  |
| <b>Other Comprehensive Income</b>  |          |                                  |                                   |
| <b>Continuing Operations</b>   |          |                                  |                                   |
| Items that will not be reclassified to profit or loss (net of tax)                   | 42       | (231.94)                         | (108.04)                          |
| <b>Discontinued Operations (refer note 65)</b>                                       |          |                                  |                                   |
| Items that will not be reclassified to profit or loss (net of tax)                   |          | (0.95)                           | 1.34                              |
| <b>Total Comprehensive Income from Continuing Operations</b>                         |          | <b>15,145.54</b>                 | <b>15,016.50</b>                  |
| <b>Total Comprehensive Income from Discontinued Operation (refer note 65)</b>        |          | <b>96.18</b>                     | <b>212.34</b>                     |
| <b>Total Comprehensive Income for the period</b>                                     |          | <b>15,241.72</b>                 | <b>15,228.84</b>                  |

**Standalone Statement of Profit and Loss for the year ended 31 March 2024 (Contd.)**

| Particulars  | Note No. | For the year ended 31 March 2024 | For the year ended 31 March 2023* |
|--|----------|----------------------------------|-----------------------------------|
| <b>Earnings per equity share from Continuing Operations (Face value of ₹10/- each)</b>                               | 60       |                                  |                                   |
| including movement in Regulatory Deferral Account Balances : Basic & Diluted (In ₹)                                  |          | 16.54                            | 16.26                             |
| excluding movement in Regulatory Deferral Account Balances : Basic & Diluted (In ₹)                                  |          | 17.15                            | 15.98                             |
| <b>Earnings per equity share from Discontinued Operations (Face value of ₹10/- each): Basic &amp; Diluted (In ₹)</b> | 60       | 0.10                             | 0.23                              |
| <b>Earnings per equity share from Continuing and Discontinued Operations (Face value of ₹10/- each)</b>              | 60       |                                  |                                   |
| including movement in Regulatory Deferral Account Balances : Basic & Diluted (In ₹)                                  |          | 16.64                            | 16.49                             |
| excluding movement in Regulatory Deferral Account Balances : Basic & Diluted (In ₹)                                  |          | 17.25                            | 16.21                             |

\* Restated (Refer Note 66(A))

The accompanying notes (1 to 67) form an integral part of financial statements

**For and on behalf of the Board of Directors**
**Satyaprakash Dash**  
Company Secretary

**G Ravisankar**  
Director (Finance)  
DIN: 08816101

**R K Tyagi**  
Chairman & Managing Director  
DIN: 09632316

**As per our report of even date**

 For **S. RAMANAND AIYAR & CO**  
Chartered Accountants  
FRN : 000990N

 For **SAGAR & ASSOCIATES**  
Chartered Accountants  
FRN : 003510S

 For **SURESH SURANA & ASSOCIATES LLP**  
Chartered Accountants  
FRN : 121750W/W-100010

 For **G. D. APTE & CO**  
Chartered Accountants  
FRN : 100515W

**CA Puneet Jain**  
Partner  
M. No. 520928

**CA Ajay Kumar Mishra**  
Partner  
M. No. 205468

**CA Avilas Agarwal**  
Partner  
M. No. 062668

**CA C. M. Dixit**  
Partner  
M. No. 17532

Date: 22 May 2024

Place: Mumbai

**Standalone Statement of Changes in Equity for the year ended 31 March 2024**
**A. Equity Share Capital**

(₹ in crore)

|   |                 |
|---|-----------------|
| As at 01 April 2023                     | 6,975.45        |
| Changes during the year (refer note 21) | 2,325.15        |
| <b>As at 31 March 2024</b>              | <b>9,300.60</b> |
| As at 01 April 2022                     | 6,975.45        |
| Changes during the year                 | -               |
| <b>As at 31 March 2023</b>              | <b>6,975.45</b> |

**B. Other Equity**

(₹ in crore)

| Particulars                               | Reserves and Surplus |                         |                        |                  |                   | Other Comprehensive Income                            | Total            |
|---|----------------------|-------------------------|------------------------|------------------|-------------------|---|------------------|
|   | Securities Premium   | Bond Redemption Reserve | Self Insurance Reserve | General Reserve  | Retained Earnings | Equity instruments through other comprehensive income |                  |
| <b>As at 01 April 2023</b>                | 7,834.43             | 4,168.17                | 1,047.96               | 58,457.37        | 3,989.19          | 371.61  | 75,868.73        |
| Profit for the year                       |                      |                         |                        |                  | 15,474.61         |   | 15,474.61        |
| Other Comprehensive Income                |                      |                         |                        |                  | (33.96)           | (198.93)  | (232.89)         |
| <b>Total Comprehensive Income</b>         |                      |                         |                        |                  | <b>15,440.65</b>  | <b>(198.93)</b>                                       | <b>15,241.72</b> |
| <b>Adjustments during the year</b>        |                      |                         |                        |                  |                   |   | -                |
| Transfer to General Reserve               |                      |                         |                        | 6,000.00         | (6,000.00)        |   | -                |
| Transfer from Bond Redemption Reserve     |                      | (1,247.15)              |                        |                  | 1,247.15          |   | -                |
| Utilised for issue of bonus equity shares | (2,325.15)           |                         |                        |                  |                   |   | (2,325.15)       |
| Transfer to Self Insurance Reserve        |                      |                         | 301.53                 |                  | (301.53)          |   | -                |
| Transfer from Self Insurance Reserve      |                      |                         | (108.86)               | 108.86           |                   |   | -                |
| Final Dividend F.Y. 2022-23               |                      |                         |                        |                  | (3,313.34)        |   | (3,313.34)       |
| Interim Dividend F.Y. 2023-24             |                      |                         |                        |                  | (7,905.51)        |   | (7,905.51)       |
| <b>As at 31 March 2024</b>                | <b>5,509.28</b>      | <b>2,921.02</b>         | <b>1,240.63</b>        | <b>64,566.23</b> | <b>3,156.61</b>   | <b>172.68</b>   | <b>77,566.45</b> |

**Standalone Statement of Changes in Equity for the year ended 31 March 2024 (Contd.)**
**B. Other Equity (contd.)**

(₹ in crore)

| Particulars                           | Reserves and Surplus |                         |                        |                  |                   | Other Comprehensive Income                            | Total            |
|---------------------------------------|----------------------|-------------------------|------------------------|------------------|-------------------|---|------------------|
|                                       | Securities Premium   | Bond Redemption Reserve | Self Insurance Reserve | General Reserve  | Retained Earnings | Equity instruments through other comprehensive income |                  |
| <b>As at 01 April 2022</b>            | 7,834.43             | 5,532.80                | 853.09                 | 50,352.82        | 4,110.89          | 492.09  | 69,176.12        |
| Add/(Less): Ind AS12 Adjustments      |                      |                         |                        |                  | 8.70              |   | 8.70             |
|                                       | 7,834.43             | 5,532.80                | 853.09                 | 50,352.82        | 4,119.59          | 492.09  | 69,184.82        |
| Profit for the year                   |                      |                         |                        |                  | 15,335.54         |   | 15,335.54        |
| Other Comprehensive Income            |                      |                         |                        |                  | 17.22             | (123.92)  | (106.70)         |
| <b>Total Comprehensive Income</b>     |                      |                         |                        |                  | <b>15,352.76</b>  | <b>(123.92)</b>                                       | <b>15,228.84</b> |
| <b>Adjustments during the year</b>    |                      |                         |                        |                  |                   |   | -                |
| Transfer to General Reserve           |                      |                         |                        | 8,000.00         | (8,000.00)        |   | -                |
| Transfer from Bond Redemption Reserve |                      | (1,364.63)              |                        |                  | 1,364.63          |   | -                |
| Transfer to Self Insurance Reserve    |                      |                         | 299.42                 |                  | (299.42)          |   | -                |
| Transfer from Self Insurance Reserve  |                      |                         | (104.55)               | 104.55           |                   |   | -                |
| Final Dividend F.Y. 2021-22           |                      |                         |                        |                  | (1,569.48)        |   | (1,569.48)       |
| Interim Dividend F.Y. 2022-23         |                      |                         |                        |                  | (6,975.45)        |   | (6,975.45)       |
| Other Adjustments                     |                      |                         |                        |                  | (3.44)            | 3.44  | -                |
| <b>As at 31 March 2023</b>            | <b>7,834.43</b>      | <b>4,168.17</b>         | <b>1,047.96</b>        | <b>58,457.37</b> | <b>3,989.19</b>   | <b>371.61</b>   | <b>75,868.73</b> |

The accompanying notes (1 to 67) form an integral part of financial statements

Refer to Note No 22 for nature and movement of Reserve and Surplus.

**For and on behalf of the Board of Directors**
**Satyaprakash Dash**  
Company Secretary

**G Ravisankar**  
Director (Finance)  
DIN: 08816101

**R K Tyagi**  
Chairman & Managing Director  
DIN: 09632316

**As per our report of even date**

 For **S. RAMANAND AIYAR & CO**  
Chartered Accountants  
FRN : 000990N

 For **SAGAR & ASSOCIATES**  
Chartered Accountants  
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 For **SURESH SURANA & ASSOCIATES LLP**  
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**CA Ajay Kumar Mishra**  
Partner  
M. No. 205468

**CA Avilas Agarwal**  
Partner  
M. No. 062668

**CA C. M. Dixit**  
Partner  
M. No. 17532

Date: 22 May 2024

Place: Mumbai



**Standalone Statement of Cash Flows for the year ended 31 March 2024**

(₹ in crore)

| Particulars   | For the year ended<br>31 March 2024 | For the year ended<br>31 March 2023 |
|---|-------------------------------------|-------------------------------------|
| <b>A. CASH FLOW FROM OPERATING ACTIVITIES</b>   |                                     |                                     |
| Profit Before Tax & Regulatory Deferral Account Balances (including discontinued operations)      | 18,690.24                           | 17,214.69                           |
| Add: Net movement in Regulatory Deferral Account Balances (net of tax)                            | (564.51)                            | 256.43                              |
| Add: Tax on Net movement in Regulatory Deferral Account Balances                                  | (119.51)                            | 54.29                               |
| <b>Profit Before Tax (including net movement in Regulatory Deferral Account Balances)</b>         | <b>18,006.22</b>                    | <b>17,525.41</b>                    |
| <b>Adjustment for :</b>   |                                     |                                     |
| Depreciation & amortization expenses  | 12,601.43                           | 12,939.88                           |
| Transfer from Grants in Aid   | (311.41)                            | (315.33)                            |
| Deferred revenue - Advance against Depreciation   | (130.24)                            | (151.56)                            |
| Provisions  | 200.76                              | 65.18                               |
| Changes in fair value of financial instruments through profit or loss                             | (13.05)                             | (27.90)                             |
| Net Loss on Disposal / Write off of Property, Plant & Equipment                                   | 19.99                               | 22.09                               |
| Deferred Foreign Currency Fluctuation Asset   | 415.85                              | (159.19)                            |
| Deferred Income from Foreign Currency Fluctuation   | (273.94)                            | 1,116.10                            |
| Regulatory Deferral Account Debit Balances  | 684.02                              | (310.72)                            |
| Finance Costs   | 9,062.58                            | 9,744.25                            |
| Provisions Written Back   | (95.65)                             | (29.93)                             |
| FERV loss / (gain)  | 41.97                               | 268.20                              |
| Gain on sale/Change in Fair Value of Current Investment Measured at FVPL                          | (9.46)                              | -                                   |
| Interest income on Deposits, Bonds and loans to Subsidiaries & Joint Ventures (JVs), PG InvIT etc | (1,739.17)                          | (1,265.48)                          |
| Surcharge income  | (131.25)                            | (163.54)                            |
| Income from finance lease   | (72.25)                             | (150.80)                            |
| Dividend income   | (1,038.17)                          | (671.71)                            |
|   | <b>19,212.01</b>                    | <b>20,909.54</b>                    |
| <b>Operating profit before Changes in Assets and Liabilities</b>                                  | <b>37,218.23</b>                    | <b>38,434.95</b>                    |
| <b>Adjustment for Changes in Assets and Liabilities:</b>  |                                     |                                     |
| (Increase)/Decrease in Inventories  | 9.51                                | 25.96                               |
| (Increase)/Decrease in Trade Receivables  | 3,364.35                            | (1,847.06)                          |
| (Increase)/Decrease in Other Financial Assets   | (2,850.22)                          | 4,216.70                            |
| (Increase)/Decrease in Other Non-current Assets   | (18.68)                             | 1.25                                |
| (Increase)/Decrease in Other Current Assets   | (14.04)                             | (6.12)                              |
| Increase/(Decrease) in Liabilities & Provisions   | 328.75                              | (189.22)                            |
|   | <b>819.67</b>                       | <b>2,201.51</b>                     |
| <b>Cash generated from operations</b>   | <b>38,037.90</b>                    | <b>40,636.46</b>                    |

**Standalone Statement of Cash Flows for the year ended 31 March 2024 (Contd.)**

(₹ in crore)

| Particulars   | For the year ended<br>31 March 2024 | For the year ended<br>31 March 2023 |
|---|-------------------------------------|-------------------------------------|
| Direct taxes paid   | (3,247.77)                          | (2,797.04)                          |
| <b>Net Cash from Operating Activities</b>   | <b>34,790.13</b>                    | <b>37,839.42</b>                    |
| <b>B. CASH FLOW FROM INVESTING ACTIVITIES</b>   |                                     |                                     |
| Property, Plant & Equipment and Capital Work in Progress (Including Advances for Capital Expenditure) | (5,511.80)                          | (4,404.60)                          |
| Receipt of Grant  | 0.29                                | 0.35                                |
| Investment in Mutual Funds  | (2,080.00)                          | -                                   |
| Sale of Mutual Funds  | 1,483.92                            | -                                   |
| Investments in Subsidiaries, JVs & others (Net)   | (1,042.69)                          | (358.83)                            |
| Loans & Advances to Subsidiaries, JVs & Associates (Including repayments)                             | (4,650.02)                          | (3,089.78)                          |
| Financial lease receipts  | 217.59                              | 132.33                              |
| Bank balances other than cash and cash equivalents  | (1,913.50)                          | (45.53)                             |
| Interest received on Deposits, Bonds and Loans to Subsidiaries & JVs, PG InvIT etc                    | 1,748.70                            | 1,200.14                            |
| Surcharge received  | 275.95                              | 192.79                              |
| Dividend received   | 1,038.02                            | 671.71                              |
| <b>Net Cash from/(used in) Investing Activities</b>   | <b>(10,433.54)</b>                  | <b>(5,701.42)</b>                   |
| <b>C. CASH FLOW FROM FINANCING ACTIVITIES</b>   |                                     |                                     |
| Proceeds from non current borrowings  | 8,053.00                            | 9,140.44                            |
| Repayment of non current borrowings   | (13,440.72)                         | (15,540.65)                         |
| Proceeds/repayment of current borrowings  | 70.91                               | (6,857.62)                          |
| Repayment of Lease Liabilities (Including interest)   | (6.25)                              | (8.82)                              |
| Finance Costs paid  | (9,339.19)                          | (8,637.65)                          |
| Dividend paid   | (11,218.85)                         | (8,544.93)                          |
| Expenses paid towards issue of bonus shares   | (1.18)                              | -                                   |
| <b>Net Cash used in Financing Activities</b>  | <b>(25,882.28)</b>                  | <b>(30,449.23)</b>                  |
| <b>D. Net change in Cash and Cash equivalents (A+B+C)</b>   | <b>(1,525.69)</b>                   | <b>1,688.77</b>                     |
| E. Cash and Cash equivalents (Opening balance)  | 4,146.24                            | 2,457.47                            |
| F. Cash and Cash equivalents (Closing balance) (Refer Note No 15)*                                    | 2,620.55                            | 4,146.24                            |

The accompanying notes (1 to 67) form an integral part of financial statements.

\* Includes ₹ 622.93 crore (Previous Year ₹ 1048.54 crore) held in designated accounts which is not available for use by the Company.

Refer Note No. 65 'Discontinued Operations' for further disclosures on transfer of Telecom business.

**Further Notes:**

- Cash and cash equivalents consist of cheques, drafts, stamps in hands, balances with banks and deposits with original maturity of upto three months.
- Previous year figures have been re-grouped / re-arranged wherever necessary.
- Reconciliation between the opening and closing balances in the balance sheet for liabilities arising from financing activities.

**Standalone Statement of Cash Flows for the year ended 31 March 2024 (Contd.)**

(₹ in crore)

| Particulars                                    | Finance lease obligations | Non-current borrowings# | Current borrowings |
|--|---------------------------|-------------------------|--------------------|
| As at 01 April 2023                            | 65.72                     | 128,851.49              | 2,622.61           |
| Net Cash Flows during the year                 | (6.25)                    | (14,298.54)             | 70.91              |
| Non-cash changes due to :                      |                           |                         |                    |
| - Adjustments/Acquisitions under finance lease | (18.05)                   |                         |                    |
| - Interest on borrowings                       |                           | 8,865.07                |                    |
| - Variation in exchange rates                  |                           | 247.92                  |                    |
| - Fair value adjustments                       |                           | (3.96)                  |                    |
| <b>As at 31 March 2024</b>                     | <b>41.42</b>              | <b>123,661.98</b>       | <b>2,693.52</b>    |

(₹ in crore)

| Particulars                                    | Finance lease obligations | Non-current borrowings# | Current borrowings |
|--|---------------------------|-------------------------|--------------------|
| As at 01 April 2022                            | 29.78                     | 132,147.04              | 9,480.23           |
| Net Cash Flows during the year                 | (8.82)                    | (14,514.55)             | (6,857.62)         |
| Non-cash changes due to :                      |                           |                         |                    |
| - Adjustments/Acquisitions under finance lease | 44.76                     |                         |                    |
| - Interest on borrowings                       |                           | 8,285.51                |                    |
| - Variation in exchange rates                  |                           | 2,929.84                |                    |
| - Fair value adjustments                       |                           | 3.65                    |                    |
| <b>As at 31 March 2023</b>                     | <b>65.72</b>              | <b>128,851.49</b>       | <b>2,622.61</b>    |

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

**For and on behalf of the Board of Directors**
**Satyaprakash Dash**  
Company Secretary

**G Ravisankar**  
Director (Finance)  
DIN: 08816101

**R K Tyagi**  
Chairman & Managing Director  
DIN: 09632316

**As per our report of even date**

 For **S. RAMANAND AIYAR & CO**  
Chartered Accountants  
FRN : 000990N

 For **SAGAR & ASSOCIATES**  
Chartered Accountants  
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Partner  
M. No. 062668

**CA C. M. Dixit**  
Partner  
M. No. 17532

Date: 22 May 2024

Place: Mumbai

**Notes to Standalone Financial Statements**
**1. Corporate and General Information**

Power Grid Corporation of India Limited ('the Company') is a public company domiciled and incorporated in India under the provisions of The Companies Act and its shares are listed on the National Stock Exchange (NSE) and BSE Limited (BSE) in India. The registered office of the Company is situated at B-9, Qutab Institutional Area, Katwaria Sarai, New Delhi, India and its Corporate Office is located at Saudamini, Plot No.2, Sector-29, Gurgaon, Haryana.

The Company is notified as the deemed transmission licensee under The Electricity Act, 2003. It is principally engaged in implementation, operation and maintenance of Inter-State Transmission System (ISTS), Telecom and consultancy services.

The financial statements of the company for the year ended 31 March 2024 were approved for issue by the Board of Directors on 22 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 following which have been measured at fair value:

- Certain financial assets and liabilities measured at fair value (refer Note no. 2.13 for accounting policy regarding financial instruments),
- Defined benefit plans – plan assets measured at fair value.

**iii) Functional and presentation currency**

The financial statements are presented in Indian Rupees (Rupees or ₹), which is the Company's functional and presentation currency and all amounts are rounded to the nearest crore and two decimals thereof, except as stated otherwise.

**iv) Use of estimates**

The preparation of financial statements requires estimates and assumptions that affect the reported amount of assets, liabilities, revenue and expenses during the reporting period. Although, such estimates and assumptions are made on a reasonable and prudent basis taking into account all available information, actual results could differ from these estimates. The estimates and underlying assumptions are reviewed on an on-going basis. Revisions to accounting estimates are recognised in the period in which the estimate is revised if the revision effects only that period or in the period of the revision and future periods if the revision affects both current and future years (refer Note no. 3 on critical accounting estimates, assumptions and judgments).

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

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

An asset is current when it is:

- Expected to be realised or intended to be sold or consumed in normal operating cycle;
- Held primarily for the purpose of trading;
- Expected to be realised 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 recognises twelve months period as its operating cycle.

## 2.2 Property, Plant and Equipment

The Company had opted to consider the carrying value of Property, Plant and Equipment as per previous GAAP on the date of transition to Ind AS (1st April, 2015) to be the deemed cost as per Ind AS 101 'First time Adoption of Indian Accounting Standards'.

### Initial Recognition and Measurement

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

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

Assets and systems common to more than one transmission system are capitalised on the basis of technical estimates/ assessments.

Transmission system assets are considered as ready for intended use from the date of commercial operation declared or approved in terms of CERC Tariff Regulations and capitalised accordingly.

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

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

Spares parts whose cost is ₹5,00,000/- and above, standby equipment and servicing equipment which meets the recognition criteria of Property, Plant and Equipment are capitalised.

The acquisition or construction of some items of property, plant and equipment although not

directly increasing the future economic benefits of any particular existing item of property, plant and equipment, may be necessary for the company to obtain future economic benefits from its other assets. Such items are recognised as property, plant and equipment.

### Subsequent costs

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

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

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

### Derecognition

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

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

## 2.3 Capital Work-In-Progress (CWIP)

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

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

Interest during construction and expenditure (net) allocated to construction as per policy above are kept as a separate item under CWIP and

apportioned to the assets being capitalised 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

The Company had opted to consider the carrying value of Intangible Assets as per previous GAAP on the date of transition to Ind AS (1st April, 2015) to be the deemed cost as per Ind AS 101 'First time Adoption of Indian Accounting Standards'.

Intangible assets with finite useful life that are acquired separately are carried at cost less any accumulated amortisation and accumulated impairment losses.

Subsequent expenditure on already capitalised 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 recognised as an intangible asset when the same is ready for its use.

Afforestation charges for acquiring right-of-way for laying transmission lines are accounted for as intangible assets on the date of capitalisation of related transmission lines.

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

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

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

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

## 2.5 Investment property

The Company had opted to consider the carrying value of Investment Property as per previous GAAP on the date of transition to Ind AS (1st April, 2015) to be the deemed cost as per Ind AS 101 'First time Adoption of Indian Accounting Standards'.

Investment property comprises portions of land and/or buildings that are held for long term rental yields and/or for capital appreciation.

Investment properties are initially measured at cost, including transaction costs. Subsequent to initial recognition, investment properties are carried at cost less accumulated depreciation and accumulated impairment loss, if any.

Transfers to or from investment property is made when there is a change in use i.e. an asset meets or ceases to meet the definition of investment property and there is evidence of the change in use.

Investment properties are derecognised either when they have been disposed off or when they are permanently withdrawn from use and no future economic benefit is expected from their disposal. The difference between the net disposal proceeds and the carrying amount of the asset is recognised as profit or loss in the period of derecognition.

## 2.6 Depreciation / Amortisation

### Property, Plant and Equipment

Depreciation/amortisation on the items of property, plant and equipment related to transmission business is provided on straight line method following the rates and methodology notified by the CERC for the purpose of recovery of tariff and on property, plant and equipment of telecom and consultancy business is provided on straight line method as per useful life specified in Schedule II of the Companies Act, 2013 except for property, plant and equipment specified in the following paragraphs.

ULDC assets commissioned prior to 1st April 2014 are depreciated on Straight Line Method @ 6.67% per annum. Such assets commissioned on or after 1st April 2014 are depreciated on straight line method following the rates and methodology notified by the CERC for the purpose of recovery of tariff.

In the case of property, plant and equipment of National Thermal Power Corporation Limited (NTPC), National Hydro-Electric Power Corporation Limited (NHPC), North-Eastern Electric Power Corporation Limited (NEEPCO), Neyveli Lignite Corporation Limited (NLC) transferred w.e.f. April 1, 1992, Jammu and Kashmir Lines w.e.f. April 1, 1993, and Tehri Hydro Development Corporation Limited (THDC) w.e.f. August 1, 1993, depreciation is charged

based on gross block as indicated in transferor's books with necessary adjustments so that the life of the assets as laid down in the CERC notification for tariff is maintained.

Depreciation on spares parts, standby equipment and servicing equipment which are capitalised, is provided on straight line method from the date they are available for use over the remaining useful life of the related assets of transmission business, following the rates and methodology notified by the CERC.

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

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

Residual value of above assets is considered as Nil.

Mobile phones are charged off in the year of purchase.

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

Where the cost of depreciable property, plant and equipment has undergone a change due to increase/decrease in long term monetary items on account of exchange rate fluctuation, price adjustment, change in duties or similar factors, the unamortised balance of such asset is depreciated prospectively at the rates and methodology as specified by the CERC Tariff Regulations, except for telecom and consultancy business assets where residual life is determined on the basis of useful life of property, plant and equipment as specified in Schedule II of the Companies Act, 2013.

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 other than items of property, plant and equipment related to transmission business 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 amortised over lease period or life of the related plant whichever is lower in accordance with the rates and methodology

specified in CERC Tariff Regulation. Leasehold land acquired on perpetual lease is not amortised.

**Intangible Assets**

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

Afforestation charges are amortised over thirty five years from the date of capitalisation of related transmission assets following the rates and methodology notified by Central Electricity Regulatory Commission (CERC) Tariff Regulations.

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

Expenditure on development of 1200kv Transmission System shall be amortised over a period of 10 years.

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

**2.7 Borrowing Costs**

All the borrowed funds (except short term funds for working capital) are earmarked to specific projects. The borrowing costs (including bond issue expenses, interest, discount on bonds, front end fee, guarantee fee, management fee etc.) are allocated to the projects in proportion to the funds so earmarked.

Exchange differences arising from foreign currency borrowing to the extent regarded as an adjustment to interest costs are treated as borrowing cost.

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

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

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

Impairment losses recognised 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 amortisation, if no impairment loss had been recognised.

**2.9 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.

**2.10 Inventories**

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

Spares which do not meet the recognition criteria as Property, Plant and Equipment, including spare parts whose cost is less than ₹5,00,000/- are recorded as inventories.

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

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

**2.11 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 recognises the lease payments on straight-line basis over the term of the lease.

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

The right-of-use assets are initially recognised 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 2.8 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 capitalisation as per accounting policy 2.7 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.

State sector Unified Load Dispatch Centre (ULDC)/ Fiber Optic Communication Assets (FOC)/Bilateral line assets leased to the beneficiaries are considered as Finance Lease. Net investment in such leased assets are recorded as receivable at the lower of the fair value of the leased property and the present value of the minimum lease payments along with accretion in subsequent years is accounted for as Lease Receivables under current and non-current other financial assets. Wherever grant-in-aid is received for construction of State Sector ULDC, lease receivable is accounted for net of such grant.

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 as per the tariff notified by CERC.

FERV on foreign currency loans relating to leased assets is adjusted to the amount of lease receivables and is amortised over the remaining tenure of lease. FERV recovery (as per CERC norms) from the constituents is recognised net of such amortised amount.

**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 capitalised as property, plant and equipment and depreciated over its economic life. Rental income from operating lease is recognised over the term of the arrangement.

**2.12 Employee benefits**

**2.12.1 Defined contribution plans**

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

The Company has a defined contribution pension scheme which is administered through a separate trust. The obligation of the Company is to contribute to the trust to the extent of amount not exceeding 30% of basic pay and dearness allowance less employer's contribution towards provident fund, gratuity, post-retirement medical facility (PRMF) or any other retirement benefits. The contributions to the fund for the year are recognised as an expense and charged to the statement of profit and loss.

**2.12.2 Defined benefit plans**

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

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

The Company pays fixed contribution to Provident Fund at predetermined rates to a separate trust, which invests the funds in permitted securities. The contributions to the fund for the year are recognised as expense and are charged to the statement of profit and loss. The obligation of the Company is limited to such fixed contributions and to ensure a minimum rate of interest on contributions to the members as specified by the Government of India (GoI).

The Company has schemes for payment of baggage allowance towards expenses for settlement at hometown for the superannuated

employees & their dependents and for providing a Long Service Award to all regular employees of the Company on superannuation.

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

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

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

**2.12.3 Other long-term employee benefits**

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

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

losses are recognised in the statement of profit and loss in the period in which they arise.

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

**2.12.4 Short-term benefits**

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

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

**2.13 Financial instruments**

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

**Financial Assets**

**Classification**

The Company classifies its financial assets in the following categories:

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

The classification depends on the following:

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

**Initial recognition and measurement**

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

**Subsequent measurement**

**Debt Instruments at Amortised cost:** Assets that are held for collection of contractual cash

flows where those cash flows represent solely payments of principal and interest are measured at amortised cost. A gain or loss on a debt investment that is subsequently measured at amortised cost is recognised in profit or loss when the asset is derecognised or impaired. Interest income from these financial assets is included in finance income using the effective interest rate method.

**Debt Instruments at Fair value through other comprehensive income (FVOCI):** Assets that are held for collection of contractual cash flows and for selling the financial assets, where the assets' cash flows represent solely payments of principal and interest, are measured at fair value through other comprehensive income (FVOCI). On derecognition of the asset, cumulative gain or loss previously recognised in OCI is reclassified from the equity to profit and loss. Interest income from these financial assets is included in finance income using the effective interest rate method.

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

#### Equity investments

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

For equity instruments classified as at FVOCI, all fair value changes on the instrument, excluding dividends are recognised 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 derecognised only when

- i) The right to receive cash flows from the asset have expired, or
- ii) a) The company has transferred the rights to receive cash flows from the financial asset (or) retains the contractual rights to receive the cash flows of the financial assets, but assumes a contractual obligation to pay the cash flows to one or more recipients and  
b) the company has transferred substantially all the risks and rewards of the asset (or) the

company has neither transferred nor retained substantially all the risks and rewards of the asset, but has transferred control of the asset.

The difference between the carrying amount and the amount of consideration received/receivable is recognised in the Statement of Profit and Loss.

#### Impairment of financial assets:

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

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

#### Financial Liabilities

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

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

#### Classification, initial recognition and measurement

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

#### Subsequent measurement

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

Gains and losses are recognised in Statement of Profit and Loss when the liabilities are derecognised.

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

#### Derecognition of financial liability

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

#### Offsetting of financial instruments

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

#### 2.14 Investment in Subsidiaries

A subsidiary is an entity controlled by the Company. Control exists when the Company has power over the entity, is exposed, or has rights to variable returns from its involvement with the entity and has the ability to affect those returns by using its power over the entity.

Power is demonstrated through existing rights that give the ability to direct relevant activities, those which significantly affect the entity's returns.

Investments in subsidiaries are carried at cost less impairment, if any. The cost comprises price paid to acquire investment and directly attributable cost.

#### 2.15 Investment in Joint Ventures and Associates

A joint venture is a type of joint arrangement whereby the parties that have joint control of the arrangement have rights to the net assets of the joint venture. Joint control is the contractually agreed sharing of control of an arrangement, which exists only when decisions about the relevant activities require unanimous consent of the parties sharing control.

The investment in joint ventures and associates are carried at cost less impairment, if any. The cost

comprises price paid to acquire investment and directly attributable cost.

#### 2.16 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 recognised in the financial statements, whichever is earlier. In case the transaction is recognised in stages, then transaction date is established for each stage.

Foreign exchange gains and losses (other than related to foreign currency loans outstanding) are presented in the statement of profit and loss on a net basis within other gains/ (losses).

The Company has availed the exemption available in Ind AS 101, to continue the policy adopted for accounting for exchange differences arising from translation of long-term foreign currency monetary liabilities outstanding as on March 31, 2016.

##### Foreign currency loans outstanding as on March 31, 2016:

Foreign Exchange Rate Variation (FERV) arising on settlement / translation of such foreign currency loans relating to property, plant and equipment/ capital work-in-progress is adjusted to the carrying cost of related assets and is recoverable/payable from the beneficiaries on actual payment basis as per Central Electricity Regulatory Commission (CERC) norms w.e.f. 1st April, 2004 or Date of Commercial Operation (DOCO) whichever is later. The above FERV to the extent recoverable or payable as per the CERC norms is accounted for as follows:

- i) FERV recoverable/payable adjusted to carrying cost of property, plant and equipment is accounted for as 'Deferred foreign currency fluctuation asset/liability a/c' with a corresponding credit/debit to 'Deferred income/expense from foreign currency fluctuation a/c'.



ii) 'Deferred income/expenditure from foreign currency fluctuation a/c' is amortised in the proportion in which depreciation is charged on such FERV.

iii) The amount recoverable/payable as per CERC norms on year to year basis is adjusted to the 'Deferred foreign currency fluctuation asset/liability a/c' with corresponding debit / credit to the trade receivables.

FERV earlier charged to Statement of Profit and Loss & included in the capital cost for the purpose of tariff is adjusted against 'Deferred foreign currency fluctuation asset/liability a/c'.

FERV arising out of settlement/translation of long term monetary items (other than foreign currency loans) relating to Property Plant & Equipment /CWIP is adjusted in the carrying cost of related assets.

FERV arising during the construction period from settlement/translation of monetary items (other than non-current loans) denominated in foreign currency to the extent recoverable/payable to the beneficiaries as capital cost as per CERC tariff Regulation are accounted as Regulatory Deferral Account Balances. Transmission charges recognised on such amount is adjusted against above account. Other exchange differences are recognised as income or expenses in the period in which they arise.

**Foreign currency loans drawn on or after April 1, 2016:**

Exchange differences arising from foreign currency borrowing to the extent regarded as an adjustment to interest costs are treated as borrowing cost. Other exchange differences are recognised in the Statement of Profit and Loss.

Exchange difference to the extent recoverable as per CERC tariff regulations are recognised as Regulatory Deferral Account Balances through Statement of Profit and Loss.

**2.17 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.

Deferred tax assets include Minimum Alternative Tax (MAT) paid in accordance with the tax laws in India, which is likely to give future economic benefits in the form of availability of set off against future income tax liability. MAT is recognised as deferred tax asset in the balance sheet when the asset can be measured reliably and it is probable that the future economic benefit associated with the asset will be realised.

**2.18 Regulatory Deferral Account Balances**

Certain expenses and income, allowed under CERC regulations to be reimbursed by/passed on to beneficiaries in future, are to be accounted in the Statement of Profit and Loss as per the provisions of Ind AS 114 'Regulatory Deferral Accounts' and Guidance Note on "Accounting for Rate Regulated Activities" issued by the Institute of Chartered Accountants of India (ICAI). Such expenses and income, to the extent recoverable /payable as part of tariff under CERC Regulations are treated as Regulatory Deferral Assets/Liabilities.

The Company presents separate line items in the Balance Sheet for:

- (a) the total of all Regulatory Deferral Account Debit Balances; and

- (b) the total of all Regulatory Deferral Account Credit Balances.

A separate line item is presented in the profit or loss section of the Statement of Profit and Loss for the net movement in all Regulatory Deferral Account Balances for the reporting period.

Regulatory deferral accounts balances are adjusted in the year in which the same become recoverable from or payable to the beneficiaries.

**2.19 Revenue**

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

**Significant Financing Component**

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

**2.19.1 Revenue from Operations**

**Transmission**

Transmission Income is accounted for based on tariff orders notified by the CERC. In case of transmission projects where final tariff orders are yet to be notified, transmission income is accounted for on provisional basis as per tariff regulations and orders of the CERC in similar cases. Difference, if any, is accounted on issuance of final tariff orders by the CERC. Transmission Income in respect of additional capital expenditure incurred after the date of commercial operation is accounted for based on expenditure incurred on year to year basis as per CERC tariff regulations. As at each reporting date, transmission income includes an accrual for services rendered to the customers but not yet billed.

Rebates allowed to beneficiaries as early payment incentives are deducted from the amount of revenue.

The Transmission system incentive / disincentive is accounted for based on certification of availability by the respective Regional Power Committees (RPCs) and in accordance with the CERC tariff regulations. Where certification by RPCs is not available, incentive/disincentive is accounted for on provisional basis as per estimate of availability by the company and differences, if any is accounted upon certification by RPCs.

Advance against depreciation (AAD), forming part of tariff pertaining upto the block period 2004-09, to facilitate repayment of loans, was reduced from transmission income and considered as deferred income to be included in transmission income in subsequent years. The outstanding deferred income in respect of AAD is recognised as transmission income, after twelve years from the end of the financial year in which the asset was commissioned, to the extent depreciation recovered in the tariff during the year is lower than depreciation charged in the accounts.

**Telecom Services**

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

**Consultancy Services**

In respect of 'Cost-plus-consultancy contracts', involving execution on behalf of the client, revenue is recognised in proportion to the stage of completion of the work performed at the reporting date, which is determined based on input method.

Income from other consultancy contracts are accounted for on technical assessment of progress of services rendered.

**2.19.2 Other Income**

Interest income is recognised, 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 recognised when no significant uncertainty as to measurability and collectability exists.

Income from Scrap is accounted for as and when sold.

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

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

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

**2.20 Government Grants**

Grants-in-aid from Central Government or other authorities towards capital expenditure for projects,

betterment of transmission systems 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 recognised 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 are recognised over the period in which the related costs are incurred and deducted from the related expenses.

### 2.21 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.

### 2.22 Provisions and Contingencies

#### a) Provisions

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

#### b) Contingencies

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

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

Contingent assets are possible assets that arise from

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

### 2.23 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.

Self-insurance reserve is created @ 0.12% p.a. on Original Gross Block of Property, Plant and Equipment (including considered as Lease receivables) and value of Inventory except ROU assets and assets covered under insurance as at the end of the year by appropriation of current year profit to mitigate future losses from un-insured risks and for taking care of contingencies in future by procurement of towers and other transmission line materials including strengthening of towers and equipment of AC substation. The Reserve created as above is shown as "Self Insurance Reserve" under 'Other Equity'.

### 2.24 Prior Period Items

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

### 2.25 Operating Segments

The Board of Directors is the Company's 'Chief Operating Decision Maker' or 'CODM' within the meaning of Ind AS 108 'Operating Segments'. CODM monitors the operating results of its business segments separately for the purpose of making decisions about resource allocation and performance assessment. Segment performance is evaluated based on profit or loss and is measured consistently with profit or loss in the financial statements.

The operating segments have been identified on the basis of the nature of products / services.

- Segment revenue includes sales and other income directly identifiable with / allocable to the segment including inter-segment transactions.
- Expenses that are directly identifiable with / allocable to segments are considered for determining the segment result. Expenses

which relate to the Company as a whole and not allocable to segments are included under unallocable expenditure.

- Income which relates to the Company as a whole and not allocable to segments is included in unallocable income.
- Segment assets and liabilities include those directly identifiable with the respective segments. Unallocable assets and liabilities represent the assets and liabilities that relate to the Company as a whole and not allocable to any segment.
- Segment capital expenditure is the total cost incurred during the period to acquire property, plant and equipment, and intangible assets.

### 2.26 Earnings per Share

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

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

Additionally, basic and diluted earnings per share are computed using the earnings amounts excluding the movements in Regulatory Deferral Account Balances.

### 2.27 Statement of Cash Flows

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

### 2.28 Non-current assets (or disposal groups) held for sale and Discontinued Operation

Non-current assets and disposal groups are classified as held for sale if their carrying amount will be recovered principally through a sale transaction rather than through continuing use. This condition is regarded as met only when the asset (or disposal group) is available for immediate sale in its present condition subject only to terms that are usual and customary for sale of such assets (or disposal groups) and its sale is highly probable.

Assets and liabilities classified as held for sale are measured at the lower of their carrying amount and fair value less costs to sell and presented separately in the Balance Sheet. An impairment loss is recognised for any initial or subsequent write-down of the asset (or disposal group) to fair

value less costs to sell. A gain is recognised for any subsequent increases in fair value less costs to sell of an asset (or disposal group), but not in excess of any cumulative impairment loss previously recognised. A gain or loss not previously recognised by the date of the sale of the non-current asset (or disposal group) is recognised at the date of de-recognition.

A discontinued operation is a component of the company that comprises the operations and cash flows of which can be clearly distinguished from the rest of the Company which either has been disposed of, or classified as held for sale, and

- represents a separate major line of business or geographic area of operations;
- is part of a single co-ordinated plan to dispose of a separate major line of business or geographic area of operations; or
- is a subsidiary acquired exclusively with a view to resale.

Discontinued operations are excluded from the results of continuing operations and are presented as a single amount as profit or loss after tax from discontinued operations in the statement of profit and loss.

## 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:**

#### Revenue Recognition:

Transmission income is accounted for based on tariff orders notified by the CERC. In case of transmission projects where final tariff orders are yet to be notified, transmission income is accounted for as per tariff regulations and other orders of the CERC in similar cases. Differences, if any, are accounted on issuance of final tariff orders by the CERC. Transmission income in respect of additional capital expenditure incurred after the date of commercial operation is accounted for based on expenditure incurred on year to year basis as per CERC tariff regulations.

#### Regulatory Deferral Balances:



Recognition of Regulatory Deferral Balances involves significant judgments including about future tariff regulations since these are based on estimation of the amounts expected to be recoverable/payable through tariff in future.

**Estimation of defined benefit obligation:**

Estimation of defined benefit obligation involves certain significant actuarial assumptions which are listed in Note 63.

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

**Useful life of property, plant and equipment:**

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

The Company reviews at the end of each reporting date the useful life of plant and equipment, other than the assets of transmission business which are governed by CERC Regulations, and are adjusted prospectively, if appropriate.

**Provisions and contingencies:**

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

**Assets held for sale:**

Significant judgment is required to apply the accounting of non-current assets held for sale under Ind AS 105 – "Non-current assets held for sale and discontinued operations". In assessing the applicability, management has exercised judgment to evaluate the availability of the asset for immediate sale, management's commitment for the sale and probability of sale within one year to conclude if their carrying amount will be recovered principally through a sale transaction rather than through continuing use.

**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.

**Note 4: Property Plant and Equipment**

| Particulars   | Cost                |                           |                 | Accumulated depreciation   |                     |                     | Net Book Value      |                     |
|---|---------------------|---------------------------|-----------------|----------------------------|---------------------|---------------------|---------------------|---------------------|
|   | As at 01 April 2023 | Additions during the year | Disposal        | Adjustment during the year | As at 31 March 2024 | As at 31 March 2024 | As at 31 March 2023 | As at 31 March 2023 |
| <b>Land</b>   |                     |                           |                 |                            |                     |                     |                     |                     |
| Freehold  | 2,332.69            | 130.28                    | -               | (8.85)                     | 2,471.82            | -                   | 2,471.82            | 2,332.69            |
| <b>Buildings</b>                                      |                     |                           |                 |                            |                     |                     |                     |                     |
| a) Sub-Stations & Office                              | 3,018.10            | 51.75                     | -               | 4.36                       | 3,065.49            | 108.77              | 2,459.83            | 2,520.14            |
| b) Township   | 853.03              | 80.74                     | -               | -                          | 933.77              | 36.08               | 689.07              | 645.41              |
| Temporary Erection                                    | 1.81                | 0.02                      | -               | -                          | 1.83                | 0.02                | -                   | -                   |
| Roads & Bridges                                       | 322.41              | 8.26                      | -               | (0.21)                     | 330.88              | 12.52               | 248.69              | 252.74              |
| Water Supply Drainage & Sewerage                      | 197.39              | 3.69                      | -               | (0.47)                     | 201.55              | 7.66                | 154.21              | 157.76              |
| <b>Plant &amp; Equipment</b>                          |                     |                           |                 |                            |                     |                     |                     |                     |
| a) Transmission                                       | 147,477.58          | 308.55                    | 15.43           | (89.51)                    | 147,860.21          | 7,409.66            | 90,070.92           | 97,083.75           |
| b) Sub-station  | 93,170.30           | 2,810.15                  | 24.18           | (93.25)                    | 96,049.52           | 5,025.34            | 61,915.82           | 64,052.93           |
| c) Unified Load Despatch & Communication              | 1,878.67            | 322.19                    | -               | (499.31)                   | 2,700.17            | 111.71              | 1,648.69            | 1,308.15            |
| d) Telecom  | 1,621.97            | 51.52                     | 1,116.01        | 557.48                     | -                   | 27.14               | -                   | 799.37              |
| e) Unified Network Management System                  | -                   | 146.85                    | -               | -                          | 146.85              | 7.32                | 139.53              | -                   |
| Furniture Fixtures                                    | 204.01              | 17.57                     | 3.84            | (2.79)                     | 220.53              | 23.62               | 108.31              | 114.31              |
| Vehicles  | 5.43                | 0.60                      | 0.21            | (0.20)                     | 6.02                | 0.51                | 3.22                | 3.37                |
| Office equipment                                      | 331.59              | 30.04                     | 7.20            | 2.12                       | 352.31              | 33.76               | 124.14              | 132.66              |
| Electronic Data Processing & Word Processing Machines | 237.44              | 24.22                     | 10.80           | (26.57)                    | 277.43              | 33.95               | 31.15               | 39.03               |
| Construction and Workshop equipment                   | 623.94              | 5.76                      | 1.00            | (4.82)                     | 633.52              | 33.07               | 429.40              | 454.57              |
| Electrical Installation                               | 180.91              | 8.33                      | 0.05            | (2.17)                     | 191.36              | 9.78                | 121.64              | 121.12              |
| Laboratory Equipments                                 | 92.46               | 1.23                      | 0.09            | -                          | 93.60               | 4.66                | 57.97               | 61.46               |
| Workshop & Testing Equipments                         | 379.66              | 10.18                     | 0.27            | (0.06)                     | 389.63              | 20.29               | 271.78              | 282.06              |
| Miscellaneous Assets/Equipments                       | 0.71                | 0.10                      | -               | -                          | 0.81                | 0.06                | 0.70                | 0.66                |
| <b>Right-of-use (ROU) Assets</b>                      |                     |                           |                 |                            |                     |                     |                     |                     |
| a) ROU Assets- Leasehold Land                         | 511.34              | 1.27                      | 0.21            | (0.06)                     | 512.46              | 18.73               | 388.12              | 405.55              |
| b) ROU Asset- Buildings                               | 13.70               | 1.58                      | 3.24            | 0.06                       | 11.98               | 2.11                | 3.63                | 4.75                |
| c) ROU Asset- Vehicles                                | 6.03                | 0.01                      | -               | -                          | 6.04                | 1.21                | 4.53                | 5.73                |
| d) ROU Asset- Plant & Machinery- Telecom              | 23.55               | (0.00)                    | 23.40           | 0.15                       | -                   | 0.77                | -                   | 23.15               |
| <b>Total</b>  | <b>253,484.72</b>   | <b>4,014.89</b>           | <b>1,205.93</b> | <b>(164.10)</b>            | <b>256,457.78</b>   | <b>12,928.74</b>    | <b>161,343.17</b>   | <b>170,801.36</b>   |
| Less: Provision for assets discarded                  | -                   | 9.36                      | -               | -                          | 9.36                | -                   | 9.36                | -                   |
| <b>Grand Total</b>                                    | <b>253,484.72</b>   | <b>4,005.53</b>           | <b>1,205.93</b> | <b>(164.10)</b>            | <b>256,448.42</b>   | <b>12,928.74</b>    | <b>161,333.81</b>   | <b>170,801.36</b>   |

**Note 4: Property, Plant and Equipment (Contd.)**

(₹ in crore)

| Particulars   | Cost                |                           |               | Accumulated depreciation   |                     |                     | Net Book Value      |                     |
|---|---------------------|---------------------------|---------------|----------------------------|---------------------|---------------------|---------------------|---------------------|
|   | As at 01 April 2022 | Additions during the year | Disposal      | Adjustment during the year | As at 31 March 2023 | As at 31 March 2022 | As at 31 March 2023 | As at 31 March 2022 |
| <b>Land</b>   |                     |                           |               |                            |                     |                     |                     |                     |
| Freehold  | 2,288.56            | 39.54                     | -             | (4.59)                     | 2,332.69            | -                   | 2,332.69            | 2,288.56            |
| <b>Buildings</b>                                      |                     |                           |               |                            |                     |                     |                     |                     |
| a) Sub-Stations & Office                              | 2,884.44            | 131.23                    | -             | (2.43)                     | 3,018.10            | 108.36              | 2,520.14            | 2,496.39            |
| b) Township   | 771.95              | 81.08                     | -             | -                          | 853.03              | 34.61               | 645.41              | 598.94              |
| Temporary Erection                                    | 1.19                | 0.62                      | -             | -                          | 1.81                | 0.62                | -                   | -                   |
| Roads & Bridges                                       | 314.18              | 8.23                      | -             | -                          | 322.41              | 12.53               | 252.74              | 257.04              |
| Water Supply Drainage & Sewerage                      | 177.25              | 20.14                     | -             | -                          | 197.39              | 7.03                | 157.76              | 144.65              |
| <b>Plant &amp; Equipment</b>                          |                     |                           |               |                            |                     |                     |                     |                     |
| a) Transmission                                       | 145,171.90          | 1,297.51                  | 10.98         | (1,019.15)                 | 147,477.58          | 7,593.94            | 97,083.75           | 102,368.64          |
| b) Sub-station  | 90,408.28           | 2,508.17                  | 116.60        | (370.45)                   | 93,170.30           | 5,042.47            | 64,052.93           | 66,246.33           |
| c) Unified Load Despatch & Communication              | 1,689.99            | 197.14                    | -             | 8.46                       | 1,878.67            | 105.29              | 1,308.15            | 1,224.98            |
| d) Telecom  | 1,508.62            | 107.65                    | -             | (5.70)                     | 1,621.97            | 113.64              | 799.37              | 799.50              |
| e) Unified Network Management System                  | -                   | -                         | -             | -                          | -                   | -                   | -                   | -                   |
| Furniture Fixtures                                    | 190.91              | 15.61                     | 2.46          | 0.05                       | 204.01              | 28.99               | 114.31              | 129.09              |
| Vehicles  | 4.77                | 1.07                      | 0.41          | -                          | 5.43                | 0.67                | 3.37                | 3.29                |
| Office equipment                                      | 291.20              | 42.26                     | 2.46          | (0.59)                     | 331.59              | 111.10              | 132.66              | 202.62              |
| Electronic Data Processing & Word Processing Machines | 225.72              | 19.97                     | 8.25          | -                          | 237.44              | 47.54               | 39.03               | 68.08               |
| Construction and Workshop equipment                   | 616.36              | 8.72                      | 1.43          | (0.29)                     | 623.94              | 32.77               | 454.57              | 479.19              |
| Electrical Installation                               | 165.97              | 14.62                     | -             | (0.32)                     | 180.91              | 11.45               | 121.12              | 117.60              |
| Laboratory Equipments                                 | 91.53               | 1.20                      | 0.01          | 0.26                       | 92.46               | 4.01                | 61.46               | 64.49               |
| Workshop & Testing Equipments                         | 351.22              | 27.00                     | 0.05          | (1.49)                     | 379.66              | 21.92               | 282.06              | 275.79              |
| Miscellaneous Assets/Equipments                       | 0.23                | 0.48                      | -             | -                          | 0.71                | 0.02                | 0.66                | 0.20                |
| <b>Right-of-use (ROU) Assets</b>                      |                     |                           |               |                            |                     |                     |                     |                     |
| a) ROU Assets- Leasehold Land                         | 495.64              | 15.80                     | 0.10          | -                          | 511.34              | 17.26               | 405.55              | 407.10              |
| b) ROU Asset- Buildings                               | 13.14               | 2.45                      | 1.89          | -                          | 13.70               | 2.38                | 4.75                | 4.70                |
| c) ROU Asset- Vehicles                                | -                   | 6.03                      | -             | -                          | 6.03                | 0.30                | 5.73                | -                   |
| d) ROU Asset- Plant & Machinery- Telecom              | 0.22                | 23.33                     | -             | -                          | 23.55               | 0.37                | 23.15               | 0.19                |
| <b>Total</b>  | <b>247,663.27</b>   | <b>4,569.85</b>           | <b>144.64</b> | <b>(1,396.24)</b>          | <b>253,484.72</b>   | <b>13,297.27</b>    | <b>170,801.36</b>   | <b>178,177.37</b>   |
| Less: Provision for assets discarded                  | 1.74                | -                         | -             | 1.74                       | -                   | -                   | -                   | 1.74                |
| <b>Grand Total</b>                                    | <b>247,661.53</b>   | <b>4,569.85</b>           | <b>144.64</b> | <b>(1,397.98)</b>          | <b>253,484.72</b>   | <b>13,297.27</b>    | <b>170,801.36</b>   | <b>178,175.63</b>   |

**Note 4: Property, Plant and Equipment (Contd.)**
**Further Notes:**

- The Company owns 7,463 hectare (Previous Year 7,568 hectare) of land amounting to ₹2,984.28crore (Previous Year ₹2,844.03crore) which has been classified into freehold land 6,320 hectare (Previous Year 6,425 hectare) amounting to ₹2,471.82crore (Previous Year ₹2,332.69crore) and Right of Use - Land 1,143 hectare (Previous Year 1,143 hectare) amounting to ₹512.46crore (Previous Year ₹511.34crore) based on available documentation.
- Freehold land acquired by the company includes 62.01 hectare (Previous Year 198.93 hectare) amounting to ₹155.42crore (Previous Year ₹48.01crore) in respect of land acquired by the company for which only mutation in revenue records is pending.
- The transmission system situated in the state of Jammu and Kashmir have been taken over by the company w.e.f. 01 April 1993 from National Hydroelectric Power Corporation of India Limited (NHPC) upon mutually agreed terms pending completion of legal formalities.
- Right of Use - Land includes area of 16.31 hectare (Previous Year 16.31 hectare) amounting to ₹107.52crore (Previous Year ₹107.52crore) in respect of land acquired on perpetual lease basis and hence not amortised.
- 5.63 hectare (Previous Year 5.63 hectare) having value of ₹0.04crore (Previous Year ₹0.04crore) has been transferred to National High Power Test Laboratory Pvt. Ltd. on right to use without granting ownership.
- Freehold land of 106.47 hectare amounting to ₹1.84crore is re-classified as Investment Property. Refer note no. 6 for disclosure on Investment Property.
- "Disposal" includes assets having cost of ₹1,137.80crore and accumulated depreciation of ₹505.56crore transferred to Powergrid Teleservices Limited.
- Refer note no. 50 for disclosure on Right of Use Assets as per Ind AS 116 - "Leases".
- Refer note no. 23 for information on property, plant and equipment pledged as security by the company.
- Refer note no. 64 (a) for details of immovable properties where title deeds are not in the name of the company.
- The critical transmission assets including all cores of OPGW cables etc. are kept with the company and not transferred to Powergrid Teleservices Limited at time of hiving off of Telecom Business (refer note no. 65). Depreciation on these assets is charged and residual value is adopted as per the accounting policy of the company which is applicable to Transmission Assets. This does not have a material impact on profitability of the company.



**Note 5: Capital work in progress**

(₹ in crore)

| Particulars  | As at 01 April 2023 | Additions during the year | Adjustments     | Transferred to lease receivables | Capitalised during the year | Transferred to Powergrid Teleservices Limited | As at 31 March 2024 |
|--|---------------------|---------------------------|-----------------|----------------------------------|-----------------------------|---|---------------------|
| <b>Land</b>  |                     |                           |                 |                                  |                             |   |                     |
| Development of land  | -                   | -                         | -               | -                                | -                           | -   | -                   |
| <b>Buildings</b>   |                     |                           |                 |                                  |                             |   |                     |
| a) Sub-Stations & Office   | 53.43               | 15.24                     | -               | -                                | 33.85                       | 0.04  | 34.78               |
| b) Township  | 65.56               | 58.39                     | -               | -                                | 80.29                       | -   | 43.66               |
| Temporary erection   | -                   | -                         | -               | -                                | -                           | -   | -                   |
| Roads & Bridges  | 0.16                | 4.15                      | 0.57            | -                                | 3.68                        | -   | 0.06                |
| Water Supply Drainage and Sewerage                               | 2.72                | 3.88                      | 0.91            | -                                | 3.54                        | -   | 2.15                |
| <b>Plant &amp; Equipments (including associated civil works)</b> |                     |                           |                 |                                  |                             |   |                     |
| a) Transmission  | 1,780.49            | 1,457.08                  | -               | 8.22                             | 255.25                      | -   | 2,974.10            |
| b) Sub-Station   | 1,956.08            | 1,983.72                  | -               | -                                | 2,425.96                    | -   | 1,513.84            |
| c) Unified Load Despatch & Communication                         | 228.34              | 175.96                    | -               | 35.60                            | 199.87                      | -   | 168.83              |
| d) Telecom   | 53.55               | 32.51                     | 16.40           | -                                | 51.68                       | 17.98   | -                   |
| e) Unified Network Management System                             | -                   | 92.95                     | -               | -                                | 92.95                       | -   | -                   |
| Furniture & Fixtures   | -                   | -                         | -               | -                                | -                           | -   | -                   |
| Other office equipments  | 1.02                | -                         | -               | -                                | -                           | -   | 1.02                |
| Electrical Installations   | 1.89                | 10.88                     | 0.02            | -                                | 6.77                        | -   | 5.98                |
| Construction Stores (Net of Provision)                           | 2,439.44            | 3,942.50                  | 2,524.26        | -                                | -                           | 259.60  | 3,598.08            |
| <b>Expenditure pending allocation</b>                            |                     |                           |                 |                                  |                             |   |                     |
| i) Survey, investigation, consultancy & supervision Charges      | 1.70                | 4.75                      | -               | -                                | 0.04                        | -   | 6.41                |
| ii) Difference in Exchange on foreign currency loans             | 14.45               | 0.43                      | 0.04            | -                                | -                           | -   | 14.84               |
| iii) Expenditure during construction period (net) (Note 43)      | 1,069.30            | 528.63                    | 62.14           | 3.26                             | 292.17                      | 22.95   | 1,217.41            |
|  | 7,668.13            | 8,311.07                  | 2,604.34        | 47.08                            | 3,446.05                    | 300.57  | 9,581.16            |
| Less: Provision for unserviceable Assets                         | -                   | -                         | -               | -                                | -                           | -   | -                   |
| <b>Grand Total</b>   | <b>7,668.13</b>     | <b>8,311.07</b>           | <b>2,604.34</b> | <b>47.08</b>                     | <b>3,446.05</b>             | <b>300.57</b>                                 | <b>9,581.16</b>     |

**Note 5: Capital work in progress (Contd.)**

(₹ in crore)

| Particulars  | As at 01 April 2022 | Additions during the year | Adjustments     | Transferred to lease receivables | Capitalised during the year | As at 31 March 2023 |
|--|---------------------|---------------------------|-----------------|----------------------------------|-----------------------------|---------------------|
| <b>Land</b>  |                     |                           |                 |                                  |                             |                     |
| Development of land  | -                   | -                         | -               | -                                | -                           | -                   |
| <b>Buildings</b>   |                     |                           |                 |                                  |                             |                     |
| a) Sub-Stations & Office   | 72.05               | 86.08                     | 5.19            | -                                | 99.51                       | 53.43               |
| b) Township  | 75.35               | 53.81                     | 7.55            | -                                | 56.05                       | 65.56               |
| Temporary erection   | -                   | 0.29                      | -               | -                                | 0.29                        | -                   |
| Roads & Bridges  | 12.30               | 3.96                      | 12.00           | -                                | 4.10                        | 0.16                |
| Water Supply Drainage and Sewerage                               | 0.98                | 4.98                      | (1.29)          | -                                | 4.53                        | 2.72                |
| <b>Plant &amp; Equipments (including associated civil works)</b> |                     |                           |                 |                                  |                             |                     |
| a) Transmission  | 1,616.44            | 1,311.74                  | -               | 124.45                           | 1,023.24                    | 1,780.49            |
| b) Sub-Station   | 2,766.65            | 1,342.03                  | -               | 25.11                            | 2,127.49                    | 1,956.08            |
| c) Unified Load Despatch & Communication                         | 251.38              | 178.87                    | (3.35)          | 33.82                            | 171.44                      | 228.34              |
| d) Telecom   | 61.34               | 86.22                     | -               | -                                | 94.01                       | 53.55               |
| e) Unified Network Management System                             | -                   | -                         | -               | -                                | -                           | -                   |
| Furniture & Fixtures   | -                   | 0.03                      | -               | -                                | 0.03                        | -                   |
| Other office equipments  | 1.02                | 0.03                      | -               | -                                | 0.03                        | 1.02                |
| Electrical Installations   | 2.62                | 9.99                      | 0.01            | -                                | 10.71                       | 1.89                |
| Construction Stores (Net of Provision)                           | 1,251.27            | 3,422.14                  | 2,233.97        | -                                | -                           | 2,439.44            |
| <b>Expenditure pending allocation</b>                            |                     |                           |                 |                                  |                             |                     |
| i) Survey, investigation, consultancy & supervision Charges      | 3.43                | 1.10                      | -               | -                                | 2.83                        | 1.70                |
| ii) Difference in Exchange on foreign currency loans             | 12.00               | 2.45                      | -               | -                                | -                           | 14.45               |
| iii) Expenditure during construction period (net) (Note 43)      | 1,219.89            | 416.49                    | 73.02           | 32.98                            | 461.08                      | 1,069.30            |
|  | 7,346.72            | 6,920.21                  | 2,327.10        | 216.36                           | 4,055.34                    | 7,668.13            |
| Less: Provision for unserviceable Assets                         | 2.26                | -                         | 2.26            | -                                | -                           | -                   |
| <b>Grand Total</b>   | <b>7,344.46</b>     | <b>6,920.21</b>           | <b>2,324.84</b> | <b>216.36</b>                    | <b>4,055.34</b>             | <b>7,668.13</b>     |

**Note 5: Capital work in progress (Contd.)**

(Details of Construction stores) (At cost)

(₹ in crore)

| Particulars  | As at 31 March 2024 | As at 31 March 2023 |
|--|---------------------|---------------------|
| <b>Construction Stores</b>                             |                     |                     |
| Towers   | 552.31              | 209.81              |
| Conductors   | 928.60              | 527.97              |
| Other Line Materials                                   | 204.27              | 162.89              |
| Sub-Station Equipments                                 | 1,675.34            | 1,133.50            |
| High Voltage Direct Current (HVDC) Equipments          | 15.37               | 18.38               |
| Unified Load Despatch & Communication(ULDC) Materials  | 200.01              | 200.86              |
| Telecom Materials                                      | -                   | 176.87              |
| Others   | 22.18               | 9.16                |
| <b>Total</b>   | <b>3,598.08</b>     | <b>2,439.44</b>     |
| <b>Construction Stores include:</b>                    |                     |                     |
| <b>i) Material in transit</b>                          |                     |                     |
| Towers   | 1.37                | 39.04               |
| Conductors   | 1.74                | 61.76               |
| Other Line Materials                                   | 1.18                | 39.16               |
| Sub-Station Equipments                                 | 272.22              | 129.87              |
| High Voltage Direct Current (HVDC) Equipments          | 10.27               | 0.27                |
| Unified Load Despatch & Communication(ULDC) Materials  | -                   | 1.84                |
| Telecom Materials                                      | -                   | 90.66               |
| <b>Total</b>   | <b>286.78</b>       | <b>362.60</b>       |
| <b>ii) Material with Contractors</b>                   |                     |                     |
| Towers   | 550.94              | 170.77              |
| Conductors   | 926.86              | 466.21              |
| Other Line Materials                                   | 203.09              | 123.73              |
| Sub-Station Equipments                                 | 1,403.12            | 1,003.63            |
| High Voltage Direct Current (HVDC) Equipments          | 5.10                | 18.11               |
| Unified Load Despatch & Communication (ULDC) Materials | 200.01              | 199.02              |
| Telecom Materials                                      | -                   | 86.21               |
| Others   | 22.18               | 9.16                |
| <b>Total</b>   | <b>3,311.30</b>     | <b>2,076.84</b>     |
| <b>Grand total</b>                                     | <b>3,598.08</b>     | <b>2,439.44</b>     |

**Further Notes:**

- Materials with Contractors amounting to ₹ 9.93 crore (Previous Year ₹ 9.73 crore) in respect of commissioned lines is pending for reconciliation. However reconciliation are carried out on ongoing basis.
- Refer Note No 64 (b) for ageing of Capital Work in Progress (CWIP) & Refer Note No 64 (c) for CWIP completion schedule for the projects whose completion is overdue or has exceeded its cost compared to original plan.

**Note 6: Investment Property**

| Particulars     | Net Book Value      |                     | Accumulated Amortisation |                            |           |                           | Cost                |           |                            |                     |
|-----------------|---------------------|---------------------|--------------------------|----------------------------|-----------|---------------------------|---------------------|-----------|----------------------------|---------------------|
|                 | As at 31 March 2023 | As at 31 March 2024 | As at 31 March 2024      | Adjustment during the year | Disposals | Additions during the year | As at 01 April 2023 | Disposals | Adjustment during the year | As at 31 March 2024 |
| Land (Freehold) | -                   | -                   | -                        | -                          | -         | 1.84                      | -                   | -         | -                          | 1.84                |
| <b>Total</b>    | -                   | -                   | -                        | -                          | -         | 1.84                      | -                   | -         | -                          | 1.84                |

| Particulars     | Net Book Value      |                     | Accumulated Amortisation |                            |           |                           | Cost                |           |                            |                     |
|-----------------|---------------------|---------------------|--------------------------|----------------------------|-----------|---------------------------|---------------------|-----------|----------------------------|---------------------|
|                 | As at 31 March 2022 | As at 31 March 2023 | As at 31 March 2023      | Adjustment during the year | Disposals | Additions during the year | As at 01 April 2022 | Disposals | Adjustment during the year | As at 31 March 2023 |
| Land (Freehold) | -                   | -                   | -                        | -                          | -         | -                         | -                   | -         | -                          | -                   |
| <b>Total</b>    | -                   | -                   | -                        | -                          | -         | -                         | -                   | -         | -                          | -                   |



**Note 6: Investment Property (Contd.)**
**Further Notes:**

- i) Amount recognised in profit or loss for investment property

(₹ in crore)

| Particulars   | For the year ended<br>31 March 2024 | For the year ended<br>31 March 2023 |
|---|-------------------------------------|-------------------------------------|
| Rental income   | Nil                                 | Nil                                 |
| Direct operating expenses from property that generated rental income        | Nil                                 | Nil                                 |
| Direct operating expenses from property that did not generate rental income | Nil                                 | Nil                                 |
| Profit from investment property before depreciation                         | Nil                                 | Nil                                 |
| Depreciation  | Nil                                 | Nil                                 |
| Profit from investment property   | Nil                                 | Nil                                 |

- ii) There is no contractual obligation for future repairs and maintenance which not recognised as a liability as at 31 March 2024 and 31 March 2023.

- iii) There are no Leasing arrangements as at 31 March 2024 and 31 March 2023.

- iv) Fair Value

(₹ in crore)

| Particulars         | As at 31 March 2024 | As at 31 March 2023 |
|---------------------|---------------------|---------------------|
| Investment property | 13.13               | -                   |

**Estimation of fair value**

The fair value of investment property has been determined by independent valuer, based on government rates.

**Note 7: Intangible assets**

| Particulars                         | Cost                      |                                      |                    |                                       |                           |                           | Accumulated Amortisation        |                    |                                       | Net Book Value            |                           |
|-------------------------------------|---------------------------|--------------------------------------|--------------------|---------------------------------------|---------------------------|---------------------------|---------------------------------|--------------------|---------------------------------------|---------------------------|---------------------------|
|                                     | As at<br>01 April<br>2023 | Addi-<br>tions<br>during<br>the year | Dis-<br>posal<br># | Adjust-<br>ment<br>during the<br>year | As at<br>31 March<br>2024 | As at<br>01 April<br>2023 | Additions<br>during the<br>year | Dis-<br>posal<br># | Adjust-<br>ment<br>during the<br>year | As at<br>31 March<br>2024 | As at<br>31 March<br>2023 |
| Electronic Data Processing Software | 88.31                     | 2.45                                 | 1.28               | -                                     | 89.48                     | 76.38                     | 6.96                            | 1.24               | -                                     | 82.10                     | 11.93                     |
| Right of Way-Afforestation Expenses | 2,176.11                  | 12.21                                | -                  | (7.28)                                | 2,195.60                  | 736.48                    | 112.32                          | -                  | (2.89)                                | 851.69                    | 1,439.63                  |
| Telecom Licenses                    | 2.80                      | -                                    | 2.80               | -                                     | -                         | 0.83                      | 0.07                            | 0.90               | -                                     | -                         | 1.97                      |
| Development of 1200 KV TS*          | 71.86                     | -                                    | -                  | -                                     | 71.86                     | 49.20                     | 7.25                            | -                  | -                                     | 56.45                     | 22.66                     |
| <b>Total</b>                        | <b>2,339.08</b>           | <b>14.66</b>                         | <b>4.08</b>        | <b>(7.28)</b>                         | <b>2,356.94</b>           | <b>862.89</b>             | <b>126.60</b>                   | <b>2.14</b>        | <b>(2.89)</b>                         | <b>990.24</b>             | <b>1,476.19</b>           |

\*Internally generated intangible asset

# "Disposal" includes assets having cost of ₹1.28 crore and accumulated depreciation of ₹1.24 crore transferred to Powergrid Teleservices Limited

| Particulars                         | Cost                      |                                      |                    |                                       |                           |                           | Accumulated Amortisation        |                    |                                       | Net Book Value            |                           |
|-------------------------------------|---------------------------|--------------------------------------|--------------------|---------------------------------------|---------------------------|---------------------------|---------------------------------|--------------------|---------------------------------------|---------------------------|---------------------------|
|                                     | As at<br>01 April<br>2022 | Addi-<br>tions<br>during<br>the year | Dis-<br>posal<br># | Adjust-<br>ment<br>during the<br>year | As at<br>31 March<br>2023 | As at<br>01 April<br>2022 | Additions<br>during the<br>year | Dis-<br>posal<br># | Adjust-<br>ment<br>during the<br>year | As at<br>31 March<br>2023 | As at<br>31 March<br>2022 |
| Electronic Data Processing Software | 79.47                     | 8.86                                 | 0.02               | -                                     | 88.31                     | 68.90                     | 7.50                            | 0.02               | -                                     | 76.38                     | 10.57                     |
| Right of Way-Afforestation Expenses | 2,138.04                  | 38.07                                | -                  | -                                     | 2,176.11                  | 624.48                    | 112.00                          | -                  | -                                     | 736.48                    | 1,513.56                  |
| Telecom Licenses                    | 2.80                      | -                                    | -                  | -                                     | 2.80                      | 0.69                      | 0.14                            | -                  | -                                     | 0.83                      | 2.11                      |
| Development of 1200 KV TS*          | 71.86                     | -                                    | -                  | -                                     | 71.86                     | 41.97                     | 7.23                            | -                  | -                                     | 49.20                     | 29.89                     |
| <b>Total</b>                        | <b>2,292.17</b>           | <b>46.93</b>                         | <b>0.02</b>        | <b>-</b>                              | <b>2,339.08</b>           | <b>736.04</b>             | <b>126.87</b>                   | <b>0.02</b>        | <b>-</b>                              | <b>862.89</b>             | <b>1,556.13</b>           |

\*Internally generated intangible asset

**Note 8: Intangible assets under development**

(₹ in crore)

| Particulars                          | As at 01 April 2023 | Additions    | Adjustments | Transferred to Lease Receivables | Capitalised during the year | As at 31 March 2024 |
|--------------------------------------|---------------------|--------------|-------------|----------------------------------|-----------------------------|---------------------|
| Right of Way- Afforestation expenses | 31.08               | 71.90        | -           | -                                | 11.97                       | 91.01               |
| <b>Total</b>                         | <b>31.08</b>        | <b>71.90</b> | <b>-</b>    | <b>-</b>                         | <b>11.97</b>                | <b>91.01</b>        |

(₹ in crore)

| Particulars                          | As at 01 April 2022 | Additions    | Adjustments | Transferred to Lease Receivables | Capitalised during the year | As at 31 March 2023 |
|--------------------------------------|---------------------|--------------|-------------|----------------------------------|-----------------------------|---------------------|
| Right of Way- Afforestation expenses | 31.53               | 29.46        | -           | -                                | 29.91                       | 31.08               |
| <b>Total</b>                         | <b>31.53</b>        | <b>29.46</b> | <b>-</b>    | <b>-</b>                         | <b>29.91</b>                | <b>31.08</b>        |

**Further Notes:**

Refer Note No 64 (d) for ageing of Intangible assets under development & Refer Note No 64 (e) for Intangible assets under development completion schedule for the projects whose completion is overdue or has exceeded its cost compared to its original plan.

**Note 9: Investments**

(₹ in crore)

| Particulars   | As at 31 March 2024 | As at 31 March 2023 |
|---|---------------------|---------------------|
| <b>Investments in Equity Instruments (Fully paid up)</b>  |                     |                     |
| <b>Investments at Fair Value through Other Comprehensive Income (OCI)</b>   |                     |                     |
| <b>Quoted</b>   |                     |                     |
| PTC India Limited<br>12000006 (Previous Year 12000006) Equity Shares of ₹10/- each  | 223.14              | 102.06              |
| Investment in Units of POWERGRID Infrastructure Investment Trust (PG InvIT)<br>136500100 (Previous Year 136500100) units (issue price ₹ 100 each)<br>(Refer further note 7 below) | 1,292.79            | 1,672.40            |
| <b>Investments at Cost (Fully paid up)</b>  |                     |                     |
| <b>Unquoted</b>   |                     |                     |
| <b>i) Subsidiary Companies</b>  |                     |                     |
| Powergrid NM Transmission Limited<br>490950000 (Previous Year 490950000) Equity Shares of ₹10 each  | 490.95              | 490.95              |
| Powergrid Vemagiri Transmission Limited<br>50000 (Previous Year 50000) Equity Shares of ₹10 each (Refer further note 4 below)   | 0.05                | 0.05                |
| Less: Provision for diminution in the value of Investment   | 0.05                | 0.05                |
|   | -                   | -                   |
| Powergrid Unchahar Transmission Limited<br>12961067 (Previous Year 12961067) Equity Shares of ₹10 each.   | 12.96               | 12.96               |
| Powergrid Southern Interconnector Transmission System Limited<br>709004000 (Previous Year 709004000) Equity Shares of ₹10 each  | 709.00              | 709.00              |
| Powergrid Medinipur Jeerat Transmission Limited<br>661600000 (Previous Year 647000000) Equity Shares of ₹10 each  | 661.60              | 647.00              |

**Note 9: Investments (Contd.)**

(₹ in crore)

| Particulars  | As at 31 March 2024 | As at 31 March 2023 |
|--|---------------------|---------------------|
| Powergrid Mithilanchal Transmission Limited<br>233200000 (Previous Year 233200000) Equity Shares of ₹10 each       | 233.20              | 233.20              |
| Powergrid Varanasi Transmission System Limited<br>187560000 (Previous Year 187560000) Equity Shares of ₹10 each    | 187.56              | 187.56              |
| Powergrid Jawaharpur Firozabad Transmission Limited<br>89600000 (Previous Year 89600000) Equity Shares of ₹10 each | 89.60               | 89.60               |
| Powergrid Khetri Transmission System Limited<br>198750000 (Previous year 198250000) Equity Shares of ₹ 10 each     | 198.75              | 198.25              |
| Powergrid Bhind Guna Transmission Limited<br>111950000 (Previous year 111950000) Equity Shares of ₹ 10 each        | 111.95              | 111.95              |
| Powergrid Ajmer Phagi Transmission Limited<br>115000000 (Previous Year 115000000) Equity Shares of ₹10 each        | 115.00              | 115.00              |
| Powergrid Fatehgarh Transmission Limited<br>141000000 (Previous Year 141000000) Equity Shares of ₹10 each          | 141.00              | 141.00              |
| Powergrid Bhuj Transmission Limited<br>232000000 (Previous Year 232000000) Equity Shares of ₹10 each               | 232.00              | 232.00              |
| Powergrid Rampur Sambhal Transmission Limited<br>151299000 (Previous Year 142100000) Equity Shares of ₹10 each     | 151.30              | 142.10              |
| Powergrid Meerut Simbhavali Transmission Limited<br>205980000 (Previous Year 195130000) Equity Shares of ₹10 each  | 205.98              | 195.13              |
| Central Transmission Utility of India Limited<br>50000 (Previous Year 50000) Equity Shares of ₹10 each             | 0.05                | 0.05                |
| Powergrid Ramgarh Transmission Limited<br>32011900 (Previous Year 25000000) Equity Shares of ₹10 each              | 32.01               | 25.00               |
| Powergrid Himachal Transmission Limited<br>300000000 (Previous Year 300000000) Equity Shares of ₹10 each           | 432.50              | 432.50              |
| Powergrid Bikaner Transmission System Limited<br>140000000 (Previous Year 100000000) Equity Shares of ₹10 each     | 140.00              | 100.00              |
| Powergrid Sikar Transmission Limited<br>142000000 (Previous Year 80000000) Equity Shares of ₹10 each               | 142.00              | 80.00               |
| Powergrid Bhadla Transmission limited<br>73210000 (Previous Year 32210000) Equity Shares of ₹10 each               | 73.21               | 32.21               |
| Powergrid Aligarh Sikar Transmission Limited<br>99950000 (Previous Year 77950000) Equity Shares of ₹10 each        | 99.95               | 77.95               |
| Powergrid Teleservices Limited<br>664020000 (Previous Year 9000000) Equity Shares of ₹10 each                      | 664.02              | 9.00                |
| Powergrid Gomti Yamuna Transmission Limited<br>96000000 (Previous Year 10000) Equity Shares of ₹10 each            | 96.00               | 0.01                |
| Powergrid Narela Transmission Limited<br>100000000 (Previous Year 10000) Equity Shares of ₹10 each                 | 100.00              | 0.01                |
| Powergrid Energy Services Ltd<br>97750000 (Previous Year 10000000) Equity Shares of ₹10 each                       | 97.75               | 10.00               |
| Powergrid Neemuch Transmission System Limited<br>125810000 (Previous Year 50000) Equity Shares of ₹10 each         | 125.81              | 0.05                |



**Note 9: Investments (Contd.)**

(₹ in crore)

| Particulars  | As at 31 March 2024 | As at 31 March 2023 |
|--|---------------------|---------------------|
| Powergrid ER NER Transmission Limited<br>10050000 (Previous Year 50000) Equity Shares of ₹10 each            | 10.05               | 0.05                |
| Powergrid Khavda II-B Transmission Limited<br>26050000 (Previous Year 50000) Equity Shares of ₹10 each       | 26.05               | 0.05                |
| Powergrid KPS2 Transmission System Limited<br>1300000 (Previous Year 50000) Equity Shares of ₹10 each        | 1.30                | 0.05                |
| Powergrid Khavda RE Transmission Limited<br>12760000 (Previous Year 50000) Equity Shares of ₹10 each         | 12.76               | 0.05                |
| Powergrid ERWR Power Transmission Limited<br>50000 (Previous Year 50000) Equity Shares of ₹10 each           | 0.05                | 0.05                |
| Powergrid Raipur Pool Dhamtari Transmission Limited<br>10000 (Previous Year 10000) Equity Shares of ₹10 each | 0.01                | 0.01                |
| Powergrid Dharamjaigarh Transmission Limited<br>10000 (Previous Year 10000) Equity Shares of ₹10 each        | 0.01                | 0.01                |
| Powergrid KPS3 Transmission Limited<br>6300000 (Previous Year 50000) Equity Shares of ₹10 each               | 6.30                | 0.05                |
| Powergrid Bhadla Sikar Transmission Limited<br>10000 (Previous Year 10000) Equity Shares of ₹10 each         | 0.01                | 0.01                |
| Powergrid Khavda II-C Transmission Limited<br>50000 (Previous Year 50000) Equity Shares of ₹10 each          | 0.05                | 0.05                |
| Powergrid Bhadla III Transmission Limited<br>10000 (Previous Year NIL) Equity Shares of ₹10 each             | 0.01                | -                   |
| Powergrid Ananthpuram Kurnool Transmission Limited<br>10000 (Previous Year NIL) Equity Shares of ₹10 each    | 0.01                | -                   |
| POWERGRID Beawar Dausa Transmission Limited<br>10000 (Previous Year NIL) Equity Shares of ₹10 each           | 0.01                | -                   |
| POWERGRID Ramgarh II Transmission Limited<br>50000 (Previous Year NIL) Equity Shares of ₹10 each             | 0.05                | -                   |
| Powergrid Bikaner Neemrana Transmission Limited<br>10000 (Previous Year NIL) Equity Shares of ₹10 each       | 0.01                | -                   |
| Powergrid Neemrana Bareilly Transmission Limited<br>10000 (Previous Year NIL) Equity Shares of ₹10 each      | 0.01                | -                   |
| Powergrid Vataman Transmission Limited<br>10000 (Previous Year NIL) Equity Shares of ₹10 each                | 0.01                | -                   |
| Powergrid Koppal Gadag Transmission Limited<br>10000 (Previous Year NIL) Equity Shares of ₹10 each           | 0.01                | -                   |
| Sikar Khetri Transmission Limited<br>50000 (Previous Year NIL) Equity Shares of ₹10 each                     | 0.05                | -                   |
| Bidar Transmission Limited<br>50000 (Previous Year NIL) Equity Shares of ₹10 each                            | 0.05                | -                   |
|  | <b>5,600.96</b>     | <b>4,272.86</b>     |
| <b>ii) Joint Venture Companies</b>   |                     |                     |
| Torrent Power Grid Limited<br>23400000 (Previous Year 23400000) Equity Shares of ₹10/- each                  | 23.40               | 23.40               |

**Note 9: Investments (Contd.)**

(₹ in crore)

| Particulars  | As at 31 March 2024 | As at 31 March 2023 |
|--|---------------------|---------------------|
| Parbati Koldam Transmission Company Limited<br>70937620 (Previous Year 70937620) Equity Shares of ₹10/- each           | 70.94               | 70.94               |
| Sikkim Power Transmission Limited<br>120120000 (Previous Year 120120000) Equity Shares of ₹10/- each                   | 120.12              | 120.12              |
| Powerlinks Transmission Limited<br>229320000 (Previous Year 229320000) Equity Shares of ₹10/- each                     | 229.32              | 229.32              |
| North East Transmission Company Limited<br>106964000 (Previous Year 106964000) Equity Shares of ₹10/- each             | 106.96              | 106.96              |
| National High Power Test Laboratory Private Limited<br>48800000 (Previous Year 30400000) Equity Shares of ₹10/- each   | 48.80               | 30.40               |
| Less: Provision for diminution in the value of Investment (Refer further note 6 below)                                 | 48.80               | 30.40               |
|  | -                   | -                   |
| Cross Border Power Transmission Company Limited<br>12612473 (Previous Year 12612473) Equity Shares of ₹10/- each       | 12.62               | 12.62               |
| Bihar Grid Company Limited<br>337392404 (Previous Year 334127260) Equity Shares of ₹10/- each                          | 337.39              | 334.13              |
| Power Transmission Company Nepal Limited<br>1170000 (Previous Year 1170000) Equity Shares of Nepali ₹100/- each        | 6.50                | 6.50                |
| RINL Powergrid TLT Private Limited<br>4000000 (Previous Year 4000000) Equity Shares of ₹10/- each.                     | 4.00                | 4.00                |
| Less: Provision for diminution in the value of Investment (Refer further note 3 below)                                 | 4.00                | 4.00                |
|  | -                   | -                   |
| Energy Efficiency Services Limited<br>846610000 (Previous Year 463610000) Equity Shares of ₹10/- each                  | 846.61              | 463.61              |
| Less: Provision for diminution in the value of Investment (Refer further note 5 below)                                 | 149.12              | -                   |
|  | 697.49              | 463.61              |
| Butwal-Gorakhpur Cross Border Power Transmission Limited<br>10000000 (Previous Year 25000) Equity Shares of ₹10/- each | 10.00               | 0.03                |
|  | <b>1,614.74</b>     | <b>1,367.63</b>     |
| <b>iii) Others</b>   |                     |                     |
| Bharat Broadband Network Limited (₹ 10/-)<br>1 (Previous Year 1) share of ₹10/- each                                   | -                   | -                   |
| <b>Total</b>   | <b>8,731.63</b>     | <b>7,414.95</b>     |
| <b>Further Notes:</b>  |                     |                     |
| 1) a) Aggregate amount of Quoted Investments   |                     |                     |
| At Cost (Refer further note 7 below)   | 1,340.42            | 1,367.04            |
| Market Value   | 1,515.93            | 1,774.46            |
| b) Aggregate amount of Unquoted Investments  | 7,215.70            | 5,640.49            |
| c) Aggregate amount of impairment in value of Investment   | 201.97              | 34.45               |

**Note 9: Investments (Contd.)**

- 2) Investments have been valued as per accounting policy no. 2.13, 2.14 & 2.15.
- 3) POWERGRID's Board of Directors in its meeting held on 01.05.2018 accorded in principle approval to close RINL Powergrid TLT Private Limited (RPTPL) and seek consent of other JV Partner Rashtriya Ispat Nigam Limited (RINL). RINL's Board of Directors in its meeting held on 08.03.2019 has agreed in principle for winding up proceedings of RPTPL & to seek the approval from Ministry of Steel (MoS), Government of India, for closure of RPTPL. The approval for closure of RPTPL was received on 11.07.2022 from MoS. However, winding up process could not be initiated, as contractor for Site Enabling works has served notice on 17.12.2022 for invocation of Arbitration. Conciliator has been appointed & conciliation proceedings are under progress.
- 4) Refer remarks at Note No 11 for Powergrid Vemagiri Transmission Limited.
- 5) During the year, a provision of ₹ 149.12 crore has been made towards impairment of investment in Energy Efficiency Services Limited. Refer note 61(A)(vi) for reconciliation of allowance for impairment.
- 6) Vide Supplementary Joint venture (JV) agreement dated 23.04.2024 and as part of revival plan of National High Power Test Laboratory Private Limited, Loan given by all JV partners to JV company was converted to equity, additional loan of ₹94.71 crore was provided by the company, share holding of the company will increase to 50% through additional equity contribution by the company and transfer of shares by other JV partners at notional consideration. Refer note 61(A)(vi) for reconciliation of allowance for impairment.
- 7) The Company received during the current year ₹ 26.62 crore (previous year ₹ 9.96 crore) from PG InvIT towards repayment of SPV Debt. Consequently, the same has been reduced from the cost of the investment.

**Note 10A: Trade receivables**

(₹ in crore)

| Particulars                          | As at 31 March 2024 | As at 31 March 2023 |
|--------------------------------------|---------------------|---------------------|
| <b>Trade receivables - Unsecured</b> |                     |                     |
| Considered good                      | 282.95              | 695.57              |
| <b>Total</b>                         | <b>282.95</b>       | <b>695.57</b>       |

**Further Notes:**

The company's portion of dues have been presented at their fair value under Trade Receivables (Non-current/Current) where dues have been rescheduled in pursuant to Electricity (Late Payment Surcharge and Related Matters) Rules, 2022 or otherwise.

Aging of Trade Receivables is as follows:

(₹ in crore)

| Particulars                         |            | Unbilled | Not Due       | Less than 6 months | 6 months to 1 year | 1-2 years | 2-3 years | More than 3 years | Total         |
|-------------------------------------|------------|----------|---------------|--------------------|--------------------|-----------|-----------|-------------------|---------------|
|                                     |            |          |               |                    |                    |           |           |                   |               |
| Considered - Good                   | Disputed   | -        | -             | -                  | -                  | -         | -         | -                 | -             |
|                                     | Undisputed | -        | 282.95        | -                  | -                  | -         | -         | -                 | 282.95        |
| Significant increase in Credit Risk | Disputed   | -        | -             | -                  | -                  | -         | -         | -                 | -             |
|                                     | Undisputed | -        | -             | -                  | -                  | -         | -         | -                 | -             |
| Credit Impaired                     | Disputed   | -        | -             | -                  | -                  | -         | -         | -                 | -             |
|                                     | Undisputed | -        | -             | -                  | -                  | -         | -         | -                 | -             |
| <b>Total</b>                        |            | -        | <b>282.95</b> | -                  | -                  | -         | -         | -                 | <b>282.95</b> |
| Considered - Good                   | Disputed   | -        | -             | -                  | -                  | -         | -         | -                 | -             |
|                                     | Undisputed | -        | 695.57        | -                  | -                  | -         | -         | -                 | 695.57        |
| Significant increase in Credit Risk | Disputed   | -        | -             | -                  | -                  | -         | -         | -                 | -             |
|                                     | Undisputed | -        | -             | -                  | -                  | -         | -         | -                 | -             |
| Credit Impaired                     | Disputed   | -        | -             | -                  | -                  | -         | -         | -                 | -             |
|                                     | Undisputed | -        | -             | -                  | -                  | -         | -         | -                 | -             |
| <b>Total</b>                        |            | -        | <b>695.57</b> | -                  | -                  | -         | -         | -                 | <b>695.57</b> |

**Note 10: Loans**

(considered good unless otherwise stated)

(₹ in crore)

| Particulars   | As at 31 March 2024 | As at 31 March 2023 |
|---|---------------------|---------------------|
| <b>Loans to Related Parties *</b>                             |                     |                     |
| Loans to Subsidiaries-Unsecured                               | 20,931.28           | 16,450.85           |
| Loans to JVs-Unsecured  |                     |                     |
| Considered Good   | 85.24               | -                   |
| Credit Impaired   | -                   | 15.02               |
|   | <b>85.24</b>        | <b>15.02</b>        |
| Less: Loss Allowance **                                       | -                   | 15.02               |
|   | <b>85.24</b>        | -                   |
| <b>Loan to Directors &amp; Key Managerial Personnel (KMP)</b> |                     |                     |
| Secured #   | 0.01                | -                   |
|   | <b>21,016.53</b>    | <b>16,450.85</b>    |
| <b>Loans to Employees (including interest accrued)</b>        |                     |                     |
| Secured #   | 436.90              | 404.22              |
| Unsecured   | 49.09               | 42.22               |
|   | <b>485.99</b>       | <b>446.44</b>       |
| <b>Total</b>  | <b>21,502.52</b>    | <b>16,897.29</b>    |

**Further Notes:**

\* Details of loans to related parties is provided in Note 55.

\*\* Refer note 61(A)(vi) for reconciliation of allowance for impairment.

# House building loans and conveyance advance to Directors, KMP and Employees are secured against the mortgage of the house properties or hypothecation of vehicles for which such loans have been given in line with the policies of the Company.

**Note 11: Other Non-current Financial Assets**

(Unsecured considered good unless otherwise stated)

(₹ in crore)

| Particulars  | As at 31 March 2024 | As at 31 March 2023 |
|--|---------------------|---------------------|
| Lease receivables                                      | 600.74              | 642.98              |
| Bank deposits with more than 12 months maturity #      | 154.63              | 39.56               |
| Recoverable for GOI fully serviced bonds ##            | 3,487.50            | 3,487.50            |
| Advances to related parties (Subsidiaries and Others)* |                     |                     |
| Considered good  | 419.29              | 640.75              |
| Considered doubtful**                                  | 19.43               | 19.43               |
|  | <b>438.72</b>       | <b>660.18</b>       |
| Less: Provision for doubtful advances**                | 19.43               | 19.43               |
|  | <b>419.29</b>       | <b>640.75</b>       |
| <b>Total</b>   | <b>4,662.16</b>     | <b>4,810.79</b>     |

**Further Notes:**

# Bank deposits against designated accounts for consultancy work.

## In the FY 2018-19, the Company issued 'GoI fully serviced bonds' for an amount of ₹ 3487.50 crore for raising of Extra Budgetary Resources (EBR) for GoI scheme of Power System Development Fund (PSDF) in terms of letter No: 7/1/2018-OM dated 21st January, 2019 of Ministry of Power, Govt. of India (GoI) for meeting accrued liabilities for creation of Capital Assets. The repayment of principal and the interest payment on such bonds shall be met by GoI. An amount of ₹ 3487.50 Crore from bond issue has been recognised as Grant in aid in Previous Years.

\* Details of advances to related parties are provided in Note 55.

\*\* CERC vide order dated 06/04/2015 in petition no.127/2012 had directed that 80% of the acquisition price incurred by the Company for Vemagiri Transmission Company Limited (VTSL) shall be reimbursed by the Long-Term Transmission Customers (LTTCS) and balance 20% along with the expenditure incurred



**Note 11: Other Non-current Financial Assets (Contd.)**

by VTSL from the date of acquisition till the liquidation of the company shall be borne by the Company. Subsequently, on a review petition filed by the Company, CERC vide order dated 20/10/2016 held that there are sufficient reasons to review the liability of the Company to pay 20% of the acquisition price and accordingly, directed that the issue shall be decided afresh by taking a holistic view in the matter after disposal of appeals filed by the LTTCs on the issue in Appellate Tribunal of Electricity (ATE). The final hearing in the appeals filed in APTEL was held on 02.03.2020 and Hon'ble APTEL directed all parties to file written submission and reserved the Judgement. However, due to Covid pandemic lock down during Mar'20-May'20, the matter was relisted & heard on 24.08.2020 and Hon'ble APTEL directed all the parties to file concise comprehensive written submissions through email and reserved the Judgement again. Accordingly, concise comprehensive written submissions were filed in APTEL. As one of the Hon'ble Members of APTEL retired during Dec'20 before pronouncement of the judgement, the matter may need to be heard again. An Early hearing application filed in the captioned matter was allowed vide APTEL Order dated 05.07.2021 but due to subsequent vacancy of Chairperson in APTEL matter could not be taken up. The new Chairperson in APTEL was appointed on 02.12.2022 since then the matter was listed on several dates but could not be heard due to paucity of time. Presently, the Hon'ble Tribunal last heard the matter on 22.04.2024 and matter was part heard. The next hearing date is 28.05.2024.

**Note 12: Other non-current Assets  
(Unsecured considered good unless otherwise stated)**

(₹ in crore)

| Particulars  | As at 31 March 2024 | As at 31 March 2023 |
|--|---------------------|---------------------|
| <b>Advances for Capital Expenditure</b>                  |                     |                     |
| Unsecured  |                     |                     |
| a. Against bank guarantees                               | 295.23              | 311.54              |
| b. Others  | 68.39               | 66.99               |
| Unsecured considered doubtful                            | 1.19                | 1.19                |
|  | <b>364.81</b>       | <b>379.72</b>       |
| Less: Provision for bad & doubtful Advances              | 1.19                | 1.19                |
|  | <b>363.62</b>       | <b>378.53</b>       |
| <b>Advances other than for Capital Expenditure</b>       |                     |                     |
| Security Deposits  | 16.48               | 17.03               |
| Deferred Employee Cost                                   | 48.87               | 37.78               |
| Deferred Foreign currency Fluctuation Asset              | 4,011.90            | 4,427.75            |
| Advances recoverable in kind or for value to be received |                     |                     |
| Balance with Customs Port Trust and other authorities    | 30.51               | 10.53               |
| Advance tax and Tax deducted at source #                 | 83.23               | -                   |
| Other Taxes  | 0.63                | 0.66                |
| Others*  |                     |                     |
| Considered Good  | 14.32               | 33.35               |
| Considered doubtful                                      | 0.37                | 0.37                |
|  | <b>14.69</b>        | <b>33.72</b>        |
| Less: Provision for doubtful Advances                    | 0.37                | 0.37                |
|  | <b>14.32</b>        | <b>33.35</b>        |
|  | <b>128.69</b>       | <b>44.54</b>        |
| <b>Total</b>   | <b>4,569.56</b>     | <b>4,905.63</b>     |

**Further Notes:**

# Net of Current Tax Liabilities - Note 33.

\* Others include amount recoverable from Customers &amp; State Governments, insurance claims etc.

**Note 13: Inventories**

(₹ in crore)

| Particulars                                      | As at 31 March 2024 | As at 31 March 2023 |
|--|---------------------|---------------------|
| <b>(For mode of valuation refer Note 2.10)</b>   |                     |                     |
| Components, Spares & other spare parts           | 1,242.21            | 1,294.19            |
| Loose tools                                      | 53.66               | 26.98               |
| Consumable stores                                | 8.28                | 9.44                |
|  | <b>1,304.15</b>     | <b>1,330.61</b>     |
| Less Provision for Shortages/damages etc.        | 0.42                | 7.06                |
| <b>Total</b>                                     | <b>1,303.73</b>     | <b>1,323.55</b>     |
| <b>Inventories includes material in transit:</b> |                     |                     |
| Components, Spares & other spare parts           | 1.56                | -                   |

**Note 14A: Investments**

(₹ in crore)

| Particulars  | As at 31 March 2024 | As at 31 March 2023 |
|--|---------------------|---------------------|
| <b>Investments carried at Fair Value through Profit and Loss</b>   |                     |                     |
| <b>Quoted</b>  |                     |                     |
| <b>Mutual Funds</b>  |                     |                     |
| Canara Robeco Liquid Fund (364737.241 Units (Previous Year Nil))   | 105.54              | -                   |
| SBI Liquid Fund (1330210.403 Units (Previous Year Nil))            | 502.72              | -                   |
| <b>Total</b>   | <b>608.26</b>       | <b>-</b>            |
| <b>Further Notes:</b>  |                     |                     |
| 1) Aggregate amount of Quoted Investments                          |                     |                     |
| At Cost  | 604.42              | -                   |
| Market Value   | 608.26              | -                   |
| 2) Investments have been valued as per accounting policy no. 2.13. |                     |                     |

**Note 14: Trade receivables**

(₹ in crore)

| Particulars  | As at 31 March 2024 | As at 31 March 2023 |
|--|---------------------|---------------------|
| <b>Trade receivables - Unsecured</b>               |                     |                     |
| Considered good                                    | 10,778.48           | 14,251.18           |
| Credit Impaired                                    | 289.52              | 294.00              |
|  | <b>11,068.00</b>    | <b>14,545.18</b>    |
| <b>Receivable from related parties - Unsecured</b> |                     |                     |
| Considered good                                    | 47.32               | 52.95               |
|  | <b>11,115.32</b>    | <b>14,598.13</b>    |
| Less: Loss Allowance                               | 289.52              | 294.00              |
| <b>Total</b>                                       | <b>10,825.80</b>    | <b>14,304.13</b>    |

**Further Notes:**

a) Refer note no. 46 for disclosure as per Ind AS 115 'Revenue from Contracts with Customers' &amp; note no. 55. for details of trade receivables from related parties.

**Note 14: Trade receivables (Contd.)**

- b) Trade Receivables includes Unbilled Receivables relating to transmission segment amounting to ₹ 3,810.06 Crores (Previous Year ₹ 8,088.77 Crores) out of which transmission charges for the month of March including arrear bills for previous quarters, of the financial year amounting to ₹ 3,283.35 crore (Previous Year ₹ 6,634.84 crore) billed to beneficiaries in the subsequent financial year. Trade receivable also includes non-tariff income to be passed on to DICs and revenue from other business (telecom) to be passed on to DICs amounting to ₹ 75.41 crore (Previous Year ₹ 82.81 crore) is netted off against unbilled receivables as the same will be billed on net basis.
- c) Based on arrangements between the Company, banks and beneficiaries, the bills of the beneficiaries have been discounted. Amount realised by the Company through discounting and yet to be settled by the beneficiaries to banks as at the end of the year is shown as Borrowings (refer note no. 28) as bills are discounted with recourse to the company. In case of any claim on the company from the banks in this regard, entire amount shall be recoverable from the beneficiaries along with surcharge. The Outstanding Trade receivables includes the amount of ₹ 2693.52 Crore (Previous Year ₹ 1922.61 Crore) that has been discounted with recourse to the company & the same has been shown as Borrowings (refer note no. 28). Total Trade receivables (including non-current) net off amount realised through discounting of bills is ₹ 8,415.23crore (Previous Year ₹ 13,077.09crore).
- d) Aging of Trade Receivables is as follows:

(₹ in crore)

| Particulars                         |            | Unbilled        | Not Due         | Less than 6 months | 6 months to 1 year | 1-2 years     | 2-3 years     | More than 3 years | Total            |
|-------------------------------------|------------|-----------------|-----------------|--------------------|--------------------|---------------|---------------|-------------------|------------------|
| <b>As at 31.03.2024</b>             |            |                 |                 |                    |                    |               |               |                   |                  |
| Considered – Good                   | Disputed   | -               | 0.53            | 138.14             | 722.43             | 200.66        | 14.71         | 112.34            | 1,188.81         |
|                                     | Undisputed | 3,844.77        | 4,974.37        | 602.72             | 134.06             | 65.39         | 6.05          | 9.63              | 9,636.99         |
| Significant increase in Credit Risk | Disputed   | -               | -               | -                  | -                  | -             | -             | -                 | -                |
|                                     | Undisputed | -               | -               | -                  | -                  | -             | -             | -                 | -                |
| Credit Impaired                     | Disputed   | -               | -               | 0.94               | -                  | -             | -             | 273.06            | 274.00           |
|                                     | Undisputed | -               | -               | -                  | -                  | 0.36          | 6.06          | 9.10              | 15.52            |
| <b>Total</b>                        |            | <b>3,844.77</b> | <b>4,974.90</b> | <b>741.80</b>      | <b>856.49</b>      | <b>266.41</b> | <b>26.82</b>  | <b>404.13</b>     | <b>11,115.32</b> |
| <b>As at 31 March 2023</b>          |            |                 |                 |                    |                    |               |               |                   |                  |
| Considered – Good                   | Disputed   | -               | 7.77            | 147.95             | 70.41              | 11.29         | 81.71         | 161.71            | 480.84           |
|                                     | Undisputed | 8,160.21        | 4,678.15        | 633.10             | 254.07             | 69.54         | 19.44         | 8.78              | 13,823.29        |
| Significant increase in Credit Risk | Disputed   | -               | -               | -                  | -                  | -             | -             | -                 | -                |
|                                     | Undisputed | -               | -               | -                  | -                  | -             | -             | -                 | -                |
| Credit Impaired                     | Disputed   | -               | -               | -                  | -                  | -             | -             | 273.78            | 273.78           |
|                                     | Undisputed | -               | -               | -                  | 0.40               | 6.09          | 0.25          | 13.48             | 20.22            |
| <b>Total</b>                        |            | <b>8,160.21</b> | <b>4,685.92</b> | <b>781.05</b>      | <b>324.88</b>      | <b>86.92</b>  | <b>101.40</b> | <b>457.75</b>     | <b>14,598.13</b> |

**Note 15: Cash and Cash Equivalents**

(₹ in crore)

| Particulars  | As at 31 March 2024 | As at 31 March 2023 |
|--|---------------------|---------------------|
| <b>Balance with banks-</b>   |                     |                     |
| -In Current accounts   | 1,718.62            | 1,343.47            |
| -In designated accounts (For Consultancy clients and others)                     | 86.28               | 240.30              |
| In term deposits (with maturity less than 3 months)(including interest accrued)* | 815.65              | 2,562.47            |
| <b>Total</b>   | <b>2,620.55</b>     | <b>4,146.24</b>     |

**Further Notes:**

- \* Term deposit includes ₹ 536.65 crore (Previous Year ₹ 808.24 crore) for Consultancy clients and others.

**Note 16: Bank Balances other than Cash & cash equivalents**

(₹ in crore)

| Particulars   | As at 31 March 2024 | As at 31 March 2023 |
|---|---------------------|---------------------|
| Earmarked balance with banks*   | 33.22               | 29.91               |
| In Term Deposits having maturity over 3 months but upto 12 months (including interest accrued)# | 2,372.96            | 558.29              |
| <b>Total</b>  | <b>2,406.18</b>     | <b>588.20</b>       |

**Further Notes:**

\* Earmarked balance with Bank includes unpaid dividend.

# Term deposit includes ₹1620.65 crore (Previous Year ₹ 558.29 crore) for Consultancy clients and others.

**Note 17: Loans (considered good unless otherwise stated)**

(₹ in crore)

| Particulars   | As at 31 March 2024 | As at 31 March 2023 |
|---|---------------------|---------------------|
| <b>Loans to Related Parties (including interest accrued)*</b> |                     |                     |
| Loans to Subsidiaries - Unsecured                             | 318.25              | 348.07              |
| Loans to Joint Venture - Unsecured                            |                     |                     |
| Considered Good   | 13.41               | -                   |
| Credit Impaired   | 0.16                | 6.72                |
|   | <b>13.57</b>        | <b>6.72</b>         |
| Less: Loss Allowance**  | 0.16                | 6.72                |
|   | <b>13.41</b>        | <b>-</b>            |
| <b>Loan to Directors &amp; Key Managerial Personnel (KMP)</b> |                     |                     |
| Secured #   | 0.02                | 0.01                |
| Unsecured Considered good                                     | -                   | 0.08                |
|   | <b>331.68</b>       | <b>348.16</b>       |
| <b>Loans to Employees (including interest accrued)</b>        |                     |                     |
| Secured #   | 72.59               | 60.63               |
| Unsecured Considered good                                     | 46.22               | 46.31               |
|   | <b>118.81</b>       | <b>106.94</b>       |
| <b>Total</b>  | <b>450.49</b>       | <b>455.10</b>       |

**Further Notes:**

\* Details of loans to related parties is provided in Note No 55.

\*\* Refer note 61(A)(vi) for reconciliation of allowance for impairment.

# House building loans and conveyance advance to Directors, KMP and Employees are secured against the mortgage of the house properties or hypothecation of vehicles for which such loans have been given in line with the policies of the Company.



**Note 18: Other Current Financial Assets**

(Unsecured considered good unless otherwise stated)

(₹ in crore)

| Particulars  | As at 31 March 2024 | As at 31 March 2023 |
|--|---------------------|---------------------|
| Lease Receivables  | 64.25               | 76.72               |
| Contract Assets #  | 4,322.28            | 812.39              |
| Recoverable for GOI fully Service Bonds (including interest accrued) | 36.90               | 36.22               |
| Advance to/Receivable from Related Parties ##                        | 443.67              | 498.01              |
| Others ###   |                     |                     |
| Considered Good  | 153.47              | 507.23              |
| Considered Doubtful  | 7.94                | 7.94                |
|  | <b>161.41</b>       | <b>515.17</b>       |
| Less: Provision for doubtful Advances                                | 7.94                | 7.94                |
|  | <b>153.47</b>       | <b>507.23</b>       |
| <b>Total</b>   | <b>5,020.57</b>     | <b>1,930.57</b>     |

**Further Notes:**

# Contract Assets includes ₹ 0.44 Crore (Previous Year ₹ 0.16 Crore) from related parties (refer Note 55). Refer Note 46 for disclosure as per Ind AS 115 'Revenue from Contracts with Customers'.

## Details of related parties are provided in Note 55.

### Others include:-

- an amount of ₹ 59.88 crore (Previous Year ₹ 59.88 crore) recoverable from M/s Delhi Transco Limited towards transfer of 2.427 hectare (Previous Year 2.427 hectare) land at Tughlaqabad and Dwarka Sub-station pending completion of legal formalities for transfer of title.
- amount recoverable from Customers, Advance rent for Residential and Office accommodation, Other advance etc.

**Note 19: Other Current Assets**

(Unsecured considered good unless otherwise stated)

(₹ in crore)

| Particulars   | As at 31 March 2024 | As at 31 March 2023 |
|---|---------------------|---------------------|
| <b>Advances other than for Capital Expenditure</b>              |                     |                     |
| <b>Advances recoverable in kind or for value to be received</b> |                     |                     |
| Contractors & Suppliers   | 5.75                | 9.95                |
| Employees   | 8.19                | 9.11                |
| Balance with Customs Port Trust and other authorities           | 20.64               | 28.49               |
| Claims recoverable  | -                   | 18.83               |
|   | <b>34.58</b>        | <b>66.38</b>        |
| Deferred Employee Cost  | 8.24                | 6.54                |
| <b>Others*</b>  |                     |                     |
| Considered Good   | 159.07              | 149.85              |
| Considered Doubtful   | 0.01                | 0.01                |
|   | <b>159.08</b>       | <b>149.86</b>       |
| Less: Provision for Doubtful Advances                           | 0.01                | 0.01                |
|   | <b>159.07</b>       | <b>149.85</b>       |
| <b>Total</b>  | <b>201.89</b>       | <b>222.77</b>       |

**Further Notes:**

\* Others include advance given for CSR activities, prepaid expenses, input tax credit - GST etc.

**Note 19A: Assets classified as held for sale**

(₹ in crore)

| Particulars  | As at 31 March 2024 |             | As at 31 March 2023 |             |
|--|---------------------|-------------|---------------------|-------------|
|  | Current             | Non-Current | Current             | Non-Current |
| <b>Investments in Equity Instruments (fully paid up)</b>   |                     |             |                     |             |
| <b>Associates Companies</b>  |                     |             |                     |             |
| Powergrid Kala Amb Transmission Limited<br>15860000 (Previous Year 15860000) Equity Shares of ₹10 each | 15.86               | -           | 15.86               | -           |
| Powergrid Jabalpur Transmission Limited<br>58996600 (Previous Year 58996600) Equity Shares of ₹10 each | 59.00               | -           | 59.00               | -           |
| Powergrid Warora Transmission Limited<br>102258000 (Previous Year 102258000) Equity Shares of ₹10 each | 102.26              | -           | 102.26              | -           |
| Powergrid Parli Transmission Limited<br>83746000 (Previous Year 83746000) Equity Shares of ₹10 each    | 83.74               | -           | 83.74               | -           |
| <b>TOTAL</b>   | <b>260.86</b>       | <b>-</b>    | <b>260.86</b>       | <b>-</b>    |

**Further Notes:**

During the year ended 31 March 2022, the Company has monetised 74% of shareholding of five (05 No's) of its Subsidiaries through POWERGRID Infrastructure Investment Trust ('PGInvIT/ Trust') and balance 26% shares of one of SPVs was transferred in March 2022. Remaining 26% shareholding amounting to ₹ 260.86 Crore of 4 nos. of SPVs to be monetised in line with Transmission Service Agreement (TSA) & the same has been classified as "Assets Classified as Held for Sale".

**Note 20: Regulatory Deferral Account Balances**

(₹ in crore)

| Particulars                                | As at 31 March 2024 | As at 31 March 2023 |
|--|---------------------|---------------------|
| <b>Assets</b>                              |                     |                     |
| Deferred assets for deferred tax liability | 7,316.30            | 7,880.80            |
| Foreign Currency Fluctuation               | 2,273.87            | 2,398.86            |
| Employee Benefits & Other Expenses         | 9.57                | 4.10                |
| <b>Total</b>                               | <b>9,599.74</b>     | <b>10,283.76</b>    |

**Further Notes:**

Refer to note no 51 for detailed disclosure on Regulatory Deferral Account Balances.

**Note 21: Equity Share capital**

(₹ in crore)

| Particulars  | As at 31 March 2024 | As at 31 March 2023 |
|--|---------------------|---------------------|
| <b>Equity Share Capital</b>  |                     |                     |
| <b>Authorised</b>  |                     |                     |
| 10,00,00,00,000 (Previous Year 10,00,00,00,000) equity shares of ₹10/- each at par           | 10,000.00           | 10,000.00           |
| <b>Issued, subscribed and paid up</b>  |                     |                     |
| 930,06,03,819 (Previous Year 6,97,54,52,864) equity shares of ₹10/-each at par fully paid up | 9,300.60            | 6,975.45            |

## Note 21: Equity Share capital (Contd.)

### 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 31 March 2024 |                     | For the year ended 31 March 2023 |                     |
|--|----------------------------------|---------------------|----------------------------------|---------------------|
|  | No. of Shares                    | Amount (₹ in crore) | No. of Shares                    | Amount (₹ in crore) |
| Shares outstanding at the beginning of the year  | 6975452864                       | 6,975.45            | 6975452864                       | 6,975.45            |
| Additions during the year *                      | 2325150955                       | 2,325.15            | -                                | -                   |
| Deduction during the year                        | -                                | -                   | -                                | -                   |
| <b>Shares outstanding at the end of the year</b> | <b>9300603819</b>                | <b>9,300.60</b>     | <b>6975452864</b>                | <b>6,975.45</b>     |

\* During the current year, the Company has issued 232,51,50,955 equity shares of ₹ 10/- each as fully paid bonus share in the ratio of one equity share of ₹ 10/- each for every three equity shares held on record date of 12 September 2023 by utilising Securities Premium.

- 2) The Company has only one class of equity shares having a par value of ₹10/- per share.  
 3) The holders of equity shares are entitled to receive dividends as declared from time to time and to voting rights proportionate to their shareholding at meetings of the Shareholders.  
 4) Shareholding of Promoters and Shareholders holding more than 5% equity shares of the Company

| Particulars                    | As at 31 March 2024 |              | As at 31 March 2023 |              | % Change |
|--------------------------------|---------------------|--------------|---------------------|--------------|----------|
|                                | No. of Shares       | % of holding | No. of Shares       | % of holding |          |
| Government of India (Promoter) | 4774884280          | 51.34        | 3581163210          | 51.34        | -        |

## Note 22: Other Equity

(₹ in crore)

| Particulars                        | As at 31 March 2024 | As at 31 March 2023 |
|------------------------------------|---------------------|---------------------|
| <b>Reserves and Surplus</b>        |                     |                     |
| Securities Premium                 | 5,509.28            | 7,834.43            |
| Bonds Redemption Reserve           | 2,921.02            | 4,168.17            |
| Self Insurance Reserve             | 1,240.63            | 1,047.96            |
| General Reserve                    | 64,566.23           | 58,457.37           |
| Retained Earnings                  | 3,156.61            | 3,989.19            |
| <b>Other Reserves</b>              |                     |                     |
| Other Comprehensive Income Reserve | 172.68              | 371.61              |
| <b>Total</b>                       | <b>77,566.45</b>    | <b>75,868.73</b>    |

## Note 22: Other Equity (Contd.)

### 22.1 Securities Premium

(₹ in crore)

| Particulars                           | As at 31 March 2024 | As at 31 March 2023 |
|---------------------------------------|---------------------|---------------------|
| Balance at the beginning of the year  | 7,834.43            | 7,834.43            |
| Addition during the year              | -                   | -                   |
| Deduction during the year             | 2,325.15            | -                   |
| <b>Balance at the end of the year</b> | <b>5,509.28</b>     | <b>7,834.43</b>     |

The premium on issue of shares is recorded in Securities premium and the same has been utilised to issue fully paid bonus shares during the year in accordance with provisions of the Companies Act, 2013.

### 22.2 Bonds Redemption Reserve

(₹ in crore)

| Particulars                           | As at 31 March 2024 | As at 31 March 2023 |
|---------------------------------------|---------------------|---------------------|
| Balance at the beginning of the year  | 4,168.17            | 5,532.80            |
| Addition during the year              | -                   | -                   |
| Deduction during the year             | 1,247.15            | 1,364.63            |
| <b>Balance at the end of the year</b> | <b>2,921.02</b>     | <b>4,168.17</b>     |

Bonds Redemption Reserve is created for the purpose of redemption of debentures in term of the Companies Act 2013. As per the Companies (Share Capital and Debentures) rule 2014, listed companies are not required to create Bonds Redemption Reserve w.e.f. 16.08.2019.

### 22.3 Self Insurance Reserve

(₹ in crore)

| Particulars                           | As at 31 March 2024 | As at 31 March 2023 |
|---------------------------------------|---------------------|---------------------|
| Balance at the beginning of the year  | 1,047.96            | 853.09              |
| Addition during the year              | 301.53              | 299.42              |
| Deduction during the year             | 108.86              | 104.55              |
| <b>Balance at the end of the year</b> | <b>1,240.63</b>     | <b>1,047.96</b>     |

Self-Insurance Reserve is created @ 0.12% p.a. (0.12% p.a. in previous year) on the Original Gross Block of Property, Plant & Equipments (including considered as Lease receivables) and value of inventory except ROU Assets and assets covered under insurance as at the end of the year to meet future losses which may arise from un-insured risks and for procurement of towers and other transmission line materials including strengthening of towers and equipments of AC sub-station to take care of future contingencies.

### 22.4 General Reserve

(₹ in crore)

| Particulars                           | As at 31 March 2024 | As at 31 March 2023 |
|---------------------------------------|---------------------|---------------------|
| Balance at the beginning of the year  | 58,457.37           | 50,352.82           |
| Addition during the year              | 6,108.86            | 8,104.55            |
| Deduction during the year             | -                   | -                   |
| <b>Balance at the end of the year</b> | <b>64,566.23</b>    | <b>58,457.37</b>    |

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 22: Other Equity (Contd.)**
**22.5 Retained Earnings**

(₹ in crore)

| Particulars  | As at 31 March 2024 | As at 31 March 2023 |
|--|---------------------|---------------------|
| Balance at the beginning of the year                                       | 3,989.19            | 4,110.89            |
| Add/(Less): Ind AS 12 Adjustments  | -                   | 8.70                |
|  | 3,989.19            | 4,119.59            |
| Add: Additions   |                     |                     |
| Net Profit for the period  | 15,474.61           | 15,335.54           |
| Items of other comprehensive income recognised directly in surplus balance |                     |                     |
| - Remeasurements of post employment benefit obligations                    | (33.96)             | 17.22               |
| Transfer from Bond Redemption Reserve                                      | 1,247.15            | 1,364.63            |
| Less: Appropriations   |                     |                     |
| General Reserve  | 6,000.00            | 8,000.00            |
| Self Insurance Reserve   | 301.53              | 299.42              |
| Interim dividend paid (refer note 59(b))                                   | 7,905.51            | 6,975.45            |
| Final Dividend (refer note 59(b))  | 3,313.34            | 1,569.48            |
| Other Adjustments  | -                   | 3.44                |
| <b>Balance at the end of the year</b>                                      | <b>3,156.61</b>     | <b>3,989.19</b>     |

**22.6 Other Comprehensive Income Reserve**

(₹ in crore)

| Particulars                           | As at 31 March 2024 | As at 31 March 2023 |
|---------------------------------------|---------------------|---------------------|
| Balance at the beginning of the year  | 371.61              | 492.09              |
| Addition/Adjustments during the year  | (198.93)            | (120.48)            |
| Deduction during the year             | -                   | -                   |
| <b>Balance at the end of the year</b> | <b>172.68</b>       | <b>371.61</b>       |

Other Comprehensive Income Reserve is created from increase/decrease in valuation of Non Current Investments classified as fair valued through Other Comprehensive Income (FVOCI).

**Note 23: Borrowings**

(₹ in crore)

| Particulars  | As at 31 March 2024 | As at 31 March 2023 |
|--|---------------------|---------------------|
| <b>A) BONDS</b>  |                     |                     |
| <b>A1) Secured (Taxable, Redeemable, Non-Cumulative, Non-Convertible)</b>  |                     |                     |
| <b>A1.1 i)</b> Bonds of ₹10 Lakh each  |                     |                     |
| LV Issue-7.55% Redeemable at par on 21.09.2031   | 1,289.21            | 1,289.07            |
| LX Issue-7.20% Redeemable at par on 09.08.2027   | 3,201.96            | 3,201.72            |
| LIX Issue-7.30% Redeemable at par on 19.06.2027  | 3,245.63            | 3,245.47            |
| XXXIX Issue-9.40% redeemable at par on 29.03.2027  | 1,801.35            | 1,801.34            |
| LVIII Issue-7.89% redeemable at par on 09.03.2027  | 2,070.15            | 2,070.09            |
| XXXVIII Issue-9.25% redeemable at par on 09.03.2027  | 859.95              | 859.93              |
| LVI Issue-7.36% redeemable at par on 18.10.2026  | 1,100.47            | 1,100.32            |
| LXII Issue-8.36% Redeemable at par in 5 (five) equal annual installments w.e.f. 07.01.2025   | 2,038.72            | 2,038.34            |
| <b>ii)</b> Bonds of ₹30 Lakh each consisting of 3 STRPPs of ₹10 lakh each redeemable at par in 3 (Three) equal installments on 15.07.2021, 15.07.2026 and 15.07.2031 |                     |                     |
| LIV Issue-7.97% Redeemable w.e.f. 15.07.2021   | 2,113.57            | 2,113.43            |

**Note 23: Borrowings (Contd.)**

(₹ in crore)

| Particulars  | As at 31 March 2024 | As at 31 March 2023  |
|--|---------------------|----------------------|
| iii) Bonds of ₹30 Lakh each consisting of 3 STRPPs of ₹10 lakh each redeemable at par in 3 (Three) equal installments on 23.12.2020, 23.12.2025 and 23.12.2030<br><b>LII Issue-8.32% redeemable w.e.f. 23.12.2020</b>                                | 953.10              | 952.93               |
| iv) Bonds of ₹1.20 crore each consisting of 12 STRPPs of ₹10 lakh each redeemable at par in 12 (Twelve) equal annual installments<br><b>LIII Issue-8.13% Redeemable w.e.f. 25.04.2020</b>  | 2,866.30            | 3,224.54             |
| v) Bonds of ₹30 Lakh each consisting of 3 STRPPs of ₹10 lakh each redeemable at par in 3 (Three) equal installments on 09.03.2020, 09.03.2025 and 09.03.2030<br><b>XLIX Issue-8.15% redeemable w.e.f. 09.03.2020</b>                                 | 874.40              | 874.36               |
| vi) Bonds of ₹40 Lakh each consisting of 4 STRPPs of ₹10 lakh each redeemable at par in 4 (Four) equal installments on 23.01.2020, 23.01.2022, 23.01.2025 and 23.01.2030<br><b>XLVIII Issue-8.20% redeemable w.e.f. 23.01.2020</b>                   | 1,309.89            | 1,309.64             |
| vii) Bonds of ₹1.20 crore each consisting of 12 STRPPs of ₹10 lakh each redeemable at par in 12 (Twelve) equal annual installments<br><b>LI Issue-8.40% redeemable w.e.f. 14.09.2019</b>   | 1,830.26            | 2,091.51             |
| viii) Bonds of ₹30 Lakh each consisting of 3 STRPPs of ₹10 lakh each redeemable at par in 3 (Three) equal installments on 04.09.2019, 04.09.2024 and 04.09.2029<br><b>XLVI Issue-9.30% redeemable w.e.f. 04.09.2019</b>                              | 3,063.11            | 3,062.77             |
| ix) Bonds of ₹1.20 crore each consisting of 12 STRPPs of ₹10 lakh each redeemable at par in 12 (Twelve) equal annual installments<br><b>L Issue-8.40% redeemable w.e.f. 27.05.2019</b>   | 1,829.46            | 2,090.73             |
| x) Bonds of ₹1.20 crore each consisting of 12 STRPPs of ₹10 lakh each redeemable at par in 12 (Twelve) equal annual installments<br><b>XLVII Issue-8.93% redeemable w.e.f. 20.10.2018</b>  | 1,372.77            | 1,601.34             |
| xi) Bonds of ₹30 Lakh each redeemable at par in 3 equal installments on 15.07.2018, 15.07.2023 and 15.07.2028<br><b>XLIV Issue-8.70% redeemable w.e.f. 15.07.2018</b>  | 1,403.97            | 2,807.80             |
| xii) Bonds of ₹1.20 crores each consisting of 12 STRPPs of ₹10 lakhs each redeemable at par in 12 (Twelve) equal annual installments<br><b>XLV Issue-9.65% redeemable w.e.f. 28.02.2018</b><br><b>XLIII Issue-7.93% redeemable w.e.f. 20.05.2017</b> | 840.20<br>1,391.93  | 1,008.00<br>1,670.26 |
| xiii) Bonds of ₹1.50 crores each consisting of 12 STRPPs of ₹12.50 Lakhs each redeemable at par in 12 (Twelve) equal annual installments.<br><b>XLI Issue-8.85% redeemable w.e.f. 19.10.2016</b>   | 985.29              | 1,231.45             |
| xiv) Bonds of ₹1.50 crores each, consisting of 15 STRPPs of ₹10.00 Lakhs each redeemable at par in 15 (Fifteen) equal annual installments<br><b>XXXVI Issue- 9.35% redeemable w.e.f. 29.08.2016</b>  | 1,521.55            | 1,738.74             |

**Note 23: Borrowings (Contd.)**

(₹ in crore)

| Particulars   | As at 31 March 2024 | As at 31 March 2023 |
|---|---------------------|---------------------|
| xv) Bonds of ₹1.5 crores each consisting of 12 STRPPs of ₹12.50 Lakhs each redeemable at par in 12 (Twelve) equal annual installments   |                     |                     |
| <b>XL Issue-9.30% redeemable w.e.f. 28.06.2016</b>  | 1,426.62            | 1,783.17            |
| <b>XXXVII Issue- 9.25% redeemable w.e.f 26.12.2015</b>  | 510.97              | 681.17              |
| <b>XXXV Issue- 9.64% redeemable w.e.f 31.05.2015</b>  | 528.81              | 705.05              |
| <b>XXXIV Issue- 8.84% redeemable w.e.f 21.10.2014</b>   | 604.13              | 906.08              |
| <b>XXXIII Issue- 8.64% redeemable w.e.f 08.07.2014</b>  | 510.37              | 765.50              |
| <b>XXXII Issue- 8.84% redeemable w.e.f 29.03.2014</b>   | 86.31               | 172.62              |
| <b>XXXI Issue- 8.90% redeemable w.e.f 25.02.2014</b>  | 172.12              | 344.16              |
| <b>XXX Issue- 8.80% redeemable w.e.f 29.09.2013</b>   | 203.02              | 405.99              |
| <b>XXIX Issue- 9.20% redeemable w.e.f 12.03.2013</b>  | -                   | 108.67              |
| <b>XXVIII Issue- 9.33% redeemable w.e.f 15.12.2012</b>  | -                   | 205.47              |
|   | <b>42,005.59</b>    | <b>47,461.66</b>    |
| <b>A2) Unsecured</b>  |                     |                     |
| <b>A2.1 Redeemable Domestic Bonds</b>   |                     |                     |
| i) Bonds of ₹1 Lakh each  |                     |                     |
| <b>LXXVI Issue-7.35% redeemable at par on 12.03.2034</b>  | 1,204.18            | -                   |
| ii) Bonds of ₹10 Lakh each  |                     |                     |
| <b>LXVIII Issue-6.28% redeemable at par on 11.04.2031</b>   | 520.57              | 520.54              |
| <b>LXVI Issue-7.38% Redeemable at par on 12.04.2030</b>   | 508.30              | 508.20              |
| iii) Bonds of ₹50 Lakhs each consisting of 5 STRPPs of ₹10.00 Lakhs each redeemable at par in 5 (Five) equal annual installments.   |                     |                     |
| <b>LXI Issue-7.74% redeemable w.e.f. 12.12.2028</b>   | 3,070.26            | 3,069.80            |
| iv) Bonds of ₹10 Lakhs each   |                     |                     |
| <b>LXIX Issue-6.05% Redeemable at par on 25.03.2027</b>   | 530.50              | 530.49              |
| <b>LXVII Issue-6.85% redeemable at par on 15.04.2025</b>  | 2,984.40            | 2,984.33            |
| v) Bonds of ₹1 Lakh each redeemable in 10 equal annual installments @   |                     |                     |
| <b>LXXV Issue-7.65% redeemable w.e.f. 11.01.2025</b>  | 2,236.08            | -                   |
| vi) Bonds of ₹10 Lakhs each consisting of 3 STRPPs of ₹ 3.00 Lakhs, ₹ 3.00 Lakhs & ₹ 4.00 Lakhs redeemable at par in 3 (Three) installments on 25.10.2024, 25.10.2029 and 25.10.2034. |                     |                     |
| <b>LXIV Issue-7.49% redeemable w.e.f. 25.10.2024</b>  | 2,601.84            | 2,601.52            |
| vii) Bonds of ₹1 Lakh each redeemable in 10 equal annual installments @   |                     |                     |
| <b>LXXIV Issue-7.70% redeemable w.e.f. 12.10.2024</b>   | 2,330.28            | -                   |
| <b>LXXIII Issue-7.50% redeemable w.e.f. 24.08.2024</b>  | 1,305.99            | -                   |
| viii) Bonds of ₹ 30 Lakhs each consisting of 03 STRPPs of ₹10.00 Lakhs each redeemable at par in 03 (Three) equal installments on 15.07.2024, 15.07.2029 and 15.07.2034.              |                     |                     |
| <b>LXIII Issue-7.34% redeemable w.e.f. 15.07.2024</b>   | 1,894.07            | 1,893.94            |
| ix) Bonds of ₹ 1 Lakhs each redeemable in 40 equal quarterly installments #   |                     |                     |
| <b>LXXI Issue-7.52% redeemable w.e.f. 17.08.2023</b>  | 809.19              | 868.56              |
| <b>LXXII Issue-7.56% redeemable w.e.f. 17.08.2023</b>   | 396.68              | 425.07              |
| <b>LXX Issue-7.40% redeemable w.e.f. 17.05.2023</b>   | 1,924.89            | 2,138.38            |
| x) Bonds of ₹10 Lakh each   |                     |                     |

**Note 23: Borrowings (Contd.)**

(₹ in crore)

| Particulars   | As at 31 March 2024 | As at 31 March 2023 |
|---|---------------------|---------------------|
| <b>LXV Issue-6.35% Redeemable at par on 14.04.2023</b>            | -                   | 202.89              |
|   | <b>22,317.23</b>    | <b>15,743.72</b>    |
| <b>Total (A)</b>  | <b>64,322.82</b>    | <b>63,205.38</b>    |
| <b>B) Term loans</b>  |                     |                     |
| <b>From Banks</b>   |                     |                     |
| <b>Secured</b>  |                     |                     |
| Foreign Currency Loans (Guaranted by Government of India (GOI))   | 23,030.79           | 24,964.95           |
| Other Foreign Currency Loans                                      | 6,557.96            | 7,037.27            |
| Rupee Loans   | 6,366.98            | 7,821.01            |
|   | <b>35,955.73</b>    | <b>39,823.23</b>    |
| <b>Unsecured</b>  |                     |                     |
| Foreign Currency Loans (Guaranted by GOI)                         | 2,679.08            | 3,127.73            |
| Other Foreign Currency Loans                                      | 2,176.41            | 2,575.72            |
| Rupee Loans   | 18,527.94           | 20,119.43           |
|   | <b>23,383.43</b>    | <b>25,822.88</b>    |
| <b>Total (B)</b>  | <b>59,339.16</b>    | <b>65,646.11</b>    |
| <b>TOTAL (A to B)</b>   | <b>123,661.98</b>   | <b>128,851.49</b>   |
| Less: Current maturities of Non Current Borrowing (refer note 28) | 15,688.15           | 12,003.61           |
| Less: Interest accrued but not due on borrowings (refer note 30)  | 2,906.88            | 2,956.59            |
| <b>Total</b>  | <b>105,066.95</b>   | <b>113,891.29</b>   |

**Further Notes:**

@ During the current year, the company has securitised its cashflows from four of its subsidiaries viz. Powergrid Bhuj Transmission Limited, Powergrid Khetri Transmission System Limited, Powergrid Medinipur Jeerat Transmission System Limited and Powergrid Varanasi Transmission System Limited and raised total ₹ 5,700 crore in three tranches to part finance its capital expenditure in pursuance of new National Monetization Pipeline (NMP).

# During the previous year, the company has securitised its cashflows from three of its subsidiaries viz. Powergrid Southern Interconnector Transmission System Limited, Powergrid Mithilanchal Transmission Limited and Powergrid NM Transmission Limited and raised total ₹ 3,412 crore in three tranches to part finance its capital expenditure in pursuance of new National Monetization Pipeline (NMP).

**Details of terms of repayment and rate of interest**

- 1 Secured Foreign Currency Loans (Guaranteed by GoI) carry floating rate of interest linked to Daily SOFR. These loans are repayable in semi annual instalment, as per terms of the respective loan agreement, commencing after moratorium period of 3 to 5 years except for one loan ₹ 414.52 Crore (Previous year ₹ 408.08 Crore) which carry fixed rate of interest of 0.25% p.a.
- 2 Secured other Foreign Currency Loans carry floating rate of interest linked to 6M (EURIBOR). These loans are repayable in semi annual instalment, as per terms of the respective loan agreements, commencing after moratorium period of 3 to 5 years.
- 3 Secured Rupee loan from banks carry floating rate of interest linked to 3M MCLR. These loans are repayable in semi annual instalments, as per terms of the respective loan agreements, commencing after moratorium period of 5 years.
- 4 Unsecured Foreign Currency Loans (Guaranteed by GoI) carry fixed rate of interest ranging from 1.63% p.a. to 2.30% p.a. These loans are repayable in semi annual instalments as per terms of the respective loan agreements.
- 5 Unsecured Foreign Currency Loans carry floating rate of interest linked to 6M (STIBOR/EURIBOR). These loans are repayable in semi annual instalments as per terms of the respective loan agreements, commencing after moratorium period as per terms of the respective loan agreements.
- 6 Unsecured Foreign Currency Loans carry floating rate of interest linked to 3M TONA. This loan is repayable in five equal annual instalment as per the terms of the loan agreement.



**Note 23: Borrowings (Contd.)**

- 7 Unsecured Rupee loan from bank carry floating rate of interest linked to 3 months MCLR or Repo rate. These loans are repayable in semi annual installments, as per terms of the respective loan agreements, commencing after moratorium period as per terms of the respective loan agreements.
- 8 There has been no default in repayment of loans or payment of interest thereon as at the end of the year.
- 9 The company has used the borrowings from banks and financial institutions for the specified purpose for which it was taken as at balance sheet date.

**Details of Securities**

- 1 Domestic Bonds are Secured by way of Registered Bond Trust Deed ranking pari passu on immovable property situated at Mouje Ambheti Taluka Kaparada in district Valsad Gujarat and floating charge on the assets of the company.
- 2 Secured Foreign Currency Loans (Guaranteed by GoI) are secured by pari passu interest in the lien created on the assets as security for the debts.
- 3 Secured Other Foreign Currency Loans and Rupee Loans are secured by the way of
- pari passu charge on the assets of the company except investments, land and building, roads and bridges, water supply, drainage and sewerage and current assets or
  - pari passu charge on the assets of the company except investments and current assets or
  - floating charge on the immovable properties of the company. as per the terms of respective loan agreements.

**Note 24: Other Non-current financial liabilities**

(₹ in crore)

| Particulars  | As at 31 March 2024 | As at 31 March 2023 |
|--|---------------------|---------------------|
| Deposits/Retention money from contractors and others | 58.40               | 70.24               |
| Govt. of India fully serviced bond *                 | 3,487.50            | 3,487.50            |
| Dues for Capital Expenditure                         | 7.32                | 6.93                |
| <b>Total</b>   | <b>3,553.22</b>     | <b>3,564.67</b>     |

**Further Notes:**

Disclosure with regard to Micro and Small enterprises as required under "The Micro, Small and Medium Enterprises Development Act, 2006" is given in Note No 49.

\* Govt. of India fully serviced bond issued @ 8.24% redeemable at par on 14.02.2029. Refer Note No 11 for details.

**Note 25: Provisions**

(₹ in crore)

| Particulars                             | As at 31 March 2024 | As at 31 March 2023 |
|---|---------------------|---------------------|
| <b>Employee Benefits</b>                |                     |                     |
| Opening Balance                         | 577.61              | 517.05              |
| Additions/(adjustments) during the year | 65.50               | 60.56               |
| <b>Closing Balance</b>                  | <b>643.11</b>       | <b>577.61</b>       |

**Further Notes:**

Provision is created for the purpose of leave encashment, Settlement Allowance, Long Service Award and other benefits. Refer Note No 63 for detailed disclosure related to Employee Benefit Obligations.

**Note 26: Deferred tax liabilities (Net)**

(₹ in crore)

| Particulars  | As at 31 March 2024 | As at 31 March 2023 |
|--|---------------------|---------------------|
| <b>A. Deferred Tax Liability</b>                     |                     |                     |
| Difference in book depreciation and tax depreciation | 26,950.03           | 26,335.66           |
| Finance lease assets                                 | 130.65              | 130.60              |
| Others   | 163.58              | 199.73              |
| <b>Deferred Tax Liability (A)</b>                    | <b>27,244.26</b>    | <b>26,665.99</b>    |
| <b>B. Deferred Tax Assets</b>                        |                     |                     |
| Income during Construction Period                    | 13.65               | 18.87               |
| Provisions allowable on payment basis                | 476.95              | 554.51              |
| Advance Against Depreciation                         | 201.45              | 246.96              |
| MAT Credit Entitlement                               | 16,519.19           | 15,142.61           |
| Others   | 51.62               | 83.14               |
| <b>Deferred Tax Assets (B)</b>                       | <b>17,262.86</b>    | <b>16,046.09</b>    |
| <b>Deferred Tax Liability (Net) (A-B)</b>            | <b>9,981.40</b>     | <b>10,619.90</b>    |

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

(₹ in crore)

| Particulars                          | Property Plant and Equipment | Finance Leased Assets | Others        | Total            |
|--------------------------------------|------------------------------|-----------------------|---------------|------------------|
| <b>As at 01 April 2022</b>           | <b>25,174.38</b>             | <b>72.18</b>          | <b>207.61</b> | <b>25,454.17</b> |
| Charged/(credited) to profit or loss | 1,161.28                     | 58.42                 | 10.21         | 1,229.91         |
| Charged/(credited) to OCI            |                              |                       | (18.09)       | (18.09)          |
| <b>As at 31 March 2023</b>           | <b>26,335.66</b>             | <b>130.60</b>         | <b>199.73</b> | <b>26,665.99</b> |
| Charged/(credited) to profit or loss | 614.37                       | 0.05                  | (3.17)        | 611.25           |
| Charged/(credited) to OCI            |                              |                       | (32.98)       | (32.98)          |
| <b>As at 31 March 2024</b>           | <b>26,950.03</b>             | <b>130.65</b>         | <b>163.58</b> | <b>27,244.26</b> |

**Movement in Deferred Tax Asset**

(₹ in crore)

| Particulars                          | Property Plant & Equipment-Income during construction period | Provisions allowable on payment basis | Advance against depreciation | MAT Credit       | Others       | Total            |
|--------------------------------------|--|---------------------------------------|------------------------------|------------------|--------------|------------------|
| <b>As at 01 April 2022</b>           | <b>18.26</b>   | <b>532.23</b>                         | <b>299.92</b>                | <b>13,157.43</b> | <b>30.25</b> | <b>14,038.09</b> |
| Charged/(credited) to profit or loss | 0.61   | 22.28                                 | (52.96)                      | 1,985.18         | 52.89        | 2,008.00         |
| <b>As at 31 March 2023</b>           | <b>18.87</b>   | <b>554.51</b>                         | <b>246.96</b>                | <b>15,142.61</b> | <b>83.14</b> | <b>16,046.09</b> |
| Charged/(credited) to profit or loss | (5.22)   | (77.56)                               | (45.51)                      | 1,376.58         | (31.52)      | 1,216.77         |
| <b>As at 31 March 2024</b>           | <b>13.65</b>   | <b>476.95</b>                         | <b>201.45</b>                | <b>16,519.19</b> | <b>51.62</b> | <b>17,262.86</b> |

**Note 26: Deferred tax liabilities (Net) (Contd.)**

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

(₹ in crore)

| Particulars   | For the year ended<br>31 March 2024 | For the year ended<br>31 March 2023 |
|---|-------------------------------------|-------------------------------------|
| Increase/ (Decrease) in Deferred Tax Liabilities    | 611.25                              | 1,229.91                            |
| Decrease / (Increase) in Deferred Tax Assets        | (1,216.77)                          | (2,008.00)                          |
| <b>Amount charged/(credited) to profit or loss*</b> | <b>(605.52)</b>                     | <b>(778.09)</b>                     |
| Increase/ (Decrease) in Deferred Tax Liabilities    | (32.98)                             | (18.09)                             |
| <b>Amount charged/(credited) to OCI</b>             | <b>(32.98)</b>                      | <b>(18.09)</b>                      |

\*includes ₹ (1.07) crore (Previous Year ₹ (22.11) crore) from Discontinued Operations

a) In the opinion of the management, it is probable that future economic benefits will flow to the company in the form of availability of set off against future income tax liability by recognising MAT credit as follows:

Future taxable profits will be adjusted against (a) tax holiday u/s 80-IA of Income Tax Act, 1961 for the projects commissioned up to 31 March 2017 (b) initial depreciation on the assets to be commissioned in future and (c) regular income tax depreciation u/s 32 of Income Tax Act, 1961 and thereafter tax amount will be set off against MAT credit. Hence, the same has been recognised as Deferred Tax Assets during the year.

b) MAT credit available to the company in future but not recognised in the books:

(₹ in crore)

| For the Financial Year | As at 31 March 2024 | Expiry Date   | As at 31 March 2023 | Expiry Date   |
|------------------------|---------------------|---------------|---------------------|---------------|
| 2015-16                | 1,421.20            | 31 March 2026 | 1,421.20            | 31 March 2026 |
| 2014-15                | 1,281.23            | 31 March 2025 | 1,281.23            | 31 March 2025 |
| 2013-14                | -                   | 31 March 2024 | 1,085.14            | 31 March 2024 |

**Note 27: Other non-current liabilities**

(₹ in crore)

| Particulars                                 | As at 31 March 2024 | As at 31 March 2023 |
|---|---------------------|---------------------|
| Advance from customers (Telecom services) * | -                   | 194.15              |
| Others                                      | 4.77                | 2.95                |
| <b>Total</b>                                | <b>4.77</b>         | <b>197.10</b>       |

**Further Notes:**

\* Refer Note 46 for disclosure as per Ind AS 115 'Revenue from Contracts with Customers'.

**Note 28: Borrowings**

(₹ in crore)

| Particulars   | As at 31 March 2024 | As at 31 March 2023 |
|---|---------------------|---------------------|
| <b>(A) Current maturities of long term borrowings</b> |                     |                     |
| <b>Secured</b>  |                     |                     |
| Bonds   | 6,495.35            | 5,191.48            |
| Rupee Term Loans                                      | 1,454.00            | 1,454.00            |
| Foreign Currency Loans                                | 2,789.59            | 2,856.77            |
|   | <b>10,738.94</b>    | <b>9,502.25</b>     |
| <b>Un-secured</b>                                     |                     |                     |
| Bonds   | 2,267.20            | 508.90              |
| Rupee Term Loans                                      | 1,994.44            | 1,300.00            |

**Note 28: Borrowings (Contd.)**

(₹ in crore)

| Particulars   | As at 31 March 2024 | As at 31 March 2023 |
|---|---------------------|---------------------|
| Foreign Currency Loans  | 687.57              | 692.46              |
|   | <b>4,949.21</b>     | <b>2,501.36</b>     |
|   | <b>15,688.15</b>    | <b>12,003.61</b>    |
| <b>(B) Current Borrowings</b>                                       |                     |                     |
| <b>Secured</b>  |                     |                     |
| From Banks - against bill discounting (Refer Further Notes 3 below) | 2,693.52            | 1,922.61            |
| <b>Un-secured</b>   |                     |                     |
| From Banks  | -                   | 700.00              |
| <b>Total</b>  | <b>18,381.67</b>    | <b>14,626.22</b>    |

**Further Notes:**

- Unsecured short term loan with rate of interest 7.12% (Previous Year ranging from 4.45% to 6.70%) raised and repaid during the year within 90 days (Previous Year repayable within 90 days) from the date of drawl.
- There has been no default in repayment of loans or payment of interest thereon as at the end of the year.
- Secured loan from Bank is towards amount payable to banks by beneficiaries on account of bills discounted with recourse to Company against trade receivables. (Refer note 14 (c)).

**Note 29: Trade payables**

(₹ in crore)

| Particulars   | As at 31 March 2024 | As at 31 March 2023 |
|---|---------------------|---------------------|
| <b>For goods and services</b>   |                     |                     |
| (A) total outstanding dues of micro enterprises and small enterprises                       | 49.79               | 48.69               |
| (B) total outstanding dues of creditors other than micro enterprises and small enterprises* | 304.28              | 276.33              |
| <b>Total</b>  | <b>354.07</b>       | <b>325.02</b>       |

**Further Notes:**

Disclosure with regard to Micro and Small enterprises as required under "Division II of Schedule III of The Companies Act, 2013" and "The Micro, Small and Medium Enterprises Development Act, 2006" is given in Note No 49.

\* Trade payables includes ₹ 45.95 Crore (Previous Year ₹ 1.15 Crore) from related parties (Refer Note No 55).

Aging of Trade Payables is as follows:

(₹ in crore)

| Particulars                 | Not Billed    | <1Y           | 1Y-2Y       | 2Y-3Y       | >3Y         | Total         |
|-----------------------------|---------------|---------------|-------------|-------------|-------------|---------------|
| <b>As at 31 March 2024</b>  |               |               |             |             |             |               |
| <b>MSME</b>                 |               |               |             |             |             |               |
| Disputed                    | -             | -             | -           | -           | -           | -             |
| Undisputed                  | 27.73         | 22.06         | -           | -           | -           | <b>49.79</b>  |
| <b>Total</b>                | <b>27.73</b>  | <b>22.06</b>  | <b>-</b>    | <b>-</b>    | <b>-</b>    | <b>49.79</b>  |
| <b>Others</b>               |               |               |             |             |             |               |
| Disputed                    | -             | -             | -           | -           | -           | -             |
| Undisputed                  | 142.84        | 157.51        | 2.44        | 1.16        | 0.33        | <b>304.28</b> |
| <b>Total</b>                | <b>142.84</b> | <b>157.51</b> | <b>2.44</b> | <b>1.16</b> | <b>0.33</b> | <b>304.28</b> |
| <b>Total Trade payables</b> | <b>170.57</b> | <b>179.57</b> | <b>2.44</b> | <b>1.16</b> | <b>0.33</b> | <b>354.07</b> |



**Note 29: Trade payables (Contd.)**

(₹ in crore)

| Particulars                 | Not Billed    | <1Y           | 1Y-2Y       | 2Y-3Y       | >3Y         | Total         |
|-----------------------------|---------------|---------------|-------------|-------------|-------------|---------------|
| <b>As at 31 March 2023</b>  |               |               |             |             |             |               |
| <b>MSME</b>                 |               |               |             |             |             |               |
| Disputed                    | -             | -             | -           | -           | -           | -             |
| Undisputed                  | 33.34         | 15.35         | -           | -           | -           | <b>48.69</b>  |
| <b>Total</b>                | <b>33.34</b>  | <b>15.35</b>  | <b>-</b>    | <b>-</b>    | <b>-</b>    | <b>48.69</b>  |
| <b>Others</b>               |               |               |             |             |             |               |
| Disputed                    | -             | -             | -           | -           | -           | -             |
| Undisputed                  | 141.21        | 125.10        | 8.77        | 0.63        | 0.62        | <b>276.33</b> |
| <b>Total</b>                | <b>141.21</b> | <b>125.10</b> | <b>8.77</b> | <b>0.63</b> | <b>0.62</b> | <b>276.33</b> |
| <b>Total Trade payables</b> | <b>174.55</b> | <b>140.45</b> | <b>8.77</b> | <b>0.63</b> | <b>0.62</b> | <b>325.02</b> |

**Note 30: Other Current Financial Liabilities**

(₹ in crore)

| Particulars  | As at 31 March 2024 | As at 31 March 2023 |
|--|---------------------|---------------------|
| <b>Interest accrued but not due on borrowings from</b>                       |                     |                     |
| Foreign Banks & Financial Institutions                                       | 503.20              | 473.70              |
| Secured/Unsecured redeemable Bonds   | 2,403.68            | 2,482.89            |
|  | <b>2,906.88</b>     | <b>2,956.59</b>     |
| <b>Interest accrued but not due from Govt. of India fully serviced bonds</b> | 36.90               | 36.22               |
| <b>Others</b>  |                     |                     |
| Dues for capital expenditure   | 1,322.01            | 884.07              |
| Employee related liabilities   | 124.48              | 141.81              |
| Unclaimed dividends & FPO*   | 33.22               | 29.91               |
| Deposits/Retention money from contractors and others.                        | 2,626.52            | 2,528.47            |
| Related parties**  | 89.10               | 18.94               |
| Others #   | 736.49              | 796.52              |
|  | <b>4,931.82</b>     | <b>4,399.72</b>     |
| <b>Total</b>   | <b>7,875.60</b>     | <b>7,392.53</b>     |

**Further Notes:**

Disclosure with regard to Micro and Small enterprises as required under "The Micro, Small and Medium Enterprises Development Act, 2006" is given in Note No 49.

\* No amount is due for payment to Investor Education and Protection Fund.

\*\* Details of amount payable to related parties are provided in Note 55.

# Others include liability for various compensation cases pending in courts.

**Note 31: Other current liabilities**

(₹ in crore)

| Particulars                                 | As at 31 March 2024 | As at 31 March 2023 |
|---|---------------------|---------------------|
| Advances from customers *                   | 2,459.18            | 2,857.98            |
| Advances from customers - related parties # | 30.04               | 106.85              |
| Statutory dues                              | 117.71              | 167.57              |
| <b>Total</b>                                | <b>2,606.93</b>     | <b>3,132.40</b>     |

**Further Notes:**

\* Refer Note 46 for disclosure as per Ind AS 115 'Revenue from Contracts with Customers'.

# Details of amount payable to related parties are provided in Note 55.

**Note 32: Provisions**

(₹ in crore)

| Particulars   | As at 31 March 2024 | As at 31 March 2023 |
|---|---------------------|---------------------|
| <b>A) Employee Benefits</b>   |                     |                     |
| <b>i) Performance related pay /special incentive</b>                        |                     |                     |
| Opening Balance   | 427.71              | 438.74              |
| Addition during the year  | 415.42              | 427.71              |
| Amount paid/adjusted during the year  | 427.71              | 438.74              |
| Closing Balance   | <b>415.42</b>       | <b>427.71</b>       |
| <b>ii) Other Employee Benefits</b>  |                     |                     |
| <b>(Leave Encashment, Settlement Allowance and Long Service Award etc.)</b> |                     |                     |
| Opening Balance   | 104.81              | 251.86              |
| Additions/(adjustments) during the year                                     | (14.47)             | (147.05)            |
| Closing Balance   | <b>90.34</b>        | <b>104.81</b>       |
| <b>Total (A)</b>  | <b>505.76</b>       | <b>532.52</b>       |
| <b>B) Others</b>  |                     |                     |
| <b>i) Downtime Service Credit-Telecom</b>                                   |                     |                     |
| Opening Balance   | 1.32                | 3.25                |
| Additions during the year   | 1.67                | 8.59                |
| Amounts adjusted during the year  | 2.99                | 10.52               |
| Closing Balance   | -                   | <b>1.32</b>         |
| <b>ii) Provision Others</b>   |                     |                     |
| Opening Balance   | 247.57              | 238.46              |
| Additions/(adjustments) during the year                                     | (169.97)            | 9.11                |
| Closing Balance   | <b>77.60</b>        | <b>247.57</b>       |
| <b>Total (B)</b>  | <b>77.60</b>        | <b>248.89</b>       |
| <b>Total (A+B)</b>  | <b>583.36</b>       | <b>781.41</b>       |

**Further Notes:**
**A) Employee Benefits**
**i) Performance Related Pay/Special Incentive:**

Provision is created for Performance Related Pay to Executives and Non-Executives

**ii) Other Employee Benefits:**

Provision is created for the purpose of meeting out leave encashment, settlement allowance, long service award and POWERGRID Employee Family Rehabilitation Scheme. Refer note no. 63 for detailed disclosure related to Employee Benefit Obligations.

**B) Others:**
**i) Downtime Service Credit -Telecom:**

Provision is created in case when actual downtime is in excess of the permissible service level agreement, in such cases the necessary credit is passed on to the customer on demand.

However, in some cases, the downtime is not claimed by the customers then in such cases necessary provision on account of downtime is made in the books of accounts as per the links availability reports received from National Telecom Control Centre (NTCC) for the period of non-operation of links given to the customers. The calculation of downtime credit is based on the SLA signed with various customers.

**ii) Provision Others:**

Provision Others in earlier years included a disputed provision for entry tax amounting to ₹ 174.36 crore as demanded by revenue authorities, contested by the company. During the current year, company has opted for settlement of the disputed entry tax under "The Chhattisgarh Settlement of Arrears of Tax, Interest and Penalty Act, 2023". Accordingly, the Company has paid off the liability, including interest, amounted to ₹ 42.27 crore under the amnesty scheme & balance amount has been reversed.

**Note 33: Current Tax Liabilities (Net)**

(₹ in crore)

| Particulars                                 | As at 31 March 2024 | As at 31 March 2023 |
|---|---------------------|---------------------|
| <b>Taxation (Including interest on tax)</b> |                     |                     |
| Opening Balance                             | 3,045.37            | 8,243.04            |
| Additions during the year                   | 3,129.94            | 2,971.61            |
| Amount adjusted during the year             | 3,042.88            | 8,169.28            |
| <b>Total</b>                                | <b>3,132.43</b>     | <b>3,045.37</b>     |
| Net off against Advance tax and TDS         | 3,132.43            | 3,010.77            |
| <b>Closing Balance</b>                      | <b>-</b>            | <b>34.60</b>        |

**Note 34: Deferred Revenue**

(₹ in crore)

| Particulars   | As at 31 March 2024 | As at 31 March 2023 |
|---|---------------------|---------------------|
| Advance against depreciation                            | 576.49              | 706.73              |
| Grants in aid (Refer Further Notes)                     |                     |                     |
| Opening Balance   | 3,332.33            | 3,647.89            |
| Addition during the year                                | 13.93               | 1.70                |
| Adjustments during the year                             | 311.41              | 317.26              |
| Closing balance   | <b>3,034.85</b>     | <b>3,332.33</b>     |
| Deferred income from foreign currency fluctuation (Net) | 5,850.52            | 6,124.46            |
| <b>Total</b>  | <b>9,461.86</b>     | <b>10,163.52</b>    |

**Further Notes:**

- Grant in Aid of ₹0.00crore (Previous Year ₹2.41crore) including interest has been recognised from Power System Development Fund (PSDF) under Ministry of Power (MoP), Govt. of India (GoI) for installation of STATCOM in ER (ERSS-XI) and SR (System Strengthening in SR-XXI).
- Grant in Aid of ₹13.93crore (Previous Year ₹0.34crore) including interest has been recognised, from Power System Development Fund (PSDF) under MoP, GoI for establishment of Unified Real Time Dynamic State Measurement (URTDSM).
- Grant in Aid of ₹0.00crore (Previous Year ₹0.01crore) has been recognised under achievement linked/incentive award scheme for Government Sector by Ministry of New & Renewable Energy (MNRE), GoI for establishing solar roof top plants in various buildings of the company.
- Grant in Aid was received in earlier years from Ministry of New & Renewal Energy (MNRE) for creating awareness activities for Pradhan Mantri Kisan Urja Suraksha evam Utthaan Mahabhiyaan (PM KUSUM) in Andhra Pradesh, Kerala and Rajasthan. An amount of ₹ 1.06 crore is repayable as at the end of reporting period to MNRE, Govt. of India (GoI) and shown under Other Current Financial Liabilities.

**Note 35: Revenue from operations**

(₹ in crore)

| Particulars   | For the year ended 31 March 2024 | For the year ended 31 March 2023 |
|---|----------------------------------|----------------------------------|
| <b>Sale of services</b>                                     |                                  |                                  |
| <b>Transmission Business</b>                                |                                  |                                  |
| Transmission Charges  | 40,432.40                        | 40,467.74                        |
| Add: Revenue recognised out of Advance Against Depreciation | 130.24                           | 151.56                           |
|   | <b>40,562.64</b>                 | <b>40,619.30</b>                 |

**Note 35: Revenue from operations (Contd.)**

(₹ in crore)

| Particulars   | For the year ended 31 March 2024 | For the year ended 31 March 2023 |
|---|----------------------------------|----------------------------------|
| <b>Other Operating Revenue</b>                        |                                  |                                  |
| Interest on differential Provisional and Final Tariff | 965.56                           | 1,161.34                         |
| Income from lease lines                               | 8.69                             | 8.81                             |
| Recognised from deferred revenue - Grant in aid       | 311.41                           | 315.33                           |
| Others  | 24.41                            | 21.83                            |
|   | <b>1,310.07</b>                  | <b>1,507.31</b>                  |
|   | <b>41,872.71</b>                 | <b>42,126.61</b>                 |
| <b>Consultancy Project Management and Supervision</b> | 518.45                           | 509.29                           |
| <b>Total</b>  | <b>42,391.16</b>                 | <b>42,635.90</b>                 |

**Further Notes:**

- In exercise of powers u/s 178 of the Electricity Act 2003, Central Electricity Regulatory Commission (CERC) has notified "CERC (Terms and Conditions of Tariff) Regulations, 2019" vide order dated 07 March 2019 for the determination of transmission tariff for the block period 2019-24.
- The company has recognised transmission income during the year as per the following:
  - ₹38,305.35crore (Previous Year ₹35,385.69crore) as per final tariff orders issued by CERC for block period 2019-24 and
  - ₹2,257.29crore (Previous Year ₹5,233.61crore) provisionally as per CERC Tariff Regulations for the block period 2019-24 and other orders in similar cases, in respect of transmission assets for which final tariff orders are yet to be issued.
- Consequent to the final order issued by CERC, transmission income includes ₹825.88crore(increase)(Previous Year ₹1,597.30crore(increase)) pertaining to earlier years.
- Refer note no. 46 for disclosure as per Ind AS 115 "Revenue from Contracts with Customers".
- "Others" under Other operating revenue includes income from sale of scrap generated from other than PPE.

**Note 36: Other income**

(₹ in crore)

| Particulars  | For the year ended 31 March 2024 | For the year ended 31 March 2023 |
|--|----------------------------------|----------------------------------|
| <b>Interest income from financial assets held at Amortised Cost:</b> |                                  |                                  |
| Indian Banks   | 172.41                           | 41.78                            |
| Loans to Subsidiaries  | 1,455.06                         | 1,115.93                         |
| Loans to Joint Ventures (JVs)  | 3.73                             | 0.07                             |
| Investment in PG InvIT (measured at FVOCI)                           | 107.97                           | 107.70                           |
| Others*  | 34.74                            | 28.49                            |
|  | <b>1,773.91</b>                  | <b>1,293.97</b>                  |
| Interest from advances to contractors                                | 23.38                            | 18.16                            |
| Unwinding of interest on financial assets                            | 52.16                            | 77.73                            |
|  | <b>1,849.45</b>                  | <b>1,389.86</b>                  |
| <b>Dividend income from</b>  |                                  |                                  |
| Subsidiaries   | 891.01                           | 482.03                           |
| Joint Ventures   | 68.36                            | 77.76                            |



**Note 36: Other income (Contd.)**

(₹ in crore)

| Particulars   | For the year ended<br>31 March 2024 | For the year ended<br>31 March 2023 |
|---|-------------------------------------|-------------------------------------|
| Associates  | 40.23                               | 58.82                               |
| Investment in PG InvIT (measured at FVOCI)                                | 29.21                               | 46.14                               |
| Equity Investments designated at FVOCI                                    | 9.36                                | 6.96                                |
|   | <b>1,038.17</b>                     | <b>671.71</b>                       |
| <b>Others</b>   |                                     |                                     |
| Profit on sale of Property, Plant and Equipment                           | 0.36                                | 5.97                                |
| Gain on sale/Change in Fair Value of Current Investment Measured at FVPL  | 9.46                                | -                                   |
| Finance Income from finance lease   | 72.25                               | 150.80                              |
| Surcharge   | 131.25                              | 163.54                              |
| Provisions written back   | 95.06                               | 24.57                               |
| Fair Value gain on initial recognition of Financial liability/ investment | 18.04                               | 42.04                               |
| Miscellaneous income **   | 237.84                              | 169.27                              |
|   | <b>564.26</b>                       | <b>556.19</b>                       |
|   | <b>3,451.88</b>                     | <b>2,617.76</b>                     |
| Less: Transferred to expenditure during construction (Net) - Note 43      | 27.67                               | 26.14                               |
| <b>Total</b>  | <b>3,424.21</b>                     | <b>2,591.62</b>                     |

**Further Notes:**

\* Others include interest on employee loans, unwinding of finance cost on employee loans etc.

\*\* Miscellaneous income include Sale of Scrap, Insurance Claim Recovery, UI Charges, other income etc.

**Note 37: Employee benefits expense**

(₹ in crore)

| Particulars  | For the year ended<br>31 March 2024 | For the year ended<br>31 March 2023 |
|--|-------------------------------------|-------------------------------------|
| Salaries, wages, allowances & benefits                               | 2,089.10                            | 2,053.19                            |
| Contribution to provident and other funds                            | 259.79                              | 327.89                              |
| Staff Welfare expenses (Including Deferred Employee cost)            | 286.60                              | 269.57                              |
|  | <b>2,635.49</b>                     | <b>2,650.65</b>                     |
| Less: Transferred to Expenditure during Construction (Net) - Note 43 | 246.41                              | 240.40                              |
| Transferred to CSR expenses - Note 40                                | 12.20                               | 9.90                                |
| <b>Total</b>   | <b>2,376.88</b>                     | <b>2,400.35</b>                     |

**Further Notes:**

a) Refer note no 55 for Remuneration to Key Managerial Personnel (KMPs).

b) Refer note no 63 for details of Employee Benefit Obligations.

c) Employee benefits expense includes ₹ 38.46 crore (Previous Year ₹ 35.59 crore) related to Central Transmission Utility of India Limited (Refer Note No 66 C).

**Note 38: Finance costs**

(₹ in crore)

| Particulars  | For the year ended<br>31 March 2024 | For the year ended<br>31 March 2023 |
|--|-------------------------------------|-------------------------------------|
| <b>Interest and finance charges on financial liabilities at amortised cost</b> |                                     |                                     |
| Indian Banks & Financial Institutions  | 2,171.46                            | 1,997.81                            |
| Foreign Banks and Financial Institutions                                       | 1,957.21                            | 1,221.96                            |
| Secured/Unsecured redeemable Bonds   | 4,745.37                            | 5,044.89                            |
| Foreign Currency Bonds   | -                                   | 136.55                              |
| Unwinding of discount on financial liabilities                                 | 33.80                               | 20.68                               |
| Interest - Others  | 0.10                                | 0.21                                |
| Interest on Lease Liability  | 2.96                                | 4.29                                |
|  | <b>8,910.90</b>                     | <b>8,426.39</b>                     |
| <b>Other finance charges</b>   |                                     |                                     |
| Guarantee Fee  | 330.74                              | 337.66                              |
| Others*  | 36.30                               | 16.08                               |
|  | <b>367.04</b>                       | <b>353.74</b>                       |
| <b>Exchange differences regarded as adjustment to Borrowing Cost</b>           | 14.94                               | 1,072.04                            |
|  | <b>381.98</b>                       | <b>1,425.78</b>                     |
|  | <b>9,292.88</b>                     | <b>9,852.17</b>                     |
| Less: Transferred to Expenditure during Construction (Net) - Note 43           | 246.01                              | 144.97                              |
| <b>Total</b>   | <b>9,046.87</b>                     | <b>9,707.20</b>                     |

**Further Notes:**

\* Others includes agency fees, trustee fees, RTA & Listing Fees, Rating Fees, interest on land, tree & crop compensation etc.

**Note 39: Depreciation and amortization expense**

(₹ in crore)

| Particulars  | For the year ended<br>31 March 2024 | For the year ended<br>31 March 2023 |
|--|-------------------------------------|-------------------------------------|
| Depreciation of Property, Plant and Equipment                        | 12,881.70                           | 13,196.51                           |
| Amortization of Intangible assets                                    | 126.51                              | 126.71                              |
| Depreciation on ROU Assets   | 21.79                               | 19.56                               |
|  | <b>13,030.00</b>                    | <b>13,342.78</b>                    |
| Less: Transferred to Expenditure During Construction (Net) - Note 43 | 7.27                                | 11.35                               |
|  | <b>13,022.73</b>                    | <b>13,331.43</b>                    |
| Less: Depreciation amortised due to FERV adjustment                  | 464.54                              | 472.91                              |
| <b>Total</b>   | <b>12,558.19</b>                    | <b>12,858.52</b>                    |

**Note 40: Other expenses**

(₹ in crore)

| Particulars                               | For the year ended<br>31 March 2024 | For the year ended<br>31 March 2023 |
|---|-------------------------------------|-------------------------------------|
| <b>Repair &amp; Maintenance</b>           |                                     |                                     |
| Buildings                                 | 122.69                              | 103.15                              |
| Plant & Machinery                         |                                     |                                     |
| Sub-Station                               | 413.20                              | 399.34                              |
| Transmission lines                        | 210.19                              | 192.07                              |
| Others                                    | 66.87                               | 55.90                               |
|   | <b>690.26</b>                       | <b>647.31</b>                       |
| System and Market Operation Charges       | 130.86                              | 88.61                               |
| Power charges                             | 312.51                              | 298.17                              |
| Less: Recovery from contractors           | 0.42                                | 0.44                                |
|   | <b>312.09</b>                       | <b>297.73</b>                       |
| Expenses of Diesel Generating sets        | 3.94                                | 5.41                                |
| Stores consumed                           | 3.79                                | 4.61                                |
| Water charges                             | 5.48                                | 5.33                                |
| Training & Recruitment Expenses           | 60.97                               | 40.08                               |
| Less:Fees for training and application    | 0.71                                | 0.36                                |
|   | <b>60.26</b>                        | <b>39.72</b>                        |
| Legal expenses                            | 19.51                               | 19.27                               |
| Professional charges                      | 37.85                               | 36.86                               |
| Consultancy expenses                      | 1.40                                | 1.36                                |
| Communication expenses                    | 27.08                               | 21.55                               |
| Inland Travelling Expenses                | 138.07                              | 133.02                              |
| Foreign travel                            | 6.42                                | 7.04                                |
|   | <b>144.49</b>                       | <b>140.06</b>                       |
| Tender expenses                           | 5.39                                | 0.88                                |
| Less: Sale of tenders                     | 1.97                                | 0.87                                |
|   | <b>3.42</b>                         | <b>0.01</b>                         |
| <b>Payments to Statutory Auditors</b>     |                                     |                                     |
| Audit Fees                                | 1.88                                | 1.71                                |
| Tax Audit Fees                            | 0.53                                | 0.49                                |
| In Other Capacity                         | 1.28                                | 1.18                                |
| Out of pocket Expenses                    | 0.91                                | 0.60                                |
|   | <b>4.60</b>                         | <b>3.98</b>                         |
| Advertisement and publicity               | 12.57                               | 15.93                               |
| Printing and stationery                   | 6.49                                | 4.88                                |
| Books Periodicals and Journals            | 1.69                                | 2.54                                |
| EDP hire and other charges                | 25.95                               | 14.65                               |
| Entertainment expenses                    | 4.43                                | 4.25                                |
| Brokerage & Commission                    | 1.99                                | 2.00                                |
| Cost Audit and Physical verification Fees | 1.45                                | 1.29                                |
| Rent #                                    | 12.84                               | 16.43                               |
| CERC petition & Other charges             | 87.96                               | 86.08                               |
| Miscellaneous expenses                    | 159.79                              | 156.50                              |

**Note 40: Other expenses (Contd.)**

(₹ in crore)

| Particulars   | For the year ended<br>31 March 2024 | For the year ended<br>31 March 2023 |
|---|-------------------------------------|-------------------------------------|
| Horticulture Expenses   | 45.23                               | 41.71                               |
| Security Expenses   | 343.46                              | 332.26                              |
| Hiring of Vehicle   | 160.32                              | 150.86                              |
| Insurance   | 144.71                              | 139.29                              |
| Rates and taxes   | 60.09                               | 45.64                               |
| Bandwidth charges dark fibre lease charges                          | 47.94                               | -                                   |
| Corporate Social Responsibility (CSR) Expenses *                    | 312.24                              | 321.66                              |
| Transit Accomodation Expenses                                       | 48.87                               | 41.05                               |
| Less : Income from Transit Accomodation                             | 2.12                                | 1.76                                |
|   | <b>46.75</b>                        | <b>39.29</b>                        |
| Foreign Exchange Rate Variation                                     | 38.94                               | 292.71                              |
| Fair Valuation Loss on Financial assets                             | 9.50                                | 153.83                              |
| <b>Provisions for</b>   |                                     |                                     |
| Doubtful loans, advances, debts, claims etc.                        | 39.64                               | 2.44                                |
| Obsolescence in Stores  | -                                   | 3.09                                |
| Impairment of PPE   | 9.36                                | -                                   |
| Others **   | 149.12                              | 59.65                               |
|   | <b>198.12</b>                       | <b>65.18</b>                        |
|   | <b>3,290.18</b>                     | <b>3,301.94</b>                     |
| Less:Transferred to Expenditure during Construction (Net) - Note 43 | 49.05                               | 55.45                               |
|   | <b>3,241.13</b>                     | <b>3,246.49</b>                     |
| Loss on Disposal/Write off of Property, Plant & Equipment           | 18.33                               | 28.01                               |
| <b>Total</b>  | <b>3,259.46</b>                     | <b>3,274.50</b>                     |

**Further Notes:**

\* Includes an amount of ₹ 12.20 crore (Previous Year ₹ 9.90 crore) transferred from Note No 37- 'Employee Benefits Expense'

\*\* Others includes {Refer note 61(A)(vi)} :-

(a) an amount of ₹ 149.12 crore towards impairment of investment in Energy Efficiency Services Limited (EESL) during the current year.

(b) an amount of ₹ 52.14 crore towards impairment of investment in and loan (interest accrued thereon) to National High Power Test Laboratory Private Ltd (NHPTL) during the previous year.

# Refer Note No 50 for Short-term leases expenses.

"Other expenses" includes ₹ 7.80 crore (Previous Year ₹ 7.58 crore) related to Central Transmission Utility of India Limited (Refer Note No 66 C).

**Note 41: Net Movement in Regulatory Deferral Account Balances-Incomes/(expenses) (net of tax)**

(₹ in crore)

| Particulars                                | For the year ended<br>31 March 2024 | For the year ended<br>31 March 2023 |
|--|-------------------------------------|-------------------------------------|
| Deferred assets for deferred tax liability | (564.50)                            | (773.91)                            |
| Foreign Currency Fluctuation               | (124.99)                            | 1,216.29                            |
| Employee Benefits and Other Expenses       | 5.47                                | (131.66)                            |



**Note 41: Net Movement in Regulatory Deferral Account Balances–Incomes/ (expenses) (net of tax) (Contd.)**

(₹ in crore)

| Particulars   | For the year ended<br>31 March 2024 | For the year ended<br>31 March 2023 |
|---|-------------------------------------|-------------------------------------|
|   | (684.02)                            | 310.72                              |
| Tax on net movement in regulatory deferral account balances | (119.51)                            | 54.29                               |
| <b>Total</b>  | <b>(564.51)</b>                     | <b>256.43</b>                       |

**Further Notes:**

Refer to note no 51 for detailed disclosure on Regulatory Deferral Account Balances.

**Note 42: Other Comprehensive Income**

(₹ in crore)

| Particulars  | For the year ended<br>31 March 2024 | For the year ended<br>31 March 2023 |
|--|-------------------------------------|-------------------------------------|
| Items that will not be reclassified to Profit or Loss                              |                                     |                                     |
| Gain/(Loss) on valuation of Investment in Equity                                   | (231.91)                            | (142.01)                            |
| Provisions for actuarial valuation   | (43.22)                             | 37.93                               |
|  | <b>(275.13)</b>                     | <b>(104.08)</b>                     |
| Less: Transferred to Expenditure during Construction(Net) – Note 43                | (3.22)                              | 18.67                               |
|  | <b>(271.91)</b>                     | <b>(122.75)</b>                     |
| Less: Income Tax relating to items that will not be reclassified to Profit or Loss |                                     |                                     |
| Current Tax  | (6.99)                              | 3.38                                |
| Deferred Tax   | (32.98)                             | (18.09)                             |
|  | <b>(39.97)</b>                      | <b>(14.71)</b>                      |
| <b>Items that will not be reclassified to Profit or Loss (net of tax)</b>          | <b>(231.94)</b>                     | <b>(108.04)</b>                     |

**Further Notes:**

Other Comprehensive Income includes ₹ 0.65 crore (Previous Year ₹(0.41) crore) related to Central Transmission Utility of India Limited (Refer Note No 66 C).

**Note 43: Expenditure during Construction (Net)**

(₹ in crore)

| Particulars                                       | For the year ended<br>31 March 2024 | For the year ended<br>31 March 2023 |
|---|-------------------------------------|-------------------------------------|
| <b>A. Employees Remuneration &amp; Benefits</b>   |                                     |                                     |
| Salaries wages allowances and benefits            | 208.87                              | 199.45                              |
| Contribution to provident and other funds         | 24.82                               | 28.63                               |
| Welfare expenses                                  | 12.72                               | 12.32                               |
| <b>Total (A)</b>                                  | <b>246.41</b>                       | <b>240.40</b>                       |
| <b>B. Other Expenses</b>                          |                                     |                                     |
| Repair and maintenance                            | 0.01                                | 0.08                                |
| Power charges (net off recovery from contractors) | 3.81                                | 3.33                                |
| Expenses on Diesel Generating sets                | 0.03                                | 0.09                                |
| Water charges                                     | 0.06                                | 0.10                                |
| Legal expenses                                    | 0.89                                | 1.04                                |
| Professional charges                              | 4.17                                | 4.66                                |
| Consultancy expenses                              | 0.06                                | 0.07                                |

**Note 43: Expenditure during Construction (Net) (Contd.)**

(₹ in crore)

| Particulars  | For the year ended<br>31 March 2024 | For the year ended<br>31 March 2023 |
|--|-------------------------------------|-------------------------------------|
| Communication expenses   | 1.54                                | 1.25                                |
| Travelling & Conv.exp. (Including Foreign Travel)                          | 17.68                               | 16.43                               |
| EDP hire and other charges   | 0.01                                | 0.02                                |
| Brokerage and commission   | 0.02                                | 0.01                                |
| Rent   | 0.44                                | 0.67                                |
| Security Expenses  | 6.89                                | 7.58                                |
| Hiring of Vehicles   | 9.26                                | 7.36                                |
| Transit Accomodation Expenses  | 0.75                                | 0.81                                |
| Other expenses   | 3.43                                | 11.95                               |
| <b>Total (B)</b>   | <b>49.05</b>                        | <b>55.45</b>                        |
| <b>C. Depreciation/Amortisation</b>  | 7.27                                | 11.35                               |
| <b>Total (C)</b>   | <b>7.27</b>                         | <b>11.35</b>                        |
| <b>D. Finance Costs</b>  |                                     |                                     |
| a) Interest and finance charges on financial liabilities at amortised cost |                                     |                                     |
| Indian Banks and Financial Institutions                                    | 87.02                               | 72.79                               |
| Foreign Banks and Financial Institutions                                   | 2.30                                | 2.46                                |
| Secured/Unsecured Redeemable Bonds   | 145.06                              | 62.18                               |
| Others   | 11.08                               | 5.82                                |
|  | <b>245.46</b>                       | <b>143.25</b>                       |
| b) Other finance charges   |                                     |                                     |
| Guarantee fee & others   | 0.37                                | 0.36                                |
|  | <b>0.37</b>                         | <b>0.36</b>                         |
| c) FERV adjustment to borrowing cost                                       | 0.18                                | 1.36                                |
| <b>Total (D)</b>   | <b>246.01</b>                       | <b>144.97</b>                       |
| <b>E. Less: Other Income</b>   |                                     |                                     |
| Interest from  |                                     |                                     |
| Contractors  | 19.62                               | 9.88                                |
| Others   | 0.27                                | 0.03                                |
|  | <b>19.89</b>                        | <b>9.91</b>                         |
| Miscellaneous income   | 7.78                                | 16.23                               |
| <b>Total (E)</b>   | <b>27.67</b>                        | <b>26.14</b>                        |
| <b>F. Less: Other Comprehensive Income</b>                                 |                                     |                                     |
| Other Comprehensive Income   | (3.22)                              | 18.67                               |
| <b>Total (F)</b>   | <b>(3.22)</b>                       | <b>18.67</b>                        |
| <b>Grand Total (A+B+C+D-E-F)</b>   | <b>524.29</b>                       | <b>407.36</b>                       |

44. Research expenditure recognised as expense in the statement of Profit and Loss during the year is ₹103.13crore (Previous Year ₹28.61crore).

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

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

#### 46. Disclosure as per Ind AS 115 – “Revenue from Contracts with Customers”

a) For milestone-based contracts (consultancy contracts), unsatisfied performance obligations are as follows:

(₹ in crore)

| Particulars  | As at 31 March 2024 | As at 31 March 2023 |
|--|---------------------|---------------------|
| Transaction price related to unsatisfied (or partially satisfied) performance obligation | 1,019.26            | 1,023.65            |
| These performance obligations are expected to be satisfied within                        | 3 Years             | 3 Years             |

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

(₹ in crore)

| Particulars   | For the year ended 31 March 2024 | For the year ended 31 March 2023 |
|---|----------------------------------|----------------------------------|
| Balance at the beginning  | 812.39                           | 5,588.82                         |
| Add: Revenue recognised during the period                         | 6,651.65                         | 1,815.89                         |
| Less: Invoiced/transferred to trade receivables during the period | 3,136.28                         | 6,592.32                         |
| Less: Transferred to Powergrid Teleservices Limited               | 5.48                             | -                                |
| <b>Balance at the end</b>   | <b>4,322.28</b>                  | <b>812.39</b>                    |

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

(₹ in crore)

| Particulars   | For the year ended 31 March 2024 | For the year ended 31 March 2023 |
|---|----------------------------------|----------------------------------|
| Balance at the beginning  | 1,086.58                         | 1,022.73                         |
| Add: Advance billing during the period                                      | 263.34                           | 537.39                           |
| Less: revenue recognised/transferred to trade receivables during the period |                                  |                                  |
| a) From contract liability as at beginning of the period                    | 266.37                           | 405.47                           |
| b) From contract liability recognised during the period                     | 85.22                            | 68.47                            |
| Add: Translation gain/(Loss) and other adjustments                          | (28.79)                          | 0.40                             |
| Less: Transferred to Powergrid Teleservices Limited                         | 457.27                           | -                                |
| <b>Balance at the end</b>   | <b>512.27</b>                    | <b>1,086.58</b>                  |

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 recognised in profit or loss statement (including discontinued operations refer note no. 65) is as follows:

(₹ in crore)

| Particulars   | For the year ended 31 March 2024 | For the year ended 31 March 2023 |
|---|----------------------------------|----------------------------------|
| Contracted price  | 40,999.87                        | 41,371.03                        |
| Add/ (Less)- Discounts/ rebates provided to customer                                      | (185.15)                         | (210.71)                         |
| Add/ (Less)- Performance bonus  | 507.59                           | 480.16                           |
| Add/ (Less)- Adjustment for significant financing component                               | 21.37                            | 65.53                            |
| Add/ (Less)- Other adjustments  | 1,440.30                         | 1,658.87                         |
| <b>Revenue recognised in profit or loss statement (including discontinued operations)</b> | <b>42,783.98</b>                 | <b>43,364.88</b>                 |

47. (i) FERV Loss of ₹191.14crore (Previous Year FERV Loss of ₹1,589.78crore) has been adjusted in the respective carrying amount of Property, Plant and Equipment/Capital work in Progress (CWIP)/Intangible Assets/Lease Receivables.

(ii) FERV Loss of ₹38.59crore (Previous Year FERV Loss of ₹293.14crore) has been recognised in the Statement of Profit and Loss.

48. Borrowing cost capitalised during the year is ₹246.26crore (Previous Year ₹145.03crore) in the respective carrying amount of Property, Plant and Equipment/Capital work in Progress (CWIP) as per Ind AS 23 'Borrowing Costs'.

49. 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 crore)

| Sr. No | Particulars   | Trade Payables      |                     | Others              |                     |
|--------|---|---------------------|---------------------|---------------------|---------------------|
|        |   | As at 31 March 2024 | As at 31 March 2023 | As at 31 March 2024 | As at 31 March 2023 |
| 1      | Principal amount and interest due thereon remaining unpaid to any supplier as at end of each accounting year:   |                     |                     |                     |                     |
|        | Principal   | 49.79               | 48.69               | 34.54               | 23.39               |
|        | 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 | -                   | -                   | -                   | -                   |

#### 50. Disclosure as per Ind AS 116 – “Leases”

a) a) As a Lessor – Finance Leases:

The Company has classified and accounted for the arrangements for state sector ULDC assets and bilateral assets as finance leases. Agreements for State Sector ULDC are for a period of 15 years and Bilateral Line Assets with the beneficiary are for the period as specified in CERC Regulations.



## 50. Disclosure as per Ind AS 116 – "Leases" (Contd.)

Other Non-Current Financial Assets and Other Current Financial Assets include lease receivables representing the present value of future lease rentals receivable on the finance lease transactions entered into by the company with the constituents in respect of State Sector ULDC and Bilateral Line Assets. Disclosure requirements of Ind AS 116 'Leases' notified under the Companies Act, 2013 are given as under:

(i) Details of gross investment in lease, un-earned finance income and present value of minimum lease payments receivables at the end of financial year are given as under:

(₹ in crore)

| Particulars                                  | As at 31 March 2024 | As at 31 March 2023 |
|--|---------------------|---------------------|
| Gross investment in Lease                    | 1,471.77            | 1,590.02            |
| Un-earned Finance Income                     | 901.98              | 951.49              |
| Present value of Minimum Lease Payment (MLP) | 569.79              | 638.53              |

(ii) The value of contractual maturity of such leases is as under:

(₹ in crore)

| Particulars  | Gross Investment in Lease |                     | Present Value of MLPs |                     |
|--|---------------------------|---------------------|-----------------------|---------------------|
|  | As at 31 March 2024       | As at 31 March 2023 | As at 31 March 2024   | As at 31 March 2023 |
| Not later than one year                              | 115.23                    | 160.55              | 62.98                 | 73.74               |
| Later than one year and not later than two years     | 114.63                    | 160.55              | 60.53                 | 73.18               |
| Later than two years and not later than three years  | 113.88                    | 159.19              | 59.16                 | 68.01               |
| Later than three years and not later than four years | 113.28                    | 151.33              | 58.74                 | 64.83               |
| Later than four years and not later than five years  | 113.28                    | 140.76              | 56.27                 | 58.24               |
| Later than five years                                | 901.47                    | 817.64              | 272.11                | 300.53              |
| <b>Total</b>   | <b>1,471.77</b>           | <b>1,590.02</b>     | <b>569.79</b>         | <b>638.53</b>       |

(iii) There are differences in balance lease receivable as at year end as per accounts and tariff records on account of Undischarged liabilities & Unamortised FERV on loans amounting to ₹95.20crore (Previous Year ₹81.17crore). Undischarged liabilities become part of project cost only on discharge of such liabilities & FERV are allowed to be recovered as part of tariff on actual payment basis.

### b) As a Lessee:

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

#### (i) ROU Assets:

Additions, termination/disposal and depreciation charge on right of use assets for the year and carrying amount of the same as at the end of the financial year by class of underlying asset has been disclosed in note no. 4 as a separate line item.

#### (ii) Lease Liabilities:

Interest expense on lease liabilities for the year is shown under note no. 38 and total cash outflow for leases for the year has been disclosed in statement of cash flow under financing activities as separate line item and maturity analysis of lease liabilities has been disclosed in note no. 61.

#### (iii) Short term leases:

The company, during the financial year, has incurred ₹21.79crore (Previous Year ₹31.53crore) with respect to short term leases.

The company was committed to short term leases and the total commitment of such leases at the end of financial year was ₹4.39crore (Previous Year ₹4.45crore).

## 51. Disclosures relating to Regulatory Deferral Account Balances

### i) Nature of rate regulated activities

The company is mainly engaged in the business of transmission of power. The tariff for transmission of power is determined by the CERC through tariff regulations. The tariff is based on capital cost admitted by CERC and provides for transmission charges recovery of annual fixed cost consisting of Return on equity, Interest on loan capital, Depreciation, interest on working capital and Operation & Maintenance expenses.

### ii) Recognition and measurement

FERV arising during the construction period for settlement/translation of monetary items (other than non-current loans) denominated in foreign currency to the extent recoverable/payable to the beneficiaries as capital cost as per CERC Tariff Regulations are accounted as Regulatory Deferral Account Balances. In respect of long term foreign currency loan drawn on or after 01 April 2016, exchange difference to the extent recoverable as per CERC Tariff Regulations are recognised as Regulatory Deferral Account Balances. The company expects to recover these amounts through depreciation component of the tariff over the life of the asset or as exchange rate variation on repayment of the loan.

The tariff norms for the block period 2019-2024 notified by the Central Electricity Regulatory Commission (CERC) provide for grossing up of the return on equity based on effective tax rate for the financial year based on the actual tax paid during the year on the transmission income. Accordingly, deferred tax provided during the year ended 31 March 2024 on the transmission income is accounted as 'Deferred Assets against Deferred Tax Liability'. Deferred Assets against Deferred Tax Liability for the year will be reversed in future years (including tax holiday period) when the related deferred tax liability forms a part of current tax.

During the previous year, CERC vide order dated 26 December 2022 has disallowed the claim amounting to ₹134.16 crore on account of pay revision (2017) which was accounted as Regulatory Deferral Account Balances. Accordingly, the company has reversed the amount shown as recoverable from the beneficiaries in the previous year under the head Net Movement in Regulatory Deferral Account Balances-Income/(Expenses)(Net of Tax). An appeal against order dated 26 December 2022 has been filed before Hon'ble Appellate Tribunal for Electricity bearing Appeal No. 236 of 2023. The Appeal has been listed before APTEL on 29 August 2023 and APTEL has included the same in the List of Short Matters. Date of hearing is yet to be notified.

The cumulative amount of ₹9.57crore (cumulative previous year amount of ₹4.10crore) is recoverable on account of other expenses which are not capitalised but allowed as capital cost as per CERC Tariff Regulations and was accounted as Regulatory Deferral Account Balances. Amount of regulatory deferral account balances is on undiscounted basis.

### iii) Risk associated with future recovery/ reversal of regulatory deferral account balances

(a) regulatory risk on account of changes in regulations.

(b) other risks including currency or other market risks, if any.

Any change in the Tariff regulations beyond the current tariff period ending on 31 March 2024 may have an impact on the recovery of Regulatory Deferral Account Balances.

The Regulatory Deferral Account Balances (assets) recognised in the books to be recovered from the beneficiaries in future periods are as follows:

(₹ in crore)

| Particulars   | For the year ended 31 March 2024 | For the year ended 31 March 2023 |
|---|----------------------------------|----------------------------------|
| A. Opening Balance  | 10,283.76                        | 9,973.04                         |
| B. Addition/(deduction) during the year   | (863.92)                         | 427.69                           |
| C. Amount collected/(refunded) during the year                                      | (179.90)                         | 116.97                           |
| D. Regulated Income/(Expense) recognised in the statement of Profit and Loss (B-C)  | (684.02)                         | 310.72                           |
| E. Closing Balance (A+D)  | <b>9,599.74</b>                  | <b>10,283.76</b>                 |
| F. Tax on Regulated Income/(Expense) recognised in the statement of Profit and Loss | (119.51)                         | 54.29                            |

## 52. Disclosure as required by Regulation 34 (3) of SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015

### A. Loans and Advances in nature of Loans:

#### 1. To Subsidiary Companies and Joint Ventures

(₹ in crore)

| Name of the Company   | Outstanding balance |                     | Maximum amount outstanding       |                                  |
|---|---------------------|---------------------|----------------------------------|----------------------------------|
|   | As at 31 March 2024 | As at 31 March 2023 | For the year ended 31 March 2024 | For the year ended 31 March 2023 |
| <b>Subsidiaries</b>   |                     |                     |                                  |                                  |
| Powergrid NM Transmission Limited                             | 603.84              | 867.35              | 867.35                           | 905.06                           |
| Powergrid Unchahar Transmission Limited                       | 32.09               | 33.34               | 33.34                            | 34.59                            |
| Powergrid Southern Interconnector Transmission System Limited | 2,339.32            | 2,491.97            | 2,492.29                         | 2,659.59                         |
| Powergrid Medinipur Jeerat Transmission Limited               | 2,324.65            | 2,433.71            | 2,455.61                         | 2,566.25                         |
| Powergrid Mithilanchal Transmission Limited                   | 896.42              | 933.41              | 933.43                           | 945.98                           |
| Powergrid Varanasi Transmission System Limited                | 699.81              | 742.43              | 742.43                           | 758.35                           |
| Powergrid Jawaharpur Firozabad Transmission Limited           | 317.60              | 349.51              | 379.60                           | 351.03                           |
| Powergrid Khetri Transmission System Limited                  | 727.59              | 761.89              | 762.49                           | 786.83                           |
| Powergrid Bhuj Transmission Limited                           | 892.33              | 912.31              | 912.31                           | 912.31                           |
| Powergrid Bhind Guna Transmission Limited                     | 435.99              | 427.10              | 440.96                           | 431.10                           |
| Powergrid Ajmer Phagi Transmission Limited                    | 434.23              | 461.35              | 461.65                           | 467.00                           |
| Powergrid Fatehgarh Transmission Limited                      | 490.61              | 515.55              | 516.65                           | 524.63                           |
| Powergrid Rampur Sambhal Transmission Limited                 | 618.41              | 590.98              | 618.41                           | 590.98                           |
| Powergrid Meerut Simbhalvali Transmission Limited             | 914.13              | 800.92              | 914.13                           | 800.92                           |
| Powergrid Ramgarh Transmission Limited                        | 292.35              | 228.61              | 292.35                           | 228.61                           |
| Powergrid Himachal Transmission Limited                       | 19.14               | 67.14               | 67.14                            | 115.14                           |
| Powergrid Bikaner Transmission System Limited                 | 1,229.19            | 1,014.14            | 1,259.18                         | 1,014.14                         |
| Powergrid Sikar Transmission Limited                          | 1,066.64            | 760.08              | 1,066.64                         | 760.08                           |
| Powergrid Bhadla Transmission Limited                         | 628.57              | 457.63              | 628.57                           | 457.63                           |
| Powergrid Aligarh Sikar Transmission Limited                  | 934.43              | 785.47              | 934.43                           | 785.47                           |
| Powergrid Teleservices Limited                                | 37.23               | -                   | 37.23                            | -                                |
| Powergrid Energy Services Limited                             | 19.16               | -                   | 19.16                            | -                                |
| Powergrid Narela Transmission Limited                         | 1,118.64            | 425.23              | 1,118.64                         | 425.23                           |
| Powergrid Gomti Yamuna Transmission Limited                   | 777.73              | 429.95              | 777.73                           | 429.95                           |
| Powergrid Neemuch Transmission System Limited                 | 593.38              | 184.51              | 593.38                           | 184.51                           |
| Powergrid ER NER Transmission Limited                         | 44.15               | 14.93               | 44.15                            | 14.93                            |
| Powergrid ERWR Power Transmission Limited                     | 19.56               | -                   | 19.56                            | -                                |
| Powergrid Khavda RE Transmission System Limited               | 205.03              | -                   | 205.03                           | -                                |
| Powergrid Khavda II- B Transmission Limited                   | 345.46              | -                   | 345.46                           | -                                |
| Powergrid Khavda II-C Transmission Limited                    | 898.10              | -                   | 898.10                           | -                                |
| Powergrid KPS2 Transmission System Limited                    | 54.83               | -                   | 54.83                            | -                                |
| Powergrid KPS3 Transmission Limited                           | 81.76               | -                   | 81.76                            | -                                |
| Powergrid Raipur Pool Dhamtari Transmission Limited           | 15.10               | -                   | 15.10                            | -                                |

## 52. Disclosure as required by Regulation 34 (3) of SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 (Contd.)

(₹ in crore)

| Name of the Company                                 | Outstanding balance |                     | Maximum amount outstanding       |                                  |
|---|---------------------|---------------------|----------------------------------|----------------------------------|
|   | As at 31 March 2024 | As at 31 March 2023 | For the year ended 31 March 2024 | For the year ended 31 March 2023 |
| Powergrid Dharamjaigarh Transmission Limited        | 33.78               | -                   | 33.78                            | -                                |
| Powergrid Bhadla Sikar Transmission Limited         | 447.58              | -                   | 447.58                           | -                                |
| Powergrid Ananthpuram Kurnool Transmission Limited  | 78.50               | -                   | 78.50                            | -                                |
| Powergrid Bhadla III Transmission Limited           | 103.54              | -                   | 103.54                           | -                                |
| Powergrid Beawar Dausa Transmission Limited         | 120.87              | -                   | 120.87                           | -                                |
| Powergrid Ramgarh II Transmission Limited           | 153.11              | -                   | 153.11                           | -                                |
| Powergrid Bikaner Neemrana Transmission Limited     | 19.42               | -                   | 19.42                            | -                                |
| Powergrid Neemrana Bareilly Transmission Limited    | 18.73               | -                   | 18.73                            | -                                |
| Powergrid Vataman Transmission Limited              | 67.72               | -                   | 67.72                            | -                                |
| Powergrid Koppal Gadag Transmission Limited         | 19.24               | -                   | 19.24                            | -                                |
| <b>Joint Ventures</b>                               |                     |                     |                                  |                                  |
| National High Power Test Laboratory Private Limited | 94.71               | 18.40               | 94.71                            | 18.40                            |
| <b>Total</b>  | <b>21,264.67</b>    | <b>16,707.91</b>    | <b>22,146.29</b>                 | <b>17,168.71</b>                 |

2. To firms/companies in which directors are interested: NIL

B. Investment by the loanee (as detailed above) in the shares of Power Grid Corporation of India Ltd: NIL

## 53. Corporate Social Responsibility (CSR) Expenses

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

(₹ in crore)

| Sl. No. | Particulars   | For the year ended 31 March 2024 | For the year ended 31 March 2023 |
|---------|---|----------------------------------|----------------------------------|
| A       | Gross Amount required to be spent during the year   | 342.69                           | 311.97                           |
|         | Utilised from excess spent of earlier years   | 30.45                            | -                                |
|         | Net Amount required to be spent during the year   | 312.24                           | 311.97                           |
| B       | Amount approved by the Board to be spent during the year  | 342.69                           | 311.97                           |
| C       | Amount spent on CSR –   |                                  |                                  |
| (i)     | Construction or acquisition of any asset  | 179.68                           | 138.81                           |
| (ii)    | on Purpose other than (i) above   | 150.80                           | 182.85                           |
| D       | Total Shortfall/(Excess) amount   | (18.24)                          | (9.69)                           |
| E       | Break-up of the amount spent on CSR   |                                  |                                  |
| 1       | Education and Skill Development expenses  | 46.78                            | 56.08                            |
| 2       | Ecology and Environment Expenses  | 4.14                             | 10.73                            |
| 3       | Health and Sanitation expenses  | 238.50                           | 229.43                           |
| 4       | Sports, Art and Culture expenses  | 3.63                             | 4.27                             |
| 5       | Protection of national heritage, art and culture including restoration of building and sites of historical importance | 15.21                            | 0.03                             |
| 6       | Other CSR activities  | 8.89                             | 10.25                            |



**53. Corporate Social Responsibility (CSR) Expenses (Contd.)**

(₹ in crore)

| Sl. No. | Particulars   | For the year ended 31 March 2024 | For the year ended 31 March 2023 |
|---------|---|----------------------------------|----------------------------------|
| 7       | Salaries, wages and other benefits of Company's own CSR personnel limited to 5% of total amount required to be spent on CSR | 13.33                            | 10.87                            |
|         | <b>Total Amount spent on CSR</b>  | <b>330.48</b>                    | <b>321.66</b>                    |
|         | Opening CSR Liability/Provision   | 22.61                            | 11.32                            |
|         | Add: CSR Expense  | 330.48                           | 321.66                           |
|         | Less: Amount paid in Cash   | 321.44                           | 310.37                           |
|         | Closing CSR Liability/Provision   | 31.65                            | 22.61                            |

Excess amount spent and carried forward to next financial year:

(₹ in crore)

| Particulars                                       | For the year ended 31 March 2024 | For the year ended 31 March 2023 |
|---|----------------------------------|----------------------------------|
| Opening Balance                                   | 30.45                            | 20.76                            |
| Gross amount required to be spent during the year | 342.69                           | 311.97                           |
| Amount spent during the year                      |                                  |                                  |
| Amount recognised in:                             |                                  |                                  |
| Balance sheet                                     | 18.24                            | -                                |
| Statement of Profit and Loss                      | 312.24                           | 321.66                           |
| Total   | <b>330.48</b>                    | <b>321.66</b>                    |
| <b>Closing Balance</b>                            | <b>18.24</b>                     | <b>30.45</b>                     |

**54. Fair Value Measurement**

(₹ in crore)

| Financial Instruments by category                           | As at 31 March 2024 |                  | As at 31 March 2023 |                  |
|---|---------------------|------------------|---------------------|------------------|
|   | FVOCI               | Amortised cost   | FVOCI               | Amortised cost   |
| <b>Financial Assets</b>                                     |                     |                  |                     |                  |
| Investments   |                     |                  |                     |                  |
| Equity Instruments  |                     |                  |                     |                  |
| PTC India Limited (12000006 shares of ₹ 10 each)            | 223.14              |                  | 102.06              |                  |
| POWERGRID Infrastructure Investment Trust (136500100 units) | 1,292.79            |                  | 1,672.40            |                  |
| Trade Receivables   |                     | 11,108.75        |                     | 14,999.70        |
| Loans   |                     | 21,953.01        |                     | 17,352.39        |
| Cash & cash Equivalents                                     |                     | 2,620.55         |                     | 4,146.24         |
| Bank Balance  |                     | 2,560.81         |                     | 627.76           |
| Other Financial Assets                                      |                     |                  |                     |                  |
| Current   |                     | 5,020.57         |                     | 1,930.57         |
| Non-Current   |                     | 4,507.53         |                     | 4,771.23         |
| <b>Total Financial assets</b>                               | <b>1,515.93</b>     | <b>47,771.22</b> | <b>1,774.46</b>     | <b>43,827.89</b> |

**54. Fair Value Measurement (Contd.)**

(₹ in crore)

| Financial Instruments by category  | As at 31 March 2024 |                    | As at 31 March 2023 |                    |
|------------------------------------|---------------------|--------------------|---------------------|--------------------|
|                                    | FVOCI               | Amortised cost     | FVOCI               | Amortised cost     |
| <b>Financial Liabilities</b>       |                     |                    |                     |                    |
| Borrowings                         |                     | 1,26,355.50        |                     | 1,31,474.10        |
| Trade Payables                     |                     | 354.07             |                     | 325.02             |
| Other Financial Liabilities        |                     |                    |                     |                    |
| Current                            |                     | 4,968.72           |                     | 4,435.94           |
| Non-Current                        |                     | 3,553.22           |                     | 3,564.67           |
| <b>Total financial liabilities</b> | <b>-</b>            | <b>1,35,231.51</b> | <b>-</b>            | <b>1,39,799.73</b> |

Investment in mutual funds of ₹608.26crore (previous year ₹0.00crore) is measured at FVPL &amp; considered as Level 1 instrument.

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

Financial instruments that are measured at Fair value:

(₹ in crore)

| Particulars   | Level 1         | Level 2  | Level 3  | Total           |
|---|-----------------|----------|----------|-----------------|
| <b>As at 31.03.2024</b>                                     |                 |          |          |                 |
| <b>Financial Assets</b>                                     |                 |          |          |                 |
| Investments   |                 |          |          |                 |
| Equity Instruments  |                 |          |          |                 |
| PTC India Limited (12000006 shares of ₹ 10 each)            | 223.14          | -        | -        | 223.14          |
| POWERGRID Infrastructure Investment Trust (136500100 units) | 1,292.79        | -        | -        | 1,292.79        |
| <b>Total Financial Assets</b>                               | <b>1,515.93</b> | <b>-</b> | <b>-</b> | <b>1,515.93</b> |

(₹ in crore)

| Particulars   | Level 1         | Level 2  | Level 3  | Total           |
|---|-----------------|----------|----------|-----------------|
| <b>As at 31.03.2023</b>                                     |                 |          |          |                 |
| <b>Financial Assets</b>                                     |                 |          |          |                 |
| Investments   |                 |          |          |                 |
| Equity Instruments  |                 |          |          |                 |
| PTC India Limited (12000006 shares of ₹ 10 each)            | 102.06          | -        | -        | 102.06          |
| POWERGRID Infrastructure Investment Trust (136500100 units) | 1,672.40        | -        | -        | 1,672.40        |
| <b>Total Financial Assets</b>                               | <b>1,774.46</b> | <b>-</b> | <b>-</b> | <b>1,774.46</b> |

These investments in equity instruments are not held for trading. Instead, they are held for medium or long-term strategic purpose. Upon the application of Ind AS 109, the Company has chosen to designate these investments in equity instruments as at FVTOCI as the company believe that this provides a more meaningful presentation for medium or long-term strategic investments, than reflecting changes in fair value immediately in profit or loss.

## 54. Fair Value Measurement (Contd.)

Financial instruments that are measured at Amortised Cost:

(₹ in crore)

| Particulars  | Level | As at 31 March 2024 |                    | As at 31 March 2023 |                    |
|--|-------|---------------------|--------------------|---------------------|--------------------|
|  |       | Carrying Amount     | Fair value         | Carrying Amount     | Fair value         |
| <b>Financial Assets</b>                              |       |                     |                    |                     |                    |
| <b>Loans</b>   |       |                     |                    |                     |                    |
| Loans to Subsidiaries                                | 2     | 21,249.53           | 21,734.79          | 16,798.92           | 16,637.39          |
| Loans to Joint Venture                               | 2     | 98.65               | 77.97              | -                   | -                  |
| Loans to employees                                   | 2     | 604.83              | 515.74             | 553.47              | 467.33             |
| Non-current Trade receivables                        | 2     | 282.95              | 242.20             | 695.57              | 606.55             |
| <b>Total Financial Assets</b>                        |       | <b>22,235.96</b>    | <b>22,570.70</b>   | <b>18,047.96</b>    | <b>17,711.27</b>   |
| <b>Financial Liabilities</b>                         |       |                     |                    |                     |                    |
| Borrowings   | 2     | 1,26,355.50         | 1,26,800.31        | 1,31,474.10         | 1,32,099.75        |
| Deposits/retention money from contractors and others | 2     | 3,590.12            | 3,719.06           | 3,600.89            | 3,741.03           |
| <b>Total financial liabilities</b>                   |       | <b>1,29,945.62</b>  | <b>1,30,519.37</b> | <b>1,35,074.99</b>  | <b>1,35,840.78</b> |

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. The carrying values for finance lease receivables approximates the fair value as these are periodically evaluated based on credit worthiness of customer and allowance for estimated losses is recorded based on this evaluation.

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

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

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

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

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

### Valuation technique used to determine fair value:

Specific valuation techniques used to value financial instruments include:

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

All of the resulting fair value estimates are included in level 2 apart from equity instruments of PTC India Limited and POWERGRID Infrastructure Investment Trust which is included in Level 1 fair value hierarchy.

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

## 55. Disclosure as per Ind AS 24 - "Related Party Disclosures"

### (a) Subsidiaries

| Name of entity   | Place of business/<br>Country of<br>incorporation | Proportion of Ownership<br>Interest |                        |
|--|---|-------------------------------------|------------------------|
|  |   | As at<br>31 March 2024              | As at<br>31 March 2023 |
| Powergrid Vemagiri Transmission Limited  | India   | 100%                                | 100%                   |
| Powergrid NM Transmission Limited  | India   | 100%                                | 100%                   |
| Powergrid Unchahar Transmission Limited  | India   | 100%                                | 100%                   |
| Powergrid Southern Interconnector Transmission System Limited                              | India   | 100%                                | 100%                   |
| Powergrid Medinipur Jeerat Transmission Limited  | India   | 100%                                | 100%                   |
| Powergrid Mithilanchal Transmission Limited  | India   | 100%                                | 100%                   |
| Powergrid Varanasi Transmission System Limited   | India   | 100%                                | 100%                   |
| Powergrid Jawaharpur Firozabad Transmission Limited  | India   | 100%                                | 100%                   |
| Powergrid Khetri Transmission System Limited   | India   | 100%                                | 100%                   |
| Powergrid Bhuj Transmission Limited  | India   | 100%                                | 100%                   |
| Powergrid Bhind Guna Transmission Limited  | India   | 100%                                | 100%                   |
| Powergrid Ajmer Phagi Transmission Limited   | India   | 100%                                | 100%                   |
| Powergrid Fatehgarh Transmission Limited   | India   | 100%                                | 100%                   |
| Powergrid Rampur Sambhal Transmission Limited  | India   | 100%                                | 100%                   |
| Powergrid Meerut Simbhavali Transmission Limited   | India   | 100%                                | 100%                   |
| Central Transmission Utility of India Limited  | India   | 100%                                | 100%                   |
| Powergrid Ramgarh Transmission Limited   | India   | 100%                                | 100%                   |
| Powergrid Himachal Transmission Limited  | India   | 100%                                | 100%                   |
| Powergrid Bikaner Transmission System Limited  | India   | 100%                                | 100%                   |
| Powergrid Sikar Transmission Limited   | India   | 100%                                | 100%                   |
| Powergrid Bhadla Transmission Limited  | India   | 100%                                | 100%                   |
| Powergrid Aligarh Sikar Transmission Limited   | India   | 100%                                | 100%                   |
| Powergrid Teleservices Limited   | India   | 100%                                | 100%                   |
| Powergrid Energy Services Limited  | India   | 100%                                | 100%                   |
| Powergrid Narela Transmission Limited (Erstwhile Khetri-Narela Transmission Limited)       | India   | 100%                                | 100%                   |
| Powergrid Gomti Yamuna Transmission Limited (Erstwhile Mohanlalganj Transmission Limited)  | India   | 100%                                | 100%                   |
| Powergrid Neemuch Transmission System Limited (Erstwhile Neemuch Transmission Limited)     | India   | 100%                                | 100%                   |
| Powergrid ER NER Transmission Limited (Erstwhile ER NER Transmission Limited)              | India   | 100%                                | 100%                   |
| Powergrid ERWR Power Transmission Limited (Erstwhile ERWR Power Transmission Limited)      | India   | 100%                                | 100%                   |
| Powergrid Khavda RE Transmission System Limited (Erstwhile Khavda RE Transmission Limited) | India   | 100%                                | 100%                   |



**55. Disclosure as per Ind AS 24 - "Related Party Disclosures" (Contd.)**

| Name of entity   | Place of business/<br>Country of<br>incorporation | Proportion of Ownership<br>Interest |                        |
|--|---|-------------------------------------|------------------------|
|  |   | As at<br>31 March 2024              | As at<br>31 March 2023 |
| Powergrid Khavda II- B Transmission Limited (Erstwhile Khavda II-B Transmission Limited)                             | India   | 100%                                | 100%                   |
| Powergrid Khavda II-C Transmission Limited (Erstwhile Khavda II-C Transmission Limited)                              | India   | 100%                                | 100%                   |
| Powergrid KPS2 Transmission System Limited (Erstwhile KPS2 Transmission Limited)                                     | India   | 100%                                | 100%                   |
| Powergrid KPS3 Transmission Limited (Erstwhile KPS3 Transmission Limited)  | India   | 100%                                | 100%                   |
| Powergrid Raipur Pool Dhamtari Transmission Limited (Erstwhile Raipur Pool Dhamtari Transmission Limited)            | India   | 100%                                | 100%                   |
| Powergrid Dharamjaigarh Transmission Limited (Erstwhile Dharamjaigarh Transmission Limited)                          | India   | 100%                                | 100%                   |
| Powergrid Bhadla Sikar Transmission Limited (Erstwhile Bhadla Sikar Transmission Limited)                            | India   | 100%                                | 100%                   |
| Powergrid Ananthpuram Kurnool Transmission Limited (Erstwhile Ananthpuram Kurnool Transmission Limited) <sup>1</sup> | India   | 100%                                | NA                     |
| Powergrid Bhadla III Transmission Limited (Erstwhile Bhadla III Transmission Limited) <sup>1</sup>                   | India   | 100%                                | NA                     |
| Powergrid Beawar Dausa Transmission Limited (Erstwhile Beawar Dausa Transmission Limited) <sup>2</sup>               | India   | 100%                                | NA                     |
| Powergrid Ramgarh II Transmission Limited (Erstwhile Ramgarh II Transmission Limited) <sup>3</sup>                   | India   | 100%                                | NA                     |
| Powergrid Bikaner Neemrana Transmission Limited (Erstwhile Bikaner III Neemrana Transmission Limited) <sup>4</sup>   | India   | 100%                                | NA                     |
| Powergrid Neemrana Bareilly Transmission Limited (Erstwhile Neemrana II Bareilly Transmission Limited) <sup>4</sup>  | India   | 100%                                | NA                     |
| Powergrid Vataman Transmission Limited (Erstwhile Vataman Transmission Limited) <sup>5</sup>                         | India   | 100%                                | NA                     |
| Powergrid Koppal Gadag Transmission Limited (Erstwhile Koppal II Gadag II Transmission Limited) <sup>5</sup>         | India   | 100%                                | NA                     |
| Sikar Khetri Transmission Limited <sup>6</sup>   | India   | 100%                                | NA                     |
| Bidar Transmission Limited <sup>6</sup>  | India   | 100%                                | NA                     |
| <sup>1</sup> 100% equity acquired from PFC Consulting Limited on 27.09.2023  |   |                                     |                        |
| <sup>2</sup> 100% equity acquired from PFC Consulting Limited on 30.10.2023  |   |                                     |                        |
| <sup>3</sup> 100% equity acquired from REC Power Development and Consultancy Limited on 26.10.2023                   |   |                                     |                        |
| <sup>4</sup> 100% equity acquired from PFC Consulting Limited on 27.12.2023  |   |                                     |                        |
| <sup>5</sup> 100% equity acquired from PFC Consulting Limited on 26.12.2023  |   |                                     |                        |
| <sup>6</sup> 100% equity acquired from REC Power Development and Consultancy Limited on 09.02.2024                   |   |                                     |                        |

**55. Disclosure as per Ind AS 24 - "Related Party Disclosures" (Contd.)**
**(b) Joint Ventures**

| Name of entity   | Place of business/<br>Country of<br>incorporation | Proportion of Ownership<br>Interest |                        |
|--|---|-------------------------------------|------------------------|
|  |   | As at<br>31 March 2024              | As at<br>31 March 2023 |
| Powerlinks Transmission Limited  | India   | 49%                                 | 49%                    |
| Torrent Power Grid Limited   | India   | 26%                                 | 26%                    |
| Parbati Koldam Transmission Company Limited  | India   | 26%                                 | 26%                    |
| Sikkim Power Transmission Limited (Erstwhile Teestavalley Power Transmission Limited) <sup>1</sup> | India   | 30.92%                              | 30.92%                 |
| North East Transmission Company Limited  | India   | 26%                                 | 26%                    |
| National High Power Test Laboratory Private Limited <sup>2</sup>                                   | India   | 21.63%                              | 20%                    |
| Bihar Grid Company Limited   | India   | 50%                                 | 50%                    |
| Energy Efficiency Services Limited #   | India   | 39.25%                              | 33.33%                 |
| Cross Border Power Transmission Company Limited <sup>3</sup>                                       | India   | 26%                                 | 26%                    |
| RINL Powergrid TLT Private Limited <sup>4</sup>  | India   | 50%                                 | 50%                    |
| Butwal-Gorakhpur Cross Border Power Transmission Limited   | India   | 50%                                 | 50%                    |
| Power Transmission Company Nepal Limited <sup>5</sup>  | Nepal   | 26%                                 | 26%                    |

<sup>1</sup>POWERGRID & Sikkim Urja Ltd are the Joint venture partners in Sikkim Power Transmission Limited & holds 26% & 74 % equity, respectively as per Shareholding agreement. On call of additional equity by Sikkim Power Transmission limited, POWERGRID contributed their share while the other JV partner has not yet contributed their share of money. Consequently, the holding of POWERGRID increased to 30.92% against 26% provided in shareholding agreement.

<sup>2</sup>Vide Supplementary Joint venture agreement dated 23.04.2024 and as part of revival plan of JV Company, Loan given by all JV partners to JV company was converted to equity, additional loan of ₹94.71crore was provided by the company, shareholding of the company will increase to 50% through additional equity contribution by the company and transfer of shares by other JV partners at notional consideration.

<sup>3</sup>The Board of Directors of the company have, in its meeting held on 01 May 2022, approved the proposal for purchase of 77,30,225 no. equity shares held by IL&FS Energy Development Company Limited in Cross Border Power Transmission Company Limited (Joint venture of the company). Presently, approvals from relevant authorities is awaited.

<sup>4</sup>POWERGRID's Board of Directors in its meeting held on 01.05.2018 accorded in principle approval to close RINL Powergrid TLT Private Limited (RPTPL) and seek consent of other JV Partner Rashtriya Ispat Nigam Limited (RINL). RINL's Board of Directors in its meeting held on 08.03.2019 has agreed in principle for winding up proceedings of RPTPL & to seek the approval from Ministry of Steel(MoS), Government of India, for closure of RPTPL. The approval for closure of RPTPL was received on 11.07.2022 from MoS. However, winding up process could not be initiated, as contractor for Site Enabling works has served notice on 17-12-2022 for invocation of Arbitration. Conciliator has been appointed & conciliation proceedings are under progress.

<sup>5</sup>The Board of Directors of the company have, in its meeting held on 16 December 2023, approved the proposal for purchase of 1,30,000 no. equity shares held by IL&FS Energy Development Co Ltd in PTCN (Joint venture of the company). Presently, the proposal is under review by NCLAT.

**# Subsidiaries of Joint Venture**

- EESL EnergyPro Assets Limited\*
- EESL Energy Solutions LLC\*
- Convergence Energy Services Limited

\*Incorporated outside India

**55. Disclosure as per Ind AS 24 - "Related Party Disclosures" (Contd.)**
**(c) Associates**

| Name of entity                                       | Place of business/<br>Country of incorporation | Proportion of Ownership Interest |                        |
|--|--|----------------------------------|------------------------|
|  |  | As at<br>31 March 2024           | As at<br>31 March 2023 |
| Powergrid Kala Amb Transmission Limited <sup>1</sup> | India  | 26%                              | 26%                    |
| Powergrid Jabalpur Transmission Limited <sup>1</sup> | India  | 26%                              | 26%                    |
| Powergrid Warora Transmission Limited <sup>1</sup>   | India  | 26%                              | 26%                    |
| Powergrid Parli Transmission Limited <sup>1</sup>    | India  | 26%                              | 26%                    |

<sup>1</sup>Associate from 13.05.2021 onwards and Refer note 19A "Assets classified as held for sale"

**(d) Key Managerial Personnel**
**Whole Time Directors**

| Name                   | Designation  |
|------------------------|--|
| Shri K. Sreekant       | Chairman & Managing Director (up to 31.12.2023) & Additional Charge of Director (Personnel) w.e.f. 01.06.2023 to 31.08.2023                              |
| Shri R. K. Tyagi       | Director (Operations) (up to 31.12.2023) & Chairman & Managing Director w.e.f. 01.01.2024 & Additional Charge of Director (Operations) w.e.f. 02.02.2024 |
| Shri Vinod Kumar Singh | Director (Personnel) till 31.05.2023   |
| Shri Abhay Choudhary   | Director (Projects)  |
| Shri G Ravisankar      | Director (Finance) & CFO   |
| Dr. Yatindra Dwivedi   | Director (Personnel) w.e.f. 31.08.2023   |

**Independent Directors**

| Name                           | Designation                          |
|--------------------------------|--------------------------------------|
| Shri Onkarappa K.N.            | Independent Director till 12.12.2023 |
| Shri Chetan Bansilal Kankariya | Independent Director                 |
| Shri Ram Naresh Tiwari         | Independent Director                 |

**Government Nominee Directors and other KMP**

| Name                    | Designation   |
|-------------------------|---|
| Shri Dilip Nigam        | Government Nominee Director till 17.04.2024               |
| Shri Mohammad Afzal     | Government Nominee Director from 11.10.2022 to 17.05.2023 |
| Shri Saibaba Darbamulla | Government Nominee Director w.e.f. 18.05.2023             |
| Shri Mrinal Shrivastava | Company Secretary till 30.04.2024                         |
| Shri Satyaprakash Dash  | Company Secretary from 01.05.2024                         |

**(e) List of Other Related Parties**

| Name of Entity   | Place of business/<br>country of<br>incorporation | Nature of Relationship                    |
|--|---|---|
| Powergrid Employees Provident Fund Trust   | India   | Post-employment benefit plan of Powergrid |
| Powergrid Employees Defined Contribution Superannuation Benefit (Pension) Scheme Trust | India   | Post-employment benefit plan of Powergrid |

**55. Disclosure as per Ind AS 24 - "Related Party Disclosures" (Contd.)**

| Name of Entity  | Place of business/<br>country of<br>incorporation | Nature of Relationship                    |
|---|---|---|
| Powergrid Employees Gratuity Fund Trust                   | India   | Post-employment benefit plan of Powergrid |
| Powergrid Employees Post-Retirement Medical Benefit Trust | India   | Post Retirement Benefit plan of Powergrid |
| Powergrid Infrastructure Investment Trust                 | India   | Sponsor                                   |

**(f) Government Related Entities**

The company is controlled by the Government of India (GOI), being a Central Public Sector Enterprise (CPSE) under the Ministry of Power, with GOI holding 51.34% (Previous Year 51.34%) of equity shares capital issued and paid up.

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

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

**(g) Outstanding balances with related parties**

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

(₹ in crore)

| Particulars   | As at 31 March 2024 | As at 31 March 2023 |
|---|---------------------|---------------------|
| <b>Amounts Receivable</b>                                     |                     |                     |
| <b>Loans to Subsidiaries</b>                                  |                     |                     |
| Powergrid NM Transmission Limited                             | 603.84              | 867.35              |
| Powergrid Unchahar Transmission Limited                       | 32.09               | 33.34               |
| Powergrid Southern Interconnector Transmission System Limited | 2,339.32            | 2,491.97            |
| Powergrid Medinipur Jeerat Transmission Limited               | 2,324.65            | 2,433.71            |
| Powergrid Mithilanchal Transmission Limited                   | 896.42              | 933.41              |
| Powergrid Varanasi Transmission System Limited                | 699.81              | 742.43              |
| Powergrid Jawaharpur Firozabad Transmission Limited           | 317.60              | 349.51              |
| Powergrid Khetri Transmission System Limited                  | 727.59              | 761.89              |
| Powergrid Bhuj Transmission Limited                           | 892.33              | 912.31              |
| Powergrid Bhind Guna Transmission Limited                     | 435.99              | 427.10              |
| Powergrid Ajmer Phagi Transmission Limited                    | 434.23              | 461.35              |
| Powergrid Fatehgarh Transmission Limited                      | 490.61              | 515.55              |
| Powergrid Rampur Sambhal Transmission Limited                 | 618.41              | 590.98              |
| Powergrid Meerut Simbhavali Transmission Limited              | 914.13              | 800.92              |
| Powergrid Ramgarh Transmission Limited                        | 292.35              | 228.61              |
| Powergrid Himachal Transmission Limited                       | 19.14               | 67.14               |
| Powergrid Bikaner Transmission System Limited                 | 1,229.19            | 1,014.14            |
| Powergrid Sikar Transmission Limited                          | 1,066.64            | 760.08              |
| Powergrid Bhadla Transmission Limited                         | 628.57              | 457.63              |
| Powergrid Aligarh Sikar Transmission Limited                  | 934.43              | 785.47              |



**55. Disclosure as per Ind AS 24 - "Related Party Disclosures" (Contd.)**

(₹ in crore)

| Particulars   | As at 31 March 2024 | As at 31 March 2023 |
|---|---------------------|---------------------|
| Powergrid Teleservices Limited                                | 37.23               | -                   |
| Powergrid Energy Services Limited                             | 19.16               | -                   |
| Powergrid Narela Transmission Limited                         | 1,118.64            | 425.23              |
| Powergrid Gomti Yamuna Transmission Limited                   | 777.73              | 429.95              |
| Powergrid Neemuch Transmission System Limited                 | 593.38              | 184.51              |
| Powergrid ER NER Transmission Limited                         | 44.15               | 14.93               |
| Powergrid ERWR Power Transmission Limited                     | 19.56               | -                   |
| Powergrid Khavda RE Transmission System Limited               | 205.03              | -                   |
| Powergrid Khavda II- B Transmission Limited                   | 345.46              | -                   |
| Powergrid Khavda II-C Transmission Limited                    | 898.10              | -                   |
| Powergrid KPS2 Transmission System Limited                    | 54.83               | -                   |
| Powergrid KPS3 Transmission Limited                           | 81.76               | -                   |
| Powergrid Raipur Pool Dhamtari Transmission Limited           | 15.10               | -                   |
| Powergrid Dharamjaigarh Transmission Limited                  | 33.78               | -                   |
| Powergrid Bhadla Sikar Transmission Limited                   | 447.58              | -                   |
| Powergrid Ananthpuram Kurnool Transmission Limited            | 78.50               | -                   |
| Powergrid Bhadla III Transmission Limited                     | 103.54              | -                   |
| Powergrid Beawar Dausa Transmission Limited                   | 120.87              | -                   |
| Powergrid Ramgarh II Transmission Limited                     | 153.11              | -                   |
| Powergrid Bikaner Neemrana Transmission Limited               | 19.42               | -                   |
| Powergrid Neemrana Bareilly Transmission Limited              | 18.73               | -                   |
| Powergrid Vataman Transmission Limited                        | 67.72               | -                   |
| Powergrid Koppal Gadag Transmission Limited                   | 19.24               | -                   |
| <b>Total</b>  | <b>21,169.96</b>    | <b>16,689.51</b>    |
| <b>Loans to Joint Ventures</b>                                |                     |                     |
| National High Power Test Laboratory Private Limited           | 94.71               | 18.40               |
| <b>Total</b>  | <b>94.71</b>        | <b>18.40</b>        |
| <b>Interest Accrued on loan to Subsidiaries</b>               |                     |                     |
| Powergrid Southern Interconnector Transmission System Limited | 8.28                | 0.74                |
| Powergrid Medinipur Jeerat Transmission Limited               | -                   | 14.80               |
| Powergrid Jawaharpur Firozabad Transmission Limited           | -                   | 3.71                |
| Powergrid Rampur Sambhal Transmission Limited                 | 3.76                | 10.21               |
| Powergrid Meerut Simbhavali Transmission Limited              | -                   | 13.49               |
| Powergrid Ramgarh Transmission Limited                        | -                   | 3.89                |
| Powergrid Bikaner Transmission System Limited                 | 1.17                | 16.04               |
| Powergrid Sikar Transmission Limited                          | 0.07                | 12.47               |
| Powergrid Bhadla Transmission Limited                         | 10.99               | 7.98                |
| Powergrid Aligarh Sikar Transmission Limited                  | 0.07                | 13.46               |
| Powergrid Teleservices Limited                                | 0.05                | -                   |
| Powergrid Energy Services Limited                             | 0.30                | -                   |
| Powergrid Narela Transmission Limited                         | 0.74                | 4.61                |
| Powergrid Gomti Yamuna Transmission Limited                   | 13.35               | 5.21                |

**55. Disclosure as per Ind AS 24 - "Related Party Disclosures" (Contd.)**

(₹ in crore)

| Particulars  | As at 31 March 2024 | As at 31 March 2023 |
|--|---------------------|---------------------|
| Powergrid Neemuch Transmission System Limited  | 9.41                | 2.63                |
| Powergrid ER NER Transmission Limited  | 0.73                | 0.17                |
| Powergrid ERWR Power Transmission Limited  | 0.14                | -                   |
| Powergrid Khavda RE Transmission System Limited  | 2.83                | -                   |
| Powergrid Khavda II- B Transmission Limited  | 5.01                | -                   |
| Powergrid Khavda II-C Transmission Limited   | 13.23               | -                   |
| Powergrid KPS2 Transmission System Limited   | 0.91                | -                   |
| Powergrid KPS3 Transmission Limited  | 1.26                | -                   |
| Powergrid Raipur Pool Dhamtari Transmission Limited  | 0.15                | -                   |
| Powergrid Dharamjaigarh Transmission Limited   | 0.31                | -                   |
| Powergrid Bhadla Sikar Transmission Limited  | 4.62                | -                   |
| Powergrid Ananthpuram Kurnool Transmission Limited   | 0.73                | -                   |
| Powergrid Ramgarh II Transmission Limited  | 0.04                | -                   |
| Powergrid Bikaner Neemrana Transmission Limited  | 0.35                | -                   |
| Powergrid Neemrana Bareilly Transmission Limited   | 0.34                | -                   |
| Powergrid Vataman Transmission Limited   | 0.38                | -                   |
| Powergrid Koppal Gadag Transmission Limited  | 0.35                | -                   |
| <b>Total</b>   | <b>79.57</b>        | <b>109.41</b>       |
| <b>Interest Accrued on loan to Joint Ventures</b>  |                     |                     |
| National High Power Test Laboratory Private Limited  | 4.10                | 3.34                |
| <b>Total</b>   | <b>4.10</b>         | <b>3.34</b>         |
| <b>Loans to Key Managerial Personnel</b>   | <b>0.03</b>         | <b>0.09</b>         |
| <b>Other receivables</b>   |                     |                     |
| <b>Subsidiaries</b>  |                     |                     |
| Powergrid Vemagiri Transmission Limited (fully provided - refer note no. 11)   | 19.43               | 19.43               |
| Powergrid NM Transmission Limited  | -                   | 0.12                |
| Powergrid Unchahar Transmission Limited  | 1.75                | 2.03                |
| Powergrid Southern Interconnector Transmission System Limited  | 0.14                | 0.17                |
| Powergrid Medinipur Jeerat Transmission Limited  | 0.03                | 0.30                |
| Powergrid Mithilanchal Transmission Limited  | 0.15                | -                   |
| Powergrid Varanasi Transmission System Limited   | 0.04                | 0.06                |
| Powergrid Jawaharpur Firozabad Transmission Limited  | -                   | 14.35               |
| Powergrid Khetri Transmission System Limited   | 0.06                | 2.48                |
| Powergrid Bhuj Transmission Limited  | 0.04                | 2.93                |
| Powergrid Bhind Guna Transmission Limited  | 0.03                | 0.09                |
| Powergrid Ajmer Phagi Transmission Limited   | 0.06                | 0.71                |
| Powergrid Fatehgarh Transmission Limited   | 0.04                | 1.09                |
| Powergrid Rampur Sambhal Transmission Limited  | 5.75                | 7.00                |
| Powergrid Meerut Simbhavali Transmission Limited   | 0.01                | 0.08                |
| Central Transmission Utility of India Limited (Amount will be paid by CTUIL on receipt of refund from Tax Authorities) | 725.79              | 640.75              |

**55. Disclosure as per Ind AS 24 - "Related Party Disclosures" (Contd.)**

(₹ in crore)

| Particulars  | As at 31 March 2024 | As at 31 March 2023 |
|--|---------------------|---------------------|
| Powergrid Ramgarh Transmission Limited                   | 5.45                | 0.02                |
| Powergrid Himachal Transmission Limited                  | 0.65                | 1.20                |
| Powergrid Bikaner Transmission System Limited            | 3.77                | 3.86                |
| Powergrid Sikar Transmission Limited                     | 2.10                | 1.86                |
| Powergrid Bhadla Transmission Limited                    | 1.73                | 0.33                |
| Powergrid Aligarh Sikar Transmission Limited             | 0.15                | 1.20                |
| Powergrid Teleservices Limited                           | 33.24               | 0.48                |
| Powergrid Energy Services Limited                        | 13.52               | 18.43               |
| Powergrid Narela Transmission Limited                    | 1.66                | 22.37               |
| Powergrid Gomti Yamuna Transmission Limited              | 1.41                | 4.56                |
| Powergrid Neemuch Transmission System Limited            | 0.51                | 1.49                |
| Powergrid ER NER Transmission Limited                    | 0.19                | -                   |
| Powergrid ERWR Power Transmission Limited                | 0.11                | 6.84                |
| Powergrid Khavda RE Transmission System Limited          | 2.21                | 53.07               |
| Powergrid Khavda II- B Transmission Limited              | 1.38                | 75.78               |
| Powergrid Khavda II-C Transmission Limited               | 1.55                | 153.65              |
| Powergrid KPS2 Transmission System Limited               | 0.07                | 37.24               |
| Powergrid KPS3 Transmission Limited                      | 0.53                | 12.42               |
| Powergrid Raipur Pool Dhamtari Transmission Limited      | 0.30                | 7.36                |
| Powergrid Dharamjaigarh Transmission Limited             | 0.34                | 6.79                |
| Powergrid Bhadla Sikar Transmission Limited              | 1.16                | 101.88              |
| Powergrid Ananthpuram Kurnool Transmission Limited       | 0.73                | -                   |
| Powergrid Bhadla III Transmission Limited                | 0.55                | -                   |
| Powergrid Beawar Dausa Transmission Limited              | 0.51                | -                   |
| Powergrid Ramgarh II Transmission Limited                | 0.62                | -                   |
| Powergrid Bikaner Neemrana Transmission Limited          | 2.57                | -                   |
| Powergrid Neemrana Bareilly Transmission Limited         | 1.76                | -                   |
| Powergrid Vataman Transmission Limited                   | 2.83                | -                   |
| Powergrid Koppal Gadag Transmission Limited              | 2.30                | -                   |
| Sikar Khetri Transmission Limited                        | 58.74               | -                   |
| Bidar Transmission Limited                               | 21.80               | -                   |
| <b>Total</b>   | <b>917.76</b>       | <b>1,202.42</b>     |
| <b>Joint Ventures</b>                                    |                     |                     |
| Powerlinks Transmission Limited                          | 0.10                | 0.11                |
| Torrent Power Grid Limited                               | 0.76                | 0.25                |
| Parbati Koldam Transmission Company Limited              | 0.38                | 0.39                |
| Sikkim Power Transmission Limited                        | 2.80                | 2.86                |
| North East Transmission Company Limited                  | 0.33                | 0.32                |
| National High Power Test Laboratory Private Limited      | 0.78                | 0.01                |
| Bihar Grid Company Limited                               | -                   | 0.15                |
| Energy Efficiency Services Limited                       | 2.26                | 2.82                |
| Cross Border Power Transmission Company Limited          | 1.13                | 1.08                |
| Butwal-Gorakhpur Cross Border Power Transmission Limited | 2.75                | 0.01                |
| <b>Total</b>   | <b>11.29</b>        | <b>8.00</b>         |

**55. Disclosure as per Ind AS 24 - "Related Party Disclosures" (Contd.)**

(₹ in crore)

| Particulars  | As at 31 March 2024 | As at 31 March 2023 |
|--|---------------------|---------------------|
| <b>Associates</b>  |                     |                     |
| Powergrid Kala Amb Transmission Limited  | 0.44                | 0.16                |
| Powergrid Jabalpur Transmission Limited  | 0.09                | 0.09                |
| Powergrid Warora Transmission Limited  | 0.28                | 0.33                |
| Powergrid Parli Transmission Limited   | 0.29                | 0.30                |
| <b>Total</b>   | <b>1.10</b>         | <b>0.88</b>         |
| <b>Other receivables</b>   | <b>930.15</b>       | <b>1,211.30</b>     |
| <b>Advances /Amounts Payable</b>   |                     |                     |
| <b>Subsidiaries</b>  |                     |                     |
| Powergrid Southern Interconnector Transmission System Limited                          | 1.50                | 1.50                |
| Powergrid Fatehgarh Transmission Limited   | 0.50                | -                   |
| Central Transmission Utility of India Limited  | 6.06                | 0.18                |
| Powergrid Ramgarh Transmission Limited   | -                   | 14.90               |
| Powergrid Bikaner Transmission System Limited  | 7.17                | -                   |
| Powergrid Teleservices Limited   | 76.10               | -                   |
| <b>Joint Ventures</b>  |                     |                     |
| Powerlinks Transmission Limited  | 0.04                | 0.05                |
| Sikkim Power Transmission Limited  | 6.95                | 55.37               |
| North East Transmission Company Limited  | 5.11                | 7.18                |
| National High Power Test Laboratory Private Limited                                    | 17.95               | 33.01               |
| Energy Efficiency Services Limited   | 2.99                | 2.34                |
| Cross Border Power Transmission Company Limited  | -                   | 11.26               |
| <b>Associates</b>  |                     |                     |
| Powergrid Parli Transmission Limited   | 0.15                | -                   |
| <b>Subsidiary of Joint Ventures:</b>   |                     |                     |
| Convergence Energy Services Limited  | 1.73                | 1.15                |
| <b>Total payables to related parties</b>   | <b>126.25</b>       | <b>126.94</b>       |
| <b>Other Related Parties</b>   |                     |                     |
| <b>Payables/(Receivables) with Employees Benefit Trust</b>                             |                     |                     |
| Powergrid Employees Provident Fund Trust   | 26.42               | 27.26               |
| Powergrid Employees Defined Contribution Superannuation Benefit (Pension) Scheme Trust | 0.42                | 0.57                |
| Powergrid Employees Gratuity Fund Trust  | 2.74                | (12.02)             |
| Powergrid Employees Post-Retirement Medical Benefit Trust                              | 9.26                | 12.03               |
| <b>Total</b>   | <b>38.84</b>        | <b>27.84</b>        |

Refer note no. 9 for investments in related parties as at the end of the reporting period and note no. 58 for guarantee given on behalf of related parties.

**(h) Transactions with related parties**

The following transactions occurred with related parties:



**55. Disclosure as per Ind AS 24 - "Related Party Disclosures" (Contd.)**

(₹ in crore)

| Particulars   | For the year ended<br>31 March 2024 | For the year ended<br>31 March 2023 |
|---|-------------------------------------|-------------------------------------|
| <b>Services provided by the Company</b>                       |                                     |                                     |
| <b>Consultancy Income</b>                                     |                                     |                                     |
| <b>Subsidiaries</b>   |                                     |                                     |
| Powergrid NM Transmission Limited                             | 0.78                                | 3.01                                |
| Powergrid Unchahar Transmission Limited                       | 0.35                                | 1.37                                |
| Powergrid Southern Interconnector Transmission System Limited | 2.87                                | 11.47                               |
| Powergrid Medinipur Jeerat Transmission Limited               | 3.76                                | 17.69                               |
| Powergrid Mithilanchal Transmission Limited                   | 4.45                                | 15.11                               |
| Powergrid Varanasi Transmission System Limited                | 0.34                                | 1.21                                |
| Powergrid Jawaharpur Firozabad Transmission Limited           | 1.58                                | 6.25                                |
| Powergrid Khetri Transmission System Limited                  | (1.63)                              | 8.94                                |
| Powergrid Bhuj Transmission Limited                           | 0.85                                | 4.31                                |
| Powergrid Bhind Guna Transmission Limited                     | 1.76                                | 3.92                                |
| Powergrid Ajmer Phagi Transmission Limited                    | (0.96)                              | 2.55                                |
| Powergrid Fatehgarh Transmission Limited                      | (0.72)                              | 3.72                                |
| Powergrid Rampur Sambhal Transmission Limited                 | 2.65                                | 4.92                                |
| Powergrid Meerut Simbhavali Transmission Limited              | 2.51                                | 2.57                                |
| Powergrid Ramgarh Transmission Limited                        | 5.77                                | 2.24                                |
| Powergrid Himachal Transmission Limited                       | 0.74                                | 0.71                                |
| Powergrid Bikaner Transmission System Limited                 | 12.99                               | 10.62                               |
| Powergrid Sikar Transmission Limited                          | 5.61                                | 4.69                                |
| Powergrid Bhadla Transmission Limited                         | 4.55                                | 2.55                                |
| Powergrid Aligarh Sikar Transmission Limited                  | 1.03                                | 2.93                                |
| Powergrid Energy Services Limited                             | 2.80                                | -                                   |
| Powergrid Narela Transmission Limited                         | 6.98                                | 5.96                                |
| Powergrid Gomti Yamuna Transmission Limited                   | 6.88                                | 10.90                               |
| Powergrid Neemuch Transmission System Limited                 | 2.52                                | 1.38                                |
| Powergrid ER NER Transmission Limited                         | 0.41                                | 0.42                                |
| Powergrid ERWR Power Transmission Limited                     | 0.45                                | 0.07                                |
| Powergrid Khavda RE Transmission System Limited               | 2.05                                | 1.17                                |
| Powergrid Khavda II- B Transmission Limited                   | 2.83                                | 1.28                                |
| Powergrid Khavda II-C Transmission Limited                    | 3.89                                | 1.79                                |
| Powergrid KPS2 Transmission System Limited                    | 0.18                                | 1.36                                |
| Powergrid KPS3 Transmission Limited                           | 0.56                                | 1.03                                |
| Powergrid Raipur Pool Dhamtari Transmission Limited           | 0.64                                | 0.07                                |
| Powergrid Dharamjaigarh Transmission Limited                  | 0.66                                | 0.19                                |
| Powergrid Bhadla Sikar Transmission Limited                   | 3.89                                | 1.89                                |
| Powergrid Ananthpuram Kurnool Transmission Limited            | 1.27                                | -                                   |
| Powergrid Bhadla III Transmission Limited                     | 2.07                                | -                                   |
| Powergrid Beawar Dausa Transmission Limited                   | 1.29                                | -                                   |
| Powergrid Ramgarh II Transmission Limited                     | 1.56                                | -                                   |

**55. Disclosure as per Ind AS 24 - "Related Party Disclosures" (Contd.)**

(₹ in crore)

| Particulars   | For the year ended<br>31 March 2024 | For the year ended<br>31 March 2023 |
|---|-------------------------------------|-------------------------------------|
| Powergrid Bikaner Neemrana Transmission Limited               | 1.91                                | -                                   |
| Powergrid Neemrana Bareilly Transmission Limited              | 1.27                                | -                                   |
| Powergrid Vataman Transmission Limited                        | 2.62                                | -                                   |
| Powergrid Koppal Gadag Transmission Limited                   | 1.91                                | -                                   |
| Sikar Khetri Transmission Limited                             | 1.91                                | -                                   |
| Bidar Transmission Limited                                    | 1.91                                | -                                   |
| <b>Total</b>  | <b>101.74</b>                       | <b>138.29</b>                       |
| <b>Joint Ventures</b>   |                                     |                                     |
| Torrent Power Grid Limited                                    | 0.74                                | 0.71                                |
| Sikkim Power Transmission Limited                             | 0.52                                | 1.10                                |
| North East Transmission Company Limited                       | 0.03                                | 0.73                                |
| National High Power Test Laboratory Private Limited           | 0.91                                | -                                   |
| Bihar Grid Company Limited                                    | 1.13                                | 1.06                                |
| Cross Border Power Transmission Company Limited               | 1.58                                | 1.55                                |
| Butwal-Gorakhpur Cross Border Power Transmission Limited      | 1.97                                | -                                   |
| <b>Total</b>  | <b>6.88</b>                         | <b>5.15</b>                         |
| <b>Associates</b>   |                                     |                                     |
| Powergrid Kala Amb Transmission Limited                       | 6.19                                | 4.58                                |
| Powergrid Jabalpur Transmission Limited                       | 3.11                                | 3.01                                |
| Powergrid Warora Transmission Limited                         | 9.28                                | 9.14                                |
| Powergrid Parli Transmission Limited                          | 9.28                                | 8.99                                |
| <b>Total</b>  | <b>27.86</b>                        | <b>25.72</b>                        |
| <b>Consultancy Income</b>                                     | <b>136.48</b>                       | <b>169.16</b>                       |
| <b>Interest Income</b>  |                                     |                                     |
| <b>Subsidiaries</b>   |                                     |                                     |
| Powergrid NM Transmission Limited                             | 55.67                               | 70.61                               |
| Powergrid Unchahar Transmission Limited                       | 2.69                                | 2.78                                |
| Powergrid Southern Interconnector Transmission System Limited | 192.64                              | 187.36                              |
| Powergrid Medinipur Jeerat Transmission Limited               | 189.24                              | 186.00                              |
| Powergrid Mithilanchal Transmission Limited                   | 71.26                               | 67.25                               |
| Powergrid Varanasi Transmission System Limited                | 56.67                               | 54.38                               |
| Powergrid Jawaharpur Firozabad Transmission Limited           | 25.83                               | 24.95                               |
| Powergrid Khetri Transmission System Limited                  | 56.00                               | 55.13                               |
| Powergrid Bhuj Transmission Limited                           | 70.83                               | 62.69                               |
| Powergrid Bhind Guna Transmission Limited                     | 32.96                               | 28.97                               |
| Powergrid Ajmer Phagi Transmission Limited                    | 32.41                               | 32.48                               |
| Powergrid Fatehgarh Transmission Limited                      | 37.18                               | 36.49                               |
| Powergrid Rampur Sambhal Transmission Limited                 | 48.08                               | 39.09                               |
| Powergrid Meerut Simbhavali Transmission Limited              | 64.70                               | 53.40                               |
| Powergrid Ramgarh Transmission Limited                        | 20.88                               | 12.18                               |

**55. Disclosure as per Ind AS 24 - "Related Party Disclosures" (Contd.)**

(₹ in crore)

| Particulars   | For the year ended<br>31 March 2024 | For the year ended<br>31 March 2023 |
|---|-------------------------------------|-------------------------------------|
| Powergrid Himachal Transmission Limited             | 3.67                                | 6.86                                |
| Powergrid Bikaner Transmission System Limited       | 91.22                               | 52.72                               |
| Powergrid Sikar Transmission Limited                | 71.22                               | 43.62                               |
| Powergrid Bhadla Transmission Limited               | 43.09                               | 28.33                               |
| Powergrid Aligarh Sikar Transmission Limited        | 68.64                               | 51.22                               |
| Powergrid Teleservices Limited                      | 0.10                                | -                                   |
| Powergrid Energy Services Limited                   | 0.34                                | -                                   |
| Powergrid Narela Transmission Limited               | 54.86                               | 7.95                                |
| Powergrid Gomti Yamuna Transmission Limited         | 49.59                               | 8.24                                |
| Powergrid Neemuch Transmission System Limited       | 30.41                               | 2.92                                |
| Powergrid ER NER Transmission Limited               | 1.85                                | 0.31                                |
| Powergrid ERWR Power Transmission Limited           | 0.57                                | -                                   |
| Powergrid Khavda RE Transmission System Limited     | 7.01                                | -                                   |
| Powergrid Khavda II- B Transmission Limited         | 11.75                               | -                                   |
| Powergrid Khavda II-C Transmission Limited          | 29.03                               | -                                   |
| Powergrid KPS2 Transmission System Limited          | 3.44                                | -                                   |
| Powergrid KPS3 Transmission Limited                 | 4.07                                | -                                   |
| Powergrid Raipur Pool Dhamtari Transmission Limited | 0.59                                | -                                   |
| Powergrid Dharamjaigarh Transmission Limited        | 0.84                                | -                                   |
| Powergrid Bhadla Sikar Transmission Limited         | 16.14                               | -                                   |
| Powergrid Ananthpuram Kurnool Transmission Limited  | 1.20                                | -                                   |
| Powergrid Bhadla III Transmission Limited           | 2.46                                | -                                   |
| Powergrid Beawar Dausa Transmission Limited         | 2.19                                | -                                   |
| Powergrid Ramgarh II Transmission Limited           | 2.16                                | -                                   |
| Powergrid Bikaner Neemrana Transmission Limited     | 0.39                                | -                                   |
| Powergrid Neemrana Bareilly Transmission Limited    | 0.38                                | -                                   |
| Powergrid Vataman Transmission Limited              | 0.42                                | -                                   |
| Powergrid Koppal Gadag Transmission Limited         | 0.39                                | -                                   |
| <b>Total</b>  | <b>1,455.06</b>                     | <b>1,115.93</b>                     |
| <b>Joint Ventures</b>                               |                                     |                                     |
| National High Power Test Laboratory Private Limited | 3.73                                | 0.07                                |
| <b>Total</b>  | <b>3.73</b>                         | <b>0.07</b>                         |
| <b>Other Related Parties</b>                        |                                     |                                     |
| POWERGRID Infrastructure Investment Trust           | 107.97                              | 107.70                              |
| <b>Total</b>  | <b>107.97</b>                       | <b>107.70</b>                       |
| <b>Interest Income</b>                              | <b>1,566.76</b>                     | <b>1,223.70</b>                     |
| <b>Dividend received</b>                            |                                     |                                     |
| <b>Subsidiaries</b>                                 |                                     |                                     |
| Powergrid NM Transmission Limited                   | 46.15                               | -                                   |
| Powergrid Unchahar Transmission Limited             | 14.32                               | 11.28                               |

**55. Disclosure as per Ind AS 24 - "Related Party Disclosures" (Contd.)**

(₹ in crore)

| Particulars   | For the year ended<br>31 March 2024 | For the year ended<br>31 March 2023 |
|---|-------------------------------------|-------------------------------------|
| Powergrid Southern Interconnector Transmission System Limited | 149.60                              | 18.43                               |
| Powergrid Medinipur Jeerat Transmission Limited               | 262.27                              | 218.26                              |
| Powergrid Mithilanchal Transmission Limited                   | 45.71                               | 50.60                               |
| Powergrid Varanasi Transmission System Limited                | 30.76                               | 29.88                               |
| Powergrid Jawaharpur Firozabad Transmission Limited           | 47.31                               | -                                   |
| Powergrid Khetri Transmission System Limited                  | 42.32                               | 23.79                               |
| Powergrid Bhuj Transmission Limited                           | 16.94                               | -                                   |
| Powergrid Bhind Guna Transmission Limited                     | 27.45                               | 2.11                                |
| Powergrid Ajmer Phagi Transmission Limited                    | 15.24                               | 7.25                                |
| Powergrid Fatehgarh Transmission Limited                      | 23.26                               | 10.43                               |
| Central Transmission Utility of India Limited                 | 40.00                               | 65.00                               |
| Powergrid Himachal Transmission Limited                       | 78.00                               | 45.00                               |
| Powergrid Bikaner Transmission System Limited                 | 10.51                               | -                                   |
| Powergrid Teleservices Limited                                | 41.17                               | -                                   |
| <b>Total</b>  | <b>891.01</b>                       | <b>482.03</b>                       |
| <b>Joint Ventures</b>   |                                     |                                     |
| Powerlinks Transmission Limited                               | 38.98                               | 43.57                               |
| Torrent Power Grid Limited                                    | 2.11                                | 4.45                                |
| Parbati Koldam Transmission Company Limited                   | 3.55                                | 7.09                                |
| North East Transmission Company Limited                       | 19.25                               | 18.18                               |
| Cross Border Power Transmission Company Limited               | 3.15                                | 3.15                                |
| Power Transmission Company Nepal Limited                      | 1.32                                | 1.32                                |
| <b>Total</b>  | <b>68.36</b>                        | <b>77.76</b>                        |
| <b>Associates</b>   |                                     |                                     |
| Powergrid Kala Amb Transmission Limited                       | 5.27                                | 6.66                                |
| Powergrid Jabalpur Transmission Limited                       | 6.90                                | 11.21                               |
| Powergrid Warora Transmission Limited                         | 12.99                               | 21.27                               |
| Powergrid Parli Transmission Limited                          | 15.07                               | 19.68                               |
| <b>Total</b>  | <b>40.23</b>                        | <b>58.82</b>                        |
| <b>Other Related Parties</b>                                  |                                     |                                     |
| POWERGRID Infrastructure Investment Trust                     | 29.21                               | 46.14                               |
| <b>Total</b>  | <b>29.21</b>                        | <b>46.14</b>                        |
| <b>Dividend received</b>                                      | <b>1,028.81</b>                     | <b>664.75</b>                       |
| <b>Other income</b>   |                                     |                                     |
| <b>Subsidiaries</b>   |                                     |                                     |
| Powergrid Unchahar Transmission Limited                       | 0.38                                | 0.34                                |
| Powergrid Himachal Transmission Limited                       | 0.17                                | 0.47                                |
| <b>Joint Ventures</b>   |                                     |                                     |
| Powerlinks Transmission Limited                               | 0.31                                | 0.16                                |
| National High Power Test Laboratory Private Limited           | 0.01                                | -                                   |



**55. Disclosure as per Ind AS 24 - "Related Party Disclosures" (Contd.)**

(₹ in crore)

| Particulars                                      | For the year ended<br>31 March 2024 | For the year ended<br>31 March 2023 |
|--|-------------------------------------|-------------------------------------|
| Bihar Grid Company Limited                       | 0.12                                | 0.21                                |
| Energy Efficiency Services Limited               | 0.56                                | 1.35                                |
| Cross Border Power Transmission Company Limited  | 0.01                                | -                                   |
| <b>Other income</b>                              | <b>1.56</b>                         | <b>2.53</b>                         |
| <b>Other expenses</b>                            |                                     |                                     |
| <b>Subsidiaries</b>                              |                                     |                                     |
| Powergrid Teleservices Limited                   | 40.35                               | -                                   |
| <b>Joint Ventures</b>                            |                                     |                                     |
| Energy Efficiency Services Limited               | 0.65                                | 0.93                                |
| <b>Associates:</b>                               |                                     |                                     |
| Powergrid Parli Transmission Limited             | 0.15                                | -                                   |
| <b>Subsidiary of Joint Ventures</b>              |                                     |                                     |
| Convergence Energy Services Limited              | 7.40                                | 1.22                                |
| <b>Total</b>                                     | <b>48.55</b>                        | <b>2.15</b>                         |
| <b>Material received on replenishment basis</b>  |                                     |                                     |
| <b>Subsidiaries</b>                              |                                     |                                     |
| Powergrid Rampur Sambhal Transmission Limited    | -                                   | 9.22                                |
| Powergrid Meerut Simbhavali Transmission Limited | -                                   | 9.22                                |
| Powergrid Ramgarh Transmission Limited           | -                                   | 12.53                               |
| <b>Total</b>                                     | <b>-</b>                            | <b>30.97</b>                        |
| <b>Material sent/issued for replenishment</b>    |                                     |                                     |
| <b>Subsidiaries</b>                              |                                     |                                     |
| Powergrid Rampur Sambhal Transmission Limited    | -                                   | 9.22                                |
| Powergrid Meerut Simbhavali Transmission Limited | -                                   | 9.22                                |
| Powergrid Ramgarh Transmission Limited           | 12.53                               | -                                   |
| <b>Total</b>                                     | <b>12.53</b>                        | <b>18.44</b>                        |
| <b>Investments made during the year</b>          |                                     |                                     |
| <b>Subsidiaries</b>                              |                                     |                                     |
| Powergrid NM Transmission Limited                | -                                   | 2.00                                |
| Powergrid Medinipur Jeerat Transmission Limited  | 14.60                               | 9.00                                |
| Powergrid Varanasi Transmission System Limited   | -                                   | 1.56                                |
| Powergrid Khetri Transmission System Limited     | 0.50                                | -                                   |
| Powergrid Bhuj Transmission Limited              | -                                   | 52.00                               |
| Powergrid Bhind Guna Transmission Limited        | -                                   | 21.80                               |
| Powergrid Rampur Sambhal Transmission Limited    | 9.20                                | 33.10                               |
| Powergrid Meerut Simbhavali Transmission Limited | 10.85                               | 65.42                               |
| Powergrid Ramgarh Transmission Limited           | 7.01                                | 23.90                               |
| Powergrid Bikaner Transmission System Limited    | 40.00                               | 77.79                               |
| Powergrid Sikar Transmission Limited             | 62.00                               | 32.65                               |

**55. Disclosure as per Ind AS 24 - "Related Party Disclosures" (Contd.)**

(₹ in crore)

| Particulars   | For the year ended<br>31 March 2024 | For the year ended<br>31 March 2023 |
|---|-------------------------------------|-------------------------------------|
| Powergrid Bhadla Transmission Limited   | 41.00                               | 11.90                               |
| Powergrid Aligarh Sikar Transmission Limited  | 22.00                               | 15.60                               |
| Powergrid Teleservices Limited (refer note no. 65)                                  | 655.02                              | -                                   |
| Powergrid Energy Services Limited   | 87.75                               | 10.00                               |
| Powergrid Narela Transmission Limited   | 99.99                               | 0.01                                |
| Powergrid Gomti Yamuna Transmission Limited   | 95.99                               | 0.01                                |
| Powergrid Neemuch Transmission System Limited                                       | 125.76                              | 0.05                                |
| Powergrid ER NER Transmission Limited   | 10.00                               | 0.05                                |
| Powergrid ERWR Power Transmission Limited   | -                                   | 0.05                                |
| Powergrid Khavda RE Transmission System Limited                                     | 12.71                               | 0.05                                |
| Powergrid Khavda II- B Transmission Limited   | 26.00                               | 0.05                                |
| Powergrid Khavda II-C Transmission Limited  | -                                   | 0.05                                |
| Powergrid KPS2 Transmission System Limited  | 1.25                                | 0.05                                |
| Powergrid KPS3 Transmission Limited   | 6.25                                | 0.05                                |
| Powergrid Raipur Pool Dhamtari Transmission Limited                                 | -                                   | 0.01                                |
| Powergrid Dharamjaigarh Transmission Limited  | -                                   | 0.01                                |
| Powergrid Bhadla Sikar Transmission Limited   | -                                   | 0.01                                |
| Powergrid Ananthpuram Kurnool Transmission Limited                                  | 0.01                                | -                                   |
| Powergrid Bhadla III Transmission Limited   | 0.01                                | -                                   |
| Powergrid Beawar Dausa Transmission Limited   | 0.01                                | -                                   |
| Powergrid Ramgarh II Transmission Limited   | 0.05                                | -                                   |
| Powergrid Bikaner Neemrana Transmission Limited                                     | 0.01                                | -                                   |
| Powergrid Neemrana Bareilly Transmission Limited                                    | 0.01                                | -                                   |
| Powergrid Vataman Transmission Limited  | 0.01                                | -                                   |
| Powergrid Koppal Gadag Transmission Limited   | 0.01                                | -                                   |
| Sikar Khetri Transmission Limited   | 0.05                                | -                                   |
| Bidar Transmission Limited  | 0.05                                | -                                   |
| <b>Total</b>  | <b>1,328.10</b>                     | <b>357.17</b>                       |
| <b>Joint Ventures</b>   |                                     |                                     |
| National High Power Test Laboratory Private Limited (converted from loan to equity) | 18.40                               | -                                   |
| Bihar Grid Company Limited  | 3.26                                | 11.59                               |
| Energy Efficiency Services Limited  | 383.00                              | -                                   |
| Butwal-Gorakhpur Cross Border Power Transmission Limited                            | 9.97                                | 0.03                                |
| <b>Total</b>  | <b>414.63</b>                       | <b>11.62</b>                        |
| <b>Investments made during the year</b>   | <b>1,742.73</b>                     | <b>368.79</b>                       |
| <b>Loans given during the year</b>  |                                     |                                     |
| <b>Subsidiaries</b>   |                                     |                                     |
| Powergrid Southern Interconnector Transmission System Limited                       | 2.17                                | 60.60                               |
| Powergrid Medinipur Jeerat Transmission Limited                                     | 31.94                               | 60.17                               |

**55. Disclosure as per Ind AS 24 - "Related Party Disclosures" (Contd.)**

(₹ in crore)

| Particulars   | For the year ended<br>31 March 2024 | For the year ended<br>31 March 2023 |
|---|-------------------------------------|-------------------------------------|
| Powergrid Mithilanchal Transmission Limited         | 9.76                                | 30.24                               |
| Powergrid Varanasi Transmission System Limited      | -                                   | 29.98                               |
| Powergrid Jawaharpur Firozabad Transmission Limited | 30.09                               | 6.45                                |
| Powergrid Khetri Transmission System Limited        | 5.20                                | 4.23                                |
| Powergrid Bhuj Transmission Limited                 | -                                   | 146.56                              |
| Powergrid Bhind Guna Transmission Limited           | 24.89                               | 64.45                               |
| Powergrid Ajmer Phagi Transmission Limited          | 0.30                                | 8.78                                |
| Powergrid Fatehgarh Transmission Limited            | 1.10                                | 17.30                               |
| Powergrid Rampur Sambhal Transmission Limited       | 27.43                               | 151.18                              |
| Powergrid Meerut Simbhavali Transmission Limited    | 113.21                              | 185.93                              |
| Powergrid Ramgarh Transmission Limited              | 63.74                               | 136.77                              |
| Powergrid Bikaner Transmission System Limited       | 253.53                              | 589.55                              |
| Powergrid Sikar Transmission Limited                | 306.56                              | 285.61                              |
| Powergrid Bhadla Transmission Limited               | 170.94                              | 177.91                              |
| Powergrid Aligarh Sikar Transmission Limited        | 148.96                              | 214.22                              |
| Powergrid Teleservices Limited                      | 40.84                               | -                                   |
| Powergrid Energy Services Limited                   | 19.16                               | -                                   |
| Powergrid Narela Transmission Limited               | 693.41                              | 425.23                              |
| Powergrid Gomti Yamuna Transmission Limited         | 347.78                              | 429.95                              |
| Powergrid Neemuch Transmission System Limited       | 408.87                              | 184.51                              |
| Powergrid ER NER Transmission Limited               | 29.22                               | 14.93                               |
| Powergrid ERWR Power Transmission Limited           | 19.56                               | -                                   |
| Powergrid Khavda RE Transmission System Limited     | 205.03                              | -                                   |
| Powergrid Khavda II- B Transmission Limited         | 345.46                              | -                                   |
| Powergrid Khavda II-C Transmission Limited          | 898.10                              | -                                   |
| Powergrid KPS2 Transmission System Limited          | 54.83                               | -                                   |
| Powergrid KPS3 Transmission Limited                 | 81.76                               | -                                   |
| Powergrid Raipur Pool Dhamtari Transmission Limited | 15.10                               | -                                   |
| Powergrid Dharamjaigarh Transmission Limited        | 33.78                               | -                                   |
| Powergrid Bhadla Sikar Transmission Limited         | 447.58                              | -                                   |
| Powergrid Ananthpuram Kurnool Transmission Limited  | 78.50                               | -                                   |
| Powergrid Bhadla III Transmission Limited           | 103.54                              | -                                   |
| Powergrid Beawar Dausa Transmission Limited         | 120.87                              | -                                   |
| Powergrid Ramgarh II Transmission Limited           | 153.11                              | -                                   |
| Powergrid Bikaner Neemrana Transmission Limited     | 19.42                               | -                                   |
| Powergrid Neemrana Bareilly Transmission Limited    | 18.73                               | -                                   |
| Powergrid Vataman Transmission Limited              | 67.72                               | -                                   |
| Powergrid Koppal Gadag Transmission Limited         | 19.24                               | -                                   |
| <b>Total</b>  | <b>5,411.43</b>                     | <b>3,224.55</b>                     |
| <b>Joint Ventures</b>                               |                                     |                                     |
| National High Power Test Laboratory Private Limited | 94.71                               | -                                   |
| <b>Total</b>  | <b>94.71</b>                        | <b>-</b>                            |
| <b>Loans given during the year</b>                  | <b>5,506.14</b>                     | <b>3,224.55</b>                     |

**55. Disclosure as per Ind AS 24 - "Related Party Disclosures" (Contd.)**

(₹ in crore)

| Particulars   | For the year ended<br>31 March 2024 | For the year ended<br>31 March 2023 |
|---|-------------------------------------|-------------------------------------|
| <b>Loans given to Key Managerial Personnel</b>                            | <b>0.07</b>                         | <b>0.31</b>                         |
| <b>Loans repayment received during the year</b>                           |                                     |                                     |
| <b>Subsidiaries</b>   |                                     |                                     |
| Powergrid NM Transmission Limited   | 263.51                              | 37.71                               |
| Powergrid Unchahar Transmission Limited                                   | 1.25                                | 1.25                                |
| Powergrid Southern Interconnector Transmission System Limited             | 154.82                              | 219.96                              |
| Powergrid Medinipur Jeerat Transmission Limited                           | 141.00                              | 150.00                              |
| Powergrid Mithilanchal Transmission Limited                               | 46.75                               | 24.21                               |
| Powergrid Varanasi Transmission System Limited                            | 42.62                               | 27.04                               |
| Powergrid Jawaharpur Firozabad Transmission Limited                       | 62.00                               | 2.60                                |
| Powergrid Khetri Transmission System Limited                              | 39.50                               | 29.05                               |
| Powergrid Bhuj Transmission Limited                                       | 19.98                               | -                                   |
| Powergrid Bhind Guna Transmission Limited                                 | 16.00                               | 4.00                                |
| Powergrid Ajmer Phagi Transmission Limited                                | 27.42                               | 14.22                               |
| Powergrid Fatehgarh Transmission Limited                                  | 26.04                               | 18.81                               |
| Powergrid Himachal Transmission Limited                                   | 48.00                               | 48.00                               |
| Powergrid Bikaner Transmission System Limited                             | 38.48                               | -                                   |
| Powergrid Sikar Transmission Limited                                      | -                                   | 4.50                                |
| Powergrid Teleservices Limited  | 3.61                                | -                                   |
| <b>Total</b>  | <b>930.98</b>                       | <b>581.35</b>                       |
| <b>Joint Ventures</b>   |                                     |                                     |
| National High Power Test Laboratory Private Limited (converted to equity) | 18.40                               | -                                   |
| <b>Total</b>  | <b>18.40</b>                        | <b>-</b>                            |
| <b>Loans repayment received during the year</b>                           | <b>949.38</b>                       | <b>581.35</b>                       |
| <b>Loan repaid by Key Managerial Personnel</b>                            | <b>0.13</b>                         | <b>0.33</b>                         |
| <b>Reimbursement of Expenses (goods/services) (net)</b>                   |                                     |                                     |
| <b>Subsidiaries</b>   |                                     |                                     |
| Powergrid Vemagiri Transmission Limited                                   | -                                   | 0.01                                |
| Powergrid Southern Interconnector Transmission System Limited             | 0.04                                | 0.11                                |
| Powergrid Medinipur Jeerat Transmission Limited                           | 0.11                                | 0.02                                |
| Powergrid Mithilanchal Transmission Limited                               | 0.01                                | -                                   |
| Powergrid Jawaharpur Firozabad Transmission Limited                       | -                                   | 0.40                                |
| Powergrid Bhuj Transmission Limited                                       | -                                   | 0.03                                |
| Powergrid Bhind Guna Transmission Limited                                 | 0.01                                | -                                   |
| Powergrid Rampur Sambhal Transmission Limited                             | 0.06                                | 4.88                                |
| Powergrid Meerut Simbhavali Transmission Limited                          | 0.08                                | 0.01                                |
| Central Transmission Utility of India Limited                             | -                                   | 0.18                                |
| Powergrid Ramgarh Transmission Limited                                    | -                                   | 0.01                                |
| Powergrid Bikaner Transmission System Limited                             | 12.79                               | 0.02                                |



**55. Disclosure as per Ind AS 24 - "Related Party Disclosures" (Contd.)**

(₹ in crore)

| Particulars  | For the year ended<br>31 March 2024 | For the year ended<br>31 March 2023 |
|--|-------------------------------------|-------------------------------------|
| Powergrid Sikar Transmission Limited   | 0.08                                | -                                   |
| Powergrid Bhadla Transmission Limited  | 0.01                                | -                                   |
| Powergrid Aligarh Sikar Transmission Limited   | 0.02                                | -                                   |
| Powergrid Teleservices Limited   | 0.62                                | -                                   |
| Powergrid Energy Services Limited  | 0.79                                | 3.81                                |
| Powergrid Narela Transmission Limited  | 0.24                                | 16.98                               |
| Powergrid Gomti Yamuna Transmission Limited  | -                                   | 0.04                                |
| Powergrid Neemuch Transmission System Limited  | -                                   | 0.03                                |
| Powergrid ER NER Transmission Limited  | 0.13                                | 0.02                                |
| Powergrid ERWR Power Transmission Limited  | 0.01                                | 0.05                                |
| Powergrid Khavda RE Transmission System Limited  | 0.06                                | -                                   |
| Powergrid Khavda II- B Transmission Limited  | 0.07                                | 0.20                                |
| Powergrid Khavda II-C Transmission Limited   | 0.09                                | 0.11                                |
| Powergrid KPS2 Transmission System Limited   | 0.04                                | -                                   |
| Powergrid KPS3 Transmission Limited  | 0.03                                | -                                   |
| Powergrid Raipur Pool Dhamtari Transmission Limited                                    | 0.03                                | 0.14                                |
| Powergrid Dharamjaigarh Transmission Limited   | 0.02                                | -                                   |
| Powergrid Bhadla Sikar Transmission Limited  | 0.01                                | -                                   |
| Powergrid Ananthpuram Kurnool Transmission Limited                                     | 0.74                                | -                                   |
| Powergrid Bhadla III Transmission Limited  | 0.56                                | -                                   |
| Powergrid Beawar Dausa Transmission Limited  | 0.53                                | -                                   |
| Powergrid Ramgarh II Transmission Limited  | 0.37                                | -                                   |
| Powergrid Bikaner Neemrana Transmission Limited  | 0.89                                | -                                   |
| Powergrid Neemrana Bareilly Transmission Limited                                       | 0.50                                | -                                   |
| Powergrid Vataman Transmission Limited   | 0.27                                | -                                   |
| Powergrid Koppal Gadag Transmission Limited  | 0.72                                | -                                   |
| Sikar Khetri Transmission Limited  | 0.69                                | -                                   |
| Bidar Transmission Limited   | 0.86                                | -                                   |
| <b>Total</b>   | <b>21.48</b>                        | <b>27.05</b>                        |
| <b>Joint Ventures</b>  |                                     |                                     |
| Energy Efficiency Services Limited   | 0.19                                | -                                   |
| Butwal-Gorakhpur Cross Border Power Transmission Limited                               | 0.44                                | 0.01                                |
| <b>Total</b>   | <b>0.63</b>                         | <b>0.01</b>                         |
| <b>Associates</b>  |                                     |                                     |
| Powergrid Parli Transmission Limited   | -                                   | 0.11                                |
| <b>Total</b>   | <b>-</b>                            | <b>0.11</b>                         |
| <b>Other Related Parties</b>   |                                     |                                     |
| <b>Contribution made during the year</b>   |                                     |                                     |
| Powergrid Employees Provident Fund Trust   | 125.44                              | 122.90                              |
| Powergrid Employees Defined Contribution Superannuation Benefit (Pension) Scheme Trust | 8.11                                | 91.25                               |
| Powergrid Employees Gratuity Fund Trust  | 24.41                               | (14.85)                             |
| Powergrid Employees Post-Retirement Medical Benefit Trust                              | 23.65                               | (8.25)                              |
| <b>Total</b>   | <b>181.61</b>                       | <b>191.05</b>                       |

**55. Disclosure as per Ind AS 24 - "Related Party Disclosures" (Contd.)**

(₹ in crore)

| Particulars  | For the year ended<br>31 March 2024 | For the year ended<br>31 March 2023 |
|--|-------------------------------------|-------------------------------------|
| Transaction with POWERGRID Infrastructure Investment Trust                             |                                     |                                     |
| Distribution of debt component   | 26.62                               | 9.96                                |
| <b>Total</b>   | <b>26.62</b>                        | <b>9.96</b>                         |
| <b>Advances received</b>   |                                     |                                     |
| <b>Subsidiaries</b>  |                                     |                                     |
| Powergrid Southern Interconnector Transmission System Limited                          | -                                   | 1.50                                |
| Powergrid Fatehgarh Transmission Limited   | 0.50                                | -                                   |
| Powergrid Bikaner Transmission System Limited  | 1.25                                | -                                   |
| Powergrid Teleservices Limited   | 169.35                              | -                                   |
| <b>Total Advances received</b>   | <b>171.10</b>                       | <b>1.50</b>                         |
| <b>Advances Given</b>  |                                     |                                     |
| <b>Subsidiaries</b>  |                                     |                                     |
| Powergrid ERWR Power Transmission Limited  | -                                   | 6.72                                |
| Powergrid Khavda RE Transmission System Limited  | -                                   | 52.02                               |
| Powergrid Khavda II- B Transmission Limited  | -                                   | 74.43                               |
| Powergrid Khavda II-C Transmission Limited   | -                                   | 151.93                              |
| Powergrid KPS2 Transmission System Limited   | -                                   | 36.02                               |
| Powergrid KPS3 Transmission Limited  | -                                   | 11.50                               |
| Powergrid Raipur Pool Dhamtari Transmission Limited                                    | -                                   | 7.15                                |
| Powergrid Dharamjaigarh Transmission Limited   | -                                   | 6.62                                |
| Powergrid Bhadla Sikar Transmission Limited  | -                                   | 100.18                              |
| Sikar Khetri Transmission Limited  | 56.03                               | -                                   |
| Bidar Transmission Limited   | 18.83                               | -                                   |
| <b>Total Advances Given</b>  | <b>74.86</b>                        | <b>446.57</b>                       |
| <b>Recovery for Deputation of Employees</b>  |                                     |                                     |
| <b>Subsidiaries:</b>   |                                     |                                     |
| Powergrid Unchahar Transmission Limited  | 6.45                                | 5.92                                |
| Powergrid Himachal Transmission Limited  | 1.73                                | 2.02                                |
| Powergrid Teleservices Limited   | 56.00                               | -                                   |
| Powergrid Energy Services Limited  | 34.28                               | 12.40                               |
| <b>Joint Ventures:</b>   |                                     |                                     |
| Torrent Power Grid Limited   | 1.08                                | 0.04                                |
| Energy Efficiency Services Limited   | 3.17                                | 3.03                                |
| Sikkim Power Transmission Limited  | 0.32                                | 0.65                                |
| North East Transmission Company Limited  | 0.92                                | 0.99                                |
| Cross Border Power Transmission Company Limited  | 0.79                                | 0.99                                |
| Butwal-Gorakhpur Cross Border Power Transmission Limited                               | 0.37                                | -                                   |
| <b>Total</b>   | <b>105.11</b>                       | <b>26.04</b>                        |
| Transactions with Central Transmission Utility of India Limited in the capacity of CTU | 42,731.36                           | 43,056.94                           |
| Sharing of Telecom Revenue from PTL with DIC   | 45.49                               | -                                   |

## 55. Disclosure as per Ind AS 24 - "Related Party Disclosures" (Contd.)

### Terms and Conditions

The loans to key management personnel are on the same terms and conditions as applicable to all other employees.

All other transactions were made on normal commercial terms and conditions and at market rates. All outstanding balances are unsecured and are repayable in cash.

Loans to Subsidiaries & JVs are provided with interest rate ranging from 7.35% to 8.20% repayable as per agreed terms & conditions.

### (j) Remuneration to Key Managerial Personnel

(₹ in crore)

| Particulars                  | For the year ended 31 March 2024 | For the year ended 31 March 2023 |
|------------------------------|----------------------------------|----------------------------------|
| Short Term Employee Benefits | 4.66                             | 5.67                             |
| Post-Employment Benefits     | 0.50                             | 0.84                             |
| Long Term Employee Benefits  | 0.65                             | 0.49                             |
| <b>Total</b>                 | <b>5.81</b>                      | <b>7.00</b>                      |
| Sitting fee                  | 0.48                             | 0.44                             |

In addition to the above remuneration, the whole time directors have been allowed to use the staff car (including for private journeys) on payment of ₹ 2000/- p.m. as contained in the Department of Public Enterprises (DPE) OM No. 2 (23)/11-DPE (WC)-GL-V/13 dated 21/01/2013.

## 56. Operating Segments

### a) Business Segment

The Board of Directors is the Company's Chief Operating Decision Maker (CODM) who monitors the operating results of its business segments separately for the purpose of making decisions about resource allocation and performance assessment. Three reportable segments have been identified on the basis of services provided.

- **Transmission Services:** Company's principal business is transmission of bulk power across different states of India.
- **Telecom Services:** The Company utilises the spare Optical fibres available in the Optical Ground Wire (OPGW) laid on the transmission network for providing telecom services. It operates as a neutral carrier in the point to point bandwidth leasing business. During the year, Telecommunications and Digital Technology Business of the company has been transferred to Powergrid Teleservices Limited, a wholly owned subsidiary of the company w.e.f. 01 October 2023 and refer note no. 65 for disclosure on discontinued operations.
- **Consultancy Services:** provides company provides Consultancy Services in the Transmission, Distribution and Telecom sectors, including Planning Design, Engineering, Load Dispatch, OPGW on intra state Transmission network, Procurement Management, Operation & Maintenance, Financing and Project Management.

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

c) Information about major customer: Revenue from any single customer is not equal to or exceeds 10% of the company's total revenue.

### d) Segment Revenue and Expenses

Revenue directly attributable to the segments is considered as Segment Revenue. Expenses directly attributable to the segments and common expenses allocated on a reasonable basis are considered as segment expenses.

Revenue from external customer in India is ₹42,882.15crore (Previous Year ₹43,118.57crore) and outside India is ₹65.49crore (Previous Year ₹57.28crore).

### e) Segment Assets and Liabilities

Segment assets include all operating assets comprising of Property, Plant and Equipment, current assets and loan and advances. Construction, Work-in-progress, construction stores and advances and investments are included in unallocated assets. Segment liabilities include operating liabilities and provisions.

## 56. Operating Segments (Contd.)

(₹ in crore)

| Particulars  | For the year ended 31 March 2024 | For the year ended 31 March 2023 |
|--|----------------------------------|----------------------------------|
| <b>Segment Revenue (including allocable Other Income)</b>  |                                  |                                  |
| - Transmission   | 42,313.38                        | 42,647.15                        |
| - Consultancy  | 634.26                           | 528.70                           |
| <b>Total Revenue including allocable Other Income</b>  | <b>42,947.64</b>                 | <b>43,175.85</b>                 |
| Other unallocated income   | 2,867.73                         | 2,051.67                         |
| <b>Total Income</b>  | <b>45,815.37</b>                 | <b>45,227.52</b>                 |
| <b>Segment Results</b>   |                                  |                                  |
| - Transmission   | 23,957.49                        | 24,862.69                        |
| - Consultancy  | 111.60                           | 90.51                            |
| <b>Total Profit before Interest and Tax</b>  | <b>24,069.09</b>                 | <b>24,953.20</b>                 |
| Add: Other unallocated income  | 2,867.73                         | 2,051.67                         |
| Less: Unallocated interest and finance charges   | 9,046.87                         | 9,707.20                         |
| <b>Profit before Tax (including Regulatory Deferral Account Balances) from Continuing Operations</b> | <b>17,889.95</b>                 | <b>17,297.67</b>                 |
| Profit before Tax from Discontinued Operations   | 116.27                           | 227.74                           |
| Profit before Tax (including Regulatory Deferral Account Balances)                                   | 18,006.22                        | 17,525.41                        |
| Less: Tax expense (including Discontinued Operations)  | 2,531.61                         | 2,189.87                         |
| <b>Profit for the period</b>   | <b>15,474.61</b>                 | <b>15,335.54</b>                 |
| <b>Segment Assets</b>  |                                  |                                  |
| - Transmission   | 2,00,072.34                      | 2,09,477.12                      |
| - Consultancy  | 1,364.37                         | 1,578.62                         |
| - Telecom  | -                                | 1,083.58                         |
| Unallocated Assets   | 43,723.84                        | 35,815.99                        |
| Asset Classified as Held for Sale  | 260.86                           | 260.86                           |
| <b>Total Assets</b>  | <b>2,45,421.41</b>               | <b>2,48,216.17</b>               |
| <b>Segment Liabilities</b>   |                                  |                                  |
| - Transmission   | 12,148.74                        | 12,892.08                        |
| - Consultancy  | 2,496.85                         | 2,670.81                         |
| - Telecom  | -                                | 637.16                           |
| Unallocated Liabilities  | 1,43,908.77                      | 1,49,171.94                      |
| <b>Total liabilities</b>   | <b>1,58,554.36</b>               | <b>1,65,371.99</b>               |
| <b>Other information:</b>  |                                  |                                  |
| <b>Transmission</b>  |                                  |                                  |
| Depreciation and Amortisation  | 12,553.09                        | 12,852.43                        |



**56. Operating Segments (Contd.)**

(₹ in crore)

| Particulars                                  | For the year ended<br>31 March 2024 | For the year ended<br>31 March 2023 |
|--|-------------------------------------|-------------------------------------|
| Non-cash expenditure other than Depreciation | 217.11                              | 90.98                               |
| Capital Expenditure                          | 5,920.61                            | 5,736.66                            |
| <b>Consultancy</b>                           |                                     |                                     |
| Depreciation and Amortisation                | 5.10                                | 6.09                                |
| Non-cash expenditure other than Depreciation | 1.98                                | 2.21                                |
| Capital Expenditure                          | 9.83                                | 2.78                                |

**57. Capital and other Commitments**

(₹ in crore)

| Particulars  | As at 31 March 2024 | As at 31 March 2023 |
|--|---------------------|---------------------|
| Estimated amount of contracts remaining to be executed on capital account and not provided for (net of advances) | 6,683.66            | 8,065.30            |
| Company's commitment towards further investment/loan in joint venture entities                                   | 291.55              | 712.80              |
| Company's commitment towards further investment/loan in subsidiary companies                                     | 38,371.52           | 14,780.64           |
| Company's commitment towards further investment/loan in other entities   | 81.43               | -                   |

**58. Contingent Liabilities and contingent assets**
**A. Contingent Liabilities**

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

**(i) Capital Works**

Some of the contractors for supply and installation of equipment and execution of works at our projects have lodged claims on the company seeking enhancement of the contract price, revision of work schedule with price escalation, compensation for the extended period of work, idle charges etc. These claims are being contested by the Company as being not admissible in terms of the provisions of the respective contracts.

The company is pursuing various options under the dispute resolution mechanism available in the contract for settlement of these claims. In such cases, contingent liability of ₹3,075.98crore (Previous Year ₹2,945.71crore) has been estimated.

**(ii) Land compensation cases**

In respect of land acquired for the projects, the land losers have claimed higher compensation before various authorities/courts which are yet to be settled. In such cases, contingent liability of ₹3,191.32crore (Previous Year ₹2,541.50crore) has been estimated.

**(iii) Other claims**

In respect of claims made by various State/Central Government Departments/Authorities towards building permission fees, penalty on diversion of agriculture land to non-agriculture use, Nala tax, water royalty etc. and by others, contingent liability of ₹408.20crore (Previous Year ₹6.71crore) has been estimated.

**(iv) Disputed Income Tax/Sales Tax/Excise/Municipal Tax Matters**

Disputed Income Tax/Sales Tax/Excise/Municipal Tax Matters amounting to ₹564.39crore (Previous Year ₹444.69crore) are being contested before various Appellate Authorities. Many of these matters have been disposed of in favour of the company but are disputed before higher authorities by the concerned departments. Against claims of ₹1.54crore (Previous Year ₹210.34crore), provision of ₹0.28crore (Previous Year ₹174.64crore) is made and balance of ₹1.26crore (Previous Year ₹35.70crore) towards penalty is shown as contingent liability as it is not a wilful default and in management opinion, same is not expected to be upheld by the court.

**(v) Others**

a) Other contingent liabilities amounts to ₹800.48crore (Previous Year ₹820.75crore) which includes claim of ₹569.23crore (Previous Year ₹563.25crore) related to Arbitration cases/ROW cases.

**58. Contingent Liabilities and contingent assets (Contd.)**

- b) Some of the beneficiaries have filed appeals against the tariff orders of the CERC. The amount of contingent liability in this regard is not ascertainable.
- c) Under the Transmission Service Agreement (TSA) with Powerlinks Transmission Ltd, the company has an obligation to purchase the JV company (Powerlinks Transmission Ltd) at a buyout price determined in accordance with the TSA. Such an obligation may result in case JV company (Powerlinks Transmission Ltd) serves a termination notice either on "POWERGRID event of default" or on "force majeure event" prescribed under TSA. No contingent liability on this account has been considered as the same is not ascertainable.

2. Details of Bank guarantees given by the company on behalf of SPV companies, which were taken over to carry out the business awarded under tariff-based bidding, towards performance of the work awarded are as under:

(₹ in crore)

| Name of SPV   | As at 31 March 2024 | As at 31 March 2023 |
|---|---------------------|---------------------|
| Powergrid Medinipur Jeerat Transmission Limited     | 21.60               | 27.11               |
| Powergrid Mithilanchal Transmission Limited         | -                   | 12.69               |
| Powergrid Bhind Guna Transmission Limited           | -                   | 25.63               |
| Powergrid Rampur Sambhal Transmission Limited       | 28.14               | 28.14               |
| Powergrid Meerut Simbhavali Transmission Limited    | 33.75               | 33.75               |
| Powergrid Ramgarh Transmission Limited              | 14.04               | 14.04               |
| Powergrid Bikaner Transmission System Limited       | 34.65               | 34.65               |
| Powergrid Sikar Transmission Limited                | 37.13               | 37.13               |
| Powergrid Bhadla Transmission Limited               | 10.50               | 10.50               |
| Powergrid Aligarh Sikar Transmission Limited        | 17.33               | 17.33               |
| Powergrid Teleservices Limited                      | 43.72               | -                   |
| Powergrid Narela Transmission Limited               | 31.01               | 31.01               |
| Powergrid Gomti Yamuna Transmission Limited         | 15.33               | 15.33               |
| Powergrid Neemuch Transmission System Limited       | 18.60               | 18.60               |
| Powergrid ER NER Transmission Limited               | 6.84                | 6.84                |
| Powergrid ERWR Power Transmission Limited           | 4.80                | 4.80                |
| Powergrid Khavda RE Transmission System Limited     | 24.00               | 24.00               |
| Powergrid Khavda II- B Transmission Limited         | 30.00               | 30.00               |
| Powergrid Khavda II-C Transmission Limited          | 39.90               | 39.90               |
| Powergrid KPS2 Transmission System Limited          | 18.00               | 18.00               |
| Powergrid KPS3 Transmission Limited                 | 15.90               | 15.90               |
| Powergrid Raipur Pool Dhamtari Transmission Limited | 4.80                | 4.80                |
| Powergrid Dharamjaigarh Transmission Limited        | 9.00                | 9.00                |
| Powergrid Bhadla Sikar Transmission Limited         | 16.28               | 16.28               |
| Powergrid Ananthpuram Kurnool Transmission Limited  | 60.00               | -                   |
| Powergrid Bhadla III Transmission Limited           | 27.60               | -                   |
| Powergrid Beawar Dausa Transmission Limited         | 44.40               | -                   |
| Powergrid Ramgarh II Transmission Limited           | 34.20               | -                   |
| Powergrid Bikaner Neemrana Transmission Limited     | 81.00               | -                   |
| Powergrid Neemrana Bareilly Transmission Limited    | 42.00               | -                   |
| Powergrid Vataman Transmission Limited              | 76.00               | -                   |
| Powergrid Koppal Gadag Transmission Limited         | 126.00              | -                   |
| Sikar Khetri Transmission Limited                   | 42.00               | -                   |
| Bidar Transmission Limited                          | 85.90               | -                   |

## 58. Contingent Liabilities and contingent assets (Contd.)

### B. Contingent Assets

While determining the tariff for some of the Company's Transmission Systems, CERC has disallowed certain capital expenditure incurred by the Company. The Company aggrieved over such issues has filed appeals with the Appellate Tribunal for Electricity (APTEL)/Hon'ble Supreme Court against the tariff orders issued by the CERC. Based on past experience, the Company believes that a favourable outcome is probable. However, it is impracticable to estimate the financial effect of the same as its receipt is dependent on the outcome of the judgement.

## 59. Capital management

### a) Risk Management

The company's objectives when managing capital are to

- maximise 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, securities premium Account 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, regulatory framework and requirements of financial covenants with lenders. To maintain or adjust the capital structure, the company may adjust the dividend payment to shareholders, regulate investments in new 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 policy is to keep the debt-equity ratio wherein the debt is less than 75% of total capital employed (i.e. debt to equity ratio less than 75:25). Total Borrowings include long term and short-term debt, current maturities of long term debt, interest bearing loans and borrowings against bill discounting.

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

| Particulars                   | As at 31 March 2024 | As at 31 March 2023 |
|-------------------------------|---------------------|---------------------|
| Total borrowings (₹ in crore) | 1,23,448.62         | 1,28,517.51         |
| Equity (₹ in crore)           | 86,867.05           | 82,844.18           |
| Debt - Equity ratio           | 1.42                | 1.55                |

Under the terms of the major borrowing facilities, the company is required to comply with the financial covenants. Breaches in meeting the financial covenants would permit the lenders to immediately call loans and borrowings. There have been no breaches in the financial covenants of any interest-bearing loans and borrowing in the current reporting period.

No changes were made in the objectives, policies or processes for managing capital during the years ended 31 March 2024 and 31 March 2023.

### b) Dividends

(₹ in crore)

| Particulars  | For the year ended 31 March 2024 | For the year ended 31 March 2023 |
|--|----------------------------------|----------------------------------|
| <b>Equity shares</b>   |                                  |                                  |
| Final dividend for the year ended 31 March 2023 of ₹3.5625 (31 March 2022 - ₹ 1.6875) per fully paid up share* | 3,313.34                         | 1,569.48                         |
| Interim dividend for the year ended 31 March 2024 of ₹8.50 (31 March 2023 - ₹ 7.50*) per fully paid up share   | 7,905.51                         | 6,975.45                         |

\*after considering bonus shares

#### Dividend not recognised at the end of the reporting period:

In addition to above dividend, the Board of Directors on 22 May 2024 recommended the payment of a final dividend of ₹2.75 per fully paid up equity share. This proposed dividend is subject to the approval of shareholders in the ensuing Annual general meeting.

## 60. Earnings per share

(Amount in ₹)

| (a) Basic and diluted earnings per share attributable to the equity holders of the company  | For the year ended 31 March 2024 | For the year ended 31 March 2023 |
|---|----------------------------------|----------------------------------|
| <b>From Continuing Operations</b>   |                                  |                                  |
| Including movement in Regulatory Deferral Account Balances  | 16.54                            | 16.26                            |
| Excluding movement in Regulatory Deferral Account Balances  | 17.15                            | 15.98                            |
| <b>Total basic and diluted earnings per share attributable to the equity holders of the company from Continuing Operations</b>                  | <b>16.54</b>                     | <b>16.26</b>                     |
| <b>From Discontinued Operations</b>   | <b>0.10</b>                      | <b>0.23</b>                      |
| <b>From Continuing and Discontinued operations</b>  |                                  |                                  |
| Including movement in Regulatory Deferral Account Balances  | 16.64                            | 16.49                            |
| Excluding movement in Regulatory Deferral Account Balances  | 17.25                            | 16.21                            |
| <b>Total basic and diluted earnings per share attributable to the equity holders of the company from Continuing and Discontinued operations</b> | <b>16.64</b>                     | <b>16.49</b>                     |

(₹ in crore)

| (b) Reconciliation of earnings used as numerator in calculating earnings per share                                    | For the year ended 31 March 2024 | For the year ended 31 March 2023 |
|---|----------------------------------|----------------------------------|
| <b>From Continuing Operations</b>   |                                  |                                  |
| Earnings attributable to the equity holders of the company including movement in Regulatory Deferral Account Balances | 15,377.48                        | 15,124.54                        |
| Earnings attributable to the equity holders of the company excluding movement in Regulatory Deferral Account Balances | 15,941.99                        | 14,868.11                        |
| <b>Total Earnings attributable to the equity holders of the company</b>   | <b>15,377.48</b>                 | <b>15,124.54</b>                 |
| <b>Earnings attributable to the equity holders of the company from Discontinued Operations</b>                        | <b>97.13</b>                     | <b>211.00</b>                    |
| <b>From Continuing and Discontinued operations</b>  |                                  |                                  |
| Earnings attributable to the equity holders of the company including movement in Regulatory Deferral Account Balances | 15,474.61                        | 15,335.54                        |
| Earnings attributable to the equity holders of the company excluding movement in Regulatory Deferral Account Balances | 16,039.12                        | 15,079.11                        |
| <b>Total Earnings attributable to the equity holders of the company</b>   | <b>15,474.61</b>                 | <b>15,335.54</b>                 |



## 60. Earnings per share (Contd.)

| (c) Weighted average number of shares used as the denominator   | For the year ended 31 March 2024 | For the year ended 31 March 2023 |
|---|----------------------------------|----------------------------------|
| Weighted average number of equity shares used as the denominator in calculating basic earnings per share *              | 9300603819                       | 9300603819                       |
| Adjustments for calculation of diluted earnings per share   | -                                | -                                |
| <b>Total weighted average number of equity shares used as the denominator in calculating diluted earnings per share</b> | <b>9300603819</b>                | <b>9300603819</b>                |

\*The Company has issued 232,51,50,955 equity shares of ₹ 10/- each as fully paid bonus shares during the year in the ratio of 1 equity share of ₹ 10/- each for every 3 equity shares held on record date of 12 September 2023. This has been considered for calculating weighted average number of equity shares for all comparative periods. In line with the above, EPS for the year ended 31 March 2023 has been restated.

## 61. Financial Risk Management

The Company's principal financial liabilities comprise loans and borrowings denominated in Indian rupees or foreign currencies, 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 loans and advances, 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,

- Credit risk,
- Liquidity risk,
- Market risk.

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

### Risk management framework

The Company has a duly constituted Risk Management Committee headed by Director (Projects) with Director (Operations), Director (Finance) and an independent director as members. For the purpose of evaluating and managing the uncertainties the enterprise faces, Enterprise Risk Management framework has been implemented in the Company. The framework is a structured, consistent and continuous process for identification, assessment, monitoring and management of risks. As per this framework, the significant business processes / risks are monitored and controlled through various Key Performance Indicators (KPIs). The Committee meets at regular intervals and reviews KPIs and provides updates to the Audit Committee/Board.

The management of financial risks by the Company is summarised 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 and loans and advances and from its financing activities due to deposits with banks and financial institutions, foreign exchange transactions and other financial instruments.

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

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

#### (i) Trade Receivables and Contract Assets

The Company primarily provides transmission facilities to inter-state transmission service customers (DICs) comprising mainly state utilities owned by State Governments and the main revenue is from transmission

## 61. Financial Risk Management (Contd.)

charges. CERC (Sharing of Inter-State Transmission Charges and Losses) Regulations, 2020 ("CERC Sharing Regulations") entrusts Central Transmission Utility (CTUIL) with the function of Billing, Collection and disbursement functions on behalf of transmission licensees including POWERGRID.

CERC Sharing regulation allow payment against monthly bills towards transmission charges within due date i.e., 45 days from the date of presentation of the bill and levy of surcharge on delayed payment beyond 45 days. However, in order to improve the cash flows of transmission licensee, CTUIL provides a graded rebate for payments made within 45 days. If a DIC fails to pay any bill or part thereof by the Due Date, the Central Transmission Utility (CTUIL) may encash the Letter of Credit provided by the DIC and utilise the same towards the amount of the bill or part thereof that is overdue plus Late Payment Surcharge, if applicable.

CTUIL has a robust payment security mechanism in the form of Letter of Credit (LC) backed by the Tri-Partite Agreements (TPA). The TPA was signed among the GOI, Reserve Bank of India and the individual State Governments subsequent to the issuance of the One Time Settlement Scheme of State Electricity Boards dues during 2001-02 by the GOI. The TPA also provides that if there is any default in payment of current dues by any State Utility and on fulfilment of condition under TPA, the outstanding dues can be deducted from the State's RBI account and paid to the concerned CPSU including POWERGRID.

As per provisions of CERC Sharing Regulations, in case tripartite agreement exists, the Letter of Credit to be submitted to CTUIL shall be for an amount equal to 1.05 (one point zero five) times the average amount of the first bill of a year; Provided that where such tripartite agreement does not exist, the DIC shall open the Letter of Credit for an amount equal to 2.10 (two point one times) the average amount of the first bill of a year.

In addition to the encashment of letter of credit, on non-payment of outstanding dues, the CTUIL has power to regulate the power supply or deny Short Term Open Access on the defaulting entity as per Electricity (LPS & Related matter) Rules, 2022 notified by Ministry of Power.

Trade receivables consist of receivables relating to transmission services of ₹11,223.00crore (Previous Year ₹14,860.82crore), receivables relating to consultancy services of ₹175.27crore (Previous Year ₹182.11crore) and receivables relating to telecom business of ₹0.00crore (Previous Year ₹250.77crore).

Contract Assets primarily relates to the Company's right to consideration for work completed but not billed at the reporting date and has substantially the same risk characteristics as the trade receivables for the same type of contracts.

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

##### • Cash and cash equivalents

The Company held cash and cash equivalents of ₹1,804.90crore (Previous Year ₹1,583.77crore). The cash and cash equivalents are held with public sector banks and high rated private sector banks and do not have any significant credit risk.

##### • Deposits with banks and financial institutions

The Company held deposits with banks and financial institutions of ₹3,376.46crore (Previous Year ₹3,190.23crore). Term deposits are placed with public sector banks and have negligible credit risk.

##### • Loans

The Company has given loans to employees, subsidiaries, Joint Venture companies, Government of India and other parties. House building loans and conveyance advance to the employees are secured against the mortgage of the house properties or hypothecation of vehicles for which such loans have been given in line with the policies of the Company. The loans provided to group companies are for projects under Tariff Based Competitive Bidding route and Public private partnership. The risk of default in respect of these loans is considered negligible.

#### (iii) Exposure to credit risk

(₹ in crore)

| Particulars   | As at 31 March 2024 | As at 31 March 2023 |
|---|---------------------|---------------------|
| <b>Financial assets for which loss allowance is measured using 12 months Expected Credit Losses (ECL)</b> |                     |                     |
| Non-Current Loans   | 21,502.52           | 16,912.31           |
| Other non-current financial assets  | 4,526.96            | 4,790.66            |
| Cash and cash equivalents   | 1,804.90            | 1,583.77            |
| Deposits with banks and financial institutions  | 3,376.46            | 3,190.23            |
| Current loans   | 450.65              | 461.82              |

**61. Financial Risk Management (Contd.)**

(₹ in crore)

| Particulars   | As at 31 March 2024 | As at 31 March 2023 |
|---|---------------------|---------------------|
| Other current financial assets  | 706.23              | 1,126.12            |
| <b>Total</b>  | <b>32,367.72</b>    | <b>28,064.91</b>    |
| <b>Financial assets for which loss allowance is measured using Life time Expected Credit Losses (ECL)</b> |                     |                     |
| Trade receivables   | 11,398.27           | 15,293.70           |
| Contract Assets   | 4,322.28            | 812.39              |

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

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

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

In respect of trade receivables and contract assets from Telecom and Consultancy, customer credit risk is managed by regular monitoring of the outstanding receivables and follow-up with the consumer for realisation. With regard to transmission segment, the Company has customers most of whom are state government utilities with capacity to meet the obligations and therefore the risk of default is negligible. Further, management believes that the unimpaired amounts that are 30 days past due date are still collectible in full, based on the payment security mechanism in place and historical payment behaviour.

Considering the above factors 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:

(₹ in crore)

| Aging                                     | Unbilled | Not Due  | 0-30 days past due | 31-60 days past due | 61-90 days past due | 91-120 days past due | More than 120 days past due | Total     |
|---|----------|----------|--------------------|---------------------|---------------------|----------------------|-----------------------------|-----------|
| Gross carrying amount as on 31 March 2024 | 3,844.77 | 5,257.85 | 440.54             | 62.24               | 39.52               | 66.27                | 1,687.08                    | 11,398.27 |
| Gross carrying amount as on 31 March 2023 | 8,160.21 | 5,381.49 | 402.59             | 188.11              | 44.88               | 58.32                | 1,058.10                    | 15,293.70 |

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

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

(₹ in crore)

| Particulars                                   | Trade receivables | Investments   | Loans        | Other Financial Assets | Total         |
|---|-------------------|---------------|--------------|------------------------|---------------|
| <b>Balance as at 01 April 2022</b>            | <b>300.73</b>     | <b>4.05</b>   | <b>-</b>     | <b>19.42</b>           | <b>324.20</b> |
| Impairment loss recognised/ (reversed)        | (6.73)            | 30.40         | 21.74        | 7.95                   | 53.36         |
| Amounts written off                           |                   |               |              |                        | -             |
| <b>Balance as at 31 March 2023</b>            | <b>294.00</b>     | <b>34.45</b>  | <b>21.74</b> | <b>27.37</b>           | <b>377.56</b> |
| Impairment loss recognised/ (reversed)        | 41.48             | 167.52        | (21.58)      |                        | 187.42        |
| Transferred to Powergrid Teleservices Limited | (45.96)           |               |              |                        | (45.96)       |
| <b>Balance as at 31 March 2024</b>            | <b>289.52</b>     | <b>201.97</b> | <b>0.16</b>  | <b>27.37</b>           | <b>519.02</b> |

**61. Financial Risk Management (Contd.)**

Current year movement in impairment majorly involves allowance for impairment amounting to ₹149.12 crore has been provided towards impairment of investment in Energy Efficiency Services Limited. During the year, the provision for impairment of Loan to National High Power Test Laboratory Private Ltd which was made in previous year has been transferred to the provision for impairment of Investment in equity of National High Power Test Laboratory Private Ltd on conversion of loan to equity. Based on historic default rates, the Company believes that, apart from the above, no impairment allowance is necessary in respect of any other assets as the amounts are insignificant.

**(B) LIQUIDITY RISK**

Liquidity risk management implies maintaining sufficient cash and marketable securities and the availability of funding through an adequate amount of committed credit facilities to meet obligations when due. The Company monitors its risk of a shortage of funds using a liquidity planning tool. The Company has access to a variety of sources of funding such as commercial paper, bank loans, bonds and external commercial borrowings and retains flexibility in funding by maintaining availability under committed credit lines.

Management monitors rolling forecasts of the Company's liquidity position comprising the undrawn borrowing facilities below and cash and cash equivalents on the basis of expected cash flows.

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

**(i) Financial Arrangement**

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

(₹ in crore)

| Particulars  | As at 31 March 2024 | As at 31 March 2023 |
|--|---------------------|---------------------|
| Expiring within 1 year (bank overdraft and other facilities) | 5,885.75            | 9,131.01            |

The bank overdraft facilities may be drawn at any time and may be terminated by the bank without notice. Subject to the continuance of satisfactory credit ratings, the bank loan facilities may be drawn at any time and have remaining availability period upto 1 year (Previous Year 1 year).

**(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.

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

(₹ in crore)

| Contractual maturities of financial liabilities | Within a year    | Between 1-5 years | Beyond 5 years   | Total              |
|---|------------------|-------------------|------------------|--------------------|
| <b>As at 31 March 2024</b>                      |                  |                   |                  |                    |
| Borrowings (including interest outflows)        | 27,106.45        | 83,221.46         | 53,536.54        | 1,63,864.45        |
| Trade payables                                  | 354.07           |                   |                  | 354.07             |
| <u>Other financial liabilities</u>              |                  |                   |                  |                    |
| Lease liabilities                               | 6.19             | 17.49             | 95.25            | 118.93             |
| Others  | 5,219.98         | 4,707.64          | 12.38            | 9,940.00           |
| <b>Total</b>                                    | <b>32,686.69</b> | <b>87,946.59</b>  | <b>53,644.17</b> | <b>1,74,277.45</b> |
| <b>As at 31 March 2023</b>                      |                  |                   |                  |                    |
| Borrowings (including interest outflows)        | 23,329.59        | 88,030.93         | 60,352.50        | 1,71,713.02        |
| Trade payables                                  | 325.02           |                   |                  | 325.02             |
| <u>Other financial liabilities</u>              |                  |                   |                  |                    |
| Lease liabilities                               | 8.17             | 28.09             | 125.34           | 161.60             |
| Others  | 4,691.97         | 1,228.45          | 3,788.04         | 9,708.46           |
| <b>Total</b>                                    | <b>28,354.75</b> | <b>89,287.47</b>  | <b>64,265.88</b> | <b>1,81,908.10</b> |



## 61. Financial Risk Management (Contd.)

### (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 three types of risk:

- i) Currency risk
- ii) Interest rate risk
- iii) Other price risk, such as equity price risk and commodity risk.

#### (i) Currency risk

The Company is exposed to currency risk mainly in respect of foreign currency denominated loans and borrowings and procurement of goods and services whose purchase consideration is denominated in foreign currency. Transmission tariff is regulated by the CERC. According to the CERC tariff regulations for the block 2019-24 the Company may hedge foreign exchange exposure in respect of the interest on foreign currency loan and repayment of foreign loan acquired for the transmission system, in part or full in its discretion and recover the cost of hedging of foreign exchange rate variation corresponding to the normative foreign debt, in the relevant year.

If hedging of the foreign exchange exposure is not undertaken, the extra rupee liability towards interest payment and loan repayment corresponding to the normative foreign currency loan in the relevant year is permissible to be recovered as part of transmission tariff provided it is not attributable to the generating Company or the transmission licensee or its suppliers or contractors. During the Current financial year, no hedging for foreign exchange exposure has been undertaken by the Company. In respect of goods and services procured for Capital Investment, the exchange rate variation is part of the project cost, for determination of transmission tariff. The currency risk in respect of goods and services procured for operation activities is not significant.

The Company's exposure to foreign currency risk not hedged by a derivative instrument or otherwise at the end of the reporting period is as follows:

| Particulars   | Amount in Foreign Currency (in Crore) |                        |                        | Amount (₹ in crore)    |                        |
|---|---------------------------------------|------------------------|------------------------|------------------------|------------------------|
|   |                                       | As at<br>31 March 2024 | As at<br>31 March 2023 | As at<br>31 March 2024 | As at<br>31 March 2023 |
| Borrowings  | USD                                   | 329.17                 | 361.60                 | 27,640.40              | 29,918.78              |
|   | EUR                                   | 46.50                  | 53.68                  | 4,246.85               | 4,877.90               |
|   | SEK                                   | 100.04                 | 125.20                 | 790.32                 | 1,004.10               |
|   | JPY                                   | 2,254.53               | 2,272.71               | 1,257.13               | 1,423.40               |
| Interest accrued but not due thereon including Agency Fee, Commitment Fee & other Charges | USD                                   | 5.35                   | 5.16                   | 449.24                 | 426.94                 |
|   | EUR                                   | 0.43                   | 0.35                   | 39.27                  | 31.80                  |
|   | SEK                                   | 1.52                   | 1.43                   | 12.01                  | 11.47                  |
|   | JPY                                   | 5.35                   | 5.32                   | 2.98                   | 3.33                   |
| Trade Payables/deposits and retention money   | USD                                   | 3.68                   | 4.19                   | 309.01                 | 346.68                 |
|   | EUR                                   | 1.63                   | 1.04                   | 148.87                 | 94.50                  |
|   | SEK                                   | 1.18                   | 4.53                   | 9.32                   | 36.33                  |
|   | GBP                                   | 1.61                   | 1.14                   | 171.72                 | 117.65                 |
|   | NPR                                   | 0.38                   | -                      | 0.24                   | -                      |
|   | JPY                                   | 9.71                   | 11.57                  | 5.41                   | 7.25                   |
| Trade receivables and Bank balances   | USD                                   | 0.08                   | 0.05                   | 6.63                   | 4.08                   |
|   | NPR                                   | 26.84                  | 18.92                  | 16.78                  | 11.83                  |
|   | EUR                                   | 0.01                   | 0.01                   | 0.89                   | 0.88                   |
| Amount of contracts remaining to be executed  | USD                                   | 0.35                   | 0.96                   | 29.39                  | 79.43                  |
|   | EUR                                   | 0.33                   | 0.64                   | 30.14                  | 58.16                  |
|   | GBP                                   | 0.46                   | 0.62                   | 49.06                  | 63.98                  |

## 61. Financial Risk Management (Contd.)

### Sensitivity Analysis

Since the impact of strengthening or weakening of Indian rupee against USD, Euro, JPY and other currencies on the statement of profit and loss would not be very significant; therefore, sensitivity analysis for currency risk is not disclosed.

#### (ii) Interest rate risk

The Company is exposed to interest rate risk arising mainly from long term borrowings with floating interest rates. The Company is exposed to interest rate risk because the cash flows associated with floating rate borrowings will fluctuate with changes in interest rates. The Company manages the interest rate risks by maintaining a debt portfolio comprising a mix of fixed and floating rate borrowings in domestic and foreign currencies.

At the reporting date, the interest rate profile of the Company's variable interest rate-bearing financial instruments is as follows:

(₹ in crore)

| Particulars   | As at 31 March 2024 | As at 31 March 2023 |
|---|---------------------|---------------------|
| <b>Long Term Debt with floating rate of interest</b>            |                     |                     |
| -Domestic   | 24,894.92           | 27,940.45           |
| -Foreign  | 30,858.43           | 33,708.81           |
| <b>Sub Total</b>  | <b>55,753.35</b>    | <b>61,649.26</b>    |
| <b>Long Term Debt with fixed rate of interest</b>               |                     |                     |
| -Domestic   | 61,919.14           | 60,722.49           |
| -Foreign  | 3,082.61            | 3,523.15            |
| <b>Sub Total</b>  | <b>65,001.75</b>    | <b>64,245.64</b>    |
| <b>Total Long Term Debt</b>                                     | <b>1,20,755.10</b>  | <b>1,25,894.90</b>  |
| <b>% of Floating Interest Rate Debt to Total Long Term Debt</b> | <b>46.17%</b>       | <b>48.97%</b>       |

### Fair value sensitivity analysis for interest-rate risk

As per CERC Regulations, interest on loan during construction forms part of project cost for the purpose of tariff and after the date of commercial operation, interest on loans is recoverable through tariff calculated on the normative average loan of the year by applying the weighted average rate of interest of the actual loan portfolio.

Accordingly, the Company's interest rate risk is not considered significant; hence sensitivity analysis for the risk is not disclosed.

#### (iii) Other price risk

The Company's exposure to equity securities price risk arises from investments held by the Company and classified in the balance sheet as fair value through OCI.

Considering the magnitude of equity investments, no significant risk is expected to arise.

## 62. Income Tax expense

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

## 62. Income Tax expense (Contd.)

### (a) Income tax expense

(₹ in crore)

| Particulars   | For the year ended<br>31 March 2024 | For the year ended<br>31 March 2023 |
|---|-------------------------------------|-------------------------------------|
| <b>Current Tax</b>  |                                     |                                     |
| Current tax on profits for the year continuing operations   | 3,238.91                            | 2,948.58                            |
| Adjustments for current tax of prior periods  | (2.48)                              | (73.76)                             |
| Pertaining to regulatory deferral account balances (A)  | (119.51)                            | 54.29                               |
| Current tax on profits for the year discontinued operations   | 20.21                               | 38.85                               |
| <b>Total current tax expense (B)</b>  | <b>3,137.13</b>                     | <b>2,967.96</b>                     |
| <b>Deferred Tax expense</b>   |                                     |                                     |
| Origination and reversal of temporary differences & previously unrecognised tax credit recognised as Deferred Tax Asset this year (including discontinued operations) | (605.52)                            | (778.09)                            |
| <b>Total deferred tax expense /benefit (C)</b>  | <b>(605.52)</b>                     | <b>(778.09)</b>                     |
| <b>Income tax expense (B+C-A)</b>   | <b>2,651.12</b>                     | <b>2,135.58</b>                     |
| Pertaining to regulatory deferral account balances  | (119.51)                            | 54.29                               |
| <b>Total tax expense including tax on movement in regulatory deferral account balances (including discontinued operations)</b>  | <b>2,531.61</b>                     | <b>2,189.87</b>                     |

### (b) Income Tax recognised in Regulatory Deferral Account Balances:

(₹ in crore)

| Particulars  | For the year ended<br>31 March 2024 | For the year ended<br>31 March 2023 |
|--|-------------------------------------|-------------------------------------|
| Deferred assets for Deferred tax liability   | (564.50)                            | (773.91)                            |
| Foreign Currency Fluctuation   | (124.99)                            | 1,216.29                            |
| Employee Benefits and Other Expenses   | 5.47                                | (131.66)                            |
| Total Regulatory Deferral Account Balances Before Tax - Income / (Expenses)                    | (684.02)                            | 310.72                              |
| Current Tax on Regulatory Deferral Account Balances  | (119.51)                            | 54.29                               |
| <b>Net Movement in Regulatory Deferral Account Balances - Income / (Expenses) (net of Tax)</b> | <b>(564.51)</b>                     | <b>256.43</b>                       |

### (c) Income Tax recognised in other comprehensive income:

(₹ in crore)

| Particulars  | For the year ended 31 March 2024 |                           |                 | For the year ended 31 March 2023 |                           |                 |
|--|----------------------------------|---------------------------|-----------------|----------------------------------|---------------------------|-----------------|
|  | Before Tax                       | Tax expense/<br>(benefit) | Net of Tax      | Before Tax                       | Tax expense/<br>(benefit) | Net of Tax      |
| Net gains/(losses) on fair valuation of equity instruments | (231.91)                         | (32.98)                   | <b>(198.93)</b> | (142.01)                         | (18.09)                   | <b>(123.92)</b> |
| Net actuarial losses on defined benefit plans              | (44.39)                          | (7.76)                    | <b>(36.63)</b>  | 39.56                            | 6.91                      | <b>32.65</b>    |
| Less: Transferred to expenditure during construction (net) | (3.24)                           | (0.57)                    | <b>(2.67)</b>   | 18.69                            | 3.26                      | <b>15.43</b>    |
| <b>Other Comprehensive Income (Net of Tax)</b>             | <b>(273.06)</b>                  | <b>(40.17)</b>            | <b>(232.89)</b> | <b>(121.14)</b>                  | <b>(14.44)</b>            | <b>(106.70)</b> |

## 62. Income Tax expense (Contd.)

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

(₹ in crore)

| Particulars   | For the year ended<br>31 March 2024 | For the year ended<br>31 March 2023 |
|---|-------------------------------------|-------------------------------------|
| Profit before income tax expense including movement in Regulatory Deferral Account Balances | 18,006.22                           | 17,525.41                           |
| <b>Tax at the Company's domestic tax rate of 34.944 %</b>                                   | <b>6,292.09</b>                     | <b>6,124.08</b>                     |
| Tax effect of:  |                                     |                                     |
| Non Deductible tax items  | 263.72                              | (297.10)                            |
| Tax exempt income   | (4,794.69)                          | (4,766.80)                          |
| Previous Years tax liability  | (2.48)                              | (73.76)                             |
| Deferred Tax expense/(income)   | (605.52)                            | (778.09)                            |
| Minimum alternate tax adjustments   | 1,378.49                            | 1,981.54                            |
| <b>Income tax expense</b>   | <b>2,531.61</b>                     | <b>2,189.87</b>                     |

## 63. Employee Benefit Obligations

### A. Post-employment obligations

#### i) Defined Contribution Schemes:

##### i) Pension

The Company has scheme of employees defined Pension Contribution & National Pension Scheme (NPS) for the employees opted for the NPS scheme. Company contribution is paid to separate trust for Employees defined Pension Contribution as well as NPS. Amount of contribution paid/payable for the year of ₹104.10crore (Previous Year ₹183.09crore) has been recognised as expense and is charged to Statement of Profit & Loss.

#### ii) Defined Benefit Schemes:

##### Summary of Defined benefit schemes:

(₹ in crore)

| Particulars  | 31 March 2024 |                 |                 | 31 March 2023 |                 |                 |
|--|---------------|-----------------|-----------------|---------------|-----------------|-----------------|
|  | Current       | Non-current     | Total           | Current       | Non-current     | Total           |
| Gratuity   | 68.52         | 453.22          | 521.74          | 72.31         | 450.92          | 523.23          |
| PF   | 427.65        | 3,093.63        | 3,521.28        | 669.65        | 2,757.41        | 3,427.06        |
| Post-Retirement Medical Facility (PRMF)                                    | 50.71         | 737.67          | 788.38          | 45.02         | 660.41          | 705.43          |
| Other Defined retirement benefits (ODRB)/ Baggage Allowance                | 2.19          | 19.83           | 22.02           | 2.25          | 19.12           | 21.37           |
| Other Defined retirement benefits (ODRB)/Long Service Award                | 1.61          | 23.17           | 24.78           | 1.66          | 21.55           | 23.21           |
| <b>Total employee defined benefit obligations (Defined Benefit Scheme)</b> | <b>550.68</b> | <b>4,327.52</b> | <b>4,878.20</b> | <b>790.89</b> | <b>3,909.41</b> | <b>4,700.30</b> |

##### i) Gratuity

The company has a defined benefit gratuity plan. Every employee who has rendered continuous service of five years or more is entitled to get gratuity at 15 days salary (15/26 x last drawn basic salary plus, dearness allowance) for each completed year of service on superannuation, resignation, termination, disablement or on death subject to a maximum of ₹ 20 lacs. The scheme is funded by the company and is managed by a separate trust. The liability for the same is recognised on the basis of actuarial valuation on annual basis on the Balance Sheet date. Company has carried out the actuarial valuation of Gratuity benefit considering ceiling of ₹20 Lakhs.



### 63. Employee Benefit Obligations (Contd.)

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

(₹ in crore)

| Particulars   | For the year ended 31 March 2024 |                           |                        | For the year ended 31 March 2023 |                           |                        |
|---|----------------------------------|---------------------------|------------------------|----------------------------------|---------------------------|------------------------|
|   | Present value of obligation      | Fair value of plan assets | Net Liability/ (Asset) | Present value of obligation      | Fair value of plan assets | Net Liability/ (Asset) |
| <b>Opening Balance</b>  | <b>523.23</b>                    | <b>539.12</b>             | <b>(15.89)</b>         | <b>563.79</b>                    | <b>553.29</b>             | <b>10.50</b>           |
| Service cost  | 24.74                            | -                         | 24.74                  | 23.21                            | -                         | 23.21                  |
| Interest expense / (income)   | 38.72                            | 39.90                     | (1.18)                 | 39.46                            | 39.53                     | (0.07)                 |
| <b>Total amount recognised in profit or loss</b>                              | <b>63.46</b>                     | <b>39.90</b>              | <b>23.56</b>           | <b>62.67</b>                     | <b>39.53</b>              | <b>23.14</b>           |
| <b>Re measurements</b>  |                                  |                           |                        |                                  |                           |                        |
| Return on plan assets, excluding amount included in interest expense/(income) | -                                | -                         | -                      | -                                | -                         | -                      |
| (Gain)/Loss from change in demographic assumptions                            | -                                | -                         | -                      | -                                | -                         | -                      |
| (Gain)/Loss from change in financial assumptions                              | 14.43                            | -                         | 14.43                  | (18.78)                          | -                         | (18.78)                |
| Experience (Gain)/ Losses   | (12.26)                          | 1.32                      | (13.58)                | (5.62)                           | 13.63                     | (19.25)                |
| <b>Total amount recognised in other comprehensive income</b>                  | <b>2.17</b>                      | <b>1.32</b>               | <b>0.85</b>            | <b>(24.40)</b>                   | <b>13.63</b>              | <b>(38.03)</b>         |
| Employer Contribution   | -                                | 10.30                     | (10.30)                | -                                | 11.50                     | (11.50)                |
| Benefits payments   | (67.12)                          | (67.12)                   | -                      | (78.83)                          | (78.83)                   | -                      |
| Opening/Other Adjustment  | -                                | (4.52)                    | 4.52                   | -                                | -                         | -                      |
| <b>Closing Balance</b>  | <b>521.74</b>                    | <b>519.00</b>             | <b>2.74</b>            | <b>523.23</b>                    | <b>539.12</b>             | <b>(15.89)</b>         |

The major categories of plan assets (Gratuity) are as follows:

(₹ in crore)

| Particulars                   | For the year ended 31 March 2024 |          |               |                | For the year ended 31 March 2023 |          |               |                |
|-------------------------------|----------------------------------|----------|---------------|----------------|----------------------------------|----------|---------------|----------------|
|                               | Quoted                           | Unquoted | Total         | In %           | Quoted                           | Unquoted | Total         | In %           |
| Equity instruments (ETF)      | 18.31                            | -        | <b>18.31</b>  | 3.53%          | 8.34                             | -        | <b>8.34</b>   | 1.55%          |
| <b>Debt instruments</b>       |                                  |          |               |                |                                  |          |               |                |
| Govt/State Bonds              | 323.03                           | -        | <b>323.03</b> | 62.24%         | 340.35                           | -        | <b>340.35</b> | 63.13%         |
| PSU and Private Bonds         | 169.48                           | -        | <b>169.48</b> | 32.65%         | 177.97                           | -        | <b>177.97</b> | 33.01%         |
| Bank Balance/Other Receivable | 8.18                             | -        | <b>8.18</b>   | 1.58%          | 12.46                            | -        | <b>12.46</b>  | 2.31%          |
| <b>Total*</b>                 | <b>519.00</b>                    | <b>-</b> | <b>519.00</b> | <b>100.00%</b> | <b>539.12</b>                    | <b>-</b> | <b>539.12</b> | <b>100.00%</b> |

\*Fair valuation as per actuarial valuation is ₹519.00crore (Previous Year ₹539.12crore).

Fair value of company's own transferable financial instruments held as plan assets is ₹19.18crore (Previous Year ₹30.45crore).

#### ii) Provident Fund

Company pays fixed contribution to Provident Fund at predetermined rate to a separate trust, which invests the funds in permitted securities. Contribution to family pension scheme is paid to the appropriate authorities. The contribution to the fund and EPS scheme for the year amounting to ₹137.03crore (Previous Year ₹134.88crore) has been recognised as expense. The obligation of the company is limited to such fixed contribution and

### 63. Employee Benefit Obligations (Contd.)

to ensure a minimum rate of interest on contributions to the members as specified by GOI. Further, as per the current report of actuary, overall interest earning and cumulative surplus is more than statutory interest payment requirement. Therefore, no further provision is considered necessary. Since the company does not have unconditional right over the PF corpus, the surplus has not been recognised in the Balance Sheet.

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

(₹ in crore)

| Particulars   | For the year ended 31 March 2024 |                           |                        | For the year ended 31 March 2023 |                           |                        |
|---|----------------------------------|---------------------------|------------------------|----------------------------------|---------------------------|------------------------|
|   | Present value of obligation      | Fair value of plan assets | Net Liability/ (Asset) | Present value of obligation      | Fair value of plan assets | Net Liability/ (Asset) |
| <b>Opening Balance</b>  | <b>3,427.06</b>                  | <b>3,441.10</b>           | <b>(14.04)</b>         | <b>3,334.99</b>                  | <b>3,163.93</b>           | <b>171.06</b>          |
| Service cost  | 126.24                           | -                         | 126.24                 | 123.12                           | -                         | 123.12                 |
| Interest expense / (income)   | 271.80                           | 280.80                    | (9.00)                 | 262.45                           | 265.01                    | (2.56)                 |
| <b>Total</b>  | <b>398.04</b>                    | <b>280.80</b>             | <b>117.24</b>          | <b>385.57</b>                    | <b>265.01</b>             | <b>120.56</b>          |
| <b>Re measurements</b>  |                                  |                           |                        |                                  |                           |                        |
| Return on plan assets, excluding amount included in interest expense/(income) | -                                | -                         | -                      | -                                | -                         | -                      |
| (Gain)/Loss from change in demographic assumptions                            | -                                | -                         | -                      | -                                | -                         | -                      |
| (Gain)/Loss from change in financial assumptions                              | 0.27                             | (3.23)                    | 3.50                   | -                                | 176.48                    | (176.48)               |
| Experience (Gain)/ Losses   | (5.68)                           | -                         | (5.68)                 | (6.06)                           | -                         | (6.06)                 |
| <b>Total</b>  | <b>(5.41)</b>                    | <b>(3.23)</b>             | <b>(2.18)</b>          | <b>(6.06)</b>                    | <b>176.48</b>             | <b>(182.54)</b>        |
| Employee Contribution   | 183.32                           | 183.32                    | -                      | 191.71                           | 191.71                    | -                      |
| Employer Contribution   | -                                | 126.24                    | (126.24)               | -                                | 123.12                    | (123.12)               |
| Benefits payments   | (481.73)                         | (481.73)                  | -                      | (479.15)                         | (479.15)                  | -                      |
| <b>Closing Balance</b>  | <b>3,521.28</b>                  | <b>3,546.50</b>           | <b>(25.22)</b>         | <b>3,427.06</b>                  | <b>3,441.10</b>           | <b>(14.04)</b>         |

The major categories of plan assets (PF) are as follows.

(₹ in crore)

| Particulars              | As at 31 March 2024 |          |                 |                | As at 31 March 2023 |          |                 |                |
|--------------------------|---------------------|----------|-----------------|----------------|---------------------|----------|-----------------|----------------|
|                          | Quoted              | Unquoted | Total           | In %           | Quoted              | Unquoted | Total           | In %           |
| Equity instruments (ETF) | 189.46              | -        | 189.46          | 5.34%          | 130.83              | -        | 130.83          | 3.80%          |
| <b>Debt instruments</b>  |                     |          |                 |                |                     |          |                 |                |
| Govt/State Bonds         | 2,011.53            | -        | 2,011.53        | 56.72%         | 1,898.27            | -        | 1,898.27        | 55.16%         |
| PSU and Private Bonds    | 1,134.73            | -        | 1,134.73        | 32.00%         | 1,284.61            | -        | 1,284.61        | 37.33%         |
| Bank Balance             | 182.29              | -        | 182.29          | 5.14%          | 26.66               | -        | 26.66           | 0.78%          |
| Other Receivables        | 28.49               | -        | 28.49           | 0.80%          | 100.73              | -        | 100.73          | 2.93%          |
| <b>Total</b>             | <b>3,546.50</b>     | <b>-</b> | <b>3,546.50</b> | <b>100.00%</b> | <b>3,441.10</b>     | <b>-</b> | <b>3,441.10</b> | <b>100.00%</b> |

Fair value of company's own transferable financial instruments held as plan assets is ₹0.00crore (Previous Year ₹33.45crore).

#### iii) Post-Retirement Medical Facility (PRMF)

The Company has Post-Retirement Medical Facility (PRMF), under which retired employees and the spouse are provided medical facilities in the empanelled hospitals. They can also avail treatment as Out-Patient subject to a ceiling fixed by the company. The liability for the same is recognised on the basis of actuarial valuation

### 63. Employee Benefit Obligations (Contd.)

on annual basis on the Balance Sheet date. The scheme is funded by the company and is managed by a separate trust constituted on 01 May 2018.

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

(₹ in crore)

| Particulars   | For the year ended 31 March 2024 |                           |                        | For the year ended 31 March 2023 |                           |                        |
|---|----------------------------------|---------------------------|------------------------|----------------------------------|---------------------------|------------------------|
|   | Present value of obligation      | Fair value of plan assets | Net Liability/ (Asset) | Present value of obligation      | Fair value of plan assets | Net Liability/ (Asset) |
| <b>Opening Balance</b>  | <b>705.43</b>                    | <b>692.84</b>             | <b>12.59</b>           | <b>658.68</b>                    | <b>658.78</b>             | <b>(0.10)</b>          |
| Service cost  | 26.01                            | -                         | 26.01                  | 20.70                            | -                         | 20.70                  |
| Interest expense / (income)   | 52.20                            | 52.20                     | -                      | 46.11                            | 46.07                     | 0.04                   |
| Employee Contribution   | -                                | -                         | -                      | -                                | 1.05                      | (1.05)                 |
| <b>Total amount recognised in profit or loss</b>                              | <b>78.21</b>                     | <b>52.20</b>              | <b>26.01</b>           | <b>66.81</b>                     | <b>47.12</b>              | <b>19.69</b>           |
| <b>Re measurements</b>  |                                  |                           |                        |                                  |                           |                        |
| Return on plan assets, excluding amount included in interest expense/(income) | -                                | -                         | -                      | -                                | -                         | -                      |
| (Gain)/Loss from change in demographic assumptions                            | -                                | -                         | -                      | -                                | -                         | -                      |
| (Gain)/Loss from change in financial assumptions                              | 35.81                            | -                         | 35.81                  | (32.35)                          | -                         | (32.35)                |
| Experience (Gain)/ Losses   | 17.03                            | 5.87                      | 11.16                  | 53.84                            | 7.88                      | 45.96                  |
| <b>Total amount recognised in other comprehensive income</b>                  | <b>52.84</b>                     | <b>5.87</b>               | <b>46.97</b>           | <b>21.49</b>                     | <b>7.88</b>               | <b>13.61</b>           |
| Employee Contribution   | -                                | -                         | -                      | -                                | -                         | -                      |
| Employer Contribution   | -                                | 75.93                     | (75.93)                | -                                | (0.66)                    | 0.66                   |
| Benefits payments   | (48.10)                          | (48.10)                   | -                      | (41.55)                          | (20.28)                   | (21.27)                |
| Opening/Other Adjustment  | -                                | 0.38                      | (0.38)                 | -                                | -                         | -                      |
| <b>Closing Balance</b>  | <b>788.38</b>                    | <b>779.12</b>             | <b>9.26</b>            | <b>705.43</b>                    | <b>692.84</b>             | <b>12.59</b>           |

The major categories of plan assets (PRMF) are as follows.

(₹ in crore)

| Particulars                   | For the year ended 31 March 2024 |          |               |                | For the year ended 31 March 2023 |          |               |                |
|-------------------------------|----------------------------------|----------|---------------|----------------|----------------------------------|----------|---------------|----------------|
|                               | Quoted                           | Unquoted | Total         | In %           | Quoted                           | Unquoted | Total         | In %           |
| Equity instruments (ETF)      | 9.58                             | -        | 9.58          | 1.23%          | 3.60                             | -        | 3.60          | 0.52%          |
| <b>Debt instruments</b>       |                                  |          |               |                |                                  |          |               |                |
| Govt/State Bonds              | 415.19                           | -        | 415.19        | 53.29%         | 367.12                           | -        | 367.12        | 52.99%         |
| PSU and Private Bonds         | 342.34                           | -        | 342.34        | 43.94%         | 307.16                           | -        | 307.16        | 44.33%         |
| Bank Balance/Other Receivable | 12.01                            | -        | 12.01         | 1.54%          | 14.96                            | -        | 14.96         | 2.16%          |
| <b>Total#</b>                 | <b>779.12</b>                    | <b>-</b> | <b>779.12</b> | <b>100.00%</b> | <b>692.84</b>                    | <b>-</b> | <b>692.84</b> | <b>100.00%</b> |

#Fair valuation as per actuarial valuation is ₹779.12crore (Previous Year ₹692.84crore).

Fair value of company's own transferable financial instruments held as plan assets is ₹0.00crore (Previous Year ₹0.00crore).

### 63. Employee Benefit Obligations (Contd.)

#### iv) Other Defined Retirement Benefits (ODRB)

##### a) Baggage Allowance

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

##### b) Long Service Award

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

Movement in obligations of ODRB is as follows:

(₹ in crore)

| Particulars   | Present value of obligation - Baggage Allowance |                                  | Present value of obligation - Long Service Award |                                  |
|---|---|----------------------------------|--|----------------------------------|
|   | For the year ended 31 March 2024                | For the year ended 31 March 2023 | For the year ended 31 March 2024                 | For the year ended 31 March 2023 |
| <b>Opening Balance</b>  | <b>21.37</b>                                    | <b>23.09</b>                     | <b>23.21</b>                                     | <b>22.04</b>                     |
| Service cost  | 1.37  | 1.33                             | 2.00   | 1.91                             |
| Interest expense / (income)   | 1.58  | 1.61                             | 1.72   | 1.54                             |
| Employee Contribution   | -   | -                                | -  | -                                |
| Actuarial Gain/Loss   | -   | -                                | -  | -                                |
| <b>Total amount recognised in profit or loss</b>                              | <b>2.95</b>                                     | <b>2.94</b>                      | <b>3.72</b>                                      | <b>3.45</b>                      |
| <b>Re measurements</b>  |   |                                  |  |                                  |
| Return on plan assets, excluding amount included in interest expense/(income) | -   | -                                | -  | -                                |
| (Gain)/Loss from change in demographic assumptions                            | -   | -                                | -  | -                                |
| (Gain)/Loss from change in financial assumptions                              | 0.67  | (0.86)                           | 0.89   | (1.13)                           |
| Experience (Gain)/ Losses   | (2.91)  | (3.63)                           | (2.08)   | 0.28                             |
| <b>Total amount recognised in other comprehensive income</b>                  | <b>(2.24)</b>                                   | <b>(4.49)</b>                    | <b>(1.19)</b>                                    | <b>(0.85)</b>                    |
| Employee Contribution   | -   | -                                | -  | -                                |
| Employer contributions  | -   | -                                | -  | -                                |
| Benefits payments   | (0.06)  | (0.17)                           | (0.96)   | (1.43)                           |
| <b>Closing Balance</b>  | <b>22.02</b>                                    | <b>21.37</b>                     | <b>24.78</b>                                     | <b>23.21</b>                     |

#### v) Significant actuarial assumptions for Post-Employment Benefits:

##### Economic Assumptions

| Particulars                        | Gratuity, ODRB, Pension, PRMF, PF |                                  |
|------------------------------------|-----------------------------------|----------------------------------|
|                                    | For the year ended 31 March 2024  | For the year ended 31 March 2023 |
| Discount rate                      | 7.10%                             | 7.40%                            |
| Salary growth rate (except for PF) | 6.50%                             | 6.50%                            |

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



### 63. Employee Benefit Obligations (Contd.)

#### Demographic Assumptions

| Particulars   | For the year ended<br>31 March 2024 | For the year ended<br>31 March 2023 |
|---|-------------------------------------|-------------------------------------|
| i) Retirement Age   | 60                                  | 60                                  |
| ii) Mortality rates inclusive of provision for disability | 100 % of IALM (2012 - 14)           | 100% of IALM (2012-14)              |
| iii) Ages   |                                     |                                     |
| Withdrawal rate %   |                                     |                                     |
| Up to 30 years  | 3                                   | 3                                   |
| From 31 to 44 years                                       | 2                                   | 2                                   |
| Above 44 years  | 1                                   | 1                                   |

#### Mortality rates for specimen ages:

| Age | Mortality rate | Age | Mortality rate | Age | Mortality rate |
|-----|----------------|-----|----------------|-----|----------------|
| 15  | 0.000698       | 45  | 0.002579       | 75  | 0.038221       |
| 20  | 0.000924       | 50  | 0.004436       | 80  | 0.061985       |
| 25  | 0.000931       | 55  | 0.007513       | 85  | 0.100979       |
| 30  | 0.000977       | 60  | 0.011162       | 90  | 0.163507       |
| 35  | 0.001202       | 65  | 0.015932       | 95  | 0.259706       |
| 40  | 0.001680       | 70  | 0.024058       | 100 | 0.397733       |

#### vi) Sensitivity Analysis of the defined benefit obligations:

(₹ in crore)

| Particulars                                      | Gratuity | PF       | PRMF    | Baggage Allowance | Long Service Award |
|--|----------|----------|---------|-------------------|--------------------|
| <b>As at 31 March 2024</b>                       |          |          |         |                   |                    |
| Present value of Obligation at the end of period | 521.74   | 3,521.28 | 788.38  | 22.02             | 24.78              |
| a) Impact of change in discount rate             |          |          |         |                   |                    |
| - Impact due to increase of 0.5%                 | (23.66)  | (0.34)   | (47.89) | (1.03)            | (1.48)             |
| - Impact due to decrease of 0.5%                 | 25.86    | 0.36     | 50.06   | 1.14              | 1.60               |
| b) Impact of change in salary increase           |          |          |         |                   |                    |
| - Impact due to increase of 0.5%                 | 6.59     | NA       | 50.19   | 1.12              | 1.53               |
| - Impact due to decrease of 0.5%                 | (7.62)   | NA       | (47.74) | (1.05)            | (1.49)             |
| <b>As at 31 March 2023</b>                       |          |          |         |                   |                    |
| Present value of Obligation at the end of period | 523.23   | 3,427.06 | 705.43  | 21.37             | 23.21              |
| a) Impact of change in discount rate             |          |          |         |                   |                    |
| - Impact due to increase of 0.5%                 | (21.75)  | (0.44)   | (40.43) | (0.98)            | (1.42)             |
| - Impact due to decrease of 0.5%                 | 23.73    | 0.46     | 41.86   | 1.06              | 1.49               |
| b) Impact of change in salary increase           |          |          |         |                   |                    |
| - Impact due to increase of 0.5%                 | 6.87     | NA       | 42.27   | 1.05              | 1.52               |
| - Impact due to decrease of 0.5%                 | (7.55)   | NA       | (39.92) | (0.98)            | (1.43)             |

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

### 63. Employee Benefit Obligations (Contd.)

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

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

#### vii) Description of Risk exposures

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

- Salary Increases (except for PF) – Actual salary increase will increase the plan's liability. Increase in salary increase rate assumptions in future valuation will also increase the liability.
- Investment risk – If plan is funded then assets liabilities mismatch and actual investment return on assets lower than the discount rate assumed at the last valuation date can impact the liability
- Discount Rate – Reduction in discount rate in subsequent valuations can increase the plan's liability.
- Mortality & disability – Actual deaths and disability cases proving lower or higher than assumed in the valuation can impact the liabilities.
- Withdrawals – Actual withdrawals proving higher or lower than assumed withdrawals and change of withdrawal rates at subsequent valuations can impact Plan's liability.

#### viii) Maturity analysis of defined benefit schemes:

The weighted average duration of the post-employment defined benefit obligations is 39.52 years (Previous Year 39.48 years) and expected contributions to the same during next financial year is ₹28.96crore (Previous Year ₹23.39crore). The expected maturity analysis of undiscounted gratuity, PF, post-retirement medical facility and other defined retirement benefit is as follows:

(₹ in crore)

| Particulars                      | Less than a year | Between 1-2 year | Between 2-5 years | Over 5 years    | Total           |
|----------------------------------|------------------|------------------|-------------------|-----------------|-----------------|
| <b>As at 31 March 2024</b>       |                  |                  |                   |                 |                 |
| Gratuity                         | 68.52            | 53.63            | 108.78            | 766.38          | 997.31          |
| PF                               | 427.65           | 306.81           | 928.29            | 1,858.53        | 3,521.28        |
| Post-Retirement Medical Facility | 50.71            | 61.46            | 247.33            | 993.79          | 1,353.29        |
| Baggage Allowance                | 2.19             | 2.01             | 4.39              | 35.21           | 43.80           |
| Long Service Award               | 1.61             | 1.34             | 3.21              | 48.72           | 54.88           |
| <b>Total</b>                     | <b>550.68</b>    | <b>425.25</b>    | <b>1,292.00</b>   | <b>3,702.63</b> | <b>5,970.56</b> |
| <b>As at 31 March 2023</b>       |                  |                  |                   |                 |                 |
| Gratuity                         | 72.31            | 65.10            | 126.75            | 794.67          | 1,058.83        |
| PF                               | 669.65           | 307.98           | 530.94            | 1,918.49        | 3,427.06        |
| Post-retirement medical facility | 45.02            | 54.24            | 208.15            | 1,036.90        | 1,344.31        |
| Baggage Allowance                | 2.25             | 2.40             | 5.15              | 35.10           | 44.90           |
| Long Service Award               | 1.66             | 1.60             | 3.77              | 47.26           | 54.29           |
| <b>Total</b>                     | <b>790.89</b>    | <b>431.32</b>    | <b>874.76</b>     | <b>3,832.42</b> | <b>5,929.39</b> |

### 63. Employee Benefit Obligations (Contd.)

#### B. Other Long Term Employee Benefits

##### Summary of Other Long-Term Employee Benefits:

(₹ in crore)

| Particulars                    | As at 31 March 2024 |             |               | As at 31 March 2023 |             |               |
|--------------------------------|---------------------|-------------|---------------|---------------------|-------------|---------------|
|                                | Current             | Non-current | Total         | Current             | Non-current | Total         |
| Leave Encashment               | 78.03               | 581.51      | <b>659.54</b> | 82.53               | 521.27      | <b>603.80</b> |
| Economic Rehabilitation Scheme | 2.18                | 18.61       | <b>20.79</b>  | 2.47                | 15.68       | <b>18.15</b>  |

#### i) Leave Obligations

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

Movement in obligations of Leaves is as follows:

(₹ in crore)

| Particulars                                      | For the year ended 31 March 2024 | For the year ended 31 March 2023 |
|--|----------------------------------|----------------------------------|
| Opening Balance                                  | 603.80                           | 531.98                           |
| Service cost                                     | 94.01                            | 87.52                            |
| Interest expense (income)                        | 44.68                            | 37.24                            |
| Employee Contribution                            | -                                | -                                |
| Actuarial Gain/Loss                              | 27.88                            | 53.05                            |
| <b>Total amount recognised in profit or loss</b> | <b>166.57</b>                    | <b>177.81</b>                    |
| Benefits payments                                | (110.83)                         | (105.99)                         |
| <b>Closing Balance</b>                           | <b>659.54</b>                    | <b>603.80</b>                    |

#### ii) POWERGRID Employee family rehabilitation scheme

The company has introduced POWERGRID Employees Family Economic Rehabilitation Scheme on 24 June 2017. The Objective of the scheme is to provide monetary assistance and support to an employee in case of his/her permanent total disablement and to his/her family in case of death while in service. The beneficiary would be entitled to monthly payment equivalent to the employee's 50% of one month pay last drawn provided the beneficiary deposits with the company an amount equal to PF (excluding VPF) balance, Gratuity amount and Group Insurance (EDLI) amount. Such monthly payment would continue till the normal notional date on which the employee concerned would have attained the age of superannuation had the employee continued in the service of the company. The scheme is optional. Provision for POWERGRID Employees Family Economic Rehabilitation Scheme amounting to ₹2.64crore (Previous Year ₹2.52crore) for the year has been made during the year based on actuarial valuation.

### 64. Additional Regulatory Information as per Schedule III to the Companies Act, 2013

a) Details of immovable properties where title deeds are not in the name of the company:

Type of Property: Property, plant and Equipment

| Description of item of property          | Gross carrying value as at 31 March 2024 (₹ in crore) | Gross carrying value as at 31 March 2023 (₹ in crore) | Title deeds held in the name of  | Whether title deed holder is a promoter, director or relative of promoter/director or employee of promoter/director | Property held since which date | Reason for not being held in the name of the company   |
|--|---|---|----------------------------------|---|--------------------------------|--|
| <b>Freehold land</b>                     | <b>341.59</b>   | <b>231.53</b>   |                                  |   |                                |  |
| Township-Sector 46, Gurgaon              | 11.00   | 11.00   | Haryana Shehri Pradhikaran(HSVP) | No  | 02-12-1998                     | Pending the outcome of representation made to HSVP by Company for review of demand dues, the title deed is pending for transfer in favour of the Company.                              |
| Birpara                                  | 0.00  | 0.00  | Govt. Of West Bengal             | No  | 01-11-1996                     | Survey work of Birpara Mouza is under progress by Block Land Reforms Office & mutation will be done after survey work is completed.  |
| Maithon                                  | 0.00  | 0.00  | Multiple Private Owner           | No  | 01-04-1992                     | The Company is in the process of getting the title deed registered from office of District Land and Land Reforms Officer (DILRO). There is procedural delay in transfer of title deed. |
| Maithon                                  | 0.02  | 0.02  | CLW-Indian Railway               | No  | 01-04-1992                     | Matter is being followed up with CLW (Chittaranjan Locomotive works) for execution of registration deed. There is procedural delay in transfer of title deed.                          |
| Maithon                                  | 0.32  | 0.32  | Multiple Private Owner           | No  | 28-03-2018                     | NOC from Tribal Board is yet to be received pending which title deed is not transferred in name of the Company.  |
| Alipurduar-Mathabhanga Earth Electrocode | 0.67  | 0.67  | Multiple Private Owner           | No  | 31-12-2012                     | Transfer of title deed is pending on account of procedural delays.   |
| Rajarhat                                 | 23.23   | 23.23   | Multiple Private Owner           | No  | 30-11-2014                     |  |
| Aizawl                                   | 0.03  | 0.03  | Govt. of Mizoram                 | No  | 1991                           |  |



**64. Additional Regulatory Information as per Schedule III to the Companies Act, 2013 (Contd.)**

| Description of item of property                   | Gross carrying value as at 31 March 2024 (₹ in crore) | Gross carrying value as at 31 March 2023 (₹ in crore) | Title deeds held in the name of                     | Whether title deed holder is a promoter, director or relative of promoter/director or employee of promoter/director | Property held since which date | Reason for not being held in the name of the company   |
|---|---|---|---|---|--------------------------------|--|
| Faridabad NR-1 RHQ (Township)                     | 6.42  | 6.42  | Haryana Shehri Pradhikaran(HSVP) Vikas              | No  | 01-04-1999                     | Pending disposal of appeal at High Court Chandigarh against enhancement and extension fees, demanded by HSVP, the title deed is pending to be transferred in favour of the Company.                      |
| TL Land in Hisar Fatehabad and Bhiwani Distt.     | 0.57  | 0.57  | NHPC  | No  | 30-09-1991                     | The company is dealing with multiple authorities for transfer of land situated at multiple locations. The transfer of title deed is pending on account of procedural delays.                             |
| Line Office Banikhet, Tehsil & Distt. Chamba (HP) | 0.00  | 0.00  | HP Govt   | No  | 28-02-1994                     | Subject land is Govt./Forest Land in record of HP Govt. As per GOI guidelines, Forest Land diverted to Non Forestry purpose under FCA 1980 will be having legal status as "Forest" even after diversion. |
| Kurnool Land                                      | NA  | 16.52   | AP State Govt.                                      | No  | 28-03-2023                     | During the current year, title deeds has been transferred in the name of POWERGRID.  |
| Kurnool Land                                      | 0.03  | NA  | AP State Govt.                                      | No  | 13-06-2023                     | Company is in the process of obtaining Mutation certificate & title deed.  |
| Hiriyur 400/220 KV Substation                     | 0.34  | 0.34  | Karnataka Industrial Area Development Board (KIADB) | No  | 01-02-2004                     | Pending title rectifications for few parcel of land, to be carried out by KIADB, title deed is yet to be registered in the name of POWERGRID.  |
| Yelahanka Substation 400/220 KV                   | 30.72   | 30.72   | Karnataka Transmission Corporation Limited (KPTCL)  | No  | 23-03-2011                     | Transfer of title deed is pending on account of procedural delays with office of M/s KPTCL.  |
| Somanhalli Substation 400/220 KV                  | 0.34  | 0.34  | Karnataka Transmission Corporation Limited (KPTCL)  | No  | FY 1992-93 onwards             |  |

**64. Additional Regulatory Information as per Schedule III to the Companies Act, 2013 (Contd.)**

| Description of item of property    | Gross carrying value as at 31 March 2024 (₹ in crore) | Gross carrying value as at 31 March 2023 (₹ in crore) | Title deeds held in the name of  | Whether title deed holder is a promoter, director or relative of promoter/director or employee of promoter/director | Property held since which date | Reason for not being held in the name of the company  |
|------------------------------------|---|---|--|---|--------------------------------|---|
| Kolar Siddalagatta HVDC Substation | 0.91  | 0.91  | Karnataka Industrial Area Development Board (KIADB)  | No  | 01-04-2002                     | Transfer of title deed is pending on account of procedural delays with office of KIADB.   |
| Tumkur Substation 765/400/220 KV   | 42.29   | 42.29   | Karnataka Industrial Area Development Board (KIADB)  | No  | 25-09-2013                     |   |
| Kudugi 765/400 KV GIS              | 8.83  | 8.83  | Karnataka Industrial Area Development Board (KIADB) and Others                                 | No  | 28-02-2014                     |   |
| Biddadi 400/220 KV GIS             | 20.00   | 20.00   | Karnataka Industrial Area Development Board (KIADB)  | No  | 23-03-2011                     |   |
| Pavagada Substation 400/220 KV     | 0.26  | 0.26  | Private Parties are Mrs. Sanjeevamma D/o Venkatappa, M. Chaplainship s/o Venkatappa and Others | No  | 30-06-2017                     | Registration and mutation is pending on account of establishing the legal ownership of the land and consideration for the said land is also yet to be paid.   |
| Pugalur HVDC Substation            | 0.31  | 0.31  | Bhoodan Trust Board  | No  | 01-04-2017                     | The land has been allotted by Bhoodan Trust Board to the company. Due to delay in incumbency of meetings of Bhoodan Trust Board and other formalities, registration in the name of the company is pending.  |
| Kovilpatti 400/220 KV GIS          | 49.25   | 47.31   | Shri Ramesh and Shri R Rajan   | No  | 19-10-2011                     | Pursuant to the directions of the Hon'ble High court of Chennai, Sole Arbitrator has been appointed and an award has been passed. Aggrieved by the award, both the parties has approached Hon'ble High Court for compensation award. Hon'ble High court Chennai is yet to decide the case. Therefore, title deed is yet to be transferred in the name of the Company. |

**64. Additional Regulatory Information as per Schedule III to the Companies Act, 2013 (Contd.)**

| Description of item of property          | Gross carrying value as at 31 March 2024 (₹ in crore) | Gross carrying value as at 31 March 2023 (₹ in crore) | Title deeds held in the name of | Whether title deed holder is a promoter, director or relative of promoter/director or employee of promoter/director | Property held since which date | Reason for not being held in the name of the company   |
|--|---|---|---------------------------------|---|--------------------------------|--|
| New Navsari Substation                   | 146.05  | 21.44   | Govt. of Gujarat                | No  | 20-06-2022                     | Land has been acquired on 20-06-2022 & the company is in the process of getting the title deed registered.   |
| <b>ROU Asset- Land</b>                   | <b>269.50</b>   | <b>282.00</b>   |                                 |   |                                |  |
| Pandiabili                               | NA  | 9.23  | Govt. of Odisha                 | No  | 12-01-2018                     | During the current year, lease deed has been registered in the name of Company.  |
| Rourkela                                 | 0.26  | 0.26  | SAIL-Rourkela                   | No  | 25-07-2020                     | The Original Tripartite sub Lease agreement between Govt. of Odisha, Rourkela Steel Plant & POWERGRID has expired. The same is under process of renewal.   |
| Durgapur                                 | 21.48   | 21.48   | SAIL-Durgapur                   | No  | 01-05-2017                     | The original Lease agreement with SAIL was expired and the same is under process for renewal.  |
| Maithon                                  | NA  | 4.49  | Govt. Of West Bengal            | No  | 04-05-2019 & 24-04-2021        | During the current year, lease deed has been registered in the name of Company.  |
| Alipurduar-Mathabhanga Earth Electrocode | 1.48  | 0.30  | Govt. Of West Bengal            | No  | 17-03-2017                     | Lease agreement of 4.85 Hectares of Lease land is approved by the State Cabinet on 23.11.21. Signing of lease agreement is under process. For Balance land of 1.16 Hectares process is on for approval at State Cabinet. |
| Jamshedpur                               | 1.46  | 1.46  | Forest Dept                     | No  | FY 1992-93 onwards             | JIADA is trying to get clearance for land transfer from Forest Dept. for onward transfer to POWERGRID.   |
| Ajmer Township                           | 0.96  | 0.96  | Ajmer Distt Authority           | No  | 01-04-1999                     | Execution of lease deed is pending on account of disposal of the petition before Division Commissioner Ajmer for demand of interest on revised land cost.  |

**64. Additional Regulatory Information as per Schedule III to the Companies Act, 2013 (Contd.)**

| Description of item of property  | Gross carrying value as at 31 March 2024 (₹ in crore) | Gross carrying value as at 31 March 2023 (₹ in crore) | Title deeds held in the name of | Whether title deed holder is a promoter, director or relative of promoter/director or employee of promoter/director | Property held since which date | Reason for not being held in the name of the company   |
|--|---|---|---------------------------------|---|--------------------------------|--|
| 400/220 KV S/S Dwarka  | 63.13   | 63.13   | GNCTD                           | No  | 01-04-2018                     | Execution of lease deed is pending on account of procedural delays.  |
| 400/220 KV S/S Tuglakabad  | 35.52   | 35.52   | GNCTD                           | No  | 01-04-2018                     | Lease agreement had expired & the company is in the process of negotiating the lease terms.  |
| Vishakapatnam  | 0.08  | 0.08  | Rashtriya Ispat Nigam Limited   | No  | 23.03.2022                     | Subject land is Govt./Forest land in record of HP Govt. As per GOI guidelines, Forest Land diverted to Non Forestry purpose under FCA 1980 will be having legal status as "Forest" even after diversion.   |
| 400/220 kV GIS Pooling Station Chambha,Village Mohal Rajera Tehsil & Distt. Chambha (HP)             | 12.36   | 12.36   | HP Govt                         | No  | 19-10-2011                     | Govt of India (MOP) has declared Srinagar Leh Transmission system (SLTS) project as Interstate Transmission System Projects (ISTS) and the same has been transferred to Powergrid. Land in UT of Ladakh (Erstwhile State of Jammu & Kashmir) is acquired by State Government under state land acquisition act. As per law the UT/state government remains the owner of the land acquired, and the company is only given possession for specific use. |
| SLTS_Kargil Substation (UT of Ladakh)  | 0.00  | 0.00  | PDD Kargil                      | No  | 31-10-2019                     |  |
| SLTS_Drass Substation (UT of Ladakh)   | 0.00  | 0.00  | PDD Kargil                      | No  | 31-10-2019                     |  |
| SLTS_Leh Substation (UT of Ladakh)   | 0.00  | 0.00  | PDD Leh                         | No  | 31-10-2019                     |  |
| SLTS_Khalisti Substation (UT of Ladakh)  | 0.00  | 0.00  | PDD Leh                         | No  | 31-10-2019                     |  |
| Wagoora_400/220 kV Sub-Station Wagoora, Village Wagoora Tehsil & Distt Budgam, Kashmir               | 1.33  | 1.33  | Govt of J&K                     | No  | FY 1993-94 onwards             | Land in UT of J&K is acquired by UT /State Government under state land acquisition act. As per law the UT/state government remains the owner of the land acquired and company is only given possession for specific use.   |
| New wanpoh_400/220 kV Sub-Station New Wanpoh, Village Damjan, Tehsil Dooru, Distt. Anantnag, Kashmir | 25.45   | 25.45   | Govt of J&K                     | No  | 30-11-2010                     |  |



**64. Additional Regulatory Information as per Schedule III to the Companies Act, 2013 (Contd.)**

| Description of item of property   | Gross carrying value as at 31 March 2024 (₹ in crore) | Gross carrying value as at 31 March 2023 (₹ in crore) | Title deeds held in the name of | Whether title deed holder is a promoter, director or relative of promoter/director or employee of promoter/director | Property held since which date | Reason for not being held in the name of the company   |
|---|---|---|---------------------------------|---|--------------------------------|--|
| Kishenpur Township_800/400/220 kV Sub-Station Kishenpur, Village Kharta Tehsil Jindhra & Distt. Jammu (TOWNSHIP LAND) | 0.06  | 0.06  | Govt of J&K                     | No  | 31-03-1995                     | Land in UT of J&K is acquired by UT /State Government under state land acquisition act. As per law the UT/state government remains the owner of the land acquired and company is only given possession for specific use. |
| Kishenpur_800/400/220 kV Sub-Station Kishenpur, Village Kharta Tehsil Jindhra & Distt. Jammu                          | 0.34  | 0.34  | Govt of J&K                     | No  | 31-03-1993                     |  |
| Narwal_Line Office Narwal   | 0.00  | 0.00  | Govt of J&K                     | No  | FY 1993-94 onwards             |  |
| Samba_Samba s/s Land  | 11.60   | 11.60   | Govt of J&K                     | No  | 19-04-2012                     |  |
| TL Land in UT of Jammu and Kashmir  | 93.99   | 93.95   | Govt of J&K                     | No  | FY 1993-94 onwards             |  |
| <b>Building</b>   | <b>2.96</b>   | <b>2.96</b>   |                                 |   |                                |  |
| Buildings (Flats in Mumbai)   | 2.96  | 2.96  | MHADA                           | No  | Since 02-01-2017               |  |

**64. Additional Regulatory Information as per Schedule III to the Companies Act, 2013 (Contd.)**

b) Aging of Capital Work in Progress is as follows:

(₹ in crore)

| Particulars                    | <1 Year         | 1-2 Years       | 2-3 Years     | >3 Years        | Total           |
|--------------------------------|-----------------|-----------------|---------------|-----------------|-----------------|
| <b>As at 31 March 2024</b>     |                 |                 |               |                 |                 |
| Projects in progress           | 5,700.61        | 1,858.02        | 615.61        | 1,406.92        | 9,581.16        |
| Projects temporarily suspended | -               | -               | -             | -               | -               |
| <b>Total</b>                   | <b>5,700.61</b> | <b>1,858.02</b> | <b>615.61</b> | <b>1,406.92</b> | <b>9,581.16</b> |
| <b>As at 31 March 2023</b>     |                 |                 |               |                 |                 |
| Projects in progress           | 4,701.42        | 1,092.43        | 444.69        | 1,429.59        | 7,668.13        |
| Projects temporarily suspended | -               | -               | -             | -               | -               |
| <b>Total</b>                   | <b>4,701.42</b> | <b>1,092.43</b> | <b>444.69</b> | <b>1,429.59</b> | <b>7,668.13</b> |

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

For the projects as on 31 March 2024:

(₹ in crore)

| Particulars          | Project  | To be completed in |           |           |          |        |
|----------------------|--|--------------------|-----------|-----------|----------|--------|
|                      |  | <1 Year            | 1-2 Years | 2-3 Years | >3 Years | Total  |
| Projects in Progress | POWERGRID Works associated with immediate evacuation for North Karanpura (3X660 MW) generation project of NTPC | 51.79              | -         | -         | -        | 51.79  |
| Projects in Progress | Transmission System for power evacuation from Arun-3 (900 MW) HEP, Nepal of M/s SAPDC - Indian Portion         | 150.51             | -         | -         | -        | 150.51 |
| Projects in Progress | Eastern Region Expansion Scheme-XXVII (ERES-XXVII)   | 13.55              | -         | -         | -        | 13.55  |
| Projects in Progress | Upgradation of SCADA/RTUs/SAS in Central Sector Stations and strengthening of OPGW Network in Eastern Region   | 19.04              | -         | -         | -        | 19.04  |
| Projects in Progress | North Eastern Region Strengthening Scheme-XII (NERSS-XII)  | 475.29             | -         | -         | -        | 475.29 |
| Projects in Progress | Eastern Region Strengthening Scheme-XXII   | 4.61               | -         | -         | -        | 4.61   |
| Projects in Progress | Phase-I Unified Real Time Dynamic State Measurement (URTDSM)   | 3.27               | -         | -         | -        | 3.27   |
| Projects in Progress | Communication System under Eastern Region Fibre Optic Expansion Project (Additional Requirement)               | 9.61               | -         | -         | -        | 9.61   |
| Projects in Progress | Establishment of Reliable Communication Scheme under central sector for Eastern Region                         | 5.21               | -         | -         | -        | 5.21   |
| Projects in Progress | System Strengthening Scheme in Northern Region-XXXVII (NRSS-XXXVII)  | 27.81              | -         | -         | -        | 27.81  |
| Projects in Progress | ICTs & Bays associated with Northern Region System Strengthening Scheme - XXXVIII (NRSS-XXXVIII)               | 293.76             | -         | -         | -        | 293.76 |
| Projects in Progress | Northern Region System Strengthening-XL (NRSS-XL)  | 42.32              | -         | -         | -        | 42.32  |

**64. Additional Regulatory Information as per Schedule III to the Companies Act, 2013 (Contd.)**

(₹ in crore)

| Particulars          | Project  | To be completed in |           |           |          |          |
|----------------------|--|--------------------|-----------|-----------|----------|----------|
|                      |  | <1 Year            | 1-2 Years | 2-3 Years | >3 Years | Total    |
| Projects in Progress | Construction of 2 Nos. of 400 kV Hybrid/GIS line bays at Varanasi (PG) Sub-Station   | 35.27              | -         | -         | -        | 35.27    |
| Projects in Progress | Reactive Power Compensation on 400kV Transmission Lines in NR  | 1.44               | -         | -         | -        | 1.44     |
| Projects in Progress | Western Region System Strengthening Scheme - V (WRSS-V) (Vapi-New Mumbai)  | 482.62             | -         | -         | -        | 482.62   |
| Projects in Progress | Transmission Network Expansion in Gujarat to increase its ATC from ISTS Part B   | 2,179.34           | -         | -         | -        | 2,179.34 |
| Projects in Progress | Transmission System Associated with Mundra Ultra Mega Power Project  | -                  | 121.07    | -         | -        | 121.07   |
| Projects in Progress | POWERGRID Works associated with Additional 400kV feed to Goa   | 23.91              | -         | -         | -        | 23.91    |
| Projects in Progress | Western Region System Scheme-XIX (POWERGRID Works)   | 67.19              | -         | -         | -        | 67.19    |
| Projects in Progress | Transmission System for evacuation of power from RE projects in Wind Energy Zones in Osmanabad area of Maharashtra (IGW): Conversion of 50 MVAR fixed line reactors on each circuit of Parli (PG)-Pune (GIS) 400 kV D/C line at Parli (PG) end into switchable line reactors | 2.25               | -         | -         | -        | 2.25     |
| Projects in Progress | Western Region Expansion Scheme-XXV (WRES-XXV)   | 53.95              | -         | -         | -        | 53.95    |
| Projects in Progress | Procurement of Transformer and Reactor as per ERPC & WRPC Recommendations  | 0.51               | -         | -         | -        | 0.51     |
| Projects in Progress | Augmentation of Transformation Capacity by 1X500 MVA 400/220 kV ICT (3rd) at Raigarh (PG) Sub-Station  | 23.31              | -         | -         | -        | 23.31    |
| Projects in Progress | Establishment of Fibre Optic Communication System in Western Region under Master Communication Plan  | 0.76               | -         | -         | -        | 0.76     |
| Projects in Progress | Transmission Project - Jamnagar Oil Refinery of Reliance Industries Limited (RIL) to connect with Jam Khambhaliya ISTS PS  | 213.07             | -         | -         | -        | 213.07   |
| Projects in Progress | Connectivity and LTA for 325MW Wind Project of M/s SBESS Projects Pvt Ltd  | 4.21               | -         | -         | -        | 4.21     |
| Projects in Progress | Scheme to control fault level at Indore Sub-Station  | 0.06               | -         | -         | -        | 0.06     |
| Projects in Progress | Establishment of Fibre Optic Communication System in Western Region under Master Communication Plan (Additional Requirement)   | 11.46              | -         | -         | -        | 11.46    |
| Projects in Progress | Reliable Communication Scheme under Central Sector for Western Region  | 10.73              | -         | -         | -        | 10.73    |
| Projects in Progress | 1 No. 400kV bay at 765/400 kV Kurnool (New) Sub-Station  | 4.35               | -         | -         | -        | 4.35     |

**64. Additional Regulatory Information as per Schedule III to the Companies Act, 2013 (Contd.)**

(₹ in crore)

| Particulars          | Project   | To be completed in |           |           |          |        |
|----------------------|---|--------------------|-----------|-----------|----------|--------|
|                      |   | <1 Year            | 1-2 Years | 2-3 Years | >3 Years | Total  |
| Projects in Progress | Implementation of 1 No. 400 kV line bay at Kurnool New Sub-Station for providing connectivity to M/s Greenko AP01 IREP Pvt. Ltd. (2nd 400 kV line bay for M/s Greenko)                | 4.92               | -         | -         | -        | 4.92   |
| Projects in Progress | HVDC Bipole link between Western Region (Raigarh, Chhattisgarh) and Southern Region (Pugalur, Tamil Nadu) - North Trichur (Kerala) - Scheme#2: AC System Strengthening at Pugalur end | 37.86              | -         | -         | -        | 37.86  |
| Projects in Progress | Implementation of 1 No. of 230 kV bay at Tuticorin-II GIS PS  | 4.50               | -         | -         | -        | 4.50   |
| Projects in Progress | Augmentation of transformation capacity by 1X500 MVA 400/220 kV ICT (6th) and common facility works at Pavagada (Tumkur) PS   | 2.31               | -         | -         | -        | 2.31   |
| Projects in Progress | Augmentation of transformation capacity by 1X500 MVA, 400/230 kV ICT (4th) at Arasur Sub-Station  | 5.96               | -         | -         | -        | 5.96   |
| Projects in Progress | Fibre Optic Communication System for Central Sector Sub-Stations & generating stations in Southern Region   | 0.89               | -         | -         | -        | 0.89   |
| Projects in Progress | Transmission System associated with Tehri Pump Storage Plant (PSP)  | 3.71               | -         | -         | -        | 3.71   |
| Projects in Progress | Line bays associated with Northern Region System Strengthening Scheme-XXXVI   | 20.76              | -         | -         | -        | 20.76  |
| Projects in Progress | Transmission System for providing connectivity to RE projects at Bikaner (PG), Fatehgarh-II & Bhadla-II   | 63.45              | -         | -         | -        | 63.45  |
| Projects in Progress | Transmission system strengthening scheme for evacuation of power from solar energy zones in Rajasthan (8.1 GW) under Phase II- Part- A1   | 51.38              | -         | -         | -        | 51.38  |
| Projects in Progress | Transmission system strengthening scheme for evacuation of power from solar energy zones in Rajasthan (8.1 GW) under Phase II- Part- G1   | 165.25             | -         | -         | -        | 165.25 |
| Projects in Progress | Transmission system strengthening Scheme for evacuation of power from solar energy zones in Rajasthan (8.1 GW) under Phase II - Part B1   | 185.63             | -         | -         | -        | 185.63 |
| Projects in Progress | Implementation of 400 kV bays for RE generators at Bhadla-II PS and Fatehgarh-II PS   | 15.50              | -         | -         | -        | 15.50  |
| Projects in Progress | Implementation of 1X80 MVAR 765 kV Spare Reactor at Bhadla-II Sub-Station   | 1.54               | -         | -         | -        | 1.54   |
| Projects in Progress | 220 kV bays at 400 kV substation PG Khatkar (Jind) & Naggal (Panchkula) substation  | 17.35              | -         | -         | -        | 17.35  |
| Projects in Progress | Augmentation of Transformation Capacity at Bhinmal (PG) Sub-Station by 1X315 MVA 400/220 kV ICT (3rd)   | 4.76               | -         | -         | -        | 4.76   |
| Projects in Progress | Transmission System for evacuation of power from REZ in Rajasthan (20 GW) under Phase-III Part-J  | -                  | 5.68      | -         | -        | 5.68   |



**64. Additional Regulatory Information as per Schedule III to the Companies Act, 2013 (Contd.)**

(₹ in crore)

| Particulars          | Project   | To be completed in |           |           |          |          |
|----------------------|---|--------------------|-----------|-----------|----------|----------|
|                      |   | <1 Year            | 1-2 Years | 2-3 Years | >3 Years | Total    |
| Projects in Progress | Augmentation of Transformation Capacity by 1X500 MVA 400/220 kV ICT (3rd) to cater to the N-1 contingency requirement at Bikaner PS                               | 7.79               | -         | -         | -        | 7.79     |
| Projects in Progress | North East - Northern / Western Interconnector - I Project  | 1,702.45           | -         | -         | -        | 1,702.45 |
| Projects in Progress | POWERGRID works associated with North-Eastern Regional System Strengthening Scheme-V  | 71.10              | -         | -         | -        | 71.10    |
| Projects in Progress | Transmission System for North Eastern Region Strengthening Scheme-XIV (NERSS-XIV)   | 53.30              | -         | -         | -        | 53.30    |
| Projects in Progress | POWERGRID works associated with North Eastern Region Strengthening Scheme-II, Part-B (NERSS-II-B)   | 91.67              | -         | -         | -        | 91.67    |
| Projects in Progress | North Eastern Region Strengthening Scheme-IX (NERSS-IX)   | 6.42               | -         | -         | -        | 6.42     |
| Projects in Progress | North Eastern Region Strengthening Scheme-XIII (NERSS-XIII)   | 39.41              | -         | -         | -        | 39.41    |
| Projects in Progress | North Eastern Region Expansion Scheme-XVII (NERES-XVII)   | 1.65               | -         | -         | -        | 1.65     |
| Projects in Progress | Establishment of Fibre Optic Communication System under Wide Band Communication Expansion Plan in North-Eastern Region  | 39.41              | -         | -         | -        | 39.41    |
| Projects in Progress | Establishment of Fibre Optic Communication Scheme (Additional) under central sector for North Eastern Region  | 28.20              | -         | -         | -        | 28.20    |
| Projects in Progress | Replacement of Old RTUs in North Eastern Region   | 2.21               | -         | -         | -        | 2.21     |
| Projects in Progress | Establishment of State-of-the-art Unified Centralised Network Management System U-NMS for North Eastern Region (NER) ISTS and State Utility Communication Network | 78.51              | -         | -         | -        | 78.51    |
| Projects in Progress | Establishment of Fibre Optic Communication System in Northern Region under Fibre Optic Expansion Project (additional Requirement)                                 | 2.99               | -         | -         | -        | 2.99     |
| Projects in Progress | Northern Region System Strengthening-XLI (NRSS-XLI)   | 21.24              | -         | -         | -        | 21.24    |
| Projects in Progress | One No.of 220 kV bay at Chamera Pooling Point for 2nd circuit stringing of 220 kV Karian-Chamera Pool Line  | 13.01              | -         | -         | -        | 13.01    |
| Projects in Progress | Requirement of 1 no.220 kV line bay at 400/220 kV Amritsar (PG) by PSTCL  | 2.16               | -         | -         | -        | 2.16     |
| Projects in Progress | Reliable communication Scheme under Central Sector for Northern Region  | 15.03              | -         | -         | -        | 15.03    |

**64. Additional Regulatory Information as per Schedule III to the Companies Act, 2013 (Contd.)**

For the projects as on 31 March 2023:

(₹ in crore)

| Particulars          | Project   | To be completed in |           |           |          |        |
|----------------------|---|--------------------|-----------|-----------|----------|--------|
|                      |   | <1 Year            | 1-2 Years | 2-3 Years | >3 Years | Total  |
| Projects in Progress | Transmission System for Solar Power Parks at Bhadla, Rajasthan  | 21.11              | -         | -         | -        | 21.11  |
| Projects in Progress | Transmission system strengthening for evacuation of power from solar energy zones in Rajasthan (8.1GW) under Phase-II - Part-F1         | 96.63              | -         | -         | -        | 96.63  |
| Projects in Progress | Line bays associated with Northern Region System Strengthening Scheme-XXXVI   | 25.06              | -         | -         | -        | 25.06  |
| Projects in Progress | Northern Region System Strengthening-XL (NRSS-XL)   | 49.70              | -         | -         | -        | 49.70  |
| Projects in Progress | Scheme to control fault level in Northern Region (Phase-II)   | 10.94              | -         | -         | -        | 10.94  |
| Projects in Progress | Transmission System for providing connectivity to RE projects at Bikaner (PG), Fatehgarh-II & Bhadla-II                                 | 85.79              | -         | -         | -        | 85.79  |
| Projects in Progress | 2 Nos. of 220 kV line bays at Saharanpur (PG)   | 2.73               | -         | -         | -        | 2.73   |
| Projects in Progress | Transmission system strengthening scheme for evacuation of power from solar energy zones in Rajasthan (8.1 GW) under Phase II- Part- A1 | 50.60              | -         | -         | -        | 50.60  |
| Projects in Progress | Transmission system strengthening Scheme for evacuation of power from solar energy zones in Rajasthan (8.1 GW) under Phase II - Part B1 | 787.76             | -         | -         | -        | 787.76 |
| Projects in Progress | Provision of Spare ICTs in Northern Region  | 0.20               | -         | -         | -        | 0.20   |
| Projects in Progress | Implementation of 1X80 MVAR 765 kV Spare Reactor at Bhadla-II Sub-Station   | 1.54               | -         | -         | -        | 1.54   |
| Projects in Progress | Provision of 400 kV line bays at Bhiwani (PG)   | 18.98              | -         | -         | -        | 18.98  |
| Projects in Progress | Establishment of Fibre Optic Communication System in Northern Region under Fibre Optic Expansion Project (additional Requirement)       | 14.36              | -         | -         | -        | 14.36  |
| Projects in Progress | Implementation of 500 MVAR Thyristor Controlled Reactor at Kurukshetra 400 kV bus   | 129.75             | -         | -         | -        | 129.75 |
| Projects in Progress | Northern Region System Strengthening-XLI (NRSS-XLI)   | 20.07              | -         | -         | -        | 20.07  |
| Projects in Progress | Northern Region System Strengthening-XLII (NRSS-XLII)   | 10.06              | -         | -         | -        | 10.06  |
| Projects in Progress | One No.of 220 kV bay at Chamera Pooling Point for 2nd circuit stringing of 220 kV Karian-Chamera Pool Line                              | 10.26              | -         | -         | -        | 10.26  |
| Projects in Progress | Reliable communication Scheme under Central Sector for Northern Region  | 44.29              | -         | -         | -        | 44.29  |

**64. Additional Regulatory Information as per Schedule III to the Companies Act, 2013 (Contd.)**

(₹ in crore)

| Particulars          | Project  | To be completed in |           |           |          |          |
|----------------------|--|--------------------|-----------|-----------|----------|----------|
|                      |  | <1 Year            | 1-2 Years | 2-3 Years | >3 Years | Total    |
| Projects in Progress | System Strengthening Scheme in Northern Region-XXXVII (NRSS-XXXVII)  | -                  | 28.24     | -         | -        | 28.24    |
| Projects in Progress | ICTs & Bays associated with Northern Region System Strengthening Scheme - XXXVIII (NRSS-XXXVIII)                       | 274.21             | -         | -         | -        | 274.21   |
| Projects in Progress | Construction of 2 Nos. of 400 kV Hybrid/GIS line bays at Varanasi (PG) Sub-Station                                     | 34.93              | -         | -         | -        | 34.93    |
| Projects in Progress | Implementation of 220kV Bay at Shajanhanpur (PG) 400/220kV Sub-Station   | 2.12               | -         | -         | -        | 2.12     |
| Projects in Progress | 1x500 MVA, 400/220 kV ICT augmentation (3rd) at Sohawal (PG) under system strengthening                                | 22.74              | -         | -         | -        | 22.74    |
| Projects in Progress | North East - Northern / Western Interconnector - I Project   | 1,498.19           | -         | -         | -        | 1,498.19 |
| Projects in Progress | POWERGRID works associated with North-Eastern Regional System Strengthening Scheme-V                                   | 68.33              | -         | -         | -        | 68.33    |
| Projects in Progress | North-Eastern Region Strengthening Scheme-X (NERSS-X)  | 46.69              | -         | -         | -        | 46.69    |
| Projects in Progress | North Eastern Region Strengthening Scheme-XII (NERSS-XII)  | 407.91             | -         | -         | -        | 407.91   |
| Projects in Progress | Transmission System for North Eastern Region Strengthening Scheme-XIV (NERSS-XIV)                                      | 50.39              | -         | -         | -        | 50.39    |
| Projects in Progress | POWERGRID works associated with North Eastern Region Strengthening Scheme-II, Part-B (NERSS-II-B)                      | 87.48              | -         | -         | -        | 87.48    |
| Projects in Progress | North Eastern Region Strengthening Scheme - III (NERSS-III)  | 54.26              | -         | -         | -        | 54.26    |
| Projects in Progress | POWERGRID works associated with North Eastern Region Strengthening Scheme-VI   | 24.19              | -         | -         | -        | 24.19    |
| Projects in Progress | Provision of spare transformer & reactor in North Eastern Region   | 27.55              | -         | -         | -        | 27.55    |
| Projects in Progress | North-Eastern Region Strengthening Scheme-XI (NERSS-XI)  | 40.17              | -         | -         | -        | 40.17    |
| Projects in Progress | North Eastern Region Strengthening Scheme-XIII (NERSS-XIII)  | 51.16              | -         | -         | -        | 51.16    |
| Projects in Progress | Establishment of Fibre Optic Communication System under Wide Band Communication Expansion Plan in North-Eastern Region | 36.73              | -         | -         | -        | 36.73    |
| Projects in Progress | Establishment of Fibre Optic Communication Scheme (Additional) under central sector for North Eastern Region           | 23.01              | -         | -         | -        | 23.01    |
| Projects in Progress | Replacement of Old RTUs in North Eastern Region  | 2.18               | -         | -         | -        | 2.18     |
| Projects in Progress | VSAT based communication system  | 0.21               | -         | -         | -        | 0.21     |

**64. Additional Regulatory Information as per Schedule III to the Companies Act, 2013 (Contd.)**

(₹ in crore)

| Particulars          | Project  | To be completed in |           |           |          |        |
|----------------------|--|--------------------|-----------|-----------|----------|--------|
|                      |  | <1 Year            | 1-2 Years | 2-3 Years | >3 Years | Total  |
| Projects in Progress | POWERGRID Works associated with immediate evacuation for North Karanpura (3X660 MW) generation project of NTPC   | 45.99              | -         | -         | -        | 45.99  |
| Projects in Progress | Eastern Region Expansion Scheme-XXVI (ERES-XXVI)   | 1.68               | -         | -         | -        | 1.68   |
| Projects in Progress | Establishment of Communication System under Expansion/Up-gradation of SCADA/EMS system at SLDCs of Eastern Region (BSPTCL & DVC)   | 17.17              | -         | -         | -        | 17.17  |
| Projects in Progress | Communication System under Eastern Region Fibre Optic Expansion Project (Additional Requirement)   | 38.29              | -         | -         | -        | 38.29  |
| Projects in Progress | Eastern Region Strengthening Scheme-XVII (Part-B) [ERSS-XVII (Part-B)]   | 50.06              | -         | -         | -        | 50.06  |
| Projects in Progress | POWERGRID works associated with Transmission System Strengthening in Indian System for transfer of power from new HEPs in Bhutan   | 30.02              | -         | -         | -        | 30.02  |
| Projects in Progress | Eastern Region Strengthening Scheme-XXII   | 26.69              | -         | -         | -        | 26.69  |
| Projects in Progress | Establishment of Reliable Communication Scheme under central sector for Eastern Region   | 9.87               | -         | -         | -        | 9.87   |
| Projects in Progress | Fibre Optic Communication System in Eastern Region under expansion of Wideband Communication Network in Eastern Region   | 6.44               | -         | -         | -        | 6.44   |
| Projects in Progress | Phase-I Unified Real Time Dynamic State Measurement (URTDSM)   | 3.31               | -         | -         | -        | 3.31   |
| Projects in Progress | Western Region System Strengthening Scheme - V   | 467.64             | -         | -         | -        | 467.64 |
| Projects in Progress | Transmission System Associated with Mundra Ultra Mega Power Project  | 116.12             | -         | -         | -        | 116.12 |
| Projects in Progress | Additional system for power evacuation from generation projects pooled at Raigarh (Tamnar) Pool  | 83.26              | -         | -         | -        | 83.26  |
| Projects in Progress | Transmission System strengthening beyond Kolhapur for export of power from Solar & Wind Energy Zones in Southern Region - Reconductoring of Kolhapur (PG) - Kolhapur 400 kV D/C line | 34.21              | -         | -         | -        | 34.21  |
| Projects in Progress | POWERGRID Works associated with Additional 400kV feed to Goa   | 23.39              | -         | -         | -        | 23.39  |
| Projects in Progress | Establishment of Fibre Optic Communication System in Western Region under Master Communication Plan  | 0.75               | -         | -         | -        | 0.75   |
| Projects in Progress | POWERGRID works associated with transmission system strengthening in WR associated with Khargone TPS   | 103.53             | -         | -         | -        | 103.53 |
| Projects in Progress | Extension works at POWERGRID substations for Interconnection of RE projects  | 5.53               | -         | -         | -        | 5.53   |



**64. Additional Regulatory Information as per Schedule III to the Companies Act, 2013 (Contd.)**

(₹ in crore)

| Particulars          | Project   | To be completed in |           |           |          |       |
|----------------------|---|--------------------|-----------|-----------|----------|-------|
|                      |   | <1 Year            | 1-2 Years | 2-3 Years | >3 Years | Total |
| Projects in Progress | Connectivity and LTA for 325MW Wind Project of M/s SBESS Projects Pvt Ltd   | 5.51               | -         | -         | -        | 5.51  |
| Projects in Progress | Scheme to control fault level at Indore Sub-Station   | 0.02               | -         | -         | -        | 0.02  |
| Projects in Progress | Establishment of Fibre Optic Communication System in Western Region under Master Communication Plan (Additional Requirement)  | 11.28              | -         | -         | -        | 11.28 |
| Projects in Progress | Reliable Communication Scheme under Central Sector for Western Region   | 11.78              | -         | -         | -        | 11.78 |
| Projects in Progress | System Strengthening-XXV in Southern Region   | 38.87              | -         | -         | -        | 38.87 |
| Projects in Progress | Augmentation of Transformation Capacity in Southern Region  | 44.11              | -         | -         | -        | 44.11 |
| Projects in Progress | Reliable Communication Scheme under Central Sector for Southern Region  | 39.23              | -         | -         | -        | 39.23 |
| Projects in Progress | HVDC Bipole link between Western Region (Raigarh, Chhattisgarh) and Southern Region (Pugalur, Tamil Nadu) - North Trichur (Kerala) - Scheme#2: AC System Strengthening at Pugalur end | 39.16              | -         | -         | -        | 39.16 |
| Projects in Progress | Transmission System for evacuation of power from 2X500 MW Neyveli Lignite Corp. Ltd. TS-1 (Replacement) (NNTPS) in Neyveli, Tamil Nadu  | 40.55              | -         | -         | -        | 40.55 |
| Projects in Progress | Evacuation of RE in Tirunelveli and Tuticorin Wind Energy Zone (Tamil Nadu) 500 MW  | 33.10              | -         | -         | -        | 33.10 |
| Projects in Progress | Augmentation of transformation capacity at existing Hiriyur and Kochi Sub-Stations  | 34.59              | -         | -         | -        | 34.59 |
| Projects in Progress | Implementation of 1 No. of 230 kV bay at Tuticorin-II GIS PS  | 4.65               | -         | -         | -        | 4.65  |
| Projects in Progress | Fibre Optic Communication System for Central Sector Sub-Stations & generating stations in Southern Region   | 0.83               | -         | -         | -        | 0.83  |
| Projects in Progress | OPGW Project (1517 km)-Telecom  | 1.99               | -         | -         | -        | 1.99  |
| Projects in Progress | Pkg-U,V,W,X,I-1,I-2 & I-3 -Telecom  | 30.00              | -         | -         | -        | 30.00 |
| Projects in Progress | Pkg-M-1,M-2 & M-3 - Telecom   | 13.82              | -         | -         | -        | 13.82 |
| Projects in Progress | Package-Z - Telecom   | 0.69               | -         | -         | -        | 0.69  |
| Projects in Progress | Network for NTAMC - Telecom   | 7.19               | -         | -         | -        | 7.19  |

**64. Additional Regulatory Information as per Schedule III to the Companies Act, 2013 (Contd.)**

d) Aging of Intangible assets under development is as follows:

(₹ in crore)

| Particulars                    | <1 Year      | 1-2 Years    | 2-3 Years    | >3 Years    | Total        |
|--------------------------------|--------------|--------------|--------------|-------------|--------------|
| <b>As at 31 March 2024</b>     |              |              |              |             |              |
| Projects in progress           | 59.93        | 0.18         | 24.66        | 6.24        | 91.01        |
| Projects temporarily suspended | -            | -            | -            | -           | -            |
| <b>Total</b>                   | <b>59.93</b> | <b>0.18</b>  | <b>24.66</b> | <b>6.24</b> | <b>91.01</b> |
| <b>As at 31 March 2023</b>     |              |              |              |             |              |
| Projects in progress           | 0.18         | 24.66        | -            | 6.24        | 31.08        |
| Projects temporarily suspended | -            | -            | -            | -           | -            |
| <b>Total</b>                   | <b>0.18</b>  | <b>24.66</b> | <b>-</b>     | <b>6.24</b> | <b>31.08</b> |

e) For Intangible assets under development, whose completion is overdue or has exceeded its cost compared to its original plan, Intangible assets under development completion schedule is as follows:

For projects as on 31 March 2024:

(₹ in crore)

| Particulars          | Project   | To be completed in |           |           |          |       |
|----------------------|---|--------------------|-----------|-----------|----------|-------|
|                      |   | <1 Year            | 1-2 Years | 2-3 Years | >3 Years | Total |
| Projects in Progress | Transmission System for power evacuation from Arun-3 (900 MW) HEP, Nepal of M/s SAPDC - Indian Portion                    | 1.04               | -         | -         | -        | 1.04  |
| Projects in Progress | Western Region System Strengthening Scheme - V (WRSS-V) (Vapi-New Mumbai)   | 6.24               | -         | -         | -        | 6.24  |
| Projects in Progress | Transmission Network Expansion in Gujarat to increase its ATC from ISTS Part B  | 51.87              | -         | -         | -        | 51.87 |
| Projects in Progress | Transmission Project - Jamnagar Oil Refinery of Reliance Industries Limited (RIL) to connect with Jam Khambhaliya ISTS PS | 0.02               | -         | -         | -        | 0.02  |
| Projects in Progress | North East - Northern / Western Interconnector - I Project  | 24.81              | -         | -         | -        | 24.81 |

For projects as on 31 March 2023:

(₹ in crore)

| Particulars          | Project  | To be completed in |           |           |          |       |
|----------------------|--|--------------------|-----------|-----------|----------|-------|
|                      |  | <1 Year            | 1-2 Years | 2-3 Years | >3 Years | Total |
| Projects in Progress | North East - Northern / Western Interconnector - I Project | 24.66              | -         | -         | -        | 24.66 |
| Projects in Progress | Western Region System Strengthening Scheme - V             | 6.24               | -         | -         | -        | 6.24  |

f) 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.

g) The Company was sanctioned a working capital limit of ₹ 6,950 crore (Previous Year ₹ 7,200 crore) secured against current assets by consortium of banks. The quarterly returns of current assets have been filed by the company during the financial year and are in agreement with books of accounts.

**64. Additional Regulatory Information as per Schedule III to the Companies Act, 2013 (Contd.)**

h) The company was not declared as a wilful defaulter by any bank or financial Institution or other lender during the financial year.

i) Relationship with Struck off Companies:

(₹ in crore)

| Name of struck off Company  | Nature of transactions with struck off Company | Balance outstanding as at 31 March 2024 | Balance outstanding as at 31 March 2023 | Relationship with the Struck off company |
|---|--|---|---|--|
| Ace Consultants Pvt. Ltd.   | Payables                                       | -                                       | 0.00                                    | Not a related party                      |
| Beautex Advertising Media Private Limited                         | Payables                                       | 0.03                                    | 0.03                                    | Not a related party                      |
| Braintech Infra Private Limited                                   | Payables                                       | 0.00                                    | 0.00                                    | Not a related party                      |
| Deligent Networks Private Limited                                 | Payables                                       | 0.01                                    | 0.01                                    | Not a related party                      |
| Eric Media Private Limited  | Payables                                       | (0.00)                                  | 0.00                                    | Not a related party                      |
| Fortune Marketing Private Limited                                 | Payables                                       | 0.00                                    | 0.00                                    | Not a related party                      |
| Hvac Systems Private Limited                                      | Payables                                       | 0.00                                    | 0.00                                    | Not a related party                      |
| J K Paper Sacks Pvt. Ltd  | Payables                                       | 0.00                                    | 0.00                                    | Not a related party                      |
| Jason Communication Private Limited                               | Payables                                       | -                                       | 0.00                                    | Not a related party                      |
| Matrix Telecom Solutions Private Limited                          | Payables                                       | 0.00                                    | 0.00                                    | Not a related party                      |
| Mittsoo Solutions Private Limited                                 | Payables                                       | 0.00                                    | 0.00                                    | Not a related party                      |
| Monarch Electronics Private Limited                               | Payables                                       | 0.00                                    | 0.00                                    | Not a related party                      |
| Om Services And Cargo Private Limited                             | Payables                                       | 0.00                                    | 0.00                                    | Not a related party                      |
| Orient Cargo Movers Private Limited                               | Payables                                       | 0.00                                    | 0.00                                    | Not a related party                      |
| Quality Research Services Private Limited                         | Payables                                       | 0.00                                    | 0.00                                    | Not a related party                      |
| Raj Cable Network Private Limited                                 | Payables                                       | 0.00                                    | 0.00                                    | Not a related party                      |
| Rana Enterprises India Private Limited                            | Payables                                       | 0.00                                    | 0.00                                    | Not a related party                      |
| Sharma Communications Private Limited                             | Payables                                       | 0.00                                    | 0.00                                    | Not a related party                      |
| Siddharam Infrastructure Private Limited                          | Payables                                       | 0.04                                    | 0.04                                    | Not a related party                      |
| Sigma Security Services Private Limited                           | Payables                                       | 0.01                                    | 0.01                                    | Not a related party                      |
| Synergy Telecommunications Private Limited                        | Payables                                       | -                                       | 0.16                                    | Not a related party                      |
| Tgn Networks Private Limited                                      | Payables                                       | NA                                      | 0.00                                    | Not a related party                      |
| Visaag Technologies Private Limited                               | Payables                                       | -                                       | 0.00                                    | Not a related party                      |
| Yumiko Global Infra Tech Private Limited                          | Payables                                       | 0.03                                    | 0.11                                    | Not a related party                      |
| Excellent Infra Electric & Communication Private Limited          | Payables                                       | 0.09                                    | 0.07                                    | Not a related party                      |
| Grid Solutions Private Limited                                    | Payables                                       | 4.56                                    | 3.65                                    | Not a related party                      |
| Pcn Buildcon Private Limited                                      | Payables                                       | 0.01                                    | 0.01                                    | Not a related party                      |
| Institute Of Electrical And Electronics Engineers Private Limited | Payables                                       | -                                       | -                                       | Not a related party                      |
| Ambala Broadband Services Private Limited                         | Receivables                                    | -                                       | 0.00                                    | Not a related party                      |
| Bluesky Communications Private Limited                            | Receivables                                    | -                                       | 0.00                                    | Not a related party                      |
| Waltair Entertainment Private Limited                             | Receivables                                    | -                                       | -                                       | Not a related party                      |
| Arctos Telecom Private Limited (Opc)                              | Receivables                                    | -                                       | 0.08                                    | Not a related party                      |

**64. Additional Regulatory Information as per Schedule III to the Companies Act, 2013 (Contd.)**

(₹ in crore)

| Name of struck off Company                         | Nature of transactions with struck off Company | Balance outstanding as at 31 March 2024 | Balance outstanding as at 31 March 2023 | Relationship with the Struck off company |
|--|--|---|---|--|
| Beamon Technologies Private Limited                | Receivables                                    | -                                       | 0.04                                    | Not a related party                      |
| Expeditive Infotech Private Limited                | Receivables                                    | -                                       | 0.08                                    | Not a related party                      |
| Glan Solution India Private Limited                | Receivables                                    | -                                       | 0.03                                    | Not a related party                      |
| Roofers Media Private Limited                      | Receivables                                    | -                                       | 0.02                                    | Not a related party                      |
| Shubhra Communications Private Limited             | Receivables                                    | -                                       | 0.04                                    | Not a related party                      |
| Vaishali Computech Private Limited                 | Receivables                                    | -                                       | 0.00                                    | Not a related party                      |
| Viscom Media Private Limited                       | Receivables                                    | -                                       | 0.02                                    | Not a related party                      |
| Yash Techno Media Private Limited                  | Receivables                                    | -                                       | 0.06                                    | Not a related party                      |
| Pinnacle India Safety And Security Private Limited | Shares held by struck off company              | 0.06                                    | -                                       | Not a related party                      |
| Anjal Impex Pvt. Ltd                               | Shares held by struck off company              | 0.00                                    | 0.00                                    | Not a related party                      |
| Century Marbles & Granites Pvt Ltd                 | Shares held by struck off company              | 0.28                                    | 0.01                                    | Not a related party                      |
| Isairis Trading Private Limited                    | Shares held by struck off company              | 0.00                                    | 0.00                                    | Not a related party                      |
| J.B. And Brothers Private Limited                  | Shares held by struck off company              | NA                                      | 0.00                                    | Not a related party                      |
| Kothari Intergroup Ltd.                            | Shares held by struck off company              | 0.00                                    | 0.00                                    | Not a related party                      |
| Unickon Fincap Private Limited                     | Shares held by struck off company              | 0.64                                    | 0.02                                    | Not a related party                      |
| Vaishak Shares Limited                             | Shares held by struck off company              | 0.00                                    | 0.00                                    | Not a related party                      |
| Vitalink Wealth Advisory Services Private Limited  | Shares held by struck off company              | 0.02                                    | 0.00                                    | Not a related party                      |
| Zenith Insurance Services Pvt Ltd                  | Shares held by struck off company              | 0.02                                    | NA                                      | Not a related party                      |

j) The Company has registered charges or satisfaction of charges during the financial year with Registrar within statutory period.

k) The company has complied with the number of layers prescribed under clause (87) of section 2 of the Act read with the Companies (Restriction on number of Layers) Rules, 2017 during the financial year.



**64. Additional Regulatory Information as per Schedule III to the Companies Act, 2013 (Contd.)**

## I) Ratios

| Ratio#                               | Numerator   | Denominator  | Current Year | Previous Year | Variance | Reason for variance >25%                                  |
|--------------------------------------|---|--|--------------|---------------|----------|---|
| (a) Current Ratio                    | Current Assets  | Current Liabilities                                      | 0.80         | 0.88          | -9%      |   |
| (b) Debt-Equity Ratio                | Total Debt  | Shareholder's Equity                                     | 1.42         | 1.55          | -8%      |   |
| (c) Debt Service Coverage Ratio      | Profit for the period + Depreciation and amortisation expense + Finance costs + FERV + Loss on Sale of Fixed Assets | Finance costs + Lease Payments + Principal Repayments    | 1.65         | 1.52          | 9%       |   |
| (d) Return on Equity Ratio           | Profit for the period   | Average Shareholder's Equity                             | 18%          | 19%           | -5%      |   |
| (e) Inventory turnover ratio         | Revenue from Operations   | Average Inventory (before deducting provision)           | 32.48        | 32.24         | 1%       |   |
| (f) Trade Receivables turnover ratio | Revenue from Operations   | Average Trade Receivables (before deducting provision)   | 3.21         | 3.03          | 6%       |   |
| (g) Trade payables turnover ratio    | Gross Other Expense (-) FERV, Provisions, Loss on disposal of PPE   | Average Trade payables                                   | 9.49         | 10.94         | -13%     |   |
| (h) Net capital turnover ratio *     | Revenue from Operations   | Current Assets - Current Liabilities                     | -            | -             | -        |   |
| (i) Net profit ratio                 | Profit for the period   | Revenue from Operations                                  | 36%          | 35%           | 3%       |   |
| (j) Return on Capital employed       | Earnings before interest and taxes  | Tangible Net Worth + Total Debt + Deferred Tax Liability | 13%          | 13%           | 0%       |   |
| (k) Return on investment             | Income from Investments & Capital Appreciation  | Time weighted Investments                                | 11%          | 8%            | 38%      | Due to increase of return from Investment in Subsidiaries |

\* Ratio cannot be calculated as denominator is negative.

# All ratios are calculated including discontinued operations, assets classified as held for sale.

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

**65. Discontinued Operations**

The Board of directors in their meeting held on 14 July 2023 have approved the proposal for transfer of Telecommunications Business of the company to Powergrid Teleservices Limited (PTL), a wholly owned subsidiary of the company. The critical transmission assets including all cores of OPGW cables etc. are kept with the company and depreciation is charged and residual value is adopted as per the accounting policy of the company. This does not have a material impact on profitability of the company. Thus, Telecommunications Business of the Company which was transferred to PTL w.e.f. 01 October 2023 on slump sale basis at a consideration of ₹655.02 crore is presented as Discontinued Operations and excluded from the Continuing Operations in the Statement of Profit and Loss in current and previous year as per Ind AS 105- "Non-current Assets Held for Sale and Discontinued Operations".

**Net Assets of Telecom business**

(₹ in crore)

| Particulars  | As on 01 October 2023 |
|--|-----------------------|
| Non-Current Assets   | 940.07                |
| Current Assets   | 307.70                |
| <b>Total Assets associated with Telecom</b>                            | <b>1,247.77</b>       |
| Non-Current Liabilities  | 274.73                |
| Current Liabilities  | 318.02                |
| <b>Total Liabilities directly associated with Telecom</b>              | <b>592.75</b>         |
| <b>Net Assets directly associated with Telecom</b>                     | <b>655.02</b>         |
| <b>Consideration received on transfer in the form of Equity shares</b> | <b>655.02</b>         |

**Profit and loss of Discontinued Operations:**

(₹ in crore)

| Particulars   | For the year ended 31 March 2024* | For the year ended 31 March 2023 |
|---|-----------------------------------|----------------------------------|
| Revenue From Operations   | 392.82                            | 728.98                           |
| Other Income  | 7.26                              | 11.57                            |
| <b>Total Income</b>   | <b>400.08</b>                     | <b>740.55</b>                    |
| Employee benefits expense   | 51.70                             | 104.61                           |
| Finance costs   | 15.71                             | 37.05                            |
| Depreciation and amortisation expense                                   | 25.34                             | 81.36                            |
| Other expenses  | 173.16                            | 289.79                           |
| <b>Total expenses</b>   | <b>265.91</b>                     | <b>512.81</b>                    |
| Fair valuation loss on measurement of assets of discontinued operations | 17.90                             | -                                |
| <b>Profit before Tax from Discontinued Operations</b>                   | <b>116.27</b>                     | <b>227.74</b>                    |
| Tax expense:  |                                   |                                  |
| Current Tax   | 20.21                             | 38.85                            |
| Deferred Tax  | (1.07)                            | (22.11)                          |
|   | <b>19.14</b>                      | <b>16.74</b>                     |
| <b>Profit from Discontinued Operations</b>                              | <b>97.13</b>                      | <b>211.00</b>                    |

\*Transactions till 30 September 2023

Depreciation amounting ₹17.90 crore has been ceased on telecom assets w.e.f. 14 July 2023 (i.e., Date of approval by Board for transfer of Telecommunications Business) till 30 September 2023.

**Net Cash flow attributable to Telecom business are as follows:**

(₹ in crore)

| Particulars  | For the year ended<br>31 March 2024* | For the year ended<br>31 March 2023 |
|--|--------------------------------------|-------------------------------------|
| Cash flow from/ (used in) Operating activities       | 74.13                                | 252.93                              |
| Cash flow from/ (used in) Investing activities       | (58.62)                              | (216.23)                            |
| Cash flow from/ (used in) Financing activities       | (15.51)                              | (36.70)                             |
| Net increase/ (decrease) in cash and cash equivalent | -                                    | -                                   |

\*Transactions till 30 September 2023

**66. Other Notes**

**A. Reclassifications in comparative years**

In accordance with Ind AS 8 "Accounting Policies, Changes in Accounting Estimates and Errors" and Ind AS 1 "Presentation of Financial Statements", the Company has reclassified/restated the amounts in financial statements as at 31 March 2023 and 01 April 2022 (beginning of the previous year) as follows:

- As per the opinion of Expert Advisory Committee of Institute of Chartered Accountant of India (EAC of ICAI), trade receivables are to be presented in entirety along with recognition of financial liability for the consideration received from the bank on discounting of such receivables with recourse. Considering the opinion, the amount realised by the company through bill discounting with recourse to the company is included in Current Borrowings instead of netting off with Trade receivables with reclassification of previous year amounting to ₹1,922.61 crore and opening of previous year amounting to ₹4,180.23 crore.
- As per the amendments to Ind AS 12 "Income Taxes" notified by Ministry of Corporate Affairs (MCA), deferred tax amounting of ₹8.70crore is recognised in Other Equity and Deferred Tax Liabilities (Net) as on 01 April 2022 & a decrease of ₹2.52crore in deferred tax expense of FY 2022-23.
- Amount realisable by the company on receipt of refund by Central Transmission Utility Limited (CTUIL) from tax authorities has been reclassified from 'Other Current Financial Assets' to 'Other Non Current Financial Assets' as at the end of the previous year amounting to ₹640.75crore and at the beginning of previous year amounting to ₹270.01crore to the extent of expected to be realised after 12 months from end of reporting period.
- As per the opinion of EAC of ICAI, Income from Scrap generated from other than Property, Plant and Equipment is to be accounted in 'Other Operating Revenue' since the same arises on account of the company's main operating activity. Considering the opinion, an amount of ₹ 21.83 crore has reclassified from 'Other Income' to 'Other Operating Revenue' under 'Revenue from Operations'.

These reclassifications have no effect on the reported Profit & Loss, Total Comprehensive Income and Equity of previous years except for Ind AS 12 amendments. As there is a material effect on the information in the balance sheet at the beginning of the previous year due the reason mentioned in point (a) above, the company has presented a third balance sheet as at the beginning of the preceding year.

Reconciliation of equity as at 31 March 2023 and 01 April 2022 is as follows:

(₹ in crore)

| Particulars                                      | As at 31 March 2023 | As at 01 April 2022 |
|--|---------------------|---------------------|
| Total equity as reported earlier                 | 82,832.96           | 76,151.57           |
| Deferred Tax impact as per Ind AS 12 amendments  | 11.22               | 8.70                |
| Total equity as per restated Financial Statement | 82,844.18           | 76,160.27           |

Reconciliation of Profit after tax for the year ended 31 March 2023 is as follows:

(₹ in crore)

| Particulars  | For the year ended<br>31 March 2023 |
|--|-------------------------------------|
| Profit after Tax as reported earlier                 | 15,333.02                           |
| Add: Deferred Tax impact as per Ind AS 12 amendments | 2.52                                |
| Profit after Tax as per restated Financial Statement | 15,335.54                           |
| Impact on Basic and diluted earnings per share (₹)   | 0.00                                |

**B. Acquisitions under process:**

The Company was the successful bidder in 5 TBCB Projects under the SPVs namely (i) Khavda IV-E2 Power Transmission Limited, (ii) Rajasthan IV C Power Transmission Limited, (iii) Rajasthan IV E Power Transmission Limited, (iv) Sirohi Transmission Limited & (v) Beawar - Mandsaur Transmission Limited. Out of which the company has acquired first 3 companies from concerned Bid Process Coordinator on 15 April 2024 & Letter of Intent (LoI) in respect of remaining 2 companies has been obtained from concerned Bid Process Coordinator on 09 May 2024.

- Central Electricity Regulatory Commission (CERC) vide order dated 25 February 2022 stated that expenses related to employees and other related expenses of Central Transmission Utility of India Limited (CTUIL) shall continue to be taken care of by the company for the period till 31 March 2024 or until further orders, whichever is earlier as the same was allowed through various tariff orders. Hence, the expenses related to functions of CTU are being borne by the company. For impact on employee cost, other expenses and other comprehensive income refer note no. 37, 40 and 42 respectively.

- a) Figures have been rounded off to nearest rupees in crore up to two decimals.

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

**For and on behalf of the Board of Directors**

**Satyaprakash Dash**  
Company Secretary

**G Ravisankar**  
Director (Finance)  
DIN: 08816101

**R K Tyagi**  
Chairman & Managing Director  
DIN: 09632316

**As per our report of even date**

For **S. RAMANAND AIYAR & CO**  
Chartered Accountants  
FRN : 000990N

For **SAGAR & ASSOCIATES**  
Chartered Accountants  
FRN : 003510S

For **SURESH SURANA & ASSOCIATES LLP**  
Chartered Accountants  
FRN : 121750W/W-100010

For **G. D. APTE & CO**  
Chartered Accountants  
FRN : 100515W

**CA Puneet Jain**  
Partner  
M. No. 520928

**CA Ajay Kumar Mishra**  
Partner  
M. No. 205468

**CA Avilas Agarwal**  
Partner  
M. No. 062668

**CA C. M. Dixit**  
Partner  
M. No. 17532

Date: 22 May 2024

Place: Mumbai



**INDEPENDENT AUDITOR'S REPORT  
TO THE MEMBERS OF POWER GRID CORPORATION OF INDIA LIMITED**

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

**Opinion**

We have audited the accompanying Standalone Financial Statements of Power Grid Corporation of India Limited ("the Company"), which comprise the Standalone Balance Sheet as at 31 March 2024, the Standalone Statement of Profit and Loss (including Other Comprehensive Income), the Standalone Statement of Changes in Equity and the Standalone Statement of Cash Flows for the year ended on that date, and notes to the Standalone financial statements including material accounting policies and other explanatory information (hereinafter referred to as "the Standalone Financial Statements").

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 ("the Act") in the manner so required and give a true and fair view in conformity with the accounting principles generally accepted in India, of the state of affairs of the Company as at 31 March 2024, the profit and total comprehensive income, changes in equity and its cash flows for the year ended on that date.

**Basis for Opinion**

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

**Key Audit Matters**

Key audit matters are those matters that, in our professional judgment, were of most significance in our audit of the Standalone Financial Statements for the year ended 31 March 2024. These matters were addressed in the context of our audit of the Standalone Financial Statements as a whole, and in forming our opinion thereon, and we do not provide a separate opinion on these matters. We have determined the matters described below to be the key audit matters to be communicated in our report.

| Sr. No. | Key Audit Matters  | How the matter was addressed in our audit  |
|---------|--|--|
| 1       | <p><b>Recognition of Revenue from Transmission Income</b></p> <p>Transmission Income is accounted for, based on tariff orders notified by the Central Electricity Regulatory Commission "CERC". In case of transmission projects where final tariff orders are yet to be notified, transmission income is accounted for on provisional basis as per Tariff Regulations and Orders of the CERC in earlier cases. Difference, if any, is accounted for on issuance of final Tariff Orders by the CERC. As at each reporting date, transmission income also includes an accrual for services rendered to the customers but not yet billed i.e., Unbilled Revenue.</p> | <p>Our audit approach involved:</p> <p>Obtaining an understanding of the CERC Tariff Regulations, Orders, Circulars, Guidelines and the Company's internal circulars and procedures in respect of recognition and measurement of revenue from transmission of power.</p> <ul style="list-style-type: none"> <li>Evaluated and tested the effectiveness of the design of Internal controls relating to recognition and measurement of revenue from Transmission.</li> <li>Verified the transmission revenue based on the CERC Tariff Regulation, Orders, Circulars, Guidelines and the Company's internal circulars.</li> </ul> |

| Sr. No. | Key Audit Matters  | How the matter was addressed in our audit   |
|---------|--|---|
|         | <p>This is considered as Key Audit Matter due to the nature and extent of estimates made as per CERC Tariff Regulations and contracts with customers for recognition of revenue. (Refer Note No. 35(b)(ii) Standalone Financial Statements)</p>  | <ul style="list-style-type: none"> <li>Verified on test basis, the income recognised on provisional basis as per the regulatory guidelines and orders of the CERC in recent cases where tariff orders were issued, for the assets whose final orders are yet to be notified by CERC, based on the date of commercial operation (DOCO) letters issued by Regional technical heads, and capital cost, as certified by the Management.</li> </ul> <p>Based on the above procedure performed, the recognition and measurement of revenue from transmission of power is considered to be adequate and reasonable.</p>  |
| 2       | <p><b>Deferred Tax Assets relating to Minimum Alternate Tax ("MAT") credit entitlement</b></p> <p>The Company has considered MAT credit in anticipation of set off against the tax payable in future years and created Deferred Tax Asset for the same during the year. Corresponding to the said MAT Credit Entitlement, a Deferred Regulatory liability payable to the beneficiaries in subsequent periods as per CERC Tariff Regulations has been recognized.</p> <p>We identified this as a key audit matter because of the importance of this matter to the intended users of the financial statements and its materiality and requirement of judgement in assessing future taxable profits for recognition of MAT credit entitlement. (Refer Note No.26 of Standalone Financial Statements.)</p> | <p>Our audit approach involved:</p> <ul style="list-style-type: none"> <li>Reviewing the current status of availability of MAT credits.</li> <li>Assessing the related forecasts of future taxable profits, evaluated the reasonableness and consistency of the considerations/ assumptions underlying the preparation of these forecasts.</li> </ul> <p>Based on the above procedures performed, the recognition and measurement of Deferred tax asset relating to MAT credit entitlement and corresponding Regulatory Deferral Liability towards customers, is considered to be adequate and reasonable.</p>  |
| 3       | <p><b>Assessment of Contingent liabilities in respect of certain litigations including land compensation, direct and indirect taxes, various claims filed by other parties not acknowledged as debt.</b></p> <p>There is a high level of judgement required in estimating the contingent liabilities. The Company's assessment of contingent liabilities is supported by the facts of the matter, Company's judgement thereon, past experience and advices from legal and independent tax consultants wherever necessary.</p> <p>We identified the above area as Key Audit Matter in view of associated uncertainty relating to the outcome of these matters. (Refer Note No. 58 of Standalone Financial Statements)</p>   | <p>We have obtained an understanding of the Company's procedure in respect of estimation and disclosure of contingent liabilities and adopted the following audit procedures:</p> <ul style="list-style-type: none"> <li>Reviewed the current status and material developments of legal matters.</li> <li>Reviewed the legal and other professional expenses and enquired with the management for recent developments and the status of the material litigations.</li> <li>Performed our assessment on a test basis on the underlying calculations supporting the contingent liabilities/other significant litigations disclosed in the standalone financial statements.</li> <li>Examined recent orders from competent authorities and/ or communication received from various authorities, judicial forums and follow-up action thereon.</li> </ul> <p>Based on the above procedures performed, the estimation and disclosures of contingent liabilities is considered to be adequate and reasonable.</p> |

### Other Matter

The Standalone Financial Statements includes comparative figures for the corresponding year ended 31 March 2023, audited by the predecessor three Joint Statutory Auditors of the Company, where they have expressed an unmodified opinion vide their report dated 19 May 2023 on such Standalone Financial Statements.

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

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

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

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

When we read those documents including annexures, if any thereon, if we conclude that there is a material misstatement therein, we shall communicate the matter to those charged with the governance.

### 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 Act 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 Indian Accounting Standards (Ind AS) specified under section 133 of the Act read with the Companies (Indian Accounting Standards) Rules, 2015, as amended.

This responsibility also includes maintenance of adequate accounting records in accordance with the provisions of the Act for safeguarding the assets of the Company and for preventing and detecting frauds and other irregularities; selection and application of appropriate accounting policies; making judgements 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 Standalone Financial Statements that give a true and fair view and are free from material misstatement, whether due to fraud or error.

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

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

### Auditor's Responsibilities for the Audit of the Standalone Financial Statements

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

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

- Identify and assess the risks of material misstatement of the Standalone 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 controls relevant to the audit in order to design audit procedures that are appropriate in the circumstances. Under section 143(3)(i) of the Act, we are also responsible for expressing our opinion on whether the Company has adequate internal financial controls system in place and the operating effectiveness of such controls.

- Evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by 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 Company's ability to continue as a going concern. If we conclude that a material uncertainty exists, we are required to draw attention in our auditor's report to the related disclosures in the 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 Company 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 Standalone Financial Statements represent the underlying transactions and events in a manner that achieves 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 reasonably knowledgeable user of the Standalone Financial Statements may be influenced. We consider quantitative materiality and qualitative factors in (i) planning the scope of our audit work and in evaluating the results of our work; and (ii) to evaluate the effect of any identified misstatements in the 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 Standalone Financial Statements of the current period and are therefore the key audit matters. We describe these matters in our auditor's report unless law or regulation precludes public disclosure about the matter or when, in extremely rare circumstances, we determine that a matter should not be communicated in our report because the adverse consequences of doing so would reasonably be expected to outweigh the public interest benefits of such communication.

### Report on Other Legal and Regulatory Requirements

1. As required by Section 143(3) of the Act, based on our audit we report that:
  - (a) We have sought and obtained all the information and explanations which to the best of our knowledge and belief were necessary for the purposes of our audit;
  - (b) In our opinion, proper books of account as required by law have been kept by the Company so far as it appears from our examination of those books;
  - (c) The Standalone Balance Sheet, the Standalone Statement of Profit and Loss including Other Comprehensive Income, Standalone Statement of Changes in Equity and the Standalone Statement of Cash Flows 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 Ind AS specified under Section 133 of the Act, read with the relevant rules issued thereunder;
  - (e) In view of exemption given vide notification no. G.S.R. 463(E) dated June 5, 2015, issued by the Ministry of Corporate Affairs, provisions of Section 164(2) of the Act regarding disqualification of Directors, are not applicable to the Company;
  - (f) With respect to the adequacy of the internal financial controls over financial reporting with reference to Standalone Financial Statements of the Company and the operating effectiveness of such controls, refer to our separate report in **Annexure 'I'**.
  - (g) Pursuant to Notification No. GSR 463(E) dated 5th June 2015 issued by the Ministry of Corporate Affairs, Government of India, provisions of Section 197 of the Companies Act, 2013, are not applicable to the Company, being a Government Company; and
  - (h) With respect to the other matters to be included in the Auditor's Report in accordance with Rule 11 of the Companies (Audit and Auditors) Rules, 2014, as amended, in our opinion and to the best of our information and according to the explanations given to us:
    - i) The Company has disclosed the impact of pending litigations on its financial position in its Standalone Financial Statements – Refer Note 58 to the Standalone financial statements.
    - ii) The Company was not required to recognise a provision as at 31 March 2024 under the applicable law or accounting standards, as it does not have any material foreseeable losses on long-term contracts (including derivative contracts).



- iii) There has been no delay in transferring amounts, required to be transferred, to the Investor Education and Protection Fund by the Company.
  - iv) (a) The Management has represented that, to the best of its knowledge and belief, no funds (which are material either individually or in the aggregate) have been advanced or loaned or invested (either from borrowed funds or share premium or any other sources or kind of funds) by the Company to or in any other person or entity, including foreign entity ("Intermediaries"), with the understanding, whether recorded in writing or otherwise, that the Intermediary shall, whether, directly or indirectly lend or invest in other persons or entities identified in any manner whatsoever by or on behalf of the Company ("Ultimate Beneficiaries") or provide any guarantee, security or the like on behalf of the Ultimate Beneficiaries;  
 (b) The Management has represented, that, to the best of its knowledge and belief, no funds (which are material either individually or in the aggregate) have been received by the Company from any person or entity, including foreign entity ("Funding Parties"), with the understanding, whether recorded in writing or otherwise, that the Company shall, whether, directly or indirectly, lend or invest in other persons or entities identified in any manner whatsoever by or on behalf of the Funding Party ("Ultimate Beneficiaries") or provide any guarantee, security or the like on behalf of the Ultimate Beneficiaries;  
 (c) Based on the audit procedures that have been considered reasonable and appropriate in the circumstances, nothing has come to our notice that has caused us to believe that the representations under sub-clause (i) and (ii) of Rule 11(e), as provided under (a) and (b) above, contain any material misstatement
  - v) (a) The final dividend proposed for the previous year, declared and paid by the Company during the year is in accordance with Section 123 of the Act, to the extent it applies to payment of dividend.  
 (b) Interim dividend declared and paid by the Company during the year is in accordance with Section 123 of the Act.  
 (c) As stated in note 59(b) to the financial statements, the Board of Directors of the Company has proposed final dividend for the year which is subject to the approval of the members at the ensuing Annual General Meeting. The amount of dividend proposed is in accordance with Section 123 of the Act to the extent it applies to declaration of dividend.
  - vi) Based on our examination, which included test checks, the Company has used accounting software for maintaining its books of account for the financial year ended 31 March 2024 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 the audit trail feature being tampered with.  
 As proviso to Rule 3(1) of the Companies (Accounts) Rules, 2014 is applicable from 01 April 2023, reporting under Rule 11(g) of Companies (Audit and Auditors) Rules, 2014 on preservation of audit trail as per statutory requirements for record retention is not applicable for the financial year ended 31 March 2024.
2. In terms of section 143(5) of the Companies Act, 2013, we give in **Annexure '2'**, our report on the directions issued by the Comptroller and Auditor General of India.
  3. As required by the Companies (Auditor's Report) Order, 2020 ("the Order") issued by the Central Government in terms of Section 143(11) of the Act, we give in **Annexure '3'** a statement on the matters specified in paragraphs 3 and 4 of the Order.

For **S. RAMANAND AIYAR & CO.**  
Chartered Accountants  
FRN: 000990N

**Puneet Jain**  
Partner  
M. No. 520928  
UDIN: 24520928BJZWT6775

For **Sagar & Associates**  
Chartered Accountants  
FRN: 003510S

**Ajay Kumar Mishra**  
Partner  
M. No. 205468  
UDIN: 24205468BKGPBF3403

For **Suresh Surana & Associates LLP**  
Chartered Accountants  
FRN: 121750W/W-100010

**Avilas Agarwal**  
Partner  
M. No. 062668  
UDIN: 24062668BKBIWK9955

For **G. D. Apte & Co.**  
Chartered Accountants  
FRN: 100515W

**C. M. Dixit**  
Partner  
M. No. 17532  
UDIN: 24017532BKESDY3200

Place: Mumbai  
Date: 22 May 2024

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

As referred to in paragraph 1 (f) of "Report on Other Legal and Regulatory Requirements" section of our Independent Auditors' Report of even date to the members of the **Power Grid Corporation of India Limited ("the Company")**, on the Standalone Financial Statements for the year ended 31 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 with reference to Standalone Financial Statements of the Company as of 31 March 2024 in conjunction with our audit of the Standalone Financial Statements of the Company for the year ended on that date.

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

The Company's management is responsible for establishing and maintaining internal financial controls based on the internal controls over financial reporting criteria established by the Company considering the essential components of internal control stated in the Guidance Note on Audit of Internal Financial Controls over Financial Reporting issued by the Institute of Chartered Accountants of India (ICAI). These responsibilities include the design, implementation and maintenance of adequate internal financial controls with reference to Standalone Financial Statements that were operating effectively for ensuring the orderly and efficient conduct of business, including adherence to Company's policies, the safeguarding of its assets, the prevention and detection of frauds and errors, the accuracy and completeness of the accounting records, and the timely preparation of reliable financial information, as required under the Act.

#### Auditors' Responsibility

Our responsibility is to express an opinion on the Company's internal financial controls over financial reporting with reference to Standalone Financial Statements 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 and, both issued by the Institute of Chartered Accountants of India. Those Standards and the Guidance Note require that we comply with ethical requirements and plan and perform the audit to obtain reasonable assurance about whether adequate internal financial controls over financial reporting with reference to Standalone Financial Statements was established and maintained and if such controls operated effectively in all material respects.

Our audit involves performing procedures to obtain audit evidence about the adequacy of the internal financial controls system over financial reporting with reference to Standalone Financial Statements and their operating effectiveness. Our audit of internal financial controls over financial reporting with reference to Standalone Financial Statements included obtaining an understanding of internal financial controls over financial reporting with reference to Standalone Financial Statements, assessing the risk that a material weakness exists and testing and evaluating the design and operating effectiveness of internal controls 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 Standalone Financial Statements, whether due to fraud or error.

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

#### Meaning of Internal Financial Controls Over Financial Reporting With Reference to Standalone Financial Statements

A company's internal financial control over financial reporting with reference to Standalone Financial Statements is a process designed to provide reasonable assurance regarding the reliability of financial reporting and the preparation of financial statements for external purposes in accordance with generally accepted accounting principles. A company's internal financial control over financial reporting with reference to Standalone Financial Statements 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 dispositions of the Company's assets that could have a material effect on the Standalone Financial Statements.

**Inherent Limitations of Internal Financial Controls Over Financial Reporting With Reference to Standalone Financial Statements**

Because of the inherent limitations of internal financial controls over financial reporting with reference to Standalone Financial Statements, including the possibility of collusion or improper management override of controls, material misstatements due to error or fraud may occur and not be detected. Also, projections of any evaluation of the internal financial controls over financial reporting with reference to Standalone Financial Statements to future periods are subject to the risk that the internal financial controls over financial reporting with reference to Standalone Financial Statements may become inadequate because of changes in conditions, or that the degree of compliance with the policies or procedures may deteriorate.

**Opinion**

In our opinion, the Company has, in all material respects, an adequate internal financial controls system over financial reporting with reference to Standalone Financial Statements and such internal financial controls over financial reporting with reference to Standalone Financial Statements were operating effectively as at 31 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.

For **S. RAMANAND AIYAR & CO.**  
Chartered Accountants  
FRN: 000990N

For **Suresh Surana & Associates LLP**  
Chartered Accountants  
FRN: 121750W/W-100010

**Puneet Jain**  
Partner  
M. No. 520928  
UDIN: 24520928BJZWT6775

**Avilas Agarwal**  
Partner  
M. No. 062668  
UDIN: 24062668BKBIWK9955

For **Sagar & Associates**  
Chartered Accountants  
FRN: 003510S

For **G. D. Apte & Co.**  
Chartered Accountants  
FRN: 100515W

**Ajay Kumar Mishra**  
Partner  
M. No. 205468  
UDIN: 24205468BKGPBF3403

**C. M. Dixit**  
Partner  
M. No. 17532  
UDIN: 24017532BKESDY3200

Place: Mumbai  
Date: 22 May 2024

**Annexure '2' to the Auditors Report**

As referred to in paragraph 2 of "Report on Other Legal and Regulatory Requirements" section of our Independent Auditors' Report of even date to the members of the **Power Grid Corporation of India Limited ("the Company")** on the standalone financial statements for the year ended 31 March 2024

| S. No. | Directions  | Auditors' Comments   |
|--------|---|--|
| 1.     | Whether the Company has a system in place to process all the accounting transactions through IT system? If yes, the implications of processing of accounting transactions outside IT system on the integrity of the accounts along with the financial implications, if any, may be stated.  | The Company is having ERP system (SAP) in place for processing all accounting transactions. Based on our verification, no accounting transaction is being recorded/ processed other than through the ERP system in place.  |
| 2.     | Whether there is any restructuring of an existing loan or cases of waiver/write off of debts/loans/ interest etc. made by a lender to the Company due to the Company's inability to repay the loan? If yes, the financial impact may be stated. Whether such cases are properly accounted for? (In case, lender is a Government company, then this direction is also applicable for Statutory Auditor of lender company). | Based on our verification and explanations and information given to us, there were no cases of restructuring of an existing loan or cases of waiver/ write off of debts/loan/interest etc. made by a lender to the Company due to the Company's inability to repay the loan.<br><br>However, during the financial year, the existing loan of ₹ 18.40 Crores given by the Company to National High Power Test Laboratory Private Limited ("NHPTL"), a Joint Venture of the Company, has been converted into Equity shares and interest of ₹ 2.28 crore is waived. The same has been properly accounted for. |
| 3.     | Whether funds (grants/ subsidy etc.) received/receivable for specific schemes from Central/State Government or its agencies were properly accounted for/ utilized as per its term and conditions? List the cases of deviation.  | Based on our verification and explanations and information given to us, funds received/receivable for specific scheme from Central/State Government or its agencies were properly accounted for and utilized as per its terms and conditions. No deviations were noticed by us.  |

For **S. RAMANAND AIYAR & CO.**  
Chartered Accountants  
FRN: 000990N

For **Suresh Surana & Associates LLP**  
Chartered Accountants  
FRN: 121750W/W-100010

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**C. M. Dixit**  
Partner  
M. No. 17532  
UDIN: 24017532BKESDY3200

Place: Mumbai  
Date: 22 May 2024



**Annexure '3' to the Independent Auditors' Report**

As referred to in paragraph 3 of "Report on Other Legal and Regulatory Requirements" section of our Independent Auditors' Report of even date to the members of the **Power Grid Corporation of India Limited**, on the Standalone Financial Statements for the year ended 31 March 2024, we report that:

- (i) a) (A) 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 Company has generally maintained proper records, showing full particulars of intangible assets.
- 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) With respect to immovable properties disclosed in the financial statements included in property, plant and equipment, according to the information and explanations given to us and based on the examination of the registered sale deed / transfer deed / conveyance deed/ lease agreement for land provided to us, we report that, the title deeds of such immovable properties (other than immovable properties where the Company is the lessee and the lease agreements are duly executed in favour of the lessee) are held in the name of the Company as at the balance sheet date, except for the following:

| Description of the property              | Gross Carrying Amount (₹ in Crore) | Held in the name of   | Whether promoter, director or their relative or employee | Period held – indicate range, where appropriate | Reason for not being held in name of company   |
|--|------------------------------------|-----------------------|--|---|--|
| <b>Leasehold Land</b>                    |                                    |                       |  |   |  |
| Rourkela                                 | 0.26                               | SAIL-Rourkela         | NO   | 25-07-2020                                      | The Original Tripartite sub Lease agreement between Govt. of Odisha, Rourkela Steel Plant & POWERGRID has expired. The same is under process of renewal.   |
| Durgapur                                 | 21.48                              | SAIL-Durgapur         | No   | 01-05-2017                                      | The original Lease agreement with SAIL was expired and the same is under process for renewal.  |
| Alipurduar-Mathabhanga Earth Electrocode | 1.48                               | Govt. Of West Bengal  | No   | 17-03-2017                                      | Lease agreement of 4.85 Hectares of Lease land is approved by the State Cabinet on 23.11.21. Signing of lease agreement is under process. For Balance land of 1.16 Hectares process is on for approval at State Cabinet. |
| Jamshedpur                               | 1.46                               | Forest Dept.          | No   | FY 1992-93 onwards                              | JIADA is trying to get clearance for land transfer from Forest Dept. for onward transfer to POWERGRID.   |
| Ajmer Township                           | 0.96                               | Ajmer Distt Authority | No   | 01-04-1999                                      | Execution of lease deed is pending on account of disposal of the petition before Division Commissioner Ajmer for demand of interest on revised land cost.  |

| Description of the property   | Gross Carrying Amount (₹ in Crore) | Held in the name of | Whether promoter, director or their relative or employee | Period held – indicate range, where appropriate | Reason for not being held in name of company  |
|---|------------------------------------|---------------------|--|---|---|
| 400/220 KV S/S Dwarka   | 63.13                              | GNCTD               | No   | 01-04-2018                                      | Execution of lease deed is pending on account of procedural delays.   |
| 400/220 KV S/S Tuglakabad   | 35.52                              | GNCTD               | No   | 01-04-2018                                      |   |
| 400/220 kV GIS Pooling Station Chamba,Village Mohal Rajera Tehsil & Distt. Chamba (HP)                                | 12.36                              | HP Govt             | No   | 19-10-2011                                      | Subject land is Govt./Forest Land in record of HP Govt. As per GOI guidelines, Forest Land diverted to Non-Forestry purpose under Forest (Conservation) Act, 1980 will be having legal status as "Forest" even after diversion.   |
| SLTS_Kargil Substation (UT of Ladakh)   | 0.00*                              | PDD Kargil          | No   | 31-10-2019                                      | Govt of India (MOP) has declared Srinagar Leh Transmission System (SLTS) project as Interstate Transmission System Projects (ISTS) and the same has been transferred to POWERGRID. Land in UT of Ladakh (Erstwhile State of Jammu & Kashmir) is acquired by State Government under state land acquisition act. As per law, the UT/state government remains the owner of the land acquired, and the company is only given possession for specific use. |
| SLTS_Drass Substation (UT of Ladakh)  | 0.00*                              | PDD Kargil          | No   | 31-10-2019                                      |   |
| SLTS_Leh Substation (UT of Ladakh)  | 0.00*                              | PDD Leh             | No   | 31-10-2019                                      |   |
| SLTS_Khalsti Substation (UT of Ladakh)  | 0.00*                              | PDD Leh             | No   | 31.10.2019                                      |   |
| Wagoora_400/220 KV Sub-Station Wagoora,Village Wagoora Tehsil & Distt. Budgam, Kashmir                                | 1.33                               | Govt of J&K         | No   | FY 1993-94 onwards                              | Land in UT of J&K is acquired by UT/State Government under state land acquisition act. As per law, the UT/state government remains the owner of the land acquired and company is only given possession for specific use.  |
| New wanpoh_400/220 kV Sub-Station New Wanpoh,Village Damjan, Tehsil Dooru, Distt. Anantnag, Kashmir                   | 25.45                              | Govt of J&K         | No   | 30-11-2010                                      |   |
| Kishenpur Township _800/400/220 KV Sub-Station Kishenpur,Village Kharta Tehsil Jindhra & Distt. Jammu (TOWNSHIP LAND) | 0.06                               | Govt of J&K         | No   | 31-03-1995                                      |   |

| Description of the property   | Gross Carrying Amount (₹ in Crore) | Held in the name of                     | Whether promoter, director or their relative or employee | Period held – indicate range, where appropriate | Reason for not being held in name of company   |
|---|------------------------------------|---|--|---|--|
| Kishenpur_800/400/220 KV Sub-Station Kishenpur,Village Kharta Tehsil Jindhra & Distt. Jammu | 0.34                               | Govt of J&K                             | No   | 31-03-1993                                      | Land in UT of J&K is acquired by UT/State Government under state land acquisition act. As per law, the UT/state government remains the owner of the land acquired and company is only given possession for specific use. |
| Narwal_Line Office Narwal   | 0.00*                              | Govt of J&K                             | No   | FY 1993-94 onwards                              |  |
| Samba_Samba S/S Land  | 11.60                              | Govt of J&K                             | No   | 19-04-2012                                      |  |
| TL Land in UT of Jammu and Kashmir  | 93.99                              | Govt of J&K                             | No   | FY 1993-94 onwards                              |  |
| Vishakapatnam   | 0.08                               | Rahtriya Ispat Nigam Limited            | No   | 23-03-2022                                      | Lease agreement had expired & the Company is in the process of negotiating the lease terms.  |
| <b>Freehold Land</b>  |                                    |   |  |   |  |
| Township-Sector 46, Gurgaon   | 11.00                              | Haryana Shahari Vikas Pradhikaran(HSVP) | No   | 02-12-1998                                      | Pending the outcome of representation made to HSVP by Company for review of demand dues, the title deed is pending for transfer in favour of the Company.  |
| Birpara   | 0.00*                              | Govt. Of West Bengal                    | No   | 01-11-1996                                      | Survey work of Birpara Mouza is under progress by Block Land Reforms Office & mutation will be done after survey work is completed.  |
| Maithon   | 0.00*                              | Multiple Private Owner                  | No   | 01-04-1992                                      | The Company is in the process of getting the title deed registered from office of District Land and Land Reforms Officer (DLLRO). There is procedural delay in transfer of title deed.                                   |
| Maithon   | 0.02                               | CLW-Indian Railway                      | No   | 01-04-1992                                      | Matter is being followed up with CLW (Chittaranjan Locomotive works) for execution of registration deed. There is procedural delay in transfer of title deed.  |
| Maithon   | 0.32                               | Multiple Private Owner                  | No   | 28-03-2018                                      | NOC from Tribal Board is yet to be received pending which title deed is not transferred in name of the Company.  |
| Alipurduar-Mathabhanga Earth Electrocode  | 0.67                               | Multiple Private Owner                  | No   | 31-12-2012                                      | Transfer of title deed is pending on account of procedural delays.   |
| Rajarhat  | 23.23                              | Multiple Private Owner                  | No   | 30-11-2014                                      |  |
| Aizawl  | 0.03                               | Govt.of Mizoram                         | No   | 1991  |  |

| Description of the property                       | Gross Carrying Amount (₹ in Crore) | Held in the name of                                      | Whether promoter, director or their relative or employee | Period held – indicate range, where appropriate | Reason for not being held in name of company  |
|---|------------------------------------|--|--|---|---|
| Faridabad, NR-1, RHQ (Township)                   | 6.42                               | Haryana Shahari Vikas Pradhikaran (HSVP)                 | No   | 01-04-1999                                      | Pending disposal of appeal at High Court Chandigarh against enhancement and extension fees, demanded by HSVP, the title deed is pending to be transferred in favour of the Company.   |
| TL Land in Hisar Fatehabad and Bhiwani Distt.     | 0.57                               | NHPC   | No   | 30-09-1991                                      | The company is dealing with multiple authorities for transfer of land situated at multiple locations. The transfer of title deed is pending on account of procedural delays.  |
| Line Office Banikhet, Tehsil & Distt. Chamba (HP) | 0.00*                              | HP Govt  | No   | 28-02-1994                                      | Subject land is Govt./Forest Land in record of HP Govt. As per GOI guidelines, Forest Land diverted to Non-Forestry purpose under Forest (Conservation) Act, 1980 will be having legal status as "Forest" even after diversion. |
| Kurnool Land                                      | 0.03                               | Govt. of Andhra Pradesh                                  | No   | 13-06-2023                                      | Company is in the process of obtaining mutation certificate and title deed.   |
| Hiriyur 400/220 KV Substation                     | 0.34                               | Karnataka Industrial Area Development Board (KIADB)      | No   | 01-02-2004                                      | Pending title rectifications for few parcel of land, to be carried out by KIADB, title deed is yet to be registered in the name of POWERGRID.   |
| Yelahanka 400/220 KV Substation                   | 30.72                              | Karnataka Power Transmission Corporation Limited (KPTCL) | No   | 23-03-2011                                      | Transfer of title deed is pending on account of procedural delays with office of M/s KPTCL.   |
| Somanhalli 400/220 KV Substation                  | 0.34                               | Karnataka Power Transmission Corporation Limited (KPTCL) | No   | FY 1992-93 onwards                              |   |
| Kolar Siddalagatta HVDC Substation                | 0.91                               | Karnataka Industrial Area Development Board (KIADB)      | No   | 01-04-2002                                      | Transfer of title deed is pending on account of procedural delays with office of KIADB.   |
| Tumkur 765/400/220 KV Substation                  | 42.29                              | Karnataka Industrial Area Development Board (KIADB)      | No   | 25-09-2013                                      |   |



| Description of the property    | Gross Carrying Amount (₹ in Crore) | Held in the name of   | Whether promoter, director or their relative or employee | Period held – indicate range, where appropriate | Reason for not being held in name of company  |
|--------------------------------|------------------------------------|---|--|---|---|
| Kudugi 765/400 KV GIS          | 8.83                               | Karnataka Industrial Area Development Board (KIADB) and Others                                  | No   | 28-02-2014                                      | Transfer of title deed is pending on account of procedural delays with office of KIADB.   |
| Bidadi 400/220 KV GIS          | 20.00                              | Karnataka Industrial Area Development Board (KIADB)   | No   | 23-03-2011                                      |   |
| Pavagada 400/220 KV Substation | 0.26                               | Private Parties are, Mrs. Sanjeevamma D/o Venkatappa, M. Chaplainship S/o Venkatappa and Others | No   | 30-06-2017                                      | Registration and mutation is pending on account of establishing the legal ownership of the land and consideration for the said land is also yet to be paid.   |
| Pugalur HVDC Substation        | 0.31                               | Bhoodan Trust Board   | No   | 01-04-2017                                      | The land has been allotted by Bhoodan Trust Board to the company. Due to delay in incumbency of meetings of Bhoodan Trust Board and other formalities, registration in the name of the company is pending.  |
| Kovilpatti 400/220 KV GIS      | 49.25                              | Shri Ramesh and Shri R Rajan  | No   | 19-10-2011                                      | Pursuant to the directions of the Hon'ble High Court, Chennai Sole Arbitrator has been appointed and an award has been passed. Aggrieved by the award, both the parties has approached Hon'ble High Court for compensation award. Hon'ble High Court, Chennai is yet to decide the case. Therefore, title deed is yet to be transferred in the name of the Company. |
| New Navsari Substation         | 146.05                             | Govt. of Gujarat  | No   | 20-06-2022                                      | Land has been acquired on 20.06.2022 and the Company is in process of getting the title deed registered.  |
| <b>Buildings</b>               |                                    |   |  |   |   |
| Flats in Mumbai                | 2.96                               | MHADA   | No   | Since 02-01-2017                                | Transfer of title deed is pending on account of procedural delays.  |

\*Amount is less than Decimal of Crore

- d) The Company has not revalued its Property, Plant and Equipment (including Right of Use assets) and intangible assets during the year. Accordingly, the provisions of clause 3(i)(d) of the Order are not applicable.
- e) 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 and procedure adopted by the Company for verification is reasonable having regard to the size of the Company and nature of its business. No material discrepancies of 10% or more in the aggregate for each class of inventory between physical inventory and book records were noticed on such physical verification.
- (b) The Company has been sanctioned working capital limits in excess of Rs. 5 crore, in aggregate, from banks on the basis of security of current assets. In our opinion and according to the information and explanations given to us, the quarterly returns/statements filed by the Company with such banks are in agreement with the books of account of the Company.
- (iii) (a) According to the information and explanations given to us, the Company has made investments, provided guarantees and granted unsecured loans during the year to Subsidiaries, Joint Ventures and Associates.
- (A) the aggregate amount during the year, and balance outstanding at the balance sheet date with respect to such loans or advances in the nature of loan or guarantees or security to subsidiaries, joint ventures and associates are as follows:

(₹ in crore)

| Sl. No. | Particulars    | Guarantees   |   | Unsecured Loan                                     |   |
|---------|----------------|--|---|--|---|
|         |                | Aggregate amount granted/ provided during the year | Balance outstanding as at 31 March 2024 | Aggregate amount granted/ provided during the year | Balance outstanding as at 31 March 2024 |
| 1       | Subsidiaries   | 628.56*  | 1,094.42*                               | 5,411.43   | 21,170.00                               |
| 2       | Joint Ventures | -  | -                                       | 94.71  | 94.71                                   |
| 3       | Associates     | -  | -                                       | -  | -                                       |

\* Represents Performance Bank Guarantees.

- (B) In our opinion and according to information and explanations given to us, the Company has not given loans or advances or guarantees or security to parties other than subsidiaries, joint ventures and associates during the period under Audit.
- (b) In our opinion and according to information and explanations given to us, the investments made, guarantees provided and the terms and conditions of the grant of all loans and guarantees provided are not prejudicial to the Company's interest.
- (c) In our opinion and according to information and explanations given to us, in respect of loans given, the schedule of repayment of principal and payment of interest has been stipulated and the repayments of principal amounts and receipts of interest are regular, except in a case of a joint venture of the Company, which has not paid due amount of principal and interest; details of which is given hereunder:

| Name of the entity  | Nature of outstanding | Amount Overdue (₹ in crore) | Due Date                    | Extent of delay                  | Remarks  |
|---|-----------------------|-----------------------------|-----------------------------|----------------------------------|--|
| National High Power Test Laboratory Private Limited (NHPTL) | Principal             | 0.30                        | 31/10/2022                  | Ranges from 72 days to 18 months | During the year, outstanding principal amount of Loan of Rs 18.40 crore converted to equity shares of NHPTL. |
|   |                       | 0.30                        | 01/04/2023                  |                                  |  |
|   |                       | 0.30                        | 01/10/2023                  |                                  |  |
|   |                       | 0.62                        | 30/09/2022                  |                                  |  |
|   |                       | 0.62                        | 31/03/2023                  |                                  |  |
|   | 0.62                  | 30/09/2023                  |                             |                                  |  |
| Interest  | 4.10                  | 30.09.2020 onwards          | Ranges from 18 to 42 months |                                  |  |

- (d) According to the information and explanations given to us and based on the audit procedures performed by us, Principal of Rs.1.84 crore and interest of Rs. 4.10 crore is overdue for a period of more than 90 days in respect of a loan given to NHPTL a joint venture company. However, during the year, outstanding principal amount of Loan of Rs 18.40 crore was converted to equity shares of NHPTL. In our opinion, the Company has taken reasonable steps for recovery of above interest.
- (e) According to the information and explanations given to us and based on the audit procedures performed by us, we are of the opinion that no loan or advance in the nature of loan granted which has fallen due during the year, has been renewed or extended or fresh loans granted to settle the overdue of existing loans given to the same parties.
- (f) In our opinion and according to information and explanations given to us, the Company has not granted any loans or advances in the nature of loans either repayable on demand or without specifying any terms or period of repayment during the year.  
The Company has not made investment in, provided any guarantee or security or granted any advances in the nature of loans, secured or unsecured, to companies, firms, limited liability partnerships or any other parties, other than the companies mentioned in Clause 3(iii)(a) above.
- (iv) In our opinion and according to information and explanation given to us, the Company has complied with the provisions of section 185 and 186 of the Act in respect of loans, investments, guarantees and security.
- (v) In our opinion and according to the information and explanations given to us, the Company has not accepted any deposit from the public and 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. Hence, reporting under clause 3(v) of the Order is not applicable to the Company.
- (vi) We have broadly reviewed the cost records maintained by the Company specified by the Central Government under sub section (1) of section 148 of the Companies Act, 2013, in respect of Transmission and Telecom Operations of the Company and we are of the opinion that prima facie the prescribed records have been made and maintained. However, we have not made detailed examination of the cost records with a view to determine whether they are accurate or complete.
- (vii) a) According to the information and explanations given to us, the Company is generally regular in depositing undisputed statutory dues with appropriate authorities including Provident Fund, Income Tax, Goods and Services Tax, Sales Tax, Service Tax, Duty of Custom, Duty of Excise, Value Added Tax, Cess and other statutory dues applicable to the Company and that there are no undisputed statutory dues outstanding as at 31 March 2024 for a period of more than six months from the date they became payable. As informed, provisions of the Employees State Insurance Act are not applicable to the Company.  
b) According to information and explanations given to us, there are no statutory dues referred to in sub- clause (a) which have not been deposited on account of dispute except for the following:

| Name of the Statute  | Nature of dues | Amount*<br>(₹ in<br>Crore) | Period to which the<br>amount relates                                 | Forum where dispute is<br>pending                    |
|----------------------|----------------|----------------------------|---|--|
| Income Tax Act, 1961 | Income Tax     | 4.18                       | For the F.Y. 2007-08 to F.Y. 2016-17 and F.Y. 2018-19 to F.Y. 2021-22 | Jurisdictional Assessing Officers of respective TANs |
| Income Tax Act, 1961 | Income Tax     | 4.80                       | For the F.Y. 2018-19  | CIT (A) Income Tax                                   |
| Income Tax Act, 1961 | Income Tax     | 62.37                      | For the F.Y. 2022-23  | CIT (A) Income Tax                                   |
| Finance Act, 1994    | Service Tax    | 0.05                       | April 2016 to June 2017   | The Commissioner (Appeal), Bhopal                    |
| Finance Act, 1994    | Service Tax    | 0.51                       | From October 2016 to April 2017.                                      | The Commissioner (Appeal), Gurugram                  |
| Finance Act, 1994    | Service Tax    | 22.05                      | F.Y 2016-17 and F.Y 2017-18   | CESTAT, Mumbai                                       |
| Finance Act, 1994    | Service Tax    | 1.54                       | For the F.Y. 2003-04  | Patna High Court                                     |

| Name of the Statute                                     | Nature of dues                              | Amount*<br>(₹ in<br>Crore) | Period to which the<br>amount relates                      | Forum where dispute is<br>pending                 |
|---|---|----------------------------|--|---|
| Punjab Tax on Entry of Goods into Local areas Act, 2000 | Entry Tax                                   | 9.64                       | From F.Y. 2011-12 to F.Y. 2013-14                          | Hon'ble High Court Punjab and Haryana, Chandigarh |
| Delhi Municipal Corporation Act, 1957                   | Property Tax                                | 221.08                     | From F.Y. 2004-05- to F.Y. 2013-14                         | Hon'ble High Court, Delhi                         |
| Finance Act, 1994                                       | Service Tax                                 | 26.82                      | April 16- June 17  | CESTAT, Ahmedabad                                 |
| MP Land Revenue Code, 1959                              | Diversion Tax                               | 2.97                       | From F.Y. 2004-05- to F.Y. 2017-18                         | High Court of M.P. Jabalpur                       |
| Delhi Municipal Corporation Act, 1957                   | Property tax                                | 98.86                      | From F.Y. 2007-08 to F.Y. 2017-18                          | Hon'ble High Court, Delhi                         |
| Finance Act, 1994                                       | Service Tax                                 | 28.87                      | FY 2016-17 and the period April 2017 to June 2017.         | CESTAT, Kolkata                                   |
| The Customs Act, 1962                                   | Penalty under the Customs Act, 1962         | 1.00                       | 2023-24  | CESTAT, Mumbai                                    |
| Goods and Services tax Act, 2017                        | Goods and Services tax (GST)                | 24.77                      | FY 2017-18   | The Commissioner (Appeal), New Delhi              |
| Goods and Services tax Act, 2017                        | Goods and Services tax (GST)                | 0.22                       | FY 2017-18   | The Commissioner (Appeal), New Delhi              |
| The Customs Act, 1962                                   | Differential Custom duty                    | 23.43                      | From FY 2016-17 to FY 2017-18 and FY 2019-20 to FY 2021-22 | CESTAT, Chennai                                   |
| Finance Act, 1994                                       | Service Tax                                 | 0.45                       | FY 2008  | CESTAT, Chandigarh                                |
| Andhra Pradesh Non Agricultural Land Assessment, 1963   | Non Agricultural Land Assessment (NALA) Tax | 0.09                       | 2005-06  | Andhra Pradesh High Court                         |

\* Demand amount including interest, net of amount paid under protest Rs 30.85 crore

- (viii) As per the information and explanations given to us and on the basis of examination of books of account and records of the Company, we report that no income has been surrendered or disclosed as income during the year in the tax assessments under the Income Tax Act, 1961 and therefore, no such transactions are required to be recorded in the books of account. Accordingly, the provisions of clause 3(viii) of the Order are not applicable.
- (ix) (a) In our opinion and according to the information and explanations given to us, the Company has not defaulted in repayment of loans or other borrowings or in the payment of interest thereon to any lender.  
(b) According to the information and explanations given to us and on the basis of our audit procedures, we report that the Company has not been declared wilful defaulter by any bank or financial institution or other lender.  
(c) In our opinion and according to the information and explanations given to us, the term loans were applied for the purposes for which the loans were obtained.  
(d) According to the information and explanations given to us, and the procedures performed by us, and on an overall examination of the financial statements of the Company, we report that no funds raised on short-term basis have been used for long-term purposes by the Company.  
(e) On an overall examination of the financial statements of the Company, we report that the Company has taken funds from the following entities on account of or to meet the obligations of its subsidiaries, associates or joint ventures as per details below:



| Nature of fund taken | Name of lender | Amount Disbursed/ Guarantee issued or renewed during the year (₹ in Crore) | Amount Repaid/ Guarantee reduced or discharged or renewed during the year (₹ in Crore) | Amount Outstanding as on 31st March 2024 (₹ in Crore) | Name of the subsidiary, joint venture, associate              | Relation   | Nature of Transaction for which Funds utilized |
|----------------------|----------------|--|--|---|---|------------|--|
| Bonds                | Bond Holders   | -  | 263.51   | 603.84  | Powergrid NM Transmission Limited                             | Subsidiary | Capex  |
| Bonds                | Bond Holders   | -  | 1.22   | 31.23   | Powergrid Unchahar Transmission Limited                       | Subsidiary | Capex  |
| Term Loans           | Bank           | -  | 0.03   | 0.86  | Powergrid Unchahar Transmission Limited                       | Subsidiary | Capex  |
| Bonds                | Bond Holders   | 1.99   | 57.42  | 1,282.22  | Powergrid Southern Interconnector Transmission System Limited | Subsidiary | Capex  |
| Term Loans           | Bank           | 0.18   | 47.41  | 1,057.10  | Powergrid Southern Interconnector Transmission System Limited | Subsidiary | Capex  |
| Bonds                | Bond Holders   | 31.54  | 74.34  | 1,230.45  | Powergrid Medinipur Jeerat Transmission Limited               | Subsidiary | Capex  |
| Term Loans           | Bank           | 0.40   | 56.39  | 925.69  | Powergrid Medinipur Jeerat Transmission Limited               | Subsidiary | Capex  |
| Bonds                | Bond Holders   | 9.48   | 23.37  | 449.45  | Powergrid Mithilanchal Transmission Limited                   | Subsidiary | Capex  |
| Term Loans           | Bank           | 0.28   | 20.32  | 388.43  | Powergrid Mithilanchal Transmission Limited                   | Subsidiary | Capex  |
| Bonds                | Bond Holders   | -  | 22.19  | 364.43  | Powergrid Varanasi Transmission System Limited                | Subsidiary | Capex  |
| Term Loans           | Bank           | -  | 16.36  | 268.55  | Powergrid Varanasi Transmission System Limited                | Subsidiary | Capex  |
| Bonds                | Bond Holders   | 7.99   | 32.68  | 259.98  | Powergrid Jawaharpur Firozabad Transmission Limited           | Subsidiary | Capex  |
| Term Loans           | Bank           | 0.09   | 4.40   | 34.67   | Powergrid Jawaharpur Firozabad Transmission Limited           | Subsidiary | Capex  |
| Bonds                | Bond Holders   | 4.85   | 23.38  | 432.45  | Powergrid Khetri Transmission System Limited                  | Subsidiary | Capex  |
| Term Loans           | Bank           | 0.35   | 8.59   | 157.37  | Powergrid Khetri Transmission System Limited                  | Subsidiary | Capex  |
| Bonds                | Bond Holders   | -  | 5.58   | 249.27  | Powergrid Bhuj Transmission Limited                           | Subsidiary | Capex  |

| Nature of fund taken | Name of lender | Amount Disbursed/ Guarantee issued or renewed during the year (₹ in Crore) | Amount Repaid/ Guarantee reduced or discharged or renewed during the year (₹ in Crore) | Amount Outstanding as on 31st March 2024 (₹ in Crore) | Name of the subsidiary, joint venture, associate | Relation   | Nature of Transaction for which Funds utilized |
|----------------------|----------------|--|--|---|--|------------|--|
| Term Loans           | Bank           | -  | 4.24   | 189.20  | Powergrid Bhuj Transmission Limited              | Subsidiary | Capex  |
| Bonds                | Bond Holders   | 19.90  | 6.29   | 178.65  | Powergrid Bhind Guna Transmission Limited        | Subsidiary | Capex  |
| Term Loans           | Bank           | 5.00   | 4.95   | 132.28  | Powergrid Bhind Guna Transmission Limited        | Subsidiary | Capex  |
| Bonds                | Bond Holders   | 0.30   | 22.67  | 359.00  | Powergrid Ajmer Phagi Transmission Limited       | Subsidiary | Capex  |
| Term Loans           | Bank           | -  | 2.42   | 38.31   | Powergrid Ajmer Phagi Transmission Limited       | Subsidiary | Capex  |
| Bonds                | Bond Holders   | 1.10   | 18.00  | 339.09  | Powergrid Fatehgarh Transmission Limited         | Subsidiary | Capex  |
| Term Loans           | Bank           | -  | 4.42   | 83.31   | Powergrid Fatehgarh Transmission Limited         | Subsidiary | Capex  |
| Bonds                | Bond Holders   | 637.91   | -  | 810.16  | Powergrid Narela Transmission Limited            | Subsidiary | Capex  |
| Term Loans           | Bank           | 55.50  | -  | 287.23  | Powergrid Narela Transmission Limited            | Subsidiary | Capex  |
| Bonds                | Bond Holders   | 19.16  | -  | 19.16   | Powergrid Energy Services Limited                | Subsidiary | Capex  |
| Bonds                | Bond Holders   | 23.98  | -  | 81.43   | Powergrid Rampur Sambhal Transmission Limited    | Subsidiary | Capex  |
| Term Loans           | Bank           | 0.80   | -  | 209.72  | Powergrid Rampur Sambhal Transmission Limited    | Subsidiary | Capex  |
| Bonds                | Bond Holders   | 43.81  | -  | 225.15  | Powergrid Meerut Simbhavali Transmission Limited | Subsidiary | Capex  |
| Term Loans           | Bank           | 2.90   | -  | 203.36  | Powergrid Meerut Simbhavali Transmission Limited | Subsidiary | Capex  |
| Bonds                | Bond Holders   | 274.39   | -  | 338.40  | Powergrid Sikar Transmission Limited             | Subsidiary | Capex  |
| Term Loans           | Bank           | 32.17  | -  | 232.77  | Powergrid Sikar Transmission Limited             | Subsidiary | Capex  |
| Bonds                | Bond Holders   | 49.84  | -  | 60.77   | Powergrid Ramgarh Transmission Limited           | Subsidiary | Capex  |
| Term Loans           | Bank           | 7.90   | -  | 141.33  | Powergrid Ramgarh Transmission Limited           | Subsidiary | Capex  |
| Bonds                | Bond Holders   | 156.39   | -  | 164.99  | Powergrid Bhadla Transmission Limited            | Subsidiary | Capex  |
| Term Loans           | Bank           | 14.55  | -  | 159.87  | Powergrid Bhadla Transmission Limited            | Subsidiary | Capex  |
| Bonds                | Bond Holders   | 129.85   | -  | 197.10  | Powergrid Aligarh Sikar Transmission Limited     | Subsidiary | Capex  |

| Nature of fund taken | Name of lender | Amount Disbursed/ Guarantee issued or renewed during the year (₹ in Crore) | Amount Repaid/ Guarantee reduced or discharged or renewed during the year (₹ in Crore) | Amount Outstanding as on 31st March 2024 (₹ in Crore) | Name of the subsidiary, joint venture, associate | Relation   | Nature of Transaction for which Funds utilized |
|----------------------|----------------|--|--|---|--|------------|--|
| Term Loans           | Bank           | 19.11  | -  | 170.79  | Powergrid Aligarh Sikar Transmission Limited     | Subsidiary | Capex  |
| Bonds                | Bond Holders   | 227.13   | 9.26   | 374.67  | Powergrid Bikaner Transmission System Limited    | Subsidiary | Capex  |
| Term Loans           | Bank           | 26.40  | 13.78  | 403.83  | Powergrid Bikaner Transmission System Limited    | Subsidiary | Capex  |
| Bonds                | Bond Holders   | 305.67   | -  | 425.33  | Powergrid Gomti Yamuna Transmission Limited      | Subsidiary | Capex  |
| Term Loans           | Bank           | 42.11  | -  | 352.40  | Powergrid Gomti Yamuna Transmission Limited      | Subsidiary | Capex  |
| Bonds                | Bond Holders   | 37.23  | -  | 37.23   | Powergrid Teleservices Limited                   | Subsidiary | Capex  |
| Bonds                | Bond Holders   | 337.07   | -  | 440.01  | Powergrid Neemuch Transmission System Limited    | Subsidiary | Capex  |
| Term Loans           | Bank           | 71.80  | -  | 153.37  | Powergrid Neemuch Transmission System Limited    | Subsidiary | Capex  |
| Bonds                | Bond Holders   | 28.05  | -  | 35.12   | Powergrid ER NER Transmission Limited            | Subsidiary | Capex  |
| Term Loans           | Bank           | 1.17   | -  | 9.03  | Powergrid ER NER Transmission Limited            | Subsidiary | Capex  |
| Bonds                | Bond Holders   | 19.12  | -  | 19.12   | Powergrid ERWR Power Transmission Limited        | Subsidiary | Capex  |
| Term Loans           | Bank           | 0.44   | -  | 0.44  | Powergrid ERWR Power Transmission Limited        | Subsidiary | Capex  |
| Bonds                | Bond Holders   | 200.02   | -  | 200.02  | Powergrid Khavda RE Transmission System Limited  | Subsidiary | Capex  |
| Term Loans           | Bank           | 5.01   | -  | 5.01  | Powergrid Khavda RE Transmission System Limited  | Subsidiary | Capex  |
| Bonds                | Bond Holders   | 338.72   | -  | 338.72  | Powergrid Khavda II- B Transmission Limited      | Subsidiary | Capex  |
| Term Loans           | Bank           | 6.74   | -  | 6.74  | Powergrid Khavda II- B Transmission Limited      | Subsidiary | Capex  |
| Bonds                | Bond Holders   | 840.60   | -  | 840.60  | Powergrid Khavda II-C Transmission Limited       | Subsidiary | Capex  |
| Term Loans           | Bank           | 57.50  | -  | 57.50   | Powergrid Khavda II-C Transmission Limited       | Subsidiary | Capex  |

| Nature of fund taken | Name of lender | Amount Disbursed/ Guarantee issued or renewed during the year (₹ in Crore) | Amount Repaid/ Guarantee reduced or discharged or renewed during the year (₹ in Crore) | Amount Outstanding as on 31st March 2024 (₹ in Crore) | Name of the subsidiary, joint venture, associate    | Relation   | Nature of Transaction for which Funds utilized |
|----------------------|----------------|--|--|---|---|------------|--|
| Bonds                | Bond Holders   | 47.63  | -  | 47.63   | Powergrid KPS2 Transmission System Limited          | Subsidiary | Capex  |
| Term Loans           | Bank           | 7.20   | -  | 7.20  | Powergrid KPS2 Transmission System Limited          | Subsidiary | Capex  |
| Bonds                | Bond Holders   | 15.10  | -  | 15.10   | Powergrid Raipur Pool Dhamtari Transmission Limited | Subsidiary | Capex  |
| Bonds                | Bond Holders   | 33.63  | -  | 33.63   | Powergrid Dharamjaigarh Transmission Limited        | Subsidiary | Capex  |
| Term Loans           | Bank           | 0.15   | -  | 0.15  | Powergrid Dharamjaigarh Transmission Limited        | Subsidiary | Capex  |
| Bonds                | Bond Holders   | 74.03  | -  | 74.03   | Powergrid KPS3 Transmission Limited                 | Subsidiary | Capex  |
| Term Loans           | Bank           | 7.73   | -  | 7.73  | Powergrid KPS3 Transmission Limited                 | Subsidiary | Capex  |
| Bonds                | Bond Holders   | 444.33   | -  | 444.33  | Powergrid Bhadla Sikar Transmission Limited         | Subsidiary | Capex  |
| Term Loans           | Bank           | 3.25   | -  | 3.25  | Powergrid Bhadla Sikar Transmission Limited         | Subsidiary | Capex  |
| Bonds                | Bond Holders   | 78.50  | -  | 78.50   | Powergrid Ananthpuram Kurnool Transmission Limited  | Subsidiary | Capex  |
| Bonds                | Bond Holders   | 103.54   | -  | 103.54  | Powergrid Bhadla III Transmission Limited           | Subsidiary | Capex  |
| Bonds                | Bond Holders   | 120.87   | -  | 120.87  | Powergrid Beawar Dausa Transmission Limited         | Subsidiary | Capex  |
| Bonds                | Bond Holders   | 153.11   | -  | 153.11  | Powergrid Ramgarh II Transmission Limited           | Subsidiary | Capex  |
| Bonds                | Bond Holders   | 19.42  | -  | 19.42   | Powergrid Bikaner Neemrana Transmission Limited     | Subsidiary | Capex  |
| Bonds                | Bond Holders   | 18.73  | -  | 18.73   | Powergrid Neemrana Bareilly Transmission Limited    | Subsidiary | Capex  |
| Bonds                | Bond Holders   | 67.72  | -  | 67.72   | Powergrid Vataman Transmission Limited              | Subsidiary | Capex  |
| Bonds                | Bond Holders   | 19.24  | -  | 19.24   | Powergrid Koppal Gadag Transmission Limited         | Subsidiary | Capex  |



| Nature of fund taken | Name of lender | Amount Disbursed/ Guarantee issued or renewed during the year (₹ in Crore) | Amount Repaid/ Guarantee reduced or discharged or renewed during the year (₹ in Crore) | Amount Outstanding as on 31st March 2024 (₹ in Crore) | Name of the subsidiary, joint venture, associate    | Relation      | Nature of Transaction for which Funds utilized |
|----------------------|----------------|--|--|---|---|---------------|--|
| Bonds                | Bond Holders   | 94.71  | -  | 94.71   | National High Power Test Laboratory Private Limited | Joint Venture | Capex  |
| Guarantee            | Bank           | -  | 5.51   | 21.60   | Powergrid Medinipur Jeerat Transmission Limited     | Subsidiary    | Performance Bank Guarantee                     |
| Guarantee            | Bank           | -  | 12.69  | -   | Powergrid Mithilanchal Transmission Limited         | Subsidiary    | Performance Bank Guarantee                     |
| Guarantee            | Bank           | -  | 25.63  | -   | Powergrid Bhind Guna Transmission Limited           | Subsidiary    | Performance Bank Guarantee                     |
| Guarantee            | Bank           | -  | -  | 28.14   | Powergrid Rampur Sambhal Transmission Limited       | Subsidiary    | Performance Bank Guarantee                     |
| Guarantee            | Bank           | -  | -  | 33.75   | Powergrid Meerut Simbhavali Transmission Limited    | Subsidiary    | Performance Bank Guarantee                     |
| Guarantee            | Bank           | -  | -  | 14.04   | Powergrid Ramgarh Transmission Limited              | Subsidiary    | Performance Bank Guarantee                     |
| Guarantee            | Bank           | -  | -  | 34.65   | Powergrid Bikaner Transmission System Limited       | Subsidiary    | Performance Bank Guarantee                     |
| Guarantee            | Bank           | -  | -  | 37.13   | Powergrid Sikar Transmission Limited                | Subsidiary    | Performance Bank Guarantee                     |
| Guarantee            | Bank           | -  | -  | 10.50   | Powergrid Bhadla Transmission Limited               | Subsidiary    | Performance Bank Guarantee                     |
| Guarantee            | Bank           | -  | -  | 17.33   | Powergrid Aligarh Sikar Transmission Limited        | Subsidiary    | Performance Bank Guarantee                     |
| Guarantee            | Bank           | -  | -  | 31.01   | Powergrid Narela Transmission Limited               | Subsidiary    | Performance Bank Guarantee                     |
| Guarantee            | Bank           | -  | -  | 15.33   | Powergrid Gomti Yamuna Transmission Limited         | Subsidiary    | Performance Bank Guarantee                     |
| Guarantee            | Bank           | -  | -  | 18.60   | Powergrid Neemuch Transmission System Limited       | Subsidiary    | Performance Bank Guarantee                     |
| Guarantee            | Bank           | -  | -  | 6.84  | Powergrid ER NER Transmission Limited               | Subsidiary    | Performance Bank Guarantee                     |
| Guarantee            | Bank           | -  | -  | 4.80  | Powergrid ERWR Power Transmission Limited           | Subsidiary    | Performance Bank Guarantee                     |

| Nature of fund taken | Name of lender | Amount Disbursed/ Guarantee issued or renewed during the year (₹ in Crore) | Amount Repaid/ Guarantee reduced or discharged or renewed during the year (₹ in Crore) | Amount Outstanding as on 31st March 2024 (₹ in Crore) | Name of the subsidiary, joint venture, associate    | Relation   | Nature of Transaction for which Funds utilized |
|----------------------|----------------|--|--|---|---|------------|--|
| Guarantee            | Bank           | -  | -  | 24.00   | Powergrid Khavda RE Transmission System Limited     | Subsidiary | Performance Bank Guarantee                     |
| Guarantee            | Bank           | -  | -  | 30.00   | Powergrid Khavda II- B Transmission Limited         | Subsidiary | Performance Bank Guarantee                     |
| Guarantee            | Bank           | -  | -  | 39.90   | Powergrid Khavda II-C Transmission Limited          | Subsidiary | Performance Bank Guarantee                     |
| Guarantee            | Bank           | -  | -  | 18.00   | Powergrid KPS2 Transmission System Limited          | Subsidiary | Performance Bank Guarantee                     |
| Guarantee            | Bank           | -  | -  | 15.90   | Powergrid KPS3 Transmission Limited                 | Subsidiary | Performance Bank Guarantee                     |
| Guarantee            | Bank           | -  | -  | 4.80  | Powergrid Raipur Pool Dhamtari Transmission Limited | Subsidiary | Performance Bank Guarantee                     |
| Guarantee            | Bank           | -  | -  | 9.00  | Powergrid Dharamjaigarh Transmission Limited        | Subsidiary | Performance Bank Guarantee                     |
| Guarantee            | Bank           | -  | -  | 16.28   | Powergrid Bhadla Sikar Transmission Limited         | Subsidiary | Performance Bank Guarantee                     |
| Guarantee            | Bank           | 60.00  | -  | 60.00   | Powergrid Ananthpuram Kurnool Transmission Limited  | Subsidiary | Performance Bank Guarantee                     |
| Guarantee            | Bank           | 27.60  | -  | 27.60   | Powergrid Bhadla III Transmission Limited           | Subsidiary | Performance Bank Guarantee                     |
| Guarantee            | Bank           | 44.40  | -  | 44.40   | Powergrid Beawar Dausa Transmission Limited         | Subsidiary | Performance Bank Guarantee                     |
| Guarantee            | Bank           | 34.20  | -  | 34.20   | Powergrid Ramgarh II Transmission Limited           | Subsidiary | Performance Bank Guarantee                     |
| Guarantee            | Bank           | 81.00  | -  | 81.00   | Powergrid Bikaner Neemrana Transmission Limited     | Subsidiary | Performance Bank Guarantee                     |
| Guarantee            | Bank           | 42.00  | -  | 42.00   | Powergrid Neemrana Bareilly Transmission Limited    | Subsidiary | Performance Bank Guarantee                     |
| Guarantee            | Bank           | 76.00  | -  | 76.00   | Powergrid Vataman Transmission Limited              | Subsidiary | Performance Bank Guarantee                     |
| Guarantee            | Bank           | 126.00   | -  | 126.00  | Powergrid Koppal Gadag Transmission Limited         | Subsidiary | Performance Bank Guarantee                     |

| Nature of fund taken | Name of lender | Amount Disbursed/ Guarantee issued or renewed during the year (₹ in Crore) | Amount Repaid/ Guarantee reduced or discharged or renewed during the year (₹ in Crore) | Amount Outstanding as on 31st March 2024 (₹ in Crore) | Name of the subsidiary, joint venture, associate | Relation   | Nature of Transaction for which Funds utilized |
|----------------------|----------------|--|--|---|--|------------|--|
| Guarantee            | Bank           | 42.00  | -  | 42.00   | Sikar Khetri Transmission Limited                | Subsidiary | Performance Bank Guarantee                     |
| Guarantee            | Bank           | 85.90  | -  | 85.90   | Bidar Transmission Limited                       | Subsidiary | Performance Bank Guarantee                     |
| Guarantee            | Bank           | 9.46**   | -  | 43.72**   | Powergrid Teleservices Limited                   | Subsidiary | Performance Bank Guarantee                     |

\*\*With effect from 01 October 2023, Telecom Segment of the Company has been transferred to Powergrid Teleservices Limited. However, as of 31 March 2024 the above stated performance bank guarantees continue to stand in the name of the Company.

- (f) The Company has not raised loans during the year on the pledge of securities held in its subsidiaries, joint ventures or associate companies.
- (x) (a) The company has not raised money by way of initial public offer or further public offer (including debt instruments) during the year and hence reporting under clause 3(x)(a) of the Order is not applicable.
- (b) According to the information and explanations given to us, the Company has not made any preferential allotment or private placement of shares or convertible debentures (fully, partially or optionally convertible) during the year and hence reporting under clause 3(x)(b) of the Order is not applicable.
- (xi) (a) According to the information and explanations given to us and as represented by the Management and based on our examination of the books and records of the Company, no case of material fraud by the Company or on the Company has been noticed or reported during the year.
- (b) As no fraud has been noticed during the year as mentioned at xi(a) above, report under sub-Section (12) of Section 143 of the Companies Act in the Form ADT-4 as prescribed under Rule 13 of Companies (Audit and Auditors) Rules 2014 is not applicable.
- (c) We have taken into consideration the Whistle blower complaints received by the Company during the year and provided to us, when performing the audit.
- (xii) The company is not a Nidhi Company as prescribed under section 406 of the Act. Accordingly, clause 3(xii) of the Order is not applicable to the company.
- (xiii) In our opinion 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 financial statements as required by the applicable Indian Accounting Standards.
- (xiv) (a) According to the information and explanations given to us and based on our examination of the records of the company, the company has an internal audit system commensurate with the size and nature of its business.
- (b) We have considered the reports of the Internal Auditors for the year under audit, issued to the Company during the year and till date in determining the nature, timing and extent of our audit procedures.
- (xv) According to the information and explanations given to us and based on our examination of the records of the company, the company has not entered into non-cash transactions with directors or persons connected with them covered under Section 192 of the Act. Accordingly, Clause 3(xv) of the Order is not applicable to the company.
- (xvi) (a) In our opinion and 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, provision of clause 3(xvi)(a) of the Order are not applicable to the Company.
- (b) According to the information and explanations provided to us, the Company has not conducted

any Non-Banking Financial or Housing Finance activities therefore the Company is not required to be registered under Section 45-IA of the Reserve Bank of India Act, 1934. Accordingly, provisions of clause 3(xvi)(b) of the Order are not applicable.

(c) The Company is not a Core Investment Company (CIC) as defined in the regulations made by the Reserve Bank of India. Accordingly, provisions of clause 3(xvi)(c) of the Order are not applicable.

(d) In our opinion, there is no core investment company within the Group (as defined in the Core Investment Companies (Reserve Bank) Directions, 2016). Accordingly, provisions of clause 3(xvi)(d) of the Order are not applicable.

(xvii) Based on our examination of the records of the company, the company has not incurred any cash losses in the current Financial Year and in the immediately preceding Financial Year. Accordingly, provisions of clause 3(xvii) of the order are not applicable

(xviii) There has been no any resignation of the statutory auditors during the year. Accordingly, provisions of clause 3 (xviii) of the order are not applicable.

(xix) According to the information and explanations given to us and on the basis of the financial ratios, ageing and expected dates of realization 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 evidence supporting the assumptions, nothing has come to our attention, which causes us to believe that any material uncertainty exists as on the date of the audit report that company is not capable of meeting its liabilities existing at the date of balance sheet as and when they fall due within a period of one year from the balance sheet date. We, however, state that this is not an assurance as to the future viability of the company. We further state that our reporting is based on the facts up to the date of the audit report and we neither give any guarantee nor any assurance that all liabilities falling due within a period of one year from the balance sheet date, will get discharged by the company as and when they fall due.

xx) According to the information and explanations given to us and based on our examination of the records, the Company has spent the amount required as per section 135(5) of the Companies Act during the financial year. Accordingly, Clause 3(xx)(a) and 3(xx)(b) are not applicable to the company.

For **S. RAMANAND AIYAR & CO.**

Chartered Accountants  
FRN: 000990N

**Puneet Jain**

Partner  
M. No. 520928  
UDIN: 24520928BJZWT6775

For **Sagar & Associates**

Chartered Accountants  
FRN: 003510S

**Ajay Kumar Mishra**

Partner  
M. No. 205468  
UDIN: 24205468BKGPBF3403

For **Suresh Surana & Associates LLP**

Chartered Accountants  
FRN: 121750W/W-100010

**Avilas Agarwal**

Partner  
M. No. 062668  
UDIN: 24062668BKBIWK9955

For **G. D. Apte & Co.**

Chartered Accountants  
FRN: 100515W

**C. M. Dixit**

Partner  
M. No. 17532  
UDIN: 24017532BKESDY3200

Place: Mumbai  
Date: 22 May 2024





# **CONSOLIDATED FINANCIAL STATEMENTS**



**Consolidated Balance Sheet as at 31 March 2024**

(₹ in crore)

| Particulars   | Note No | As at 31 March 2024 | As at 31 March 2023* | As at 01 April 2022* |
|---|---------|---------------------|----------------------|----------------------|
| <b>ASSETS</b>   |         |                     |                      |                      |
| <b>Non-current assets</b>   |         |                     |                      |                      |
| Property, Plant and Equipment                                       | 4       | 176,222.51          | 183,777.39           | 190,048.35           |
| Capital work-in-progress  | 5       | 18,081.73           | 13,741.24            | 12,799.90            |
| Intangible assets   | 6       | 1,538.04            | 1,659.60             | 1,724.49             |
| Intangible assets under development                                 | 7       | 115.76              | 31.08                | 53.70                |
| Investments in Joint Ventures accounted for using the equity method | 8A      | 2,038.98            | 1,714.65             | 1,861.21             |
| <b>Financial Assets</b>   |         |                     |                      |                      |
| Investments   | 8       | 1,515.93            | 1,774.46             | 1,926.43             |
| Trade receivables   | 9A      | 294.48              | 733.18               | -                    |
| Loans   | 9       | 571.24              | 446.44               | 406.45               |
| Other non-current financial assets                                  | 10      | 7,832.08            | 5,953.45             | 4,591.16             |
| Deferred tax assets (Net)   | 26      | 61.64               | 54.90                | 74.73                |
| Other non-current assets  | 11      | 6,023.50            | 6,229.48             | 5,263.40             |
|   |         | <b>214,295.89</b>   | <b>216,115.87</b>    | <b>218,749.82</b>    |
| Assets Classified as Held for Sale                                  | 19A     | -                   | -                    | 245.00               |
|   |         | <b>214,295.89</b>   | <b>216,115.87</b>    | <b>218,994.82</b>    |
| <b>Current assets</b>   |         |                     |                      |                      |
| Inventories   | 12      | 1,406.29            | 1,339.95             | 1,357.17             |
| <b>Financial Assets</b>   |         |                     |                      |                      |
| Investments   | 13      | 608.26              | -                    | -                    |
| Trade receivables   | 14      | 11,539.63           | 14,883.96            | 13,369.56            |
| Cash and cash equivalents   | 15      | 3,463.95            | 5,192.17             | 2,577.11             |
| Bank balances other than Cash and cash equivalents                  | 16      | 4,031.17            | 2,192.41             | 2,471.07             |
| Loans   | 17      | 132.27              | 107.03               | 98.59                |
| Other current financial assets                                      | 18      | 5,042.49            | 1,710.09             | 6,156.69             |
| Other current assets  | 19      | 567.63              | 236.28               | 224.28               |
|   |         | <b>26,791.69</b>    | <b>25,661.89</b>     | <b>26,254.47</b>     |
| Assets Classified as Held for Sale                                  | 19A     | 260.86              | 260.86               | 15.86                |
|   |         | <b>27,052.55</b>    | <b>25,922.75</b>     | <b>26,270.33</b>     |
| <b>Regulatory Deferral Account Balances</b>                         | 20      | 9,542.08            | 10,234.44            | 9,933.24             |
| <b>Total Assets</b>   |         | <b>250,890.52</b>   | <b>252,273.06</b>    | <b>255,198.39</b>    |
| <b>EQUITY AND LIABILITIES</b>                                       |         |                     |                      |                      |
| <b>Equity</b>   |         |                     |                      |                      |
| Equity Share capital  | 21      | 9,300.60            | 6,975.45             | 6,975.45             |
| Other Equity  | 22      | 77,844.51           | 76,050.84            | 69,280.84            |
|   |         | <b>87,145.11</b>    | <b>83,026.29</b>     | <b>76,256.29</b>     |
| <b>Liabilities</b>  |         |                     |                      |                      |
| <b>Non-current liabilities</b>                                      |         |                     |                      |                      |
| <b>Financial Liabilities</b>  |         |                     |                      |                      |
| Borrowings  | 23      | 105,066.95          | 113,891.29           | 114,199.40           |
| Lease Liabilities   |         | 62.57               | 62.17                | 27.58                |
| Other non-current financial liabilities                             | 24      | 3,566.73            | 3,564.67             | 3,523.00             |

**Consolidated Balance Sheet as at 31 March 2024 (Contd.)**

(₹ in crore)

| Particulars  | Note No | As at 31 March 2024 | As at 31 March 2023* | As at 01 April 2022* |
|--|---------|---------------------|----------------------|----------------------|
| Provisions   | 25      | 643.66              | 577.87               | 517.14               |
| Deferred tax liabilities (Net)   | 26      | 10,298.57           | 10,721.99            | 11,422.55            |
| Other non-current liabilities  | 27      | 224.25              | 200.36               | 242.89               |
|  |         | <b>119,862.73</b>   | <b>129,018.35</b>    | <b>129,932.56</b>    |
| <b>Current liabilities</b>   |         |                     |                      |                      |
| <b>Financial Liabilities</b>   |         |                     |                      |                      |
| Borrowings   | 28      | 18,381.67           | 14,626.22            | 24,646.10            |
| Lease liabilities  |         | 5.02                | 4.13                 | 2.78                 |
| Trade payables   |         |                     |                      |                      |
| (A) total outstanding dues of micro enterprises and small enterprises                      | 29      | 75.17               | 49.34                | 47.19                |
| (B) total outstanding dues of creditors other than micro enterprises and small enterprises | 29      | 296.19              | 278.45               | 219.91               |
| Other current financial liabilities  | 30      | 11,611.23           | 10,711.68            | 10,174.00            |
| Other current liabilities  | 31      | 3,212.52            | 3,326.10             | 3,228.45             |
| Provisions   | 32      | 826.65              | 1,016.22             | 1,167.12             |
| Current Tax Liabilities (Net)  | 33      | 12.37               | 52.76                | 9.45                 |
|  |         | <b>34,420.82</b>    | <b>30,064.90</b>     | <b>39,495.00</b>     |
| <b>Deferred Revenue</b>  | 34      | 9,461.86            | 10,163.52            | 9,514.54             |
| <b>Total Equity and Liabilities</b>  |         | <b>250,890.52</b>   | <b>252,273.06</b>    | <b>255,198.39</b>    |

\* Restated (refer note no. 67(A))

The accompanying notes (1 to 68) form an integral part of financial statements

For and on behalf of the Board of Directors

 Satyaprakash Dash  
Company Secretary

 G Ravisankar  
Director (Finance)  
DIN: 08816101

 R K Tyagi  
Chairman & Managing Director  
DIN: 09632316

As per our report of even date

 For **S. RAMANAND AIYAR & CO**  
Chartered Accountants  
FRN : 000990N

 For **SAGAR & ASSOCIATES**  
Chartered Accountants  
FRN : 003510S

 For **SURESH SURANA & ASSOCIATES LLP**  
Chartered Accountants  
FRN : 121750W/W-100010

 For **G. D. APTE & CO**  
Chartered Accountants  
FRN : 100515W

 CA Puneet Jain  
Partner  
M. No. 520928

 CA Ajay Kumar Mishra  
Partner  
M. No. 205468

 CA Avilas Agarwal  
Partner  
M. No. 062668

 CA C. M. Dixit  
Partner  
M. No. 17532

Date: 22 May 2024

Place: Mumbai



**Consolidated Statement of Profit and Loss for the year ended 31 March 2024**

(₹ in crore)

| Particulars  | Note No | For the year ended<br>31 March 2024 | For the year ended<br>31 March 2023 * |
|--|---------|-------------------------------------|---------------------------------------|
| Revenue From Operations  | 35      | 45,843.10                           | 45,603.11                             |
| Other Income   | 36      | 1,070.02                            | 1,002.53                              |
| <b>Total Income</b>  |         | <b>46,913.12</b>                    | <b>46,605.64</b>                      |
| <b>EXPENSES</b>  |         |                                     |                                       |
| Employee benefits expense  | 37      | 2,434.44                            | 2,508.53                              |
| Finance costs  | 38      | 8,772.75                            | 9,633.94                              |
| Depreciation and amortisation expense  | 39      | 13,095.27                           | 13,333.38                             |
| Other expenses   | 40      | 3,505.77                            | 3,594.62                              |
| <b>Total expenses</b>  |         | <b>27,808.23</b>                    | <b>29,070.47</b>                      |
| Profit before share of net profits of investments in Joint Ventures accounted for using Equity Method, Exceptional items, tax and Regulatory Deferral Account Balances |         | 19,104.89                           | 17,535.17                             |
| Share of net profit/(loss) of investments in Joint Ventures accounted for using Equity Method  |         | (19.55)                             | (82.12)                               |
| <b>Profit before Tax and Regulatory Deferral Account Balances</b>  |         | <b>19,085.34</b>                    | <b>17,453.05</b>                      |
| Tax expense:   |         |                                     |                                       |
| Current tax - Current Year   |         | 3,340.69                            | 3,018.28                              |
| - Earlier Years  |         | (2.48)                              | (73.76)                               |
| Deferred tax   | 26      | (397.42)                            | (662.64)                              |
|  |         | <b>2,940.79</b>                     | <b>2,281.88</b>                       |
| <b>Profit for the period before Regulatory Deferral Account Balances</b>   |         | <b>16,144.55</b>                    | <b>15,171.17</b>                      |
| Net movement in Regulatory Deferral Account Balances- Income/(Expenses) (net of tax)   | 41      | (571.39)                            | 248.57                                |
| <b>Profit for the period attributable to owners of the parent</b>  |         | <b>15,573.16</b>                    | <b>15,419.74</b>                      |
| <b>Other Comprehensive Income</b>  |         |                                     |                                       |
| Items that will not be reclassified to profit or loss (net of tax)   | 42      | (232.90)                            | (106.69)                              |
| Share of other comprehensive income of Joint Ventures accounted for using Equity Method  |         | (1.71)                              | 2.19                                  |
| <b>Total Comprehensive Income for the period attributable to owners of the parent</b>  |         | <b>15,338.55</b>                    | <b>15,315.24</b>                      |

**Consolidated Statement of Profit and Loss for the year ended 31 March 2024 (Contd.)**

| Particulars   | Note No | For the year ended<br>31 March 2024 | For the year ended<br>31 March 2023 * |
|---|---------|-------------------------------------|---------------------------------------|
| Earnings per equity share including movement in Regulatory Deferral Account Balances (Par value ₹ 10/- each): |         |                                     |                                       |
| Basic & Diluted (₹)   | 62      | 16.74                               | 16.58                                 |
| Earnings per equity share excluding movement in Regulatory Deferral Account Balances (Par value ₹ 10/- each): |         |                                     |                                       |
| Basic & Diluted (₹)   | 62      | 17.36                               | 16.31                                 |

\* Restated (refer note no. 67(A))

The accompanying notes (1 to 68) form an integral part of financial statements

**For and on behalf of the Board of Directors**
**Satyaprakash Dash**  
Company Secretary

**G Ravisankar**  
Director (Finance)  
DIN: 08816101

**R K Tyagi**  
Chairman & Managing Director  
DIN: 09632316

**As per our report of even date**

 For **S. RAMANAND AIYAR & CO**  
Chartered Accountants  
FRN : 000990N

 For **SAGAR & ASSOCIATES**  
Chartered Accountants  
FRN : 003510S

 For **SURESH SURANA & ASSOCIATES LLP**  
Chartered Accountants  
FRN : 121750W/W-100010

 For **G. D. APTE & CO**  
Chartered Accountants  
FRN : 100515W

**CA Puneet Jain**  
Partner  
M. No. 520928

**CA Ajay Kumar Mishra**  
Partner  
M. No. 205468

**CA Avilas Agarwal**  
Partner  
M. No. 062668

**CA C. M. Dixit**  
Partner  
M. No. 17532

Date: 22 May 2024

Place: Mumbai

**Consolidated Statement of Changes in Equity for the year ended 31 March 2024**
**A. Equity Share Capital**

(₹ in crore)

|   |                 |
|---|-----------------|
| As at 01 April 2023                     | 6,975.45        |
| Changes during the year (refer note 21) | 2,325.15        |
| <b>As at 31 March 2024</b>              | <b>9,300.60</b> |
| As at 01 April 2022                     | 6,975.45        |
| Changes during the year                 | -               |
| <b>As at 31 March 2023</b>              | <b>6,975.45</b> |

**B. Other Equity**

(₹ in crore)

| Particulars   | Reserves and Surplus |                    |                              |                             |                  |                   | Other Com-<br>prehensive<br>Income (OCI) | Total            |
|---|----------------------|--------------------|------------------------------|-----------------------------|------------------|-------------------|--|------------------|
|   | Capital Reserve      | Securities Premium | Bond Re-<br>demption Reserve | Self In-<br>surance Reserve | General Reserve  | Retained Earnings | Equity instru-<br>ments through OCI      |                  |
| As at 01 April 2023   | 9.88                 | 7,834.43           | 4,168.17                     | 1,088.46                    | 58,534.81        | 4,043.48          | 371.61                                   | 76,050.84        |
| Profit for the year   |                      |                    |                              |                             |                  | 15,573.16         |  | 15,573.16        |
| Other Comprehensive Income  |                      |                    |                              |                             |                  | (35.68)           | (198.93)                                 | (234.61)         |
| <b>Total Comprehensive Income for the period attributable to owners of the parent</b> |                      |                    |                              |                             |                  | <b>15,537.48</b>  | <b>(198.93)</b>                          | <b>15,338.55</b> |
| <b>Adjustments during the year</b>  |                      |                    |                              |                             |                  |                   |  |                  |
| Transfer to General Reserve   |                      |                    |                              |                             | 6,000.00         | (6,000.00)        |  | -                |
| Transfer from Bond Redemption Reserve   |                      |                    | (1,247.15)                   |                             |                  | 1,247.15          |  | -                |
| Transfer to Self Insurance Reserve  |                      |                    |                              | 312.63                      |                  | (312.63)          |  | -                |
| Transfer from Self Insurance Reserve  |                      |                    |                              | (108.86)                    | 108.86           |                   |  | -                |
| Utilised for issue of bonus equity shares   |                      | (2,325.15)         |                              |                             |                  |                   |  | (2,325.15)       |
| Final Dividend F.Y. 2022-23   |                      |                    |                              |                             |                  | (3,313.34)        |  | (3,313.34)       |
| Interim Dividend F.Y. 2023-24   |                      |                    |                              |                             |                  | (7,905.51)        |  | (7,905.51)       |
| Other Adjustments   |                      |                    |                              |                             |                  | (0.88)            |  | (0.88)           |
| <b>As at 31 March 2024</b>  | <b>9.88</b>          | <b>5,509.28</b>    | <b>2,921.02</b>              | <b>1,292.23</b>             | <b>64,643.67</b> | <b>3,295.75</b>   | <b>172.68</b>                            | <b>77,844.51</b> |

**Consolidated Statement of Changes in Equity for the year ended 31 March 2024 (Contd.)**
**B. Other Equity (contd.)**

(₹ in crore)

| Particulars   | Reserves and Surplus |                    |                              |                             |                  |                   | Other Com-<br>prehensive<br>Income (OCI) | Total            |
|---|----------------------|--------------------|------------------------------|-----------------------------|------------------|-------------------|--|------------------|
|   | Capital Reserve      | Securities Premium | Bond Re-<br>demption Reserve | Self In-<br>surance Reserve | General Reserve  | Retained Earnings | Equity in-<br>struments through OCI      |                  |
| As at 01 April 2022   | 9.88                 | 7,834.43           | 5,532.80                     | 874.86                      | 50,430.26        | 4,097.36          | 492.09                                   | 69,271.68        |
| Ind AS 12 Adjustments   |                      |                    |                              |                             |                  | 9.16              |  | 9.16             |
|   | <b>9.88</b>          | <b>7,834.43</b>    | <b>5,532.80</b>              | <b>874.86</b>               | <b>50,430.26</b> | <b>4,106.52</b>   | <b>492.09</b>                            | <b>69,280.84</b> |
| Profit for the year   |                      |                    |                              |                             |                  | 15,419.74         |  | 15,419.74        |
| Other Comprehensive Income  |                      |                    |                              |                             |                  | 19.42             | (123.92)                                 | (104.50)         |
| <b>Total Comprehensive Income for the period attributable to owners of the parent</b> |                      |                    |                              |                             |                  | <b>15,439.16</b>  | <b>(123.92)</b>                          | <b>15,315.24</b> |
| <b>Adjustments during the year</b>  |                      |                    |                              |                             |                  |                   |  |                  |
| Transfer to General Reserve   |                      |                    |                              |                             | 8,000.00         | (8,000.00)        |  | -                |
| Transfer from Bond Redemption Reserve   |                      |                    | (1,364.63)                   |                             |                  | 1,364.63          |  | -                |
| Transfer to Self Insurance Reserve  |                      |                    |                              | 318.15                      |                  | (318.15)          |  | -                |
| Transfer from Self Insurance Reserve  |                      |                    |                              | (104.55)                    | 104.55           |                   |  | -                |
| Final Dividend F.Y. 2021-22   |                      |                    |                              |                             |                  | (1,569.48)        |  | (1,569.48)       |
| Interim Dividend F.Y. 2022-23   |                      |                    |                              |                             |                  | (6,975.45)        |  | (6,975.45)       |
| Other Adjustments   |                      |                    |                              |                             |                  | (3.75)            | 3.44                                     | (0.31)           |
| <b>As at 31 March 2023</b>  | <b>9.88</b>          | <b>7,834.43</b>    | <b>4,168.17</b>              | <b>1,088.46</b>             | <b>58,534.81</b> | <b>4,043.48</b>   | <b>371.61</b>                            | <b>76,050.84</b> |

The accompanying notes (1 to 68) form an integral part of financial statements

Refer to Note No 22 for nature and movement of Reserve and Surplus.

**For and on behalf of the Board of Directors**
**Satyaprakash Dash**  
Company Secretary

**G Ravisankar**  
Director (Finance)  
DIN: 08816101

**R K Tyagi**  
Chairman & Managing Director  
DIN: 09632316

**As per our report of even date**

 For **S. RAMANAND AIYAR & CO**  
Chartered Accountants  
FRN : 000990N

 For **SAGAR & ASSOCIATES**  
Chartered Accountants  
FRN : 003510S

 For **SURESH SURANA & ASSOCIATES LLP**  
Chartered Accountants  
FRN : 121750W/W-100010

 For **G. D. APTE & CO**  
Chartered Accountants  
FRN : 100515W

**CA Puneet Jain**  
Partner  
M. No. 520928

**CA Ajay Kumar Mishra**  
Partner  
M. No. 205468

**CA Avilas Agarwal**  
Partner  
M. No. 062668

**CA C. M. Dixit**  
Partner  
M. No. 17532

Date: 22 May 2024

Place: Mumbai



**Consolidated Statement of Cash Flows for the year ended 31 March 2024**

(₹ in crore)

| Particulars   | For the year ended<br>31 March 2024 | For the year ended<br>31 March 2023 |
|---|-------------------------------------|-------------------------------------|
| <b>A. CASH FLOW FROM OPERATING ACTIVITIES</b>   |                                     |                                     |
| Profit Before Tax and Regulatory Deferral Account Balances                                    | 19,085.34                           | 17,453.05                           |
| Add: Net movement in Regulatory Deferral Account Balances (net of tax)                        | (571.39)                            | 248.57                              |
| Add: Tax on Net movement in Regulatory Deferral Account Balances                              | (120.97)                            | 52.63                               |
| <b>Net Profit Before Tax (including Net movement in regulatory deferral account balances)</b> | <b>18,392.98</b>                    | <b>17,754.25</b>                    |
| <b>Adjustment for :</b>   |                                     |                                     |
| Depreciation & amortisation expenses  | 13,095.27                           | 13,333.38                           |
| Transfer from Grants in Aid   | (311.41)                            | (315.33)                            |
| Deferred revenue - Advance against Depreciation   | (130.24)                            | (151.56)                            |
| Provisions  | 70.96                               | 37.65                               |
| Changes in fair value of financial instruments through profit or loss                         | (15.71)                             | (27.90)                             |
| Share of net profits of joint ventures accounted for using equity method                      | 19.55                               | 82.12                               |
| Net Loss on Disposal / Write off of Property, Plant & Equipment                               | 19.99                               | 22.09                               |
| Deferred Foreign Currency Fluctuation Asset   | 415.85                              | (159.19)                            |
| Deferred Income from Foreign Currency Fluctuation   | (273.94)                            | 1,116.10                            |
| Regulatory Deferral Account Debit Balances  | 692.36                              | (301.20)                            |
| Finance Costs   | 8,772.75                            | 9,633.94                            |
| Provisions Written Back   | (114.05)                            | (29.93)                             |
| FERV loss   | 41.97                               | 268.20                              |
| Gain on sale/Change in Fair Value of Current Investment Measured at FVPL                      | (9.46)                              | -                                   |
| Interest income on Deposits, Bonds, loans to JVs, PG InvIT etc.                               | (385.18)                            | (220.11)                            |
| Surcharge income  | (145.96)                            | (181.98)                            |
| Income from finance lease   | (439.86)                            | (241.34)                            |
| Dividend income   | (78.80)                             | (111.92)                            |
|   | <b>21,224.09</b>                    | <b>22,753.02</b>                    |
| <b>Operating profit before Changes in Assets and Liabilities</b>                              | <b>39,617.07</b>                    | <b>40,507.27</b>                    |
| <b>Adjustment for Changes in Assets and Liabilities:</b>                                      |                                     |                                     |
| (Increase)/Decrease in Inventories  | (60.42)                             | 14.13                               |
| (Increase)/Decrease in Trade Receivables  | 3,602.36                            | (2,120.17)                          |
| (Increase)/Decrease in Other Financial Assets   | (3,216.98)                          | 4,505.92                            |
| (Increase)/Decrease in Other Non-current Assets   | 211.06                              | (382.13)                            |
| (Increase)/Decrease in Other Current Assets   | (331.35)                            | (6.34)                              |
| Increase/(Decrease) in Liabilities & Provisions   | 848.49                              | 537.23                              |
|   | <b>1,053.16</b>                     | <b>2,548.64</b>                     |
| <b>Cash generated from operations</b>   | <b>40,670.23</b>                    | <b>43,055.91</b>                    |

**Consolidated Statement of Cash Flows for the year ended 31 March 2024 (Contd.)**

(₹ in crore)

| Particulars   | For the year ended<br>31 March 2024 | For the year ended<br>31 March 2023 |
|---|-------------------------------------|-------------------------------------|
| Direct taxes paid   | (3,380.73)                          | (2,853.04)                          |
| <b>Net Cash from Operating Activities</b>   | <b>37,289.50</b>                    | <b>40,202.87</b>                    |
| <b>B. CASH FLOW FROM INVESTING ACTIVITIES</b>   |                                     |                                     |
| Property, Plant & Equipment and Capital Work in Progress (Including Advances for Capital Expenditure) | (11,403.74)                         | (8,242.63)                          |
| Receipt of Grant  | 0.29                                | 0.35                                |
| Investment in Mutual Funds  | (2,080.00)                          | -                                   |
| Sale of Mutual Funds  | 1,483.92                            | -                                   |
| Investments in joint venture companies & others   | (369.61)                            | (1.66)                              |
| Loans & Advances to Joint Venture/Associate Companies (including repayments)                          | (94.71)                             | -                                   |
| Financial lease receipts  | 480.26                              | 180.46                              |
| Bank balances other than cash and cash equivalents  | (1,928.56)                          | 327.51                              |
| Interest received on Deposits, Bonds & loans to JVs, PG InvIT etc.                                    | 349.11                              | 206.19                              |
| Surcharge received  | 301.49                              | 201.85                              |
| Dividend received from joint venture companies  | 68.36                               | 77.76                               |
| Dividend received from other investments  | 78.80                               | 111.92                              |
| <b>Net Cash flow used in Investing Activities</b>   | <b>(13,114.39)</b>                  | <b>(7,138.25)</b>                   |
| <b>C. CASH FLOW FROM FINANCING ACTIVITIES</b>   |                                     |                                     |
| Proceeds from non current borrowings  | 8,053.00                            | 9,140.44                            |
| Repayment of non current borrowings   | (13,440.72)                         | (15,540.65)                         |
| Proceeds/repayment of current borrowings  | 70.91                               | (6,857.62)                          |
| Repayment of Lease Liabilities (Including interest)   | (9.63)                              | (8.86)                              |
| Finance Costs paid  | (9,356.86)                          | (8,637.94)                          |
| Dividend paid   | (11,218.85)                         | (8,544.93)                          |
| Expenses paid towards issue of bonus shares   | (1.18)                              | -                                   |
| <b>Net Cash used in Financing Activities</b>  | <b>(25,903.33)</b>                  | <b>(30,449.56)</b>                  |
| D. Net change in Cash and Cash equivalents (A+B+C)  | (1,728.22)                          | 2,615.06                            |
| E. Cash and Cash equivalents (Opening balance)  | 5,192.17                            | 2,577.11                            |
| F. Cash and Cash equivalents (Closing balance) (Refer Note No 15)*                                    | <b>3,463.95</b>                     | <b>5,192.17</b>                     |

The accompanying notes (1 to 68) form an integral part of financial statements

\* Includes ₹ 622.93 crore (Previous Year ₹ 1048.54 crore) held in designated accounts which is not available for use by the Group.

**Notes:**

- Cash and cash equivalents consist of cheques, drafts, stamps in hands, balances with banks and deposits with original maturity of upto three months.
- Previous year figures have been re-grouped / re-arranged wherever necessary.
- Reconciliation between the opening and closing balances in the balance sheet for liabilities arising from financing activities.

**Consolidated Statement of Cash Flows for the year ended 31 March 2024 (Contd.)**

(₹ in crore)

| Particulars                                    | Finance lease obligations | Non-current borrowings# | Current borrowings |
|--|---------------------------|-------------------------|--------------------|
| As at 01 April 2023                            | 66.30                     | 128,851.49              | 2,622.61           |
| Net Cash Flows during the year                 | (9.63)                    | (14,298.54)             | 70.91              |
| Non-cash changes due to :                      |                           |                         |                    |
| - Adjustments/Acquisitions under finance lease | 10.92                     |                         |                    |
| - Interest on borrowings                       |                           | 8,865.07                |                    |
| - Variation in exchange rates                  |                           | 247.92                  |                    |
| - Fair value adjustments                       |                           | (3.96)                  |                    |
| <b>As at 31 March 2024</b>                     | <b>67.59</b>              | <b>123,661.98</b>       | <b>2,693.52</b>    |

(₹ in crore)

| Particulars                                    | Finance lease obligations | Non-current borrowings# | Current borrowings |
|--|---------------------------|-------------------------|--------------------|
| As at 01 April 2022                            | 30.36                     | 132,147.04              | 9,480.23           |
| Net Cash Flows during the year                 | (8.86)                    | (14,514.55)             | (6,857.62)         |
| Non-cash changes due to :                      |                           |                         |                    |
| - Adjustments/Acquisitions under finance lease | 44.80                     |                         |                    |
| - Interest on borrowings                       |                           | 8,285.51                |                    |
| - Variation in exchange rates                  |                           | 2,929.84                |                    |
| - Fair value adjustments                       |                           | 3.65                    |                    |
| <b>As at 31 March 2023</b>                     | <b>66.30</b>              | <b>128,851.49</b>       | <b>2,622.61</b>    |

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

**For and on behalf of the Board of Directors**
**Satyaprakash Dash**  
Company Secretary

**G Ravisankar**  
Director (Finance)  
DIN: 08816101

**R K Tyagi**  
Chairman & Managing Director  
DIN: 09632316

**As per our report of even date**

|   |   |  |  |
|---|---|--|--|
| For <b>S. RAMANAND AIYAR &amp; CO</b><br>Chartered Accountants<br>FRN : 000990N | For <b>SAGAR &amp; ASSOCIATES</b><br>Chartered Accountants<br>FRN : 003510S | For <b>SURESH SURANA &amp; ASSOCIATES LLP</b><br>Chartered Accountants<br>FRN : 121750W/W-100010 | For <b>G. D. APTE &amp; CO</b><br>Chartered Accountants<br>FRN : 100515W |
|---|---|--|--|

|   |   |  |  |
|---|---|--|--|
| <b>CA Puneet Jain</b><br>Partner<br>M. No. 520928 | <b>CA Ajay Kumar Mishra</b><br>Partner<br>M. No. 205468 | <b>CA Avilas Agarwal</b><br>Partner<br>M. No. 062668 | <b>CA C. M. Dixit</b><br>Partner<br>M. No. 17532 |
|---|---|--|--|

Date: 22 May 2024

Place: Mumbai

**Notes to Consolidated Financial Statements**
**1. Group Information**

Power Grid Corporation of India Limited ('the Company') is a public company domiciled and incorporated in India under the provisions of The Companies Act and its shares are listed on the National Stock Exchange (NSE) and BSE Limited (BSE) in India. The Registered Office of the Company is situated at B-9, Qutab Institutional Area, Katwaria Sarai, New Delhi, India and its Corporate Office is located at Saudamini, Plot No.2, Sector-29, Gurgaon, Haryana.

The Company is notified as the deemed transmission licensee under The Electricity Act, 2003. It is principally engaged in implementation, operation and maintenance of Inter-State Transmission System (ISTS), Telecom and consultancy services.

The consolidated financial statements of the group for the year ended 31 March 2024 were approved for issue by the Board of Directors on 22 May 2024.

**2. Material Accounting Policy Information**

A summary of the material accounting policy information applied in the preparation of the consolidated financial statements are as given below. These accounting policies have been applied consistently to all periods presented in the consolidated financial statements. The Consolidated financial statements of the group are consisting of the Company and its subsidiaries and the Group's interest in joint ventures.

**2.1 Basis of Preparation**
**i) Compliance with Ind AS**

The consolidated 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 consolidated financial statements have been prepared on accrual basis and under the historical cost convention except following which have been measured at fair value:

- Certain financial assets and liabilities measured at fair value (refer Note no. 2.14 for accounting policy regarding financial instruments),
- Defined benefit plans – plan assets measured at fair value.

**iii) Functional and presentation currency**

The consolidated financial statements are presented in Indian Rupees (Rupees or ₹), which is the Company's functional and presentation currency and all amounts are rounded to the nearest crore and two decimals thereof, except as stated otherwise.

**iv) Use of estimates**

The preparation of consolidated 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 recognised in the period in which the estimate is revised if the revision effects only that period or in the period of the revision and future periods if the revision affects both current and future years (refer Note no. 3 on critical accounting estimates, assumptions and judgments).

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

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

An asset is current when it is:

- Expected to be realised or intended to be sold or consumed in normal operating cycle;
- Held primarily for the purpose of trading;
- Expected to be realised 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 Group recognises twelve months period as its operating cycle.

## 2.2 Principle of Consolidation and Equity Accounting

### Subsidiaries

Subsidiaries are entities over which the Group has control. The Group controls an entity when the Group is exposed to, or has right to, variable returns from its involvement with the entity and has the ability to affect those returns through its power to direct the relevant activities of the entity. Subsidiaries are fully consolidated from the date on which control is transferred to the Group. They are deconsolidated from the date that control ceases.

The acquisition method of accounting is used to account for business combination by the group.

The Group combines the financial statement of the subsidiaries line by line adding together like items of assets, liabilities, equity, income, and expenses. Inter Group transactions, balances and unrealised gains on transactions between companies are eliminated. Unrealised losses are also eliminated unless the transaction provides evidence of an impairment of the transferred asset. Accounting policies of subsidiaries have been changed where necessary to ensure consistency with the policies adopted by the Group.

The consolidated financial statements have been prepared in accordance with Indian Accounting Standard (Ind AS) 110 – ‘Consolidated Financial Statements’ and Indian Accounting Standard (Ind AS) 28 – ‘Investments in Associates and Joint Ventures.

### Joint Arrangements

Under Ind AS 111 Joint Arrangements, investment in joint arrangements is classified as either joint operation or joint ventures. The classification depends on the contractual right and obligations of each investor, rather than the legal structure of the joint arrangement. The Group has only joint ventures.

### Joint Ventures

Interest in joint ventures is accounted for using the equity method, after initially being recognised at cost in the consolidated balance sheet.

### Equity Method

Under the equity method of accounting, the investments are initially recognised at cost and adjusted thereafter to recognise the Group’s share of the post – acquisition profits or losses of the investee company in Statement of Profit and Loss, and the Group’s share of other comprehensive income of the investee Company in other comprehensive income. Dividends received from joint ventures are recognised as reduction in the carrying amount of the investment.

When the Group’s share of losses in an investment accounted under Equity method equals or exceeds its interest in the entity, including any other unsecured long term receivables, the Group does not recognise further losses, unless it has incurred obligations or made payments on behalf of the Joint Venture Entities.

Unrealised gains on transactions between the Group and its joint ventures are eliminated to the extent of the Group’s interest in these entities. Unrealised losses are also eliminated unless the transaction provides evidence of an impairment of asset transferred. Accounting policies of equity accounted investees have been changed where necessary.

The financial statements of the subsidiary companies and joint venture companies in the consolidation are drawn up to the same reporting date as of the Group.

### Changes in ownership interests

When the group ceases to consolidate or to account for an investment under equity method due to loss of control or joint control, the retained interest in the entity is remeasured to its fair value with the change in carrying amount recognised in Statement of Profit and Loss. The fair value becomes the initial carrying amount for the purpose of subsequent accounting of the retained interest as an associate or a financial asset.

### Difference in Accounting Policies and Impact thereon:

For certain items the Group and joint venture entities have followed different accounting policies. However, the impact of same is not material.

## 2.3 Property, Plant and Equipment

The Group had opted to consider the carrying value of Property, Plant and Equipment as per previous GAAP on the date of transition to Ind AS (1<sup>st</sup> April 2015) to be the deemed cost as per Ind AS 101 ‘First-time Adoption of Indian Accounting Standards’.

### Initial Recognition and Measurement

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

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

Assets and systems common to more than one transmission system are capitalised on the basis of technical estimates/ assessments.

Transmission system assets are considered as ready for intended use from the date of commercial operation declared or approved in terms of CERC Tariff Regulations and capitalised accordingly. However, in case of subsidiaries, transmission system assets are considered as ready for intended use after meeting the conditions as stipulated in Transmission Service Agreement (TSA) and capitalised accordingly.

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

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

Spares parts whose cost is ₹ 5,00,000/- and above, standby equipment and servicing equipment which meets the recognition criteria of Property, Plant and Equipment are capitalised.

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

### Subsequent costs

Subsequent expenditure is recognised 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 Group and cost of the item can be measured reliably.

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

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

### Derecognition

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

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

## 2.4 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 capitalisation.

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

Interest during construction and expenditure (net) allocated to construction as per policy above are kept as a separate item under CWIP and apportioned to the assets being capitalised 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.

## 2.5 Intangible Assets and Intangible Assets under development

The Group had opted to consider the carrying value of Intangible Assets as per previous GAAP on the date of transition to Ind AS (1st April 2015) to be the deemed cost as per Ind AS 101 'First-time Adoption of Indian Accounting Standards'.

Intangible assets with finite useful life that are acquired separately are carried at cost less any accumulated amortisation and accumulated impairment losses.

Subsequent expenditure on already capitalised 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 recognised as an intangible asset when the same is ready for its use.

Afforestation charges for acquiring right-of-way for laying transmission lines are accounted for as intangible assets on the date of capitalisation of related transmission lines.

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

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

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

An item of Intangible asset is derecognised upon disposal or when no future economic benefits are expected from its use or disposal. Gains or losses arising from derecognition of an intangible asset are measured as the difference between the net

disposal proceeds and the carrying amount of the asset and are recognised in the Statement of Profit and Loss when the asset is derecognised.

## 2.6 Investment property

The Group had opted to consider the carrying value of Investment Property as per previous GAAP on the date of transition to Ind AS (1st April 2015) to be the deemed cost as per Ind AS 101 'First-time Adoption of Indian Accounting Standards'.

Investment property comprises portions of land and/or buildings that are held for long term rental yields and/or for capital appreciation.

Investment properties are initially measured at cost, including transaction costs. Subsequent to initial recognition, investment properties are carried at cost less accumulated depreciation and accumulated impairment loss, if any.

Transfers to or from investment property is made when there is a change in use - i.e. an asset meets or ceases to meet the definition of investment property and there is evidence of the change in use.

Investment properties are derecognised either when they have been disposed off or when they are permanently withdrawn from use and no future economic benefit is expected from their disposal. The difference between the net disposal proceeds and the carrying amount of the asset is recognised as profit or loss in the period of derecognition.

## 2.7 Depreciation / Amortisation

### Property, Plant and Equipment

Depreciation/amortisation on the items of property, plant and equipment related to transmission business is provided on straight line method following the rates and methodology notified by the CERC for the purpose of recovery of tariff and on property, plant and equipment of telecom, consultancy business and subsidiaries acquired through Tariff Based Competitive Bidding (TBCB) process is provided on straight line method as per useful life specified in Schedule II of the Companies Act, 2013 except for property, plant and equipment specified in the following paragraphs.

ULDC assets commissioned prior to 1st April 2014 are depreciated on Straight Line Method @ 6.67% per annum. Such assets commissioned on or after 1st April 2014 are depreciated on straight line method following the rates and methodology notified by the CERC for the purpose of recovery of tariff.

In the case of property, plant and equipment of National Thermal Power Corporation Limited (NTPC), National Hydro-Electric Power Corporation Limited (NHPC), North-Eastern Electric Power Corporation Limited (NEEPCO), Neyveli Lignite Corporation Limited (NLC) transferred w.e.f. April 1, 1992, Jammu and Kashmir Lines w.e.f. April 1, 1993, and Tehri Hydro Development Corporation Limited (THDC) w.e.f. August 1, 1993, depreciation is charged based on gross block as indicated in transferor's books with necessary adjustments so that the life of the assets as laid down in the CERC notification for tariff is maintained.

Depreciation on spares parts, standby equipment and servicing equipment which are capitalised, is provided on straight line method from the date they are available for use over the remaining useful life of the related assets of transmission business, following the rates and methodology notified by the CERC.

Depreciation on following items of property, plant and equipment (PPE) 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. PPE of Subsidiaries acquired through TBCB process: |             |
| Buildings   | 35 years    |
| Transmission line                                     | 35 years    |
| Substation Equipment                                  | 35 years    |

Residual value of above assets in (a) and (b) is considered as Nil.

Mobile phones are charged off in the year of purchase.

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

Where the cost of depreciable property, plant and equipment has undergone a change due to increase/decrease in long term monetary items on account of exchange rate fluctuation, price adjustment, change in duties or similar factors, the unamortised balance of such asset is depreciated prospectively at the rates and methodology as specified by the CERC Tariff Regulations, except for telecom and consultancy business assets where residual life is determined on the basis of useful life of property, plant and equipment as specified in Schedule II of the Companies Act, 2013.

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 other than items of property, plant and equipment related to transmission business 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 amortised over lease period or life of the related plant whichever is lower in accordance with the applicable methodology. Leasehold land acquired on perpetual lease is not amortised.

### Intangible Assets

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

Afforestation charges other than related to subsidiaries acquired through TBCB process are amortised over thirty five years from the date of capitalisation of related transmission assets following the rates and methodology notified by Central Electricity Regulatory Commission (CERC) Tariff Regulations.

Afforestation charges related to subsidiaries acquired through TBCB process are amortised over thirty -five years from the date of capitalisation of related transmission assets following straight line method with Nil Residual Value.

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

Expenditure on development of 1200kv Transmission System shall be amortised over a period of 10 years.

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



## 2.8 Borrowing Costs

All the borrowed funds (except short term funds for working capital) are earmarked to specific projects. The borrowing costs (including bond issue expenses, interest, discount on bonds, front end fee, guarantee fee, management fee etc.) are allocated to the projects in proportion to the funds so earmarked.

Exchange differences arising from foreign currency borrowing to the extent regarded as an adjustment to interest costs are treated as borrowing cost.

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

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

## 2.9 Impairment of non-financial assets

The carrying amounts of the Group'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 recognised if the carrying amount of an asset or its CGU exceeds its estimated recoverable amount. Impairment losses are recognised in the statement of profit and loss. Impairment losses recognised in respect of CGUs are reduced from the carrying amounts of the assets of the CGU.

Impairment losses recognised 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 amortisation, if no impairment loss had been recognised.

## 2.10 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.

## 2.11 Inventories

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

Spares which do not meet the recognition criteria as Property, Plant and Equipment including spare parts whose cost is less than ₹ 5,00,000/- are recorded as inventories.

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

The diminution in the value of obsolete, unserviceable and surplus stores and spares is ascertained on review and provided for.

## 2.12 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 Group 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 Group 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 Group recognises the lease payments on straight-line basis over the term of the lease.

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

The right-of-use assets are initially recognised 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 Group 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 2.9 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 capitalisation as per accounting policy 2.8 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.

State sector Unified Load Dispatch Centre (ULDC)/ Fibre Optic Communication Assets (FOC)/Bilateral line assets leased to the beneficiaries are considered as Finance Lease. Net investment in such leased assets are recorded as receivable at the lower

of the fair value of the leased property and the present value of the minimum lease payments along with accretion in subsequent years is accounted for as Lease Receivables under current and non-current other financial assets. Wherever grant-in-aid is received for construction of State Sector ULDC, lease receivable is accounted for net of such grant.

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 as per the tariff notified by CERC.

FERV on foreign currency loans relating to leased assets is adjusted to the amount of lease receivables and is amortised over the remaining tenure of lease. FERV recovery (as per CERC norms) from the constituents is recognised net of such amortised amount.

#### 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 capitalised as property, plant and equipment and depreciated over its economic life. Rental income from operating lease is recognised over the term of the arrangement.

## 2.13 Employee benefits

### 2.13.1 Defined contribution plans

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

The Group has a defined contribution pension scheme which is administered through a separate trust. The obligation of the Group is to contribute to the trust to the extent of amount not exceeding 30% of basic pay and dearness allowance less employer's contribution towards provident fund, gratuity, post retirement medical facility (PRMF) or any other retirement benefits.

The contributions to the fund for the year are recognised as an expense and charged to the statement of profit and loss.

### 2.13.2 Defined benefit plans

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

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

The Group pays fixed contribution to Provident Fund at predetermined rates to a separate trust, which invests the funds in permitted securities. The contributions to the fund for the year are recognised as expense and are charged to the statement of profit and loss. The obligation of the Group is limited to such fixed contributions and to ensure a minimum rate of interest on contributions to the members as specified by the Government of India (GoI).

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

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

The calculation is performed annually by a qualified actuary using the projected unit credit method. When the calculation results in a benefit to the Group, the recognised asset is limited to

the total of any unrecognised past service costs and the present value of economic benefits available in the form of any future refunds from the plan or reductions in future contributions to the plan. An economic benefit is available to the Group if it is realisable during the life of the plan, or on settlement of the plan liabilities. Any actuarial gains or losses are recognised in OCI in the period in which they arise and subsequently not reclassified to profit or loss.

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

### 2.13.3 Other long-term employee benefits

Benefits under the Group's leave encashment and Employee Family Economic Rehabilitation Scheme constitute other long term employee benefits.

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

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

### 2.13.4 Short-term benefits

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

A liability is recognised for the amount expected to be paid under performance related pay if the Group has a present legal or constructive obligation to pay this amount as a result of

past service provided by the employee and the obligation can be estimated reliably.

## 2.14 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 Group classifies its financial assets in the following categories:

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

The classification depends on the following:

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

#### Initial recognition and measurement

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

#### Subsequent measurement

**Debt Instruments at Amortised cost:** Assets that are held for collection of contractual cash flows where those cash flows represent solely payments of principal and interest are measured at amortised cost. A gain or loss on a debt investment that is subsequently measured at amortised cost is recognised in profit or loss when the asset is derecognised or impaired. Interest income from these financial assets is included in finance income using the effective interest rate method.

**Debt Instruments at Fair value through other comprehensive income (FVOCI):** Assets that are held for collection of contractual cash flows and for selling the financial assets, where the assets' cash flows represent solely payments of principal and interest, are measured at fair value through other comprehensive income (FVOCI). On derecognition of the asset, cumulative gain or loss previously recognised in OCI is reclassified from the equity to profit and loss. Interest

income from these financial assets is included in finance income using the effective interest rate method.

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

#### Equity investments

All equity investments in scope of Ind AS 109 'Financial Instruments' are measured at fair value. The Group 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 recognised in the OCI. There is no recycling of the amounts from OCI to Profit or Loss, even on sale of investment. However, the Group may transfer the cumulative gain or loss within equity.

#### De-recognition of financial assets

A financial asset is derecognised only when

- The right to receive cash flows from the assets have expired, or
- The group 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
  - the group has transferred substantially all the risks and rewards of the asset (or) the group 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 group applies the simplified approach required by Ind AS 109 Financial Instruments, which requires expected lifetime losses to be recognised from initial recognition of the receivables.

For recognition of impairment loss on other



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

#### Financial Liabilities

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

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

#### Classification, initial recognition and measurement

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

#### Subsequent measurement

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

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

#### De-recognition of financial liability

A financial liability is derecognised when the obligation under the liability is discharged or cancelled or expires. When an existing liability is replaced by another from the same lender on substantially different terms, or the terms of an existing liability are substantially modified, such an exchange or modification is treated as the derecognition of the original liability and

the recognition of a new liability. The difference between the carrying amount of a financial liability that has been extinguished or transferred to another party and the consideration paid, including any non-cash assets transferred or liabilities assumed, is recognised in Statement of Profit and Loss as other income or finance cost.

#### Offsetting of financial instruments

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

### 2.15 Foreign Currency Translation

#### (a) Functional and presentation currency

Items included in the financial statements of the Group are measured using the currency of the primary economic environment in which the Group operates ('the functional currency'). The financial statements are presented in Indian Rupees (Rupees or ₹), which is the Group'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 recognised in the financial statements, whichever is earlier. In case the transaction is recognised in stages, then transaction date is established for each stage.

Foreign exchange gains and losses (other than related to foreign currency loans outstanding) are presented in the statement of profit and loss on a net basis within other gains/(losses).

The Group has availed the exemption available in Ind AS 101, to continue the policy adopted for accounting for exchange differences arising from translation of long-term foreign currency monetary liabilities outstanding as on March 31, 2016.

#### Foreign currency loans outstanding as on March 31, 2016:

Foreign Exchange Rate Variation (FERV) arising on settlement / translation of such foreign currency loans relating to property, plant and equipment/ capital work-in-progress is adjusted

to the carrying cost of related assets and is recoverable/payable from the beneficiaries on actual payment basis as per Central Electricity Regulatory Commission (CERC) norms w.e.f. 1st April, 2004 or Date of Commercial Operation (DOCO) whichever is later. The above FERV to the extent recoverable or payable as per the CERC norms is accounted for as follows:

i) FERV recoverable/payable adjusted to carrying cost of property, plant and equipment is accounted for as 'Deferred foreign currency fluctuation asset/liability a/c' with a corresponding credit/debit to 'Deferred income/expenditure from foreign currency fluctuation a/c'.

ii) 'Deferred income/expenditure from foreign currency fluctuation a/c' is amortised in the proportion in which depreciation is charged on such FERV.

iii) The amount recoverable/payable as per CERC norms on year to year basis is adjusted to the 'Deferred foreign currency fluctuation asset/liability a/c' with corresponding debit / credit to the trade receivables.

FERV earlier charged to Statement of Profit and Loss & included in the capital cost for the purpose of tariff is adjusted against 'Deferred foreign currency fluctuation asset/liability a/c'.

FERV arising out of settlement/translation of long term monetary items (other than foreign currency loans) relating to Property Plant & Equipment /CWIP is adjusted in the carrying cost of related assets.

FERV arising during the construction period from settlement/translation of monetary items (other than non current loans) denominated in foreign currency to the extent recoverable/payable to the beneficiaries as capital cost as per CERC tariff Regulation are accounted as Regulatory Deferral Account Balances. Transmission charges recognised on such amount is adjusted against above account. Other exchange differences are recognised as income or expenses in the period in which they arise.

#### Foreign currency loans drawn on or after April 1, 2016:

Exchange differences arising from foreign currency borrowing to the extent regarded as an adjustment to interest costs are treated as borrowing cost. Other exchange differences are recognised in the Statement of Profit and Loss.

Exchange difference to the extent recoverable as per CERC tariff regulations are recognised as

Regulatory Deferral Account Balances through Statement of Profit and Loss.

#### (c) Foreign Group Companies

The results and financial position of foreign operations (none of which has the currency of a hyper inflationary economy) that have a functional currency different from the presentation currency are translated into the presentation currency as follows:

i) Assets and liabilities are translated at closing rate at the date of that balance sheet.

ii) Income and expenses are translated at average exchange rates ( unless this is not the reasonable approximation of the cumulative effect of the rates prevailing on the transaction date in which case income and expenses are translated at the date of transactions) and

iii) All the exchange differences are recognised in other comprehensive income.

### 2.16 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 group operate and generate 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 Group'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 liabilities are not recognised for temporary differences between the carrying amount and tax bases of investment in subsidiaries where the group is able to control the timing of the reversal of the temporary differences and it is probable that the differences will not reverse in foreseeable future.

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.

Deferred tax assets include Minimum Alternative Tax (MAT) paid in accordance with the tax laws in India, which is likely to give future economic benefits in the form of availability of set off against future income tax liability. MAT is recognised as deferred tax asset in the balance sheet when the asset can be measured reliably and it is probable that the future economic benefit associated with the asset will be realised.

## 2.17 Regulatory Deferral Account Balances

Certain expenses and income, allowed under CERC regulations to be reimbursed by/passed on to beneficiaries in future, are to be accounted in the Statement of Profit and Loss as per the provisions of Ind AS 114 'Regulatory Deferral Accounts' and Guidance Note on "Accounting for Rate Regulated Activities" issued by the Institute of Chartered Accountants of India (ICAI). Such expenses and income, to the extent recoverable /payable as part of tariff under CERC Regulations are treated as Regulatory Deferral Assets/ Liabilities.

The Group presents separate line items in the Balance Sheet for:

- the total of all Regulatory Deferral Account Debit Balances; and
- the total of all Regulatory Deferral Account Credit Balances.

A separate line item is presented in the profit or loss section of the Statement of Profit and Loss for the net movement in all Regulatory Deferral Account Balances for the reporting period.

Regulatory deferral accounts balances are adjusted in the year in which the same become recoverable from or payable to the beneficiaries.

## 2.18 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 Group recognises revenue when it transfers control of a product or service to a customer.

### Significant Financing Component

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

### 2.18.1 Revenue from Operations

#### Transmission

Transmission Income is accounted for based on tariff orders notified by the CERC. In case of transmission projects where final tariff orders are yet to be notified, transmission income is accounted for on provisional basis as per tariff regulations and orders of the CERC in similar cases. Difference, if any, is accounted on issuance of final tariff orders by the CERC. Transmission Income in respect of additional capital expenditure incurred after the date of commercial operation is accounted for based on expenditure incurred on year to year basis as per CERC tariff regulations. As at each reporting date, transmission income includes an accrual for services rendered to the customers but not yet billed. However in case of subsidiaries transmission income is accounted for based on orders issued by CERC u/s 63 of Electricity Act 2003 for adoption of transmission charges.

Rebates allowed to beneficiaries as early payment incentives are deducted from the amount of revenue.

The Transmission system incentive / disincentive is accounted for based on certification of availability by the respective Regional Power Committees (RPCs) and in accordance with the CERC tariff regulations. Where certification by RPCs is not available, incentive/disincentive is accounted for on provisional basis as per estimate of availability by the Group and differences, if any is accounted upon certification by RPCs.

Advance against depreciation (AAD), forming part of tariff pertaining upto the block period 2004-09, to facilitate repayment of loans, was reduced from transmission income and

considered as deferred income to be included in transmission income in subsequent years. The outstanding deferred income in respect of AAD is recognised as transmission income, after twelve years from the end of the financial year in which the asset was commissioned, to the extent depreciation recovered in the tariff during the year is lower than depreciation charged in the accounts.

#### Telecom Services

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

#### Consultancy Services

In respect of 'Cost-plus-consultancy contracts', involving execution on behalf of the client, revenue is recognised in proportion to the stage of completion of the work performed at the reporting date, which is determined based on input method.

Income from other consultancy contracts are accounted for on technical assessment of progress of services rendered.

### 2.18.2 Other Income

Interest income is recognised, 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 recognised when no significant uncertainty as to measurability and collectability exists.

Application Fees towards Long Term Open Access (LTOA) as per CERC Guidelines is accounted for on receipt.

Income from Scrap is accounted for as and when sold.

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

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

Revenue from rentals and operating leases is

recognised on an accrual basis in accordance with the substance of the relevant agreement.

## 2.19 Government Grants

Grants-in-aid from Central Government or other authorities towards capital expenditure for projects, betterment of transmission systems and specific depreciable assets initially are treated as deferred income when there is a reasonable assurance that they will be received and the Group will comply with the conditions associated with the grant. Deferred Income is recognised 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 Group for expenses incurred are recognised over the period in which the related costs are incurred and deducted from the related expenses.

## 2.20 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 and corresponding tax on dividend distribution is recognised directly in equity.

## 2.21 Provisions and Contingencies

### a) Provisions

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

### b) Contingencies

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

Contingent liabilities are disclosed when there is a possible obligation arising from past events, the existence of which will be confirmed only by the occurrence or non-occurrence of one or more uncertain future events not wholly within



the control of the Group 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.

### 2.22 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.

Self-insurance reserve is created based on risk assessment ranging from 0.04% p.a. to 0.12% p.a. on Original Gross Block of Property, Plant and Equipment (including considered as Lease receivables) and value of Inventory except ROU assets and assets covered under insurance as at the end of the year by appropriation of current year profit to mitigate future losses from un-insured risks and for taking care of contingencies in future by procurement of towers and other transmission line materials including strengthening of towers and equipment of AC substation. The Reserve created as above is shown as "Self Insurance Reserve" under 'Other Equity'.

### 2.23 Prior Period Items

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

### 2.24 Operating Segments

The Board of Directors is the Group's 'Chief Operating Decision Maker' or 'CODM' within the meaning of Ind AS 108 'Operating Segments'. CODM monitors the operating results of its business segments separately for the purpose of making decisions about resource allocation and performance assessment. Segment

performance is evaluated based on profit or loss and is measured consistently with profit or loss in the financial statements.

The operating segments have been identified on the basis of the nature of products / services.

- Segment revenue includes sales and other income directly identifiable with / allocable to the segment including inter-segment transactions.
- Expenses that are directly identifiable with / allocable to segments are considered for determining the segment result. Expenses which relate to the Group as a whole and not allocable to segments are included under un-allocable expenditure.
- Income which relates to the Group as a whole and not allocable to segments is included in un-allocable income.
- Segment assets and liabilities include those directly identifiable with the respective segments. Un-allocable assets and liabilities represent the assets and liabilities that relate to the Group as a whole and not allocable to any segment.
- Segment capital expenditure is the total cost incurred during the period to acquire property, plant and equipment, and intangible assets.

### 2.25 Earnings per Share

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

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

Additionally, basic and diluted earnings per share are computed using the earnings amounts excluding the movements in Regulatory Deferral Account Balances.

### 2.26 Statement of Cash Flows

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

### 2.27 Non-current assets (or disposal groups) held for sale and Discontinued Operation

Non-current assets and disposal groups are classified as held for sale if their carrying amount

will be recovered principally through a sale transaction rather than through continuing use. This condition is regarded as met only when the asset (or disposal group) is available for immediate sale in its present condition subject only to terms that are usual and customary for sale of such assets (or disposal groups) and its sale is highly probable.

Assets and liabilities classified as held for sale are measured at the lower of their carrying amount and fair value less costs to sell and presented separately in the Balance Sheet. An impairment loss is recognised for any initial or subsequent write-down of the asset (or disposal group) to fair value less costs to sell. A gain is recognised for any subsequent increases in fair value less costs to sell of an asset (or disposal group), but not in excess of any cumulative impairment loss previously recognised. A gain or loss not previously recognised by the date of the sale of the non-current asset (or disposal group) is recognised at the date of de-recognition.

When the Group is committed to a sale plan involving loss of control of a subsidiary, all of the assets and liabilities of that subsidiary are classified as held for sale when the criteria described above are met, regardless of whether the Group will retain a non-controlling interest in its former subsidiary after the sale.

A discontinued operation is a component of the Group that comprises the operations and cash flows of which can be clearly distinguished from the rest of the Group which either has been disposed of, or classified as held for sale, and

- represents a separate major line of business or geographic area of operations;
- is part of a single co-ordinated plan to dispose of a separate major line of business or geographic area of operations; or
- is a subsidiary acquired exclusively with a view to resale.

Discontinued operations are excluded from the results of continuing operations and are presented as a single amount as profit or loss after tax from discontinued operations in the statement of profit and loss.

### 2.28 Business Combination

Business combinations are accounted for using the acquisition accounting method as at the date of the acquisition, which is the date at which control is transferred to the Group. The consideration transferred in the acquisition and the identifiable assets acquired and liabilities

assumed are recognised at fair values on their acquisition date. Goodwill is initially measured at cost, being the excess of the consideration transferred over the net identifiable assets acquired and liabilities assumed. Where the fair value of net identifiable assets acquired and liabilities assumed exceed the consideration transferred, after reassessing the fair values of the net assets and contingent liabilities, the excess is recognised as capital reserve. Acquisition related costs are expensed as incurred.

## 3. Critical Estimates and Judgments

The preparation of consolidated 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 group'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:**

#### Revenue Recognition:

Transmission income is accounted for based on tariff orders notified by the CERC. In case of transmission projects where final tariff orders are yet to be notified, transmission income is accounted for as per tariff regulations and other orders of the CERC in similar cases. Differences, if any, are accounted on issuance of final tariff orders by the CERC. Transmission income in respect of additional capital expenditure incurred after the date of commercial operation is accounted for based on expenditure incurred on year to year basis as per CERC tariff regulations.

#### Regulatory Deferral Balances:

Recognition of Regulatory Deferral Balances involves significant judgments including about future tariff regulations since these are based on estimation of the amounts expected to be recoverable/payable through tariff in future.

#### Estimation of defined benefit obligation:

Estimation of defined benefit obligation involves certain significant actuarial assumptions which are listed in note no. 65.

Estimates and judgments are periodically evaluated. They are based on historical experience and other factors, including expectations of future events that may have a financial impact on the

Group and that are believed to be reasonable under the circumstances.

**Useful life of property, plant and equipment:**

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

The Group reviews at the end of each reporting date the useful life of plant and equipment, other than the assets of transmission business which are governed by CERC Regulations, and are adjusted prospectively, if appropriate.

**Provisions and contingencies:**

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

**Assets held for sale:**

Significant judgment is required to apply the accounting of non-current assets held for sale under Ind AS 105 – "Noncurrent assets held for sale and discontinued operations". In assessing the applicability, management has exercised judgment to evaluate the availability of the asset for immediate sale, management's commitment for the sale and probability of sale within one year to conclude if their carrying amount will be recovered principally through a sale transaction rather than through continuing use.

**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.

**Note 4: Property, Plant and Equipment**

| Particulars   | Cost                |                           |                            | Accumulated depreciation |                  |                            | Net Book Value      |                     |
|---|---------------------|---------------------------|----------------------------|--------------------------|------------------|----------------------------|---------------------|---------------------|
|   | As at 01 April 2023 | Additions during the year | Adjustment during the year | As at 31 March 2024      | Disposal         | Adjustment during the year | As at 31 March 2024 | As at 31 March 2023 |
| <b>Land</b>   |                     |                           |                            |                          |                  |                            |                     |                     |
| Freehold  | 2,451.30            | 135.25                    | 9.83                       | 2,576.72                 | -                | -                          | 2,576.72            | 2,451.30            |
| <b>Buildings</b>                                      |                     |                           |                            |                          |                  |                            |                     |                     |
| a) Sub-Stations & Office                              | 3,043.94            | 60.19                     | 4.34                       | 3,099.79                 | 109.64           | 1.07                       | 607.80              | 2,544.71            |
| b) Township   | 858.19              | 80.74                     | (0.01)                     | 938.94                   | 36.23            | (1.00)                     | 245.02              | 650.40              |
| Temporary Erection                                    | 2.00                | 0.02                      | -                          | 2.02                     | 0.02             | -                          | 2.02                | -                   |
| Roads & Bridges                                       | 335.28              | 8.26                      | (0.21)                     | 343.75                   | 12.87            | -                          | 83.05               | 265.10              |
| Water supply Drainage & Sewerage                      | 197.58              | 3.69                      | (0.47)                     | 201.74                   | 7.67             | (0.05)                     | 47.36               | 157.94              |
| <b>Plant &amp; Equipment</b>                          |                     |                           |                            |                          |                  |                            |                     |                     |
| a) Transmission                                       | 158,270.03          | 1,354.15                  | (141.64)                   | 159,744.04               | 7,755.60         | 2.19                       | 59,073.59           | 106,940.85          |
| b) Sub-station  | 96,203.69           | 3,452.03                  | (93.16)                    | 99,690.76                | 5,117.56         | (1.94)                     | 34,390.39           | 66,921.02           |
| c) Unified Load Despatch & Communication              | 1,919.82            | 322.19                    | (499.31)                   | 2,741.32                 | 113.72           | (369.25)                   | 1,060.20            | 1,342.59            |
| d) Telecom  | 1,621.97            | 96.47                     | 557.48                     | 1,169.86                 | 89.40            | 369.23                     | 543.48              | 799.37              |
| e) Unified Network Management System                  | -                   | 146.85                    | -                          | 146.85                   | 7.32             | -                          | 7.32                | -                   |
| Furniture Fixtures                                    | 204.97              | 18.01                     | (2.79)                     | 223.86                   | 23.90            | (1.03)                     | 113.53              | 115.03              |
| Vehicles  | 5.69                | 0.60                      | (0.20)                     | 6.28                     | 0.56             | (0.27)                     | 2.87                | 3.61                |
| Office equipment                                      | 332.30              | 32.06                     | 2.12                       | 369.85                   | 34.65            | 0.40                       | 231.77              | 133.26              |
| Electronic Data Processing & Word Processing Machines | 237.59              | 24.40                     | (26.57)                    | 279.41                   | 34.16            | (23.91)                    | 247.80              | 39.17               |
| Construction and Workshop equipment                   | 623.94              | 5.76                      | (4.82)                     | 634.08                   | 33.10            | (1.98)                     | 204.36              | 454.57              |
| Electrical Installation                               | 181.37              | 8.33                      | (2.17)                     | 191.86                   | 9.81             | (0.17)                     | 69.81               | 121.54              |
| Laboratory Equipments                                 | 92.46               | 1.22                      | 0.08                       | 93.60                    | 4.65             | -                          | 35.63               | 61.46               |
| Workshop & Testing Equipments                         | 380.28              | 10.19                     | (0.06)                     | 390.52                   | 20.33            | -                          | 118.25              | 282.36              |
| Miscellaneous Assets/ Equipments                      | 0.71                | 0.10                      | -                          | 0.81                     | 0.06             | -                          | 0.11                | 0.66                |
| <b>Right-of-use (ROU) Assets</b>                      |                     |                           |                            |                          |                  |                            |                     |                     |
| a) ROU Assets- Land                                   | 566.82              | 9.36                      | (0.06)                     | 576.03                   | 19.19            | 0.01                       | 127.00              | 458.82              |
| b) ROU Asset- Buildings                               | 13.71               | 2.28                      | 0.06                       | 12.69                    | 2.24             | 0.18                       | 8.48                | 4.75                |
| c) ROU Asset- Plant & Machinery- Telecom              | 23.55               | 22.80                     | 0.15                       | 22.80                    | 1.17             | 0.01                       | 0.40                | 23.15               |
| d) ROU Asset- Vehicles                                | 6.03                | 0.01                      | -                          | 6.04                     | 1.21             | -                          | 1.51                | 5.73                |
| <b>Total</b>  | <b>267,573.22</b>   | <b>5,794.96</b>           | <b>(197.49)</b>            | <b>273,453.62</b>        | <b>13,435.06</b> | <b>(26.51)</b>             | <b>97,221.75</b>    | <b>183,777.39</b>   |
| Less: Provision for assets discarded                  | -                   | 9.36                      | -                          | 9.36                     | -                | -                          | -                   | -                   |
| <b>Grand Total</b>                                    | <b>267,573.22</b>   | <b>5,785.60</b>           | <b>(197.49)</b>            | <b>273,444.26</b>        | <b>13,435.06</b> | <b>(26.51)</b>             | <b>97,221.75</b>    | <b>183,777.39</b>   |

(₹ in crore)



**Note 4: Property, Plant and Equipment (Contd.)**

| Particulars   | Cost                |                           |               | Accumulated depreciation   |                     |                     | Net Book Value      |                     |
|---|---------------------|---------------------------|---------------|----------------------------|---------------------|---------------------|---------------------|---------------------|
|   | As at 01 April 2022 | Additions during the year | Disposal      | Adjustment during the year | As at 31 March 2023 | As at 01 April 2022 | As at 31 March 2023 | As at 31 March 2022 |
| <b>Land</b>   |                     |                           |               |                            |                     |                     |                     |                     |
| Freehold  | 2,407.23            | 39.54                     | -             | (4.53)                     | 2,451.30            | -                   | -                   | 2,407.23            |
| <b>Buildings</b>                                      |                     |                           |               |                            |                     |                     |                     |                     |
| a) Sub-Stations & Office                              | 2,908.33            | 133.21                    | -             | (2.40)                     | 3,043.94            | 109.12              | (1.55)              | 2,519.77            |
| b) Township   | 776.98              | 81.14                     | -             | (0.07)                     | 858.19              | 34.75               | -                   | 603.94              |
| Temporary Erection                                    | 1.38                | 0.62                      | -             | -                          | 2.00                | 0.62                | -                   | -                   |
| Roads & Bridges                                       | 327.03              | 8.23                      | -             | (0.02)                     | 335.28              | 57.30               | -                   | 269.73              |
| Water Supply Drainage & Sewerage                      | 177.25              | 20.33                     | -             | -                          | 197.58              | 32.60               | -                   | 144.65              |
| <b>Plant &amp; Equipment</b>                          |                     |                           |               |                            |                     |                     |                     |                     |
| a) Transmission                                       | 155,094.80          | 2,166.08                  | 10.98         | (1,020.13)                 | 158,270.03          | 43,431.12           | (0.85)              | 111,663.68          |
| b) Sub-station  | 92,813.17           | 3,134.81                  | 116.60        | (372.31)                   | 96,203.69           | 24,250.72           | (3.99)              | 68,562.45           |
| c) Unified Load Despatch & Communication              | 1,727.62            | 200.66                    | -             | 8.46                       | 1,919.82            | 469.75              | (0.23)              | 1,257.87            |
| d) Telecom  | 1,508.62            | 107.65                    | -             | (5.70)                     | 1,621.97            | 709.12              | 0.16                | 799.50              |
| Furniture Fixtures                                    | 191.33              | 16.15                     | 2.46          | 0.05                       | 204.97              | 61.97               | 0.05                | 129.36              |
| Vehicles  | 5.03                | 1.07                      | 0.41          | -                          | 5.69                | 1.44                | -                   | 3.59                |
| Office equipment                                      | 291.29              | 42.88                     | 2.46          | (0.59)                     | 332.30              | 88.59               | (0.16)              | 202.70              |
| Electronic Data Processing & Word Processing Machines | 225.82              | 20.02                     | 8.25          | -                          | 237.59              | 157.61              | 0.01                | 68.21               |
| Construction and Workshop equipment                   | 616.36              | 8.72                      | 1.43          | (0.29)                     | 623.94              | 137.17              | (0.08)              | 479.19              |
| Electrical Installation                               | 166.13              | 14.92                     | -             | (0.32)                     | 181.37              | 48.39               | 0.03                | 117.74              |
| Laboratory Equipments                                 | 91.53               | 1.20                      | 0.01          | 0.26                       | 92.46               | 27.04               | 0.04                | 64.49               |
| Workshop & Testing Equipments                         | 351.84              | 27.00                     | 0.05          | (1.49)                     | 380.28              | 75.71               | (0.26)              | 276.13              |
| Miscellaneous Assets/ Equipments                      | 0.23                | 0.48                      | -             | -                          | 0.71                | 0.03                | -                   | 0.20                |
| <b>Right-of-use (ROU) Assets</b>                      |                     |                           |               |                            |                     |                     |                     |                     |
| a) ROU Assets- Land                                   | 565.86              | 15.80                     | 0.10          | 14.74                      | 566.82              | 91.09               | 0.88                | 474.77              |
| b) ROU Asset- Buildings                               | 13.15               | 2.45                      | 1.89          | -                          | 13.71               | 8.45                | -                   | 4.70                |
| c) ROU Asset- Plant & Machinery- Telecom              | 0.22                | 23.33                     | -             | -                          | 23.55               | 0.03                | -                   | 0.19                |
| d) ROU Asset- Vehicles                                | -                   | 6.03                      | -             | -                          | 6.03                | -                   | -                   | -                   |
| <b>Total</b>  | <b>260,261.20</b>   | <b>6,072.32</b>           | <b>144.64</b> | <b>(1,384.34)</b>          | <b>267,573.22</b>   | <b>70,211.11</b>    | <b>(5.95)</b>       | <b>190,050.09</b>   |
| Less: Provision for assets discarded                  | 1.74                | -                         | -             | 1.74                       | -                   | -                   | -                   | 1.74                |
| <b>Grand Total</b>                                    | <b>260,259.46</b>   | <b>6,072.32</b>           | <b>144.64</b> | <b>(1,386.08)</b>          | <b>267,573.22</b>   | <b>70,211.11</b>    | <b>(5.95)</b>       | <b>190,048.35</b>   |

**Note 4: Property, Plant and Equipment (Contd.)**
**Further Notes:**

- The Group owns 8,047 hectare (Previous Year 7,793 hectare) of land amounting to ₹3,152.75 crore (Previous Year ₹3,018.12 crore) which has been classified into freehold land of 6,670 hectare (Previous Year 6,573 hectare) amounting to ₹2,576.72 crore (Previous Year ₹2,451.30 crore) and Right of Use - Land of 1,377 hectare (Previous Year 1,220 hectare) amounting to ₹576.03 crore (Previous Year ₹566.82 crore) based on available documentation.
- Freehold land acquired by the group includes 62.01 hectare (Previous Year 198.93 hectare) amounting to ₹155.42 crore (Previous Year ₹48.01 crore) in respect of land acquired by the group for which only mutation in revenue records is pending.
- The transmission system situated in the state of Jammu and Kashmir have been taken over by the group w.e.f. 01 April 1993 from National Hydroelectric Power Corporation of India Limited (NHPC) upon mutually agreed terms pending completion of legal formalities.
- Right of Use - Land includes area of 60.35 hectare (Previous Year 60.35 hectare) amounting to ₹148.75 crore (Previous Year ₹148.75 crore) in respect of land acquired on perpetual lease basis and hence not amortised.
- 5.63 hectare (Previous Year 5.63 hectare) having value of ₹0.04 crore (Previous Year ₹0.04 crore) has been transferred to National High Power Test Laboratory Pvt. Ltd. on right to use without granting ownership.
- Refer note no. 51 for disclosure on Right of Use Assets as per Ind AS 116 - "Leases".
- Refer note no. 23 for information on property, plant and equipment pledged as security by the group.
- The critical transmission assets including all cores of OPGW cables etc. are kept with the company and not transferred to Powergrid Teleservices Limited at time of hiving off of Telecom Business. Depreciation on these assets is charged and residual value is adopted as per the accounting policy of the company which is applicable to Transmission Assets. This does not have a material impact on profitability of the group.

**Note 5: Capital work in progress**

(₹ in crore)

| Particulars  | As at 01 April 2023 | Additions during the year | Adjustments     | Transferred to Lease Receivables | Capitalised during the year | As at 31 March 2024 |
|--|---------------------|---------------------------|-----------------|----------------------------------|-----------------------------|---------------------|
| <b>Land</b>  |                     |                           |                 |                                  |                             |                     |
| Development of land  | -                   | 7.68                      | -               | -                                | 7.47                        | <b>0.21</b>         |
| <b>Buildings</b>   |                     |                           |                 |                                  |                             |                     |
| a) Sub-Stations & Office   | 59.45               | 18.50                     | -               | -                                | 34.37                       | <b>43.58</b>        |
| b) Township  | 67.82               | 59.13                     | 1.06            | -                                | 80.29                       | <b>45.60</b>        |
| Roads & Bridges  | 0.16                | 4.15                      | 0.57            | -                                | 3.68                        | <b>0.06</b>         |
| Water Supply Drainage and Sewerage                               | 2.72                | 3.88                      | 0.91            | -                                | 3.54                        | <b>2.15</b>         |
| <b>Plant &amp; Equipments (including associated civil works)</b> |                     |                           |                 |                                  |                             |                     |
| a) Transmission  | 3,836.72            | 3,815.50                  | -               | 917.20                           | 1,252.30                    | <b>5,482.72</b>     |
| b) Sub-Station   | 2,584.60            | 3,700.33                  | -               | 890.19                           | 2,999.56                    | <b>2,395.18</b>     |
| c) Unified Load Despatch & Communication                         | 228.34              | 175.96                    | -               | 35.60                            | 199.87                      | <b>168.83</b>       |
| d) Telecom   | 53.55               | 77.03                     | 16.40           | -                                | 51.68                       | <b>62.50</b>        |
| Other office equipments  | 1.02                | -                         | -               | -                                | -                           | <b>1.02</b>         |
| Electrical Installations   | 1.89                | 10.88                     | 0.02            | -                                | 6.77                        | <b>5.98</b>         |
| Construction Stores (Net of Provision)                           | 5,367.19            | 8,107.18                  | 5,605.32        | -                                | -                           | <b>7,869.05</b>     |
| <b>Expenditure pending allocation</b>                            |                     |                           |                 |                                  |                             |                     |
| i) Survey, investigation, consultancy & supervision Charges      | 1.70                | 4.75                      | -               | -                                | 0.04                        | <b>6.41</b>         |
| ii) Difference in Exchange on foreign currency loans             | 14.45               | 0.43                      | 0.04            | -                                | -                           | <b>14.84</b>        |
| iii) Expenditure during construction period(net) (Note 43)       | 1,521.63            | 1,057.51                  | 56.27           | 137.26                           | 402.01                      | <b>1,983.60</b>     |
| <b>Grand Total</b>   | <b>13,741.24</b>    | <b>17,042.91</b>          | <b>5,680.59</b> | <b>1,980.25</b>                  | <b>5,041.58</b>             | <b>18,081.73</b>    |

**Note 5: Capital work in progress (Contd.)**

(₹ in crore)

| Particulars  | As at 01 April 2022 | Additions during the year | Adjustments     | Transferred to Lease Receivables | Capitalised during the year | As at 31 March 2023 |
|--|---------------------|---------------------------|-----------------|----------------------------------|-----------------------------|---------------------|
| <b>Buildings</b>   |                     |                           |                 |                                  |                             |                     |
| a) Sub-Stations & Office   | 73.81               | 88.63                     | 2.20            | -                                | 100.79                      | <b>59.45</b>        |
| b) Township  | 77.91               | 55.55                     | 9.53            | -                                | 56.11                       | <b>67.82</b>        |
| Temporary erection   | -                   | 0.29                      | -               | -                                | 0.29                        |                     |
| Roads & Bridges  | 12.30               | 3.96                      | 12.00           | -                                | 4.10                        | <b>0.16</b>         |
| Water Supply Drainage and Sewerage                               | 0.98                | 4.98                      | (1.29)          | -                                | 4.53                        | <b>2.72</b>         |
| <b>Plant &amp; Equipments (including associated civil works)</b> |                     |                           |                 |                                  |                             |                     |
| a) Transmission  | 3,526.34            | 2,757.18                  | 2.30            | 597.17                           | 1,847.33                    | <b>3,836.72</b>     |
| b) Sub-Station   | 3,746.06            | 2,337.86                  | 3.31            | 807.83                           | 2,688.18                    | <b>2,584.60</b>     |
| c) Unified Load Despatch & Communication                         | 251.38              | 178.87                    | (3.35)          | 33.82                            | 171.44                      | <b>228.34</b>       |
| d) Telecom   | 61.34               | 86.22                     | -               | -                                | 94.01                       | <b>53.55</b>        |
| Furniture & Fixtures   | -                   | 0.32                      | -               | 0.29                             | 0.03                        | -                   |
| Other office equipments  | 1.02                | 0.03                      | -               | -                                | 0.03                        | <b>1.02</b>         |
| Electrical Installations   | 2.62                | 9.99                      | 0.01            | -                                | 10.71                       | <b>1.89</b>         |
| Construction Stores (Net of Provision)                           | 3,452.65            | 4,868.10                  | 2,953.56        | -                                | -                           | <b>5,367.19</b>     |
| <b>Expenditure pending allocation</b>                            |                     |                           |                 |                                  |                             |                     |
| i) Survey, investigation, consultancy & supervision Charges      | 3.43                | 1.10                      | -               | -                                | 2.83                        | <b>1.70</b>         |
| ii) Difference in Exchange on foreign currency loans             | 12.00               | 2.45                      | -               | -                                | -                           | <b>14.45</b>        |
| iii) Expenditure during construction period(net) (Note 43)       | 1,580.32            | 743.60                    | 62.22           | 172.62                           | 567.45                      | <b>1,521.63</b>     |
|  | <b>12,802.16</b>    | <b>11,139.13</b>          | <b>3,040.49</b> | <b>1,611.73</b>                  | <b>5,547.83</b>             | <b>13,741.24</b>    |
| Less: Provision for unserviceable Assets                         | 2.26                | -                         | 2.26            | -                                | -                           | -                   |
| <b>Grand Total</b>   | <b>12,799.90</b>    | <b>11,139.13</b>          | <b>3,038.23</b> | <b>1,611.73</b>                  | <b>5,547.83</b>             | <b>13,741.24</b>    |



**Note 5: Capital work in progress (Contd.)**

(Details of Construction stores) (At Cost)

(₹ in crore)

| Particulars  | As at 31 March 2024 | As at 31 March 2023 |
|--|---------------------|---------------------|
| <b>Construction Stores</b>                             |                     |                     |
| Towers   | 1,824.36            | 986.62              |
| Conductors   | 2,602.69            | 1,457.32            |
| Other Line Materials                                   | 478.31              | 336.94              |
| Sub-Station Equipments                                 | 2,307.51            | 2,128.35            |
| High Voltage Direct Current (HVDC) Equipments          | 15.37               | 18.50               |
| Unified Load Despatch & Communication(ULDC) Materials  | 231.87              | 242.66              |
| Telecom Materials                                      | 245.99              | 176.87              |
| Others   | 162.95              | 19.93               |
| <b>Total</b>   | <b>7,869.05</b>     | <b>5,367.19</b>     |
| <b>Construction Stores include:</b>                    |                     |                     |
| <b>i) Material in transit</b>                          |                     |                     |
| Towers   | 1.37                | 78.18               |
| Conductors   | 1.75                | 128.78              |
| Other Line Materials                                   | 1.18                | 46.72               |
| Sub-Station Equipments                                 | 332.97              | 183.09              |
| High Voltage Direct Current (HVDC) Equipments          | 10.27               | 0.27                |
| Unified Load Despatch & Communication(ULDC) Materials  | -                   | 1.84                |
| Telecom Materials                                      | -                   | 90.66               |
| Others   | 136.35              | -                   |
| <b>Total</b>   | <b>483.89</b>       | <b>529.54</b>       |
| <b>ii) Material with Contractors</b>                   |                     |                     |
| Towers   | 1,822.99            | 908.44              |
| Conductors   | 2,600.94            | 1,328.54            |
| Other Line Materials                                   | 477.13              | 290.22              |
| Sub-Station Equipments                                 | 1,974.54            | 1,945.26            |
| High Voltage Direct Current (HVDC) Equipments          | 5.10                | 18.23               |
| Unified Load Despatch & Communication (ULDC) Materials | 231.87              | 240.82              |
| Telecom Materials                                      | 246.35              | 86.21               |
| Others   | 26.24               | 19.93               |
| <b>Total</b>   | <b>7,385.16</b>     | <b>4,837.65</b>     |
| <b>Grand total</b>                                     | <b>7,869.05</b>     | <b>5,367.19</b>     |

**Further Notes:**

- Materials with Contractors amounting to ₹ 9.93 crore (Previous Year ₹ 9.73 crore) in respect of commissioned lines is pending for reconciliation. However reconciliation are carried out on ongoing basis.
- Refer Note No 66 (a) for ageing of Capital Work in Progress (CWIP) & Refer Note No 66 (b) CWIP completion schedule for the projects whose completion is overdue or has exceeded its cost compared to original plan.

**Note 6 : Intangible assets**

| Particulars                         | Cost                |                           |             |                            |                     |                     | Accumulated Amortisation  |             | Net Book Value             |                     |                     |
|-------------------------------------|---------------------|---------------------------|-------------|----------------------------|---------------------|---------------------|---------------------------|-------------|----------------------------|---------------------|---------------------|
|                                     | As at 01 April 2023 | Additions during the year | Disposals   | Adjustment during the year | As at 31 March 2024 | As at 01 April 2023 | Additions during the year | Disposals   | Adjustment during the year | As at 31 March 2024 | As at 31 March 2023 |
| Electronic Data Processing Software | 88.32               | 2.45                      | -           | -                          | 90.77               | 76.38               | 6.98                      | -           | -                          | 83.36               | 11.94               |
| Right of Way-Afforestation Expenses | 2,365.99            | 15.57                     | -           | 2.72                       | 2,378.84            | 748.02              | 117.50                    | -           | (2.89)                     | 868.41              | 1,617.97            |
| Telecom Licenses                    | 8.10                | -                         | 2.80        | -                          | 5.30                | 1.07                | 0.34                      | 0.90        | -                          | 4.79                | 7.03                |
| Development of 1200 KV TS*          | 71.86               | -                         | -           | -                          | 71.86               | 49.20               | 7.25                      | -           | -                          | 15.41               | 22.66               |
| <b>Total</b>                        | <b>2,534.27</b>     | <b>18.02</b>              | <b>2.80</b> | <b>2.72</b>                | <b>2,546.77</b>     | <b>874.67</b>       | <b>132.07</b>             | <b>0.90</b> | <b>(2.89)</b>              | <b>1,008.73</b>     | <b>1,659.60</b>     |

\*Internally generated intangible asset

| Particulars                         | Cost                |                           |             |                            |                     |                     | Accumulated Amortisation  |             | Net Book Value             |                     |                     |
|-------------------------------------|---------------------|---------------------------|-------------|----------------------------|---------------------|---------------------|---------------------------|-------------|----------------------------|---------------------|---------------------|
|                                     | As at 01 April 2022 | Additions during the year | Disposals   | Adjustment during the year | As at 31 March 2023 | As at 01 April 2022 | Additions during the year | Disposals   | Adjustment during the year | As at 31 March 2023 | As at 31 March 2022 |
| Electronic Data Processing Software | 79.47               | 8.87                      | 0.02        | -                          | 88.32               | 68.90               | 7.50                      | 0.02        | -                          | 76.38               | 10.57               |
| Right of Way-Afforestation Expenses | 2,312.68            | 53.31                     | -           | -                          | 2,365.99            | 630.76              | 117.25                    | -           | (0.01)                     | 748.02              | 1,681.92            |
| Telecom Licenses                    | 2.80                | 5.30                      | -           | -                          | 8.10                | 0.69                | 0.38                      | -           | -                          | 1.07                | 2.11                |
| Development of 1200 KV TS*          | 71.86               | -                         | -           | -                          | 71.86               | 41.97               | 7.23                      | -           | -                          | 49.20               | 29.89               |
| <b>Total</b>                        | <b>2,466.81</b>     | <b>67.48</b>              | <b>0.02</b> | <b>-</b>                   | <b>2,534.27</b>     | <b>742.32</b>       | <b>132.36</b>             | <b>0.02</b> | <b>(0.01)</b>              | <b>874.67</b>       | <b>1,724.49</b>     |

\*Internally generated intangible asset

**Note 7 : Intangible assets under development**

(₹ in crore)

| Particulars                         | As at 01 April 2023 | Additions    | Adjustments | Transferred to Lease Receivables | Capitalised during the year | As at 31 March 2024 |
|-------------------------------------|---------------------|--------------|-------------|----------------------------------|-----------------------------|---------------------|
| Electronic Data Processing Software | -                   | 0.18         | -           | -                                | -                           | 0.18                |
| Right of Way-Afforestation expenses | 31.08               | 96.47        | -           | -                                | 11.97                       | 115.58              |
| <b>Total</b>                        | <b>31.08</b>        | <b>96.65</b> | <b>-</b>    | <b>-</b>                         | <b>11.97</b>                | <b>115.76</b>       |

(₹ in crore)

| Particulars                         | As at 01 April 2022 | Additions    | Adjustments | Transferred to Lease Receivables | Capitalised during the year | As at 31 March 2023 |
|-------------------------------------|---------------------|--------------|-------------|----------------------------------|-----------------------------|---------------------|
| Right of Way-Afforestation expenses | 53.70               | 29.46        | -           | 6.94                             | 45.14                       | 31.08               |
| <b>Total</b>                        | <b>53.70</b>        | <b>29.46</b> | <b>-</b>    | <b>6.94</b>                      | <b>45.14</b>                | <b>31.08</b>        |

**Further Notes:**

Refer Note No 66 (c) for ageing of Intangible assets under development & Refer Note No 66 (d) Intangible assets under development completion schedule for the projects whose completion is overdue or has exceeded its cost compared to original plan.

**Note 8A : Investments in Joint Ventures accounted for using the equity method**

(₹ in crore)

| Particulars   | As at 31 March 2024 | As at 31 March 2023 |
|---|---------------------|---------------------|
| <b>Investments in Equity Instruments (fully paid up)</b>                                  |                     |                     |
| <b>Unquoted</b>   |                     |                     |
| <b>Joint Venture Companies</b>  |                     |                     |
| Torrent Power Grid Limited  |                     |                     |
| 23400000 (Previous Year 23400000) Equity Shares of ₹10/- each.                            | 37.72               | 35.41               |
| Parbati Koldam Transmission Company Limited   |                     |                     |
| 70937620 (Previous Year 70937620) Equity Shares of ₹10/- each.                            | 92.90               | 84.35               |
| Sikkim Power Transmission Limited   |                     |                     |
| 120120000 (Previous Year 120120000) Equity Shares of ₹10/- each.                          | 182.13              | 161.28              |
| Powerlinks Transmission Limited   |                     |                     |
| 229320000 (Previous Year 229320000) Equity Shares of ₹10/- each.                          | 475.20              | 474.12              |
| North East Transmission Company Limited   |                     |                     |
| 106964000 (Previous Year 106964000) Equity Shares of ₹10/- each.                          | 142.49              | 139.74              |
| National High Power Test Laboratory Private Limited                                       |                     |                     |
| 48800000 (Previous Year 30400000) Equity Shares of ₹10/- each.                            | 12.32               | -                   |
| Cross Border Power Transmission Company Limited   |                     |                     |
| 12612473 (Previous Year 12612473) Equity Shares of ₹10/- each.                            | 35.12               | 34.09               |
| Energy Efficiency Services Limited  |                     |                     |
| 846610000 (Previous Year 463610000) Equity Shares of ₹10/- each                           | 624.35              | 292.45              |
| Bihar Grid Company Limited  |                     |                     |
| 337392404 (Previous Year 334127260) Equity Shares of ₹10/- each.                          | 412.33              | 479.59              |
| Butwal-Gorakhpur Cross Border Power Transmission Limited                                  |                     |                     |
| 10000000 (Previous Year 25000) Equity Shares of ₹10/- each.                               | 9.91                | 0.02                |
| Power Transmission Company Nepal Limited  |                     |                     |
| 1170000 (Previous Year 1170000) Equity Shares of Nepali ₹100/- each.                      | 14.51               | 13.60               |
| RINL POWERGRID TLT Private Limited  |                     |                     |
| 4000000 (Previous Year 4000000) Equity Shares of ₹10/- each. (Refer further note 2 below) | -                   | -                   |
| <b>TOTAL</b>  | <b>2,038.98</b>     | <b>1,714.65</b>     |

**Note 8A : Investments in Joint Ventures accounted for using the equity method (Contd.)**
**Further Notes:**

- Investments have been valued as per accounting policy no. 2.2 & 2.14.
- POWERGRID's Board of Directors in its meeting held on 01.05.2018 accorded in principle approval to close RINL Powergrid TLT Private Limited (RPTPL) and seek consent of other JV Partner Rashtriya Ispat Nigam Limited (RINL). RINL's Board of Directors in its meeting held on 08.03.2019 has agreed in principle for winding up proceedings of RPTPL & to seek the approval from Ministry of Steel (MoS), Government of India, for closure of RPTPL. The approval for closure of RPTPL was received on 11.07.2022 from MoS. However, winding up process could not be initiated, as contractor for Site Enabling works has served notice on 17-12-2022 for invocation of Arbitration. Conciliator has been appointed & conciliation proceedings are under progress.

**Note 8 : Investments**

(₹ in crore)

| Particulars  | As at 31 March 2024 | As at 31 March 2023 |
|--|---------------------|---------------------|
| <b>Investments in Equity Instruments (fully paid up)</b>                             |                     |                     |
| <b>Investments at Fair Value through Other Comprehensive Income (OCI)</b>            |                     |                     |
| <b>Quoted</b>  |                     |                     |
| PTC India Limited  |                     |                     |
| 12000006 (Previous Year 12000006) Equity Shares of ₹10/- each                        | 223.14              | 102.06              |
| Investment in Units of POWERGRID Infrastructure Investment Trust (PGInvIT)           |                     |                     |
| 136500100 (Previous Year 136500100) units (refer further note 3 below)               | 1,292.79            | 1,672.40            |
| <b>Others</b>  |                     |                     |
| 1 (Previous Year 1) share of ₹10/- each in Bharat Broadband Network Limited (₹ 10/-) | 0.00                | 0.00                |
| <b>TOTAL</b>   | <b>1,515.93</b>     | <b>1,774.46</b>     |

**Further Notes:**

(₹ in crore)

|    |   |          |          |
|----|---|----------|----------|
| 1) | a) Aggregate amount of Quoted Investments   |          |          |
|    | At Cost (refer further note 3 below)        | 1,340.42 | 1,367.04 |
|    | Market Value                                | 1,515.93 | 1,774.46 |
|    | b) Aggregate amount of Unquoted Investments | 0.00     | 0.00     |

- Investments have been valued as per accounting policy no. 2.2 & 2.14.
- The Company received during the current year ₹ 26.62 crore (previous year ₹ 9.96 crore) from PG InvIT towards repayment of SPV Debt. Consequently, the same has been reduced from the cost of the investment.

**Note 9A : Trade receivables**

(₹ in crore)

| Particulars                          | As at 31 March 2024 | As at 31 March 2023 |
|--------------------------------------|---------------------|---------------------|
| <b>Trade receivables - Unsecured</b> |                     |                     |
| Considered good                      | 294.48              | 733.18              |
| <b>TOTAL</b>                         | <b>294.48</b>       | <b>733.18</b>       |

**Further Notes:**

The company's portion of dues have been presented at their fair value under Trade Receivables (Non-current/Current) where dues have been rescheduled in pursuant to Electricity (Late Payment Surcharge and Related Matters) Rules, 2022 or otherwise.



**Note 9A : Trade receivables (Contd.)**

Aging of Trade Receivables is as follows:

(₹ in crore)

| Particulars                         |            | Unbilled | Not Due       | Less than 6 months | 6 months to 1 year | 1-2 years | 2-3 years | More than 3 years | Total         |
|-------------------------------------|------------|----------|---------------|--------------------|--------------------|-----------|-----------|-------------------|---------------|
| <b>As at 31 March 2024</b>          |            |          |               |                    |                    |           |           |                   |               |
| Considered – Good                   | Disputed   | -        | -             | -                  | -                  | -         | -         | -                 | -             |
|                                     | Undisputed | -        | 294.48        | -                  | -                  | -         | -         | -                 | 294.48        |
| Significant increase in Credit Risk | Disputed   | -        | -             | -                  | -                  | -         | -         | -                 | -             |
|                                     | Undisputed | -        | -             | -                  | -                  | -         | -         | -                 | -             |
| Credit Impaired                     | Disputed   | -        | -             | -                  | -                  | -         | -         | -                 | -             |
|                                     | Undisputed | -        | -             | -                  | -                  | -         | -         | -                 | -             |
| <b>Total</b>                        |            | -        | <b>294.48</b> | -                  | -                  | -         | -         | -                 | <b>294.48</b> |
| <b>As at 31 March 2023</b>          |            |          |               |                    |                    |           |           |                   |               |
| Considered – Good                   | Disputed   | -        | -             | -                  | -                  | -         | -         | -                 | -             |
|                                     | Undisputed | -        | 733.18        | -                  | -                  | -         | -         | -                 | 733.18        |
| Significant increase in Credit Risk | Disputed   | -        | -             | -                  | -                  | -         | -         | -                 | -             |
|                                     | Undisputed | -        | -             | -                  | -                  | -         | -         | -                 | -             |
| Credit Impaired                     | Disputed   | -        | -             | -                  | -                  | -         | -         | -                 | -             |
|                                     | Undisputed | -        | -             | -                  | -                  | -         | -         | -                 | -             |
| <b>Total</b>                        |            | -        | <b>733.18</b> | -                  | -                  | -         | -         | -                 | <b>733.18</b> |

**Note 9 : Loans**

(Considered good unless otherwise stated)

(₹ in crore)

| Particulars  | As at 31 March 2024 | As at 31 March 2023 |
|--|---------------------|---------------------|
| <b>Loans to Related Parties *</b>                      |                     |                     |
| Loans to JVs-Unsecured                                 |                     |                     |
| Considered Good  | 85.24               | -                   |
| Credit Impaired  | -                   | 15.02               |
|  | <b>85.24</b>        | <b>15.02</b>        |
| Less: Loss Allowance**                                 | -                   | 15.02               |
|  | <b>85.24</b>        | -                   |
| Loan to Directors & Key Managerial Personnel (KMP)     |                     |                     |
| Secured #  | 0.01                | -                   |
|  | <b>85.25</b>        | -                   |
| <b>Loans to Employees (including interest accrued)</b> |                     |                     |
| Secured #  | 436.90              | 404.22              |
| Unsecured  | 49.09               | 42.22               |
|  | <b>485.99</b>       | <b>446.44</b>       |
| <b>Total</b>   | <b>571.24</b>       | <b>446.44</b>       |

**Further Notes:**

\* Details of loans to related parties is provided in Note 57.

\*\* refer note 63(vi) for reconciliation of allowance for impairment.

# House building loans and conveyance advance to Directors, KMP and Employees are secured against the mortgage of the house properties or hypothecation of vehicles for which such loans have been given in line with the policies of the Company.

**Note 10 : Other non-current financial assets**

(Unsecured considered good unless otherwise stated)

(₹ in crore)

| Particulars                                       | As at 31 March 2024 | As at 31 March 2023 |
|---|---------------------|---------------------|
| Lease receivables                                 | 4,179.53            | 2,426.01            |
| Bank deposits with more than 12 months maturity # | 165.01              | 39.90               |
| Recoverable for GOI fully serviced bonds ##       | 3,487.50            | 3,487.50            |
| Others  | 0.04                | 0.04                |
| <b>TOTAL</b>                                      | <b>7,832.08</b>     | <b>5,953.45</b>     |

**Further Notes:**

# Bank deposits amounting to ₹154.63 crore (previous year ₹ 39.56 crore) are against designated accounts for consultancy work.

## In the FY 2018-19, the Company issued 'GoI fully serviced bonds' for an amount of ₹ 3487.50 crore for raising of Extra Budgetary Resources (EBR) for GoI scheme of Power System Development Fund (PSDF) in terms of letter No: 7/1/2018-OM dated 21st January, 2019 of Ministry of Power, Govt. of India (GoI) for meeting accrued liabilities for creation of Capital Assets. The repayment of principal and the interest payment on such bonds shall be met by GoI. An amount of ₹ 3487.50 Crore from bond issue has been recognised as Grant in aid in Previous Years.

**Note 11 : Other non-current assets**

(Unsecured considered good unless otherwise stated)

(₹ in crore)

| Particulars  | As at 31 March 2024 | As at 31 March 2023 |
|--|---------------------|---------------------|
| <b>Advances for Capital Expenditure</b>                  |                     |                     |
| Unsecured  |                     |                     |
| a. Against bank guarantees                               | 1,088.71            | 906.56              |
| b. Others  | 181.70              | 73.21               |
| Unsecured considered doubtful                            | 1.19                | 1.19                |
|  | <b>1,271.60</b>     | <b>980.96</b>       |
| Less: Provision for bad & doubtful Advances              | 1.19                | 1.19                |
|  | <b>1,270.41</b>     | <b>979.77</b>       |
| <b>Advances other than for Capital Expenditure</b>       |                     |                     |
| Security Deposits  | 18.74               | 17.68               |
| Deferred Employee Cost                                   | 48.87               | 37.78               |
| Deferred Foreign currency Fluctuation Asset              | 4,011.90            | 4,427.75            |
| Advances recoverable in kind or for value to be received |                     |                     |
| Balance with Customs Port Trust and other authorities    | 31.57               | 10.76               |
| Advance tax, Tax deducted at source and other taxes#     | 174.34              | 44.05               |
| Others*  |                     |                     |
| Considered Good  | 467.67              | 711.69              |
| Considered doubtful                                      | 0.37                | 0.37                |
|  | <b>468.04</b>       | <b>712.06</b>       |
| Less: Provision for doubtful Advances                    | 0.37                | 0.37                |
|  | <b>467.67</b>       | <b>711.69</b>       |
|  | <b>673.58</b>       | <b>766.50</b>       |
| <b>TOTAL</b>   | <b>6,023.50</b>     | <b>6,229.48</b>     |

**Further Notes:**

\*Others include amount recoverable from Customers &amp; State Governments, insurance claims, amount realisable by the group on receipt of refund from tax authorities. etc.

# Net of Current Tax Liabilities - Note 33.

**Note 12 : Inventories**

(₹ in crore)

| Particulars                                    | As at 31 March 2024 | As at 31 March 2023 |
|--|---------------------|---------------------|
| <b>(For mode of valuation refer Note 2.11)</b> |                     |                     |
| Components, Spares & other spare parts         | 1,344.16            | 1,310.59            |
| Loose tools                                    | 54.17               | 26.98               |
| Consumable stores                              | 8.38                | 9.44                |
|  | <b>1,406.71</b>     | <b>1,347.01</b>     |
| Less Provision for Shortages/damages etc       | 0.42                | 7.06                |
| <b>TOTAL</b>                                   | <b>1,406.29</b>     | <b>1,339.95</b>     |

**Inventories includes material in transit:**

|  |      |   |
|--|------|---|
| Components, Spares & other spare parts | 1.56 | - |
|--|------|---|

**Note 13 : Investments**

(₹ in crore)

| Particulars  | As at 31 March 2024 | As at 31 March 2023 |
|--|---------------------|---------------------|
| <b>Investments at Fair value measured at fair value through profit or loss</b> |                     |                     |
| <b>Quoted</b>  |                     |                     |
| Mutual Funds   |                     |                     |
| Canara Robeco Liquid Fund {364737.241 Units (Previous Year Nil)}               | 105.54              | -                   |
| SBI Liquid Fund {1330210.403 Units (Previous Year Nil)}                        | 502.72              | -                   |
| <b>TOTAL</b>   | <b>608.26</b>       | <b>-</b>            |

**Further Notes:**

- Aggregate amount of Quoted Investments
 

|              |        |   |
|--------------|--------|---|
| At Cost      | 604.42 | - |
| Market Value | 608.26 | - |
- Investments have been valued as per accounting policy no. 2.14.

**Note 14 : Trade receivables**

(₹ in crore)

| Particulars  | As at 31 March 2024 | As at 31 March 2023 |
|--|---------------------|---------------------|
| <b>Trade receivables - Unsecured</b>               |                     |                     |
| Considered good                                    | 11,530.93           | 14,878.65           |
| Credit Impaired                                    | 351.37              | 296.93              |
|  | <b>11,882.30</b>    | <b>15,175.58</b>    |
| <b>Receivable from related parties - Unsecured</b> |                     |                     |
| Considered good                                    | 8.70                | 5.31                |
|  | <b>11,891.00</b>    | <b>15,180.89</b>    |
| Less: Loss Allowance                               | 351.37              | 296.93              |
| <b>TOTAL</b>                                       | <b>11,539.63</b>    | <b>14,883.96</b>    |

**Further Notes:**

- Refer note no. 47 for disclosure as per Ind AS 115 'Revenue from Contracts with Customers' and note no. 57 for details of trade receivables from related parties.
- Trade Receivables includes Unbilled Receivables relating to transmission segment amounting to

**Note 14 : Trade receivables (Contd.)**

₹ 4,073.87 crore (Previous Year ₹ 8,558.49 crore) out of which transmission charges for the month of March including arrear bills for previous quarters, of the financial year amounting to ₹ 3,547.16 crore (Previous Year ₹ 7,094.28 crore) billed to beneficiaries in the subsequent financial year. Trade receivable also includes non-tariff income to be passed on to DICs and revenue from other business (telecom) to be passed on to DICs amounting to ₹ 75.41 crore (Previous Year ₹ 82.81 crore) is netted off against unbilled receivables as the same will be billed on net basis.

- Based on arrangements between the Company, banks and beneficiaries, the bills of the beneficiaries have been discounted. Amount realised by the Company through discounting and yet to be settled by the beneficiaries to banks as at the end of the year is shown as Borrowings (refer note no. 28) as bills are discounted with recourse to the company. In case of any claim on the company from the banks in this regard, entire amount shall be recoverable from the beneficiaries along with surcharge. The Outstanding Trade receivables includes the amount of ₹ 2,693.52 crore (Previous Year ₹ 1,922.61 crore) that has been discounted with recourse to the company & the same has been shown as Borrowings (refer note no. 28). Total Trade receivables (including non-current) net off amount realised through discounting of bills is ₹ 9,140.59 crore (Previous Year ₹ 13,694.53 crore).

- Aging of Trade Receivables is as follows:

(₹ in crore)

| Particulars                         |            | Unbilled        | Not Due         | Less than 6 months | 6 months to 1 year | 1-2 years     | 2-3 years     | More than 3 years | Total            |
|-------------------------------------|------------|-----------------|-----------------|--------------------|--------------------|---------------|---------------|-------------------|------------------|
| <b>As at 31.03.2024</b>             |            |                 |                 |                    |                    |               |               |                   |                  |
| Considered – Good                   | Disputed   | -               | 0.53            | 138.14             | 722.43             | 200.66        | 14.71         | 112.34            | <b>1,188.81</b>  |
|                                     | Undisputed | 4,114.27        | 5,078.70        | 788.74             | 247.88             | 94.85         | 16.49         | 9.89              | <b>10,350.82</b> |
| Significant increase in Credit Risk | Disputed   | -               | -               | -                  | -                  | -             | -             | -                 | -                |
|                                     | Undisputed | -               | -               | -                  | -                  | -             | -             | -                 | -                |
| Credit Impaired                     | Disputed   | -               | -               | 0.94               | -                  | 0.16          | 0.12          | 310.45            | <b>311.67</b>    |
|                                     | Undisputed | -               | -               | -                  | -                  | 0.45          | 6.16          | 33.09             | <b>39.70</b>     |
| <b>Total</b>                        |            | <b>4,114.27</b> | <b>5,079.23</b> | <b>927.82</b>      | <b>970.31</b>      | <b>296.12</b> | <b>37.48</b>  | <b>465.77</b>     | <b>11,891.00</b> |
| <b>As at 31.03.2023</b>             |            |                 |                 |                    |                    |               |               |                   |                  |
| Considered – Good                   | Disputed   | -               | 7.77            | 147.95             | 70.41              | 11.29         | 81.71         | 161.71            | <b>480.84</b>    |
|                                     | Undisputed | 8,621.36        | 4,710.20        | 707.23             | 261.09             | 74.66         | 19.80         | 8.78              | <b>14,403.12</b> |
| Significant increase in Credit Risk | Disputed   | -               | -               | -                  | -                  | -             | -             | -                 | -                |
|                                     | Undisputed | -               | -               | -                  | -                  | -             | -             | -                 | -                |
| Credit Impaired                     | Disputed   | -               | -               | -                  | -                  | 0.13          | -             | 273.78            | <b>273.91</b>    |
|                                     | Undisputed | -               | -               | 0.07               | 0.40               | 6.13          | 0.25          | 16.17             | <b>23.02</b>     |
| <b>Total</b>                        |            | <b>8,621.36</b> | <b>4,717.97</b> | <b>855.25</b>      | <b>331.90</b>      | <b>92.21</b>  | <b>101.76</b> | <b>460.44</b>     | <b>15,180.89</b> |

**Note 15 : Cash and cash equivalents**

(₹ in crore)

| Particulars  | As at 31 March 2024 | As at 31 March 2023 |
|--|---------------------|---------------------|
| <b>Balance with banks-</b>   |                     |                     |
| -In Current accounts   | 1,813.81            | 1,633.53            |
| -In Designated accounts (For Consultancy clients and others)                     | 86.28               | 240.30              |
| In Term deposits (with maturity less than 3 months)(including interest accrued)* | 1563.86             | 3318.34             |
| <b>Total</b>   | <b>3,463.95</b>     | <b>5,192.17</b>     |

**Further Notes:**

\*Term deposit includes ₹ 536.65 crore (Previous Year ₹ 808.24 crore) for Consultancy clients and others.



**Note 16 : Bank balances other than Cash and cash equivalents**

(₹ in crore)

| Particulars  | As at 31 March 2024 | As at 31 March 2023 |
|--|---------------------|---------------------|
| Earmarked balance with banks*  | 33.22               | 29.91               |
| In Term Deposits having maturity over 3 months but upto 12 months (including interest accrued) # | 3,997.95            | 2,162.50            |
| <b>Total</b>   | <b>4,031.17</b>     | <b>2,192.41</b>     |

**Further Notes:**

\*Earmarked balance with Bank includes unpaid dividend.

#Term deposit includes ₹1620.65 crore (Previous Year ₹ 558.29 crore) for Consultancy clients and others.

**Note 17 : Loans**

(Considered good unless otherwise stated)

(₹ in crore)

| Particulars   | As at 31 March 2024 | As at 31 March 2023 |
|---|---------------------|---------------------|
| <b>Loans to Related Parties (including interest accrued)*</b> |                     |                     |
| Loans to Joint Venture - Unsecured                            |                     |                     |
| Considered Good   | 13.41               | -                   |
| Credit Impaired   | 0.16                | 6.72                |
|   | <b>13.57</b>        | <b>6.72</b>         |
| Less: Loss Allowance**  | 0.16                | 6.72                |
|   | <b>13.41</b>        | <b>-</b>            |
| Loan to Directors & Key Managerial Personnel (KMP)            |                     |                     |
| Secured #   | 0.02                | 0.01                |
| Unsecured Considered good                                     | -                   | 0.08                |
|   | <b>0.02</b>         | <b>0.09</b>         |
|   | <b>13.43</b>        | <b>0.09</b>         |
| <b>Loans to Employees (including interest accrued)</b>        |                     |                     |
| Secured #   | 72.59               | 60.63               |
| Unsecured Considered good                                     | 46.25               | 46.31               |
|   | <b>118.84</b>       | <b>106.94</b>       |
| <b>TOTAL</b>  | <b>132.27</b>       | <b>107.03</b>       |

**Further Notes:**

\* Details of loans to related parties is provided in Note No 57.

\*\* refer note 63(vi) for reconciliation of allowance for impairment.

# House building loans and conveyance advance to Directors, KMP and Employees are secured against the mortgage of the house properties or hypothecation of vehicles for which such loans have been given in line with the policies of the Company.

**Note 18 : Other current financial assets**

(Unsecured considered good unless otherwise stated)

(₹ in crore)

| Particulars  | As at 31 March 2024 | As at 31 March 2023 |
|--|---------------------|---------------------|
| Lease Receivables  | 391.49              | 220.23              |
| Contract Assets #  | 4,327.75            | 828.48              |
| Recoverable for GOI fully Service Bonds (including interest accrued) | 36.90               | 36.22               |

**Note 18 : Other current financial assets (Contd.)**

(₹ in crore)

| Particulars                                     | As at 31 March 2024 | As at 31 March 2023 |
|---|---------------------|---------------------|
| Advances to/Recoverable from Related Parties ## | 5.30                | 3.41                |
| Others ###                                      |                     |                     |
| Considered Good                                 | 281.05              | 621.75              |
| Considered Doubtful                             | 7.94                | 7.94                |
| <b>Total</b>                                    | <b>288.99</b>       | <b>629.69</b>       |
| Less: Provision for doubtful Advances           | 7.94                | 7.94                |
|   | <b>281.05</b>       | <b>621.75</b>       |
| <b>Total</b>                                    | <b>5,042.49</b>     | <b>1,710.09</b>     |

**Further Notes:**

# Contract Assets includes ₹ 0.44 Crore (Previous Year ₹ 0.16 Crore ) from related parties (refer Note 57). Refer Note 47 for disclosure as per Ind AS 115 'Revenue from Contracts with Customers'.

## Details of advances to related parties are provided in Note 57.

### Others include:-

(a) an amount of ₹ 59.88 crore (Previous Year ₹ 59.88 crore) recoverable from M/s Delhi Transco Limited towards transfer of 2.427 hectare (Previous Year 2.427 hectare) land at Tughlaqabad and Dwarka Sub-station pending completion of legal formalities for transfer of title.

(b) amount recoverable from Customers, Advance rent for Residential and Office accommodation, Other advance etc.

(c) The Group entity has deposited the amount of ₹110.04 crore to the LTTCs in exchange for bank guarantees issued earlier as per the CERC order. (refer note no. 32)

**Note 19 : Other current assets**

(Unsecured considered good unless otherwise stated)

(₹ in crore)

| Particulars   | As at 31 March 2024 | As at 31 March 2023 |
|---|---------------------|---------------------|
| <b>Advances other than for Capital Expenditure</b>              |                     |                     |
| <b>Advances recoverable in kind or for value to be received</b> |                     |                     |
| Contractors & Suppliers   | 11.24               | 15.46               |
| Employees   | 8.48                | 9.11                |
| Balance with Customs Port Trust and other authorities           | 22.17               | 28.63               |
| Claims recoverable  | -                   | 18.83               |
|   | <b>41.89</b>        | <b>72.03</b>        |
| <b>Deferred Employee Cost</b>                                   | 8.24                | 6.54                |
| <b>Others*</b>  |                     |                     |
| Considered Good   | 517.50              | 157.71              |
| Considered Doubtful   | 0.01                | 0.01                |
|   | <b>517.51</b>       | <b>157.72</b>       |
| Less: Provision for Doubtful Advances                           | 0.01                | 0.01                |
|   | <b>517.50</b>       | <b>157.71</b>       |
| <b>Total</b>  | <b>567.63</b>       | <b>236.28</b>       |

**Further Notes:**

\* Others include advance given for CSR activities and input tax credit - GST etc.

**Note 19A : Assets Classified as Held for Sale**

(₹ in crore)

| Particulars  | As at 31 March 2024 |             | As at 31 March 2023 |             |
|--|---------------------|-------------|---------------------|-------------|
|  | Current             | Non-Current | Current             | Non-Current |
| <b>Investments in Equity Instruments (fully paid up)</b>   |                     |             |                     |             |
| <b>Associates Companies</b>  |                     |             |                     |             |
| Powergrid Kala Amb Transmission Limited<br>15860000 (Previous Year 15860000) Equity Shares of ₹10 each | 15.86               | -           | 15.86               | -           |
| Powergrid Jabalpur Transmission Limited<br>58996600 (Previous Year 58996600) Equity Shares of ₹10 each | 59.00               | -           | 59.00               | -           |
| Powergrid Warora Transmission Limited<br>102258000 (Previous Year 102258000) Equity Shares of ₹10 each | 102.26              | -           | 102.26              | -           |
| Powergrid Parli Transmission Limited<br>83746000 (Previous Year 83746000) Equity Shares of ₹10 each    | 83.74               | -           | 83.74               | -           |
| <b>TOTAL</b>   | <b>260.86</b>       | <b>-</b>    | <b>260.86</b>       | <b>-</b>    |

**Further notes:**

During the year ended 31 March 2022, the Company has monetised 74% of shareholding of five (05 No's) of its Subsidiaries through POWERGRID Infrastructure Investment Trust ('PGInvIT/ Trust') and balance 26% shares of one of SPVs was transferred in March 2022. Remaining 26% shareholding amounting to ₹ 260.86 Crore of 4 nos. of SPVs to be monetised in line with Transmission Service Agreement (TSA) & the same has been classified as "Assets Classified as Held for Sale".

**Note 20 : Regulatory Deferral Account Balances**

(₹ in crore)

| Particulars                                | As at 31 March 2024 | As at 31 March 2023 |
|--|---------------------|---------------------|
| <b>Assets</b>                              |                     |                     |
| Deferred assets for deferred tax liability | 7,258.64            | 7,831.48            |
| Foreign Currency Fluctuation               | 2,273.87            | 2,398.86            |
| Employee Benefits and Other Expense        | 9.57                | 4.10                |
| <b>Total</b>                               | <b>9,542.08</b>     | <b>10,234.44</b>    |

**Further Notes:**

Refer to note no 52 for detailed disclosure on Regulatory Deferral Account Balances.

**Note 21 : Equity Share capital**

(₹ in crore)

| Particulars  | As at 31 March 2024 | As at 31 March 2023 |
|--|---------------------|---------------------|
| <b>Equity Share Capital</b>  |                     |                     |
| <b>Authorised</b>  |                     |                     |
| 10000000000 (Previous Year 10000000000) equity shares of ₹10/- each at par             | 10,000.00           | 10,000.00           |
| <b>Issued subscribed and paid up</b>   |                     |                     |
| 9300603819 (Previous Year 6975452864) equity shares of ₹10/- each at par fully paid up | 9,300.60            | 6,975.45            |

**Note 21 : Equity Share capital (Contd.)**
**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 31 March 2024 |                     | For the year ended 31 March 2023 |                     |
|---|----------------------------------|---------------------|----------------------------------|---------------------|
|   | No. of Shares                    | Amount (₹ in crore) | No. of Shares                    | Amount (₹ in crore) |
| Shares outstanding at the beginning of the year | 6975452864                       | 6,975.45            | 6975452864                       | 6,975.45            |
| Additions during the year*                      | 2325150955                       | 2,325.15            | -                                | -                   |
| Shares outstanding at the end of the year       | 9300603819                       | 9,300.60            | 6975452864                       | 6,975.45            |

\* The Company has issued 2325150955 equity shares of ₹ 10/- each as fully paid bonus shares in the ratio of one equity share of ₹10/- each for every three equity shares held on record date of 12 September 2023 by utilising Securities Premium.

- The Company has only one class of equity shares having a par value of ₹10/- per share.
- The holders of equity shares are entitled to receive dividends as declared from time to time and to voting rights proportionate to their shareholding at meetings of the Shareholders.
- Shareholding of Promoters and Shareholders holding more than 5% equity shares of the Company

| Particulars                    | As at 31 March 2024 |              | As at 31 March 2023 |              | % Change |
|--------------------------------|---------------------|--------------|---------------------|--------------|----------|
|                                | No. of Shares       | % of holding | No. of Shares       | % of holding |          |
| Government of India (Promoter) | 4774884280          | 51.34        | 3581163210          | 51.34        | -        |

**Note 22 : Other Equity**

(₹ in crore)

| Particulars                        | As at 31 March 2024 | As at 31 March 2023 |
|------------------------------------|---------------------|---------------------|
| <b>Reserves and Surplus</b>        |                     |                     |
| Capital Reserve                    | 9.88                | 9.88                |
| Securities Premium                 | 5,509.28            | 7,834.43            |
| Bonds Redemption Reserve           | 2,921.02            | 4,168.17            |
| Self Insurance Reserve             | 1,292.23            | 1,088.46            |
| General Reserve                    | 64,643.67           | 58,534.81           |
| Retained Earnings                  | 3,295.75            | 4,043.48            |
| <b>Other Reserves</b>              |                     |                     |
| Other Comprehensive Income Reserve | 172.68              | 371.61              |
| <b>Total</b>                       | <b>77,844.51</b>    | <b>76,050.84</b>    |

**22.1 Capital Reserve**

(₹ in crore)

| Particulars                           | As at 31 March 2024 | As at 31 March 2023 |
|---------------------------------------|---------------------|---------------------|
| Balance at the beginning of the year  | 9.88                | 9.88                |
| Addition during the year              | -                   | -                   |
| Deduction during the year             | -                   | -                   |
| <b>Balance at the end of the year</b> | <b>9.88</b>         | <b>9.88</b>         |



**22.2 Securities Premium**

(₹ in crore)

| Particulars                           | As at 31 March 2024 | As at 31 March 2023 |
|---------------------------------------|---------------------|---------------------|
| Balance at the beginning of the year  | 7,834.43            | 7,834.43            |
| Deduction during the year             | 2,325.15            | -                   |
| <b>Balance at the end of the year</b> | <b>5,509.28</b>     | <b>7,834.43</b>     |

The premium on issue of shares is recorded in Securities premium and the same has been utilised to issue fully paid bonus shares during the year in accordance with provisions of the Companies Act, 2013.

**22.3 Bonds Redemption Reserve**

(₹ in crore)

| Particulars                           | As at 31 March 2024 | As at 31 March 2023 |
|---------------------------------------|---------------------|---------------------|
| Balance at the beginning of the year  | 4,168.17            | 5,532.80            |
| Deduction during the year             | 1,247.15            | 1,364.63            |
| <b>Balance at the end of the year</b> | <b>2,921.02</b>     | <b>4,168.17</b>     |

Bonds Redemption Reserve is created for the purpose of redemption of debentures in term of the Companies Act, 2013. As per the Companies (Share Capital and Debentures) rule 2014, listed companies are not required to create Bonds Redemption Reserve w.e.f. 16.08.2019.

**22.4 Self Insurance Reserve**

(₹ in crore)

| Particulars                           | As at 31 March 2024 | As at 31 March 2023 |
|---------------------------------------|---------------------|---------------------|
| Balance at the beginning of the year  | 1,088.46            | 874.86              |
| Addition during the year              | 312.63              | 318.15              |
| Deduction during the year             | 108.86              | 104.55              |
| <b>Balance at the end of the year</b> | <b>1,292.23</b>     | <b>1,088.46</b>     |

Self-Insurance Reserve is created based on risk assessment ranging from 0.04% p.a. to 0.12% p.a. (0.12% p.a. in previous year) on the Original Gross Block of Property, Plant & Equipments (including considered as Lease receivables) and value of inventory except ROU Assets and assets covered under insurance as at the end of the year to meet future losses which may arise from un-insured risks and for procurement of towers and other transmission line materials including strengthening of towers and equipments of AC sub-station to take care of future contingencies.

**22.5 General Reserve**

(₹ in crore)

| Particulars                           | As at 31 March 2024 | As at 31 March 2023 |
|---------------------------------------|---------------------|---------------------|
| Balance at the beginning of the year  | 58,534.81           | 50,430.26           |
| Addition during the year              | 6,108.86            | 8,104.55            |
| <b>Balance at the end of the year</b> | <b>64,643.67</b>    | <b>58,534.81</b>    |

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.

**22.6 Retained Earnings**

(₹ in crore)

| Particulars                          | As at 31 March 2024 | As at 31 March 2023 |
|--------------------------------------|---------------------|---------------------|
| Balance at the beginning of the year | 4,043.48            | 4,097.36            |
| Add/(Less): Ind AS 12 Adjustments    | -                   | 9.16                |
|                                      | <b>4,043.48</b>     | <b>4,106.52</b>     |
| Add: Additions                       |                     |                     |

**Note 22: Other Equity (Contd.)**

(₹ in crore)

| Particulars  | As at 31 March 2024 | As at 31 March 2023 |
|--|---------------------|---------------------|
| Net Profit for the period  | 15,573.16           | 15,419.74           |
| Items of other comprehensive income recognised directly in surplus balance |                     |                     |
| - Remeasurements of post employment benefit obligations                    | (35.68)             | 19.42               |
| Transfer from Bond Redemption Reserve                                      | 1,247.15            | 1,364.63            |
| Less: Appropriations   |                     |                     |
| General Reserve  | 6,000.00            | 8,000.00            |
| Self Insurance Reserve   | 312.63              | 318.15              |
| Interim dividend paid (refer note 61(b))                                   | 7,905.51            | 6,975.45            |
| Final Dividend (refer note 61(b))  | 3,313.34            | 1,569.48            |
| Other Adjustments  | 0.88                | 3.75                |
| <b>Balance at the end of the year</b>                                      | <b>3,295.75</b>     | <b>4,043.48</b>     |

**22.7 Other Comprehensive Income Reserve**

(₹ in crore)

| Particulars                           | As at 31 March 2024 | As at 31 March 2023 |
|---------------------------------------|---------------------|---------------------|
| Balance at the beginning of the year  | 371.61              | 492.09              |
| Movement during the year              | (198.93)            | (120.48)            |
| <b>Balance at the end of the year</b> | <b>172.68</b>       | <b>371.61</b>       |

Other Comprehensive Income Reserve is created from increase/decrease in valuation of Non Current Investments classified as fair valued through Other Comprehensive Income (FVOCI).

**Note 23 : Borrowings**

(₹ in crore)

|   | Particulars  | As at 31 March 2024 | As at 31 March 2023 |
|---|--|---------------------|---------------------|
| <b>A) BONDS</b>   |  |                     |                     |
| <b>A1) Secured (Taxable, Redeemable, Non-Cumulative, Non-Convertible)</b> |  |                     |                     |
| A1.1  | i) Bonds of ₹10 Lakh each  |                     |                     |
|   | LV Issue-7.55% Redeemable at par on 21.09.2031   | 1,289.21            | 1,289.07            |
|   | LX Issue-7.20% Redeemable at par on 09.08.2027   | 3,201.96            | 3,201.72            |
|   | LIX Issue-7.30% Redeemable at par on 19.06.2027  | 3,245.63            | 3,245.47            |
|   | XXXIX Issue-9.40% redeemable at par on 29.03.2027  | 1,801.35            | 1,801.34            |
|   | LVIII Issue-7.89% redeemable at par on 09.03.2027  | 2,070.15            | 2,070.09            |
|   | XXXVIII Issue-9.25% redeemable at par on 09.03.2027  | 859.95              | 859.93              |
|   | LVI Issue-7.36% redeemable at par on 18.10.2026  | 1,100.47            | 1,100.32            |
|   | LXII Issue-8.36% Redeemable at par in 5 (five) equal annual installments w.e.f. 07.01.2025   | 2,038.72            | 2,038.34            |
|   | ii) Bonds of ₹30 Lakh each consisting of 3 STRPPs of ₹10 lakh each redeemable at par in 3 (Three) equal installments on 15.07.2021, 15.07.2026 and 15.07.2031  |                     |                     |
|   | LIV Issue-7.97% Redeemable w.e.f. 15.07.2021   | 2,113.57            | 2,113.43            |
|   | iii) Bonds of ₹30 Lakh each consisting of 3 STRPPs of ₹10 lakh each redeemable at par in 3 (Three) equal installments on 23.12.2020, 23.12.2025 and 23.12.2030 |                     |                     |

**Note 23: Borrowings (Contd.)**

(₹ in crore)

|       | Particulars  | As at<br>31 March 2024 | As at<br>31 March 2023 |
|-------|--|------------------------|------------------------|
|       | <b>LII Issue-8.32% redeemable w.e.f. 23.12.2020</b>  | 953.10                 | 952.93                 |
| iv)   | Bonds of ₹1.20 crore each consisting of 12 STRPPs of ₹10 lakh each redeemable at par in 12 (Twelve) equal annual installments  |                        |                        |
|       | <b>LIII Issue-8.13% Redeemable w.e.f. 25.04.2020</b>   | 2,866.30               | 3,224.54               |
| v)    | Bonds of ₹30 Lakh each consisting of 3 STRPPs of ₹10 lakh each redeemable at par in 3 (Three) equal installments on 09.03.2020, 09.03.2025 and 09.03.2030            |                        |                        |
|       | <b>XLIX Issue-8.15% redeemable w.e.f. 09.03.2020</b>   | 874.40                 | 874.36                 |
| vi)   | Bonds of ₹40 Lakh each consisting of 4 STRPPs of ₹10 lakh each redeemable at par in 4 (Four) equal installments on 23.01.2020, 23.01.2022, 23.01.2025 and 23.01.2030 |                        |                        |
|       | <b>XLVIII Issue-8.20% redeemable w.e.f. 23.01.2020</b>   | 1,309.89               | 1,309.64               |
| vii)  | Bonds of ₹1.20 crore each consisting of 12 STRPPs of ₹10 lakh each redeemable at par in 12 (Twelve) equal annual installments  |                        |                        |
|       | <b>LI Issue-8.40% redeemable w.e.f. 14.09.2019</b>   | 1,830.26               | 2,091.51               |
| viii) | Bonds of ₹30 Lakh each consisting of 3 STRPPs of ₹10 lakh each redeemable at par in 3 (Three) equal installments on 04.09.2019, 04.09.2024 and 04.09.2029            |                        |                        |
|       | <b>XLVI Issue-9.30% redeemable w.e.f. 04.09.2019</b>   | 3,063.11               | 3,062.77               |
| ix)   | Bonds of ₹1.20 crore each consisting of 12 STRPPs of ₹10 lakh each redeemable at par in 12 (Twelve) equal annual installments  |                        |                        |
|       | <b>L Issue-8.40% redeemable w.e.f. 27.05.2019</b>  | 1,829.46               | 2,090.73               |
| x)    | Bonds of ₹1.20 crore each consisting of 12 STRPPs of ₹10 lakh each redeemable at par in 12 (Twelve) equal annual installments  |                        |                        |
|       | <b>XLVII Issue-8.93% redeemable w.e.f. 20.10.2018</b>  | 1,372.77               | 1,601.34               |
| xi)   | Bonds of ₹30 Lakh each redeemable at par in 3 equal installments on 15.07.2018, 15.07.2023 and 15.07.2028  |                        |                        |
|       | <b>XLIV Issue-8.70% redeemable w.e.f. 15.07.2018</b>   | 1,403.97               | 2,807.80               |
| xii)  | Bonds of ₹1.20 crores each consisting of 12 STRPPs of ₹10 lakhs each redeemable at par in 12 (Twelve) equal annual installments                                      |                        |                        |
|       | <b>XLV Issue-9.65% redeemable w.e.f. 28.02.2018</b>  | 840.20                 | 1,008.00               |
|       | <b>XLIII Issue-7.93% redeemable w.e.f. 20.05.2017</b>  | 1,391.93               | 1,670.26               |
| xiii) | Bonds of ₹1.5 crores each consisting of 12 STRPPs of ₹12.50 Lakhs each redeemable at par in 12 (Twelve) equal annual installments                                    |                        |                        |
|       | <b>XLI Issue-8.85% redeemable w.e.f. 19.10.2016</b>  | 985.29                 | 1,231.45               |
| xiv)  | Bonds of ₹1.50 crores each, consisting of 15 STRPPs of ₹10.00 Lakhs each redeemable at par in 15 (Fifteen) equal annual installments                                 |                        |                        |
|       | <b>XXXVI Issue- 9.35% redeemable w.e.f. 29.08.2016</b>   | 1,521.55               | 1,738.74               |
| xv)   | Bonds of ₹1.5 crores each consisting of 12 STRPPs of ₹12.50 Lakhs each redeemable at par in 12 (Twelve) equal annual installments                                    |                        |                        |
|       | <b>XL Issue-9.30% redeemable w.e.f. 28.06.2016</b>   | 1,426.62               | 1,783.17               |
|       | <b>XXXVII Issue- 9.25% redeemable w.e.f. 26.12.2015</b>  | 510.97                 | 681.17                 |
|       | <b>XXXV Issue- 9.64% redeemable w.e.f. 31.05.2015</b>  | 528.81                 | 705.05                 |
|       | <b>XXXIV Issue- 8.84% redeemable w.e.f. 21.10.2014</b>   | 604.13                 | 906.08                 |
|       | <b>XXXIII Issue- 8.64% redeemable w.e.f. 08.07.2014</b>  | 510.37                 | 765.50                 |
|       | <b>XXXII Issue- 8.84% redeemable w.e.f. 29.03.2014</b>   | 86.31                  | 172.62                 |

**Note 23: Borrowings (Contd.)**

(₹ in crore)

|                                       | Particulars  | As at<br>31 March 2024 | As at<br>31 March 2023 |
|---------------------------------------|--|------------------------|------------------------|
|                                       | <b>XXXI Issue- 8.90% redeemable w.e.f. 25.02.2014</b>  | 172.12                 | 344.16                 |
|                                       | <b>XXX Issue- 8.80% redeemable w.e.f. 29.09.2013</b>   | 203.02                 | 405.99                 |
|                                       | <b>XXIX Issue- 9.20% redeemable w.e.f. 12.03.2013</b>  | -                      | 108.67                 |
|                                       | <b>XXVIII Issue- 9.33% redeemable w.e.f. 15.12.2012</b>  | -                      | 205.47                 |
|                                       |  | <b>42,005.59</b>       | <b>47,461.66</b>       |
| <b>A2) Unsecured</b>                  |  |                        |                        |
| <b>A2.1 Redeemable Domestic Bonds</b> |  |                        |                        |
| i)                                    | Bonds of ₹1 Lakh each  |                        |                        |
|                                       | <b>LXXVI Issue-7.35% redeemable at par on 12.03.2034</b>   | 1,204.18               | -                      |
| ii)                                   | Bonds of ₹10 Lakh each   |                        |                        |
|                                       | <b>LXVIII Issue-6.28% redeemable at par on 11.04.2031</b>  | 520.57                 | 520.54                 |
|                                       | <b>LXVI Issue-7.38% Redeemable at par on 12.04.2030</b>  | 508.30                 | 508.20                 |
| iii)                                  | Bonds of ₹50 Lakhs each consisting of 5 STRPPs of ₹10.00 Lakhs each redeemable at par in 5 (Five) equal annual installments.   |                        |                        |
|                                       | <b>LXI Issue-7.74% redeemable w.e.f. 12.12.2028</b>  | 3,070.26               | 3,069.80               |
| iv)                                   | Bonds of ₹10 Lakh each   |                        |                        |
|                                       | <b>LXIX Issue-6.05% Redeemable at par on 25.03.2027</b>  | 530.50                 | 530.49                 |
|                                       | <b>LXVII Issue-6.85% redeemable at par on 15.04.2025</b>   | 2,984.40               | 2,984.33               |
| v)                                    | Bonds of ₹1 Lakh each redeemable in 10 equal annual installments @   |                        |                        |
|                                       | <b>LXXV Issue-7.65% redeemable w.e.f. 11.01.2025</b>   | 2,236.08               | -                      |
| vi)                                   | Bonds of ₹10 Lakhs each consisting of 3 STRPPs of ₹3.00 Lakhs, ₹3.00 Lakhs & ₹4.00 Lakhs redeemable at par in 3 (Three) installments on 25.10.2024, 25.10.2029 and 25.10.2034. |                        |                        |
|                                       | <b>LXIV Issue-7.49% redeemable w.e.f. 25.10.2024</b>   | 2,601.84               | 2,601.52               |
| vii)                                  | Bonds of ₹1 Lakh each redeemable in 10 equal annual installments @   |                        |                        |
|                                       | <b>LXXIV Issue-7.70% redeemable w.e.f. 12.10.2024</b>  | 2,330.28               | -                      |
|                                       | <b>LXXIII Issue-7.50% redeemable w.e.f. 24.08.2024</b>   | 1,305.99               | -                      |
| viii)                                 | Bonds of ₹30 Lakhs each consisting of 03 STRPPs of ₹10.00 Lakhs each redeemable at par in 03 (Three) equal installments on 15.07.2024, 15.07.2029 and 15.07.2034.              |                        |                        |
|                                       | <b>LXIII Issue-7.34% redeemable w.e.f. 15.07.2024</b>  | 1,894.07               | 1,893.94               |
| ix)                                   | Bonds of ₹1 Lakhs each redeemable in 40 equal quarterly installments #   |                        |                        |
|                                       | <b>LXXI Issue-7.52% redeemable w.e.f. 17.08.2023</b>   | 809.19                 | 868.56                 |
|                                       | <b>LXXII Issue-7.56% redeemable w.e.f. 17.08.2023</b>  | 396.68                 | 425.07                 |
|                                       | <b>LXX Issue-7.40% redeemable w.e.f. 17.05.2023</b>  | 1,924.89               | 2,138.38               |
| x)                                    | Bonds of ₹10 Lakh each   |                        |                        |
|                                       | <b>LXV Issue-6.35% Redeemable at par on 14.04.2023</b>   | -                      | 202.89                 |
|                                       |  | <b>22,317.23</b>       | <b>15,743.72</b>       |
|                                       | <b>Total (A)</b>   | <b>64,322.82</b>       | <b>63,205.38</b>       |



**Note 23: Borrowings (Contd.)**

(₹ in crore)

| Particulars  | As at 31 March 2024 | As at 31 March 2023 |
|--|---------------------|---------------------|
| <b>B) Term loans</b>   |                     |                     |
| <b>From Banks</b>  |                     |                     |
| <b>Secured</b>   |                     |                     |
| Foreign Currency Loans (Guaranted by Government of India (GOI))          | 23,030.79           | 24,964.95           |
| Other Foreign Currency Loans   | 6,557.96            | 7,037.27            |
| Rupee Loans  | 6,366.98            | 7,821.01            |
|  | <b>35,955.73</b>    | <b>39,823.23</b>    |
| <b>Unsecured</b>   |                     |                     |
| Foreign Currency Loans (Guaranted by GOI)                                | 2,679.08            | 3,127.73            |
| Other Foreign Currency Loans   | 2,176.41            | 2,575.72            |
| Rupee Loans  | 18,527.94           | 20,119.43           |
|  | <b>23,383.43</b>    | <b>25,822.88</b>    |
| <b>Total (B)</b>   | <b>59,339.16</b>    | <b>65,646.11</b>    |
| <b>TOTAL (A to B)</b>  | <b>123,661.98</b>   | <b>128,851.49</b>   |
| <b>Less: Current maturities of Non Current Borrowing (refer note 28)</b> | 15,688.15           | 12,003.61           |
| <b>Less: Interest Accrued but not due on borrowings (refer note 30)</b>  | 2,906.88            | 2,956.59            |
| <b>TOTAL</b>   | <b>105,066.95</b>   | <b>113,891.29</b>   |

**Further Notes:**

@ During the current year, the company has securitised its cashflows from four of its subsidiaries viz. Powergrid Bhuj Transmission Limited, Powergrid Khetri Transmission System Limited, Powergrid Medinipur Jeerat Transmission System Limited and Powergrid Varanasi Transmission System Limited and raised total ₹ 5,700 crore in three tranches to part finance its capital expenditure in pursuance of new National Monetization Pipeline (NMP).

# During the previous year, the company has securitised its cashflows from three of its subsidiaries viz. Powergrid Southern Interconnector Transmission System Limited, Powergrid Mithilanchal Transmission Limited and Powergrid NM Transmission Limited and raised total ₹ 3,412 crore in three tranches to part finance its capital expenditure in pursuance of new National Monetization Pipeline (NMP).

**Details of terms of repayment and rate of interest**

- Secured Foreign Currency Loans (Guaranteed by GoI) carry floating rate of interest linked to Daily SOFR. These loans are repayable in semi annual instalment, as per terms of the respective loan agreement, commencing after moratorium period of 3 to 5 years except for one loan ₹ 414.52 Crore (Previous year ₹ 408.08 Crore) which carry fixed rate of interest of 0.25% p.a.
- Secured other Foreign Currency Loans carry floating rate of interest linked to 6M (EURIBOR). These loans are repayable in semi annual instalment, as per terms of the respective loan agreements, commencing after moratorium period of 3 to 5 years.
- Secured Rupee loan from banks carry floating rate of interest linked to 3M MCLR. These loans are repayable in semi annual instalments, as per terms of the respective loan agreements, commencing after moratorium period of 5 years.
- Unsecured Foreign Currency Loans (Guaranteed by GoI) carry fixed rate of interest ranging from 1.63% p.a. to 2.30% p.a. These loans are repayable in semi annual instalments as per terms of the respective loan agreements.
- Unsecured Foreign Currency Loans carry floating rate of interest linked to 6M (STIBOR/EURIBOR). These loans are repayable in semi annual instalments as per terms of the respective loan agreements, commencing after moratorium period as per terms of the respective loan agreements.
- Unsecured Foreign Currency Loans carry floating rate of interest linked to 3M TONA. This loan is repayable in five equal annual installment as per the terms of the loan agreement.

**Note 23: Borrowings (Contd.)**

- Unsecured Rupee loan from bank carry floating rate of interest linked to 3 months MCLR or Repo rate. These loans are repayable in semi annual installments, as per terms of the respective loan agreements, commencing after moratorium period as per terms of the respective loan agreements.
- There has been no default in repayment of loans or payment of interest thereon as at the end of the year.
- The company has used the borrowings from banks and financial institutions for the specified purpose for which it was taken as at balance sheet date.

**Details of Securities**

- Domestic Bonds are Secured by way of Registered Bond Trust Deed ranking pari passu on immovable property situated at Mouje Ambheti Taluka Kaparada in district Valsad Gujarat and floating charge on the assets of the company.
- Secured Foreign Currency Loans (Guaranteed by GoI) are secured by pari passu interest in the lien created on the assets as security for the debts.
- Secured Other Foreign Currency Loans and Rupee Loans are secured by the way of
  - pari passu charge on the assets of the company except investments, land and building, roads and bridges, water supply, drainage and sewerage and current assets or
  - pari passu charge on the assets of the company except investments and current assets or
  - floating charge on the immovable properties of the company.
 as per the terms of respective loan agreements.

**Note 24 : Other non-current financial liabilities**

(₹ in crore)

| Particulars  | As at 31 March 2024 | As at 31 March 2023 |
|--|---------------------|---------------------|
| Deposits/Retention money from contractors and others | 71.91               | 70.24               |
| Govt. of India fully serviced bonds *                | 3,487.50            | 3,487.50            |
| Dues for Capital Expenditure                         | 7.32                | 6.93                |
| <b>Total</b>   | <b>3,566.73</b>     | <b>3,564.67</b>     |

**Further Notes:**

Disclosure with regard to Micro and Small enterprises as required under "The Micro, Small and Medium Enterprises Development Act, 2006" is given in Note No 50.

\* Govt of India fully serviced bonds issued @ 8.24% redeemable at par on 14.02.2029. Refer Note 10 for details.

**Note 25 : Provisions**

(₹ in crore)

| Particulars                             | As at 31 March 2024 | As at 31 March 2023 |
|---|---------------------|---------------------|
| <b>Employee Benefits</b>                |                     |                     |
| Opening Balance                         | 577.87              | 517.14              |
| Additions/(adjustments) during the year | 65.79               | 60.73               |
| <b>Closing Balance</b>                  | <b>643.66</b>       | <b>577.87</b>       |

**Further Notes:**

Provision is created for the purpose of leave encashment, Settlement Allowance, Long Service Award and other benefits. Refer Note 65 for detailed disclosure related to Employee Benefit Obligations.

**Note 26 : Deferred tax liabilities (Net)**

(₹ in crore)

| Particulars   | As at 31 March 2024 | As at 31 March 2023 |
|---|---------------------|---------------------|
| <b>Deferred Tax Assets (Net)</b>                                  |                     |                     |
| Income during Construction Period                                 | 13.65               | 18.87               |
| Provisions allowable on payment basis                             | 477.03              | 554.54              |
| Advance Against Depreciation                                      | 201.45              | 246.96              |
| Unused Tax Losses   | 821.45              | 665.22              |
| MAT Credit Entitlement  | 16,653.27           | 15,265.10           |
| Others  | 299.40              | 285.80              |
|   | <b>18,466.25</b>    | <b>17,036.49</b>    |
| Less: Offset of deferred tax assets with deferred tax liabilities | 18,404.61           | 16,981.59           |
| <b>Deferred Tax Assets (Net)</b>                                  | <b>61.64</b>        | <b>54.90</b>        |
| <b>Deferred Tax Liabilities (Net)</b>                             |                     |                     |
| Difference in book depreciation and tax depreciation              | 28,408.75           | 27,373.14           |
| Finance lease assets  | 130.65              | 130.60              |
| Others  | 163.78              | 199.84              |
|   | <b>28,703.18</b>    | <b>27,703.58</b>    |
| Less: Offset of deferred tax liabilities with deferred tax assets | 18,404.61           | 16,981.59           |
| <b>Deferred Tax Liabilities (Net)</b>                             | <b>10,298.57</b>    | <b>10,721.99</b>    |

**Further Notes:**

Movement in Deferred Tax Liabilities is as follows:

(₹ in crore)

| Particulars                          | Property Plant and Equipment | Finance Leased Assets | Others        | Total            |
|--------------------------------------|------------------------------|-----------------------|---------------|------------------|
| <b>As at 01 April 2022</b>           | <b>26,146.21</b>             | <b>91.48</b>          | <b>207.61</b> | <b>26,445.30</b> |
| Charged/(credited) to profit or loss | 1,226.93                     | 39.12                 | 10.32         | 1,276.37         |
| Charged/(credited) to OCI            |                              |                       | (18.09)       | (18.09)          |
| <b>As at 31 March 2023</b>           | <b>27,373.14</b>             | <b>130.60</b>         | <b>199.84</b> | <b>27,703.58</b> |
| Charged/(credited) to profit or loss | 1,035.61                     | 0.05                  | (3.08)        | 1,032.58         |
| Charged/(credited) to OCI            |                              |                       | (32.98)       | (32.98)          |
| <b>As at 31 March 2024</b>           | <b>28,408.75</b>             | <b>130.65</b>         | <b>163.78</b> | <b>28,703.18</b> |

Movement in Deferred Tax Asset is as follows:

(₹ in crore)

| Particulars                          | Property Plant & Equipment-Income during construction period | Provisions allowable on payment basis | Advance against depreciation | MAT Credit       | Others          | Total            |
|--------------------------------------|--|---------------------------------------|------------------------------|------------------|-----------------|------------------|
| <b>As at 01 April 2022</b>           | <b>18.26</b>   | <b>591.26</b>                         | <b>299.92</b>                | <b>13,268.89</b> | <b>919.15</b>   | <b>15,097.48</b> |
| Charged/(credited) to profit or loss | 0.61   | (36.72)                               | (52.96)                      | 1,996.21         | 31.87           | 1,939.01         |
| <b>As at 31 March 2023</b>           | <b>18.87</b>   | <b>554.54</b>                         | <b>246.96</b>                | <b>15,265.10</b> | <b>951.02</b>   | <b>17,036.49</b> |
| Charged/(credited) to profit or loss | (5.22)   | (77.51)                               | (45.51)                      | 1,388.41         | 169.83          | 1,430.00         |
| Other Adjustments                    |  |                                       |                              | (0.24)           |                 | (0.24)           |
| <b>As at 31 March 2024</b>           | <b>13.65</b>   | <b>477.03</b>                         | <b>201.45</b>                | <b>16,653.27</b> | <b>1,120.85</b> | <b>18,466.25</b> |

**Note 26 : Deferred tax liabilities (Net) (Contd.)**

Recognised in Statement of Profit and Loss /Other Comprehensive Income (OCI) is as follows:

(₹ in crore)

| Particulars  | For the year ended 31 March 2024 | For the year ended 31 March 2023 |
|--|----------------------------------|----------------------------------|
| Increase/ (Decrease) in Deferred Tax Liabilities   | 1,032.58                         | 1,276.37                         |
| Decrease / (Increase) in Deferred Tax Assets       | (1,430.00)                       | (1,939.01)                       |
| <b>Amount charged/(credited) to profit or loss</b> | <b>(397.42)</b>                  | <b>(662.64)</b>                  |
| Increase/ (Decrease) in Deferred Tax Liabilities   | (32.98)                          | (18.09)                          |
| <b>Amount charged/(credited) to OCI</b>            | <b>(32.98)</b>                   | <b>(18.09)</b>                   |

- a) In the opinion of the management, it is probable that future economic benefits will flow to the group in the form of availability of set off against future income tax liability by recognising MAT credit as follows:  
 Future taxable profits will be adjusted against (a) tax holiday u/s 80-IA of Income Tax Act, 1961 for the projects commissioned up to 31 March 2017 (b) initial depreciation on the assets to be commissioned in future and (c) regular income tax depreciation u/s 32 of Income Tax Act, 1961 and thereafter tax amount will be set off against MAT credit. Hence, the same has been recognised as Deferred Tax Assets during the year.
- b) MAT credit available to the group in future but not recognised in the books:

(₹ in crore)

| For the Financial Year | As at 31.03.2024 | Expiry Date   | As at 31 March 2023 | Expiry Date   |
|------------------------|------------------|---------------|---------------------|---------------|
| 2015-16                | 1,421.20         | 31 March 2026 | 1,421.20            | 31 March 2026 |
| 2014-15                | 1,281.23         | 31 March 2025 | 1,281.23            | 31 March 2025 |
| 2013-14                | -                | 31 March 2024 | 1,085.14            | 31 March 2024 |

**Note 27 : Other non-current liabilities**

(₹ in crore)

| Particulars                                  | As at 31 March 2024 | As at 31 March 2023 |
|--|---------------------|---------------------|
| Advance from customers (Telecom services) \$ | 214.76              | 194.15              |
| Others                                       | 9.49                | 6.21                |
| <b>Total</b>                                 | <b>224.25</b>       | <b>200.36</b>       |

**Further Notes:**

\$ Refer Note 47 for disclosure as per Ind AS 115 'Revenue from Contracts with Customers'.

**Note 28 : Borrowings**

(₹ in crore)

| Particulars  | As at 31 March 2024 | As at 31 March 2023 |
|--|---------------------|---------------------|
| <b>A) Current maturities of long term borrowings</b> |                     |                     |
| <b>Secured</b>                                       |                     |                     |
| Bonds  | 6,495.35            | 5,191.48            |
| Rupee Term Loans                                     | 1,454.00            | 1,454.00            |
| Foreign Currency Loans                               | 2,789.59            | 2,856.77            |
|  | <b>10,738.94</b>    | <b>9,502.25</b>     |
| <b>Un-secured</b>                                    |                     |                     |
| Bonds  | 2,267.20            | 508.90              |
| Rupee Term Loans                                     | 1,994.44            | 1,300.00            |
| Foreign Currency Loans                               | 687.57              | 692.46              |
|  | <b>4,949.21</b>     | <b>2,501.36</b>     |
|  | <b>15,688.15</b>    | <b>12,003.61</b>    |



**Note 28: Borrowings (Contd.)**

(₹ in crore)

| Particulars  | As at 31 March 2024 | As at 31 March 2023 |
|--|---------------------|---------------------|
| <b>B) Current Borrowings</b>                               |                     |                     |
| <b>Secured</b>   |                     |                     |
| From Banks - against bill discounting (refer note 3 below) | 2,693.52            | 1,922.61            |
| <b>Un-secured</b>  |                     |                     |
| From Banks   | -                   | 700.00              |
|  | <b>2,693.52</b>     | <b>2,622.61</b>     |
| <b>Total</b>   | <b>18,381.67</b>    | <b>14,626.22</b>    |

**Further Notes:**

- Unsecured short term loan with rate of interest 7.12% (Previous Year ranging from 4.45% to 6.70%) raised and repaid during the year with in 90 days (Previous Year repayable within 90 days) from the date of draw.
- There has been no default in repayment of loans or payment of interest thereon as at the end of the year.
- Secured loan from Bank is towards amount payable to banks by beneficiaries on account of bills discounted with recourse against trade receivables. (Refer note no. 14 (c)).

**Note 29 : Trade payables**

(₹ in crore)

| Particulars  | As at 31 March 2024 | As at 31 March 2023 |
|--|---------------------|---------------------|
| For goods and services   |                     |                     |
| (A) total outstanding dues of micro enterprises and small enterprises                        | 75.17               | 49.34               |
| (B) total outstanding dues of creditors other than micro enterprises and small enterprises * | 296.19              | 278.45              |
| <b>Total</b>   | <b>371.36</b>       | <b>327.79</b>       |

**Further Notes:**

Disclosure with regard to Micro and Small enterprises as required under "Division II of Schedule III of The Companies Act, 2013" and "The Micro, Small and Medium Enterprises Development Act, 2006" is given in Note No 50.

\* Trade payables includes ₹ 2.37 Crore (Previous Year ₹ 1.15 Crore) from related parties (Refer Note No 57).

Ageing of Trade Payables is as follows:

(₹ in crore)

| Particulars                 | Not Billed    | <1Y           | 1Y-2Y       | 2Y-3Y       | >3Y         | Total         |
|-----------------------------|---------------|---------------|-------------|-------------|-------------|---------------|
| <b>As at 31 March 2024</b>  |               |               |             |             |             |               |
| <b>MSME</b>                 |               |               |             |             |             |               |
| Disputed                    | -             | -             | -           | -           | -           | -             |
| Undisputed                  | 34.27         | 40.90         | -           | -           | -           | 75.17         |
| <b>Total</b>                | <b>34.27</b>  | <b>40.90</b>  | <b>-</b>    | <b>-</b>    | <b>-</b>    | <b>75.17</b>  |
| <b>Others</b>               |               |               |             |             |             |               |
| Disputed                    | -             | -             | -           | -           | -           | -             |
| Undisputed                  | 141.84        | 150.42        | 2.44        | 1.16        | 0.33        | 296.19        |
| <b>Total</b>                | <b>141.84</b> | <b>150.42</b> | <b>2.44</b> | <b>1.16</b> | <b>0.33</b> | <b>296.19</b> |
| <b>Total Trade payables</b> | <b>176.11</b> | <b>191.32</b> | <b>2.44</b> | <b>1.16</b> | <b>0.33</b> | <b>371.36</b> |
| <b>As at 31 March 2023</b>  |               |               |             |             |             |               |
| <b>MSME</b>                 |               |               |             |             |             |               |
| Disputed                    | -             | -             | -           | -           | -           | -             |
| Undisputed                  | 33.37         | 15.97         | -           | -           | -           | 49.34         |
| <b>Total</b>                | <b>33.37</b>  | <b>15.97</b>  | <b>-</b>    | <b>-</b>    | <b>-</b>    | <b>49.34</b>  |

**Note 29 : Trade payables (Contd.)**

(₹ in crore)

| Particulars                 | Not Billed    | <1Y           | 1Y-2Y       | 2Y-3Y       | >3Y         | Total         |
|-----------------------------|---------------|---------------|-------------|-------------|-------------|---------------|
| <b>Others</b>               |               |               |             |             |             |               |
| Disputed                    | -             | -             | -           | -           | -           | -             |
| Undisputed                  | 142.95        | 125.48        | 8.77        | 0.63        | 0.62        | 278.45        |
| <b>Total</b>                | <b>142.95</b> | <b>125.48</b> | <b>8.77</b> | <b>0.63</b> | <b>0.62</b> | <b>278.45</b> |
| <b>Total Trade payables</b> | <b>176.32</b> | <b>141.45</b> | <b>8.77</b> | <b>0.63</b> | <b>0.62</b> | <b>327.79</b> |

**Note 30 : Other current financial liabilities**

(₹ in crore)

| Particulars  | As at 31 March 2024 | As at 31 March 2023 |
|--|---------------------|---------------------|
| <b>Interest accrued but not due on borrowings from</b>                       |                     |                     |
| Foreign Banks & Financial Institutions                                       | 503.20              | 473.70              |
| Secured/Unsecured redeemable Bonds   | 2,403.68            | 2,482.89            |
|  | <b>2,906.88</b>     | <b>2,956.59</b>     |
| <b>Interest accrued but not due from Govt. of India fully serviced bonds</b> | <b>36.90</b>        | <b>36.22</b>        |
| <b>Others</b>  |                     |                     |
| Dues for capital expenditure   | 2,173.31            | 1,117.48            |
| Employee related liabilities   | 124.74              | 141.87              |
| Unclaimed dividends & FPO*   | 33.22               | 29.91               |
| Deposits/Retention money from contractors and others                         | 3,643.71            | 3,150.17            |
| Related parties**  | 41.35               | 2.36                |
| Others #   | 2,651.12            | 3,277.08            |
|  | <b>8,667.45</b>     | <b>7,718.87</b>     |
| <b>Total</b>   | <b>11,611.23</b>    | <b>10,711.68</b>    |

**Further Notes:**

Disclosure with regard to Micro and Small enterprises as required under "The Micro, Small and Medium Enterprises Development Act, 2006" is given in Note No 50.

\* No amount is due for payment to Investor Education and Protection Fund.

\*\* Details of amount payable to related parties are provided in Note 57.

# Others include liability for payment against Long Term Access (LTA), Short Term Open Access (STOA), ISTS License recovery, liability for various compensation cases pending in courts, Price variation etc.

**Note 31 : Other current liabilities**

(₹ in crore)

| Particulars                                 | As at 31 March 2024 | As at 31 March 2023 |
|---|---------------------|---------------------|
| Advances from customers *                   | 2,852.09            | 2,894.61            |
| Advances from customers - related parties # | 30.04               | 106.85              |
| Statutory dues                              | 330.39              | 324.64              |
| <b>Total</b>                                | <b>3,212.52</b>     | <b>3,326.10</b>     |

**Further Notes:**

\* Refer Note 47 for disclosure as per Ind AS 115 'Revenue from Contracts with Customers'.

# Details of amount payable to related party are provided in Note 57.

**Note 32: Provisions**

(₹ in crore)

| Particulars   | As at 31 March 2024 | As at 31 March 2023 |
|---|---------------------|---------------------|
| <b>A) Employee Benefits</b>   |                     |                     |
| <b>i) Performance related pay /special incentive</b>                        |                     |                     |
| Opening Balance   | 427.76              | 438.74              |
| Addition during the year  | 415.80              | 427.76              |
| Amount paid/adjusted during the year  | 427.76              | 438.74              |
| <b>Closing Balance</b>  | <b>415.80</b>       | <b>427.76</b>       |
| <b>ii) Other Employee Benefits</b>  |                     |                     |
| <b>(Leave Encashment, Settlement Allowance and Long Service Award etc.)</b> |                     |                     |
| Opening Balance   | 104.86              | 251.86              |
| Additions/(adjustments) during the year                                     | (14.37)             | (147.00)            |
| <b>Closing Balance</b>  | <b>90.49</b>        | <b>104.86</b>       |
| <b>Total (A)</b>  | <b>506.29</b>       | <b>532.62</b>       |
| <b>B) Others</b>  |                     |                     |
| <b>i) Downtime Service Credit-Telecom</b>                                   |                     |                     |
| Opening Balance   | 1.32                | 3.25                |
| Additions during the year   | 3.50                | 8.59                |
| Amounts adjusted during the year  | 2.99                | 10.52               |
| <b>Closing Balance</b>  | <b>1.83</b>         | <b>1.32</b>         |
| <b>ii) Provision Others</b>   |                     |                     |
| Opening Balance   | 482.28              | 473.27              |
| Additions/(adjustments) during the year                                     | (163.75)            | 9.01                |
| <b>Closing Balance</b>  | <b>318.53</b>       | <b>482.28</b>       |
| <b>Total (B)</b>  | <b>320.36</b>       | <b>483.60</b>       |
| <b>Total (A+B)</b>  | <b>826.65</b>       | <b>1,016.22</b>     |

**Further Notes:**
**A) Employee Benefits**
**i) Performance Related Pay/Special Incentive:**

Provision is created for Performance Related Pay to Executives and Non-Executives.

**ii) Other Employee Benefits:**

Provision is created for the purpose of meeting out leave encashment, settlement allowance, long service award and POWERGRID Employee Family Rehabilitation Scheme. Refer note no. 65 for detailed disclosure related to Employee Benefit Obligations.

**B) Others:**
**i) Downtime Service Credit –Telecom:**

Provision is created in case when actual downtime is in excess of the permissible service level agreement, in such cases the necessary credit is passed on to the customer on demand.

However, in some cases, the downtime is not claimed by the customers then in such cases necessary provision on account of downtime is made in the books of accounts as per the links availability reports received from National Telecom Control Centre (NTCC) for the period of non-operation of links given to the customers. The calculation of downtime credit is based on the SLA signed with various customers.

**ii) Provision Others:**

Provision Others in earlier years included a disputed provision for entry tax amounting to ₹ 174.36 crore as

**Note 32: Provisions (Contd.)**

demanded by revenue authorities, contested by the company. During the current year, company has opted for settlement of the disputed entry tax under "The Chhattisgarh Settlement of Arrears of Tax, Interest and Penalty Act, 2023". Accordingly, the Company has paid off the liability, including interest, amounted to ₹ 42.27 crore under the amnesty scheme & balance amount has been reversed.

One of the Group entities filed a petition with CERC for increase in Transmission charges on account of Force Majeure and change in law events. CERC has allowed partial increase in transmission Charges on account of Change in Law events and denied time extension. The Group entity has filed an appeal with Appellate Tribunal for Electricity (APTEL) challenging the above CERC order. The matter is sub-judice. However, a provision for the amount of ₹ 234.55 crore towards Liquidated Damages for time overrun was made. The Group entity has deposited an amount of ₹110.04 crore with the LTTCs on in exchange for bank guarantees issued earlier as per CERC order and included in Other Current Financial Assets (refer note no. 18).

**Note 33 : Current Tax Liabilities (Net)**

(₹ in crore)

| Particulars                                 | As at 31 March 2024 | As at 31 March 2023 |
|---|---------------------|---------------------|
| <b>Taxation (Including interest on tax)</b> |                     |                     |
| Opening Balance                             | 3,069.48            | 8,257.62            |
| Additions during the year                   | 3,210.05            | 3,000.80            |
| Amount adjusted during the year             | 3,118.32            | 8,188.94            |
| <b>Total</b>                                | <b>3,161.21</b>     | <b>3,069.48</b>     |
| Net off against Advance tax and TDS         | 3,148.84            | 3,016.72            |
| <b>Closing Balance</b>                      | <b>12.37</b>        | <b>52.76</b>        |

**Note 34 : Deferred Revenue**

(₹ in crore)

| Particulars   | As at 31 March 2024 | As at 31 March 2023 |
|---|---------------------|---------------------|
| Advance against depreciation                            | 576.49              | 706.73              |
| Grants in aid (Refer Further Notes)                     |                     |                     |
| Opening Balance   | 3,332.33            | 3,647.89            |
| Addition during the year                                | 13.93               | 1.70                |
| Adjustments during the year                             | 311.41              | 317.26              |
| Closing balance   | <b>3,034.85</b>     | <b>3,332.33</b>     |
| Deferred income from foreign currency fluctuation (Net) | 5,850.52            | 6,124.46            |
| <b>TOTAL</b>  | <b>9,461.86</b>     | <b>10,163.52</b>    |

**Further Notes:**

- Grant in Aid of ₹0.00 crore (Previous Year ₹2.41 crore) including interest was recognised from Power System Development Fund (PSDF) under Ministry of Power (MoP), Govt. of India (GoI) for installation of STATCOM in ER (ERSS-XI) and SR (System Strengthening in SR-XXI).
- Grant in Aid of ₹13.93 crore (Previous Year ₹0.34 crore) including interest has been recognised, from Power System Development Fund (PSDF) under MoP, GoI for establishment of Unified Real Time Dynamic State Measurement (URTDSM).
- Grant in Aid of ₹0.00 crore (Previous Year ₹0.01 crore) has been recognised under achievement linked/incentive award scheme for Government Sector by Ministry of New & Renewable Energy (MNRE), GoI for establishing solar roof top plants in various buildings of the company .
- Grant in Aid was received in earlier years from Ministry of New & Renewal Energy (MNRE) for creating awareness activities for Pradhan Mantri Kisan Urja Suraksha evam Utthaan Mahabhiyaan (PM KUSUM) in Andhra Pradesh, Kerala and Rajasthan. An amount of ₹ 1.06 crore is repayable as at the end of reporting period to MNRE, Govt. of India (GoI) and shown under Other Current Financial Liabilities.



**Note 35 : Revenue From Operations**

(₹ in crore)

| Particulars   | For the year ended<br>31 March 2024 | For the year ended<br>31 March 2023 |
|---|-------------------------------------|-------------------------------------|
| <b>Sales of services</b>                                    |                                     |                                     |
| <b>Transmission Business</b>                                |                                     |                                     |
| Transmission Charges  | 42,697.44                           | 42,689.01                           |
| Add: Revenue recognised out of Advance Against Depreciation | 130.24                              | 151.56                              |
|   | <b>42,827.68</b>                    | <b>42,840.57</b>                    |
| <b>Other Operating Revenue</b>                              |                                     |                                     |
| Interest on differential Provisional and Final Tariff       | 965.56                              | 1,161.34                            |
| Income from lease lines                                     | 338.97                              | 99.39                               |
| Recognised from deferred revenue - Grant in aid             | 311.41                              | 315.33                              |
| Others  | 24.41                               | 21.83                               |
|   | <b>1,640.35</b>                     | <b>1,597.89</b>                     |
|   | <b>44,468.03</b>                    | <b>44,438.46</b>                    |
| <b>Telecom Business</b>                                     | 822.27                              | 728.79                              |
| <b>Consultancy Project Management and Supervision</b>       | 552.80                              | 435.86                              |
| <b>Total</b>  | <b>45,843.10</b>                    | <b>45,603.11</b>                    |

**Further Notes:**

- In exercise of powers u/s 178 of the Electricity Act 2003, Central Electricity Regulatory Commission (CERC) has notified "CERC (Terms and Conditions of Tariff) Regulations, 2019" vide order dated 07 March 2019 for the determination of transmission tariff for the block period 2019-24.
- The company has recognised transmission income during the year as per the following:
  - ₹38,432.28 crore (Previous Year ₹35,516.95 crore) as per final tariff orders issued by CERC for block period 2019-24 and
  - ₹2,257.29 crore (Previous Year ₹5,233.61 crore) provisionally as per CERC Tariff Regulations for the block period 2019-24 and other orders in similar cases, in respect of transmission assets for which final tariff orders are yet to be issued.
- Consequent to the final order issued by CERC, transmission income includes ₹825.88 crore (increase) (Previous Year ₹1,597.30 crore (increase)) pertaining to earlier years.
- Refer note no. 47 for disclosure as per Ind AS 115 "Revenue from Contracts with Customers".
- "Others" under Other operating revenue includes income from sale of scrap generated from other than PPE.

**Note 36 : Other Income**

(₹ in crore)

| Particulars   | For the year ended<br>31 March 2024 | For the year ended<br>31 March 2023 |
|---|-------------------------------------|-------------------------------------|
| <b>Interest income from financial assets held at amortised cost</b> |                                     |                                     |
| Indian Banks  | 273.48                              | 112.34                              |
| Loans to Joint Ventures (JVs)                                       | 3.73                                | 0.07                                |
| Investment in PG InvIT (measured at FVOCI)                          | 107.97                              | 107.70                              |
| Others*   | 37.44                               | 30.98                               |
|   | <b>422.62</b>                       | <b>251.09</b>                       |
| Interest from advances to contractors                               | 81.05                               | 27.68                               |
| Unwinding of discount on financial assets                           | 56.07                               | 83.06                               |
|   | <b>559.74</b>                       | <b>361.83</b>                       |

**Note 36 : Other Income (Contd.)**

(₹ in crore)

| Particulars   | For the year ended<br>31 March 2024 | For the year ended<br>31 March 2023 |
|---|-------------------------------------|-------------------------------------|
| <b>Dividend income from</b>   |                                     |                                     |
| Associates  | 40.23                               | 58.82                               |
| Investment in PG InvIT (measured at FVOCI)                                | 29.21                               | 46.14                               |
| Equity Investments designated at FVOCI                                    | 9.36                                | 6.96                                |
|   | <b>78.80</b>                        | <b>111.92</b>                       |
| <b>Others</b>   |                                     |                                     |
| Profit on sale of Property, Plant and Equipment                           | 0.44                                | 5.98                                |
| Gain on sale/Change in Fair Value of Current Investment Measured at FVPL  | 9.46                                | -                                   |
| Finance Income from finance lease   | 72.25                               | 150.80                              |
| Surcharge   | 145.96                              | 181.98                              |
| Provisions written back   | 114.05                              | 29.93                               |
| Fair Value gain on initial recognition of Financial liability/ investment | 24.57                               | 43.32                               |
| Miscellaneous income **   | 152.36                              | 152.31                              |
|   | <b>519.09</b>                       | <b>564.32</b>                       |
|   | <b>1,157.63</b>                     | <b>1,038.07</b>                     |
| Less: Transferred to expenditure during construction(Net)- Note 43        | 87.61                               | 35.54                               |
| <b>TOTAL</b>  | <b>1,070.02</b>                     | <b>1,002.53</b>                     |

**Further Notes:**

- \* Others include interest on employee loans & unwinding of finance cost on employee loans.  
 \*\* Miscellaneous income include Sale of Scrap, Insurance Claim Recovery, UI Charges etc.

**Note 37 : Employee benefits expense**

(₹ in crore)

| Particulars   | For the year ended<br>31 March 2024 | For the year ended<br>31 March 2023 |
|---|-------------------------------------|-------------------------------------|
| Salaries, wages, allowances & benefits                            | 2,142.40                            | 2,150.47                            |
| Contribution to provident and other funds                         | 265.71                              | 341.92                              |
| Staff Welfare expenses (Including Deferred Employee cost)         | 288.89                              | 275.08                              |
|   | <b>2,697.00</b>                     | <b>2,767.47</b>                     |
| Less: Transferred to Expenditure during Construction(Net)-Note 43 | 250.36                              | 249.04                              |
| Transferred to CSR expenses- Note 40                              | 12.20                               | 9.90                                |
| <b>Total</b>  | <b>2,434.44</b>                     | <b>2,508.53</b>                     |

**Further Notes:**

- Refer note no 57 for Remuneration to Key Managerial Personnel (KMPs).
- Refer note no 65 for details of Employee Benefit Obligations.

**Note 38: Finance costs**

(₹ in crore)

| Particulars  | For the year ended<br>31 March 2024 | For the year ended<br>31 March 2023 |
|--|-------------------------------------|-------------------------------------|
| <b>Interest and finance charges on financial liabilities at amortised cost</b> |                                     |                                     |
| Indian Banks & Financial Institutions  | 2,171.01                            | 1,997.81                            |
| Foreign Banks and Financial Institutions                                       | 1,957.21                            | 1,221.96                            |
| Secured/Unsecured redeemable Bonds   | 4,745.35                            | 5,044.89                            |
| Foreign Currency Bonds   | -                                   | 136.55                              |
| <b>Unwinding of discount on financial liabilities</b>                          | 67.11                               | 57.36                               |
| <b>Interest - Others</b>   | 0.38                                | 0.29                                |
| <b>Interest on Lease Liability</b>   | 3.92                                | 4.81                                |
|  | <b>8,944.98</b>                     | <b>8,463.67</b>                     |
| <b>Other Finance charges</b>   |                                     |                                     |
| Guarantee Fee  | 330.74                              | 337.66                              |
| Others*  | 36.37                               | 16.24                               |
|  | <b>367.11</b>                       | <b>353.90</b>                       |
| <b>Exchange differences regarded as adjustment to Borrowing Cost</b>           | 14.94                               | 1,072.04                            |
|  | <b>382.05</b>                       | <b>1,425.94</b>                     |
| <b>Total</b>   | <b>9,327.03</b>                     | <b>9,889.61</b>                     |
| Less: Transferred to Expenditure during Construction(Net)-<br>Note 43          | 554.28                              | 255.67                              |
| <b>Total</b>   | <b>8,772.75</b>                     | <b>9,633.94</b>                     |

**Further Notes:**

\* Others includes agency fees, trustee fees, front-end fees, interest on land, tree &amp; crop compensation etc.

**Note 39 : Depreciation and amortisation expense**

(₹ in crore)

| Particulars   | For the year ended<br>31 March 2024 | For the year ended<br>31 March 2023 |
|---|-------------------------------------|-------------------------------------|
| Depreciation of Property, Plant and Equipment                         | 13,411.28                           | 13,664.57                           |
| Amortisation of Intangible assets                                     | 132.07                              | 132.36                              |
| Depreciation on ROU Assets  | 23.78                               | 20.85                               |
|   | <b>13,567.13</b>                    | <b>13,817.78</b>                    |
| Less: Transferred to Expenditure During Construction(Net)-<br>Note 43 | 7.32                                | 11.49                               |
|   | <b>13,559.81</b>                    | <b>13,806.29</b>                    |
| Less: Depreciation amortised due to FERV adjustment                   | 464.54                              | 472.91                              |
| <b>Total</b>  | <b>13,095.27</b>                    | <b>13,333.38</b>                    |

**Note 40: Other expenses**

(₹ in crore)

| Particulars                               | For the year ended<br>31 March 2024 | For the year ended<br>31 March 2023 |
|---|-------------------------------------|-------------------------------------|
| <b>Repair &amp; Maintenance</b>           |                                     |                                     |
| Buildings                                 | 124.87                              | 103.46                              |
| Plant & Machinery                         |                                     |                                     |
| Sub-Station                               | 413.81                              | 450.56                              |
| Transmission lines                        | 250.76                              | 153.73                              |
| Telecom equipments                        | 73.84                               | 59.37                               |
| Others                                    | 64.41                               | 53.44                               |
|   | <b>802.82</b>                       | <b>717.10</b>                       |
| System and Market Operation Charges       | 136.24                              | 92.14                               |
| Power charges                             | 322.22                              | 306.39                              |
| Less: Recovery from contractors           | 0.42                                | 0.44                                |
|   | <b>321.80</b>                       | <b>305.95</b>                       |
| Expenses of Diesel Generating sets        | 4.19                                | 5.72                                |
| Stores consumed                           | 3.85                                | 4.61                                |
| Water charges                             | 5.49                                | 5.33                                |
| Right of Way charges-Telecom              | 89.05                               | 84.65                               |
| Patrolling Expenses-Telecom               | 1.89                                | 2.01                                |
| Last Mile connectivity-Telecom            | 11.61                               | 9.36                                |
| Training & Recruitment Expenses           | 61.07                               | 40.51                               |
| Less:Fees for training and application    | 0.71                                | 0.36                                |
|   | <b>60.36</b>                        | <b>40.15</b>                        |
| Legal expenses                            | 25.10                               | 21.75                               |
| Professional charges                      | 43.95                               | 169.14                              |
| Consultancy expenses                      | 264.35                              | 82.43                               |
| Communication expenses                    | 27.94                               | 22.75                               |
| Inland Travelling Expenses                | 141.09                              | 138.45                              |
| Foreign travel                            | 6.45                                | 7.05                                |
|   | <b>147.54</b>                       | <b>145.50</b>                       |
| Tender expenses                           | 5.50                                | 1.16                                |
| Less: Sale of tenders                     | 1.97                                | 0.87                                |
|   | <b>3.53</b>                         | <b>0.29</b>                         |
| <b>Payments to Statutory Auditors</b>     |                                     |                                     |
| Audit Fees                                | 2.27                                | 1.97                                |
| Tax Audit Fees                            | 0.53                                | 0.52                                |
| In Other Capacity                         | 1.32                                | 1.34                                |
| Arrears                                   | 0.01                                | -                                   |
| Out of pocket Expenses                    | 0.95                                | 0.66                                |
|   | <b>5.08</b>                         | <b>4.49</b>                         |
| Advertisement and publicity               | 14.21                               | 17.24                               |
| Printing and stationery                   | 6.58                                | 4.95                                |
| Books Periodicals and Journals            | 1.69                                | 2.55                                |
| EDP hire and other charges                | 26.14                               | 14.68                               |
| Entertainment expenses                    | 4.55                                | 4.52                                |
| Brokerage & Commission                    | 1.99                                | 2.01                                |
| Cost Audit and Physical verification Fees | 1.48                                | 1.30                                |
| Rent #                                    | 34.47                               | 33.55                               |



**Note 40: Other expenses (Contd.)**

(₹ in crore)

| Particulars   | For the year ended<br>31 March 2024 | For the year ended<br>31 March 2023 |
|---|-------------------------------------|-------------------------------------|
| CERC petition & Other charges                                     | 95.68                               | 91.58                               |
| Miscellaneous expenses  | 171.18                              | 171.81                              |
| Horticulture Expenses   | 45.42                               | 41.75                               |
| Security Expenses   | 356.01                              | 341.06                              |
| Hiring of Vehicle   | 162.68                              | 152.27                              |
| Insurance   | 145.76                              | 142.96                              |
| Rates and taxes   | 68.40                               | 48.23                               |
| License Fees to DOT   | 70.00                               | 64.24                               |
| Bandwidth charges dark fibre lease charges (Telecom)              | 38.89                               | 34.32                               |
| Corporate Social Responsibility (CSR) Expenses*                   | 324.22                              | 327.09                              |
| Transit Accomodation Expenses                                     | 48.87                               | 41.05                               |
| Less : Income from Transit Accomodation                           | 2.12                                | 1.76                                |
|   | <b>46.75</b>                        | <b>39.29</b>                        |
| Foreign Exchange Rate Variation                                   | 39.04                               | 293.14                              |
| Fair Valuation Loss on Financial assets                           | 9.50                                | 165.16                              |
| <b>Provisions for</b>   |                                     |                                     |
| Doubtful loans, advances, debts, claims etc.                      | 55.25                               | 5.31                                |
| Obsolescence in Stores  | -                                   | 3.09                                |
| Impairment of PPE   | 9.36                                | -                                   |
| Others**  | 6.35                                | 29.25                               |
|   | <b>70.96</b>                        | <b>37.65</b>                        |
|   | <b>3,815.26</b>                     | <b>3,848.18</b>                     |
| Less: Transferred to Expenditure during Construction(Net)-Note 43 | 329.92                              | 281.63                              |
|   | <b>3,485.34</b>                     | <b>3,566.55</b>                     |
| Loss on Disposal/Write off of Property, Plant & Equipment         | 20.43                               | 28.07                               |
| <b>Total</b>  | <b>3,505.77</b>                     | <b>3,594.62</b>                     |

**Further Notes:**

\* Includes an amount of ₹ 12.20 crore (Previous Year ₹9.90 crore) transferred from Note No 37- 'Employee Benefits Expense'.

# Refer Note 51 for Short term lease expenses.

\*\* includes impairment allowance of ₹21.74 crore in previous year towards loan to National High Power Test Laboratory Private Limited.

**Note 41: Net movement in Regulatory Deferral Account Balances- Income/(Expenses) (net of tax)**

(₹ in crore)

| Particulars   | For the year ended<br>31 March 2024 | For the year ended<br>31 March 2023 |
|---|-------------------------------------|-------------------------------------|
| Deferred assets for deferred tax liability                  | (572.84)                            | (783.43)                            |
| Foreign Currency Fluctuation                                | (124.99)                            | 1,216.29                            |
| Employee Benefits and Other Expense                         | 5.47                                | (131.66)                            |
|   | <b>(692.36)</b>                     | <b>301.20</b>                       |
| Tax on net movement in regulatory deferral account balances | (120.97)                            | 52.63                               |
| <b>TOTAL</b>  | <b>(571.39)</b>                     | <b>248.57</b>                       |

**Further Notes:**

Refer to note no 52 for detailed disclosure on Regulatory Deferral Account Balances.

**Note 42: Other Comprehensive Income**

(₹ in crore)

| Particulars  | For the year ended<br>31 March 2024 | For the year ended<br>31 March 2023 |
|--|-------------------------------------|-------------------------------------|
| Items that will not be reclassified to Profit or Loss                              |                                     |                                     |
| Gain/(Loss) on valuation of Investment in Equity                                   | (231.91)                            | (142.01)                            |
| Provisions for actuarial valuation   | (44.40)                             | 39.57                               |
|  | <b>(276.31)</b>                     | <b>(102.44)</b>                     |
| Less: Transferred to Expenditure during Construction(Net)-Note 43                  | (3.24)                              | 18.69                               |
|  | <b>(273.07)</b>                     | <b>(121.13)</b>                     |
| Less: Income Tax relating to items that will not be reclassified to Profit or Loss |                                     |                                     |
| Current Tax  | (7.19)                              | 3.65                                |
| Deferred Tax   | (32.98)                             | (18.09)                             |
|  | <b>(40.17)</b>                      | <b>(14.44)</b>                      |
| <b>Items that will not be reclassified to Profit or Loss (net of tax)</b>          | <b>(232.90)</b>                     | <b>(106.69)</b>                     |

**Note 43: Expenditure during Construction (Net)**

(₹ in crore)

| Particulars                                       | For the year ended<br>31 March 2024 | For the year ended<br>31 March 2023 |
|---|-------------------------------------|-------------------------------------|
| <b>A. Employees Remuneration &amp; Benefits</b>   |                                     |                                     |
| Salaries wages allowances and benefits            | 212.26                              | 207.05                              |
| Contribution to provident and other funds         | 25.27                               | 29.40                               |
| Welfare expenses                                  | 12.83                               | 12.59                               |
| <b>Total (A)</b>                                  | <b>250.36</b>                       | <b>249.04</b>                       |
| <b>B. Other Expenses</b>                          |                                     |                                     |
| Repair and maintenance                            | 0.06                                | 0.31                                |
| Power charges (net of recovery from contractors)  | 3.93                                | 3.87                                |
| Expenses on Diesel Generating sets                | 0.03                                | 0.09                                |
| Water charges                                     | 0.06                                | 0.10                                |
| Legal expenses                                    | 1.15                                | 1.70                                |
| Professional charges                              | 4.31                                | 136.26                              |
| Consultancy expenses                              | 258.79                              | 77.40                               |
| Communication expenses                            | 1.56                                | 1.29                                |
| Travelling & Conv.exp. (Including Foreign Travel) | 17.78                               | 16.78                               |
| Tender expenses                                   | 0.01                                | 1.38                                |
| Less: Sale of tenders                             | -                                   | 0.85                                |
| Tender expenses (net of sale of tenders)          | 0.01                                | 0.53                                |
| Advertisement and Publicity                       | 1.09                                | 0.47                                |
| Printing and stationery                           | -                                   | 0.15                                |
| EDP hire and other charges                        | 0.01                                | 0.02                                |
| Entertainment expenses                            | 0.01                                | 0.02                                |

**Note 43 : Expenditure during Construction (Net) (Contd.)**

(₹ in crore)

| Particulars  | For the year ended<br>31 March 2024 | For the year ended<br>31 March 2023 |
|--|-------------------------------------|-------------------------------------|
| Brokerage and commission   | 0.02                                | 0.01                                |
| Rent   | 0.45                                | 0.67                                |
| Security Expenses  | 6.98                                | 7.58                                |
| Hiring of Vehicles   | 9.30                                | 7.36                                |
| Insurance  | -                                   | 0.06                                |
| Rates and taxes  | 3.91                                | 4.37                                |
| Bandwidth charges, dark fibre lease charges(Telecom)                       | 0.04                                | 0.39                                |
| Transit Accomodation Expenses  | 0.75                                | 0.81                                |
| Others   | 19.68                               | 21.39                               |
| <b>Total (B)</b>   | <b>329.92</b>                       | <b>281.63</b>                       |
| <b>C.Depreciation/Amortisation</b>   | <b>7.32</b>                         | <b>11.49</b>                        |
| <b>Total (C)</b>   | <b>7.32</b>                         | <b>11.49</b>                        |
| <b>D. Finance Costs</b>  |                                     |                                     |
| a) Interest and finance charges on financial liabilities at amortised cost |                                     |                                     |
| Government of India  |                                     |                                     |
| Indian Banks and Financial Institutions                                    | 391.42                              | 72.79                               |
| Foreign Banks and Financial Institutions                                   | 2.30                                | 2.46                                |
| Secured/Unsecured Redeemable Bonds   | 145.04                              | 62.18                               |
| Others   | 14.97                               | 116.45                              |
|  | <b>553.73</b>                       | <b>253.88</b>                       |
| b) Other finance charges   |                                     |                                     |
| Guarantee fee  | 0.37                                | 0.36                                |
| Others   | -                                   | 0.07                                |
|  | <b>0.37</b>                         | <b>0.43</b>                         |
| c) FERV adjustment to borrowing cost                                       | 0.18                                | 1.36                                |
| <b>Total (D)</b>   | <b>554.28</b>                       | <b>255.67</b>                       |
| <b>E. Less: Other Income</b>   |                                     |                                     |
| Interest from  |                                     |                                     |
| Contractors  | 76.82                               | 19.16                               |
| Others   | 0.27                                | 0.08                                |
|  | <b>77.09</b>                        | <b>19.24</b>                        |
| Others   | 10.52                               | 16.30                               |
| <b>Total (E)</b>   | <b>87.61</b>                        | <b>35.54</b>                        |
| <b>F. Less: Other Comprehensive Income</b>                                 |                                     |                                     |
| Other Comprehensive Income   | (3.24)                              | 18.69                               |
| <b>Total (F)</b>   | <b>(3.24)</b>                       | <b>18.69</b>                        |
| <b>GRAND TOTAL (A+B+C+D-E-F)</b>   | <b>1,057.51</b>                     | <b>743.60</b>                       |

**44: Interest in Other Entities**
**1. Subsidiaries:**

The Group's subsidiaries at 31 March 2024 are set out below. Unless otherwise stated, they have share capital consisting solely of equity share that are held directly by the Group, and the proportion of ownership interest held equals the voting rights held by the Group:

| Name of entity   | Place of business/<br>country of<br>incorporation | Proportion (%) of<br>Shareholding |                        | Principle<br>activities |
|--|---|-----------------------------------|------------------------|-------------------------|
|  |   | As at<br>31 March 2024            | As at<br>31 March 2023 |                         |
| Powergrid Vemagiri Transmission Limited*                         | India   | 100%                              | 100%                   | Transmission            |
| Powergrid NM Transmission Limited                                | India   | 100%                              | 100%                   | Transmission            |
| Powergrid Unchahar Transmission Limited                          | India   | 100%                              | 100%                   | Transmission            |
| Powergrid Southern Interconnector<br>Transmission System Limited | India   | 100%                              | 100%                   | Transmission            |
| Powergrid Medinipur Jeerat Transmission<br>Limited               | India   | 100%                              | 100%                   | Transmission            |
| Powergrid Mithilanchal Transmission Limited                      | India   | 100%                              | 100%                   | Transmission            |
| Powergrid Varanasi Transmission System<br>Limited                | India   | 100%                              | 100%                   | Transmission            |
| Powergrid Jawaharpur Firozabad<br>Transmission Limited           | India   | 100%                              | 100%                   | Transmission            |
| Powergrid Khetri Transmission System Limited                     | India   | 100%                              | 100%                   | Transmission            |
| Powergrid Bhuj Transmission Limited                              | India   | 100%                              | 100%                   | Transmission            |
| Powergrid Bhind Guna Transmission Limited                        | India   | 100%                              | 100%                   | Transmission            |
| Powergrid Ajmer Phagi Transmission Limited                       | India   | 100%                              | 100%                   | Transmission            |
| Powergrid Fatehgarh Transmission Limited                         | India   | 100%                              | 100%                   | Transmission            |
| Powergrid Rampur Sambhal Transmission<br>Limited                 | India   | 100%                              | 100%                   | Transmission            |
| Powergrid Meerut Simbhavali Transmission<br>Limited              | India   | 100%                              | 100%                   | Transmission            |
| Central Transmission Utility of India Limited                    | India   | 100%                              | 100%                   | Transmission            |
| Powergrid Ramgarh Transmission Limited                           | India   | 100%                              | 100%                   | Transmission            |
| Powergrid Himachal Transmission Limited                          | India   | 100%                              | 100%                   | Transmission            |
| Powergrid Bikaner Transmission System<br>Limited                 | India   | 100%                              | 100%                   | Transmission            |
| Powergrid Sikar Transmission Limited                             | India   | 100%                              | 100%                   | Transmission            |
| Powergrid Bhadla Transmission Limited                            | India   | 100%                              | 100%                   | Transmission            |
| Powergrid Aligarh Sikar Transmission Limited                     | India   | 100%                              | 100%                   | Transmission            |
| Powergrid Teleservices Limited                                   | India   | 100%                              | 100%                   | Telecom                 |



**44: Interest in Other Entities (Contd.)**

| Name of entity   | Place of business/<br>country of<br>incorporation | Proportion (%) of Shareholding |                     | Principle activities |
|--|---|--------------------------------|---------------------|----------------------|
|  |   | As at 31 March 2024            | As at 31 March 2023 |                      |
| Powergrid Energy Services Limited  | India   | 100%                           | 100%                | Energy management    |
| Powergrid Narela Transmission Limited (Erstwhile Khetri-Narela Transmission Limited)                                 | India   | 100%                           | 100%                | Transmission         |
| Powergrid Gomti Yamuna Transmission Limited (Erstwhile Mohanlalganj Transmission Limited)                            | India   | 100%                           | 100%                | Transmission         |
| Powergrid Neemuch Transmission System Limited (Erstwhile Neemuch Transmission Limited)                               | India   | 100%                           | 100%                | Transmission         |
| Powergrid ER NER Transmission Limited (Erstwhile ER NER Transmission Limited)  | India   | 100%                           | 100%                | Transmission         |
| Powergrid ERWR Power Transmission Limited (Erstwhile ERWR Power Transmission Limited)                                | India   | 100%                           | 100%                | Transmission         |
| Powergrid Khavda RE Transmission System Limited (Erstwhile Khavda RE Transmission Limited)                           | India   | 100%                           | 100%                | Transmission         |
| Powergrid Khavda II- B Transmission Limited (Erstwhile Khavda II-B Transmission Limited)                             | India   | 100%                           | 100%                | Transmission         |
| Powergrid Khavda II-C Transmission Limited (Erstwhile Khavda II-C Transmission Limited)                              | India   | 100%                           | 100%                | Transmission         |
| Powergrid KPS2 Transmission System Limited (Erstwhile KPS2 Transmission Limited)                                     | India   | 100%                           | 100%                | Transmission         |
| Powergrid KPS3 Transmission Limited (Erstwhile KPS3 Transmission Limited)  | India   | 100%                           | 100%                | Transmission         |
| Powergrid Raipur Pool Dhamtari Transmission Limited (Erstwhile Raipur Pool Dhamtari Transmission Limited)            | India   | 100%                           | 100%                | Transmission         |
| Powergrid Dharamjaigarh Transmission Limited (Erstwhile Dharamjaigarh Transmission Limited)                          | India   | 100%                           | 100%                | Transmission         |
| Powergrid Bhadla Sikar Transmission Limited (Erstwhile Bhadla Sikar Transmission Limited)                            | India   | 100%                           | 100%                | Transmission         |
| Powergrid Ananthpuram Kurnool Transmission Limited (Erstwhile Ananthpuram Kurnool Transmission Limited) <sup>1</sup> | India   | 100%                           | NA                  | Transmission         |
| Powergrid Bhadla III Transmission Limited (Erstwhile Bhadla III Transmission Limited) <sup>1</sup>                   | India   | 100%                           | NA                  | Transmission         |

**44: Interest in Other Entities (Contd.)**

| Name of entity  | Place of business/<br>country of<br>incorporation | Proportion (%) of Shareholding |                     | Principle activities |
|---|---|--------------------------------|---------------------|----------------------|
|   |   | As at 31 March 2024            | As at 31 March 2023 |                      |
| Powergrid Beawar Dausa Transmission Limited (Erstwhile Beawar Dausa Transmission Limited) <sup>2</sup>              | India   | 100%                           | NA                  | Transmission         |
| Powergrid Ramgarh II Transmission Limited (Erstwhile Ramgarh II Transmission Limited) <sup>3</sup>                  | India   | 100%                           | NA                  | Transmission         |
| Powergrid Bikaner Neemrana Transmission Limited (Erstwhile Bikaner III Neemrana Transmission Limited) <sup>4</sup>  | India   | 100%                           | NA                  | Transmission         |
| Powergrid Neemrana Bareilly Transmission Limited (Erstwhile Neemrana II Bareilly Transmission Limited) <sup>4</sup> | India   | 100%                           | NA                  | Transmission         |
| Powergrid Vataman Transmission Limited (Erstwhile Vataman Transmission Limited) <sup>5</sup>                        | India   | 100%                           | NA                  | Transmission         |
| Powergrid Koppal Gadag Transmission Limited (Erstwhile Koppal II Gadag II Transmission Limited) <sup>5</sup>        | India   | 100%                           | NA                  | Transmission         |
| Sikar Khetri Transmission Limited <sup>6</sup>  | India   | 100%                           | NA                  | Transmission         |
| Bidar Transmission Limited <sup>6</sup>   | India   | 100%                           | NA                  | Transmission         |

\* The company was formed as SPV for execution of Vemagiri Transmission system allocated on Tariff Based Competitive Bidding (TBCB). CERC vide order dated 09.05.2013 and 27.09.2013 inter alia stated that Vemagiri Transmission system cannot be executed in its present form. In this scenario, the company is unable to do any further activity and ceased to be a going concern.

<sup>1</sup> 100% equity acquired from PFC Consulting Limited on 27.09.2023

<sup>2</sup> 100% equity acquired from PFC Consulting Limited on 30.10.2023

<sup>3</sup> 100% equity acquired from REC Power Development and Consultancy Limited on 26.10.2023

<sup>4</sup> 100% equity acquired from PFC Consulting Limited on 27.12.2023

<sup>5</sup> 100% equity acquired from PFC Consulting Limited on 26.12.2023

<sup>6</sup> 100% equity acquired from REC Power Development and Consultancy Limited on 09.02.2024

#### 44: Interest in Other Entities (Contd.)

|       |  |         |  |
|-------|--|---------|--|
| i)    | All Subsidiary companies are unlisted entities.  |         | Aligarh Sikar Transmission Limited which is wholly owned subsidiary company of the group.  |
| ii)   | Financial statements used for consolidation are audited except Powergrid Unchahar Transmission Limited, Powergrid Fatehgarh Transmission Limited, Powergrid Meerut Simbhavali Transmission Limited & Powergrid Teleservices Limited. | xvi)    | The group has made further Investment of ₹655.02 crore (Previous Year ₹0.00 crore) in Powergrid Teleservices Limited which is wholly owned subsidiary company of the group.                    |
| iii)  | The group has made further Investment of ₹0.00 crore (Previous Year ₹2.00 crore) in Powergrid NM Transmission Limited which is wholly owned subsidiary company of the group.   | xvii)   | The group has made further Investment of ₹87.75 crore (Previous Year ₹10.00 crore) in Powergrid Energy Services Limited which is wholly owned subsidiary company of the group.                 |
| iv)   | The group has made further Investment of ₹14.60 crore (Previous Year ₹9.00 crore) in Powergrid Medinipur Jeerat Transmission Limited which is wholly owned subsidiary company of the group.  | xviii)  | The group has made further Investment of ₹99.99 crore (Previous Year ₹0.01 crore) in Powergrid Narela Transmission Limited which is wholly owned subsidiary company of the group.              |
| v)    | The group has made further Investment of ₹0.00 crore (Previous Year ₹1.56 crore) in Powergrid Varanasi Transmission System Limited which is wholly owned subsidiary company of the group.  | xix)    | The group has made further Investment of ₹95.99 crore (Previous Year ₹0.01 crore) in Powergrid Gomti Yamuna Transmission Limited which is wholly owned subsidiary company of the group.        |
| vi)   | The group has made further Investment of ₹0.50 crore (Previous Year ₹0.00 crore) in Powergrid Khetri Transmission System Limited which is wholly owned subsidiary company of the group.  | xx)     | The group has made further Investment of ₹125.76 crore (Previous Year ₹0.05 crore) in Powergrid Neemuch Transmission System Limited which is wholly owned subsidiary company of the group.     |
| vii)  | The group has made further Investment of ₹0.00 crore (Previous Year ₹52.00 crore) in Powergrid Bhuj Transmission Limited which is wholly owned subsidiary company of the group.  | xxi)    | The group has made further Investment of ₹10.00 crore (Previous Year ₹0.05 crore) in Powergrid ER NER Transmission Limited which is wholly owned subsidiary company of the group.              |
| viii) | The group has made further Investment of ₹0.00 crore (Previous Year ₹21.80 crore) in Powergrid Bhind Guna Transmission Limited which is wholly owned subsidiary company of the group.  | xxii)   | The group has made further Investment of ₹0.00 crore (Previous Year ₹0.05 crore) in Powergrid ERWR Power Transmission Limited which is wholly owned subsidiary company of the group.           |
| ix)   | The group has made further Investment of ₹9.20 crore (Previous Year ₹33.10 crore) in Powergrid Rampur Sambhal Transmission Limited which is wholly owned subsidiary company of the group.  | xxiii)  | The group has made further Investment of ₹12.71 crore (Previous Year ₹0.05 crore) in Powergrid Khavda RE Transmission System Limited which is wholly owned subsidiary company of the group.    |
| x)    | The group has made further Investment of ₹10.85 crore (Previous Year ₹65.42 crore) in Powergrid Meerut Simbhavali Transmission Limited which is wholly owned subsidiary company of the group.  | xxiv)   | The group has made further Investment of ₹26.00 crore (Previous Year ₹0.05 crore) in Powergrid Khavda II- B Transmission Limited which is wholly owned subsidiary company of the group.        |
| xi)   | The group has made further Investment of ₹7.01 crore (Previous Year ₹23.90 crore) in Powergrid Ramgarh Transmission Limited which is wholly owned subsidiary company of the group.   | xxv)    | The group has made further Investment of ₹0.00 crore (Previous Year ₹0.05 crore) in Powergrid Khavda II-C Transmission Limited which is wholly owned subsidiary company of the group.          |
| xii)  | The group has made further Investment of ₹40.00 crore (Previous Year ₹77.79 crore) in Powergrid Bikaner Transmission System Limited which is wholly owned subsidiary company of the group.   | xxvi)   | The group has made further Investment of ₹1.25 crore (Previous Year ₹0.05 crore) in Powergrid KPS2 Transmission System Limited which is wholly owned subsidiary company of the group.          |
| xiii) | The group has made further Investment of ₹62.00 crore (Previous Year ₹32.65 crore) in Powergrid Sikar Transmission Limited which is wholly owned subsidiary company of the group.  | xxvii)  | The group has made further Investment of ₹6.25 crore (Previous Year ₹0.05 crore) in Powergrid KPS3 Transmission Limited which is wholly owned subsidiary company of the group.                 |
| xiv)  | The group has made further Investment of ₹41.00 crore (Previous Year ₹11.90 crore) in Powergrid Bhadla Transmission Limited which is wholly owned subsidiary company of the group.   | xxviii) | The group has made further Investment of ₹0.00 crore (Previous Year ₹0.01 crore) in Powergrid Raipur Pool Dhamtari Transmission Limited which is wholly owned subsidiary company of the group. |
| xv)   | The group has made further Investment of ₹22.00 crore (Previous Year ₹15.60 crore) in Powergrid  | xxix)   | The group has made further Investment of ₹0.00 crore (Previous Year ₹0.01 crore) in Powergrid  |

#### 44: Interest in Other Entities (Contd.)

|         |  |          |   |
|---------|--|----------|---|
|         | Dharamjaigarh Transmission Limited which is wholly owned subsidiary company of the group.  |          | Powergrid Bikaner Neemrana Transmission Limited became wholly owned subsidiary of the Group.  |
| xxx)    | The group has made further Investment of ₹0.00 crore (Previous Year ₹0.01 crore) in Powergrid Bhadla Sikar Transmission Limited which is wholly owned subsidiary company of the group.   | xxxvi)   | During the year group has made investment of ₹0.01 crore in Powergrid Neemrana Bareilly Transmission Limited (Erstwhile Neemrana II Bareilly Transmission Limited) which is wholly owned subsidiary company of the group. The Company was taken over from PFC Consulting Limited vide share purchase agreement dated 27.12.2023 to carry over the business awarded under tariff based competitive bidding, after transfer Powergrid Neemrana Bareilly Transmission Limited became wholly owned subsidiary of the Group. |
| xxxi)   | During the year group has made investment of ₹0.01 crore in Powergrid Ananthpuram Kurnool Transmission Limited (Erstwhile Ananthpuram Kurnool Transmission Limited) which is wholly owned subsidiary company of the group. The Company was taken over from PFC Consulting Limited vide share purchase agreement dated 27.09.2023 to carry over the business awarded under tariff based competitive bidding, after transfer Powergrid Ananthpuram Kurnool Transmission Limited became wholly owned subsidiary of the Group. | xxxvii)  | During the year group has made investment of ₹0.01 crore in Powergrid Vataman Transmission Limited (Erstwhile Vataman Transmission Limited) which is wholly owned subsidiary company of the group. The Company was taken over from PFC Consulting Limited vide share purchase agreement dated 26.12.2023 to carry over the business awarded under tariff based competitive bidding, after transfer Powergrid Vataman Transmission Limited became wholly owned subsidiary of the Group.                                  |
| xxxii)  | During the year group has made investment of ₹0.01 crore in Powergrid Bhadla III Transmission Limited (Erstwhile Bhadla III Transmission Limited) which is wholly owned subsidiary company of the group. The Company was taken over from PFC Consulting Limited vide share purchase agreement dated 27.09.2023 to carry over the business awarded under tariff based competitive bidding, after transfer Powergrid Bhadla III Transmission Limited became wholly owned subsidiary of the Group.                            | xxxviii) | During the year group has made investment of ₹0.01 crore in Powergrid Koppal Gadag Transmission Limited (Erstwhile Koppal II Gadag II Transmission Limited) which is wholly owned subsidiary company of the group. The Company was taken over from PFC Consulting Limited vide share purchase agreement dated 26.12.2023 to carry over the business awarded under tariff based competitive bidding, after transfer Powergrid Koppal Gadag Transmission Limited became wholly owned subsidiary of the Group.             |
| xxxiii) | During the year group has made investment of ₹0.01 crore in Powergrid Beawar Dausa Transmission Limited (Erstwhile Beawar Dausa Transmission Limited) which is wholly owned subsidiary company of the group. The Company was taken over from PFC Consulting Limited vide share purchase agreement dated 30.10.2023 to carry over the business awarded under tariff based competitive bidding, after transfer Powergrid Beawar Dausa Transmission Limited became wholly owned subsidiary of the Group.                      | xxxix)   | During the year group has made investment of ₹0.05 crore in Sikar Khetri Transmission Limited which is wholly owned subsidiary company of the group. The Company was taken over from REC Power Development and Consultancy Limited vide share purchase agreement dated 09.02.2024 to carry over the business awarded under tariff based competitive bidding, after transfer Sikar Khetri Transmission Limited became wholly owned subsidiary of the Group.  |
| xxxiv)  | During the year group has made investment of ₹0.05 crore in Powergrid Ramgarh II Transmission Limited (Erstwhile Ramgarh II Transmission Limited) which is wholly owned subsidiary company of the group. The Company was taken over from REC Power Development and Consultancy Limited vide share purchase agreement dated 26.10.2023 to carry over the business awarded under tariff based competitive bidding, after transfer Powergrid Ramgarh II Transmission Limited became wholly owned subsidiary of the Group.     | xl)      | During the year group has made investment of ₹0.05 crore in Bidar Transmission Limited which is wholly owned subsidiary company of the group. The Company was taken over from REC Power Development and Consultancy Limited vide share purchase agreement dated 09.02.2024 to carry over the business awarded under tariff based competitive bidding, after transfer Bidar Transmission Limited became wholly owned subsidiary of the Group.  |
| xxxv)   | During the year group has made investment of ₹0.01 crore in Powergrid Bikaner Neemrana Transmission Limited (Erstwhile Bikaner III Neemrana Transmission Limited) which is wholly owned subsidiary company of the group. The Company was taken over from PFC Consulting Limited vide share purchase agreement dated 27.12.2023 to carry over the business awarded under tariff based competitive bidding, after transfer   |          |   |



#### 44: Interest in Other Entities (Contd.)

##### 2. Joint Ventures

Set out below are joint ventures of the Group as at 31 March 2024, which in the opinion of the management, are material to the Group. The entities listed below have share capital consisting solely of equity shares, which are held directly by ownership interest in the same as the proportion of voting rights held:

(₹ in crore)

| Name of the Entity   | Place of business | Proportion (%) of Shareholding |                     | Carrying amount     |                     | Nature of activity   |
|--|-------------------|--------------------------------|---------------------|---------------------|---------------------|--|
|  |                   | As at 31 March 2024            | As at 31 March 2023 | As at 31 March 2024 | As at 31 March 2023 |  |
| Powerlinks Transmission Limited  | India             | 49%                            | 49%                 | 475.20              | 474.12              | Transmission system associated with Tala HEP in Bhutan – under successful operation since Aug' 06  |
| Torrent Power Grid Limited   | India             | 26%                            | 26%                 | 37.72               | 35.41               | Transmission System associated with 1100 MW Sugden generating project at Surat – progressively commissioned in Mar'11                              |
| Parbati Koldam Transmission Company Limited  | India             | 26%                            | 26%                 | 92.90               | 84.35               | Transmission Lines associated with Parbati-II (800 MW) and Koldam (800 MW) HEPs. – Progressively commissioned in Nov'15                            |
| Sikkim Power Transmission Limited (Erstwhile Teestavalley Power Transmission Limited) <sup>1</sup> | India             | 30.92%                         | 30.92%              | 182.13              | 161.28              | Transmission System associated with 1200 MW Teesta – III HEP in Sikkim   |
| North East Transmission Company Limited  | India             | 26%                            | 26%                 | 142.49              | 139.74              | Transmission system associated with 726.6 MW Gas Based Combined Cycle Power roject at Pallatana in Tripura. – Progressively commissioned in Feb'15 |
| National High Power Test Laboratory Private Limited <sup>2</sup>                                   | India             | 21.63%                         | 20%                 | 12.32               | -                   | To create high power short circuit test facility   |
| Bihar Grid Company Limited   | India             | 50%                            | 50%                 | 412.33              | 479.59              | Establishment of Intra-State Transmission system in the State of Bihar   |
| Energy Efficiency Services Limited   | India             | 39.25%                         | 33.33%              | 624.35              | 292.45              | Engaged in implementation of energy efficiency projects.   |
| Cross Border Power Transmission Company Limited <sup>3</sup>                                       | India             | 26%                            | 26%                 | 35.12               | 34.09               | Establishment of Indian Portion of Indo-Nepal Cross Border Transmission Line from Muzaffarpur to Sursand   |
| RINL Powergrid TLT Private Limited <sup>4</sup>  | India             | 50%                            | 50%                 | -                   | -                   | Establishment of manufacturing of Transmission Line Tower parts plant  |
| Butwal-Gorakhpur Cross Border Power Transmission Limited   | India             | 50%                            | 50%                 | 9.91                | 0.02                | Implementation of Indian Portion of New Butwal – Gorakhpur 400 kV Double Circuit (Quad Moose) Cross Border Transmission Line.                      |
| Power Transmission Company Nepal Limited <sup>5</sup>  | Nepal             | 26%                            | 26%                 | 14.51               | 13.60               | Establishment of Nepal Portion of Indo-Nepal Cross Border Transmission Line from Dhalkebar to Bhattamod  |

#### 44: Interest in Other Entities (Contd.)

<sup>1</sup> POWERGRID & Sikkim Urja Ltd are the Joint venture partners in Sikkim Power Transmission Limited & holds 26% & 74 % equity, respectively as per Shareholding agreement. On call of additional equity by Sikkim Power Transmission limited, POWERGRID contributed their share while the other JV partner has not yet contributed their share of money. Consequently, the holding of POWERGRID increased to 30.92% against 26% provided in shareholding agreement.

<sup>2</sup> Vide Supplementary Joint venture agreement dated 23.04.2024 and as part of revival plan of JV Company, Loan given by all JV partners to JV company was converted to equity, additional loan of ₹94.71crore was provided by the company, shareholding of the company will increase to 50% through additional equity contribution by the company and transfer of shares by other JV partners at notional consideration.

<sup>3</sup> The Board of Directors of the company have, in its meeting held on 01 May 2022, approved the proposal for purchase of 77,30,225 no. equity shares held by IL&FS Energy Development Company Limited in Cross Border Power Transmission Company Limited (Joint venture of the company). Presently, approvals from relevant authorities is awaited.

<sup>4</sup> POWERGRID's Board of Directors in its meeting held on 01.05.2018 accorded in principle approval to close RINL Powergrid TLT Private Limited (RPTPL) and seek consent of other JV Partner Rashtriya Ispat Nigam Limited (RINL). RINL's Board of Directors in its meeting held on 08.03.2019 has agreed in principle for winding up proceedings of RPTPL & to seek the approval from Ministry of Steel(MoS), Government of India, for closure of RPTPL. The approval for closure of RPTPL was received on 11.07.2022 from MoS. However, winding up process could not be initiated, as contractor for Site Enabling works has served notice on 17-12-2022 for invocation of Arbitration. Conciliator has been appointed & conciliation proceedings are under progress.

<sup>5</sup> The Board of Directors of the company have, in its meeting held on 16 December 2023, approved the proposal for purchase of 1,30,000 no. equity shares held by IL&FS Energy Development Co Ltd in PTCN (Joint venture of the company). Presently, the proposal is under review by NCLAT.

- All joint venture companies are unlisted entities.
- Financial statements used for consolidation are unaudited except for Powerlinks Transmission Limited, Torrent Power Grid Limited, North East Transmission Company Limited, Bihar Grid Company Limited & Butwal-Gorakhpur Cross Border Power Transmission Limited.
- The group has made further Investment of ₹3.26 crore (Previous Year ₹11.59 crore) in Bihar Grid Company Limited, a joint venture company in which 50% share is held by the Group and balance 50% share is held by Bihar State Power Holding Company.
- The group has made further Investment of ₹383.00 crore (Previous Year ₹0.00 crore) in Energy Efficiency Services Limited, a joint venture company in which 39.25% share is held by the Group and balance 60.75% share is held by NTPC Limited, Power Finance Corporation Limited & REC Limited.
- The group has made further Investment of ₹9.97 crore (Previous Year ₹0.03 crore) in Butwal-Gorakhpur Cross Border Power Transmission Limited, a joint venture company in which 50% share is held by the Group and balance 50% share is held by Nepal Electricity Authority (NEA).

##### Commitments and contingent liabilities in respect of joint venture:

(₹ in crore)

| Particulars   | As at 31 March 2024 | As at 31 March 2023 |
|---|---------------------|---------------------|
| <b>Share of Group</b>                               |                     |                     |
| Commitment  | 263.37              | 117.56              |
| Contingent Liabilities                              | 313.10              | 211.27              |
| <b>Total commitments and contingent liabilities</b> | <b>576.47</b>       | <b>328.83</b>       |

##### Summarised financial information for joint ventures:

Table below provide summarised financial information for these joint ventures that are material to the Group. The information disclosed reflects the amounts presented in the financial statements of the relevant joint venture.

**44: Interest in Other Entities (Contd.)**

## Summarised Balance Sheet

(₹ in crore)

| Particulars                          | Powerlinks Transmission Limited |               | Torrent Power Grid Limited |               | Parbati Koldam Transmission Company Limited |               | Sikkim Power Transmission Limited |                 |
|--------------------------------------|---------------------------------|---------------|----------------------------|---------------|---|---------------|-----------------------------------|-----------------|
|                                      | 31 March 2024                   | 31 March 2023 | 31 March 2024              | 31 March 2023 | 31 March 2024                               | 31 March 2023 | 31 March 2024                     | 31 March 2023   |
| <b>Current Assets</b>                |                                 |               |                            |               |   |               |                                   |                 |
| Cash & Cash Equivalent               | 25.77                           | 0.27          | 2.07                       | 1.42          | 3.68  | 21.76         | 52.82                             | 13.54           |
| Other Assets                         | 179.11                          | 169.45        | 42.18                      | 31.51         | 179.05                                      | 140.10        | 142.63                            | 113.19          |
| <b>Total Current Assets</b>          | <b>204.88</b>                   | <b>169.72</b> | <b>44.25</b>               | <b>32.93</b>  | <b>182.73</b>                               | <b>161.86</b> | <b>195.45</b>                     | <b>126.73</b>   |
| <b>Total Non-Current Assets</b>      | <b>809.08</b>                   | <b>833.08</b> | <b>111.72</b>              | <b>113.20</b> | <b>497.09</b>                               | <b>547.52</b> | <b>1,156.58</b>                   | <b>1,283.70</b> |
| <b>Current Liabilities</b>           |                                 |               |                            |               |   |               |                                   |                 |
| Financial Liabilities                | 15.84                           | 12.27         | 5.49                       | 4.39          | 154.67                                      | 153.99        | 107.95                            | 108.27          |
| Other Liabilities                    | 19.14                           | 13.62         | 3.04                       | 3.08          | 0.27  | 0.15          | 0.26                              | 43.84           |
| <b>Total Current Liabilities</b>     | <b>34.98</b>                    | <b>25.89</b>  | <b>8.53</b>                | <b>7.47</b>   | <b>154.94</b>                               | <b>154.14</b> | <b>108.21</b>                     | <b>152.11</b>   |
| <b>Non-Current Liabilities</b>       |                                 |               |                            |               |   |               |                                   |                 |
| Financial Liabilities                | 7.28                            | 7.47          | -                          | -             | 167.48                                      | 230.75        | 579.80                            | 684.61          |
| Other Liabilities                    | 1.91                            | 1.85          | 2.38                       | 2.46          | 0.11  | 0.07          | 74.97                             | 52.12           |
| <b>Total Non-Current Liabilities</b> | <b>9.19</b>                     | <b>9.32</b>   | <b>2.38</b>                | <b>2.46</b>   | <b>167.59</b>                               | <b>230.82</b> | <b>654.77</b>                     | <b>736.73</b>   |
| <b>Net Assets</b>                    | <b>969.79</b>                   | <b>967.59</b> | <b>145.06</b>              | <b>136.20</b> | <b>357.29</b>                               | <b>324.42</b> | <b>589.05</b>                     | <b>521.59</b>   |

(₹ in crore)

| Particulars                          | North East Transmission Company Limited |                 | National High Power Test Laboratory Private Limited |                | Bihar Grid Company Limited |                 | Energy Efficiency Services Limited |                 |
|--------------------------------------|---|-----------------|---|----------------|----------------------------|-----------------|------------------------------------|-----------------|
|                                      | 31 March 2024                           | 31 March 2023   | 31 March 2024                                       | 31 March 2023  | 31 March 2024              | 31 March 2023   | 31 March 2024                      | 31 March 2023   |
| <b>Current Assets</b>                |   |                 |   |                |                            |                 |                                    |                 |
| Cash & Cash Equivalent               | 0.05                                    | 28.49           | 30.22   | 7.67           | 261.92                     | 235.64          | 353.70                             | 521.29          |
| Other Assets                         | 164.72                                  | 144.64          | 7.58  | 3.41           | 493.02                     | 514.78          | 9,032.16                           | 4,781.31        |
| <b>Total Current Assets</b>          | <b>164.77</b>                           | <b>173.13</b>   | <b>37.80</b>  | <b>11.08</b>   | <b>754.94</b>              | <b>750.42</b>   | <b>9,385.86</b>                    | <b>5,302.60</b> |
| <b>Total Non-Current Assets</b>      | <b>1,073.46</b>                         | <b>1,232.01</b> | <b>169.29</b>                                       | <b>225.13</b>  | <b>2,729.14</b>            | <b>2,809.22</b> | <b>1,708.85</b>                    | <b>5,106.99</b> |
| <b>Current Liabilities</b>           |   |                 |   |                |                            |                 |                                    |                 |
| Financial Liabilities                | 112.94                                  | 105.88          | 60.00   | 97.67          | 67.80                      | 209.07          | 4,431.39                           | 4,852.23        |
| Other Liabilities                    | 4.90                                    | 4.86            | 4.50  | 6.23           | 333.57                     | 162.81          | 205.01                             | 189.16          |
| <b>Total Current Liabilities</b>     | <b>117.84</b>                           | <b>110.74</b>   | <b>64.50</b>  | <b>103.90</b>  | <b>401.37</b>              | <b>371.88</b>   | <b>4,636.40</b>                    | <b>5,041.39</b> |
| <b>Non-Current Liabilities</b>       |   |                 |   |                |                            |                 |                                    |                 |
| Financial Liabilities                | 539.62                                  | 693.80          | 85.24   | 172.03         | 2,033.78                   | 2,056.15        | 4,819.25                           | 4,436.81        |
| Other Liabilities                    | 32.72                                   | 63.15           | 0.39  | 0.38           | 224.28                     | 172.43          | 48.35                              | 53.94           |
| <b>Total Non-Current Liabilities</b> | <b>572.34</b>                           | <b>756.95</b>   | <b>85.63</b>  | <b>172.41</b>  | <b>2,258.06</b>            | <b>2,228.58</b> | <b>4,867.60</b>                    | <b>4,490.75</b> |
| <b>Net Assets</b>                    | <b>548.05</b>                           | <b>537.45</b>   | <b>56.96</b>  | <b>(40.10)</b> | <b>824.65</b>              | <b>959.18</b>   | <b>1,590.71</b>                    | <b>877.45</b>   |

**44: Interest in Other Entities (Contd.)**

(₹ in crore)

| Particulars                          | Cross Border Power Transmission Company Limited |               | RINL Powergrid TLT Private Limited |               | Butwal-Gorakhpur Cross Border Power Transmission Limited |               | Power Transmission Company Nepal Limited |               |
|--------------------------------------|---|---------------|------------------------------------|---------------|--|---------------|--|---------------|
|                                      | 31 March 2024                                   | 31 March 2023 | 31 March 2024                      | 31 March 2023 | 31 March 2024  | 31 March 2023 | 31 March 2024                            | 31 March 2023 |
| <b>Current Assets</b>                |   |               |                                    |               |  |               |  |               |
| Cash & Cash Equivalent               | 28.95   | 34.92         | 0.11                               | 0.11          | 9.17   | 0.05          | 0.66                                     | 0.40          |
| Other Assets                         | 41.43   | 37.80         | -                                  | -             | 4.00   | -             | 53.62                                    | 52.73         |
| <b>Total Current Assets</b>          | <b>70.38</b>                                    | <b>72.72</b>  | <b>0.11</b>                        | <b>0.11</b>   | <b>13.17</b>   | <b>0.05</b>   | <b>54.28</b>                             | <b>53.13</b>  |
| <b>Total Non-Current Assets</b>      | <b>158.20</b>                                   | <b>178.99</b> | <b>-</b>                           | <b>-</b>      | <b>16.35</b>   | <b>-</b>      | <b>60.23</b>                             | <b>64.76</b>  |
| <b>Current Liabilities</b>           |   |               |                                    |               |  |               |  |               |
| Financial Liabilities                | 13.91   | 14.99         | 1.48                               | 1.48          | -  | 0.01          | 3.20                                     | 3.41          |
| Other Liabilities                    | 1.11  | 9.59          | 0.01                               | 0.01          | -  | -             | 5.37                                     | 4.26          |
| <b>Total Current Liabilities</b>     | <b>15.02</b>                                    | <b>24.58</b>  | <b>1.49</b>                        | <b>1.49</b>   | <b>-</b>   | <b>0.01</b>   | <b>8.57</b>                              | <b>7.67</b>   |
| <b>Non-Current Liabilities</b>       |   |               |                                    |               |  |               |  |               |
| Financial Liabilities                | 78.37   | 95.97         | -                                  | -             | 2.91   | -             | 50.13                                    | 57.93         |
| Other Liabilities                    | 0.10  | 0.06          | -                                  | -             | 6.79   | -             | -  | -             |
| <b>Total Non-Current Liabilities</b> | <b>78.47</b>                                    | <b>96.03</b>  | <b>-</b>                           | <b>-</b>      | <b>9.70</b>  | <b>-</b>      | <b>50.13</b>                             | <b>57.93</b>  |
| <b>Net Assets</b>                    | <b>135.09</b>                                   | <b>131.10</b> | <b>(1.38)</b>                      | <b>(1.38)</b> | <b>19.82</b>   | <b>0.04</b>   | <b>55.81</b>                             | <b>52.29</b>  |

## Reconciliation to carrying amounts:

(₹ in crore)

| Particulars                | Powerlinks Transmission Limited |               | Torrent Power Grid Limited |               | Parbati Koldam Transmission Company Limited |               | Sikkim Power Transmission Limited |               |
|----------------------------|---------------------------------|---------------|----------------------------|---------------|---|---------------|-----------------------------------|---------------|
|                            | 31 March 2024                   | 31 March 2023 | 31 March 2024              | 31 March 2023 | 31 March 2024                               | 31 March 2023 | 31 March 2024                     | 31 March 2023 |
| Opening net assets         | 967.59                          | 975.32        | 136.20                     | 131.99        | 324.42                                      | 308.38        | 521.59                            | 468.93        |
| Investment by JV Partners  | -                               | -             | -                          | -             | -   | -             | -                                 | -             |
| Profit for the year        | 81.54                           | 81.08         | 16.98                      | 21.23         | 46.57                                       | 43.18         | 67.37                             | 51.67         |
| Other Comprehensive income | 0.22                            | 0.11          | (0.02)                     | 0.08          | (0.06)                                      | 0.07          | (0.11)                            | (0.04)        |
| Dividend Paid              | 79.56                           | 88.92         | 8.10                       | 17.10         | 13.64                                       | 27.28         | -                                 | -             |
| Other Adjustments          | -                               | -             | -                          | -             | -   | 0.07          | 0.20                              | 1.03          |
| <b>Closing net assets</b>  | <b>969.79</b>                   | <b>967.59</b> | <b>145.06</b>              | <b>136.20</b> | <b>357.29</b>                               | <b>324.42</b> | <b>589.05</b>                     | <b>521.59</b> |
| Group's share in %         | 49%                             | 49%           | 26%                        | 26%           | 26%   | 26%           | 30.92%                            | 30.92%        |
| Group's share in INR       | 475.20                          | 474.12        | 37.72                      | 35.41         | 92.90                                       | 84.35         | 182.13                            | 161.28        |
| <b>Carrying Amount</b>     | <b>475.20</b>                   | <b>474.12</b> | <b>37.72</b>               | <b>35.41</b>  | <b>92.90</b>                                | <b>84.35</b>  | <b>182.13</b>                     | <b>161.28</b> |



**44: Interest in Other Entities (Contd.)**

(₹ in crore)

| Particulars                | North East Transmission Company Limited |               | National High Power Test Laboratory Private Limited |                | Bihar Grid Company Limited |               | Energy Efficiency Services Limited |               |
|----------------------------|---|---------------|---|----------------|----------------------------|---------------|------------------------------------|---------------|
|                            | 31 March 2024                           | 31 March 2023 | 31 March 2024                                       | 31 March 2023  | 31 March 2024              | 31 March 2023 | 31 March 2024                      | 31 March 2023 |
| Opening net assets         | 537.45                                  | 495.41        | (40.10)   | 71.21          | 959.18                     | 1,024.17      | 877.45                             | 1,269.23      |
| Investment by JV Partners  | -                                       | -             | 73.60   | -              | 6.54                       | 23.18         | 766.00                             | -             |
| Profit for the year        | 71.13                                   | 88.62         | 20.89   | (111.29)       | (141.07)                   | (88.17)       | (389.21)                           | (329.43)      |
| Other Comprehensive income | -                                       | (0.21)        | -   | -              | -                          | -             | (4.51)                             | 6.48          |
| Dividend Paid              | 74.05                                   | 69.94         | -   | -              | -                          | -             | -                                  | -             |
| Other Adjustments          | 13.52                                   | 23.57         | 2.57  | (0.02)         | -                          | -             | 340.98                             | (68.83)       |
| <b>Closing net assets</b>  | <b>548.05</b>                           | <b>537.45</b> | <b>56.96</b>  | <b>(40.10)</b> | <b>824.65</b>              | <b>959.18</b> | <b>1,590.71</b>                    | <b>877.45</b> |
| Group's share in %         | 26%                                     | 26%           | 21.63%  | 20%            | 50%                        | 50%           | 39.25%                             | 33.33%        |
| Group's share in INR       | 142.49                                  | 139.74        | 12.32   | -              | 412.33                     | 479.59        | 624.35                             | 292.45        |
| <b>Carrying Amount</b>     | <b>142.49</b>                           | <b>139.74</b> | <b>12.32</b>  | <b>-</b>       | <b>412.33</b>              | <b>479.59</b> | <b>624.35</b>                      | <b>292.45</b> |

(₹ in crore)

| Particulars                | Cross Border Power Transmission Company Limited |               | RINL Powergrid TLT Private Limited |               | Butwal-Gorakhpur Cross Border Power Transmission Limited |               | Power Transmission Company Nepal Limited |               |
|----------------------------|---|---------------|------------------------------------|---------------|--|---------------|--|---------------|
|                            | 31 March 2024                                   | 31 March 2023 | 31 March 2024                      | 31 March 2023 | 31 March 2024  | 31 March 2023 | 31 March 2024                            | 31 March 2023 |
| Opening net assets         | 131.10  | 126.90        | (1.38)                             | (1.38)        | 0.04   | -             | 52.29                                    | 48.65         |
| Investment by JV Partners  | -   | -             | -                                  | -             | 19.95  | 0.05          | -  | -             |
| Profit for the year        | 16.12   | 16.33         | -                                  | -             | (0.17)   | (0.01)        | 8.58                                     | 8.70          |
| Other Comprehensive income | -   | -             | -                                  | -             | -  | -             | -  | -             |
| Dividend Paid              | 12.13   | 12.13         | -                                  | -             | -  | -             | 5.06                                     | 5.06          |
| Other Adjustments          | -   | -             | -                                  | -             | -  | -             | -  | -             |
| <b>Closing net assets</b>  | <b>135.09</b>                                   | <b>131.10</b> | <b>(1.38)</b>                      | <b>(1.38)</b> | <b>19.82</b>   | <b>0.04</b>   | <b>55.81</b>                             | <b>52.29</b>  |
| Group's share in %         | 26%   | 26%           | 50%                                | 50%           | 50%  | 50%           | 26%                                      | 26%           |
| Group's share in INR       | 35.12   | 34.09         | -                                  | -             | 9.91   | 0.02          | 14.51                                    | 13.60         |
| <b>Carrying Amount</b>     | <b>35.12</b>                                    | <b>34.09</b>  | <b>-</b>                           | <b>-</b>      | <b>9.91</b>  | <b>0.02</b>   | <b>14.51</b>                             | <b>13.60</b>  |

**Summarised Statement of Profit and Loss**

(₹ in crore)

| Particulars             | Powerlinks Transmission Limited |               | Torrent Power Grid Limited |               | Parbati Koldam Transmission Company Limited |               | Sikkim Power Transmission Limited |               |
|-------------------------|---------------------------------|---------------|----------------------------|---------------|---|---------------|-----------------------------------|---------------|
|                         | 31 March 2024                   | 31 March 2023 | 31 March 2024              | 31 March 2023 | 31 March 2024                               | 31 March 2023 | 31 March 2024                     | 31 March 2023 |
| Revenue From Operations | 127.17                          | 128.61        | 25.54                      | 39.11         | 138.12                                      | 138.51        | 244.32                            | 250.86        |
| Other Income            | 12.37                           | 10.22         | 2.88                       | 1.28          | 5.04  | 4.35          | 12.09                             | 3.25          |
| <b>Total Income</b>     | <b>139.54</b>                   | <b>138.83</b> | <b>28.42</b>               | <b>40.39</b>  | <b>143.16</b>                               | <b>142.86</b> | <b>256.41</b>                     | <b>254.11</b> |

**44: Interest in Other Entities (Contd.)**

(₹ in crore)

| Particulars                           | Powerlinks Transmission Limited |               | Torrent Power Grid Limited |               | Parbati Koldam Transmission Company Limited |               | Sikkim Power Transmission Limited |               |
|---------------------------------------|---------------------------------|---------------|----------------------------|---------------|---|---------------|-----------------------------------|---------------|
|                                       | 31 March 2024                   | 31 March 2023 | 31 March 2024              | 31 March 2023 | 31 March 2024                               | 31 March 2023 | 31 March 2024                     | 31 March 2023 |
| Employee benefits expense             | 11.56                           | 9.69          | 3.53                       | 1.45          | 2.97  | 3.18          | 8.22                              | 7.49          |
| Finance costs                         | 0.80                            | 0.77          | -                          | 0.15          | 25.98                                       | 28.75         | 64.00                             | 63.14         |
| Depreciation and amortisation expense | 0.68                            | 0.68          | 3.45                       | 16.45         | 49.49                                       | 49.50         | 87.95                             | 88.55         |
| Other expenses                        | 8.24                            | 10.30         | 3.32                       | 3.08          | 8.26  | 9.32          | 5.83                              | 8.88          |
| <b>Total Expenses</b>                 | <b>21.28</b>                    | <b>21.44</b>  | <b>10.30</b>               | <b>21.13</b>  | <b>86.70</b>                                | <b>90.75</b>  | <b>166.00</b>                     | <b>168.06</b> |
| Tax Expenses                          | 36.72                           | 36.31         | 1.14                       | (1.97)        | 9.89  | 8.93          | 23.04                             | 34.38         |
| Profit for the year                   | 81.54                           | 81.08         | 16.98                      | 21.23         | 46.57                                       | 43.18         | 67.37                             | 51.67         |
| Other Comprehensive income            | 0.22                            | 0.11          | (0.02)                     | 0.08          | (0.06)                                      | 0.07          | (0.11)                            | (0.04)        |
| <b>Total Comprehensive income</b>     | <b>81.76</b>                    | <b>81.19</b>  | <b>16.96</b>               | <b>21.31</b>  | <b>46.51</b>                                | <b>43.25</b>  | <b>67.26</b>                      | <b>51.63</b>  |
| Dividend Received                     | 38.98                           | 43.57         | 2.11                       | 4.45          | 3.55  | 7.09          | -                                 | -             |

(₹ in crore)

| Particulars                           | North East Transmission Company Limited |               | National High Power Test Laboratory Private Limited |                 | Bihar Grid Company Limited |                | Energy Efficiency Services Limited |                 |
|---------------------------------------|---|---------------|---|-----------------|----------------------------|----------------|------------------------------------|-----------------|
|                                       | 31 March 2024                           | 31 March 2023 | 31 March 2024                                       | 31 March 2023   | 31 March 2024              | 31 March 2023  | 31 March 2024                      | 31 March 2023   |
| Revenue From Operations               | 274.95                                  | 278.66        | 39.55   | 20.06           | 219.38                     | 174.62         | 1,383.96                           | 2,373.39        |
| Other Income                          | 10.44                                   | 26.32         | 6.56  | 0.12            | 76.48                      | 77.68          | 487.58                             | 73.47           |
| <b>Total Income</b>                   | <b>285.39</b>                           | <b>304.98</b> | <b>46.11</b>  | <b>20.18</b>    | <b>295.86</b>              | <b>252.30</b>  | <b>1,871.54</b>                    | <b>2,446.86</b> |
| Purchase of Stock in Trade            | 0.54                                    | -             | -   | -               | -                          | -              | 699.84                             | 643.81          |
| Employee benefits expense             | 8.72                                    | 8.65          | 2.37  | 2.06            | 15.80                      | 19.98          | 226.09                             | 183.73          |
| Finance costs                         | 58.82                                   | 64.62         | 9.35  | 20.96           | 177.34                     | 158.50         | 566.79                             | 462.88          |
| Depreciation and amortisation expense | 118.81                                  | 118.15        | 8.58  | 8.61            | 151.98                     | 127.40         | 42.06                              | 756.06          |
| Other expenses                        | 13.22                                   | 13.06         | 4.92  | 99.84           | 39.96                      | 36.34          | 822.80                             | 790.65          |
| <b>Total Expenses</b>                 | <b>200.11</b>                           | <b>204.48</b> | <b>25.22</b>  | <b>131.47</b>   | <b>385.08</b>              | <b>342.22</b>  | <b>2,357.58</b>                    | <b>2,837.13</b> |
| Tax Expenses                          | 14.15                                   | 11.88         | -   | -               | 51.85                      | (1.75)         | (92.21)                            | (58.53)         |
| Profit for the year                   | 71.13                                   | 88.62         | 20.89   | (111.29)        | (141.07)                   | (88.17)        | (393.83)                           | (331.74)        |
| Other Comprehensive income            | -                                       | (0.21)        | -   | -               | -                          | -              | (5.20)                             | 7.42            |
| <b>Total Comprehensive income</b>     | <b>71.13</b>                            | <b>88.41</b>  | <b>20.89</b>  | <b>(111.29)</b> | <b>(141.07)</b>            | <b>(88.17)</b> | <b>(399.03)</b>                    | <b>(324.32)</b> |
| Dividend Received                     | 19.25                                   | 18.18         | -   | -               | -                          | -              | -                                  | -               |

**44: Interest in Other Entities (Contd.)**

(₹ in crore)

| Particulars                           | Cross Border Power Transmission Company Limited |               | RINL Powergrid TLT Private Limited |               | Butwal-Gorakhpur Cross Border Power Transmission Limited |               | Power Transmission Company Nepal Limited |               |
|---------------------------------------|---|---------------|------------------------------------|---------------|--|---------------|--|---------------|
|                                       | 31 March 2024                                   | 31 March 2023 | 31 March 2024                      | 31 March 2023 | 31 March 2024  | 31 March 2023 | 31 March 2024                            | 31 March 2023 |
| Revenue From Operations               | 7.74  | 7.42          | -                                  | -             | -  | -             | 16.14                                    | 16.21         |
| Other Income                          | 24.29   | 25.53         | -                                  | -             | -  | -             | 4.24                                     | 4.53          |
| <b>Total Income</b>                   | <b>32.03</b>                                    | <b>32.95</b>  | -                                  | -             | -  | -             | <b>20.38</b>                             | <b>20.74</b>  |
| Employee benefits expense             | 2.52  | 1.99          | -                                  | -             | -  | -             | 0.81                                     | 0.79          |
| Finance costs                         | 9.86  | 11.31         | -                                  | -             | -  | -             | 3.02                                     | 3.44          |
| Depreciation and amortisation expense | 0.02  | 0.02          | -                                  | -             | -  | -             | 5.20                                     | 5.19          |
| Other expenses                        | 3.51  | 3.30          | -                                  | -             | 0.22   | 0.01          | 1.89                                     | 1.88          |
| <b>Total Expenses</b>                 | <b>15.91</b>                                    | <b>16.62</b>  | -                                  | -             | <b>0.22</b>  | <b>0.01</b>   | <b>10.92</b>                             | <b>11.30</b>  |
| Tax Expenses                          | -   | -             | -                                  | -             | (0.05)   | -             | 0.88                                     | 0.74          |
| Profit for the year                   | 16.12   | 16.33         | -                                  | -             | (0.17)   | (0.01)        | 8.58                                     | 8.70          |
| Other Comprehensive income            | -   | -             | -                                  | -             | -  | -             | -  | -             |
| <b>Total Comprehensive income</b>     | <b>16.12</b>                                    | <b>16.33</b>  | -                                  | -             | <b>(0.17)</b>  | <b>(0.01)</b> | <b>8.58</b>                              | <b>8.70</b>   |
| Dividend Received                     | 3.15  | 3.15          | -                                  | -             | -  | -             | 1.32                                     | 1.32          |

45. Research expenditure recognised as expense in the statement of Profit and Loss during the year is ₹103.13 crore (Previous Year ₹28.61 crore).

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

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

**47. Disclosure as per Ind AS 115 - "Revenue from Contracts with Customers"**

a) For milestone based contracts (consultancy contracts), unsatisfied performance obligations are as follows:

(₹ in crore)

| Particulars  | As at 31 March 2024 | As at 31 March 2023 |
|--|---------------------|---------------------|
| Transaction price related to unsatisfied (or partially satisfied) performance obligation | 1,044.23            | 1,023.65            |
| These performance obligations are expected to be satisfied within                        | 3 Years             | 3 Years             |

**47. Disclosure as per Ind AS 115 - "Revenue from Contracts with Customers" (Contd.)**

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

(₹ in crore)

| Particulars   | For the year ended 31 March 2024 | For the year ended 31 March 2023 |
|---|----------------------------------|----------------------------------|
| Balance at the beginning  | 828.48                           | 5,607.74                         |
| Add: Revenue recognised during the period                         | 6,657.12                         | 1,831.98                         |
| Less: Invoiced/transferred to trade receivables during the period | 3,157.85                         | 6,592.32                         |
| Less: Impairment/reversal during the period                       | -                                | 18.92                            |
| <b>Balance at the end</b>   | <b>4,327.75</b>                  | <b>828.48</b>                    |

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

(₹ in crore)

| Particulars   | For the year ended 31 March 2024 | For the year ended 31 March 2023 |
|---|----------------------------------|----------------------------------|
| Balance at the beginning  | 1,086.58                         | 1,022.73                         |
| Add: Advance billing during the period                                      | 394.77                           | 537.39                           |
| Less: revenue recognised/transferred to trade receivables during the period |                                  |                                  |
| a) From contract liability as at beginning of the period                    | 420.43                           | 405.47                           |
| b) From contract liability recognised during the period                     | 110.90                           | 68.47                            |
| Add: Translation gain/(Loss) and other adjustments                          | (28.79)                          | 0.40                             |
| <b>Balance at the end</b>   | <b>921.23</b>                    | <b>1,086.58</b>                  |

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 inbuilt in the transaction price based on imputed rate of return. Reconciliation of Contracted Price vis-a-vis revenue recognised in profit or loss statement is as follows:

(₹ in crore)

| Particulars   | For the year ended 31 March 2024 | For the year ended 31 March 2023 |
|---|----------------------------------|----------------------------------|
| Contracted price  | 43,660.11                        | 43,464.45                        |
| Add/ (Less)- Discounts/ rebates provided to customer        | (195.80)                         | (220.77)                         |
| Add/ (Less)- Performance bonus                              | 572.59                           | 544.45                           |
| Add/ (Less)- Adjustment for significant financing component | 35.61                            | 65.53                            |
| Add/ (Less)- Other adjustments                              | 1,770.59                         | 1,749.45                         |
| <b>Revenue recognised in profit or loss statement</b>       | <b>45,843.10</b>                 | <b>45,603.11</b>                 |

48: (i) FERV Loss of ₹191.14 crore (Previous Year FERV Loss of ₹1,589.78 crore) has been adjusted in the respective carrying amount of Property, Plant and Equipment/Capital work in Progress (CWIP)/Intangible Assets/Lease Receivables.

(ii) FERV Loss of ₹39.04 crore (Previous Year FERV Loss of ₹293.14 crore) has been recognised in the Statement of Profit and Loss.

49: Borrowing cost capitalised during the year is ₹554.28 crore (Previous Year ₹255.67 crore) in the respective carrying amount of Property, Plant and Equipment/Capital work in Progress (CWIP) as per Ind AS 23 'Borrowing Costs'.

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



(₹ in crore)

| Sr. No | Particulars   | Trade Payables      |                     | Others              |                     |
|--------|---|---------------------|---------------------|---------------------|---------------------|
|        |   | As at 31 March 2024 | As at 31 March 2023 | As at 31 March 2024 | As at 31 March 2023 |
| 1      | Principal amount and interest due thereon remaining unpaid to any supplier as at end of each accounting year:   |                     |                     |                     |                     |
|        | Principal   | 75.17               | 49.34               | 34.57               | 23.43               |
|        | 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 | -                   | -                   | -                   | -                   |

## 51. Disclosure as per Ind AS 116 - "Leases"

### a) As a Lessor - Finance Leases:

The group has classified and accounted for the arrangements for state sector ULDC assets and bilateral assets as finance leases. Agreements for State Sector ULDC are for a period of 15 years and Bilateral Line Assets with the beneficiary are for the period as specified in CERC Regulations.

Other Non-Current Financial Assets and Other Current Financial Assets include lease receivables representing the present value of future lease rentals receivable on the finance lease transactions entered into by the group with the constituents in respect of State Sector ULDC and Bilateral Line Assets. Disclosure requirements of Ind AS 116 'Leases' notified under the Companies Act, 2013 are given as under:

- (i) Details of gross investment in lease, un-earned finance income and present value of minimum lease payments receivables at the end of financial year are given as under:

(₹ in crore)

| Particulars                                  | As at 31 March 2024 | As at 31 March 2023 |
|--|---------------------|---------------------|
| Gross investment in Lease                    | 13,370.93           | 7,038.53            |
| Un-earned Finance Income                     | 9,034.60            | 4,559.60            |
| Present value of Minimum Lease Payment (MLP) | 4,336.33            | 2,478.93            |

## 51. Disclosure as per Ind AS 116 - "Leases" (Contd.)

- (ii) The value of contractual maturity of such leases is as under:

(₹ in crore)

| Particulars  | Gross Investment in Lease |                     | Present Value of MLPs |                     |
|--|---------------------------|---------------------|-----------------------|---------------------|
|  | As at 31 March 2024       | As at 31 March 2023 | As at 31 March 2024   | As at 31 March 2023 |
| Not later than one year                              | 618.71                    | 399.91              | 150.08                | 118.47              |
| Later than one year and not later than two years     | 616.89                    | 399.92              | 156.05                | 121.94              |
| Later than two years and not later than three years  | 614.90                    | 397.44              | 164.01                | 120.81              |
| Later than three years and not later than four years | 613.03                    | 388.42              | 173.89                | 122.10              |
| Later than four years and not later than five years  | 611.69                    | 376.65              | 182.85                | 120.59              |
| Later than five years                                | 10,295.71                 | 5,076.19            | 3,509.45              | 1,875.02            |
| <b>Total</b>   | <b>13,370.93</b>          | <b>7,038.53</b>     | <b>4,336.33</b>       | <b>2,478.93</b>     |

- (iii) There are differences in balance lease receivable as at year end as per accounts and tariff records on account of Undischarged liabilities, Unamortised FERV on loans and credit period allowed to customers amounting to ₹234.69 crore (Previous Year ₹167.31 crore). Undischarged liabilities become part of project cost only on discharge of such liabilities & FERV are allowed to be recovered as part of tariff on actual payment basis.

### b) As a Lessee:

The group has taken assets on lease such as dark fibre, colocation & repeater shelter spaces and office buildings etc. for various periods which are assessed and accounted as per the requirements of Ind AS 116 - "Leases" and required disclosures as per the said Ind AS are as follows:

#### (i) ROU Assets:

Additions, termination/disposal and depreciation charge on right of use assets for the year and carrying amount of the same as at the end of the financial year by class of underlying asset has been disclosed in note no. 4 as a separate line item.

#### (ii) Lease Liabilities:

Interest expense on lease liabilities for the year is shown under note no. 38 and total cash outflow for leases for the year has been disclosed in statement of cash flow under financing activities as separate line item and maturity analysis of lease liabilities has been disclosed in note no. 63.

#### (iii) Short term leases:

The group, during the financial year, has incurred ₹31.84 crore (Previous Year ₹31.53 crore) with respect to short term leases.

The group was committed to short term leases and the total commitment of such leases at the end of financial year was ₹8.51 crore (Previous Year ₹4.45 crore).

## 52. Disclosures relating to Regulatory Deferral Account Balances

### i) Nature of rate regulated activities

The group is mainly engaged in the business of transmission of power. The tariff for transmission of power is determined by the CERC through tariff regulations. The tariff is based on capital cost admitted by CERC and provides for transmission charges recovery of annual fixed cost consisting of Return on equity, Interest on loan capital, Depreciation, interest on working capital and Operation & Maintenance expenses.

## 52. Disclosures relating to Regulatory Deferral Account Balances (Contd.)

### ii) Recognition and measurement

FERV arising during the construction period for settlement/translation of monetary items (other than non-current loans) denominated in foreign currency to the extent recoverable/payable to the beneficiaries as capital cost as per CERC Tariff Regulations are accounted as Regulatory Deferral Account Balances. In respect of long-term foreign currency loan drawn on or after 01.04.2016, exchange difference to the extent recoverable as per CERC Tariff Regulations are recognised as Regulatory Deferral Account Balances. The group expects to recover these amounts through depreciation component of the tariff over the life of the asset or as exchange rate variation on repayment of the loan.

The tariff norms for the block period 2019-2024 notified by the Central Electricity Regulatory Commission (CERC) provide for grossing up of the return on equity based on effective tax rate for the financial year based on the actual tax paid during the year on the transmission income. Accordingly, deferred tax provided during the year ended 31 March 2024 on the transmission income is accounted as 'Deferred Assets against Deferred Tax Liability'. Deferred Assets against Deferred Tax Liability for the year will be reversed in future years (including tax holiday period) when the related deferred tax liability forms a part of current tax.

During the previous year, CERC vide order dated 26 December 2022 has disallowed the claim amounting to ₹134.16 crore on account of pay revision (2017) which was accounted as Regulatory Deferral Account Balances. Accordingly, the company has reversed the amount shown as recoverable from the beneficiaries in the previous year under the head Net Movement in Regulatory Deferral Account Balances-Income/(Expenses)(Net of Tax). An appeal against order dated 26 December 2022 has been filed before Hon'ble Appellate Tribunal for Electricity bearing Appeal No. 236 of 2023. The Appeal has been listed before APTEL on 29 August 2023 and APTEL has included the same in the List of Short Matters. Date of hearing is yet to be notified.

The cumulative amount of ₹9.57 crore (cumulative previous year amount of ₹4.10 crore) is recoverable on account of other expenses which are not capitalised but allowed as capital cost as per CERC Tariff Regulations and was accounted as Regulatory Deferral Account Balances. Amount of regulatory deferral account balances is on undiscounted basis.

### iii) Risk associated with future recovery/ reversal of regulatory deferral account balances

- regulatory risk on account of changes in regulations.
- other risks including currency or other market risks, if any.

Any change in the Tariff regulations beyond the current tariff period ending on 31 March 2024 may have an impact on the recovery of Regulatory Deferral Account Balances.

The Regulatory Deferral Account Balances (assets) recognised in the books to be recovered from the beneficiaries in future periods are as follows:

(₹ in crore)

| Particulars   | For the year ended 31 March 2024 | For the year ended 31 March 2023 |
|---|----------------------------------|----------------------------------|
| <b>A. Opening Balance</b>   | <b>10,234.44</b>                 | <b>9,933.24</b>                  |
| B. Addition/(deduction) during the year   | (872.26)                         | 418.17                           |
| C. Amount collected/(refunded) during the year                                      | (179.90)                         | 116.97                           |
| D. Regulated Income/(Expense) recognised in the statement of Profit and Loss (B-C)  | (692.36)                         | 301.20                           |
| <b>E. Closing Balance (A+D)</b>   | <b>9,542.08</b>                  | <b>10,234.44</b>                 |
| F. Tax on Regulated Income/(Expense) recognised in the statement of Profit and Loss | (120.97)                         | 52.63                            |

## 53. Disclosure as required by Regulation 34 (3) of SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015

### A. Loans and Advances in nature of Loans:

#### 1. To Joint Ventures

(₹ in crore)

| Name of the Company                                 | Outstanding balance |                     | Maximum amount outstanding       |                                  |
|---|---------------------|---------------------|----------------------------------|----------------------------------|
|   | As at 31 March 2024 | As at 31 March 2023 | For the year ended 31 March 2024 | For the year ended 31 March 2023 |
| <b>Joint Ventures</b>                               |                     |                     |                                  |                                  |
| National High Power Test Laboratory Private Limited | 94.71               | 18.40               | 94.71                            | 18.40                            |
| <b>Total</b>  | <b>94.71</b>        | <b>18.40</b>        | <b>94.71</b>                     | <b>18.40</b>                     |

- To firms/companies in which directors are interested: NIL

### B. Investment by the loanee (as detailed above) in the shares of Power Grid Corporation of India Ltd: NIL

## 54. Corporate Social Responsibility (CSR) Expenses

As per Section 135 of the Companies Act, 2013 along with Companies (Corporate Social Responsibility Policy) Rules, 2014 read with DPE guidelines no F.No.15 (13)/2013-DPE (GM), the group is required to spend, in every financial year, at least two per cent of the average net profits of the group made during the three immediately preceding financial years in accordance with its CSR Policy. Accordingly, the Group has spent ₹324.22crore (Previous Year ₹327.09crore) on CSR activities.



**55. Additional Information as required under Schedule III of the Companies Act, 2013**

(₹ in crore)

| Particulars   | Net Assets i.e. assets minus total liabilities |           | Share in profit or loss          |           | Share in Other Comprehensive Income |           | Share in Total Comprehensive Income |          |         |          |        |           |        |           |
|---|--|-----------|----------------------------------|-----------|-------------------------------------|-----------|-------------------------------------|----------|---------|----------|--------|-----------|--------|-----------|
|   | As at 31 March 2024                            |           | For the year ended 31 March 2024 |           | For the year ended 31 March 2024    |           | For the year ended 31 March 2024    |          |         |          |        |           |        |           |
|   | As % of consol. net assets                     | Amount    | As % of con-sol. profit or loss  | Amount    | As % of consol. OCI                 | Amount    | As % of consol. Total Comp. Income  |          |         |          |        |           |        |           |
| <b>Parent</b>   |  |           |                                  |           |                                     |           |                                     |          |         |          |        |           |        |           |
| Power Grid Corporation of India Limited                       | 90.90%   | 79,214.21 | 93.59%                           | 14,574.73 | 95.10%                              | 14,665.57 | 99.27%                              | (232.89) | 102.11% | (106.70) | 93.50% | 14,341.84 | 95.05% | 14,566.87 |
| <b>Subsidiaries</b>   |  |           |                                  |           |                                     |           |                                     |          |         |          |        |           |        |           |
| <b>Indian</b>   |  |           |                                  |           |                                     |           |                                     |          |         |          |        |           |        |           |
| Powergrid Vemagiri Transmission Limited                       | -0.02%   | (19.43)   | 0.00%                            | -         | 0.00%                               | (0.02)    | 0.00%                               | -        | 0.00%   | -        | 0.00%  | -         | 0.00%  | (0.02)    |
| Powergrid NM Transmission Limited                             | 0.57%  | 497.15    | 0.35%                            | 54.63     | 1.44%                               | 222.39    | 0.00%                               | -        | 0.00%   | -        | 0.36%  | 54.63     | 1.45%  | 222.39    |
| Powergrid Unchahar Transmission Limited                       | 0.03%  | 28.64     | 0.09%                            | 14.39     | 0.10%                               | 14.83     | 0.00%                               | -        | 0.00%   | -        | 0.09%  | 14.39     | 0.10%  | 14.83     |
| Powergrid Southern Interconnector Transmission System Limited | 0.84%  | 730.59    | 0.83%                            | 128.93    | 0.84%                               | 129.91    | 0.00%                               | -        | 0.00%   | -        | 0.84%  | 128.93    | 0.85%  | 129.91    |
| Powergrid Medinipur Jeerat Transmission Limited               | 0.77%  | 672.43    | 1.37%                            | 213.00    | 1.45%                               | 223.65    | 0.00%                               | -        | 0.00%   | -        | 1.39%  | 213.00    | 1.46%  | 223.65    |
| Powergrid Mithilanchal Transmission Limited                   | 0.28%  | 239.15    | 0.26%                            | 39.86     | 0.27%                               | 41.11     | 0.00%                               | -        | 0.00%   | -        | 0.26%  | 39.86     | 0.27%  | 41.11     |
| Powergrid Varanasi Transmission System Limited                | 0.22%  | 191.33    | 0.24%                            | 195.84    | 0.17%                               | 29.15     | 0.00%                               | -        | 0.00%   | -        | 0.17%  | 26.25     | 0.19%  | 29.15     |
| Powergrid Jawaharpur Firozabad Transmission Limited           | 0.12%  | 99.94     | 0.17%                            | 26.68     | 0.12%                               | 18.97     | 0.00%                               | -        | 0.00%   | -        | 0.17%  | 26.68     | 0.12%  | 18.97     |
| Powergrid Khetri Transmission System Limited                  | 0.26%  | 213.47    | 0.31%                            | 48.41     | 0.17%                               | 26.84     | 0.00%                               | -        | 0.00%   | -        | 0.32%  | 48.41     | 0.18%  | 26.84     |
| Powergrid Bhuj Transmission Limited                           | 0.27%  | 235.92    | 0.12%                            | 18.57     | 0.01%                               | 2.31      | 0.00%                               | -        | 0.00%   | -        | 0.12%  | 18.57     | 0.02%  | 2.31      |
| Powergrid Bhind Guna Transmission Limited                     | 0.13%  | 114.08    | 0.15%                            | 23.22     | 0.06%                               | 9.18      | 0.00%                               | -        | 0.00%   | -        | 0.15%  | 23.22     | 0.06%  | 9.18      |
| Powergrid Ajmer Phagi Transmission Limited                    | 0.14%  | 124.03    | 0.13%                            | 20.69     | 0.07%                               | 10.25     | 0.00%                               | -        | 0.00%   | -        | 0.13%  | 20.69     | 0.07%  | 10.25     |

**55. Additional Information as required under Schedule III of the Companies Act, 2013 (Contd.)**

(₹ in crore)

| Particulars                                      | Net Assets i.e. assets minus total liabilities |        | Share in profit or loss          |        | Share in Other Comprehensive Income |        | Share in Total Comprehensive Income |        |         |      |         |        |         |        |
|--|--|--------|----------------------------------|--------|-------------------------------------|--------|-------------------------------------|--------|---------|------|---------|--------|---------|--------|
|  | As at 31 March 2024                            |        | For the year ended 31 March 2024 |        | For the year ended 31 March 2024    |        | For the year ended 31 March 2024    |        |         |      |         |        |         |        |
|  | As % of consol. net assets                     | Amount | As % of con-sol. profit or loss  | Amount | As % of consol. OCI                 | Amount | As % of consol. Total Comp. Income  |        |         |      |         |        |         |        |
| Powergrid Fatehgarh Transmission Limited         | 0.17%  | 147.05 | 0.16%                            | 24.62  | 0.08%                               | 12.87  | 0.00%                               | -      | 0.00%   | -    | 0.16%   | 24.62  | 0.08%   | 12.87  |
| Powergrid Rampur Sambhal Transmission Limited    | 0.22%  | 189.65 | 0.21%                            | 32.50  | 0.04%                               | 6.79   | 0.00%                               | -      | 0.00%   | -    | 0.21%   | 32.50  | 0.04%   | 6.79   |
| Powergrid Meerut Simbhavali Transmission Limited | 0.27%  | 234.21 | 0.18%                            | 28.41  | 0.00%                               | (0.17) | 0.00%                               | -      | 0.00%   | -    | 0.19%   | 28.41  | 0.00%   | (0.17) |
| Central Transmission Utility of India Limited    | 0.06%  | 54.92  | 0.44%                            | 68.78  | 0.33%                               | 51.11  | 0.01%                               | (0.02) | 0.00%   | -    | 0.45%   | 68.76  | 0.33%   | 51.11  |
| Powergrid Ramgarh Transmission Limited           | 0.04%  | 34.33  | 0.02%                            | 2.85   | 0.00%                               | (0.01) | 0.00%                               | -      | 0.00%   | -    | 0.02%   | 2.85   | 0.00%   | (0.01) |
| Powergrid Himachal Transmission Limited          | 0.46%  | 402.22 | 0.34%                            | 53.20  | 0.32%                               | 49.69  | 0.00%                               | 0.01   | (0.01%) | 0.01 | 0.35%   | 53.21  | 0.32%   | 49.70  |
| Powergrid Bikaner Transmission System Limited    | 0.17%  | 151.18 | 0.14%                            | 22.02  | 0.00%                               | (0.30) | 0.00%                               | -      | 0.00%   | -    | 0.14%   | 22.02  | 0.00%   | (0.30) |
| Powergrid Sikar Transmission Limited             | 0.16%  | 141.02 | 0.00%                            | (0.38) | 0.00%                               | (0.13) | 0.00%                               | -      | 0.00%   | -    | 0.00%   | (0.38) | 0.00%   | (0.13) |
| Powergrid Bhaadla Transmission Limited           | 0.08%  | 72.28  | 0.00%                            | (0.28) | 0.00%                               | (0.09) | 0.00%                               | -      | 0.00%   | -    | 0.00%   | (0.28) | 0.00%   | (0.09) |
| Powergrid Aligarh Sikar Transmission Limited     | 0.11%  | 99.89  | 0.00%                            | (0.05) | 0.00%                               | (0.73) | 0.00%                               | -      | 0.00%   | -    | 0.00%   | (0.05) | 0.00%   | (0.73) |
| Powergrid Teleservices Limited                   | 0.87%  | 759.22 | 1.01%                            | 157.33 | 0.00%                               | (0.06) | 0.00%                               | -      | 0.00%   | -    | 1.03%   | 157.33 | 0.00%   | (0.06) |
| Powergrid Energy Services Limited                | 0.11%  | 96.50  | 0.05%                            | 8.08   | (0.06%)                             | (9.27) | 0.00%                               | -      | 0.00%   | -    | 0.05%   | 8.08   | (0.06%) | (9.27) |
| Powergrid Narela Transmission Limited            | 0.11%  | 98.84  | -0.01%                           | (0.78) | 0.00%                               | (0.38) | 0.00%                               | -      | 0.00%   | -    | (0.01%) | (0.78) | 0.00%   | (0.38) |
| Powergrid Gomti Yamuna Transmission Limited      | 0.12%  | 105.90 | 0.07%                            | 10.68  | 0.00%                               | (0.77) | 0.00%                               | -      | 0.00%   | -    | 0.07%   | 10.68  | (0.01%) | (0.77) |
| Powergrid Neemuch Transmission System Limited    | 0.14%  | 124.31 | -0.01%                           | (1.28) | 0.00%                               | (0.22) | 0.00%                               | -      | 0.00%   | -    | (0.01%) | (1.28) | 0.00%   | (0.22) |
| Powergrid ER NER Transmission Limited            | 0.01%  | 9.35   | 0.00%                            | (0.27) | 0.00%                               | (0.12) | 0.00%                               | -      | 0.00%   | -    | 0.00%   | (0.27) | 0.00%   | (0.12) |





**56. Fair Value Measurement**

(₹ in crore)

| Financial Instruments by category                           | As at 31 March 2024 |                    | As at 31 March 2023 |                    |
|---|---------------------|--------------------|---------------------|--------------------|
|   | FVOCI               | Amortised cost     | FVOCI               | Amortised cost     |
| <b>Financial Assets</b>                                     |                     |                    |                     |                    |
| <b>Investments</b>  |                     |                    |                     |                    |
| <b>Equity Instruments</b>                                   |                     |                    |                     |                    |
| -PTC India Limited (12000006 shares of ₹ 10 each)           | 223.14              |                    | 102.06              |                    |
| POWERGRID Infrastructure Investment Trust (136500100 units) | 1,292.79            |                    | 1,672.40            |                    |
| Trade Receivables   |                     | 11,834.11          |                     | 15,617.14          |
| Loans   |                     | 703.51             |                     | 553.47             |
| Cash & cash Equivalents                                     |                     | 3,463.95           |                     | 5,192.17           |
| Bank Balance  |                     | 4,196.18           |                     | 2,232.31           |
| <b>Other Financial Assets</b>                               |                     |                    |                     |                    |
| Current   |                     | 5,042.49           |                     | 1,710.09           |
| Non-Current   |                     | 7,667.07           |                     | 5,913.55           |
| <b>Total Financial assets</b>                               | <b>1,515.93</b>     | <b>32,907.31</b>   | <b>1,774.46</b>     | <b>31,218.73</b>   |
| <b>Financial Liabilities</b>                                |                     |                    |                     |                    |
| Borrowings  |                     | 1,26,355.50        |                     | 1,31,474.10        |
| Trade Payables  |                     | 371.36             |                     | 327.79             |
| <b>Other Financial Liabilities</b>                          |                     |                    |                     |                    |
| Current   |                     | 8,704.35           |                     | 7,755.09           |
| Non-Current   |                     | 3,566.73           |                     | 3,564.67           |
| <b>Total financial liabilities</b>                          | <b>-</b>            | <b>1,38,997.94</b> | <b>-</b>            | <b>1,43,121.65</b> |

Investment in mutual funds of ₹608.26 crore (previous year ₹0.00 crore) is measured at FVPL & considered as Level 1 instrument.

This section explains the judgements and estimates made in determining the fair values of the financial instruments that are measured at fair value and financial instruments that are measured at amortised cost and for which fair values are disclosed in the financial statements. To provide an indication about the reliability of the inputs used in determining fair value, the group 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 Fair value:

(₹ in crore)

| Particulars   | Level 1         | Level 2  | Level 3  | Total           |
|---|-----------------|----------|----------|-----------------|
| <b>As at 31 March 2024</b>                                  |                 |          |          |                 |
| <b>Financial Assets</b>                                     |                 |          |          |                 |
| <b>Investments</b>  |                 |          |          |                 |
| <b>Equity Instruments</b>                                   |                 |          |          |                 |
| -PTC India Limited (12000006 shares of ₹ 10 each)           | 223.14          | -        | -        | 223.14          |
| POWERGRID Infrastructure Investment Trust (136500100 units) | 1,292.79        | -        | -        | 1,292.79        |
| <b>Total Financial Assets</b>                               | <b>1,515.93</b> | <b>-</b> | <b>-</b> | <b>1,515.93</b> |

(₹ in crore)

| Particulars                                       | Level 1 | Level 2 | Level 3 | Total  |
|---|---------|---------|---------|--------|
| <b>As at 31 March 2023</b>                        |         |         |         |        |
| <b>Financial Assets</b>                           |         |         |         |        |
| <b>Investments</b>                                |         |         |         |        |
| <b>Equity Instruments</b>                         |         |         |         |        |
| -PTC India Limited (12000006 shares of ₹ 10 each) | 102.06  | -       | -       | 102.06 |

**56. Fair Value Measurement (Contd.)**

(₹ in crore)

| Particulars   | Level 1         | Level 2  | Level 3  | Total           |
|---|-----------------|----------|----------|-----------------|
| POWERGRID Infrastructure Investment Trust (136500100 units) | 1,672.40        | -        | -        | 1,672.40        |
| <b>Total Financial Assets</b>                               | <b>1,774.46</b> | <b>-</b> | <b>-</b> | <b>1,774.46</b> |

These investments in equity instruments are not held for trading. Instead, they are held for medium or long-term strategic purpose. Upon the application of Ind AS 109, the Company has chosen to designate these investments in equity instruments as at FVTOCI as the company believe that this provides a more meaningful presentation for medium or long-term strategic investments, than reflecting changes in fair value immediately in profit or loss.

Financial instruments that are measured at Amortised Cost:

(₹ in crore)

| Particulars  | Level | As at 31 March 2024 |                    | As at 31 March 2023 |                    |
|--|-------|---------------------|--------------------|---------------------|--------------------|
|  |       | Carrying Amount     | Fair value         | Carrying Amount     | Fair value         |
| <b>Financial Assets</b>                              |       |                     |                    |                     |                    |
| <b>Loans</b>   |       |                     |                    |                     |                    |
| Loans to Joint Venture                               | 2     | 98.65               | 77.97              | -                   | -                  |
| Loans to employees                                   | 2     | 604.86              | 515.77             | 553.47              | 467.33             |
| Non-current Trade receivables                        | 2     | 294.48              | 251.92             | 733.18              | 640.72             |
| <b>Total Financial Assets</b>                        |       | <b>997.99</b>       | <b>845.66</b>      | <b>1,286.65</b>     | <b>1,108.05</b>    |
| <b>Financial Liabilities</b>                         |       |                     |                    |                     |                    |
| Borrowings   | 2     | 1,26,355.50         | 1,26,800.31        | 1,31,474.10         | 1,32,099.75        |
| Deposits/retention money from contractors and others | 2     | 3,603.63            | 3,733.27           | 3,600.89            | 3,741.03           |
| <b>Total financial liabilities</b>                   |       | <b>1,29,959.13</b>  | <b>1,30,533.58</b> | <b>1,35,074.99</b>  | <b>1,35,840.78</b> |

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. The carrying values for finance lease receivables approximates the fair value as these are periodically evaluated based on credit worthiness of customer and allowance for estimated losses is recorded based on this evaluation.

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

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

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

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

There are no transfers between levels 1 and 2 during the year. The group'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:

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

All of the resulting fair value estimates are included in level 2 apart from equity instruments of PTC India Limited and units of POWERGRID Infrastructure Investment Trust which is included in Level 1 fair value hierarchy.

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

**57. Disclosure as per Ind AS 24 – “Related Party Disclosures”**
**(a) Joint Ventures**

| Name of entity   | Place of business/<br>country of<br>incorporation | Proportion of Ownership<br>Interest |                        |
|--|---|-------------------------------------|------------------------|
|  |   | As at 31 March<br>2024              | As at 31 March<br>2023 |
| Powerlinks Transmission Limited  | India   | 49%                                 | 49%                    |
| Torrent Power Grid Limited   | India   | 26%                                 | 26%                    |
| Parbati Koldam Transmission Company Limited  | India   | 26%                                 | 26%                    |
| Sikkim Power Transmission Limited (Erstwhile Teestavalley Power Transmission Limited) <sup>1</sup> | India   | 30.92%                              | 30.92%                 |
| North East Transmission Company Limited  | India   | 26%                                 | 26%                    |
| National High Power Test Laboratory Private Limited <sup>2</sup>                                   | India   | 21.63%                              | 20%                    |
| Bihar Grid Company Limited   | India   | 50%                                 | 50%                    |
| Energy Efficiency Services Limited #   | India   | 39.25%                              | 33.33%                 |
| Cross Border Power Transmission Company Limited <sup>3</sup>                                       | India   | 26%                                 | 26%                    |
| RINL Powergrid TLT Private Limited <sup>4</sup>  | India   | 50%                                 | 50%                    |
| Butwal-Gorakhpur Cross Border Power Transmission Limited   | India   | 50%                                 | 50%                    |
| Power Transmission Company Nepal Limited <sup>5</sup>  | Nepal   | 26%                                 | 26%                    |

<sup>1</sup> POWERGRID & Sikkim Urja Ltd are the Joint venture partners in Sikkim Power Transmission Limited & holds 26% & 74% equity, respectively as per Shareholding agreement. On call of additional equity by Sikkim Power Transmission limited, POWERGRID contributed their share while the other JV partner has not yet contributed their share of money. Consequently, the holding of POWERGRID increased to 30.92% against 26% provided in shareholding agreement.

<sup>2</sup> Vide Supplementary Joint venture agreement dated 23.04.2024 and as part of revival plan of JV Company, Loan given by all JV partners to JV company was converted to equity, additional loan of ₹94.71 crore was provided by the company, shareholding of the company will increase to 50% through additional equity contribution by the company and transfer of shares by other JV partners at notional consideration.

<sup>3</sup> The Board of Directors of the company have, in its meeting held on 01 May 2022, approved the proposal for purchase of 77,30,225 no. equity shares held by IL&FS Energy Development Company Limited in Cross Border Power Transmission Company Limited (Joint venture of the company). Presently, approvals from relevant authorities is awaited.

<sup>4</sup> POWERGRID's Board of Directors in its meeting held on 01.05.2018 accorded in principle approval to close RINL Powergrid TLT Private Limited (RPTPL) and seek consent of other JV Partner Rashtriya Ispat Nigam Limited (RINL). RINL's Board of Directors in its meeting held on 08.03.2019 has agreed in principle for winding up proceedings of RPTPL & to seek the approval from Ministry of Steel(MoS), Government of India, for closure of RPTPL. The approval for closure of RPTPL was received on 11.07.2022 from MoS. However, winding up process could not be initiated, as contractor for Site Enabling works has served notice on 17-12-2022 for invocation of Arbitration. Conciliator has been appointed & conciliation proceedings are under progress.

<sup>5</sup> The Board of Directors of the company have, in its meeting held on 16 December 2023, approved the proposal for purchase of 1,30,000 no. equity shares held by IL&FS Energy Development Co Ltd in PTCN (Joint venture of the company). Presently, the proposal is under review by NCLAT.

**# Subsidiaries of Joint Venture**

- EESL EnergyPro Assets Limited\*
- EESL Energy Solutions LLC\*
- Convergence Energy Services Limited

\*Incorporated outside India

**57. Disclosure as per Ind AS 24 – “Related Party Disclosures” (Contd.)**
**(b) Associates**

| Name of entity                                       | Place of business/<br>Country of<br>incorporation | Proportion of Ownership<br>Interest |                     |
|--|---|-------------------------------------|---------------------|
|  |   | As at 31 March 2024                 | As at 31 March 2023 |
| Powergrid Kala Amb Transmission Limited <sup>1</sup> | India   | 26%                                 | 26%                 |
| Powergrid Jabalpur Transmission Limited <sup>1</sup> | India   | 26%                                 | 26%                 |
| Powergrid Warora Transmission Limited <sup>1</sup>   | India   | 26%                                 | 26%                 |
| Powergrid Parli Transmission Limited <sup>1</sup>    | India   | 26%                                 | 26%                 |

<sup>1</sup> Associate from 13.05.2021 onwards and Refer note 19A “Assets classified as held for sale”

**(c) Key Managerial Personnel**
**Whole Time Directors**

| Name                   | Designation  |
|------------------------|--|
| Shri K. Sreekant       | Chairman & Managing Director (up to 31.12.2023) & Additional Charge of Director (Personnel) w.e.f. 01.06.2023 to 31.08.2023                              |
| Shri R. K. Tyagi       | Director (Operations) (up to 31.12.2023) & Chairman & Managing Director w.e.f. 01.01.2024 & Additional Charge of Director (Operations) w.e.f. 02.02.2024 |
| Shri Vinod Kumar Singh | Director (Personnel) till 31.05.2023   |
| Shri Abhay Choudhary   | Director (Projects)  |
| Shri G Ravisankar      | Director (Finance) & CFO   |
| Dr. Yatindra Dwivedi   | Director (Personnel) w.e.f. 31.08.2023   |

**Independent Directors**

| Name                           | Designation                          |
|--------------------------------|--------------------------------------|
| Shri Onkarappa K.N.            | Independent Director till 12.12.2023 |
| Shri Chetan Bansilal Kankariya | Independent Director                 |
| Shri Ram Naresh Tiwari         | Independent Director                 |

**Government Nominee Directors and other KMP**

| Name                    | Designation   |
|-------------------------|---|
| Shri Dilip Nigam        | Government Nominee Director till 17.04.2024               |
| Shri Mohammad Afzal     | Government Nominee Director from 11.10.2022 to 17.05.2023 |
| Shri Saibaba Darbamulla | Government Nominee Director w.e.f. 18.05.2023             |
| Shri Mrinal Shrivastava | Company Secretary till 30.04.2024                         |
| Shri Satyaprakash Dash  | Company Secretary from 01.05.2024                         |



**57. Disclosure as per Ind AS 24 – “Related Party Disclosures” (Contd.)**
**(d) List of Other Related Parties**

| Name of Entity   | Place of business/<br>country of<br>incorporation | Nature of Relationship                    |
|--|---|---|
| Powergrid Employees Provident Fund Trust   | India   | Post-employment benefit plan of Powergrid |
| Powergrid Employees Defined Contribution Superannuation Benefit (Pension) Scheme Trust | India   | Post-employment benefit plan of Powergrid |
| Powergrid Employees Gratuity Fund Trust  | India   | Post-employment benefit plan of Powergrid |
| Powergrid Employees Post-Retirement Medical Benefit Trust                              | India   | Post Retirement Benefit plan of Powergrid |
| Powergrid Infrastructure Investment Trust  | India   | Sponsor                                   |

**(e) Government Related Entities**

The company is controlled by the Government of India (GOI), being a Central Public Sector Enterprise (CPSE) under the Ministry of Power, with GOI holding 51.34% (Previous Year 51.34%) of equity shares capital issued and paid up.

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.

**(f) Outstanding balances with related parties:**

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

(₹ in crore)

| Particulars   | As at 31 March 2024 | As at 31 March 2023 |
|---|---------------------|---------------------|
| <b>Amounts Receivable</b>                           |                     |                     |
| <b>Loans to Joint Ventures</b>                      |                     |                     |
| National High Power Test Laboratory Private Limited | 94.71               | 18.40               |
| <b>Total</b>  | <b>94.71</b>        | <b>18.40</b>        |
| <b>Interest Accrued on loan to Joint Ventures</b>   |                     |                     |
| National High Power Test Laboratory Private Limited | 4.10                | 3.34                |
| <b>Total</b>  | <b>4.10</b>         | <b>3.34</b>         |
| <b>Loans to Key Managerial Personnel</b>            | <b>0.03</b>         | <b>0.09</b>         |
| <b>Other receivables</b>                            |                     |                     |
| <b>Joint Ventures:</b>                              |                     |                     |
| Powerlinks Transmission Limited                     | 0.10                | 0.11                |
| Torrent Power Grid Limited                          | 0.76                | 0.25                |
| Parbati Koldam Transmission Company Limited         | 0.38                | 0.39                |

**57. Disclosure as per Ind AS 24 – “Related Party Disclosures” (Contd.)**

(₹ in crore)

| Particulars  | As at 31 March 2024 | As at 31 March 2023 |
|--|---------------------|---------------------|
| Sikkim Power Transmission Limited  | 2.80                | 2.86                |
| North East Transmission Company Limited  | 0.33                | 0.32                |
| National High Power Test Laboratory Private Limited                                    | 0.79                | 0.01                |
| Bihar Grid Company Limited   | 0.24                | 0.15                |
| Energy Efficiency Services Limited   | 4.06                | 2.82                |
| Cross Border Power Transmission Company Limited  | 1.13                | 1.08                |
| Butwal-Gorakhpur Cross Border Power Transmission Limited                               | 2.75                | 0.01                |
| <b>Total</b>   | <b>13.34</b>        | <b>8.00</b>         |
| <b>Associates:</b>   |                     |                     |
| Powergrid Kala Amb Transmission Limited  | 0.44                | 0.16                |
| Powergrid Jabalpur Transmission Limited  | 0.09                | 0.09                |
| Powergrid Warora Transmission Limited  | 0.28                | 0.33                |
| Powergrid Parli Transmission Limited   | 0.29                | 0.30                |
| <b>Total</b>   | <b>1.10</b>         | <b>0.88</b>         |
| <b>Other receivables</b>   | <b>14.44</b>        | <b>8.88</b>         |
| <b>Advances /Amounts Payable</b>   |                     |                     |
| <b>Joint Ventures</b>  |                     |                     |
| Powerlinks Transmission Limited  | 0.04                | 0.05                |
| Sikkim Power Transmission Limited  | 6.95                | 55.37               |
| North East Transmission Company Limited  | 5.11                | 7.18                |
| National High Power Test Laboratory Private Limited                                    | 17.95               | 33.01               |
| Energy Efficiency Services Limited   | 2.99                | 2.34                |
| Cross Border Power Transmission Company Limited  | -                   | 11.26               |
| <b>Associates</b>  |                     |                     |
| Powergrid Parli Transmission Limited   | 0.15                | -                   |
| <b>Subsidiary of Joint Ventures:</b>   |                     |                     |
| Convergence Energy Services Limited  | 1.73                | 1.15                |
| <b>Total payables to related parties</b>   | <b>34.92</b>        | <b>110.36</b>       |
| <b>Other Related Parties</b>   |                     |                     |
| <b>Payables/(Receivables) with Employees Benefit Trust</b>                             |                     |                     |
| Powergrid Employees Provident Fund Trust   | 26.42               | 27.26               |
| Powergrid Employees Defined Contribution Superannuation Benefit (Pension) Scheme Trust | 0.42                | 0.57                |
| Powergrid Employees Gratuity Fund Trust  | 2.74                | (12.02)             |
| Powergrid Employees Post-Retirement Medical Benefit Trust                              | 9.26                | 12.03               |
| <b>Total</b>   | <b>38.84</b>        | <b>27.84</b>        |

**57. Disclosure as per Ind AS 24 – “Related Party Disclosures” (Contd.)**
**(g) Transactions with related parties**

The following transactions occurred with related parties:

(₹ in crore)

| Particulars  | For the year ended<br>31 March 2024 | For the year ended<br>31 March 2023 |
|--|-------------------------------------|-------------------------------------|
| <b>Services provided by the Company</b>                  |                                     |                                     |
| <b>Consultancy Income</b>                                |                                     |                                     |
| <u>Joint Ventures:</u>                                   |                                     |                                     |
| Torrent Power Grid Limited                               | 0.74                                | 0.71                                |
| Sikkim Power Transmission Limited                        | 0.52                                | 1.10                                |
| North East Transmission Company Limited                  | 0.03                                | 0.73                                |
| National High Power Test Laboratory Private Limited      | 0.91                                | -                                   |
| Bihar Grid Company Limited                               | 1.13                                | 1.06                                |
| Cross Border Power Transmission Company Limited          | 1.58                                | 1.55                                |
| Butwal-Gorakhpur Cross Border Power Transmission Limited | 1.97                                | -                                   |
| <b>Total</b>   | <b>6.88</b>                         | <b>5.15</b>                         |
| <u>Associates:</u>                                       |                                     |                                     |
| Powergrid Kala Amb Transmission Limited                  | 6.19                                | 4.58                                |
| Powergrid Jabalpur Transmission Limited                  | 3.11                                | 3.01                                |
| Powergrid Warora Transmission Limited                    | 9.28                                | 9.14                                |
| Powergrid Parli Transmission Limited                     | 9.28                                | 8.99                                |
| <b>Total</b>   | <b>27.86</b>                        | <b>25.72</b>                        |
| <b>Consultancy Income</b>                                | <b>34.74</b>                        | <b>30.87</b>                        |
| <b>Interest Income</b>                                   |                                     |                                     |
| <u>Joint Ventures:</u>                                   |                                     |                                     |
| National High Power Test Laboratory Private Limited      | 3.73                                | 0.07                                |
| <b>Total</b>   | <b>3.73</b>                         | <b>0.07</b>                         |
| <u>Other Related Parties:</u>                            |                                     |                                     |
| POWERGRID Infrastructure Investment Trust                | 107.97                              | 107.70                              |
| <b>Total</b>   | <b>107.97</b>                       | <b>107.70</b>                       |
| <b>Interest Income</b>                                   | <b>111.70</b>                       | <b>107.77</b>                       |
| <b>Dividend received</b>                                 |                                     |                                     |
| <u>Associates:</u>                                       |                                     |                                     |
| Powergrid Kala Amb Transmission Limited                  | 5.27                                | 6.66                                |
| Powergrid Jabalpur Transmission Limited                  | 6.90                                | 11.21                               |
| Powergrid Warora Transmission Limited                    | 12.99                               | 21.27                               |
| Powergrid Parli Transmission Limited                     | 15.07                               | 19.68                               |
| <b>Total</b>   | <b>40.23</b>                        | <b>58.82</b>                        |
| <u>Other Related Parties:</u>                            |                                     |                                     |
| POWERGRID Infrastructure Investment Trust                | 29.21                               | 46.14                               |
| <b>Total</b>   | <b>29.21</b>                        | <b>46.14</b>                        |
| <b>Dividend received</b>                                 | <b>69.44</b>                        | <b>104.96</b>                       |

**57. Disclosure as per Ind AS 24 – “Related Party Disclosures” (Contd.)**

(₹ in crore)

| Particulars   | For the year ended<br>31 March 2024 | For the year ended<br>31 March 2023 |
|---|-------------------------------------|-------------------------------------|
| <b>Other income</b>   |                                     |                                     |
| <u>Joint Ventures</u>   |                                     |                                     |
| Powerlinks Transmission Limited   | 0.31                                | 0.16                                |
| National High Power Test Laboratory Private Limited                                 | 0.02                                | -                                   |
| Bihar Grid Company Limited  | 0.24                                | 0.21                                |
| Energy Efficiency Services Limited  | 1.14                                | 1.35                                |
| Cross Border Power Transmission Company Limited                                     | 0.01                                | -                                   |
| <b>Other income</b>   | <b>1.72</b>                         | <b>1.72</b>                         |
| <b>Other expenses</b>   |                                     |                                     |
| <u>Joint Ventures</u>   |                                     |                                     |
| Energy Efficiency Services Limited  | 0.65                                | 0.93                                |
| <u>Associates:</u>  |                                     |                                     |
| Powergrid Parli Transmission Limited  | 0.15                                | -                                   |
| Subsidiary of Joint Ventures  |                                     |                                     |
| Convergence Energy Services Limited   | 7.40                                | 1.22                                |
| <b>Total</b>  | <b>8.20</b>                         | <b>2.15</b>                         |
| <b>Investments made during the year</b>   |                                     |                                     |
| <u>Joint Ventures:</u>  |                                     |                                     |
| National High Power Test Laboratory Private Limited (converted from loan to equity) | 18.40                               | -                                   |
| Bihar Grid Company Limited  | 3.26                                | 11.59                               |
| Energy Efficiency Services Limited  | 383.00                              | -                                   |
| Butwal-Gorakhpur Cross Border Power Transmission Limited                            | 9.97                                | 0.03                                |
| <b>Total</b>  | <b>414.63</b>                       | <b>11.62</b>                        |
| <b>Loans given during the year</b>  |                                     |                                     |
| <u>Joint Ventures</u>   |                                     |                                     |
| National High Power Test Laboratory Private Limited                                 | 94.71                               | -                                   |
| <b>Total</b>  | <b>94.71</b>                        | <b>-</b>                            |
| <b>Loans given to Key Managerial Personnel</b>                                      | <b>0.07</b>                         | <b>0.31</b>                         |
| <b>Loans repayment received during the year</b>                                     |                                     |                                     |
| <u>Joint Ventures:</u>  |                                     |                                     |
| National High Power Test Laboratory Private Limited (converted to equity)           | 18.40                               | -                                   |
| <b>Total</b>  | <b>18.40</b>                        | <b>-</b>                            |
| <b>Loan repaid by Key Managerial Personnel</b>                                      | <b>0.13</b>                         | <b>0.33</b>                         |
| <b>Reimbursement of Expenses</b>  |                                     |                                     |
| <u>Joint Ventures:</u>  |                                     |                                     |
| Energy Efficiency Services Limited  | 0.19                                | -                                   |
| Butwal-Gorakhpur Cross Border Power Transmission Limited                            | 0.44                                | 0.01                                |
| <b>Total</b>  | <b>0.63</b>                         | <b>0.01</b>                         |



**57. Disclosure as per Ind AS 24 – “Related Party Disclosures” (Contd.)**

(₹ in crore)

| Particulars  | For the year ended 31 March 2024 | For the year ended 31 March 2023 |
|--|----------------------------------|----------------------------------|
| <b>Associates</b>  |                                  |                                  |
| Powergrid Parli Transmission Limited   | -                                | 0.11                             |
| <b>Total</b>   | <b>-</b>                         | <b>0.11</b>                      |
| <b>Other Related Parties</b>   |                                  |                                  |
| <b>Contribution made during the year</b>   |                                  |                                  |
| Powergrid Employees Provident Fund Trust   | 125.44                           | 122.90                           |
| Powergrid Employees Defined Contribution Superannuation Benefit (Pension) Scheme Trust | 8.11                             | 91.25                            |
| Powergrid Employees Gratuity Fund Trust  | 24.41                            | (14.85)                          |
| Powergrid Employees Post-Retirement Medical Benefit Trust                              | 23.65                            | (8.25)                           |
| <b>Total</b>   | <b>181.61</b>                    | <b>191.05</b>                    |
| <b>Transaction with POWERGRID Infrastructure Investment Trust</b>                      |                                  |                                  |
| Distribution of debt component   | 26.62                            | 9.96                             |
| <b>Total</b>   | <b>26.62</b>                     | <b>9.96</b>                      |
| <b>Recovery for Deputation of Employees</b>  |                                  |                                  |
| <b>Joint Ventures:</b>   |                                  |                                  |
| Torrent Power Grid Limited   | 1.08                             | 0.04                             |
| Energy Efficiency Services Limited   | 3.17                             | 3.03                             |
| Sikkim Power Transmission Limited  | 0.32                             | 0.65                             |
| North East Transmission Company Limited  | 0.92                             | 0.99                             |
| Cross Border Power Transmission Company Limited  | 0.79                             | 0.99                             |
| Butwal-Gorakhpur Cross Border Power Transmission Limited                               | 0.37                             | -                                |
| <b>Total</b>   | <b>6.65</b>                      | <b>5.70</b>                      |

**Terms and Conditions**

The loans to key management personnel are on the same terms and conditions as applicable to all other employees. All other transactions were made on normal commercial terms and conditions and at market rates. All outstanding balances are unsecured and are repayable in cash.

Loans to JV Company are provided with interest rate of 7.50% repayable as per agreed terms & conditions.

**(h) Remuneration to Key Managerial Personnel**

(₹ in crore)

| Particulars                  | For the year ended 31 March 2024 | For the year ended 31 March 2023 |
|------------------------------|----------------------------------|----------------------------------|
| Short Term Employee Benefits | 4.66                             | 5.67                             |
| Post-Employment Benefits     | 0.50                             | 0.84                             |
| Long Term Employee Benefits  | 0.65                             | 0.49                             |
| <b>Total</b>                 | <b>5.81</b>                      | <b>7.00</b>                      |
| Sitting fee                  | 0.48                             | 0.44                             |

In addition to the above remuneration, the whole-time directors have been allowed to use the staff car (including for private journeys) on payment of ₹ 2000/- p.m. as contained in the Department of Public Enterprises (DPE) OM No. 2 (23)/11-DPE (WC)-GL-V/13 dated 21/01/2013.

**58. Operating Segments**
**a) Business Segment**

The Board of Directors is the Group's Chief Operating Decision Maker (CODM) who monitors the operating results of its business segments separately for the purpose of making decisions about resource allocation and performance assessment. Three reportable segments have been identified on the basis of services provided.

- **Transmission Services**— Group's principal business is transmission of bulk power across different states of India.
- **Telecom Services**—The Company utilises the spare Optical fibres available in the Optical Ground Wire (OPGW) laid on the transmission network for providing telecom services. It operates as a neutral carrier in the point to point bandwidth leasing business.
- **Consultancy Services**— provides Consultancy Services in the Transmission, Distribution and Telecom sectors, including Planning Design, Engineering, Load Dispatch, OPGW on intra state Transmission network, Procurement Management, Operation & Maintenance, Financing and Project Management.

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

c) Information about major customer: Revenue from any single customer is not equal to or exceeds 10% of the group's total revenue.

**d) Segment Revenue and Expenses**

Revenue directly attributable to the segments is considered as Segment Revenue. Expenses directly attributable to the segments and common expenses allocated on a reasonable basis are considered as segment expenses.

Revenue from external customer in India is ₹46,286.18 crore (Previous Year ₹46,093.85 crore) and outside India is ₹65.49 crore (Previous Year ₹57.28 crore).

**e) Segment Assets and Liabilities**

Segment assets include all operating assets comprising of Property, Plant and Equipment, current assets and loan and advances. Construction, Work-in-progress, construction stores and advances and investments are included in unallocated assets. Segment liabilities include operating liabilities and provisions.

(₹ in crore)

| Particulars   | For the year ended |                  |
|---|--------------------|------------------|
|   | 31 March 2024      | 31 March 2023    |
| <b>Segment Revenue (including allocable Other Income)</b> |                    |                  |
| - Transmission  | 44,902.27          | 44,965.81        |
| - Consultancy   | 718.00             | 536.62           |
| - Telecom   | 910.28             | 813.74           |
| <b>Total</b>  | <b>46,530.55</b>   | <b>46,316.17</b> |
| Less: Inter Segment Revenue - Consultancy                 | 100.64             | 90.14            |
| - Telecom   | 78.24              | 74.90            |
| Total Revenue including allocable Other Income            | 46,351.67          | 46,151.13        |
| Other unallocated income                                  | 561.45             | 454.51           |
| <b>Total income</b>                                       | <b>46,913.12</b>   | <b>46,605.64</b> |
| <b>Segment Results</b>                                    |                    |                  |
| <b>Profit before Interest and Tax</b>                     |                    |                  |
| - Transmission  | 26,168.39          | 26,618.13        |
| - Consultancy   | 125.96             | 84.26            |
| - Telecom   | 329.48             | 313.41           |
| <b>Total Profit before Interest and Tax</b>               | <b>26,623.83</b>   | <b>27,015.80</b> |

**58. Operating Segments (Contd.)**

(₹ in crore)

| Particulars  | For the year ended |                    |
|--|--------------------|--------------------|
|  | 31 March 2024      | 31 March 2023      |
| Add: Share of net profits of investments in Joint Ventures accounted for using Equity Method | (19.55)            | (82.12)            |
| Add: Other unallocated income  | 561.45             | 454.51             |
| Less : Unallocated interest and finance charges  | 8,772.75           | 9,633.94           |
| <b>Profit before Tax (including Regulatory Deferral Account Balances)</b>                    | <b>18,392.98</b>   | <b>17,754.25</b>   |
| Less: Tax expense  | 2,819.82           | 2,334.51           |
| <b>Profit for the period</b>   | <b>15,573.16</b>   | <b>15,419.74</b>   |
| <b>Segment Assets</b>  |                    |                    |
| - Transmission   | 2,20,672.49        | 2,27,422.09        |
| - Consultancy  | 1,698.09           | 1,633.71           |
| - Telecom  | 1,537.53           | 1,092.53           |
| Unallocated Assets   | 26,721.55          | 21,863.87          |
| Assets Classified as Held for Sale   | 260.86             | 260.86             |
| <b>Total Assets</b>  | <b>2,50,890.52</b> | <b>2,52,273.06</b> |
| <b>Segment Liabilities</b>   |                    |                    |
| - Transmission   | 13,971.09          | 15,733.66          |
| - Consultancy  | 2,875.70           | 2,728.17           |
| - Telecom  | 778.31             | 637.64             |
| Unallocated Liabilities  | 1,46,120.31        | 1,50,147.30        |
| <b>Total Liabilities</b>   | <b>1,63,745.41</b> | <b>1,69,246.77</b> |
| <b>Other information:</b>  |                    |                    |
| <b>Transmission</b>  |                    |                    |
| Depreciation and Amortisation  | 13,000.74          | 13,226.37          |
| Non-cash expenditure other than Depreciation   | 63.88              | 63.45              |
| Capital Expenditure  | 5,795.91           | 7,247.76           |
| <b>Consultancy</b>   |                    |                    |
| Depreciation and Amortisation  | 5.10               | 6.09               |
| Non-cash expenditure other than Depreciation   | 10.12              | 2.21               |
| Capital Expenditure  | 9.83               | 2.78               |
| <b>Telecom</b>   |                    |                    |
| Depreciation and Amortisation  | 89.43              | 100.92             |
| Non-cash expenditure other than Depreciation   | 17.39              | 0.06               |
| Capital Expenditure  | 77.80              | 130.67             |

**59. Capital and other Commitments**

(₹ in crore)

| Particulars  | As at         | As at         |
|--|---------------|---------------|
|  | 31 March 2024 | 31 March 2023 |
| Estimated amount of contracts remaining to be executed on capital account and not provided for (net of advances) | 36,173.04     | 18,323.86     |
| Group's commitment towards further investment/loan in joint venture entities                                     | 291.55        | 712.80        |
| Group's commitment towards further investment in other entities  | 81.43         | -             |

**60. Contingent Liabilities and contingent assets**
**A. Contingent Liabilities**

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

**i) Capital Works**

Some of the contractors for supply and installation of equipment and execution of works at our projects have lodged claims on the group seeking enhancement of the contract price, revision of work schedule with price escalation, compensation for the extended period of work, idle charges etc. These claims are being contested by the group as being not admissible in terms of the provisions of the respective contracts.

The group is pursuing various options under the dispute resolution mechanism available in the contract for settlement of these claims. In such cases, contingent liability of ₹3,077.90 crore (Previous Year ₹2,945.71 crore) has been estimated.

**ii) Land compensation cases**

In respect of land acquired for the projects, the land losers have claimed higher compensation before various authorities/courts which are yet to be settled. In such cases, contingent liability of ₹3,514.65 crore (Previous Year ₹2,856.86 crore) has been estimated.

**iii) Other claims**

In respect of claims made by various State/Central Government Departments/Authorities towards building permission fees, penalty on diversion of agriculture land to non-agriculture use, Nala tax, water royalty etc. and by others, contingent liability of ₹453.87 crore (Previous Year ₹6.71 crore) has been estimated.

**iv) Disputed Income Tax/Sales Tax/Excise/Municipal Tax Matters**

Disputed Income Tax/Sales Tax/Excise/Municipal Tax Matters amounting to ₹608.83 crore (Previous Year ₹461.85 crore) are being contested before various Appellate Authorities. Many of these matters have been disposed of in favour of the group but are disputed before higher authorities by the concerned departments. Against claims of ₹1.54 crore (Previous Year ₹210.34 crore), provision of ₹0.28 crore (Previous Year ₹174.64 crore) is made and balance of ₹1.26 crore (Previous Year ₹35.70 crore) towards penalty is shown as contingent liability as it is not a wilful default and in management opinion, same is not expected to be upheld by the court.

**v) Others**

- Other contingent liabilities amounts to ₹1,175.15 crore (Previous Year ₹972.94 crore) which includes claim of ₹659.82 crore (Previous Year ₹563.25 crore) related to Arbitration cases/ROW cases.
- Some of the beneficiaries have filed appeals against the tariff orders of the CERC. The amount of contingent liability in this regard is not ascertainable.
- Under the Transmission Service Agreement (TSA) with Powerlinks Transmission Ltd, the group has an obligation to purchase the JV Company (Powerlinks Transmission Ltd) at a buyout price determined in accordance with the TSA. Such an obligation may result in case JV Company (Powerlinks Transmission Ltd) serves a termination notice either on "POWERGRID event of default" or on "force majeure event" prescribed under TSA. No contingent liability on this account has been considered as the same is not ascertainable.

**B. Contingent Assets**

While determining the tariff for some of the Company's Transmission Systems, CERC has disallowed certain capital expenditure incurred by the Company. The Company aggrieved over such issues has filed appeals with the Appellate Tribunal for Electricity (APTEL)/Hon'ble Supreme Court against the tariff orders issued by the CERC. Based on past experience, the Company believes that a favourable outcome is probable. However, it is impracticable to estimate the financial effect of the same as its receipt is dependent on the outcome of the judgement.

The group has filed an appeal in APTEL on 16/12/2016 for the acquisition cost of Powergrid Vemagiri Transmission Limited amounting to ₹18.28 crore as well as additional expenditure incurred from the date of acquisition and



## 60. Contingent Liabilities and contingent assets (Contd.)

interest and carrying cost till the date of reimbursement. Extensive hearings were held by Hon'ble Tribunal and Hon'ble Tribunal vide order dated 12 February 2020 has directed all the parties to file written submissions. All the parties to dispute have filed written submissions to APTEL. The group believes that a favorable outcome is probable. Since there is no precedence of the judgements on such matters, it is impracticable to estimate the exact financial impact of the same.

## 61. Capital management

### a) Risk Management

The group's objectives when managing capital are to

- maximise 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 group's capital management, equity capital includes issued equity capital, securities premium Account and all other equity reserves attributable to the equity holders of the group. The group manages its capital structure and makes adjustments in light of changes in economic conditions, regulatory framework and requirements of financial covenants with lenders. To maintain or adjust the capital structure, the group may adjust the dividend payment to shareholders, regulate investments in new projects, return capital to shareholders or issue new shares. The group monitors capital using debt-equity ratio, which is the ratio of long term debt to total net worth. The policy is to keep the debt-equity ratio wherein the debt is less than 75% of total capital employed (i.e. debt to equity ratio less than 75:25). Total Borrowings include long term and short-term debt, current maturities of long term debt and borrowings against bill discounting.

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

| Particulars                   | As at 31 March 2024 | As at 31 March 2023 |
|-------------------------------|---------------------|---------------------|
| Total borrowings (₹ in crore) | 1,23,448.62         | 1,28,517.51         |
| Equity (₹ in crore)           | 87,145.11           | 83,026.29           |
| Debt - Equity ratio           | 1.42                | 1.55                |

Under the terms of the major borrowing facilities, the group is required to comply with the financial covenants. Breaches in meeting the financial covenants would permit the lenders to immediately call loans and borrowings. There have been no breaches in the financial covenants of any interest-bearing loans and borrowing in the current reporting period.

No changes were made in the objectives, policies or processes for managing capital during the years ended 31 March 2024 and 31 March 2023.

### b) Dividends

(₹ in crore)

| Particulars  | For the year ended 31 March 2024 | For the year ended 31 March 2023 |
|--|----------------------------------|----------------------------------|
| <b>Equity shares</b>   |                                  |                                  |
| Final dividend for the year ended 31 March 2023 of ₹3.5625 (31 March 2022 - ₹ 1.6875) per fully paid up share* | 3,313.34                         | 1,569.48                         |
| Interim dividend for the year ended 31 March 2024 of ₹8.50 (31 March 2023 - ₹ 7.50*) per fully paid up share   | 7,905.51                         | 6,975.45                         |

\*after considering bonus shares

#### Dividend not recognised at the end of the reporting period:

In addition to above dividend, the Board of Directors on 22 May 2024 recommended the payment of a final dividend of ₹2.75 per fully paid up equity share. This proposed dividend is subject to the approval of shareholders in the ensuing Annual general meeting.

## 62. Earnings per share

(Amount in ₹)

| (a) Basic and diluted earnings per share attributable to the equity holders of the group          | For the year ended 31 March 2024 | For the year ended 31 March 2023 |
|---|----------------------------------|----------------------------------|
| Including movement in Regulatory Deferral Account Balances  | 16.74                            | 16.58                            |
| Excluding movement in Regulatory Deferral Account Balances  | 17.36                            | 16.31                            |
| <b>Total basic and diluted earnings per share attributable to the equity holders of the group</b> | <b>16.74</b>                     | <b>16.58</b>                     |

(₹ in crore)

| (b) Reconciliation of earnings used as numerator in calculating earnings per share                                    | For the year ended 31 March 2024 | For the year ended 31 March 2023 |
|---|----------------------------------|----------------------------------|
| Earnings attributable to the equity holders of the company including movement in Regulatory Deferral Account Balances | 15,573.16                        | 15,419.74                        |
| Earnings attributable to the equity holders of the company excluding movement in Regulatory Deferral Account Balances | 16,144.55                        | 15,171.17                        |
| <b>Total Earnings attributable to the equity holders of the group</b>   | <b>15,573.16</b>                 | <b>15,419.74</b>                 |

| (c) Weighted average number of shares used as the denominator   | For the year ended 31 March 2024 | For the year ended 31 March 2023 |
|---|----------------------------------|----------------------------------|
| Weighted average number of equity shares used as the denominator in calculating basic earnings per share *              | 9300603819                       | 9300603819                       |
| Adjustments for calculation of diluted earnings per share   | -                                | -                                |
| <b>Total weighted average number of equity shares used as the denominator in calculating diluted earnings per share</b> | <b>9300603819</b>                | <b>9300603819</b>                |

\*The Company has issued 232,51,50,955 equity shares of ₹ 10/- each as fully paid bonus shares during the year in the ratio of 1 equity share of ₹ 10/- each for every 3 equity shares held on record date of 12 September 2023. This has been considered for calculating weighted average number of equity shares for all comparative periods. In line with the above, EPS for the year ended 31 March 2023 has been restated.

## 63. Financial Risk Management

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

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

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

- Credit risk,
- Liquidity risk,
- Market risk.

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

#### Risk management framework

The Parent company has a duly constituted Risk Management Committee headed by Director (Projects) with Director (Operations), Director (Finance) and an independent director as members. For the purpose of evaluating and

### 63. Financial Risk Management (Contd.)

managing the uncertainties the enterprise faces, Enterprise Risk Management framework has been implemented. The framework is a structured, consistent and continuous process for identification, assessment, monitoring and management of risks. As per this framework, the significant business processes / risks are monitored and controlled through various Key Performance Indicators (KPIs). The Committee meets at regular intervals and reviews KPIs and provides updates to the Audit Committee/Board.

The management of financial risks by the Group is summarised 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 Group is exposed to credit risk from its operating activities on account of trade receivables and loans and advances and from its financing activities due to deposits with banks and financial institutions, foreign exchange transactions and other financial instruments.

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 Group 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 Group. Where loans or receivables have been written off, the Group continues to engage in enforcement activity to attempt to recover the receivable due. Where such recoveries are made, these are recognised in the statement of profit and loss.

#### (i) Trade Receivables and Contract Assets

The Group primarily provides transmission facilities to inter-state transmission service customers (DICs) comprising mainly state utilities owned by State Governments and the main revenue is from transmission charges. CERC (Sharing of Inter-State Transmission Charges and Losses) Regulations, 2020 ("CERC Sharing Regulations") allow payment against monthly bills towards transmission charges within due date i.e., 45 days from the date of presentation of the bill and levy of surcharge on delayed payment beyond 45 days. However, in order to improve the cash flows of group, a graded rebate is provided for payments made within 45 days. If a DIC fails to pay any bill or part thereof by the Due Date, the Central Transmission Utility (CTU) may encash the Letter of Credit provided by the DIC and utilise the same towards the amount of the bill or part thereof that is overdue plus Late Payment Surcharge, if applicable.

The Company has a robust payment security mechanism in the form of Letter of Credit (LC) backed by the Tri-Partite Agreements (TPA). The TPA was signed among the GOI, Reserve Bank of India and the individual State Governments subsequent to the issuance of the One Time Settlement Scheme of State Electricity Boards dues during 2001-02 by the GOI. The TPA also provides that if there is any default in payment of current dues by any State Utility, the outstanding dues can be deducted from the State's RBI account and paid to the concerned CPSU.

As per provisions of CERC Sharing Regulations, in case tripartite agreement exists, the Letter of Credit shall be for an amount equal to 1.05 (one point zero five) times the average amount of the first bill of a year; Provided that where such tripartite agreement does not exist, the DIC shall open the Letter of Credit for an amount equal to 2.10 (two point one times) the average amount of the first bill of a year.

In addition to the encashment of letter of credit, on non-payment of outstanding dues, the CTU has power to Regulate the power supply or deny Short Term Open Access on the defaulting entity as per Electricity (LPS & Related matter) Rules, 2022 notified by Ministry of Power.

Trade receivables consist of receivables relating to transmission services of ₹11,671.44 crore (Previous Year ₹15,528.83 crore), receivables relating to consultancy services of ₹134.60 crore (Previous Year ₹134.47 crore) and receivables relating to telecom business of ₹379.44 crore (Previous Year ₹250.77 crore).

Contract Assets primarily relates to the Group's right to consideration for work completed but not billed at the reporting date and has substantially the same risk characteristics as the trade receivables for the same type of contracts.

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

##### • Cash and cash equivalents

The Group held cash and cash equivalents of ₹1,900.09 crore (Previous Year ₹1,873.83 crore). The cash and cash equivalents are held with public sector banks and high rated private sector banks and do not have any significant credit risk.

##### • Deposits with banks and financial institutions

The Group held deposits with banks and financial institutions of ₹5,760.04 crore (Previous Year ₹5,550.65 crore). Term deposits are placed with public sector banks and have negligible credit risk.

### 63. Financial Risk Management (Contd.)

#### • Loans

The Group has given loans to employees, subsidiaries, Joint Venture companies, Government of India and other parties. House building loans and conveyance advance to the employees are secured against the mortgage of the house properties or hypothecation of vehicles for which such loans have been given in line with the policies of the Group. The loans provided to group companies are for projects under Tariff Based Competitive Bidding route and Public private partnership. The risk of default in respect of these loans is considered negligible.

#### (iii) Exposure to credit risk

(₹ in crore)

| Particulars   | As at<br>31 March 2024 | As at<br>31 March 2023 |
|---|------------------------|------------------------|
| <b>Financial assets for which loss allowance is measured using 12 months Expected Credit Losses (ECL)</b> |                        |                        |
| Non-Current Loans   | 571.24                 | 461.46                 |
| Other non-current financial assets  | 7,667.07               | 5,913.55               |
| Cash and cash equivalents   | 1,900.09               | 1,873.83               |
| Deposits with banks and financial institutions  | 5,760.04               | 5,550.65               |
| Current loans   | 132.43                 | 113.75                 |
| Other current financial assets  | 722.68                 | 889.55                 |
| <b>Total</b>  | <b>16,753.55</b>       | <b>14,802.79</b>       |
| <b>Financial assets for which loss allowance is measured using Life time Expected Credit Losses (ECL)</b> |                        |                        |
| Trade receivables   | 12,185.48              | 15,914.07              |
| Contract Assets   | 4,327.75               | 828.48                 |

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

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

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

##### b) Financial assets for which loss allowance is measured using lifetime expected credit losses

In respect of trade receivables and contract assets from Telecom and Consultancy, customer credit risk is managed by regular monitoring of the outstanding receivables and follow-up with the consumer for realisation. With regard to transmission segment, the Group has customers most of whom are state government utilities with capacity to meet the obligations and therefore the risk of default is negligible. Further, management believes that the unimpaired amounts that are 30 days past due date are still collectible in full, based on the payment security mechanism in place and historical payment behaviour.

Considering the above factors 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:

(₹ in crore)

| Aging                                     | Unbilled | Not due  | 0-30<br>days<br>past due | 31-60<br>days past<br>due | 61-90<br>days past<br>due | 91-120<br>days past<br>due | More than<br>120 days<br>past due | Total     |
|---|----------|----------|--------------------------|---------------------------|---------------------------|----------------------------|-----------------------------------|-----------|
| Gross carrying amount as on 31 March 2024 | 4,114.27 | 5,373.71 | 540.45                   | 90.39                     | 80.46                     | 73.85                      | 1,912.35                          | 12,185.48 |
| Gross carrying amount as on 31 March 2023 | 8,621.36 | 5,451.15 | 434.12                   | 214.86                    | 47.48                     | 67.10                      | 1,078.00                          | 15,914.07 |



### 63. Financial Risk Management (Contd.)

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

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

(₹ in crore)

| Particulars                            | Trade receivables | Contract Assets | Loan         | Other Financial Assets | Total         |
|--|-------------------|-----------------|--------------|------------------------|---------------|
| <b>Balance as at 01 April 2022</b>     | <b>300.77</b>     | <b>18.92</b>    | -            | -                      | <b>319.69</b> |
| Impairment loss recognised/ (reversed) | (3.84)            | -               | 21.74        | 7.94                   | 25.84         |
| Amounts written off                    |                   | 18.92           |              |                        | 18.92         |
| <b>Balance as at 31 March 2023</b>     | <b>296.93</b>     | -               | <b>21.74</b> | <b>7.94</b>            | <b>326.61</b> |
| Impairment loss recognised/ (reversed) | 54.44             | -               | (21.58)      | -                      | 32.86         |
| <b>Balance as at 31 March 2024</b>     | <b>351.37</b>     | -               | <b>0.16</b>  | <b>7.94</b>            | <b>359.47</b> |

Allowance for impairment amounting to ₹21.74 crore has been provided during the previous year towards Loan to National High Power Test Laboratory Private Ltd. Based on historic default rates, the Group believes that, apart from the above, no impairment allowance is necessary in respect of any other assets as the amounts are insignificant.

#### (B) LIQUIDITY RISK

Liquidity risk management implies maintaining sufficient cash and marketable securities and the availability of funding through an adequate amount of committed credit facilities to meet obligations when due. The Group monitors its risk of a shortage of funds using a liquidity planning tool. The Group has access to a variety of sources of funding such as commercial paper, bank loans, bonds and external commercial borrowings and retains flexibility in funding by maintaining availability under committed credit lines.

Management monitors rolling forecasts of the Group's liquidity position comprising the undrawn borrowing facilities below and cash and cash equivalents on the basis of expected cash flows.

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

##### i) Financial Arrangement

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

(₹ in crore)

| Particulars  | As at 31 March 2024 | As at 31 March 2023 |
|--|---------------------|---------------------|
| Expiring within 1 year (bank overdraft and other facilities) | 5,885.75            | 9,131.01            |

The bank overdraft facilities may be drawn at any time and may be terminated by the bank without notice. Subject to the continuance of satisfactory credit ratings, the bank loan facilities may be drawn at any time and have remaining availability period upto 1 year (Previous Year 1 year).

##### ii) Maturities of financial liabilities

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

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

(₹ in crore)

| Contractual maturities of financial liabilities | Within a year | Between 1-5 years | Beyond 5 years | Total       |
|---|---------------|-------------------|----------------|-------------|
| <b>As at 31 March 2024</b>                      |               |                   |                |             |
| Borrowings (including interest outflows)        | 27,106.45     | 83,221.46         | 53,536.54      | 1,63,864.45 |
| Trade payables                                  | 371.36        |                   |                | 371.36      |
| <u>Other financial liabilities</u>              |               |                   |                |             |
| Lease liabilities                               | 8.64          | 27.77             | 126.31         | 162.72      |

### 63. Financial Risk Management (Contd.)

(₹ in crore)

| Contractual maturities of financial liabilities | Within a year    | Between 1-5 years | Beyond 5 years   | Total              |
|---|------------------|-------------------|------------------|--------------------|
| Others  | 8,955.61         | 4,723.19          | 12.40            | 13,691.20          |
| <b>Total</b>                                    | <b>36,442.06</b> | <b>87,972.42</b>  | <b>53,675.25</b> | <b>1,78,089.73</b> |
| <b>As at 31 March 2023</b>                      |                  |                   |                  |                    |
| Borrowings (including interest outflows)        | 23,329.59        | 88,030.93         | 60,352.50        | 1,71,713.02        |
| Trade payables                                  | 327.79           |                   |                  | 327.79             |
| <u>Other financial liabilities</u>              |                  |                   |                  |                    |
| Lease liabilities                               | 8.21             | 28.26             | 129.14           | 165.61             |
| Others  | 8,011.12         | 1,228.45          | 3,788.04         | 13,027.61          |
| <b>Total</b>                                    | <b>31,676.71</b> | <b>89,287.64</b>  | <b>64,269.68</b> | <b>1,85,234.03</b> |

#### (C) MARKET RISK

Market risk is the risk that the fair value of future cash flows of a financial instrument will fluctuate because of changes in market prices. Market risk comprises three types of risk:

- Currency risk
- Interest rate risk
- Other price risk, such as equity price risk and commodity risk.

##### i) Currency risk

The Group is exposed to currency risk mainly in respect of foreign currency denominated loans and borrowings and procurement of goods and services whose purchase consideration is denominated in foreign currency. Transmission tariff is regulated by the CERC. According to the CERC tariff regulations for the block 2019-24 the Group may hedge foreign exchange exposure in respect of the interest on foreign currency loan and repayment of foreign loan acquired for the transmission system, in part or full in its discretion and recover the cost of hedging of foreign exchange rate variation corresponding to the normative foreign debt, in the relevant year.

If hedging of the foreign exchange exposure is not undertaken, the extra rupee liability towards interest payment and loan repayment corresponding to the normative foreign currency loan in the relevant year is permissible to be recovered as part of transmission tariff provided it is not attributable to the generating company or the transmission licensee or its suppliers or contractors. During the Current financial year, no hedging for foreign exchange exposure has been undertaken by the Group. In respect of goods and services procured for Capital Investment, the exchange rate variation is part of the project cost, for determination of transmission tariff. The currency risk in respect of goods and services procured for operation activities is not significant.

The Group's exposure to foreign currency risk not hedged by a derivative instrument or otherwise at the end of the reporting period is as follows:

| Particulars   | Amount in Foreign Currency (In Crore) |                     |                     | Amount (₹ in Crore) |                     |
|---|---------------------------------------|---------------------|---------------------|---------------------|---------------------|
|   | Currency                              | As at 31 March 2024 | As at 31 March 2023 | As at 31 March 2024 | As at 31 March 2023 |
| Borrowings  | USD                                   | 329.17              | 361.60              | 27,640.40           | 29,918.78           |
|   | EURO                                  | 46.50               | 53.68               | 4,246.85            | 4,877.90            |
|   | SEK                                   | 100.04              | 125.20              | 790.32              | 1,004.10            |
|   | JPY                                   | 2,254.53            | 2,272.71            | 1,257.13            | 1,423.40            |
| Interest accrued but not due thereon including Agency Fee, Commitment Fee & other Charges | USD                                   | 5.35                | 5.16                | 449.24              | 426.94              |
|   | EURO                                  | 0.43                | 0.35                | 39.27               | 31.80               |
|   | SEK                                   | 1.52                | 1.43                | 12.01               | 11.47               |
|   | JPY                                   | 5.35                | 5.32                | 2.98                | 3.33                |
| Trade Payables/deposits and retention money   | USD                                   | 3.68                | 4.19                | 309.01              | 346.68              |
|   | EURO                                  | 1.63                | 1.04                | 148.87              | 94.50               |
|   | SEK                                   | 1.18                | 4.53                | 9.32                | 36.33               |
|   | GBP                                   | 1.61                | 1.14                | 171.72              | 117.65              |

### 63. Financial Risk Management (Contd.)

| Particulars                                  | Amount in Foreign Currency (in Crore) |                     |                     | Amount (₹ in Crore) |                     |
|--|---------------------------------------|---------------------|---------------------|---------------------|---------------------|
|  | Currency                              | As at 31 March 2024 | As at 31 March 2023 | As at 31 March 2024 | As at 31 March 2023 |
|  | NPR                                   | 0.38                | -                   | 0.24                | -                   |
|  | JPY                                   | 9.71                | 11.57               | 5.41                | 7.25                |
| Trade receivables and Bank balances          | USD                                   | 0.08                | 0.05                | 6.63                | 4.08                |
|  | NPR                                   | 26.84               | 18.92               | 16.78               | 11.83               |
|  | EURO                                  | 0.01                | 0.01                | 0.89                | 0.88                |
| Amount of contracts remaining to be executed | USD                                   | 0.35                | 0.96                | 29.39               | 79.43               |
|  | EURO                                  | 0.33                | 0.64                | 30.14               | 58.16               |
|  | GBP                                   | 0.46                | 0.62                | 49.06               | 63.98               |

#### Sensitivity Analysis

Since the impact of strengthening or weakening of Indian rupee against USD, Euro, JPY and other currencies on the statement of profit and loss would not be very significant; therefore, sensitivity analysis for currency risk is not disclosed.

#### (ii) Interest rate risk

The Group is exposed to interest rate risk arising mainly from long term borrowings with floating interest rates. The Group is exposed to interest rate risk because the cash flows associated with floating rate borrowings will fluctuate with changes in interest rates. The Group manages the interest rate risks by maintaining a debt portfolio comprising a mix of fixed and floating rate borrowings in domestic and foreign currencies.

At the reporting date, the interest rate profile of the Group's variable interest rate-bearing financial instruments is as follows:

(₹ in crore)

| Particulars   | As at 31 March 2024 | As at 31 March 2023 |
|---|---------------------|---------------------|
| <b>Long Term Debt with floating rate of interest</b>            |                     |                     |
| -Domestic   | 24,894.92           | 27,940.45           |
| -Foreign  | 30,858.43           | 33,708.81           |
| <b>Sub Total</b>  | <b>55,753.35</b>    | <b>61,649.26</b>    |
| <b>Long Term Debt with fixed rate of interest</b>               |                     |                     |
| -Domestic   | 61,919.14           | 60,722.49           |
| -Foreign  | 3,082.61            | 3,523.15            |
| <b>Sub Total</b>  | <b>65,001.75</b>    | <b>64,245.64</b>    |
| <b>Total Long Term Debt</b>                                     | <b>1,20,755.10</b>  | <b>1,25,894.90</b>  |
| <b>% of Floating Interest Rate Debt to Total Long Term Debt</b> | <b>46.17%</b>       | <b>48.97%</b>       |

#### Fair value sensitivity analysis for interest-rate risk

As per CERC Regulations, interest on loan during construction forms part of project cost for the purpose of tariff and after the date of commercial operation, interest on loans is recoverable through tariff calculated on the normative average loan of the year by applying the weighted average rate of interest of the actual loan portfolio.

Accordingly, the Group's interest rate risk is not considered significant; hence sensitivity analysis for the risk is not disclosed.

#### iii) Other price risk

The Group's exposure to equity securities price risk arises from investments held by the Group and classified in the balance sheet as fair value through OCI.

Considering the magnitude of equity investments, no significant risk is expected to arise.

### 64. Income Tax expense

This note provides an analysis of the group'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 Group's tax position.

#### (a) Income tax expense

(₹ in crore)

| Particulars   | For the year ended 31 March 2024 | For the year ended 31 March 2023 |
|---|----------------------------------|----------------------------------|
| <b>Current Tax</b>  |                                  |                                  |
| Current tax on profits for the year   | 3,340.69                         | 3,018.28                         |
| Adjustments for current tax of prior periods  | (2.48)                           | (73.76)                          |
| Pertaining to regulatory deferral account balances (A)  | (120.97)                         | 52.63                            |
| <b>Total current tax expense (B)</b>  | <b>3,217.24</b>                  | <b>2,997.15</b>                  |
| <b>Deferred Tax expense</b>   |                                  |                                  |
| Origination and reversal of temporary differences & previously unrecognised tax credit recognised as Deferred Tax Asset this year | (397.42)                         | (662.64)                         |
| <b>Total deferred tax expense /benefit (C)</b>  | <b>(397.42)</b>                  | <b>(662.64)</b>                  |
| <b>Income tax expense (B+C-A)</b>   | <b>2,940.79</b>                  | <b>2,281.88</b>                  |
| <b>Pertaining to regulatory deferral account balances</b>   | <b>(120.97)</b>                  | <b>52.63</b>                     |
| <b>Total tax expense including tax on movement in regulatory deferral account balances</b>  | <b>2,819.82</b>                  | <b>2,334.51</b>                  |

#### (b) Income Tax recognised in Regulatory Deferral Account Balances:

(₹ in crore)

| Particulars  | For the year ended 31 March 2024 | For the year ended 31 March 2023 |
|--|----------------------------------|----------------------------------|
| Deferred assets for Deferred tax liability   | (572.84)                         | (783.43)                         |
| Foreign Currency Fluctuation   | (124.99)                         | 1,216.29                         |
| Employee Benefits and Other Expenses   | 5.47                             | (131.66)                         |
| Total Regulatory Deferral Account Balances Before Tax - Income / (Expenses)                    | <b>(692.36)</b>                  | <b>301.20</b>                    |
| Current Tax on Regulatory Deferral Account Balances  | (120.97)                         | 52.63                            |
| <b>Net Movement in Regulatory Deferral Account Balances - Income / (Expenses) (net of Tax)</b> | <b>(571.39)</b>                  | <b>248.57</b>                    |

#### (c) Income Tax recognised in other comprehensive income:

(₹ in crore)

| Particulars  | For the year ended 31 March 2024 |                        |                 | For the year ended 31 March 2023 |                        |                 |
|--|----------------------------------|------------------------|-----------------|----------------------------------|------------------------|-----------------|
|  | Before Tax                       | Tax expense/ (benefit) | Net of Tax      | Before Tax                       | Tax expense/ (benefit) | Net of Tax      |
| Net gains/(losses) on fair valuation of equity instruments | (231.91)                         | (32.98)                | <b>(198.93)</b> | (142.01)                         | (18.09)                | <b>(123.92)</b> |
| Net actuarial losses on defined benefit plans              | (44.40)                          | (7.76)                 | <b>(36.64)</b>  | 39.57                            | 6.91                   | <b>32.66</b>    |
| Less: Transferred to expenditure during construction (net) | (3.24)                           | (0.57)                 | <b>(2.67)</b>   | 18.69                            | 3.26                   | <b>15.43</b>    |
| <b>Other Comprehensive Income (Net of Tax)</b>             | <b>(273.07)</b>                  | <b>(40.17)</b>         | <b>(232.90)</b> | <b>(121.13)</b>                  | <b>(14.44)</b>         | <b>(106.69)</b> |



## 64. Income Tax expense (Contd.)

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

(₹ in crore)

| Particulars   | For the year ended 31 March 2024 | For the year ended 31 March 2023 |
|---|----------------------------------|----------------------------------|
| Profit before income tax expense including movement in Regulatory Deferral Account Balances | 18,392.98                        | 17,754.25                        |
| Tax at the Company's domestic tax rate  | 6,297.29                         | 6,393.88                         |
| Tax effect of:  |                                  |                                  |
| Non Deductible tax items  | 373.80                           | (286.94)                         |
| Tax exempt income   | (4,815.81)                       | (4,785.64)                       |
| Previous Years tax liability  | (2.48)                           | (73.76)                          |
| Unabsorbed tax losses   | (0.33)                           | (186.73)                         |
| Deferred Tax expense/(income)   | (397.42)                         | (662.64)                         |
| Minimum alternate tax adjustments   | 1,364.77                         | 1,936.34                         |
| <b>Income tax expense</b>   | <b>2,819.82</b>                  | <b>2,334.51</b>                  |

## 65. Employee Benefit Obligations

### A. Post-employment obligations

#### I. Defined Contribution Schemes:

##### i) Pension

The Group has scheme of employees defined Pension Contribution & National Pension Scheme (NPS) for the employees opted for the NPS scheme. Group contribution is paid to separate trust for Employees defined Pension Contribution as well as NPS. Amount of contribution paid/payable for the year of ₹104.25 crore (Previous Year ₹183.09 crore) has been recognised as expense and is charged to Statement of Profit & Loss.

#### II. Defined Benefit Schemes:

##### Summary of Defined benefit schemes:

(₹ in crore)

| Particulars  | As at 31 March 2024 |                 |                 | As at 31 March 2023 |                 |                 |
|--|---------------------|-----------------|-----------------|---------------------|-----------------|-----------------|
|  | Current             | Non-current     | Total           | Current             | Non-current     | Total           |
| Gratuity   | 68.52               | 453.59          | 522.11          | 72.31               | 451.17          | 523.48          |
| PF   | 427.65              | 3,093.63        | 3,521.28        | 669.65              | 2,757.41        | 3,427.06        |
| Post-Retirement Medical Facility (PRMF)                                    | 50.71               | 737.82          | 788.53          | 45.02               | 660.46          | 705.48          |
| Other Defined retirement benefits (ODRB)/ Baggage Allowance                | 2.19                | 19.84           | 22.03           | 2.25                | 19.12           | 21.37           |
| Other Defined retirement benefits (ODRB)/Long Service Award                | 1.61                | 23.18           | 24.79           | 1.66                | 21.55           | 23.21           |
| <b>Total employee defined benefit obligations (Defined Benefit Scheme)</b> | <b>550.68</b>       | <b>4,328.06</b> | <b>4,878.74</b> | <b>790.89</b>       | <b>3,909.71</b> | <b>4,700.60</b> |

##### i) Gratuity

The Group has a defined benefit gratuity plan. Every employee who has rendered continuous service of five years or more is entitled to get gratuity at 15 days salary (15/26 x last drawn basic salary plus, dearness allowance) for each completed year of service on superannuation, resignation, termination, disablement or on death subject to a maximum of ₹ 20 lacs. The scheme is funded by the Group and is managed by a separate trust. The liability for the same is recognised on the basis of actuarial valuation on annual basis on the Balance Sheet date. Group has carried out the actuarial valuation of Gratuity benefit considering ceiling of ₹20 Lakhs.

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

## 65. Employee Benefit Obligations (Contd.)

(₹ in crore)

| Particulars   | For the year ended 31 March 2024 |                           |                       | For the year ended 31 March 2023 |                           |                       |
|---|----------------------------------|---------------------------|-----------------------|----------------------------------|---------------------------|-----------------------|
|   | Present value of obligation      | Fair value of plan assets | Net Liability/(Asset) | Present value of obligation      | Fair value of plan assets | Net Liability/(Asset) |
| <b>Opening Balance</b>  | <b>523.48</b>                    | <b>539.37</b>             | <b>(15.89)</b>        | <b>563.98</b>                    | <b>553.52</b>             | <b>10.46</b>          |
| Service cost  | 24.85                            | -                         | 24.85                 | 23.28                            | -                         | 23.28                 |
| Interest expense (income)   | 38.74                            | 39.92                     | (1.18)                | 39.47                            | 39.55                     | (0.08)                |
| <b>Total amount recognised in profit or loss</b>                              | <b>63.59</b>                     | <b>39.92</b>              | <b>23.67</b>          | <b>62.75</b>                     | <b>39.55</b>              | <b>23.20</b>          |
| <b>Re measurements</b>  |                                  |                           |                       |                                  |                           |                       |
| Return on plan assets, excluding amount included in interest expense/(income) | -                                | -                         | -                     | -                                | -                         | -                     |
| (Gain)/Loss from change in demographic assumptions                            | -                                | -                         | -                     | -                                | -                         | -                     |
| (Gain)/Loss from change in financial assumptions                              | 14.43                            | -                         | 14.43                 | (18.78)                          | -                         | (18.78)               |
| Experience (Gain)/ Losses   | (12.27)                          | 1.32                      | (13.59)               | (5.64)                           | 13.63                     | (19.27)               |
| <b>Total amount recognised in other comprehensive income</b>                  | <b>2.16</b>                      | <b>1.32</b>               | <b>0.84</b>           | <b>(24.42)</b>                   | <b>13.63</b>              | <b>(38.05)</b>        |
| Employer Contribution   | -                                | 10.30                     | (10.30)               | -                                | 11.50                     | (11.50)               |
| Benefits payments   | (67.12)                          | (67.12)                   | -                     | (78.83)                          | (78.83)                   | -                     |
| Opening/Other Adjustment  | -                                | (4.52)                    | 4.52                  | -                                | -                         | -                     |
| <b>Closing Balance</b>  | <b>522.11</b>                    | <b>519.27</b>             | <b>2.84</b>           | <b>523.48</b>                    | <b>539.37</b>             | <b>(15.89)</b>        |

The major categories of plan assets (Gratuity) are as follows:

(₹ in crore)

| Particulars                   | For the year ended 31 March 2024 |          |               |                | For the year ended 31 March 2023 |          |               |                |
|-------------------------------|----------------------------------|----------|---------------|----------------|----------------------------------|----------|---------------|----------------|
|                               | Quoted                           | Unquoted | Total         | In %           | Quoted                           | Unquoted | Total         | In %           |
| Equity instruments (ETF)      | 18.31                            | -        | 18.31         | 3.53%          | 8.34                             | -        | 8.34          | 1.54%          |
| <b>Debt instruments</b>       |                                  |          |               |                |                                  |          |               |                |
| Govt/State Bonds              | 323.03                           | -        | 323.03        | 62.21%         | 340.35                           | -        | 340.35        | 63.10%         |
| PSU and Private Bonds         | 169.48                           | -        | 169.48        | 32.63%         | 177.97                           | -        | 177.97        | 33.00%         |
| Bank Balance/Other Receivable | 8.45                             | -        | 8.45          | 1.63%          | 12.71                            | -        | 12.71         | 2.36%          |
| <b>Total*</b>                 | <b>519.27</b>                    | <b>-</b> | <b>519.27</b> | <b>100.00%</b> | <b>539.37</b>                    | <b>-</b> | <b>539.37</b> | <b>100.00%</b> |

\*Fair valuation as per actuarial valuation is ₹519.27 crore (Previous Year ₹539.37 crore).

Fair value of Group's own transferable financial instruments held as plan assets is ₹19.18 crore (Previous Year ₹30.45 crore).

##### ii) Provident Fund

Group pays fixed contribution to Provident Fund at predetermined rate to a separate trust, which invests the funds in permitted securities. Contribution to family pension scheme is paid to the appropriate authorities. The contribution to the fund and EPS scheme for the year amounting to ₹137.32 crore (Previous Year ₹135.08 crore) has been recognised as expense. The obligation of the Group is limited to such fixed contribution and to ensure a minimum rate of interest on contributions to the members as specified by GOI. Further, as per the current report of actuary, overall interest earning and cumulative surplus is more than statutory interest payment requirement. Therefore, no further provision is considered necessary. Since the Group does not have

## 65. Employee Benefit Obligations (Contd.)

unconditional right over the PF corpus, the surplus has not been recognised in the Balance Sheet.

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

(₹ in crore)

| Particulars   | For the year ended 31 March 2024 |                           |                       | For the year ended 31 March 2023 |                           |                       |
|---|----------------------------------|---------------------------|-----------------------|----------------------------------|---------------------------|-----------------------|
|   | Present value of obligation      | Fair value of plan assets | Net Liability/(Asset) | Present value of obligation      | Fair value of plan assets | Net Liability/(Asset) |
| <b>Opening Balance</b>  | <b>3,427.06</b>                  | <b>3,441.10</b>           | <b>(14.04)</b>        | <b>3,334.99</b>                  | <b>3,163.93</b>           | <b>171.06</b>         |
| Service cost  | 126.24                           | -                         | 126.24                | 123.12                           | -                         | 123.12                |
| Interest expense (income)   | 271.80                           | 280.80                    | (9.00)                | 262.45                           | 265.01                    | (2.56)                |
| <b>Total</b>  | <b>398.04</b>                    | <b>280.80</b>             | <b>117.24</b>         | <b>385.57</b>                    | <b>265.01</b>             | <b>120.56</b>         |
| <b>Re measurements</b>  |                                  |                           |                       |                                  |                           |                       |
| Return on plan assets, excluding amount included in interest expense/(income) | -                                | -                         | -                     | -                                | -                         | -                     |
| (Gain)/Loss from change in demographic assumptions                            | -                                | -                         | -                     | -                                | -                         | -                     |
| (Gain)/Loss from change in financial assumptions                              | 0.27                             | (3.23)                    | 3.50                  | -                                | 176.48                    | (176.48)              |
| Experience (Gain)/ Losses   | (5.68)                           | -                         | (5.68)                | (6.06)                           | -                         | (6.06)                |
| <b>Total</b>  | <b>(5.41)</b>                    | <b>(3.23)</b>             | <b>(2.18)</b>         | <b>(6.06)</b>                    | <b>176.48</b>             | <b>(182.54)</b>       |
| Employee Contribution   | 183.32                           | 183.32                    | -                     | 191.71                           | 191.71                    | -                     |
| Employer Contribution   | -                                | 126.24                    | (126.24)              | -                                | 123.12                    | (123.12)              |
| Benefits payments   | (481.73)                         | (481.73)                  | -                     | (479.15)                         | (479.15)                  | -                     |
| <b>Closing Balance</b>  | <b>3,521.28</b>                  | <b>3,546.50</b>           | <b>(25.22)</b>        | <b>3,427.06</b>                  | <b>3,441.10</b>           | <b>(14.04)</b>        |

The major categories of plan assets (PF) are as follows.

(₹ in crore)

| Particulars              | As at 31 March 2024 |          |                 |                | As at 31 March 2023 |          |                 |                |
|--------------------------|---------------------|----------|-----------------|----------------|---------------------|----------|-----------------|----------------|
|                          | Quoted              | Unquoted | Total           | In %           | Quoted              | Unquoted | Total           | In %           |
| Equity instruments (ETF) | 189.46              | -        | <b>189.46</b>   | 5.34%          | 130.83              | -        | <b>130.83</b>   | 3.80%          |
| <b>Debt instruments</b>  |                     |          |                 |                |                     |          |                 |                |
| Govt/State Bonds         | 2,011.53            | -        | <b>2,011.53</b> | 56.72%         | 1,898.27            | -        | <b>1,898.27</b> | 55.16%         |
| PSU and Private Bonds    | 1,134.73            | -        | <b>1,134.73</b> | 32.00%         | 1,284.61            | -        | <b>1,284.61</b> | 37.33%         |
| Bank Balance             | 182.29              | -        | <b>182.29</b>   | 5.14%          | 26.66               | -        | <b>26.66</b>    | 0.78%          |
| Other Receivables        | 28.49               | -        | <b>28.49</b>    | 0.80%          | 100.73              | -        | <b>100.73</b>   | 2.93%          |
| <b>Total</b>             | <b>3,546.50</b>     | <b>-</b> | <b>3,546.50</b> | <b>100.00%</b> | <b>3,441.10</b>     | <b>-</b> | <b>3,441.10</b> | <b>100.00%</b> |

Fair value of Group's own transferable financial instruments held as plan assets is ₹0.00 crore (Previous Year ₹33.45 crore).

### iii) Post-Retirement Medical Facility (PRMF)

The Group has Post-Retirement Medical Facility (PRMF), under which retired employees and the spouse are provided medical facilities in the empanelled hospitals. They can also avail treatment as Out-Patient subject to a ceiling fixed by the Group. The liability for the same is recognised on the basis of actuarial valuation on annual basis on the Balance Sheet date. The scheme is funded by the Group and is managed by a separate trust constituted on 01 May 2018.

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

## 65. Employee Benefit Obligations (Contd.)

(₹ in crore)

| Particulars   | For the year ended 31 March 2024 |                           |                       | For the year ended 31 March 2023 |                           |                       |
|---|----------------------------------|---------------------------|-----------------------|----------------------------------|---------------------------|-----------------------|
|   | Present value of obligation      | Fair value of plan assets | Net Liability/(Asset) | Present value of obligation      | Fair value of plan assets | Net Liability/(Asset) |
| <b>Opening Balance</b>  | <b>705.48</b>                    | <b>692.84</b>             | <b>12.64</b>          | <b>658.68</b>                    | <b>658.78</b>             | <b>(0.10)</b>         |
| Service cost  | 26.11                            | -                         | 26.11                 | 20.75                            | -                         | 20.75                 |
| Interest expense (income)   | 52.20                            | 52.20                     | -                     | 46.11                            | 46.07                     | 0.04                  |
| Employee Contribution   | -                                | -                         | -                     | -                                | 1.05                      | (1.05)                |
| <b>Total amount recognised in profit or loss</b>                              | <b>78.31</b>                     | <b>52.20</b>              | <b>26.11</b>          | <b>66.86</b>                     | <b>47.12</b>              | <b>19.74</b>          |
| <b>Re measurements</b>  |                                  |                           |                       |                                  |                           |                       |
| Return on plan assets, excluding amount included in interest expense/(income) | -                                | -                         | -                     | -                                | -                         | -                     |
| (Gain)/Loss from change in demographic assumptions                            | -                                | -                         | -                     | -                                | -                         | -                     |
| (Gain)/Loss from change in financial assumptions                              | 35.81                            | -                         | 35.81                 | (32.35)                          | -                         | (32.35)               |
| Experience (Gain)/ Losses   | 17.03                            | 5.87                      | 11.16                 | 53.84                            | 7.88                      | 45.96                 |
| <b>Total amount recognised in other comprehensive income</b>                  | <b>52.84</b>                     | <b>5.87</b>               | <b>46.97</b>          | <b>21.49</b>                     | <b>7.88</b>               | <b>13.61</b>          |
| Employee Contribution   | -                                | -                         | -                     | -                                | -                         | -                     |
| Employer Contribution   | -                                | 75.93                     | (75.93)               | -                                | (0.66)                    | 0.66                  |
| Benefits payments   | (48.10)                          | (48.10)                   | -                     | (41.55)                          | (20.28)                   | (21.27)               |
| Opening/Other Adjustment  | -                                | 0.38                      | (0.38)                | -                                | -                         | -                     |
| <b>Closing Balance</b>  | <b>788.53</b>                    | <b>779.12</b>             | <b>9.41</b>           | <b>705.48</b>                    | <b>692.84</b>             | <b>12.64</b>          |

The major categories of plan assets (PRMF) are as follows.

(₹ in crore)

| Particulars                   | For the year ended 31 March 2024 |          |               |                | For the year ended 31 March 2023 |          |               |                |
|-------------------------------|----------------------------------|----------|---------------|----------------|----------------------------------|----------|---------------|----------------|
|                               | Quoted                           | Unquoted | Total         | In %           | Quoted                           | Unquoted | Total         | In %           |
| Equity instruments (ETF)      | 9.58                             | -        | <b>9.58</b>   | 1.23%          | 3.60                             | -        | <b>3.60</b>   | 0.52%          |
| <b>Debt instruments</b>       |                                  |          |               |                |                                  |          |               |                |
| Govt/State Bonds              | 415.19                           | -        | <b>415.19</b> | 53.29%         | 367.12                           | -        | <b>367.12</b> | 52.99%         |
| PSU and Private Bonds         | 342.34                           | -        | <b>342.34</b> | 43.94%         | 307.16                           | -        | <b>307.16</b> | 44.33%         |
| Bank Balance/Other Receivable | 12.01                            | -        | <b>12.01</b>  | 1.54%          | 14.96                            | -        | <b>14.96</b>  | 2.16%          |
| <b>Total#</b>                 | <b>779.12</b>                    | <b>-</b> | <b>779.12</b> | <b>100.00%</b> | <b>692.84</b>                    | <b>-</b> | <b>692.84</b> | <b>100.00%</b> |

#Fair valuation as per actuarial valuation is ₹779.12 crore (Previous Year ₹692.84 crore).

Fair value of Group's own transferable financial instruments held as plan assets is ₹0.00 crore (Previous Year ₹0.00 crore).



## 65. Employee Benefit Obligations (Contd.)

### iv) Other Defined Retirement Benefits (ODRB)

#### a) Baggage Allowance

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

#### b) Long Service Award

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

Movement in obligations of ODRB is as follows:

(₹ in crore)

| Particulars   | Present value of obligation - Baggage Allowance |                                  | Present value of obligation - Long Service Award |                                  |
|---|---|----------------------------------|--|----------------------------------|
|   | For the year ended 31 March 2024                | For the year ended 31 March 2023 | For the year ended 31 March 2024                 | For the year ended 31 March 2023 |
| <b>Opening Balance</b>  | <b>21.37</b>                                    | <b>23.09</b>                     | <b>23.21</b>                                     | <b>22.04</b>                     |
| Service cost  | 1.38  | 1.33                             | 2.01   | 1.91                             |
| Interest expense (income)   | 1.58  | 1.61                             | 1.72   | 1.54                             |
| Employee Contribution   | -   | -                                | -  | -                                |
| Actuarial Gain/Loss   | -   | -                                | -  | -                                |
| <b>Total amount recognised in profit or loss</b>                              | <b>2.96</b>                                     | <b>2.94</b>                      | <b>3.73</b>                                      | <b>3.45</b>                      |
| <b>Re measurements</b>  |   |                                  |  |                                  |
| Return on plan assets, excluding amount included in interest expense/(income) | -   | -                                | -  | -                                |
| (Gain)/Loss from change in demographic assumptions                            | -   | -                                | -  | -                                |
| (Gain)/Loss from change in financial assumptions                              | 0.67  | (0.86)                           | 0.89   | (1.13)                           |
| Experience (Gain)/ Losses   | (2.91)  | (3.63)                           | (2.08)   | 0.28                             |
| <b>Total amount recognised in other comprehensive income</b>                  | <b>(2.24)</b>                                   | <b>(4.49)</b>                    | <b>(1.19)</b>                                    | <b>(0.85)</b>                    |
| Employee Contribution   | -   | -                                | -  | -                                |
| Employer contributions  | -   | -                                | -  | -                                |
| Benefits payments   | (0.06)  | (0.17)                           | (0.96)   | (1.43)                           |
| <b>Closing Balance</b>  | <b>22.03</b>                                    | <b>21.37</b>                     | <b>24.79</b>                                     | <b>23.21</b>                     |

### v) Significant actuarial assumptions for Post-Employment Benefits:

#### Economic Assumptions

| Particulars                        | Gratuity, ODRB, Pension, PRMF, PF |                                  |
|------------------------------------|-----------------------------------|----------------------------------|
|                                    | For the year ended 31 March 2024  | For the year ended 31 March 2023 |
| Discount rate                      | 7.10%                             | 7.40%                            |
| Salary growth rate (except for PF) | 6.50%                             | 6.50%                            |

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

## 65. Employee Benefit Obligations (Contd.)

### Demographic Assumptions

| Particulars   | For the year ended 31 March 2024 | For the year ended 31 March 2023 |
|---|----------------------------------|----------------------------------|
| i) Retirement Age   | 60                               | 60                               |
| ii) Mortality rates inclusive of provision for disability | 100 % of IALM (2012 - 14)        | 100% of IALM (2012-14)           |
| iii) Ages   |                                  |                                  |
| <u>Withdrawal rate %</u>                                  |                                  |                                  |
| Up to 30 years  | 3                                | 3                                |
| From 31 to 44 years                                       | 2                                | 2                                |
| Above 44 years  | 1                                | 1                                |

### Mortality rates for specimen ages:

| Age | Mortality rate | Age | Mortality rate | Age | Mortality rate |
|-----|----------------|-----|----------------|-----|----------------|
| 15  | 0.000698       | 45  | 0.002579       | 75  | 0.038221       |
| 20  | 0.000924       | 50  | 0.004436       | 80  | 0.061985       |
| 25  | 0.000931       | 55  | 0.007513       | 85  | 0.100979       |
| 30  | 0.000977       | 60  | 0.011162       | 90  | 0.163507       |
| 35  | 0.001202       | 65  | 0.015932       | 95  | 0.259706       |
| 40  | 0.001680       | 70  | 0.024058       | 100 | 0.397733       |

### vi) Sensitivity Analysis of the defined benefit obligations:

(₹ in crore)

| Particulars                                      | Gratuity | PF       | PRMF    | Baggage Allowance | Long Service Award |
|--|----------|----------|---------|-------------------|--------------------|
| <b>As at 31 March 2024</b>                       |          |          |         |                   |                    |
| Present value of Obligation at the end of period | 522.11   | 3,521.28 | 788.53  | 22.03             | 24.79              |
| a) Impact of change in discount rate             |          |          |         |                   |                    |
| - Impact due to increase of 0.5%                 | (23.69)  | (0.34)   | (47.91) | (1.03)            | (1.48)             |
| - Impact due to decrease of 0.5%                 | 25.89    | 0.36     | 50.08   | 1.14              | 1.60               |
| b) Impact of change in salary increase           |          |          |         |                   |                    |
| - Impact due to increase of 0.5%                 | 6.62     | NA       | 50.21   | 1.12              | 1.53               |
| - Impact due to decrease of 0.5%                 | (7.65)   | NA       | (47.76) | (1.05)            | (1.49)             |
| <b>As at 31 March 2023</b>                       |          |          |         |                   |                    |
| Present value of Obligation at the end of period | 523.48   | 3,427.06 | 705.48  | 21.37             | 23.21              |
| a) Impact of change in discount rate             |          |          |         |                   |                    |
| - Impact due to increase of 0.5%                 | (21.77)  | (0.44)   | (40.43) | (0.98)            | (1.42)             |
| - Impact due to decrease of 0.5%                 | 23.75    | 0.46     | 41.86   | 1.06              | 1.49               |
| b) Impact of change in salary increase           |          |          |         |                   |                    |
| - Impact due to increase of 0.5%                 | 6.89     | NA       | 42.27   | 1.05              | 1.52               |
| - Impact due to decrease of 0.5%                 | (7.57)   | NA       | (39.92) | (0.98)            | (1.43)             |

## 65. Employee Benefit Obligations (Contd.)

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

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

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

### vii) Description of Risk exposures

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

- Salary Increases (except for PF) – Actual salary increase will increase the plan's liability. Increase in salary increase rate assumptions in future valuation will also increase the liability.
- Investment risk – If plan is funded then assets liabilities mismatch and actual investment return on assets lower than the discount rate assumed at the last valuation date can impact the liability
- Discount Rate – Reduction in discount rate in subsequent valuations can increase the plan's liability.
- Mortality & disability – Actual deaths and disability cases proving lower or higher than assumed in the valuation can impact the liabilities.
- Withdrawals – Actual withdrawals proving higher or lower than assumed withdrawals and change of withdrawal rates at subsequent valuations can impact Plan's liability.

### viii) Maturity analysis of defined benefit schemes:

The weighted average duration of the post-employment defined benefit obligations is 39.52 years (Previous Year 39.48 years) and expected contributions to the same during next financial year is ₹28.96crore (Previous Year ₹23.39crore). The expected maturity analysis of undiscounted gratuity, PF, post-retirement medical facility and other defined retirement benefit is as follows:

(₹ in crore)

| Particulars                      | Less than a year | Between 1-2 year | Between 2-5 years | Over 5 years    | Total           |
|----------------------------------|------------------|------------------|-------------------|-----------------|-----------------|
| <b>As at 31 March 2024</b>       |                  |                  |                   |                 |                 |
| Gratuity                         | 68.52            | 53.66            | 108.82            | 766.68          | 997.68          |
| PF                               | 427.65           | 306.81           | 928.29            | 1,858.53        | 3,521.28        |
| Post-Retirement Medical Facility | 50.71            | 61.46            | 247.33            | 993.94          | 1,353.44        |
| Baggage Allowance                | 2.19             | 2.01             | 4.39              | 35.22           | 43.81           |
| Long Service Award               | 1.61             | 1.34             | 3.21              | 48.73           | 54.89           |
| <b>Total</b>                     | <b>550.68</b>    | <b>425.28</b>    | <b>1,292.04</b>   | <b>3,703.10</b> | <b>5,971.10</b> |
| <b>As at 31 March 2023</b>       |                  |                  |                   |                 |                 |
| Gratuity                         | 72.31            | 65.10            | 126.80            | 794.87          | 1,059.08        |
| PF                               | 669.65           | 307.98           | 530.94            | 1,918.49        | 3,427.06        |
| Post-retirement medical facility | 45.02            | 54.24            | 208.15            | 1,036.95        | 1,344.36        |
| Baggage Allowance                | 2.25             | 2.40             | 5.15              | 35.10           | 44.90           |
| Long Service Award               | 1.66             | 1.60             | 3.77              | 47.26           | 54.29           |
| <b>Total</b>                     | <b>790.89</b>    | <b>431.32</b>    | <b>874.81</b>     | <b>3,832.67</b> | <b>5,929.69</b> |

## 65. Employee Benefit Obligations (Contd.)

### B. Other Long Term Employee Benefits

#### Summary of Other Long-Term Employee Benefits:

(₹ in crore)

| Particulars                    | As at 31 March 2024 |             |               | As at 31 March 2023 |             |               |
|--------------------------------|---------------------|-------------|---------------|---------------------|-------------|---------------|
|                                | Current             | Non-current | Total         | Current             | Non-current | Total         |
| Leave Encashment               | 78.04               | 581.82      | <b>659.86</b> | 82.54               | 521.44      | <b>603.98</b> |
| Economic Rehabilitation Scheme | 2.18                | 18.68       | <b>20.86</b>  | 2.47                | 15.71       | <b>18.18</b>  |

### i) Leave Obligations

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

Movement in obligations of Leaves is as follows:

(₹ in crore)

| Particulars                                      | For the year ended 31 March 2024 | For the year ended 31 March 2023 |
|--|----------------------------------|----------------------------------|
| <b>Opening Balance</b>                           | 603.98                           | 532.07                           |
| Service cost                                     | 94.15                            | 87.61                            |
| Interest expense (income)                        | 44.69                            | 37.25                            |
| Employee Contribution                            | -                                | -                                |
| Actuarial Gain/Loss                              | 27.87                            | 53.04                            |
| <b>Total amount recognised in profit or loss</b> | <b>166.71</b>                    | <b>177.90</b>                    |
| Benefits payments                                | (110.83)                         | (105.99)                         |
| <b>Closing Balance</b>                           | <b>659.86</b>                    | <b>603.98</b>                    |

### II. POWERGRID Employee family rehabilitation scheme

The Group has introduced POWERGRID Employees Family Economic Rehabilitation Scheme on 24 June 2017. The Objective of the scheme is to provide monetary assistance and support to an employee in case of his/her permanent total disablement and to his/her family in case of death while in service. The beneficiary would be entitled to monthly payment equivalent to the employee's 50% of one month pay last drawn provided the beneficiary deposits with the Group an amount equal to PF (excluding VPF) balance, Gratuity amount and Group Insurance (EDLI) amount. Such monthly payment would continue till the normal notional date on which the employee concerned would have attained the age of superannuation had the employee continued in the service of the Group. The scheme is optional. Provision for POWERGRID Employees Family Economic Rehabilitation Scheme amounting to ₹2.68 crore (Previous Year ₹2.55 crore) for the year has been made during the year based on actuarial valuation.

## 66. Additional Regulatory Information as per Schedule III to the Companies Act, 2013

### a) Aging of Capital Work in Progress is as follows:

(₹ in crore)

| Particulars                    | <1 Year          | 1-2 Years       | 2-3 Years       | >3 Years        | Total            |
|--------------------------------|------------------|-----------------|-----------------|-----------------|------------------|
| <b>As at 31 March 2024</b>     |                  |                 |                 |                 |                  |
| Projects in progress           | 10,896.06        | 3,618.08        | 2,152.43        | 1,415.16        | 18,081.73        |
| Projects temporarily suspended | -                | -               | -               | -               | -                |
| <b>Total</b>                   | <b>10,896.06</b> | <b>3,618.08</b> | <b>2,152.43</b> | <b>1,415.16</b> | <b>18,081.73</b> |



**66. Additional Regulatory Information as per Schedule III to the Companies Act, 2013 (Contd.)**

(₹ in crore)

| Particulars                    | <1 Year         | 1-2 Years       | 2-3 Years     | >3 Years        | Total            |
|--------------------------------|-----------------|-----------------|---------------|-----------------|------------------|
| <b>As at 31 March 2023</b>     |                 |                 |               |                 |                  |
| Projects in progress           | 8,316.68        | 3,335.36        | 646.91        | 1,442.29        | 13,741.24        |
| Projects temporarily suspended | -               | -               | -             | -               | -                |
| <b>Total</b>                   | <b>8,316.68</b> | <b>3,335.36</b> | <b>646.91</b> | <b>1,442.29</b> | <b>13,741.24</b> |

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

For the projects as on 31 March 2024:

(₹ in crore)

| Particulars          | Project  | To be completed in |           |           |          |               |
|----------------------|--|--------------------|-----------|-----------|----------|---------------|
|                      |  | <1 Year            | 1-2 Years | 2-3 Years | >3 Years | Total         |
| Projects in Progress | POWERGRID Works associated with immediate evacuation for North Karanpura (3X660 MW) generation project of NTPC | 51.79              | -         | -         | -        | <b>51.79</b>  |
| Projects in Progress | Transmission System for power evacuation from Arun-3 (900 MW) HEP, Nepal of M/s SAPDC - Indian Portion         | 150.51             | -         | -         | -        | <b>150.51</b> |
| Projects in Progress | Eastern Region Expansion Scheme-XXVII (ERES-XXVII)   | 13.55              | -         | -         | -        | <b>13.55</b>  |
| Projects in Progress | Upgradation of SCADA/RTUs/SAS in Central Sector Stations and strengthening of OPGW Network in Eastern Region   | 19.04              | -         | -         | -        | <b>19.04</b>  |
| Projects in Progress | North Eastern Region Strengthening Scheme-XII (NERSS-XII)  | 475.29             | -         | -         | -        | <b>475.29</b> |
| Projects in Progress | Eastern Region Strengthening Scheme-XXII   | 4.61               | -         | -         | -        | <b>4.61</b>   |
| Projects in Progress | Phase-I Unified Real Time Dynamic State Measurement (URTDSM)   | 3.27               | -         | -         | -        | <b>3.27</b>   |
| Projects in Progress | Communication System under Eastern Region Fibre Optic Expansion Project (Additional Requirement)               | 9.61               | -         | -         | -        | <b>9.61</b>   |
| Projects in Progress | Establishment of Reliable Communication Scheme under central sector for Eastern Region                         | 5.21               | -         | -         | -        | <b>5.21</b>   |
| Projects in Progress | System Strengthening Scheme in Northern Region-XXXVII (NRSS-XXXVII)  | 27.81              | -         | -         | -        | <b>27.81</b>  |
| Projects in Progress | ICTs & Bays associated with Northern Region System Strengthening Scheme - XXXVIII (NRSS-XXXVIII)               | 293.76             | -         | -         | -        | <b>293.76</b> |
| Projects in Progress | Northern Region System Strengthening-XL (NRSS-XL)  | 42.32              | -         | -         | -        | <b>42.32</b>  |
| Projects in Progress | Construction of 2 Nos. of 400 kV Hybrid/GIS line bays at Varanasi (PG) Sub-Station                             | 35.27              | -         | -         | -        | <b>35.27</b>  |
| Projects in Progress | Reactive Power Compensation on 400kV Transmission Lines in NR  | 1.44               | -         | -         | -        | <b>1.44</b>   |

**66. Additional Regulatory Information as per Schedule III to the Companies Act, 2013 (Contd.)**

(₹ in crore)

| Particulars          | Project  | To be completed in |           |           |          |                 |
|----------------------|--|--------------------|-----------|-----------|----------|-----------------|
|                      |  | <1 Year            | 1-2 Years | 2-3 Years | >3 Years | Total           |
| Projects in Progress | Western Region System Strengthening Scheme - V (WRSS-V) (Vapi-New Mumbai)  | 482.62             | -         | -         | -        | <b>482.62</b>   |
| Projects in Progress | Transmission Network Expansion in Gujarat to increase its ATC from ISTS Part B   | 2,179.34           | -         | -         | -        | <b>2,179.34</b> |
| Projects in Progress | Transmission System Associated with Mundra Ultra Mega Power Project  | -                  | 121.07    | -         | -        | <b>121.07</b>   |
| Projects in Progress | POWERGRID Works associated with Additional 400kV feed to Goa   | 23.91              | -         | -         | -        | <b>23.91</b>    |
| Projects in Progress | Western Region System Scheme-XIX (POWERGRID Works)   | 67.19              | -         | -         | -        | <b>67.19</b>    |
| Projects in Progress | Transmission System for evacuation of power from RE projects in Wind Energy Zones in Osmanabad area of Maharashtra (IGW): Conversion of 50 MVAR fixed line reactors on each circuit of Parli (PG)-Pune (GIS) 400 kV D/C line at Parli (PG) end into switchable line reactors | 2.25               | -         | -         | -        | <b>2.25</b>     |
| Projects in Progress | Western Region Expansion Scheme-XXV (WRES-XXV)   | 53.95              | -         | -         | -        | <b>53.95</b>    |
| Projects in Progress | Procurement of Transformer and Reactor as per ERPC & WRPC Recommendations  | 0.51               | -         | -         | -        | <b>0.51</b>     |
| Projects in Progress | Augmentation of Transformation Capacity by 1X500 MVA 400/220 kV ICT (3rd) at Raigarh (PG) Sub-Station  | 23.31              | -         | -         | -        | <b>23.31</b>    |
| Projects in Progress | Establishment of Fibre Optic Communication System in Western Region under Master Communication Plan  | 0.76               | -         | -         | -        | <b>0.76</b>     |
| Projects in Progress | Transmission Project - Jamnagar Oil Refinery of Reliance Industries Limited (RIL) to connect with Jam Khambhaliya ISTS PS  | 213.07             | -         | -         | -        | <b>213.07</b>   |
| Projects in Progress | Connectivity and LTA for 325MW Wind Project of M/s SBESS Projects Pvt Ltd  | 4.21               | -         | -         | -        | <b>4.21</b>     |
| Projects in Progress | Scheme to control fault level at Indore Sub-Station  | 0.06               | -         | -         | -        | <b>0.06</b>     |
| Projects in Progress | Establishment of Fibre Optic Communication System in Western Region under Master Communication Plan (Additional Requirement)   | 11.46              | -         | -         | -        | <b>11.46</b>    |
| Projects in Progress | Reliable Communication Scheme under Central Sector for Western Region  | 10.73              | -         | -         | -        | <b>10.73</b>    |
| Projects in Progress | 1 No. 400kV bay at 765/400 kV Kurnool (New) Sub-Station  | 4.35               | -         | -         | -        | <b>4.35</b>     |
| Projects in Progress | Implementation of 1 No. 400 kV line bay at Kurnool New Sub-Station for providing connectivity to M/s Greenko APO1 IREP Pvt. Ltd. (2nd 400 kV line bay for M/s Greenko)   | 4.92               | -         | -         | -        | <b>4.92</b>     |

**66. Additional Regulatory Information as per Schedule III to the Companies Act, 2013 (Contd.)**

(₹ in crore)

| Particulars          | Project   | To be completed in |           |           |          |               |
|----------------------|---|--------------------|-----------|-----------|----------|---------------|
|                      |   | <1 Year            | 1-2 Years | 2-3 Years | >3 Years | Total         |
| Projects in Progress | HVDC Bipole link between Western Region (Raigarh, Chhattisgarh) and Southern Region (Pugalur, Tamil Nadu) - North Trichur (Kerala) - Scheme#2: AC System Strengthening at Pugalur end | 37.86              | -         | -         | -        | <b>37.86</b>  |
| Projects in Progress | Implementation of 1 No. of 230 kV bay at Tuticorin-II GIS PS  | 4.50               | -         | -         | -        | <b>4.50</b>   |
| Projects in Progress | Augmentation of transformation capacity by 1X500 MVA 400/220 kV ICT (6th) and common facility works at Pavagada (Tumkur) PS   | 2.31               | -         | -         | -        | <b>2.31</b>   |
| Projects in Progress | Augmentation of transformation capacity by 1X500 MVA, 400/230 kV ICT (4th) at Arasur Sub-Station  | 5.96               | -         | -         | -        | <b>5.96</b>   |
| Projects in Progress | Fibre Optic Communication System for Central Sector Sub-Stations & generating stations in Southern Region   | 0.89               | -         | -         | -        | <b>0.89</b>   |
| Projects in Progress | Transmission System associated with Tehri Pump Storage Plant (PSP)  | 3.71               | -         | -         | -        | <b>3.71</b>   |
| Projects in Progress | Line bays associated with Northern Region System Strengthening Scheme-XXXVI   | 20.76              | -         | -         | -        | <b>20.76</b>  |
| Projects in Progress | Transmission System for providing connectivity to RE projects at Bikaner (PG), Fatehgarh-II & Bhadla-II   | 63.45              | -         | -         | -        | <b>63.45</b>  |
| Projects in Progress | Transmission system strengthening scheme for evacuation of power from solar energy zones in Rajasthan (8.1 GW) under Phase II-Part- A1  | 51.38              | -         | -         | -        | <b>51.38</b>  |
| Projects in Progress | Transmission system strengthening scheme for evacuation of power from solar energy zones in Rajasthan (8.1 GW) under Phase II-Part- G1  | 165.25             | -         | -         | -        | <b>165.25</b> |
| Projects in Progress | Transmission system strengthening Scheme for evacuation of power from solar energy zones in Rajasthan (8.1 GW) under Phase II - Part B1   | 185.63             | -         | -         | -        | <b>185.63</b> |
| Projects in Progress | Implementation of 400 kV bays for RE generators at Bhadla-II PS and Fatehgarh-II PS   | 15.50              | -         | -         | -        | <b>15.50</b>  |
| Projects in Progress | Implementation of 1X80 MVAR 765 kV Spare Reactor at Bhadla-II Sub-Station   | 1.54               | -         | -         | -        | <b>1.54</b>   |
| Projects in Progress | 220 kV bays at 400 kV substation PG Khatkar (Jind) & Naggal (Panchkula) substation  | 17.35              | -         | -         | -        | <b>17.35</b>  |
| Projects in Progress | Augmentation of Transformation Capacity at Bhinmal (PG) Sub-Station by 1X315 MVA 400/220 kV ICT (3rd)   | 4.76               | -         | -         | -        | <b>4.76</b>   |

**66. Additional Regulatory Information as per Schedule III to the Companies Act, 2013 (Contd.)**

(₹ in crore)

| Particulars          | Project   | To be completed in |           |           |          |                 |
|----------------------|---|--------------------|-----------|-----------|----------|-----------------|
|                      |   | <1 Year            | 1-2 Years | 2-3 Years | >3 Years | Total           |
| Projects in Progress | Transmission System for evacuation of power from REZ in Rajasthan (20 GW) under Phase-III Part-J  | -                  | 5.68      | -         | -        | <b>5.68</b>     |
| Projects in Progress | Augmentation of Transformation Capacity by 1X500 MVA 400/220 kV ICT (3rd) to cater to the N-1 contingency requirement at Bikaner PS                               | 7.79               | -         | -         | -        | <b>7.79</b>     |
| Projects in Progress | North East - Northern / Western Interconnector - I Project  | 1,702.45           | -         | -         | -        | <b>1,702.45</b> |
| Projects in Progress | POWERGRID works associated with North-Eastern Regional System Strengthening Scheme-V  | 71.10              | -         | -         | -        | <b>71.10</b>    |
| Projects in Progress | Transmission System for North Eastern Region Strengthening Scheme-XIV (NERSS-XIV)   | 53.30              | -         | -         | -        | <b>53.30</b>    |
| Projects in Progress | POWERGRID works associated with North Eastern Region Strengthening Scheme-II, Part-B (NERSS-II-B)   | 91.67              | -         | -         | -        | <b>91.67</b>    |
| Projects in Progress | North Eastern Region Strengthening Scheme-IX (NERSS-IX)   | 6.42               | -         | -         | -        | <b>6.42</b>     |
| Projects in Progress | North Eastern Region Strengthening Scheme-XIII (NERSS-XIII)   | 39.41              | -         | -         | -        | <b>39.41</b>    |
| Projects in Progress | North Eastern Region Expansion Scheme-XVII (NERES-XVII)   | 1.65               | -         | -         | -        | <b>1.65</b>     |
| Projects in Progress | Establishment of Fibre Optic Communication System under Wide Band Communication Expansion Plan in North-Eastern Region  | 39.41              | -         | -         | -        | <b>39.41</b>    |
| Projects in Progress | Establishment of Fibre Optic Communication Scheme (Additional) under central sector for North Eastern Region  | 28.20              | -         | -         | -        | <b>28.20</b>    |
| Projects in Progress | Replacement of Old RTUs in North Eastern Region   | 2.21               | -         | -         | -        | <b>2.21</b>     |
| Projects in Progress | Establishment of State-of-the-art Unified Centralised Network Management System U-NMS for North Eastern Region (NER) ISTS and State Utility Communication Network | 78.51              | -         | -         | -        | <b>78.51</b>    |
| Projects in Progress | Establishment of Fibre Optic Communication System in Northern Region under Fibre Optic Expansion Project (additional Requirement)                                 | 2.99               | -         | -         | -        | <b>2.99</b>     |
| Projects in Progress | Northern Region System Strengthening-XLI (NRSS-XLI)   | 21.24              | -         | -         | -        | <b>21.24</b>    |
| Projects in Progress | One No.of 220 kV bay at Chamera Pooling Point for 2nd circuit stringing of 220 kV Karian-Chamera Pool Line  | 13.01              | -         | -         | -        | <b>13.01</b>    |
| Projects in Progress | Requirement of 1 no.220 kV line bay at 400/220 kV Amritsar (PG) by PSTCL  | 2.16               | -         | -         | -        | <b>2.16</b>     |



**66. Additional Regulatory Information as per Schedule III to the Companies Act, 2013 (Contd.)**

(₹ in crore)

| Particulars          | Project  | To be completed in |           |           |          |                 |
|----------------------|--|--------------------|-----------|-----------|----------|-----------------|
|                      |  | <1 Year            | 1-2 Years | 2-3 Years | >3 Years | Total           |
| Projects in Progress | Reliable communication Scheme under Central Sector for Northern Region   | 15.03              | -         | -         | -        | <b>15.03</b>    |
| Projects in Progress | Transmission system strengthening scheme for evacuation of power from solar energy zones in Rajasthan (8.1 GW) under Phase-II-Part G | 1,340.65           | -         | -         | -        | <b>1,340.65</b> |
| Projects in Progress | Transmission System for Evacuation of Power from Neemuch SEZ   | 779.28             | -         | -         | -        | <b>779.28</b>   |
| Projects in Progress | Transmission system strengthening scheme for evacuation of power from solar energy zones in Rajasthan (8.1 GW) under Phase-II-Part B | 803.58             | -         | -         | -        | <b>803.58</b>   |
| Projects in Progress | Transmission system strengthening scheme for evacuation of power from solar energy zones in Rajasthan (8.1 GW) under Phase-II-Part C | 1,279.94           | -         | -         | -        | <b>1,279.94</b> |
| Projects in Progress | Projects in Progress - Rajasthan Phase-II Part-D (Aligarh-Sikar)   | 1,072.53           | -         | -         | -        | <b>1,072.53</b> |
| Projects in Progress | Establishment of LIMS for ILD  | 5.09               | -         | -         | -        | <b>5.09</b>     |
| Projects in Progress | Package-Z  | 2.22               | -         | -         | -        | <b>2.22</b>     |
| Projects in Progress | Pkg-M-1, M-2 & M-3   | 29.35              | -         | -         | -        | <b>29.35</b>    |
| Projects in Progress | Pkg-R, S & T etc   | 0.41               | -         | -         | -        | <b>0.41</b>     |
| Projects in Progress | Pkg-U, V, W, X, I-1, I-2 & I-3   | 76.03              | -         | -         | -        | <b>76.03</b>    |
| Projects in Progress | Procurement of NOKIA Spare Cards   | 0.08               | -         | -         | -        | <b>0.08</b>     |
| Projects in Progress | Telecom BB Augmentation  | 0.00               | -         | -         | -        | <b>0.00</b>     |

**For the projects as on 31 March 2023:**

(₹ in crore)

| Particulars          | Project   | To be completed in |           |           |          |              |
|----------------------|---|--------------------|-----------|-----------|----------|--------------|
|                      |   | <1 Year            | 1-2 Years | 2-3 Years | >3 Years | Total        |
| Projects in Progress | Transmission System for Solar Power Parks at Bhadla, Rajasthan  | 21.11              | -         | -         | -        | <b>21.11</b> |
| Projects in Progress | Transmission system strengthening for evacuation of power from solar energy zones in Rajasthan (8.1GW) under Phase-II - Part-F1 | 96.63              | -         | -         | -        | <b>96.63</b> |
| Projects in Progress | Line bays associated with Northern Region System Strengthening Scheme-XXXVI   | 25.06              | -         | -         | -        | <b>25.06</b> |

**66. Additional Regulatory Information as per Schedule III to the Companies Act, 2013 (Contd.)**

(₹ in crore)

| Particulars          | Project   | To be completed in |           |           |          |               |
|----------------------|---|--------------------|-----------|-----------|----------|---------------|
|                      |   | <1 Year            | 1-2 Years | 2-3 Years | >3 Years | Total         |
| Projects in Progress | Northern Region System Strengthening-XL (NRSS-XL)   | 49.70              | -         | -         | -        | <b>49.70</b>  |
| Projects in Progress | Scheme to control fault level in Northern Region (Phase-II)   | 10.94              | -         | -         | -        | <b>10.94</b>  |
| Projects in Progress | Transmission System for providing connectivity to RE projects at Bikaner (PG), Fatehgarh-II & Bhadla-II                                 | 85.79              | -         | -         | -        | <b>85.79</b>  |
| Projects in Progress | 2 Nos. of 220 kV line bays at Saharanpur (PG)   | 2.73               | -         | -         | -        | <b>2.73</b>   |
| Projects in Progress | Transmission system strengthening scheme for evacuation of power from solar energy zones in Rajasthan (8.1 GW) under Phase II-Part- A1  | 50.60              | -         | -         | -        | <b>50.60</b>  |
| Projects in Progress | Transmission system strengthening Scheme for evacuation of power from solar energy zones in Rajasthan (8.1 GW) under Phase II - Part B1 | 787.76             | -         | -         | -        | <b>787.76</b> |
| Projects in Progress | Provision of Spare ICTs in Northern Region  | 0.20               | -         | -         | -        | <b>0.20</b>   |
| Projects in Progress | Implementation of 1X80 MVAR 765 kV Spare Reactor at Bhadla-II Sub-Station   | 1.54               | -         | -         | -        | <b>1.54</b>   |
| Projects in Progress | Provision of 400 kV line bays at Bhiwani (PG)   | 18.98              | -         | -         | -        | <b>18.98</b>  |
| Projects in Progress | Establishment of Fibre Optic Communication System in Northern Region under Fibre Optic Expansion Project (additional Requirement)       | 14.36              | -         | -         | -        | <b>14.36</b>  |
| Projects in Progress | Implementation of 500 MVAR Thyristor Controlled Reactor at Kurukshetra 400 kV bus   | 129.75             | -         | -         | -        | <b>129.75</b> |
| Projects in Progress | Northern Region System Strengthening-XLI (NRSS-XLI)   | 20.07              | -         | -         | -        | <b>20.07</b>  |
| Projects in Progress | Northern Region System Strengthening-XLII (NRSS-XLII)   | 10.06              | -         | -         | -        | <b>10.06</b>  |
| Projects in Progress | One No.of 220 kV bay at Chamera Pooling Point for 2nd circuit stringing of 220 kV Karian-Chamera Pool Line                              | 10.26              | -         | -         | -        | <b>10.26</b>  |
| Projects in Progress | Reliable communication Scheme under Central Sector for Northern Region  | 44.29              | -         | -         | -        | <b>44.29</b>  |
| Projects in Progress | System Strengthening Scheme in Northern Region-XXXVII (NRSS-XXXVII)   | -                  | 28.24     | -         | -        | <b>28.24</b>  |
| Projects in Progress | ICTs & Bays associated with Northern Region System Strengthening Scheme - XXXVIII (NRSS-XXXVIII)  | 274.21             | -         | -         | -        | <b>274.21</b> |
| Projects in Progress | Construction of 2 Nos. of 400 kV Hybrid/GIS line bays at Varanasi (PG) Sub-Station  | 34.93              | -         | -         | -        | <b>34.93</b>  |
| Projects in Progress | Implementation of 220kV Bay at Shajahanpur (PG) 400/220kV Sub-Station   | 2.12               | -         | -         | -        | <b>2.12</b>   |

**66. Additional Regulatory Information as per Schedule III to the Companies Act, 2013 (Contd.)**

(₹ in crore)

| Particulars          | Project  | To be completed in |           |           |          |                 |
|----------------------|--|--------------------|-----------|-----------|----------|-----------------|
|                      |  | <1 Year            | 1-2 Years | 2-3 Years | >3 Years | Total           |
| Projects in Progress | 1x500 MVA, 400/220 kV ICT augmentation (3rd) at Sohawal (PG) under system strengthening  | 22.74              | -         | -         | -        | <b>22.74</b>    |
| Projects in Progress | North East - Northern / Western Interconnector - I Project   | 1,498.19           | -         | -         | -        | <b>1,498.19</b> |
| Projects in Progress | POWERGRID works associated with North-Eastern Regional System Strengthening Scheme-V   | 68.33              | -         | -         | -        | <b>68.33</b>    |
| Projects in Progress | North-Eastern Region Strengthening Scheme-X (NERSS-X)  | 46.69              | -         | -         | -        | <b>46.69</b>    |
| Projects in Progress | North Eastern Region Strengthening Scheme-XII (NERSS-XII)  | 407.91             | -         | -         | -        | <b>407.91</b>   |
| Projects in Progress | Transmission System for North Eastern Region Strengthening Scheme-XIV (NERSS-XIV)  | 50.39              | -         | -         | -        | <b>50.39</b>    |
| Projects in Progress | POWERGRID works associated with North Eastern Region Strengthening Scheme-II, Part-B (NERSS-II-B)                                | 87.48              | -         | -         | -        | <b>87.48</b>    |
| Projects in Progress | North Eastern Region Strengthening Scheme - III (NERSS-III)  | 54.26              | -         | -         | -        | <b>54.26</b>    |
| Projects in Progress | POWERGRID works associated with North Eastern Region Strengthening Scheme-VI   | 24.19              | -         | -         | -        | <b>24.19</b>    |
| Projects in Progress | Provision of spare transformer & reactor in North Eastern Region   | 27.55              | -         | -         | -        | <b>27.55</b>    |
| Projects in Progress | North-Eastern Region Strengthening Scheme-XI (NERSS-XI)  | 40.17              | -         | -         | -        | <b>40.17</b>    |
| Projects in Progress | North Eastern Region Strengthening Scheme-XIII (NERSS-XIII)  | 51.16              | -         | -         | -        | <b>51.16</b>    |
| Projects in Progress | Establishment of Fibre Optic Communication System under Wide Band Communication Expansion Plan in North-Eastern Region           | 36.73              | -         | -         | -        | <b>36.73</b>    |
| Projects in Progress | Establishment of Fibre Optic Communication Scheme (Additional) under central sector for North Eastern Region                     | 23.01              | -         | -         | -        | <b>23.01</b>    |
| Projects in Progress | Replacement of Old RTUs in North Eastern Region  | 2.18               | -         | -         | -        | <b>2.18</b>     |
| Projects in Progress | VSAT based communication system  | 0.21               | -         | -         | -        | <b>0.21</b>     |
| Projects in Progress | POWERGRID Works associated with immediate evacuation for North Karanpura (3X660 MW) generation project of NTPC                   | 45.99              | -         | -         | -        | <b>45.99</b>    |
| Projects in Progress | Eastern Region Expansion Scheme-XXVI (ERES-XXVI)   | 1.68               | -         | -         | -        | <b>1.68</b>     |
| Projects in Progress | Establishment of Communication System under Expansion/Up-gradation of SCADA/EMS system at SLDCs of Eastern Region (BSPTCL & DVC) | 17.17              | -         | -         | -        | <b>17.17</b>    |
| Projects in Progress | Communication System under Eastern Region Fibre Optic Expansion Project (Additional Requirement)                                 | 38.29              | -         | -         | -        | <b>38.29</b>    |

**66. Additional Regulatory Information as per Schedule III to the Companies Act, 2013 (Contd.)**

(₹ in crore)

| Particulars          | Project  | To be completed in |           |           |          |               |
|----------------------|--|--------------------|-----------|-----------|----------|---------------|
|                      |  | <1 Year            | 1-2 Years | 2-3 Years | >3 Years | Total         |
| Projects in Progress | Eastern Region Strengthening Scheme-XVII (Part-B) [ERSS-XVII (Part-B)]   | 50.06              | -         | -         | -        | <b>50.06</b>  |
| Projects in Progress | POWERGRID works associated with Transmission System Strengthening in Indian System for transfer of power from new HEPS in Bhutan   | 30.02              | -         | -         | -        | <b>30.02</b>  |
| Projects in Progress | Eastern Region Strengthening Scheme-XXII   | 26.69              | -         | -         | -        | <b>26.69</b>  |
| Projects in Progress | Establishment of Reliable Communication Scheme under central sector for Eastern Region   | 9.87               | -         | -         | -        | <b>9.87</b>   |
| Projects in Progress | Fibre Optic Communication System in Eastern Region under expansion of Wideband Communication Network in Eastern Region   | 6.44               | -         | -         | -        | <b>6.44</b>   |
| Projects in Progress | Phase-I Unified Real Time Dynamic State Measurement (URTDSM)   | 3.31               | -         | -         | -        | <b>3.31</b>   |
| Projects in Progress | Western Region System Strengthening Scheme - V   | 467.64             | -         | -         | -        | <b>467.64</b> |
| Projects in Progress | Transmission System Associated with Mundra Ultra Mega Power Project  | 116.12             | -         | -         | -        | <b>116.12</b> |
| Projects in Progress | Additional system for power evacuation from generation projects pooled at Raigarh (Tamnar) Pool  | 83.26              | -         | -         | -        | <b>83.26</b>  |
| Projects in Progress | Transmission System strengthening beyond Kolhapur for export of power from Solar & Wind Energy Zones in Southern Region - Reconductoring of Kolhapur (PG) - Kolhapur 400 kV D/C line | 34.21              | -         | -         | -        | <b>34.21</b>  |
| Projects in Progress | POWERGRID Works associated with Additional 400kV feed to Goa   | 23.39              | -         | -         | -        | <b>23.39</b>  |
| Projects in Progress | Establishment of Fibre Optic Communication System in Western Region under Master Communication Plan  | 0.75               | -         | -         | -        | <b>0.75</b>   |
| Projects in Progress | POWERGRID works associated with transmission system strengthening in WR associated with Khargone TPS   | 103.53             | -         | -         | -        | <b>103.53</b> |
| Projects in Progress | Extension works at POWERGRID substations for Interconnection of RE projects  | 5.53               | -         | -         | -        | <b>5.53</b>   |
| Projects in Progress | Connectivity and LTA for 325MW Wind Project of M/s SBESS Projects Pvt Ltd  | 5.51               | -         | -         | -        | <b>5.51</b>   |
| Projects in Progress | Scheme to control fault level at Indore Sub-Station  | 0.02               | -         | -         | -        | <b>0.02</b>   |
| Projects in Progress | Establishment of Fibre Optic Communication System in Western Region under Master Communication Plan (Additional Requirement)   | 11.28              | -         | -         | -        | <b>11.28</b>  |
| Projects in Progress | Reliable Communication Scheme under Central Sector for Western Region  | 11.78              | -         | -         | -        | <b>11.78</b>  |



**66. Additional Regulatory Information as per Schedule III to the Companies Act, 2013 (Contd.)**

(₹ in crore)

| Particulars          | Project   | To be completed in |           |           |          |               |
|----------------------|---|--------------------|-----------|-----------|----------|---------------|
|                      |   | <1 Year            | 1-2 Years | 2-3 Years | >3 Years | Total         |
| Projects in Progress | System Strengthening-XXV in Southern Region   | 38.87              | -         | -         | -        | <b>38.87</b>  |
| Projects in Progress | Augmentation of Transformation Capacity in Southern Region  | 44.11              | -         | -         | -        | <b>44.11</b>  |
| Projects in Progress | Reliable Communication Scheme under Central Sector for Southern Region  | 39.23              | -         | -         | -        | <b>39.23</b>  |
| Projects in Progress | HVDC Bipole link between Western Region (Raigarh, Chhattisgarh) and Southern Region (Pugalur, Tamil Nadu) - North Trichur (Kerala) - Scheme#2: AC System Strengthening at Pugalur end | 39.16              | -         | -         | -        | <b>39.16</b>  |
| Projects in Progress | Transmission System for evacuation of power from 2X500 MW Neyveli Lignite Corp. Ltd. TS-1 (Replacement) (NNTPS) in Neyveli, Tamil Nadu  | 40.55              | -         | -         | -        | <b>40.55</b>  |
| Projects in Progress | Evacuation of RE in Tirunelveli and Tuticorin Wind Energy Zone (Tamil Nadu) 500 MW  | 33.10              | -         | -         | -        | <b>33.10</b>  |
| Projects in Progress | Augmentation of transformation capacity at existing Hiriyur and Kochi Sub-Stations  | 34.59              | -         | -         | -        | <b>34.59</b>  |
| Projects in Progress | Implementation of 1 No. of 230 kV bay at Tuticorin-II GIS PS  | 4.65               | -         | -         | -        | <b>4.65</b>   |
| Projects in Progress | Fibre Optic Communication System for Central Sector Sub-Stations & generating stations in Southern Region   | 0.83               | -         | -         | -        | <b>0.83</b>   |
| Projects in Progress | OPGW Project (1517 km)-Telecom  | 1.99               | -         | -         | -        | <b>1.99</b>   |
| Projects in Progress | Pkg-U,V,W,X,I-1,I-2 & I-3 -Telecom  | 30.00              | -         | -         | -        | <b>30.00</b>  |
| Projects in Progress | Pkg-M-1,M-2 & M-3 - Telecom   | 13.82              | -         | -         | -        | <b>13.82</b>  |
| Projects in Progress | Package-Z - Telecom   | 0.69               | -         | -         | -        | <b>0.69</b>   |
| Projects in Progress | Network for NTAMC - Telecom   | 7.19               | -         | -         | -        | <b>7.19</b>   |
| Projects in Progress | RTM 765 kV Spare Reactor  | 7.03               | -         | -         | -        | <b>7.03</b>   |
| Projects in Progress | RTM Scheme to bypass NGR  | 0.99               | -         | -         | -        | <b>0.99</b>   |
| Projects in Progress | Transmission system strengthening scheme for evacuation of power from solar energy zones in Rajasthan (8.1 GW) under phase II-Part A  | 258.40             | -         | -         | -        | <b>258.40</b> |
| Projects in Progress | Transmission system strengthening scheme for evacuation of power from solar energy zones in Rajasthan (8.1 GW) under Phase II - Part C  | 938.41             | -         | -         | -        | <b>938.41</b> |
| Projects in Progress | Transmission system strengthening for evacuation of power from solar energy zones in Rajasthan (8.1 GW) under phase II - Part B   | 514.33             | -         | -         | -        | <b>514.33</b> |

**66. Additional Regulatory Information as per Schedule III to the Companies Act, 2013 (Contd.)**

(₹ in crore)

| Particulars          | Project   | To be completed in |           |           |          |                 |
|----------------------|---|--------------------|-----------|-----------|----------|-----------------|
|                      |   | <1 Year            | 1-2 Years | 2-3 Years | >3 Years | Total           |
| Projects in progress | Transmission system strengthening scheme for evacuation of power from solar energy zones in Rajasthan (8.1 GW) under phase II - Part F    | 1,268.88           | -         | -         | -        | <b>1,268.88</b> |
| Projects in progress | Rajasthan Phase-II Part-D   | 941.41             | -         | -         | -        | <b>941.41</b>   |
| Projects in progress | Construction of 765/400/220 kV GIS substation in Meerut and 400/220/132 kV GIS substation in Simbhaoli with associated transmission lines | 997.86             | -         | -         | -        | <b>997.86</b>   |

**c) Aging of Intangible assets under development is as follows:**

(₹ in crore)

| Particulars                    | <1 Year      | 1-2 Years    | 2-3 Years    | >3 Years    | Total         |
|--------------------------------|--------------|--------------|--------------|-------------|---------------|
| <b>As at 31 March 2024</b>     |              |              |              |             |               |
| Projects in progress           | 84.68        | 0.18         | 24.66        | 6.24        | <b>115.76</b> |
| Projects temporarily suspended | -            | -            | -            | -           | -             |
| <b>Total</b>                   | <b>84.68</b> | <b>0.18</b>  | <b>24.66</b> | <b>6.24</b> | <b>115.76</b> |
| <b>As at 31 March 2023</b>     |              |              |              |             |               |
| Projects in progress           | 0.18         | 24.66        | -            | 6.24        | <b>31.08</b>  |
| Projects temporarily suspended | -            | -            | -            | -           | -             |
| <b>Total</b>                   | <b>0.18</b>  | <b>24.66</b> | <b>-</b>     | <b>6.24</b> | <b>31.08</b>  |

d) For Intangible assets under development, whose completion is overdue or has exceeded its cost compared to its original plan, Intangible assets under development completion schedule is as follows:

**For the projects as on 31 March 2024:**

(₹ in crore)

| Particulars          | Project   | To be completed in |           |           |          |              |
|----------------------|---|--------------------|-----------|-----------|----------|--------------|
|                      |   | <1 Year            | 1-2 Years | 2-3 Years | >3 Years | Total        |
| Projects in Progress | Transmission System for power evacuation from Arun-3 (900 MW) HEP, Nepal of M/s SAPDC - Indian Portion                    | 1.04               | -         | -         | -        | <b>1.04</b>  |
| Projects in Progress | Western Region System Strengthening Scheme - V (WRSS-V) (Vapi-New Mumbai)   | 6.24               | -         | -         | -        | <b>6.24</b>  |
| Projects in Progress | Transmission Network Expansion in Gujarat to increase its ATC from ISTS Part B  | 51.87              | -         | -         | -        | <b>51.87</b> |
| Projects in Progress | Transmission Project - Jamnagar Oil Refinery of Reliance Industries Limited (RIL) to connect with Jam Khambhaliya ISTS PS | 0.02               | -         | -         | -        | <b>0.02</b>  |
| Projects in Progress | North East - Northern / Western Interconnector - I Project  | 24.81              | -         | -         | -        | <b>24.81</b> |
| Projects in Progress | Transmission System for Evacuation of Power from Neemuch SEZ  | 24.51              | -         | -         | -        | <b>24.51</b> |

**66. Additional Regulatory Information as per Schedule III to the Companies Act, 2013 (Contd.)**

For the projects as on 31 March 2023:

(₹ in crore)

| Particulars          | Project  | To be completed in |           |           |          |              |
|----------------------|--|--------------------|-----------|-----------|----------|--------------|
|                      |  | <1 Year            | 1-2 Years | 2-3 Years | >3 Years | Total        |
| Projects in Progress | North East - Northern / Western Interconnector - I Project | 24.66              | -         | -         | -        | <b>24.66</b> |
| Projects in Progress | Western Region System Strengthening Scheme - V             | 6.24               | -         | -         | -        | <b>6.24</b>  |

- e) No proceeding has been initiated or pending against the group for holding any benami property under the Prohibition of Benami Property Transactions Act, 1988 (as amended) and rules made thereunder as at the end of the financial year.
- f) The Company was sanctioned a working capital limit of ₹ 6,950 crore (Previous Year ₹ 7,200 crore) secured against current assets by consortium of banks. The quarterly returns of current assets have been filed by the company during the financial year and are in agreement with books of accounts.
- g) The Group was not declared as a wilful defaulter by any bank or financial Institution or other lender during the financial year.
- h) Relationship with Struck off Companies:

(₹ in crore)

| Name of struck off Company                | Nature of transactions with struck off Company | Balance outstanding as at 31 March 2024 | Balance outstanding as at 31 March 2023 | Relationship with the Struck off company |
|---|--|---|---|--|
| Ace Consultants Pvt. Ltd.                 | Payables                                       | -                                       | 0.00                                    | Not a related party                      |
| Beautex Advertising Media Private Limited | Payables                                       | 0.03                                    | 0.03                                    | Not a related party                      |
| Braintech Infra Private Limited           | Payables                                       | 0.00                                    | 0.00                                    | Not a related party                      |
| Deligent Networks Private Limited         | Payables                                       | 0.01                                    | 0.01                                    | Not a related party                      |
| Eric Media Private Limited                | Payables                                       | (0.00)                                  | 0.00                                    | Not a related party                      |
| Fortune Marketing Private Limited         | Payables                                       | 0.00                                    | 0.00                                    | Not a related party                      |
| Hvac Systems Private Limited              | Payables                                       | 0.00                                    | 0.00                                    | Not a related party                      |
| J K Paper Sacks Pvt. Ltd                  | Payables                                       | 0.00                                    | 0.00                                    | Not a related party                      |
| Jason Communication Private Limited       | Payables                                       | -                                       | 0.00                                    | Not a related party                      |
| Matrix Telecom Solutions Private Limited  | Payables                                       | 0.00                                    | 0.00                                    | Not a related party                      |
| Mittsoo Solutions Private Limited         | Payables                                       | 0.00                                    | 0.00                                    | Not a related party                      |
| Monarch Electronics Private Limited       | Payables                                       | 0.00                                    | 0.00                                    | Not a related party                      |
| Om Services And Cargo Private Limited     | Payables                                       | 0.00                                    | 0.00                                    | Not a related party                      |
| Orient Cargo Movers Private Limited       | Payables                                       | 0.00                                    | 0.00                                    | Not a related party                      |
| Quality Research Services Private Limited | Payables                                       | 0.00                                    | 0.00                                    | Not a related party                      |
| Raj Cable Network Private Limited         | Payables                                       | 0.00                                    | 0.00                                    | Not a related party                      |
| Rana Enterprises India Private Limited    | Payables                                       | 0.00                                    | 0.00                                    | Not a related party                      |
| Sharma Communications Private Limited     | Payables                                       | 0.00                                    | 0.00                                    | Not a related party                      |
| Siddharam Infrastructure Private Limited  | Payables                                       | 0.04                                    | 0.04                                    | Not a related party                      |
| Sigma Security Services Private Limited   | Payables                                       | 0.01                                    | 0.01                                    | Not a related party                      |

**66. Additional Regulatory Information as per Schedule III to the Companies Act, 2013 (Contd.)**

(₹ in crore)

| Name of struck off Company  | Nature of transactions with struck off Company | Balance outstanding as at 31 March 2024 | Balance outstanding as at 31 March 2023 | Relationship with the Struck off company |
|---|--|---|---|--|
| Synergy Telecommunications Private Limited                        | Payables                                       | -                                       | 0.16                                    | Not a related party                      |
| Tgn Networks Private Limited                                      | Payables                                       | NA                                      | 0.00                                    | Not a related party                      |
| Visaag Technologies Private Limited                               | Payables                                       | -                                       | 0.00                                    | Not a related party                      |
| Yumiko Global Infra Tech Private Limited                          | Payables                                       | 0.03                                    | 0.11                                    | Not a related party                      |
| Excellent Infra Electric & Communication Private Limited          | Payables                                       | 0.09                                    | 0.07                                    | Not a related party                      |
| Grid Solutions Private Limited                                    | Payables                                       | 4.56                                    | 3.65                                    | Not a related party                      |
| Pcn Buildcon Private Limited                                      | Payables                                       | 0.01                                    | 0.01                                    | Not a related party                      |
| Institute Of Electrical And Electronics Engineers Private Limited | Payables                                       | -                                       | -                                       | Not a related party                      |
| Arctos Telecom Private Limited (Opc)                              | Receivables                                    | 0.08                                    | 0.08                                    | Not a related party                      |
| Beamon Technologies Private Limited                               | Receivables                                    | 0.04                                    | 0.04                                    | Not a related party                      |
| Expeditive Infotech Private Limited                               | Receivables                                    | 0.08                                    | 0.08                                    | Not a related party                      |
| Glan Solution India Private Limited                               | Receivables                                    | 0.03                                    | 0.03                                    | Not a related party                      |
| Roofers Media Private Limited                                     | Receivables                                    | 0.02                                    | 0.02                                    | Not a related party                      |
| Shubhra Communications Private Limited                            | Receivables                                    | 0.04                                    | 0.04                                    | Not a related party                      |
| Vaishali Computech Private Limited                                | Receivables                                    | -                                       | 0.00                                    | Not a related party                      |
| Viscom Media Private Limited                                      | Receivables                                    | 0.02                                    | 0.02                                    | Not a related party                      |
| Yash Techno Media Private Limited                                 | Receivables                                    | 0.06                                    | 0.06                                    | Not a related party                      |
| Ambala Broadband Services Private Limited                         | Receivables                                    | -                                       | 0.00                                    | Not a related party                      |
| Bluesky Communications Private Limited                            | Receivables                                    | -                                       | 0.00                                    | Not a related party                      |
| Waltair Entertainment Private Limited                             | Receivables                                    | -                                       | -                                       | Not a related party                      |
| Anjal Impex Pvt. Ltd  | Shares held by struck off company              | 0.00                                    | 0.00                                    | Not a related party                      |
| Century Marbles & Granites Pvt Ltd                                | Shares held by struck off company              | 0.28                                    | 0.01                                    | Not a related party                      |
| Isairis Trading Private Limited                                   | Shares held by struck off company              | 0.00                                    | 0.00                                    | Not a related party                      |
| J.B. And Brothers Private Limited                                 | Shares held by struck off company              | NA                                      | 0.00                                    | Not a related party                      |
| Kothari Intergroup Ltd.   | Shares held by struck off company              | 0.00                                    | 0.00                                    | Not a related party                      |
| Unickon Fincap Private Limited                                    | Shares held by struck off company              | 0.64                                    | 0.02                                    | Not a related party                      |



**66. Additional Regulatory Information as per Schedule III to the Companies Act, 2013 (Contd.)**

(₹ in crore)

| Name of struck off Company                         | Nature of transactions with struck off Company | Balance outstanding as at 31 March 2024 | Balance outstanding as at 31 March 2023 | Relationship with the Struck off company |
|--|--|---|---|--|
| Vaishak Shares Limited                             | Shares held by struck off company              | 0.00                                    | 0.00                                    | Not a related party                      |
| Vitalink Wealth Advisory Services Private Limited  | Shares held by struck off company              | 0.02                                    | 0.00                                    | Not a related party                      |
| Zenith Insurance Services Pvt Ltd                  | Shares held by struck off company              | 0.02                                    | NA                                      | Not a related party                      |
| Pinnacle India Safety and Security Private Limited | Shares held by struck off company              | 0.06                                    | -                                       | Not a related party                      |

- The company has complied with the number of layers prescribed under clause (87) of section 2 of the Act read with the Companies (Restriction on number of Layers) Rules, 2017 during the financial year.
- 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.
- 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.
- The Group has not traded or invested in Crypto currency or Virtual Currency during the financial year.

**67. Other Notes**
**A. Reclassifications in comparative years**

In accordance with Ind AS 8 "Accounting Policies, Changes in Accounting Estimates and Errors" and Ind AS 1 "Presentation of Financial Statements", the Company has reclassified/restated the amounts in financial statements as at 31 March 2023 and 01 April 2022 (beginning of the previous year) as follows:

- As per the opinion of Expert Advisory Committee of Institute of Chartered Accountant of India (EAC of ICAI), trade receivables are to be presented in entirety along with recognition of financial liability for the consideration received from the bank on discounting of such receivables with recourse. Considering the opinion, the amount realised by the company through bill discounting with recourse to the company is included in Current Borrowings instead of netting off with Trade receivables with reclassification of previous year amounting to ₹1,922.61 crore and opening of previous year amounting to ₹4,180.23 crore.
- As per the amendments to Ind AS 12 "Income Taxes" notified by Ministry of Corporate Affairs (MCA), deferred tax amounting of ₹9.16 crore is recognised in Other Equity and Deferred Tax Liabilities (Net) as on 01 April 2022 & a decrease of ₹2.62 crore in deferred tax expense of FY 2022-23. Further, an amount of ₹54.90 crore and ₹74.73 crore has been reclassified as Deferred Tax Assets (Net) from Deferred Tax Liabilities (Net) as at the end and beginning of previous year respectively.
- Amount realisable by the company on receipt of refund by Central Transmission Utility Limited (CTUIL) from tax authorities has been reclassified from 'Other Current Financial Assets' to 'Other Non Current Assets' as at the end of the previous year amounting to ₹674.77 crore and at the beginning of previous year amounting to ₹285.74 crore to the extent of expected to be realised after 12 months from end of reporting period.
- As per the opinion of EAC of ICAI, Income from Scrap generated from other than Property, Plant and Equipment is to be accounted in 'Other Operating Revenue' since the same arises on account of the company's main operating activity. Considering the opinion, an amount of ₹ 21.83 crore has reclassified from 'Other Income' to 'Other Operating Revenue' under 'Revenue from Operations'.

These reclassifications have no effect on the reported Profit & Loss, Total Comprehensive Income and Equity of previous years except for Ind AS 12 amendments. As there is a material effect on the information in the balance sheet at the beginning of the previous year due the reason mentioned in point (a) above, the company has

**67. Other Notes (Contd.)**

presented a third balance sheet as at the beginning of the preceding year. Reconciliation of equity as at 31 March 2023 and 01 April 2022 is as follows:

(₹ in crore)

| Particulars                                      | As at 31 March 2023 | As at 01 April 2022 |
|--|---------------------|---------------------|
| Total equity as reported earlier                 | 83,014.51           | 76,247.13           |
| Deferred Tax impact as per Ind AS 12 amendments  | 11.78               | 9.16                |
| Total equity as per restated Financial Statement | 83,026.29           | 76,256.29           |

Reconciliation of Profit after tax for the year ended 31 March 2023 is as follows:

(₹ in crore)

| Particulars  | For the year ended 31 March 2023 |
|--|----------------------------------|
| Profit after Tax as reported earlier                 | 15,417.12                        |
| Add: Deferred Tax impact as per Ind AS 12 amendments | 2.62                             |
| Profit after Tax as per restated Financial Statement | 15,419.74                        |
| Impact on Basic and diluted earnings per share (₹)   | 0.00                             |

**B. Acquisitions under process:**

The Company was the successful bidder in 5 TCB Projects under the SPVs namely (i) Khavda IV-E2 Power Transmission Limited, (ii) Rajasthan IV C Power Transmission Limited, (iii) Rajasthan IV E Power Transmission Limited, (iv) Sirohi Transmission Limited & (v) Beawar - Mandsaur Transmission Limited. Out of which the company has acquired first 3 companies from concerned Bid Process Coordinator on 15 April 2024 & Letter of Intent (LoI) in respect of remaining 2 companies has been obtained from concerned Bid Process Coordinator on 09 May 2024.

68: a) Figures have been rounded off to nearest rupees in crore up to two decimals.

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

For and on behalf of the Board of Directors

**Satyaprakash Dash**  
Company Secretary

**G Ravisankar**  
Director (Finance)  
DIN: 08816101

**R K Tyagi**  
Chairman & Managing Director  
DIN: 09632316

As per our report of even date

 For **S. RAMANAND AIYAR & CO**  
Chartered Accountants  
FRN : 000990N

 For **SAGAR & ASSOCIATES**  
Chartered Accountants  
FRN : 003510S

 For **SURESH SURANA & ASSOCIATES LLP**  
Chartered Accountants  
FRN : 121750W/W-100010

 For **G. D. APTE & CO**  
Chartered Accountants  
FRN : 100515W

**CA Puneet Jain**  
Partner  
M. No. 520928

**CA Ajay Kumar Mishra**  
Partner  
M. No. 205468

**CA Avilas Agarwal**  
Partner  
M. No. 062668

**CA C. M. Dixit**  
Partner  
M. No. 17532

Date: 22 May 2024

Place: Mumbai

**INDEPENDENT AUDITOR'S REPORT**

**TO THE MEMBERS OF POWER GRID CORPORATION OF INDIA LIMITED**

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

**Opinion**

We have audited the accompanying consolidated financial statements of Power Grid Corporation of India Limited (hereinafter referred to as the "Holding Company"), and its subsidiaries (The Holding Company and its subsidiaries together referred to as "the Group"), and its joint ventures, which comprise the consolidated Balance Sheet as at 31 March 2024, the Consolidated Statement of Profit and Loss (including Other Comprehensive Income), the Consolidated Statement of Changes in Equity and the Consolidated Statement of Cash Flows for the year ended, and notes to the consolidated financial statement, including material accounting policies and other explanatory information (hereinafter referred to as "the Consolidated Financial Statements").

In our opinion and to the best of our information and according to the explanations given to us, the aforesaid Consolidated Financial Statements give the information required by the Companies Act, 2013 ("the Act") in the manner so required and give a true and fair view in conformity with the accounting principles generally accepted in India, of the consolidated state of affairs of the Group and joint ventures, as at 31 March 2024, the consolidated profit & total comprehensive income, consolidated changes in equity and consolidated cash flows for the year ended on that date.

**Basis for Opinion**

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

**Key Audit Matters**

Key audit matters are those matters that, in our professional judgment, were of most significance in our audit of the Consolidated Financial Statements for the year ended 31 March 2024. These matters were addressed in the context of our audit of the Consolidated Financial Statements as a whole, and in forming our opinion thereon, and we do not provide a separate opinion on these matters. For each matter below, description of how the matter was addressed in our audit is provided in that context. Considering the requirement of Standard on Auditing (SA 600) on 'Using the work of Another Auditor' including materiality, below Key Audit Matters have been reproduced from the Independent Auditors' report on the audit of Standalone Financial Statements of the Holding Company.

| Sr. No. | Key Audit Matters  | How the matter was addressed in our audit   |
|---------|--|---|
| 1       | <p><b>Recognition of Revenue from Transmission Income</b></p> <p>Transmission Income is accounted for based on tariff orders notified by the Central Electricity Regulatory Commission ("CERC"). In case of transmission projects where final tariff orders are yet to be notified, transmission income is accounted for on provisional basis as per Tariff Regulations and Orders of the CERC in earlier cases. Difference, if any, is accounted for on issuance of final Tariff Orders by the CERC. As at each reporting date, transmission income also includes an accrual for services rendered to the customers but not yet billed i.e. Unbilled Revenue.</p> <p>This is considered as Key Audit Matter due to the nature and extent of estimates made as per CERC Tariff Regulations and contracts with customers for recognition of revenue.</p> <p>(Refer Note No. 35(b)(ii) Consolidated Financial Statement)</p> | <p>Our audit approach involved:</p> <p>Obtaining an understanding of the CERC Tariff Regulations, Orders, Circulars, Guidelines and the Company's internal circulars and procedures in respect of recognition and measurement of revenue from transmission of power.</p> <ul style="list-style-type: none"> <li>Evaluated and tested the effectiveness of the design of Internal controls relating to recognition and measurement of revenue from Transmission.</li> <li>Verified the transmission revenue based on the CERC Tariff Regulation, Orders, Circulars, Guidelines and the Company's internal circulars.</li> <li>Verified on test basis, the income recognised on provisional basis consistently as per the regulatory guidelines and orders of the CERC in recent cases where tariff orders were issued, for the assets whose final orders are yet to be notified by CERC, based on the date of commercial operation (DOCO) letters issued by Regional technical heads, and capital cost, as certified by the Management.</li> </ul> <p>Based on the above procedure performed, the recognition and measurement of revenue from transmission of power is considered to be adequate and reasonable.</p> |
| 2       | <p><b>Deferred Tax Assets relating to Minimum Alternate Tax (MAT) credit entitlement</b></p> <p>The Company has considered MAT credit in anticipation of set off against the tax payable in future years and created Deferred Tax Asset for the same during the year. Corresponding to the said MAT Credit Entitlement, a Deferred Regulatory liability payable to the beneficiaries in subsequent periods as per CERC Tariff Regulations has been recognized.</p> <p>We identified this as a key audit matter because of the importance of this matter to the intended users of the financial statements and its materiality and requirement of judgement in assessing future taxable profits for recognition of MAT credit entitlement.</p> <p>(Refer Note No.26 of Consolidated financial statements.)</p>  | <p>Our audit approach involved:</p> <ul style="list-style-type: none"> <li>Reviewing the current status of availability of MAT credits.</li> <li>Assessing the related forecasts of future taxable profits, evaluated the reasonableness and consistency of the considerations/assumptions underlying the preparation of these forecasts.</li> <li>Based on the above procedures performed, the recognition and measurement of Deferred tax asset relating to MAT credit entitlement and corresponding Regulatory Deferral Liability towards customers, is considered adequate and reasonable.</li> </ul> <p>Based on the above procedures performed, the recognition and measurement of Deferred tax asset relating to MAT credit entitlement and corresponding Regulatory Deferral Liability towards customers, is considered to be adequate and reasonable.</p>  |
| 3       | <p><b>Assessment of Contingent liabilities in respect of certain litigations including land compensation, direct and indirect taxes, various claims filed by other parties not acknowledged as debt.</b></p> <p>There is a high level of judgement required in estimating the contingent liabilities. The company's assessment of contingent liabilities is supported by the facts of the matter, Company's judgement thereon, past experience and advices from legal and independent tax consultants wherever necessary.</p> <p>We identified the above area as Key Audit Matter in view of associated uncertainty relating to the outcome of these matter.</p> <p>(Refer Note No. 60 of Consolidated financial statements).</p>  | <p>We have obtained an understanding of the Company's procedure in respect of estimation and disclosure of contingent liabilities and adopted the following audit procedures:</p> <ul style="list-style-type: none"> <li>Reviewed the current status and material developments of legal matters.</li> <li>Reviewed the legal and other professional expenses and enquired with the management for recent developments and the status of the material litigations.</li> <li>Performed our assessment on a test basis on the underlying calculations supporting the contingent liabilities/other significant litigations disclosed in the standalone financial statements.</li> <li>Examined recent orders from competent authorities and/ or communication received from various authorities, judicial forums and follow-up action thereon.</li> </ul> <p>Based on the above procedures performed, the estimation and disclosures of contingent liabilities is considered to be adequate and reasonable.</p>   |



**Information Other than the Consolidated Financial Statements and Auditor’s Report Thereon**

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

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

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

When we read those documents including annexures, if any thereon, if we conclude that there is a material misstatement therein, we shall communicate the matter to those charged with governance.

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

The Holding Company’s Board of Directors is responsible for the preparation and presentation of these Consolidated Financial Statements in terms of the requirements of the Act that give a true and fair view of the consolidated financial position, consolidated financial performance including other comprehensive income, consolidated cash flows and consolidated statement of changes in equity of the Group and joint ventures in accordance with the accounting principles generally accepted in India, including the Indian Accounting Standards (Ind AS) specified under section 133 of the Act read with the Companies (Indian Accounting Standards) Rules, 2015, as amended. The respective Board of Directors of the companies included in the Group and of the joint ventures are responsible for maintenance of adequate accounting records in accordance with the provisions of the Act for safeguarding of the assets of the Group and joint ventures 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 the 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 Consolidated Financial Statements that give a true and fair view and are free from material misstatement, whether due to fraud or error, which have been used for the purpose of preparation of the Consolidated Financial Statements by the Directors of the Holding Company, as aforesaid.

In preparing the Consolidated Financial Statements, the respective Board of Directors of the companies included in the Group and joint ventures are responsible for assessing the ability of the Group and joint ventures to continue as a going concern, disclosing, as applicable, matters related to going concern and using the going concern basis of accounting unless management either intends to liquidate the Group or to cease operations, or has no realistic alternative but to do so.

The respective Board of Directors of the companies included in the Group and joint ventures are also responsible for overseeing the financial reporting process of the Group and joint ventures.

**Auditor’s Responsibilities for the Audit of the Consolidated Financial Statements**

Our objectives are to obtain reasonable assurance about whether the Consolidated 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 Consolidated Financial Statements.

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

- Identify and assess the risks of material misstatement of the Consolidated 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 the one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control.
- Obtain an understanding of internal 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 Companies in the Group have adequate internal financial controls system in place and the operating effectiveness of such controls.

- Evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by Holding Company’s Management.
- Conclude on the appropriateness of Holding Company’s Management 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 ability of the Group and joint ventures 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 Consolidated 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 Group and joint ventures to cease to continue as a going concern.
- Evaluate the overall presentation, structure and content of the Consolidated Financial Statements, including the disclosures, and whether the Consolidated Financial Statements represent the underlying transactions and events in a manner that achieves fair presentation.
- Obtain sufficient appropriate audit evidence regarding the financial information of the entities or business activities within the Group and joint venture to express an opinion on the Consolidated Financial Statements. We are responsible for the direction, supervision and performance of the audit of the Financial Statements of such entities included in the Consolidated Financial Statements of which we are the Independent Auditors. For the other entities included in the Consolidated Financial Statements, which have been audited by other Auditors, such other Auditors remain responsible for the direction, supervision and performance of the audits carried out by them. We remain solely responsible for our audit opinion.

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

We communicate with those charged with governance of the Holding Company included in the Consolidated Financial Statements, of which we are the Independent Auditors 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 consolidated financial statements of the current period and are therefore the key audit matters. We describe these matters in our auditor’s report unless law or regulation precludes public disclosure about the matter or when, in extremely rare circumstances, we determine that a matter should not be communicated in our report because the adverse consequences of doing so would reasonably be expected to outweigh the public interest benefits of such communication.

**Other Matters**

- (a) We did not audit the financial statements/ financial information of the following subsidiaries whose financial statements reflect the details given below for total assets and net assets as at 31 March 2024, total revenues and net cash Inflows/ (Outflows) for the year ended on that date to the extent to which they are reflected in the Consolidated Financial Statements:

(₹ in crore)

| S. No. | Name of the Subsidiaries                                      | Total Assets | Net Assets | Total Revenues | Net Cashflows/ (Outflows) |
|--------|---|--------------|------------|----------------|---------------------------|
| 1      | Powergrid Vemagiri Transmission Limited                       | -            | (19.43)    | -              | -                         |
| 2      | Powergrid NM Transmission Limited                             | 1,121.40     | 497.15     | 171.50         | 0.01                      |
| 3      | Powergrid Southern Interconnector Transmission System Limited | 3,456.74     | 730.59     | 480.99         | 8.36                      |
| 4      | Powergrid Medinipur Jeerat Transmission Limited               | 3,245.87     | 672.43     | 597.33         | (26.39)                   |
| 5      | Powergrid Mithilanchal Transmission Limited                   | 1,184.07     | 239.15     | 176.53         | (12.27)                   |

(₹ in crore)

| S. No. | Name of the Subsidiaries  | Total Assets     | Net Assets      | Total Revenues  | Net Cashflows/ (Outflows) |
|--------|---|------------------|-----------------|-----------------|---------------------------|
| 6      | Powergrid Varanasi Transmission System Limited                  | 919.57           | 191.33          | 121.48          | 4.13                      |
| 7      | Powergrid Jawaharpur Firozabad Transmission Limited             | 450.43           | 99.94           | 69.07           | 5.60                      |
| 8      | Powergrid Khetri Transmission System Limited                    | 982.52           | 213.47          | 158.68          | (3.15)                    |
| 9      | Powergrid Bhuj Transmission Limited                             | 1,159.67         | 235.92          | 132.67          | (0.17)                    |
| 10     | Powergrid Bhind Guna Transmission Limited                       | 569.94           | 114.08          | 70.97           | 0.48                      |
| 11     | Powergrid Ajmer Phagi Transmission Limited                      | 570.03           | 124.03          | 79.11           | 0.12                      |
| 12     | Powergrid Rampur Sambhal Transmission Limited                   | 863.99           | 189.65          | 104.94          | (0.04)                    |
| 13     | Central Transmission Utility of India Limited                   | 2,096.68         | 54.92           | 103.17          | (185.47)                  |
| 14     | Powergrid Ramgarh Transmission Limited                          | 355.48           | 34.33           | 13.11           | -                         |
| 15     | Powergrid Himachal Transmission Limited                         | 423.47           | 402.22          | 129.61          | (6.43)                    |
| 16     | Powergrid Bikaner Transmission System Limited                   | 1,539.66         | 151.18          | 120.20          | 14.73                     |
| 17     | Powergrid Sikar Transmission Limited                            | 1,327.56         | 141.02          | 0.01            | (0.15)                    |
| 18     | Powergrid Bhadla Transmission Limited                           | 806.59           | 72.28           | 0.01            | (0.07)                    |
| 19     | Powergrid Aligarh Sikar Transmission Limited                    | 1,079.10         | 99.89           | 0.01            | (0.04)                    |
| 20     | Powergrid Energy Services Limited                               | 473.44           | 96.50           | 75.30           | 0.08                      |
| 21     | Powergrid Narela Transmission Limited                           | 1,380.04         | 98.84           | 0.01            | (0.42)                    |
| 22     | Powergrid Gomti Yamuna Transmission Limited                     | 984.12           | 105.90          | 27.00           | (0.02)                    |
| 23     | Powergrid Neemuch Transmission System Limited                   | 811.67           | 124.31          | 0.01            | 0.10                      |
| 24     | Powergrid ER NER Transmission Limited                           | 64.02            | 9.35            | -               | (0.14)                    |
| 25     | Powergrid ERWR Power Transmission Limited                       | 31.53            | 0.05            | -               | 0.22                      |
| 26     | Powergrid Khavda RE Transmission System Limited                 | 292.90           | 11.64           | -               | 0.05                      |
| 27     | Powergrid Khavda II- B Transmission Limited                     | 499.48           | 25.86           | -               | 0.04                      |
| 28     | Powergrid Khavda II-C Transmission Limited                      | 1,157.39         | 0.04            | -               | 0.22                      |
| 29     | Powergrid KPS2 Transmission System Limited                      | 85.27            | 1.23            | -               | 0.07                      |
| 30     | Powergrid KPS3 Transmission Limited                             | 133.66           | 6.24            | -               | 0.17                      |
| 31     | Powergrid Raipur Pool Dhamtari Transmission Limited             | 45.41            | 0.00            | -               | 0.04                      |
| 32     | Powergrid Dharamjaigarh Transmission Limited                    | 60.50            | 0.01            | -               | 0.04                      |
| 33     | Powergrid Bhadla Sikar Transmission Limited                     | 515.15           | (0.26)          | -               | -                         |
| 34     | Powergrid Ananthpuram Kurnool Transmission Limited <sup>1</sup> | 95.79            | 0.01            | -               | 0.01                      |
| 35     | Powergrid Bhadla III Transmission Limited <sup>1</sup>          | 131.31           | (0.00)          | -               | 0.10                      |
| 36     | Powergrid Beawar Dausa Transmission Limited <sup>2</sup>        | 124.82           | (0.00)          | -               | 0.10                      |
| 37     | Powergrid Ramgarh II Transmission Limited <sup>3</sup>          | 160.41           | (0.51)          | -               | 0.09                      |
| 38     | Powergrid Bikaner Neemrana Transmission Limited <sup>4</sup>    | 22.65            | (0.00)          | -               | 0.01                      |
| 39     | Powergrid Neemrana Bareilly Transmission Limited <sup>4</sup>   | 21.12            | 0.00            | -               | 0.01                      |
| 40     | Powergrid Vataman Transmission Limited <sup>5</sup>             | 72.26            | 0.01            | -               | 0.01                      |
| 41     | Powergrid Koppal Gadag Transmission Limited <sup>5</sup>        | 22.20            | 0.01            | -               | 0.01                      |
| 42     | Sikar Khetri Transmission Limited <sup>6</sup>                  | 59.23            | (0.50)          | -               | -                         |
| 43     | Bidar Transmission Limited <sup>6</sup>                         | 68.48            | (0.08)          | -               | -                         |
|        | <b>Total</b>  | <b>29,465.62</b> | <b>4,722.80</b> | <b>2,631.71</b> | <b>(199.96)</b>           |

<sup>1</sup> 100% equity acquired from PFC Consulting Limited on 27.09.2023

<sup>2</sup> 100% equity acquired from PFC Consulting Limited on 30.10.2023

<sup>3</sup> 100% equity acquired from REC Power Development and Consultancy Limited on 26.10.2023

<sup>4</sup> 100% equity acquired from PFC Consulting Limited on 27.12.2023

<sup>5</sup> 100% equity acquired from PFC Consulting Limited on 26.12.2023

<sup>6</sup> 100% equity acquired from REC Power Development and Consultancy Limited on 09.02.2024

The Consolidated Financial Statements also include the Group's share of net profit/loss (including Other Comprehensive Income) for the year ended 31 March 2024 as considered in the Consolidated Financial Statements in respect of following joint ventures whose financial statements/ financial information have not been audited by us.

(₹ in crore)

| S. NO | Name of Joint Venture                                    | Group's share in net Profit/(loss) (including Other Comprehensive Income) |
|-------|--|---|
| 1     | Powerlinks Transmission Limited                          | 40.06   |
| 2     | Torrent Power Grid Limited                               | 4.46  |
| 3     | North East Transmission Company Limited                  | 22.00   |
| 4     | Bihar Grid Company Limited                               | (70.37)   |
| 5     | Butwal-Gorakhpur Cross Border Power Transmission Limited | (0.10)  |
|       | <b>Total</b>   | <b>(3.75)</b>   |

These financial statements/ financial information of subsidiaries and joint ventures have been audited by other auditors whose reports have been furnished to us by the Holding Company's Management and our opinion on the Consolidated Financial Statements, in so far as it relates to the amounts and disclosures included in respect of these subsidiaries and joint ventures, and our report in terms of sub-section (3) of Section 143 of the Act, insofar as it relates to the aforesaid subsidiaries and joint ventures is based solely on the reports of the other auditors after considering the requirement of Standard on Auditing (SA 600) on 'Using the work of Another Auditor' including materiality.

b) We did not audit the financial statements/ financial information of the following subsidiaries whose financial statements reflect the details given below for total assets and net assets as at 31 March 2024, total revenues and net cash Inflows/ (Outflows) for the year ended on that date to the extent to which they are reflected in the Consolidated Financial Statements:

(₹ in crore)

| S. No. | Name of the Subsidiaries                         | Total Assets   | Net Assets     | Total Revenues | Net Cash Inflows/ (Outflows) |
|--------|--|----------------|----------------|----------------|------------------------------|
| 1      | Powergrid Unchahar Transmission Limited          | 62.78          | 28.64          | 28.65          | (1.25)                       |
| 2      | Powergrid Fatehgarh Transmission Limited         | 656.11         | 147.05         | 92.89          | (4.47)                       |
| 3      | Powergrid Meerut Simbhavali Transmission Limited | 1,198.13       | 234.21         | 107.44         | (0.10)                       |
| 4      | Powergrid Teleservices Limited                   | 1,537.53       | 759.22         | 473.22         | 3.20                         |
|        | <b>Total</b>                                     | <b>3454.55</b> | <b>1169.12</b> | <b>702.2</b>   | <b>(2.62)</b>                |

The Consolidated Financial Statements include the Group's share of net profit/loss (including Other Comprehensive Income) for the year ended 31 March 2024 as considered in the Consolidated Financial Statements in respect of following joint ventures whose financial statements/ financial information have not been audited by us.

(₹ in crore)

| S.No. | Name of Joint Ventures                              | Group's share in net Profit/(loss) (including Other Comprehensive Income) |
|-------|---|---|
| 1     | Parbati Koldam Transmission Company Limited         | 12.10   |
| 2     | Sikkim Power Transmission Limited                   | 20.88   |
| 3     | National High Power Test Laboratory Private Limited | (6.04)  |
| 4     | Energy Efficiency Services Limited <sup>1</sup>     | (50.94)   |
| 5     | Cross Border Power Transmission Company Limited     | 4.26  |



(₹ in crore)

| S.No. | Name of Joint Ventures                                | Group's share in net Profit/(loss)<br>(including Other Comprehensive Income) |
|-------|---|--|
| 6     | RINL Powergrid TLT Private Limited <sup>2</sup>       | -  |
| 7     | Power Transmission Company Nepal Limited <sup>3</sup> | 2.23   |
|       | <b>Total</b>  | <b>(17.51)</b>   |

<sup>1</sup> includes subsidiaries of Joint Venture

<sup>2</sup> Under process of liquidation.

<sup>3</sup> located outside India.

These financial statements/ financial information of joint ventures are unaudited and have been furnished to us by the Holding Company's Management and our opinion on the Consolidated Financial Statements, in so far as it relates to the amounts and disclosures included in respect of these subsidiaries and joint ventures, and our report in terms of sub-section (3) of Section 143 of the Act in so far as it relates to the aforesaid joint ventures, is based solely on such unaudited financial statements/ financial information. One of the joint ventures as above is located outside India in respect of which the Holding Company's management has provided us the financial statements prepared in accordance with accounting principles generally accepted in India. In our opinion and according to the information and explanations given to us by the Holding Company's Management, these financial statements/ financial information are not material to the Group.

Our opinion on the Consolidated Financial Statements, and our report on Other Legal and Regulatory Requirements given below, is not modified in respect of the above matters with respect to our reliance on the work done and the reports of the other auditors and the financial statements / financial information certified by the Holding Company's Management.

(c) The Statement includes comparative figures for the corresponding year ended 31 March 2023, audited by the predecessor three Joint Statutory Auditors of the Company, where they have expressed an unmodified opinion vide their report dated 19 May 2023 on such Consolidated Financial Statements.

### Report on Other Legal and Regulatory Requirements

1. As required by Section 143(3) of the Act, based on our audit and on the consideration of report of the other auditors on separate financial statements and the other financial information of subsidiaries and joint ventures as noted in the other matter paragraph, we report, to the extent applicable, 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 of the aforesaid consolidated financial statements.
  - b) In our opinion, proper books of account as required by law relating to preparation of the aforesaid Consolidated Financial Statements have been kept so far as it appears from our examination of those books and the reports of the other auditors.
  - c) The Consolidated Balance Sheet, the Consolidated Statement of Profit and Loss (including Other Comprehensive Income), the Consolidated Statement of Changes in Equity and the Consolidated Statement of Cash Flows dealt with by this Report are in agreement with the relevant books of account maintained for the purpose of preparation of the Consolidated Financial Statements.
  - d) In our opinion, the aforesaid Consolidated Financial Statements comply with the Indian Accounting Standards specified under Section 133 of the Act read with the Companies (Indian Accounting Standards) Rules, 2015 as amended.
  - e) In view of exemption given vide notification no. G. S. R. 463(E) dated June 5, 2015, issued by Ministry of Corporate Affairs, provisions of Section 164(2) of the Act regarding disqualification of Directors, are not applicable to the Holding Company and its subsidiaries. Further, on the basis of the reports of the auditors of 5 (Five) joint ventures incorporated in India, none of the directors of the joint ventures incorporated in India is disqualified as on 31 March 2024 from being appointed as a director in terms of section 164(2) of the Act.
  - f) With respect to the adequacy of the internal financial controls over financial reporting of the Holding Company, its subsidiaries and joint ventures incorporated in India and the operating effectiveness of such controls, refer to our separate report in 'Annexure I'.
  - g) Pursuant to the Notification No. GSR 463(E) dated 5th June 2015 issued by the Ministry of Corporate Affairs, Government of India, provisions of Section 197 of the Companies Act, 2013, are not applicable to the Group. Further, on the basis of the reports of the auditors of 5 (Five) joint ventures incorporated in India, the managerial remuneration for the year ended 31 March 2024 has been paid / provided to their directors in accordance with the provisions of section 197 read with Schedule V to the Act.

h) With respect to the other matters to be included in the Auditor's Report in accordance with Rule 11 of the Companies (Audit and Auditor's) Rules, 2014, in our opinion and to the best of our information and according to the explanations given to us and based on the consideration of the report of the other auditors on separate financial statements as also the other financial information of the subsidiaries and joint ventures, as noted in the 'Other Matters' paragraph:

- i) The consolidated financial statements disclose the impact of pending litigations on the consolidated financial position of the Group (Refer Note 60 to the consolidated financial statements) and the joint venture companies (Refer Note 44.2 to the consolidated financial statements).
- ii) The Group was not required to recognise a provision as at 31 March 2024 under the applicable law or accounting standards, as it does not have any material foreseeable losses on long-term contracts (including derivative contracts).
- iii) There has been no delay in transferring amounts, required to be transferred, to the Investor Education and Protection Fund by the Group and the joint venture companies incorporated in India.
- iv) (a) The respective Managements of the Group and joint ventures, which are companies incorporated in India, whose financial statements have been audited under the Act, have represented to us and the other auditors of such subsidiaries and its joint ventures that, to the best of their knowledge and belief, no funds (which are material either individually or in the aggregate) have been advanced or loaned or invested (either from borrowed funds or share premium or any other sources or kind of funds) by the Holding Company or any of such subsidiaries or joint ventures, to or in any other person or entity, including foreign entity ("Intermediaries"), with the understanding, whether recorded in writing or otherwise, that the Intermediary shall, directly or indirectly lend or invest in other persons or entities identified in any manner whatsoever by or on behalf of the Company or any of such subsidiaries or joint ventures ("Ultimate Beneficiaries") or provide any guarantee, security or the like on behalf of the Ultimate Beneficiaries.

(b) The respective Managements of the Group and joint ventures which are companies incorporated in India, whose financial statements have been audited under the Act, have represented to us and the other auditors of such subsidiaries and joint ventures that, to the best of their knowledge and belief, no funds (which are material either individually or in the aggregate) have been received by the Company or any of such subsidiaries, or joint ventures, from any person or entity, including foreign entity ("Funding Parties"), with the understanding, whether recorded in writing or otherwise, that the Holding Company or any of such subsidiaries or joint ventures, shall, directly or indirectly, lend or invest in other persons or entities identified in any manner whatsoever by or on behalf of the Funding Party ("Ultimate Beneficiaries") or provide any guarantee, security or the like on behalf of the Ultimate Beneficiaries;

(c) Based on the audit procedures that have been considered reasonable and appropriate in the circumstances performed by us and that performed by the auditors of the subsidiaries and joint ventures, which are companies incorporated in India whose financial statements have been audited under the Act, nothing has come to our notice that has caused us to believe that the representations under sub-clause (i) and (ii) of Rule 11(e), as provided under (a) and (b) above, contain any material misstatement.

- v) The final dividend for the previous year and the final proposed dividend for the year and interim dividend declared or paid during the year by the Holding Company and its subsidiaries and joint ventures incorporated in India is in compliance with section 123 of the Act.
- vi) Based on our examination, which included test checks, the Company, Subsidiaries and Joint Ventures (except for the instance mentioned below), have used accounting software for maintaining its books of account for the financial year ended 31 March 2024 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 the audit trail feature being tampered with.

The Financial Statements of 4 Subsidiaries and 6 Joint Ventures incorporated in India, have not been audited under the provisions of the Act. Accordingly, we are unable to comment on the reporting requirement under Rule 11 (g) of the Companies (Audit and Auditors) Rules, 2014 in respect of these Subsidiaries and Joint Ventures.

As proviso to Rule 3(1) of the Companies (Accounts) Rules, 2014 is applicable from April 01 2023, reporting under Rule 11(g) of Companies (Audit and Auditors) Rules, 2014 on preservation of audit trail as per statutory requirements for record retention is not applicable for the financial year ended 31 March 2024.

2. With respect to the matters specified in paragraphs 3(xxi) and 4 of the Companies (Auditor's Report) Order, 2020 ("the Order") issued by the Central Government in terms of Section 143(11) of the Act, to be included in the Auditor's report, according to the information and explanations given to us, and based on the CARO reports issued by the component auditors of the subsidiaries and joint ventures included in the consolidated financial statements of the Holding Company, to which reporting under CARO is applicable, provided to us by the Management of the Holding Company and based on the identification of matters of qualifications or adverse remarks in their CARO reports by the respective component auditors and provided to us, we report that in respect of those companies where audits have been completed under section 143 of the Act, the auditors of such companies have not reported any qualifications or adverse remarks. In respect of the following companies included in the consolidated financial statements of the Holding Company, whose audits under section 143 of the Act has not yet been completed, the CARO report in respect of those entities are not available as on the date of this audit report:

| S. No. | Name of the Company                                 | Subsidiary/ Joint Venture |
|--------|---|---------------------------|
| 1.     | Powergrid Unchahar Transmission Limited             | Subsidiary                |
| 2.     | Powergrid Fatehgarh Transmission Limited            | Subsidiary                |
| 3.     | Powergrid Meerut Simbhavali Transmission Limited    | Subsidiary                |
| 4.     | Powergrid Teleservices Limited                      | Subsidiary                |
| 5.     | Parbati Koldam Transmission Company Limited         | Joint Venture             |
| 6.     | Sikkim Power Transmission Limited                   | Joint Venture             |
| 7.     | National High Power Test Laboratory Private Limited | Joint Venture             |
| 8.     | Energy Efficiency Services Limited                  | Joint Venture             |
| 9.     | Cross Border Power Transmission Company Limited     | Joint Venture             |
| 10.    | RINL Powergrid TLT Private Limited                  | Joint Venture             |

Accordingly, no comments for the above Subsidiaries and Joint Ventures haven been included for the purpose of reporting under this clause.

**For S. RAMANAND AIYAR & CO.**

Chartered Accountants  
FRN: 000990N

**Puneet Jain**

Partner  
M. No. 520928  
UDIN: 24520928BJZWTL7363

**For Sagar & Associates**

Chartered Accountants  
FRN: 003510S

**Ajay Kumar Mishra**

Partner  
M. No. 205468  
UDIN: 24205468BKGPBG2789

Date: 22 May 2024

Place: Mumbai

**For Suresh Surana & Associates LLP**

Chartered Accountants  
FRN: 121750W/W-100010

**Avilas Agarwal**

Partner  
M. No. 062668  
UDIN: 24062668BKBIWL8798

**For G. D. Apte & Co.**

Chartered Accountants  
FRN: 100515W

**C. M. Dixit**

Partner  
M. No. 17532  
UDIN: 24017532BKESDZ2310

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

**Referred to in paragraph 1(f) under "Report on Other Legal and Regulatory Requirements" section to the independent auditor's report of even date on the Consolidated Financial Statements of Power Grid Corporation of India Limited for the year ended 31 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")

In conjunction with our audit of the Consolidated Financial Statements of the Company as of and for the year ended on 31 March 2024, we have audited the internal financial controls over financial reporting with reference to Consolidated Financial Statements of Power Grid Corporation of India Limited (hereinafter referred to as "the Holding Company") and its subsidiary companies (the Holding Company and its subsidiaries together referred to as "the Group") and its joint venture companies, which are companies incorporated in India as of 31 March 2024.

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

The respective Board of directors of the Holding company, its subsidiary companies and its joint venture companies, which are companies incorporated in India, are responsible for establishing and maintaining internal financial controls based on the internal controls over financial reporting criteria established by the Company considering the essential components of internal control stated in the Guidance Note on Audit of Internal Financial Controls over Financial Reporting issued by the Institute of Chartered Accountants of India. 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, including adherence to the respective company's policies, the safeguarding of its assets, the prevention and detection of frauds and errors, the accuracy and completeness of the accounting records, and the timely preparation of reliable financial information, as required under the Companies Act, 2013.

#### Auditors' Responsibility

Our responsibility is to express an opinion on the Group's and the joint venture companies' which are incorporated in India, internal financial controls over financial reporting with reference to Consolidated Financial Statements based on our audit. We conducted our audit in accordance with the Guidance Note on Audit of Internal Financial Controls 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 and, both issued by the Institute of Chartered Accountants of India. Those Standards and the Guidance Note require that we comply with ethical requirements and plan and perform the audit to obtain reasonable assurance about whether adequate Internal Financial Controls Over Financial Reporting with reference to Consolidated Financial Statements were established and maintained and if such controls operated effectively in all material respects.

Our audit involves performing procedures to obtain audit evidence about the adequacy of the internal financial controls system over financial reporting with reference to Consolidated Financial Statements and their operating effectiveness. Our audit of internal financial controls over financial reporting with reference to Consolidated Financial Statements included obtaining an understanding of internal financial controls over financial reporting with reference to Consolidated Financial Statements, assessing the risk that 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 Judgment, including the assessment of the risks of material misstatement of the Consolidated Financial Statements, whether due to fraud or error.

We believe that the audit evidence we have obtained and the audit evidence obtained by the other auditors of the subsidiaries and joint venture companies incorporated in India, in terms of their reports referred to in the 'Other Matters' paragraph is sufficient and appropriate to provide a basis for our audit opinion on the Group's internal financial controls system over financial reporting with reference to Consolidated Financial Statements.

#### Meaning of Internal Financial Controls Over Financial Reporting With Reference to Consolidated Financial Statements

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



- i. pertain to the maintenance of records that, in reasonable detail, accurately and fairly reflect the transactions and dispositions of the assets of the company;
- ii. 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
- iii. provide reasonable assurance regarding prevention or timely detection of unauthorized acquisition, use, or disposition of the company's assets that could have a material effect on the financial statements.

#### **Inherent Limitations of Internal Financial Controls Over Financial Reporting With Reference to Consolidated Financial Statements**

Because of the inherent limitations of internal financial controls over financial reporting with reference to Consolidated Financial Statements, including the possibility of collusion or improper management override of controls, material misstatements due to error or fraud may occur and not be detected. Also, projections of any evaluation of the internal financial controls over financial reporting with reference to Consolidated Financial Statements to future periods are subject to the risk that the internal financial control over financial reporting with reference to Consolidated Financial Statements may become inadequate because of changes in conditions, or that the degree of compliance with the policies or procedures may deteriorate.

#### **Opinion**

In our opinion, the Holding Company, its subsidiaries, and joint ventures which are companies incorporated in India have, in all material respects, an adequate internal financial controls system over financial reporting with reference to Consolidated Financial Statements and such internal financial controls over financial reporting with reference to Consolidated Financial Statements were operating effectively as at 31 March 2024, 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.

#### **Other Matters**

Our aforesaid report under Section 143 (3) (i) of the Act on the adequacy and operating effectiveness of the internal financial controls over financial reporting with reference to Consolidated Financial Statements insofar as it related to 43 (Forty-Three) subsidiary companies and 5 (Five) joint venture Companies incorporated in India, is based on the corresponding report of auditors of such companies.

Our aforesaid report under Section 143(3)(i) of the Act on the adequacy and operating effectiveness of the internal financial controls with reference to Consolidated Financial Statements in so far as it relates to 4 (Four) subsidiary companies and 6 (Six) joint ventures incorporated in India, whose financial statements / financial information are unaudited and our opinion on the adequacy and operating effectiveness of the internal financial controls with reference to Consolidated Financial Statements of the Group is not affected as the Group's share of net profit/loss (including Other Comprehensive Income) and disclosures included in respect of aforesaid subsidiary and joint ventures in these Consolidated Financial Statements are not material to the Group.

Our report is not modified in respect of the above matters.

For **S. RAMANAND AIYAR & CO.**  
Chartered Accountants  
FRN: 000990N

**Puneet Jain**  
Partner  
M. No. 520928  
UDIN: 24520928BJZWL7363

For **Sagar & Associates**  
Chartered Accountants  
FRN: 003510S

**Ajay Kumar Mishra**  
Partner  
M. No. 205468  
UDIN: 24205468BKGPBG2789

Date: 22 May 2024  
Place: Mumbai

For **Suresh Surana & Associates LLP**  
Chartered Accountants  
FRN: 121750W/W-100010

**Avilas Agarwal**  
Partner  
M. No. 062668  
UDIN: 24062668BKBIWL8798

For **G. D. Apte & Co.**  
Chartered Accountants  
FRN: 100515W

**C. M. Dixit**  
Partner  
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UDIN: 24017532BKESDZ2310



**पावरग्रिड**  
**POWERGRID**

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