



ABHIJIT KELKAR & CO.

CHARTERED ACCOUNTANTS

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In view of CAG Annual Accounts Audit observation HM-05 for FY 2019-2020, Independent Auditors' Report have been revised at point (i) (b) and point (ii) of Annexure A of Independent Auditors Report.

INDEPENDENT AUDITORS' REPORT

To the Members of **M/s POWERGRID Parli Transmission Limited**

Report on the Ind-AS Financial Statements

Opinion

We have audited the accompanying Ind AS Financial Statements of **M/s POWERGRID Parli Transmission Limited** ("the Company"), which comprise the Balance Sheet as at 31st March 2020, and the Statement of Profit and Loss (including Other Comprehensive Income), the Cash Flow Statement and the Statement of Changes in Equity for the year then ended, and notes to financial statement including a summary of the significant accounting policies and other explanatory information.

In our opinion and to the best of our information and according to the explanations given to us, the aforesaid Ind AS Financial Statements give the information required by the Act in the manner so required and give a True and Fair view in conformity with the Accounting Principles generally accepted in India including the Ind AS, of the state of affairs (Financial Position) of the Company as at 31st March 2020, and its Profit (Financial Performance including Other Comprehensive Income), its Cash Flows and the Changes in Equity for the year ended on that date.

Basis for Opinion

We conducted our audit in accordance with the Standard on Auditing (SAs) specified under Section 143(10) of the Companies Act, 2013. Our responsibilities under those Standards are further described in the Auditor's Responsibilities for the Audit of the Financial Statements section of our report. We are independent of the Company in accordance with the Code of Ethics



issued by the Institute of Chartered Accountants of India together with the ethical requirements that are relevant to our audit of the Ind AS financial statements under the provisions of the Companies Act, 2013 and the Rules thereunder, and we have fulfilled our other ethical responsibilities in accordance with these requirements and the Code of Ethics. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion.

Key Audit Matters

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

Management's Responsibility for the Ind AS Financial Statements

The Company's Board of Directors is responsible for the matters stated in Section 134(5) of the Companies Act, 2013 ("the Act") with respect to the preparation of these Ind AS Financial Statements that give a True and Fair view of the Financial Position, Financial Performance including other Comprehensive Income, Changes in Equity and Cash Flow of the Company in accordance with the Accounting Principles Generally Accepted in India, including the Indian Accounting Standards (Ind AS) prescribed under section 133 of the Act, read with relevant rules issued there under.

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

Auditors' Responsibility

Our responsibility is to express an opinion on these Ind AS financial statements based on our audit.

We have taken into account the provisions of the Act, the accounting and auditing standards and matters which are required to be included in the audit report under the provisions of the Act and the Rules made there under and the Order issued under section 143 (11) of the Act.

We conducted our audit of the Ind AS financial statements in accordance with the Standards on Auditing specified under Section 143(10) of the Act. Those Standards require that we comply



with ethical requirements and plan and perform the audit to obtain reasonable assurance about whether the Ind AS financial statements are free from material misstatement.

An audit involves performing procedures to obtain audit evidence about the amounts and the disclosures in the Ind AS financial statements. The procedures selected depend on the auditor's judgment, including the assessment of the risks of material misstatement of the Ind AS financial statements, whether due to fraud or error. In making those risk assessments, the auditor considers internal financial control relevant to the Company's preparation of the Ind AS financial statements that give a true and fair view in order to design audit procedures that are appropriate in the circumstances. An audit also includes evaluating the appropriateness of the accounting policies used and the reasonableness of the accounting estimates made by the Company's Directors, as well as evaluating the overall presentation of the Ind AS financial statements.

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

Report on Other Legal and Regulatory Requirements

1. As required by the Companies (Auditor's Report) Order, 2016 ("the Order"), issued by the Central Government of India in terms of Section 143(11) of the Act, we give in **Annexure "A"** a statement on the matters specified in paragraphs 3 and 4 of the Order, to the extent applicable.
2. In terms of sub section (5) of section 143 of the Companies Act, 2013, we give in the **Annexure "B"** a statement on the directions issued under the aforesaid section by the Comptroller and Auditor General of India.
3. As required by Section 143 (3) of the Act, we report that:
 - a. We have sought and obtained all the information and explanations which to the best of our knowledge and belief were necessary for the purposes of our audit;
 - b. In our opinion, proper books of account as required by law have been kept by the Company so far as it appears from our examination of those books;
 - c. The Balance Sheet, the Statement of Profit and Loss, the Cash Flow Statement and Statement of Changes in Equity dealt with by this Report are in agreement with the books of account;



- d. In our opinion, the aforesaid Ind AS Financial Statements comply with the Indian Accounting Standards prescribed under section 133 of the Act read with relevant rules issued there under.
- e. Being a Subsidiary of a Government Company, Section 164(2) of the Act pertaining to disqualification of Directors are not applicable to the Company.
- f. With respect to the adequacy of the Internal Financial Controls over Financial Reporting of the Company and the Operating Effectiveness of such Controls, refer to our separate report in **Annexure "C"**.
- g. With respect to the other matters to be included in the Auditor's Report in accordance with Rule 11 of the Companies (Audit and Auditors) Rules, 2014, in our opinion and to the best of our information and according to the explanations given to us:
 - i. The Company does not have any pending litigations which would impact its Financial Position;
 - ii. The Company did not have any Long-Term Contracts including Derivative Contracts for which there were any material foreseeable losses;
 - iii. There were no amounts which were required to be transferred to the Investor Education and Protection Fund by the Company.

For M/s Abhijit Kelkar & Co.,
Chartered Accountants
Firm Regn.No-121920W
UDIN 20110841AAAACA8149

CA Abhijit Kelkar
Partner
Mem. No. 110841
Place: Nagpur
Date:25.06.2020



Annexure – "A"

As referred to in our Independent Auditors' Report to the members of the **M/s POWERGRID Parli Transmission Limited ('the Company')**, on the Financial Statements for the Year Ended 31st March 2020, we report that:

		Clauses of CARO Report, 2016	Auditor's Comment
(i)	(a)	Whether the company is maintaining proper records showing full particulars, including quantitative details and situation of fixed assets;	The Company has maintained records, showing full particulars including quantitative details and situation of Fixed Assets.
	(b)	Whether these fixed assets have been physically verified by the management at reasonable intervals; Whether any material discrepancies were noticed on such verification and if so, whether the same have been properly dealt with in the books of account;	Yes, Assets has been physically verified reasonable time intervals. No material discrepancy noticed during the physical verification of Fixed Assets
	(c)	Whether the title deeds of immovable properties are held in the name of the company. If not, provide the details thereof;	Title Deeds of Land Purchased are held in the Name of the Company.
(ii)		Whether physical verification of inventory has been conducted at reasonable intervals by the management; Whether any material discrepancies were noticed on such verification and if so, whether the same have been properly dealt with in the books of account;	Yes, Inventories has been physically verified reasonable time intervals. No material discrepancy noticed during the physical verification of Inventories
(iii)		Whether the company has granted any loans, secured or unsecured to companies, firms, Limited Liability Partnerships (LLP) or other parties covered in the register maintained under section 189 of the Companies Act, 2013. If so,	The Company has not granted any Loans to any parties Covered under section 189 of the Companies Act, 2013.
	(a)	Whether the terms and conditions of the grant of such loans are not prejudicial to the company's interest.	Not Applicable
	(b)	Whether the schedule of repayment of principal and payment of interest has been stipulated and whether the repayments or receipts are regular;	Not Applicable
	(c)	If the amount is overdue, state the total amount overdue for more than 90 days, and whether reasonable steps have been taken by the company for recovery of the principal and interest.	Not Applicable
(iv)		In respect of loans, investments, guarantees, and security whether	According to the information and explanations given to us, the Company



		provisions of section 185 and 186 of the Companies Act, 2013 have been complied with. If not, provide the details thereof.	does not have loans, investments and guarantees under section 185 and 186 of the Companies Act, 2013. Accordingly, clause 3(iv) of the Order is not applicable
(v)		In case, the company has accepted deposits, whether the directives issued by the Reserve Bank of India and the provisions of sections 73 to 76 or any other relevant provisions of the Companies Act, 2013 and the rules framed thereunder, where applicable, have been complied with? If not, the nature of such contraventions be stated; If an order has been passed by Company Law Board or National Company Law Tribunal or Reserve Bank of India or any court or any other tribunal, whether the same has been complied with or not?	The company has not accepted any deposits from Public and hence the directives issued by the Reserve Bank of India and the provisions of sections 73 to 76 or any other relevant provisions of the act and the Companies (Acceptance of Deposits) Rules, 2015 with regard to the deposits accepted from the public are not applicable.
(vi)		Whether maintenance of cost records has been specified by the Central Government under sub-section (1) of section 148 of the Companies Act, 2013 and whether such accounts and records have been so made and maintained	Company is required to maintain Cost Records specified by Central Government u/s 148 (1) of the Companies Act, 2013. We have reviewed these record and are of the opinion that the prescribed account and record have been made & maintain.
(vii)	(a)	Whether the company is regular in depositing undisputed statutory dues to the appropriate authorities including: i) Provident fund; ii) Employees' state insurance; iii) Income-tax; iv) Sales-tax; v) Service tax; vi) Duty of customs; vii) Duty of excise; viii) Value Added Tax (VAT); ix) Cess; and x) Any other statutory dues. If the company is not regular in depositing such statutory dues, the extent of the arrears of outstanding statutory dues as at the last day of the financial year concerned for a period of more than six months from the date they became payable, shall be indicated by the auditor.	According to the information and explanations given to us, the Company is regular in depositing undisputed statutory dues with appropriate authorities including Goods and Services tax (GST), Income Tax, Sales Tax, Service Tax, Duty of Custom, Duty of Excise, Value Added Tax, Cess and other statutory dues applicable to the Company and that there are no undisputed statutory dues outstanding as at 31 st March, 2020 for a period of more than six months from the date they became payable.
	(b)	where dues of income tax or sales tax or service tax or duty of customs or duty of excise or value added tax havenot been	Based on our audit and explanations given to us, there are no disputed dues of Duty of Customs or Duty of Excise of Sales Tax



		deposited on account of any dispute, then the amounts involved and the forum where dispute is pending shall be mentioned. (A mere representation to the concerned Department shall not be treated as a dispute).	which have not been deposited.
(viii)		Whether the company has defaulted in repayment of loans or borrowing to a financial institution, bank, Government or dues to debenture holders? If yes, the period and the amount of default to be reported. (In case of defaults to banks, financial institutions, and Government, lender wise details to be provided.	No Default
(ix)		Whether moneys raised by way of Initial Public Offer (IPO) or further public offer (including debt instruments) and term loans were applied for the purposes for which those are raised. If not, the details together with delays or default and subsequent rectification, if any, as may be applicable, be reported;	The company has not raised Money by way of IPO & FPO including debt instruments. However, Loan from holding Company are applied for the purposes for which they are raised.
(x)		Whether any fraud by the company or any fraud on the Company by its officers or employees has been noticed or reported during the year; If yes, the nature and the amount involved is to be indicated;	Based on our audit Procedures performed and the information and explanations given by the management, we report that no fraud by the company or on the company by its officers or employees has been noticed or reported during the year.
(xi)		Whether managerial remuneration has been paid or provided in accordance with the requisite approvals mandated by the provisions of section 197 read with Schedule V to the Companies Act 2013? If not, state the amount involved and steps taken by the company for securing refund of the same;	Based on our audit Procedures performed and the information and explanations given by the management, Managerial Remuneration & Other Payments relating to Staff are made from Holding Co. Hence, the clause is Not Applicable
(xii)		Whether the Nidhi Company has complied with the Net Owned Funds to Deposits in the ratio of 1: 20 to meet out the liability and whether the Nidhi Company is maintaining 10% unencumbered term deposits as specified in the Nidhi Rules, 2014 to meet out the liability;	Not Applicable
(xiii)		Whether all transactions with the related parties are in compliance with sections 177 and 188 of Companies Act, 2013 where applicable and the details have been disclosed in the Financial Statements	All transactions with the "Related Parties" in compliance with sections 177 and 188 of the Companies Act, 2013 are disclosed.



		etc., as required by the applicable accounting standards;	
(xiv)		Whether the company has made any preferential allotment or private placement of shares or fully or partly convertible debentures during the year under review and if so, as to whether the requirement of section 42 of the Companies Act, 2013 have been complied with and the amount raised have been used for the purposes for which the funds were raised. If not, provide the details in respect of the amount involved and nature of non-compliance;	The Company has not made any preferential allotment or private placement of shares or fully or partly convertible debentures during the year under review.
(xv)		Whether the company has entered into any non-cash transactions with directors or persons connected with him and if so, whether the provisions of section 192 of Companies Act, 2013 have been complied with;	Based on our audit Procedures performed and the information and explanations given by the management, the company has not entered into any non-cash transactions with directors or persons connected with him.
(xvi)		Whether the company is required to be registered under section 45-IA of the Reserve Bank of India Act, 1934 and if so, whether the registration has been obtained.	The Co. is not required to be registered under section 45-IA of the Reserve Bank of India Act, 1934 as the Co. is not a NBFC.

For M/s Abhijit Kelkar & Co.,
Chartered Accountants
Firm Regn. No-121920W
UDIN 20110841AAAACA8149



CA Abhijit Kelkar
Partner
Mem. No. 110841
Place: Nagpur
Date: 25.06.2020



Annexure - "B"

As referred to in our Independent Auditors' Report to the Members of the **M/s POWERGRID Parli Transmission Limited ("The Company")**, on the Financial Statements for the Year Ended 31st March 2020, we Report that:

Sl. No.	Directionsu/s143(5)oftheCompanies Act,2013	Auditor'sreplyonactiontakenonthe directions	Impacton financial statement
1	Whether the company has system in place to process all the accounting transactions through IT system? If yes, then the implications of accounting transaction outside IT system on the integrity of accounts along with the financial implications, if any, may be stated.	Yes, all the accounting transactions are processed through IT Systems. Accounts are prepared in SAP.	-----
2	Whether there is any restructuring of any existing loan or cases of waiver/write off of debts/loans/interest etc. made by a lender to the company due to the company's inability to repay the loan? if yes, the financial impact may be stated.	No Restructuring (Clubbing) of Loan has been done during the year due to multiple rate of interest and different repayment schedule. There is no case of non-repayment/inability to repay the loans has come to our notice and hence restructuring due to company's inability to repay the loan is not applicable.	-----
3	Whether funds received/receivable for specific schemes from Central/State agencies were properly accounted for/utilized as per its term and conditions? List the cases of deviation.	Not Applicable	-----

For M/s Abhijit Kelkar & Co.,

Chartered Accountants

Firm Regn.No-121920W

UDIN 20110841AAAAACA8149

CA Abhijit Kelkar

Partner

Mem. No. 110841

Place: Nagpur

Date:25.06.2020



ANNEXURE - "C"

As referred to in our Independent Auditors' Report to the members of the M/s POWERGRID Parli Transmission Limited ("the Company"), on the Financial Statements for the year ended 31st March 2020.

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

We have audited the Internal Financial Controls over Financial Reporting of the company as at 31st March 2020 in conjunction with our audit of the Financial Statements of the Company for the year ended on that date.

Management's Responsibility for Internal Financial Controls

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

Auditors' Responsibility

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



Internal Financial Controls over Financial Reporting was established and maintained and if such controls operated effectively in all material respects.

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

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

Meaning of Internal Financial Controls over Financial Reporting

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

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

Inherent Limitations of Internal Financial Controls over Financial Reporting

Because of the inherent Limitations of Internal Financial Controls over Financial Reporting, including the possibility of collusion or improper management override of controls,




material misstatements due to error or fraud may occur and not be detected. Also, projections of any evaluation of the internal financial controls over financial reporting to future periods are subject to the risk that the internal financial controls over financial reporting may become inadequate because of changes in conditions, or that the degree of compliance with the policies or procedures may deteriorate.

Opinion

In our opinion, the Company has, in all material respects, an adequate Internal Financial Controls System over Financial Reporting and such Internal Financial Controls over Financial Reporting were operating effectively as at 31st March 2020, 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 M/s Abhijit Kelkar & Co.,
Chartered Accountants
Firm Regn.No-121920W
UDIN 20110841AAAACA8149


CA Abhijit Kelkar
Partner
Mem. No. 110841
Place: Nagpur
Date: 25.06.2020





ABHIJIT KELKAR & CO.

CHARTERED ACCOUNTANTS

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INDEPENDENT AUDITORS' REPORT

To the Members of **M/s POWERGRID Parli Transmission Limited**

Report on the Ind-AS Financial Statements

Opinion

We have audited the accompanying Ind AS Financial Statements of **M/s POWERGRID Parli Transmission Limited** ("the Company"), which comprise the Balance Sheet as at 31st March 2020, and the Statement of Profit and Loss (including Other Comprehensive Income), the Cash Flow Statement and the Statement of Changes in Equity for the year then ended, and notes to financial statement including a summary of the significant accounting policies and other explanatory information.

In our opinion and to the best of our information and according to the explanations given to us, the aforesaid Ind AS Financial Statements give the information required by the Act in the manner so required and give a True and Fair view in conformity with the Accounting Principles generally accepted in India including the Ind AS, of the state of affairs (Financial Position) of the Company as at 31st March 2020, and its Profit (Financial Performance including Other Comprehensive Income), its Cash Flows and the Changes in Equity for the year ended on that date.

Basis for Opinion

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

with these requirements and the Code of Ethics. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion.

Key Audit Matters

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

Management's Responsibility for the Ind AS Financial Statements

The Company's Board of Directors is responsible for the matters stated in Section 134(5) of the Companies Act, 2013 ("the Act") with respect to the preparation of these Ind AS Financial Statements that give a True and Fair view of the Financial Position, Financial Performance including other Comprehensive Income, Changes in Equity and Cash Flows of the Company in accordance with the Accounting Principles Generally Accepted in India, including the Indian Accounting Standards (Ind AS) prescribed under section 133 of the Act, read with relevant rules issued there under.

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

Auditors' Responsibility

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

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

An audit involves performing procedures to obtain audit evidence about the amounts and the disclosures in the Ind AS financial statements. The procedures selected depend on the auditor's judgment, including the assessment of the risks of material misstatement of the Ind AS financial



statements, whether due to fraud or error. In making those risk assessments, the auditor considers internal financial control relevant to the Company's preparation of the Ind AS financial statements that give a true and fair view in order to design audit procedures that are appropriate in the circumstances. An audit also includes evaluating the appropriateness of the accounting policies used and the reasonableness of the accounting estimates made by the Company's Directors, as well as evaluating the overall presentation of the Ind AS financial statements.

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


Report on Other Legal and Regulatory Requirements

1. As required by the Companies (Auditor's Report) Order, 2016 ("the Order"), issued by the Central Government of India in terms of Section 143(11) of the Act, we give in **Annexure "A"** a statement on the matters specified in paragraphs 3 and 4 of the Order, to the extent applicable.
2. In terms of sub section (5) of section 143 of the Companies Act, 2013, we give in the **Annexure "B"** a statement on the directions issued under the aforesaid section by the Comptroller and Auditor General of India.
3. As required by Section 143 (3) of the Act, we report that:
 - a. We have sought and obtained all the information and explanations which to the best of our knowledge and belief were necessary for the purposes of our audit;
 - b. In our opinion, proper books of account as required by law have been kept by the Company so far as it appears from our examination of those books;
 - c. The Balance Sheet, the Statement of Profit and Loss, the Cash Flow Statement and Statement of Changes in Equity dealt with by this Report are in agreement with the books of account;
 - d. In our opinion, the aforesaid Ind AS Financial Statements comply with the Indian Accounting Standards prescribed under section 133 of the Act read with relevant rules issued there under.
 - e. Being a Subsidiary of a Government Company, Section 164(2) of the Act pertaining to disqualification of Directors are not applicable to the Company.



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

For M/s Abhijit Kelkar & Co.,
Chartered Accountants
Firm Regn.No-121920W
UDIN-20110841AAAABE6908

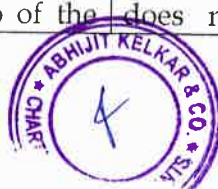

CA Abhijit Kelkar
Partner
Mem. No. 110841
Place: Nagpur
Date: 29.05.2020



Annexure - "A"

As referred to in our Independent Auditors' Report to the members of the **M/s POWERGRID Parli Transmission Limited ('the Company')**, on the Financial Statements for the Year Ended 31st March 2020, we report that:

		Clauses of CARO Report, 2016	Auditor's Comment
(i)	(a)	Whether the company is maintaining proper records showing full particulars, including quantitative details and situation of fixed assets;	The Company has maintained records, showing full particulars including quantitative details and situation of Fixed Assets.
	(b)	Whether these fixed assets have been physically verified by the management at reasonable intervals; Whether any material discrepancies were noticed on such verification and if so, whether the same have been properly dealt with in the books of account;	Yes, Assets has been physically verified.
	(c)	Whether the title deeds of immovable properties are held in the name of the company. If not, provide the details thereof;	Title Deeds of Land Purchased are held in the Name of the Company.
(ii)		Whether physical verification of inventory has been conducted at reasonable intervals by the management; Whether any material discrepancies were noticed on such verification and if so, whether the same have been properly dealt with in the books of account;	Yes, Physical verification of Inventory Conducted has been conducted during the year.
(iii)		Whether the company has granted any loans, secured or unsecured to companies, firms, Limited Liability Partnerships (LLP) or other parties covered in the register maintained under section 189 of the Companies Act, 2013. If so,	The Company has not granted any Loans to any parties Covered under section 189 of the Companies Act, 2013.
	(a)	Whether the terms and conditions of the grant of such loans are not prejudicial to the company's interest.	Not Applicable
	(b)	Whether the schedule of repayment of principal and payment of interest has been stipulated and whether the repayments or receipts are regular;	Not Applicable
	(c)	If the amount is overdue, state the total amount overdue for more than 90 days, and whether reasonable steps have been taken by the company for recovery of the principal and interest.	Not Applicable
(iv)		In respect of loans, investments, guarantees, and security whether provisions of section 185 and 186 of the	According to the information and explanations given to us, the Company does not have loans, investments and



		Companies Act, 2013 have been complied with. If not, provide the details thereof.	guarantees under section 185 and 186 of the Companies Act, 2013. Accordingly, clause 3(iv) of the Order is not applicable
(v)		In case, the company has accepted deposits, whether the directives issued by the Reserve Bank of India and the provisions of sections 73 to 76 or any other relevant provisions of the Companies Act, 2013 and the rules framed thereunder, where applicable, have been complied with? If not, the nature of such contraventions be stated; If an order has been passed by Company Law Board or National Company Law Tribunal or Reserve Bank of India or any court or any other tribunal, whether the same has been complied with or not?	The company has not accepted any deposits from Public and hence the directives issued by the Reserve Bank of India and the provisions of sections 73 to 76 or any other relevant provisions of the act and the Companies (Acceptance of Deposits) Rules, 2015 with regard to the deposits accepted from the public are not applicable.
(vi)		Whether maintenance of cost records has been specified by the Central Government under sub-section (1) of section 148 of the Companies Act, 2013 and whether such accounts and records have been so made and maintained	Company is required to maintain Cost Records specified by Central Government u/s 148 (1) of the Companies Act, 2013. We have reviewed these record and are of the opinion that the prescribed account and record have been made & maintain.
(vii)	(a)	Whether the company is regular in depositing undisputed statutory dues to the appropriate authorities including: i) Provident fund; ii) Employees' state insurance; iii) Income-tax; iv) Sales-tax; v) Service tax; vi) Duty of customs; vii) Duty of excise; viii) Value Added Tax (VAT); ix) Cess; and x) Any other statutory dues. If the company is not regular in depositing such statutory dues, the extent of the arrears of outstanding statutory dues as at the last day of the financial year concerned for a period of more than six months from the date they became payable, shall be indicated by the auditor.	According to the information and explanations given to us, the Company is regular in depositing undisputed statutory dues with appropriate authorities including Goods and Services tax (GST), Income Tax, Sales Tax, Service Tax, Duty of Custom, Duty of Excise, Value Added Tax, Cess and other statutory dues applicable to the Company and that there are no undisputed statutory dues outstanding as at 31 st March, 2020 for a period of more than six months from the date they became payable.
	(b)	where dues of income tax or sales tax or service tax or duty of customs or duty of excise or value added tax have not been deposited on account of any dispute, then the amounts involved and the forum where dispute is pending shall be	Based on our audit and explanations given to us, there are no disputed dues of Duty of Customs or Duty of Excise of Sales Tax which have not been deposited.

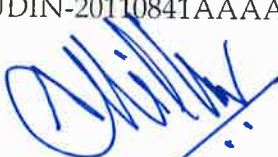


		Mentioned. (A mere representation to the concerned Department shall not be treated as a dispute).	
(viii)		Whether the company has defaulted in repayment of loans or borrowing to a financial institution, bank, Government or dues to debenture holders? If yes, the period and the amount of default to be reported. (In case of defaults to banks, financial institutions, and Government, lender wise details to be provided.	No Default
(ix)		Whether moneys raised by way of Initial Public Offer (IPO) or further public offer (including debt instruments) and term loans were applied for the purposes for which those are raised. If not, the details together with delays or default and subsequent rectification, if any, as may be applicable, be reported;	The company has not raised Money by way of IPO & FPO including debt instruments. However, Loan from holding Company are applied for the purposes for which they are raised.
(x)		Whether any fraud by the company or any fraud on the Company by its officers or employees has been noticed or reported during the year; If yes, the nature and the amount involved is to be indicated;	Based on our audit Procedures performed and the information and explanations given by the management, we report that no fraud by the company or on the company by its officers or employees has been noticed or reported during the year.
(xi)		Whether managerial remuneration has been paid or provided in accordance with the requisite approvals mandated by the provisions of section 197 read with Schedule V to the Companies Act 2013? If not, state the amount involved and steps taken by the company for securing refund of the same;	Based on our audit Procedures performed and the information and explanations given by the management, Managerial Remuneration & Other Payments relating to Staff are made from Holding Co. Hence, the clause is Not Applicable
(xii)		Whether the Nidhi Company has complied with the Net Owned Funds to Deposits in the ratio of 1: 20 to meet out the liability and whether the Nidhi Company is maintaining 10% unencumbered term deposits as specified in the Nidhi Rules, 2014 to meet out the liability;	Not Applicable
(xiii)		Whether all transactions with the related parties are in compliance with sections 177 and 188 of Companies Act, 2013 where applicable and the details have been disclosed in the Financial Statements etc., as required by the applicable accounting standards;	All transactions with the "Related Parties" in compliance with sections 177 and 188 of the Companies Act, 2013 are disclosed.
(xiv)		Whether the company has made any preferential allotment or private placement of shares or fully or partly	The Company has not made any preferential allotment or private placement of shares or fully or partly convertible



	convertible debentures during the year under review and if so, as to whether the requirement of section 42 of the Companies Act, 2013 have been complied with and the amount raised have been used for the purposes for which the funds were raised. If not, provide the details in respect of the amount involved and nature of non-compliance;	debentures during the year under review.
(xv)	Whether the company has entered into any non-cash transactions with directors or persons connected with him and if so, whether the provisions of section 192 of Companies Act, 2013 have been complied with;	Based on our audit Procedures performed and the information and explanations given by the management, the company has not entered into any non-cash transactions with directors or persons connected with him.
(xvi)	Whether the company is required to be registered under section 45-IA of the Reserve Bank of India Act, 1934 and if so, whether the registration has been obtained.	The Co. is not required to be registered under section 45-IA of the Reserve Bank of India Act, 1934 as the Co. is not a NBFC.

For M/s Abhijit Kelkar & Co.,
Chartered Accountants
Firm Regn.No-121920W
UDIN-20110841AAAABE6908



CA Abhijit Kelkar
Partner
Mem. No. 110841
Place: Nagpur
Date:29.05.2020



Annexure - "B"

As referred to in our Independent Auditors' Report to the Members of the **M/s POWERGRID Parli Transmission Limited ('The Company')**, on the Financial Statements for the Year Ended 31st March 2020, we Report that:

Sl. No.	Directions u/s 143(5) of the Companies Act, 2013	Auditor's reply on action taken on the directions	Impact on financial statement
1	Whether the company has system in place to process all the accounting transactions through IT system? If yes, then the implications of accounting transaction outside IT system on the integrity of accounts along with the financial implications, if any, may be stated.	Yes, all the accounting transactions are processed through IT Systems. Accounts are prepared in SAP.	-----
2	Whether there is any restructuring of any existing loan or cases of waiver/write off of debts/loans/interest etc. made by a lender to the company due to the company's inability to repay the loan? if yes, the financial impact may be stated.	No Restructuring (Clubbing) of Loan has been done during the year due to multiple rate of interest and different repayment schedule. There is no case of non-repayment/inability to repay the loans has come to our notice and hence restructuring due to company's inability to repay the loan is not applicable.	-----
3	Whether funds received/receivable for specific schemes from Central/State agencies were properly accounted for/utilized as per its term and conditions? List the cases of deviation.	Not Applicable	-----

For M/s Abhijit Kelkar & Co.,
Chartered Accountants
Firm Regn.No-121920W
UDIN-20110841AAAABE6908

CA Abhijit Kelkar
Partner
Mem. No. 110841



ANNEXURE - "C"

As referred to in our Independent Auditors' Report to the members of the M/s **POWERGRID Parli Transmission Limited** ("the Company"), on the Financial Statements for the year ended 31st March 2020.

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

We have audited the Internal Financial Controls over Financial Reporting of the company as at 31st March 2020 in conjunction with our audit of the Financial Statements of the Company for the year ended on that date.

Management's Responsibility for Internal Financial Controls

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

Auditors' Responsibility

Our responsibility is to express an opinion on the Company's Internal Financial Controls over Financial Reporting based on our audit. We conducted our audit in accordance with the Guidance Note on Audit of Internal Financial Control over Financial Reporting (the "Guidance Note") and the Standards on Auditing, issued by ICAI and deemed to be prescribed under section 143(10) of the Companies Act, 2013, to the extent applicable to an audit of Internal Financial Controls, both applicable to an audit of Internal Financial



Controls and, both issued by the Institute of Chartered Accountants of India. Those Standards and the Guidance Note require that we comply with ethical requirements and plan and perform the audit to obtain reasonable assurance about whether adequate Internal Financial Controls over Financial Reporting was established and maintained and if such controls operated effectively in all material respects.

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

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

Meaning of Internal Financial Controls over Financial Reporting

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

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

Inherent Limitations of Internal Financial Controls over Financial Reporting



Because of the inherent Limitations of Internal Financial Controls over Financial Reporting, including the possibility of collusion or improper management override of controls, material misstatements due to error or fraud may occur and not be detected. Also, projections of any evaluation of the internal financial controls over financial reporting to future periods are subject to the risk that the internal financial controls over financial reporting may become inadequate because of changes in conditions, or that the degree of compliance with the policies or procedures may deteriorate.

Opinion

In our opinion, the Company has, in all material respects, an adequate Internal Financial Controls System over Financial Reporting and such Internal Financial Controls over Financial Reporting were operating effectively as at 31st March 2020, 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 M/s Abhijit Kelkar & Co.,
Chartered Accountants
Firm Regn.No-121920W
UDIN-20110841AAAABE6908

CA Abhijit Kelkar
Partner
Mem. No. 110841
Place: Nagpur
Date:29.05.2020



POWERGRID Parli Transmission Limited

Notes to Financial Statements

1. Corporate and General Information

POWERGRID Parli Transmission Limited ('the Company') is a public company domiciled and incorporated in India under the provisions of Companies Act and a wholly owned subsidiary of Power Grid Corporation of India Limited. The registered office of the Company is situated at B-9, Qutab Institutional Area, Katwaria Sarai, New Delhi, 110016, India.

The company is engaged in business of Power Systems Network, construction, operation and maintenance of transmission lines and other related allied activities.

The financial statements of the company for the year ended March 31, 2020 were approved for issue by the Board of Directors on 29th May, 2020.

2. Significant Accounting Policies

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

2.1 Basis of Preparation

i) Compliance with Ind AS

The financial statements are prepared in compliance with Indian Accounting Standards (Ind AS) notified under Section 133 of the Companies Act, 2013 (the Act), Companies (Indian Accounting Standards) Rules, 2015, the relevant provisions of the Companies Act, 2013 (to the extent notified), The Companies Act, 1956 and the provisions of Electricity Act, 2003, in each case, to the extent applicable and as amended thereafter.

ii) Basis of Measurement

The financial statements have been prepared on accrual basis and under the historical cost convention except certain financial assets and liabilities measured at fair value (refer Note no. 2.11 for accounting policy regarding financial instruments).

iii) Functional and presentation currency

The financial statements are presented in Indian Rupees (Rupees or ₹), which is the Company's functional and presentation currency and all amounts are rounded to the nearest lakh and two decimals thereof, except as stated otherwise.

iv) Use of estimates

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



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v) Current and non-current classification

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

An asset is current when it is:

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

All other assets are classified as non-current.

A liability is current when:

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

All other liabilities are classified as non-current.

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

The Company recognizes twelve months period as its operating cycle.

2.2 Property, Plant and Equipment

Initial Recognition and Measurement

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

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

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



POWERGRID Parli Transmission Limited

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

Transmission system assets are considered as ready for intended use after meeting the conditions for commercial operation as stipulated in Transmission Service Agreement (TSA) and capitalized 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 is capitalized as part of cost of the related buildings.

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 capitalized.

Subsequent costs

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

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

Derecognition

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

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

2.3 Capital Work-In-Progress (CWIP)

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

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

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

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



POWERGRID Parli Transmission Limited

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

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

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

Afforestation charges for acquiring right-of-way for laying transmission lines are accounted for as intangible assets on the date of capitalization of related transmission lines.

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

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

2.5 Depreciation / Amortisation

Property, Plant & 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 except for property, plant and equipment specified in the following paragraphs.

Depreciation on spares parts, standby equipment and servicing equipment which are capitalized, is provided on straight line method from the date they are available for use over the remaining useful life of the related assets 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 unamortized balance of such asset is depreciated prospectively at the rates and methodology as specified by the CERC Tariff Regulations.



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Depreciation on additions to/deductions from Property, Plant and Equipment during the year is charged on pro-rata basis from/up to the date on which the asset is available for use/disposed.

The residual values, useful lives and methods of depreciation for items of property, plant and equipment are reviewed at each financial year-end and adjusted prospectively, wherever required.

Right of Use Assets:

Right of Use assets are fully depreciated from the lease commencement date on a straight line basis over the lease term.

Leasehold land is fully amortized over lease period or life of the related plant whichever is lower in accordance with the rates and methodology specified in CERC Tariff Regulation. Leasehold land acquired on perpetual lease is not amortized.

Intangible Assets

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

Afforestation charges are amortized over thirty-five years from the date of capitalization of related transmission assets following the rates and methodology notified by Central Electricity Regulatory Commission (CERC) Tariff Regulations.

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

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

2.6 Borrowing Costs

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

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

2.7 Impairment of non-financial assets

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

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



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that generates cash inflows from continuing use that are largely independent of the cash inflows of other assets or groups of assets (the "cash-generating unit", or "CGU").

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

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

2.8 Cash and cash equivalents

Cash and cash equivalents include cash on hand and at bank, and deposits held at call with banks having a maturity of three months or less from the date of acquisition that are readily convertible to a known amount of cash and are subject to an insignificant risk of changes in value.

2.9 Inventories

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

Steel scrap and conductor scrap are valued at estimated realizable value or book value, whichever is less.

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.

2.10 Leases

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

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

i) As a Lessee

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



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

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

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

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

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

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

ii) As a Lessor

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

a) Finance leases

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

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

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

b) Operating leases

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

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

2.11 Financial instruments

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



POWERGRID Parli Transmission Limited

Financial Assets

Classification

The Company classifies its financial assets in the following categories:

- at amortised cost,
- at fair value through other comprehensive income

The classification depends on the following:

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

Initial recognition and measurement

All financial assets are recognised initially at fair value plus, in the case of financial assets not recorded at fair value through profit or loss, transaction costs, if any, that are attributable to the acquisition of the financial asset.

Subsequent measurement

Debt Instruments at Amortised cost: Assets that are held for collection of contractual cash flows where those cash flows represent solely payments of principal and interest are measured at amortised cost. A gain or loss on a debt investment that is subsequently measured at amortised cost is recognised in profit or loss when the asset is derecognised or impaired. Interest income from these financial assets is included in finance income using the effective interest rate method.

Debt Instruments at Fair value through other comprehensive income (FVOCI): Assets that are held for collection of contractual cash flows and for selling the financial assets, where the assets' cash flows represent solely payments of principal and interest, are measured at fair value through other comprehensive income (FVOCI).

De-recognition of financial assets

A financial asset is derecognized only when

The rights to receive cash flows from the asset have expired, or

- 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.

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, 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.



POWERGRID Parli Transmission Limited

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

Financial Liabilities

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

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

Classification, initial recognition and measurement

Financial liabilities are recognised initially at fair value minus transaction costs that are directly attributable to the issue of financial liabilities. Financial liabilities are classified as subsequently measured at amortized cost. 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.

Subsequent measurement

After initial recognition, financial liabilities are subsequently measured at amortised cost using the EIR method. Gains and losses are recognised in Statement of Profit or 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.

2.12 Foreign Currency Translation

(a) Functional and presentation currency



POWERGRID Parli Transmission Limited

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

(b) Transactions and balances

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

2.13 Income Tax

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

Current income tax

The Current Tax is based on taxable profit for the year under the tax laws enacted and applicable to the reporting period in the country where the company operates and generates taxable income.

Deferred tax

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

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

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

2.14 Revenue

Revenue is measured based on the consideration specified in a contract with a customer and excludes amounts collected on behalf of third parties. The Company recognizes revenue when it transfers control over a product or service to a customer.

2.14.1 Revenue from Operations



POWERGRID Parli Transmission Limited

Transmission Income is accounted for based on orders issued by CERC u/s 63 of Electricity Act 2003 for adoption of transmission charges. As at each reporting date, transmission income includes an accrual for services rendered to the customers but not yet billed i.e. Unbilled Revenue.

The Transmission system incentive / disincentive is accounted for based on certification of availability by the respective Regional Power Committees and in accordance with the Transmission Service Agreement (TSA) entered between the Transmission Service Provider and long term Transmission Customers. 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 on certification by RPCs.

2.14.2 Other Income

Interest income is recognized, when no significant uncertainty as to measurability or collectability exists, on a time proportion basis taking into account the amount outstanding and the applicable interest rate, using the effective interest rate method (EIR).

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

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

Insurance claims are accounted for based on certainty of realization.

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

2.15 Dividends

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

2.16 Provisions and Contingencies

a) Provisions

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

b) Contingencies

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

Contingent liabilities are disclosed when there is a possible obligation arising from past events, the existence of which will be confirmed only by the occurrence or non-occurrence of one or more uncertain future events not wholly



POWERGRID Parli Transmission Limited

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 not recognised.

2.17 Share capital and Other Equity

Ordinary shares are classified as equity.

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

Self-insurance reserve is created @ 0.12% p.a. on Gross Block of Property, Plant and Equipment except 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'.

2.18 Prior Period Items

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

2.19 Earnings per Share

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

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

2.20 Statement of Cash Flows

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

3. Critical Estimates and Judgments

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

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

The areas involving critical estimates or judgments are:

Useful life of property, plant and equipment



POWERGRID Parli Transmission Limited

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

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

Provisions and contingencies

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

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

Estimation of uncertainties relating to the global health pandemic from COVID-19:

In assessing the recoverability of trade receivables and unbilled revenue, the company has considered internal and external information up to the date of approval of these financial statements including credit reports and economic forecasts. As the company's revenue is based on CERC tariff order and falls under essential services and based on the current indicators of future economic conditions, the company expects to recover the carrying amount of these assets.



POWERGRID Parli Transmission Limited

CIN : U40109DL2014GOI269652

Registered Office: B-9, Qutab Institutional Area, Katwaria Sarai, New Delhi - 110016

Balance Sheet as at 31st March 2020

(₹ in Lacs)

	Particulars	Note	As at 31st March 2020 (Audited)	As at 31st March 2019 (Audited)
A.	ASSETS			
I	Non-Current Assets			
	(a) Property, Plant and Equipment	<u>4</u>	1,65,924.92	1,72,488.23
	(b) Other intangible assets	<u>5</u>	839.54	884.69
	(c) Other Non-Current Assets	<u>6</u>	79.22	76.17
			1,66,843.68	1,73,449.09
II	Current Assets			
	(a) Inventories	<u>7</u>	467.09	480.33
	(b) Financial Assets			
	(i) Trade Receivables	<u>8</u>	4,312.81	5,106.36
	(ii) Cash and Cash Equivalents	<u>9</u>	215.68	101.50
	(iii) Other Current Financial Assets	<u>10</u>	3,362.25	3,307.57
	(c) Other Current Assets	<u>11</u>	-	0.02
			8,357.83	8,995.78
	Total Assets		1,75,201.51	1,82,444.87
XV	EQUITY AND LIABILITIES			
III	Equity			
	(a) Equity Share Capital	<u>12</u>	31,950.00	22,850.00
	(b) Other Equity	<u>13</u>	3,898.65	4,585.24
			35,848.65	27,435.24
IV	Liabilities			
	(i) Non-Current Liabilities			
	(a) Financial Liabilities, Borrowings	<u>14</u>	1,26,950.00	1,38,050.00
	(b) Deferred Tax Liabilities (Net)	<u>15</u>	2,017.03	694.45
			1,28,967.03	1,38,744.45
	(ii) Current Liabilities			
	(a) Financial Liabilities			
	(i) Trade payables	<u>16</u>	-	-
	(a) total outstanding dues of micro enterprises and small enterprises		-	-
	(b) total outstanding dues of creditors other than micro enterprises and small enterprises.		32.77	21.17
	(ii) Other Current Financial Liability	<u>17</u>	10,310.14	16,155.03
	(b) Other Current Liabilities	<u>18</u>	41.34	61.80
	(c) Provisions	<u>19</u>	1.58	27.18
	(d) Current Tax Liabilities (Net)	<u>20</u>	-	-
			10,385.83	16,265.18
	Total Equity and Liabilities		1,75,201.51	1,82,444.87

The accompanying Notes (1 to 46) form an Integral Part of Financial Statements
As per our report on even date.

For Abhijit Kelkar & Co.,
Chartered Accountants,
Firm Regn No. 121920W
UDIN 24110341AAAA66908

CA Abhijit Kelkar
Partner
Mem. No. 110841
Place : Nagpur
Date : 29.05.2020



For & On Behalf of The Board Of Directors.

Seema Gupta
(Chairperson)
DIN: 6636330
Place: Gurugram
Date: 29.05.2020

A. Basu
(Chief Financial Officer)
Place: Nagpur
Date: 29.05.2020

M. Taj Mukarum
(Director - Finance)
DIN: 8097837
Place: Gurugram
Date: 29.05.2020

Shikha Gupta
(Company Secretary)
Place: Gurugram
Date: 29.05.2020

POWERGRID Parli Transmission Limited

CIN : U40109DL2014GOI269652

Registered Office: B-9, Qutab Institutional Area, Katwaria Sarai, New Delhi - 110016

Statement of Profit and Loss for the year ended 31st March 2020

(₹ in Lacs)

	Particulars	Note	For the year ended 31st Mar 2020 (Audited)	For the year ended 31st Mar 2019 (Audited)
I	Revenue From Operations	21	32,729.38	28,296.58
II	Other Income	22	318.79	95.00
III	Total Income (I+II)		33,048.17	28,391.58
IV	EXPENSES			
	Finance Costs	23	11,093.01	10,139.16
	Depreciation and Amortization Expense	24	9,679.97	8,243.43
	Other Expenses	25	1,073.18	836.71
	Total Expenses (IV)		21,846.16	19,219.30
V	Profit Before Tax (III- IV)		11,202.01	9,172.28
VI	Tax Expense:			
	(1) Current Tax		1,957.22	1,976.52
	(2) Deferred Tax		1,322.58	694.45
	Total Tax Expense		3,279.80	2,670.97
VII	Profit for the Period (V-VI)		7,922.21	6,501.31
VIII	Other Comprehensive Income		-	-
IX	Total Comprehensive Income for the period (VII+VIII)		7,922.21	6,501.31
X	Earnings per Equity Share (Par Value ₹ 10 each)			
	(1) Basic (₹)		2.96	6.12
	(2) Diluted (₹)		2.96	6.12

The accompanying Notes (1 to 46) form an Integral Part of Financial Statements
As per our report on even date.

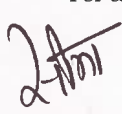
For Abhijit Kelkar & Co.,
Chartered Accountants,
Firm Regn No. 121920W
UDIN 20110841AAAABE6908



CA Abhijit Kelkar
Partner
Mem. No. 110841
Place : Nagpur
Date : 29.05.2020



For & On Behalf of The Board Of Directors.



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(Chairperson)
DIN: 6636330
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Date: 29.05.2020



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(Chief Financial Officer)
Place: Nagpur
Date: 29.05.2020



M. Taj Mukarrum
(Director - Finance)
DIN: 8097837
Place: Gurugram
Date: 29.05.2020



Shilpa Gupta
(Company Secretary)
Place: Gurugram
Date: 29.05.2020

POWERGRID Parli Transmission Limited

CIN : U40109DL2014GOI269652

Registered Office: B-9, Qutab Institutional Area, Katwaria Sarai, New Delhi - 110016

Statement of Cash Flows for the period from 01.04.2019 to 31.03.2020

(₹ in Lacs)

Particulars	For the Period Ended	
	31st march 2020	31st march 2019
	Audited	Audited
A. CASH FLOW FROM OPERATING ACTIVITIES		
Profit Before Tax	11,202.01	9,172.28
Profit Before Tax	11,202.01	9,172.28
Adjustment for:		
Depreciation & amortization expenses	9,679.97	8,243.43
Finance Costs	11,093.01	10,139.16
	20,772.98	18,382.59
Operating profit before Changes in Assets and Liabilities	31,974.99	27,554.87
Adjustment for Changes in Assets and Liabilities:		
(Increase)/Decrease in Inventories	13.24	(480.33)
(Increase)/Decrease in Trade Receivables	793.55	(5,106.36)
(Increase)/Decrease in Other Non-current Assets		(1.50)
(Increase)/Decrease in Other Current Assets	0.02	(0.02)
(Increase)/Decrease in Other current financial assets	(54.68)	(3,306.72)
Increase/(Decrease) in Trade payables	11.60	21.17
Increase/(Decrease) in Other current financial liabilities	(6,044.89)	(10,181.85)
Increase/(Decrease) in Other current liabilities	(20.46)	(490.85)
Increase/(Decrease) in Short Term Provisions	(25.60)	26.62
	(5,327.22)	(19,519.84)
Cash generated from operations	26,647.77	8,035.03
Direct taxes paid	(1,960.27)	(2,028.96)
Net Cash from Operating Activities	24,687.50	6,006.07
B. CASH FLOW FROM INVESTING ACTIVITIES		
Property, Plant & Equipment and Capital Work in Progress	(3,071.51)	(14,180.28)
Net Cash used in Investing Activities	(3,071.51)	(14,180.28)
C. CASH FLOW FROM FINANCING ACTIVITIES		
Issue of Shares	9,100.00	22,840.00
Proceeds from Borrowings		
Non Current		5,493.91
Repayment of Borrowings		
Non Current	(10,900.00)	(5,602.40)
Finance Costs paid	(11,093.01)	(13,305.62)
Dividend paid	(7,140.95)	(1,589.35)
Dividend Tax paid	(1,467.85)	(326.70)
Net Cash used in Financing Activities	(21,501.81)	7,509.84
D. Net change in Cash and Cash equivalents (A+B+C)	114.18	(664.37)
E. Cash and Cash equivalents (Opening balance)	101.50	765.87
F. Cash and Cash equivalents (Closing balance) (Refer Note 9)	215.68	101.50

Certified as true and correct compilation of Un-audited financial statement by the management.

Note 1 - Cash & Cash Equivalents consists of Balances with Banks

Note 2 - Previous Year Figures have been re-grouped/re-arranged wherever necessary.

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

Particulars	Non-Current borrowings
Opening balance as at 1st April, 2019	1,47,550.00
Net Cash flows during the year	(21,993.01)
Non-Cash changes due to:	
- Interest on borrowings	11,093.01
Closing balance as at 31st March, 2020	1,36,650.00

The accompanying Notes (1 to 46) form an Integral Part of Financial Statements

As per our report on even date.

For Abhijit Kelkar & Co.,
Chartered Accountants,
Firm Regn No. 121920W
UDIN 20110841AAAAABE6908

CA Abhijit Kelkar
Partner
Mem. No. 110841
Place : Nagpur
Date : 29.05.2020



For & On Behalf of The Board Of Directors,

Seema Gupta
(Chairperson)
DIN: 6636330
Place: Gurugram
Date: 29.05.2020

A. Basu
(Chief Financial Officer)
Place: Nagpur
Date: 29.05.2020

M. Taj Mukarram
(Director - Finance)
DIN: 8097837
Place: Gurugram
Date: 29.05.2020

Shikha Gupta
(Company Secretary)
Place: Gurugram
Date: 29.05.2020

POWERGRID Parli Transmission Limited

CIN : U40109DL2014GOI269652

Registered Office: B-9, Qutab Institutional Area, Katwaria Sarai, New Delhi - 110016

Statement of Changes in Equity for the period ended 31st March 2020

A. Equity Share Capital	
Particulars	Amount (₹ in Lacs)
As at 01st April 2019 (Audited)	22,850.00
Changes in equity share capital	9,100.00
As at 31st March 2020 (Audited)	31,950.00
As at 1st April 2018 (Audited)	10.00
Changes in equity share capital	22,840.00
As at 31st March 2019 (Audited)	22,850.00

B. Other Equity

Particulars	Reserves and Surplus		Total
	Self Insurance Reserve	Retained Earnings	
As at 01st April 2019 (Audited)	218.25	4,366.99	4,585.24
Total Comprehensive Income for the Year		7,922.21	7,922.21
Transfer to Self Insurance Reserve	220.51	(220.51)	-
Final Dividends : FY2018-19		(2,218.50)	(2,218.50)
Tax on Final Dividends : FY2018-19		(456.02)	(456.02)
Interim Dividends : FY2019-20		(4,922.45)	(4,922.45)
Tax on Interim Dividends : FY2019-20		(1,011.83)	(1,011.83)
As at 31st March 2020 (Audited)	438.76	3,459.89	3,898.65
As at 1st April 2018 (Audited)	0.31	(0.33)	(0.02)
Total Comprehensive Income for the Year	-	6,501.31	6,501.31
Transfer to Self Insurance Reserve	217.94	(217.94)	-
Interim Dividends : FY2018-19		(1,589.35)	(1,589.35)
Tax on Interim Dividends : FY2018-19		(326.70)	(326.70)
As at 31st March 2019 (Audited)	218.25	4,366.99	4,585.24

The accompanying Notes (1 to 46) form an Integral Part of Financial Statements

Refer to Note 13 for Nature & Movement of Other Equity.

As per our report on even date.

For Abhijit Kelkar & Co.,

Chartered Accountants,

Firm Regn No. 121920W

UDIN 20110841AAAAABE6908



CA Abhijit Kelkar

Partner

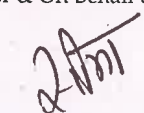
Mem. No. 110841

Place : Nagpur

Date : 29.05.2020



For & On Behalf of The Board Of Directors.



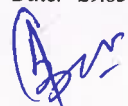
Seema Gupta

(Chairperson)

DIN: 6636330

Place: Gurugram

Date: 29.05.2020



A. Basu

(Chief Financial Officer)

Place: Nagpur

Date: 29.05.2020



M. Taj Mukarrum

(Director - Finance)

DIN: 8097837

Place: Gurugram

Date: 29.05.2020



Shikha Gupta

(Company Secretary)

Place: Gurugram

Date: 29.05.2020

POWERGRID Parli Transmission Limited
Note 4/Property, Plant and Equipment

Particulars	Cost				Accumulated Depreciation				Net Book Value		(₹ in Lacs)
	As at 1st April 2019	Additions during the year	Sale/ Disposal	Adjustment during the year	As at 31st March 2020 (Audited)	As at 01st April 2019	Additions during the year	Sale/ Disposal	Adjustment during the year	As at 31st March 2020 (Audited)	
Land											
Freehold	413.91	-	-	-	413.91	-	-	-	-	413.91	413.91
Buildings											
a) Sub-Stations & Office	376.23	-	-	-	376.23	4.20	12.56	-	-	359.47	372.03
Plant & Equipment											
a) Transmission	1,50,256.76	2,570.49	-	-	1,52,827.25	6,771.93	8,029.32	-	-	1,38,026.00	1,43,484.83
a) Substation	29,639.60	483.65	-	-	30,123.25	1,426.79	1,588.16	-	-	27,108.30	28,212.81
Workshop & Testing Equipments	4.89	-	-	-	4.89	0.24	0.26	-	-	4.39	4.65
Office equipment	-	13.58	-	-	13.58	-	0.73	-	-	12.85	-
Total	1,80,691.39	3,067.72	-	-	1,83,759.11	8,203.16	9,631.03	-	-	1,65,924.92	1,72,488.23

Particulars	Cost				Accumulated Depreciation				Net Book Value		₹ in Lacs
	As at 1st April 2018	Additions during the year	Sale/ Disposal	Adjustment during the year	As at 31st March 2019	As at 31st March 2018	Additions during the year	Sale/ Disposal	Adjustment during the year	As at 31st March 2019	
Land											
Freehold	413.91	-	-	-	413.91	-	-	-	-	413.91	413.91
Buildings											
a) Sub-Stations & Office	-	376.23	-	-	376.23	-	4.20	-	-	372.03	-
Plant & Equipment											
a) Transmission	-	1,50,256.76	-	-	1,50,256.76	-	6,771.93	-	-	1,43,484.83	-
a) Substation	-	29,639.60	-	-	29,639.60	-	1,426.79	-	-	28,212.81	-
Workshop & Testing Equipments	-	4.89	-	-	4.89	-	0.24	-	-	4.65	-
Total	413.91	1,80,277.48	-	-	1,80,691.39	-	8,203.16	-	-	1,72,488.23	413.91

Further Note - The Company owns 27 Hectare (Previous Year 27 Hectare) of Freehold Land amounting to ₹ 413.91/- Lacs (Previous Year ₹ 413.91 Lacs) based on available documentation.



POWERGRID Parli Transmission Limited
Note 5/OTHER INTANGIBLE ASSETS

Particulars	Cost				Accumulated Amortisation				Net Book value	
	As at 1st April 2019	Additions during the year	Sale/ Disposal	Adjustment during the year	As at 31st March 2020 (Audited)	As at 1st April 2019	Additions during the year	Sale/ Disposal	Adjustment during the year	As at 31st March 2020 (Audited)
Right of Way-Afforestation Expenses	924.96	3.79	-	-	928.75	40.27	48.94	-	-	89.21
Total	924.96	3.79	-	-	928.75	40.27	48.94	-	-	89.21

Particulars	Cost				Accumulated Amortisation				Net Book value	
	As at 1st April 2018	Additions during the year	Sale/ Disposal	Adjustment during the year	As at 31st March 2019	As at 1st April 2018	Additions during the year	Sale/ Disposal	Adjustment during the year	As at 31st March 2019
Right of Way-Afforestation Expenses	-	924.96	-	-	924.96	40.27	40.27	-	-	884.69
Total	-	924.96	-	-	924.96	40.27	40.27	-	-	884.69



POWERGRID Parli Transmission Limited**Note 6/Other Non-Current Assets**

(Unsecured considered Good unless otherwise stated)

(₹ in Lacs)

Particulars	As at 31st March 2020 (Audited)	As at 31st March 2019 (Audited)
Advances Other than for Capital Expenditure		
Security Deposits	1.75	1.75
Advances recoverable in kind or for value to be received		
Advance Tax and Tax Deducted at Source	4,011.34	2,051.07
Less: Current Tax (Refer Note 20)	3,933.87	1,976.65
	77.47	74.42
Total	79.22	76.17



POWERGRID Parli Transmission Limited
Note 7/Inventories

(₹ in Lacs)		
Particulars	As at 31st March 2020 (Audited)	As at 31st March 2019 (Audited)
(For mode of valuation refer Note 2.9)		
Components, Spares & Other Spare Parts	462.89	479.65
Loose tools	4.20	0.68
Total	467.09	480.33



POWERGRID Parli Transmission Limited
Note 8/Trade Receivables

Particulars	(₹ in Lacs)	
	As at 31st March 2020 (Audited)	As at 31st March 2019 (Audited)
Trade Receivables - Unsecured*		
Considered Good	4,312.81	5,106.36
Total	4,312.81	5,106.36

* Includes receivables from various DICs through CTU

Refer Note 45 for disclosure as per Ind AS 115 'Revenue From Contract With Customers'.



POWERGRID Parli Transmission Limited
Note 9/Cash and Cash Equivalents

Particulars	(₹ in Lacs)	
	As at 31st March 2020 (Audited)	As at 31st March 2019 (Audited)
Balance with Banks		
-In Current accounts	215.68	101.50
Total	215.68	101.50



POWERGRID Parli Transmission Limited
Note 10/Other Current Financial Assets
(Unsecured considered Good unless otherwise stated)

Particulars	(₹ in Lacs)	
	As at 31st March 2020 (Audited)	As at 31st March 2019 (Audited)
a) Unbilled Revenue	3,362.23	3,307.13
b) Others Receivable	0.02	0.44
Total	3,362.25	3,307.57

Further Note :-

* Unbilled Revenue includes Transmission Charges for the month of March in the Financial Year amounting to ₹ 2748.34 Lacs (Net of Provision for Rebate) (Previous Year ₹ 2590.64 Lacs) billed to beneficiaries in the month of April 2020, Transmission Incentive of ₹ 555.41 Lacs (Previous Year ₹ 700.63 Lacs) and Surcharge of ₹ 58.48 Lacs (Previous Year ₹ 15.86 Lacs) for the Period ended March 2020 to be billed in Financial Year 2020-21.

Refer Note 45 for disclosure as per Ind AS 115 'Revenue From Contract With Customers'.



POWERGRID Parli Transmission Limited

Note 11/OTHER CURRENT ASSETS

(Unsecured considered good unless otherwise stated)

(₹ in Lacs)		
Particulars	As at 31st March 2020 (Audited)	As at 31st March 2019 (Audited)
Advances recoverable in kind or for value to be received		
Input Tax Credit - GST	-	0.02
Total	-	0.02



POWERGRID Parli Transmission Limited
Note 12/Equity Share capital

(₹ in Lacs)

Particulars	As at 31st March 2020 (Audited)	As at 31st March 2019 (Audited)
Equity Share Capital		
Authorised		
35,00,00,000 (Previous Year 35,00,00,000) Equity Shares of ₹ 10/- each at par	35,000.00	35,000.00
Issued, subscribed and paid up		
31,95,00,000 (Previous Year 22,85,00,000) Equity Shares of ₹10/- each at par fully paid up	31,950.00	22,850.00
Total	31,950.00	22,850.00

Further Notes:

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

Particulars	For the year ended 31st Mar 2020 (Audited)		For the year ended 31st Mar 2019 (Audited)	
	No. of Shares	Amount (₹ in Lacs)	No. of Shares	Amount (₹ in Lacs)
Shares outstanding at the beginning of the year	22,85,00,000.00	22,850.00	1,00,000.00	10.00
Shares Issued during the year	9,10,00,000.00	9,100.00	22,84,00,000.00	22,840.00
Shares bought back during the year	-	-	-	-
Shares outstanding at the end of the year	31,95,00,000.00	31,950.00	22,85,00,000.00	22,850.00

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

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

4) Shareholders holding more than 5% equity shares of the Company :-

Particulars	As at 31st March 2020 (Audited)		As at 31st March 2019 (Audited)	
	No. of Shares #	% of holding	No. of Shares	% of holding
i) Power Grid Corporation of India Limited	31,95,00,000	100%	22,85,00,000	100%

Out of 31,95,00,000 Equity Shares (Previous Year 22,85,00,000 Equity Shares), 6 Equity Shares are held by 6 Nominees of Power Grid Corporation of India Limited (POWERGRID) jointly with POWERGRID.



POWERGRID Parli Transmission Limited
Note 13/Other Equity

(₹ in Lacs)

Particulars	As at 31st March 2020 (Audited)	As at 31st March 2019 (Audited)
Reserve & Surplus		
(i) Self Insurance Reserve #		
Balance at the Beginning of the Year	218.25	0.31
Additions During The Year	220.51	217.94
Balance at the End of the Year	438.76	218.25
(ii) Retained Earnings		
Balance at the Beginning of the Year	4,366.99	-0.33
Net Profit for the Period	7,922.21	6,501.31
Transfer To Self Insurance Reserve	220.51	217.94
Interim Dividend Paid FY 2019-20	4,922.45	1,589.35
Tax On Interim Dividend FY 2019-20	1,011.83	326.70
Final Dividend paid FY 2018-19	2,218.50	-
Tax on Final Dividend FY 2018-19	456.02	-
Balance at the End of the Year	3,459.89	4,366.99
Total	3,898.65	4,585.24

Self-Insurance Reserve

Self-insurance reserve is created @ 0.12% p.a. on Gross Block of Property, Plant and Equipment except 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'.



POWERGRID Parli Transmission Limited
Note 14/Borrowings

(₹ in Lacs)

Description	As at 31st March 2020 (Audited)	As at 31st March 2019 (Audited)
Term Loan From Others		
Rupee Loans (Unsecured)		
Loan From M/s Power Grid Corp. of India Ltd. (Holding Co.)	1,26,950.00	1,38,050.00
Total	1,26,950.00	1,38,050.00

Further Note -

The Inter Corporate Loan is provided by the Holding Company on cost to cost basis at the interest rate of 7.8138% repayable over a period of 29 years

There has been no default in repayment of loan or payment of interest thereon as at the end of the financial year.



POWERGRID Parli Transmission Limited
Note 15/Deferred tax liabilities (Net)

Description	(₹ in Lacs)	
	As at 31st March 2020 (Audited)	As at 31st March 2019 (Audited)
Deferred Tax Liability		
Difference in book Depreciation and Tax Depreciation	19107.24	16,482.23
Deferred Tax Liability (A)	19,107.24	16,482.23
Deferred Tax Assets		
Unused Tax Losses (Income Tax Loss)	13156.48	13,811.27
Unused Tax Credits (MAT Credit Entitlement)	3933.73	1,976.51
Deferred Tax Assets (B)	17,090.21	15,787.78
Net Deferred Tax Liability (Net) (A-B)	2,017.03	694.45

Movements in Deferred Tax Liabilities			(₹ in Lacs)
	Property, Plant and Equipment		Total
As at 01st April 2018	-		-
Charged/(Credited)			
- to Profit or Loss	16,482.23		16,482.23
- to Other Comprehensive Income	-		-
As at 31st March 2019	16,482.23		16,482.23
Charged/(Credited)			
- to Profit or Loss	2,625.01		2,625.01
- to Other Comprehensive Income	-		-
As at 31st March 2020	19,107.24		19,107.24

Movements in Deferred Tax Assets				(₹ in Lacs)
	Unused Tax Losses	MAT Credit		Total
As at 01st April 2018	-	-		-
Charged/(Credited)				
- to Profit or Loss	(13,811.27)	(1,976.51)		(15,787.78)
- to Other Comprehensive Income				
As at 31st March 2019	(13,811.27)	(1,976.51)		(15,787.78)
Charged/(Credited)				
- to Profit or Loss	654.79	(1,957.22)		(1,302.43)
As at 31st March 2020	(13,156.48)	(3,933.73)		(17,090.21)

Amount taken to Statement of Profit and Loss			(₹ in Lacs)
Particulars	As at 31 st March 2020	As at 31 st March 2019	
Increase/(Decrease) in Deferred Tax Liabilities	2,625.01	16,482.23	
(Increase)/Decrease in Deferred Tax Assets	(1,302.43)	(15,787.78)	
Net Amount taken to Statement of Profit and Loss	1,322.58	694.45	

POWERGRID Parli Transmission Limited

Note 16/Trade Payables

(₹ in Lacs)

Particulars	As at 31st March 2020 (Audited)	As at 31st March 2019 (Audited)
For Goods and Services		
(i) Total Outstanding dues of Micro enterprises & Small enterprises	-	-
(ii) Total Outstanding dues of creditors other than Micro enterprises & Small enterprises		
a. Payable to Holding Company	31.07	-
b. Others	1.70	21.17
	32.77	21.17
Total	32.77	21.17

Further Note :

Disclosure with regard to Micro and Small Enterprises as required under "The Micro, Small and Medium Enterprises Development Act, 2006" is given in Note 37.

Refer note no 39 for disclosure on Related party transactions.



POWERGRID Parli Transmission Limited
Note 17/Other Current Financial Liability

(₹ in Lacs)

Particulars	As at 31st March 2020 (Audited)	As at 31st March 2019 (Audited)
A) Current maturities of long term borrowings		
Rupee Term Loan (Unsecured)		
Loan From Related Parties*- M/s Power Grid Corporation of India Ltd. (Holding Co.)	9,700.00	9,500.00
B) Others		
i) Dues for Capital Expenditure	314.16	1,016.42
ii) Deposits/Retention money from contractors and others.	190.72	5,322.72
iii) Related parties *	104.73	261.91
iv) Others	0.53	53.98
	610.14	6,655.03
Total	10,310.14	16,155.03

Further Note :

Disclosure with regard to Micro and Small Enterprises as required under "The Micro, Small and Medium Enterprises Development Act, 2006" is given in Note 37.

* Refer note no 39 for disclosure on Related party transactions.



POWERGRID Parli Transmission Limited
Note 18/Other Current Liabilities

(₹ in Lacs)		
Particulars	As at 31st March 2020 (Audited)	As at 31st March 2019 (Audited)
Statutory Dues	41.34	61.80
Total	41.34	61.80



POWERGRID Parli Transmission Limited

Note 19/ Provisions

		(₹ in Lacs)	
Description		As at 31st March 2020 (Audited)	As at 31st March 2019 (Audited)
Provision Others			
As per Last Balance Sheet	27.18	-	0.56
Additions during the year	2.14	-	27.30
Paid/(Adjustments) during the year	27.74	-	0.68
Closing Balance	-	1.58	27.18
Total		1.58	27.18

Further Note :

Provision includes provision towards CERC Licence Fees Nil (Previous Year 26.36 Lacs) and Audit & Other fees ₹ 1.58 Lacs (Previous Year 0.82 Lacs).



POWERGRID Parli Transmission Limited
Note 20/ Current Tax Liabilities (Net)

Description	(₹ in Lacs)	
	As at 31st March 2020 (Audited)	As at 31st March 2019 (Audited)
Taxation (Including Interest on Tax)		
As per last balance sheet	1,976.65	-
Additions during the year	1,957.22	1,976.52
Adjusted during the year	-	-0.13
Closing Balance	3,933.87	1,976.65
Net off with Advance Tax Paid (Note 6)	3,933.87	1,976.65
Closing Balance	-	-



POWERGRID Parli Transmission Limited
Note 21/Revenue From Operations

(₹ in Lacs)

Particulars	For the year ended 31st Mar 2020 (Audited)	For the year ended 31st Mar 2019 (Audited)
Sale of Services		
Transmission Charges	32,729.38	28,296.58
Total	32,729.38	28,296.58

Further Note :

Refer note 45 for Disclosure as per Ind AS 115 " Revenue from Contracts with Customers".



POWERGRID Parli Transmission Limited
Note 22/Other Income

(₹ in Lacs)

Particulars	For the year ended 31st Mar 2020 (Audited)	For the year ended 31st Mar 2019 (Audited)
Interest from Advances to Contractors	-	10.64
Surcharge	317.47	87.36
Provisions written back	0.06	-
Miscellaneous income	0.42	5.48
Other	0.84	-
	<u>318.79</u>	<u>103.48</u>
Less: Transferred to Expenditure during Construction(Net) - Note 26	-	8.48
Total	<u>318.79</u>	<u>95.00</u>



POWERGRID Parli Transmission Limited

Note 23/Finance Costs

Particulars	(₹ in Lacs)	
	For the year ended 31st Mar 2020 (Audited)	For the year ended 31st Mar 2019 (Audited)
A) Interest and finance charges on financial liabilities at amortised cost		
Interest on Loan From Holding Co. (M/s Power Grid Corp. of India Ltd.)	11,092.91	11,712.17
B) Other Finance charges		
Others	0.10	0.73
	11,093.01	11,712.90
Less: Transferred to Expenditure during Construction (Net) - Note 26	-	1,573.74
Total	11,093.01	10,139.16

Further Note -

Refer note 39 for Disclosure on Related Parties Transactions.



POWERGRID Parli Transmission Limited
Note 24/Depreciation and Amortization Expense

(₹ in Lacs)

Particulars	For the year ended 31st Mar 2020 (Audited)	For the year ended 31st Mar 2019 (Audited)
Depreciation of Property, Plant and Equipment	9,631.03	8,203.16
Amortization of Intangible assets	48.94	40.27
Total	9,679.97	8,243.43



POWERGRID Parli Transmission Limited
Note 25/Other Expenses

(₹ in Lacs)

Particulars	For the year ended 31st Mar 2020 (Audited)	For the year ended 31st Mar 2019 (Audited)
R&M Sub Station	157.05	658.88
R&M Transmission Lines	775.99	-
Legal Expenses	0.43	248.77
Professional Charges	1.48	0.57
Consultancy Expenses	-	1,046.46
Tender expenses	-	7.10
System & Market Op. Charges	27.47	3.20
Payments to Statutory Auditors		
Audit Fees	1.00	0.94
Tax Audit Fees	0.18	0.18
In Other Capacity	-	0.03
	1.18	1.15
Cost Audit and Physical verification Fees	0.30	
Brokerage & Commission	-	0.14
CERC petition & Other charges	37.86	57.36
Miscellaneous expenses	0.57	8.60
Rates and Taxes	7.03	55.38
Foreign Exchange Rate Variation	-	12.41
Exp on Corporate Social Responsibility	61.15	-
Transit accomodation expenditure	2.67	-
	1,073.18	2,100.02
Less: Transferred to Expenditure during Construction (Net) - Note 26	-	1,263.31
Total	1,073.18	836.71

Further Note :

Breakup of Related Parties is provided in Note 39.



POWERGRID Parli Transmission Limited
Note 26/ Expenditure during Construction (Net)

	(₹ in Lacs)	
Particulars	For the year ended 31st Mar 2020 (Audited)	For the year ended 31st Mar 2019 (Audited)
A. Other Expenses		
Professional Charges	-	0.14
Legal Expenses	-	165.08
Consultancy Expenses	-	1,046.46
Tender Expenses	-	3.88
CERC petition & Other charges	-	31.00
Miscellaneous expenses	-	1.73
Rates & Taxes	-	15.02
Total (A)	-	1,263.31
B. Finance Costs		
Interest on Term Loans	-	1,573.74
Total (B)	-	1,573.74
C. Less: Other Income		
Interest from Advance To Contractors	-	8.48
Total (C)	-	8.48
Grand Total (A+B-C)	-	2,828.57



POWERGRID Parli Transmission Limited

Note 27/ Earnings Per Share

(in ₹)

	Year Ended	
	31.03.2020	31.03.2019
(a) Basic Earnings Per Share attributable to the Equity Holders of the Company		
Basic and Diluted Earnings Per Share attributable to the Equity Holders of the Company from Continuing Operations	2.96	6.12
(₹ in Lacs)		
(b) Reconciliation of Earnings used as Numerator in Calculating Earnings Per Share	31.03.2020	31.03.2019
Total Earnings attributable to the Equity Holders of the Company	7,922.21	6,501.31
(No. of Shares)		
(c) Weighted Average Number of Shares used as the Denominator	31.03.2020	31.03.2019
Total Weighted Average Number of Equity Shares used as the Denominator in Calculating Basic Earnings per Share	26,73,22,404	10,62,63,014



POWERGRID Parli Transmission Limited

Note 28/ Employee Benefit Obligations

The Company does not have any Permanent Employees. The Personnel Working for the Company are from Holding Company on Secondment basis and are working on Time Share Basis. The Employee Cost (including Retirement Benefits such as Gratuity, Leave encashment, Post-Retirement Benefits etc.) in respect of personnel working for the company are paid by Holding Company and Holding Company is raising the Invoice to the Subsidiary Company towards Consultancy Charges.

Since there are no Employees in the Company, the Obligation as per Ind AS 19 "Employee Benefits" does not arise. Accordingly, no provision is considered necessary for any Retirement Benefit like Gratuity, Leave Salary, Pension etc., in the books of the Company.



POWERGRID Parli Transmission Limited

Note 29/ Fair Value Measurements

	(₹ in Lacs)	
	31 st March 2020	31 st March 2019
Financial Instruments by Category	Amortised Cost	Amortised Cost
Financial Assets		
Trade Receivables	4,312.81	5,106.36
Cash & Cash Equivalents	215.68	101.50
Other Current Financial Assets	3,362.25	3,307.57
Total Financial Assets	7,890.74	8,515.43
Financial Liabilities		
Borrowings	1,36,650.00	1,47,550.00
Trade Payables	32.77	21.17
Other Current Financial Liabilities	610.14	6,655.03
Total Financial Liabilities	1,37,292.91	1,54,226.20

(i) Fair Value Hierarchy

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

	(₹ in Lacs)		
Assets and Liabilities which are Measured at Amortised Cost for which Fair Values are Disclosed	Level	As at 31st March 2020	As at 31st March 2019
As at 31st March 2020			
Financial Assets	-	-	-
Total Financial Assets	-	-	-
Financial Liabilities			
Borrowings	2	1,35,167.84	1,43,375.87
Total Financial Liabilities	2	1,35,167.84	1,43,375.87



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

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

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

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

(ii) Valuation technique used to determine fair value

Specific valuation techniques used to value financial instruments include:

- the fair value of the financial instruments is determined using discounted cash flow analysis.

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

(iii) Fair Value of Financial Assets and Liabilities measured at Amortised Cost (₹ in Lacs)

	31st March 2020		31st March 2019	
	Carrying Amount	Fair Value	Carrying Amount	Fair Value
Financial Assets	-	-	-	-
Total Financial Assets	-	-	-	-
Financial Liabilities				
Borrowings	1,36,650.00	1,35,167.84	1,47,550.00	1,43,375.87
Total Financial Liabilities	1,36,650.00	1,35,167.84	1,47,550.00	1,43,375.87

The carrying amounts of Trade Receivables, Trade Payables, cash and cash equivalents, other current Financial Assets and other current financial liabilities are considered to be the same as their fair values, due to their short-term nature. The fair values of non-current borrowings are based on discounted cash flows using a current borrowing rate. They are classified as level 2 fair values in the fair value hierarchy since significant inputs required to fair value an instrument are observable. For financial assets and liabilities that are measured at fair value, the carrying amounts are equal to the fair values.



POWERGRID Parli Transmission Limited

Note 30/ Capital Management

a) Risk Management

The Company's Objectives when Managing Capital are to

- maximize the Shareholder Value
- safeguard its ability to continue as a Going Concern
- maintain an Optimal Capital Structure to Reduce the Cost of Capital.

For the purpose of the Company's Capital Management, Equity Capital includes Issued Equity Capital, and all other Equity Reserves attributable to the Equity Holders of the Company. The Company manages its Capital Structure and makes adjustments in light of changes in Economic Conditions, Regulatory Framework. 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 debt equity ratio of the company is as follows:

Particulars	31 st March 2020	31 st March 2019
Long Term Debt (₹ in Lacs)	1,36,650.00	1,47,550.00
Equity (₹ in Lacs)	35,848.65	27,435.24
Long Term Debt to Equity Ratio	79:21	84:16

b) Dividend

Particulars	(₹ in Lacs)	
	31 st March 2020	31 st March 2019
Equity Shares		
Interim dividend for the period ended 31st March 2020 of ₹ 0.72 on 19.12.2019 & ₹ 0.91 on 11.03.2020 (31st March, 2019 - ₹ 1.07) per fully paid share (Excluding Dividend Distribution Tax)	4,922.45	1,589.35
Final dividend for the period ended 31st March, 2019 of ₹ 0.9 (31st March, 2018 - Nil) per fully paid share (Excluding Dividend Distribution Tax)	2,218.50	-

Dividend Not Recognised at the End of the Reporting Period

The Board of Directors on 29.05.2020 recommended the payment of a Dividend of ₹ 1.03 per Fully Paid Equity Share. This proposed Dividend is subject to the approval of Shareholders in the ensuing Annual General Meeting.



POWERGRID Parli Transmission Limited

Note 31/Income Tax Expense

This Note provides an analysis of the Company's Income Tax Expense, and how the Tax Expense is affected by Non-Assessable and Non-Deductible Items. It also explains significant estimates made in relation to The company's Tax Positions.

(a) Income Tax Expense		(₹ in Lacs)	
	Particulars	31st March 2020	31 st March 2019
<u>Current Tax</u>			
	Current Tax on Profits for the year	1,957.22	1,976.52
	Total Current Tax Expense (A)	1,957.22	1,976.52
<u>Deferred Tax</u>			
	Origination and reversal of temporary differences	1,322.58	694.45
	Total Deferred Tax Expense/(Benefit) (B)	1,322.58	694.45
	Income Tax Expense	3,279.80	2,670.97

(b) Reconciliation of Tax Expense and the Accounting Profit multiplied by India's Domestic Tax Rate:

	Particulars	FY 2019-20	FY 2018-19
	Profit Before Tax	11,202.01	9,172.28
	Tax using company's domestic Tax Rate i.e. 29.12% (Previous Year @ 29.12%)	3,262.03	2,670.97
	Tax Effect of :		
	Non deductible tax expenses	-	-
	Exempt income	-	-
	Minimum Alternate Tax adjustments	(1,304.81)	(694.45)
	Deferred Tax	1,322.58	694.45
	Tax Expenses recognise in statement of Profit & Loss	3,279.80	2,670.97

(c) MAT Credit

As Company has option to avail MAT Credit in future against Income Tax Payable and hence MAT paid during earlier & in Current Year are carried forward.



POWERGRID Parli Transmission Limited

Note 32/ 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 Company Identifies, Evaluates and Manages Financial Risks in Close Co-Operation with the Company's Operating Units

The Company's Principal Financial Assets Comprise Advances to Contractors, Cash & 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.

(A) Credit Risk

Credit risk arises from cash and cash equivalents, investments carried at amortised cost and deposits with banks and financial institutions, as well as credit exposures to customers including outstanding receivables.

Credit Risk Management

Credit risk is the risk that counterparty will not meet its obligations under a financial instrument or customer contract, leading to a financial loss. 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 recoveries are made, these are recognized in the statement of profit and loss.

(i) Trade Receivables and Unbilled Revenue

The Company primarily provides transmission facilities to inter-state transmission service customers (DICs) comprising mainly state utilities owned by State Governments. CERC tariff regulations allows payment against monthly bills towards transmission charges within a period of 45 days from the date of the bill and levy of charge on delayed payment beyond 45 days. A graded rebate is provided to the company for payment made within 45 days.

(ii) Other Financial Assets (excluding trade receivables and Unbilled Revenue)

- Cash and Cash Equivalents

The Company held cash and cash equivalents of ₹ 215.68/- Lacs (Previous Year ₹ 101.50/- Lacs). 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.

○ Exposure to credit risk

Particulars	(₹ in Lacs)	
	31st March 2020	31st March 2019
Financial assets for which loss allowance is measured using 12 months Expected Credit Losses (ECL)		
Cash and cash equivalents	215.68	101.50
Other current financial assets	0.02	0.44
Total	215.70	101.94
Financial assets for which loss allowance is measured using Life time Expected Credit Losses (ECL)		
Trade receivables	4,312.81	5,106.36
Unbilled Revenue	3,307.23	3,307.13

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 are considered as having negligible credit risk and the risk has not increased from initial recognition. Therefore, expected credit loss provision is not required.

b) Financial Assets for which loss allowance is measured using life time expected credit loss

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

c) Ageing analysis of trade receivables

(₹ in Lacs)

Ageing (Trade Receivable)	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
Gross carrying amount as on 31st March, 2020	-	1775.01	810.25	401.57	268.78	1057.2
Gross carrying amount as on 31st March, 2019	-	2069.05	1748.18	1003.26	161.95	123.92

(B) Liquidity Risk

Prudent Liquidity Risk Management implies maintaining Sufficient Cash and Marketable Securities and the availability of funding through an adequate amount of committed credit facilities to meet obligations when due. The Company has entered into Inter-Corporate Loan Agreement for Funding of its Obligations. For this, Company Provided Quarterly Cash Flows in Advance To Holding Company along with Monthly Requirement.

(i) Financing Arrangements

The company had access to the borrowing facilities with the Parent Company as per Agreement at the end of the reporting period.

(ii) Maturities of Financial Liabilities

The tables below analyse The company's financial liabilities into relevant maturity groupings based on their contractual maturities for all non-derivative financial liabilities

The amounts disclosed in the table are the contractual undiscounted cash flows. Balances due within 12 months equal their carrying balances as the impact of discounting is not significant.

(₹ in Lacs)

Contractual Maturities of Financial Liabilities:	Within 1 Year	Between 1 and 2 years	Between 2 and 5 years	Beyond 5 Years	Total
31st March 2020					
Non-Derivatives					
Borrowings	18,421.09	19,561.65	54,138.10	1,43,437.30	2,35,558.14
Trade Payables	32.77	-	-	-	32.77
Other Current Financial Liabilities	610.14	-	-	-	610.14
Total Non-Derivative Liabilities	19,064.00	19,561.65	54,138.10	1,43,437.30	2,36,201.05
31st March 2019					
Non-Derivatives					
Borrowings	20,719.86	19,947.66	55,405.45	1,51,167.25	2,47,240.22
Trade Payables	21.17	-	-	-	21.17
Other Current Financial Liabilities	6,655.03	-	-	-	6,655.03
Total Non-Derivative Liabilities	27,396.06	19,947.66	55,405.45	1,51,167.25	2,53,916.42



(C) Market risk

(i) Foreign Currency Risk

The Company is exposed to Currency Risk mainly in respect of procurement of goods and services whose purchase consideration is denominated in foreign currency. The currency risk in respect of goods and services procured for operation activities is not significant.

Foreign Currency Exposure

Not hedged by a derivative instrument or otherwise

Particulars		Amount in Foreign Currency (in Lakhs)		(₹ in Lakhs)	
		31.03.2020	31.03.2019	31.03.2020	31.03.2019
Trade Payables/ Deposits and Retention Money	USD	NIL	2.97	NIL	207.34
Unexecuted Amount of contracts remaining to be executed	USD	NIL	0.11	NIL	7.39



POWERGRID Parli Transmission Limited

Note 33. Exceptional and Extraordinary items

- a) There are no exceptional and extraordinary items as at the Balance Sheet date.

Note 34.

- a) 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.
- (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 realization in the ordinary course of business will not be less than value at which they are stated in the Balance Sheet.

Note 35.

POWERGRID (Holding Company) in the capacity of CTU is entrusted with the job of centralized Billing, Collection and Disbursement (BCD) of transmission charges on behalf of all the IST licencees. Accordingly CTU is raising bills for transmission charges to DICs on behalf of IST licencees. The debtors are accounted based on the list of DICs given by CTU.

Note 36.

- a) FERV Loss of Nil (Previous Year ₹ 12.41 Lacs) has been recognized in the Statement of Profit and Loss.
- b) Borrowing Cost of Nil (Previous Year ₹ 1573.74/- Lacs) has been adjusted in the Capital Work in Progress (CWIP) as per Ind AS 23- "Borrowing Costs".

Note 37.

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



POWERGRID Parli Transmission Limited

(₹ in Lacs)

Sr. No.	Particulars	Trade Payables		Others	
		31st March, 2020	31st March, 2019	31st March, 2020	31st March, 2019
1	Principal amount and interest due thereon remaining unpaid to any supplier as at end of each accounting year: Principal Interest	Nil Nil	Nil Nil	Nil Nil	Nil Nil
2	The amount of Interest paid by the buyer in terms of section 16 of the MSMED Act, 2006 along with the amount of the payment made to the supplier beyond the appointed day during each accounting year	Nil	Nil	Nil	Nil
3	The amount of interest due and payable for the period of delay in making payment (which have been paid but beyond the appointed day during the year) but without adding the interest specified under MSMED Act, 2006	Nil	Nil	Nil	Nil
4	The amount of interest accrued and remaining unpaid at the end of each accounting year.	Nil	Nil	Nil	Nil
5	The amount of further interest remaining due and payable even in the succeeding years, until such date when the interest dues as above are actually paid to the small enterprise for the purpose of disallowance as a deductible expenditure under section 23 of the MSMED Act 2006	Nil	Nil	Nil	Nil

Note 38. Leases

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



POWERGRID Parli Transmission Limited

Note 39: Related Party Transactions

a) Holding Co.

Name of Entity	Place of Business / Country of Incorporation	Proportion of Ownership Interest	
		31 st March 2020	31 st March 2019
Power Grid Corporation of India Limited	India	100%	100%

b) List of Fellow Subsidiaries Co. (Subsidiary Co. of Holding Co.)

Name of Entity	Place of Business / Country of Incorporation	Proportion of Ownership Interest	
		31 st March 2020	31 st March 2019
POWERGRID Vizag Transmission Limited	India	N/A	N/A
POWERGRID NM Transmission Limited	India	N/A	N/A
POWERGRID Unchahar Transmission Limited	India	N/A	N/A
POWERGRID Kala Amb Transmission Limited	India	N/A	N/A
POWERGRID Jabalpur Transmission Limited	India	N/A	N/A
POWERGRID Warora Transmission Limited	India	N/A	N/A
POWERGRID Southern Interconnector Transmission Limited	India	N/A	N/A
POWERGRID Vemagiri Transmission Limited	India	N/A	N/A
POWERGRID Medinipur Jeerat Transmission Limited	India	N/A	N/A
POWERGRID Mithilanchal Transmission Limited (erstwhile ERSS XXI Transmission Limited)	India	N/A	N/A
POWERGRID Varanasi Transmission System Limited (erstwhile WR-NR Power Transmission Limited)	India	N/A	N/A
POWERGRID Jawaharpur Firozabad Transmission Limited (erstwhile Jawaharpur Firozabad Transmission Limited)	India	N/A	N/A
POWERGRID Khetri Transmission System Limited (erstwhile Khetri Transco Limited) ¹	India	N/A	N/A
POWERGRID Bhuj Transmission Limited(erstwhile Bhuj-II Transmission Limited) ²	India	N/A	N/A



POWERGRID Parli Transmission Limited

POWERGRID Bhind Guna Transmission Limited (erstwhile Bhind Guna Transmission Limited) ³	India	N/A	N/A
POWERGRID Ajmer Phagi Transmission Limited(erstwhile Ajmer Phagi Transmission Limited) ⁴	India	N/A	N/A
POWERGRID Fatehgarh Transmission Limited (erstwhile Fatehgarh-II Transco Limited) ⁵	India	N/A	N/A
POWERGRID Rampur Sambhal Transmission Limited (erstwhile Rampur Sambhal Transco Limited) ⁶	India	N/A	N/A
POWERGRID Meerut Simbhavali Transmission Limited (erstwhile Meerut-Simbhavali Transmission Limited) ⁷	India	N/A	N/A

¹ 100% equity acquired from REC Transmission Projects Limited on 29th August, 2019.

² 100% equity acquired from PFC Consulting Limited on 16th October, 2019.

³ 100% equity acquired from REC Transmission Projects Limited on 11th September, 2019.

⁴ 100% equity acquired from REC Transmission Projects Limited on 03rd October, 2019.

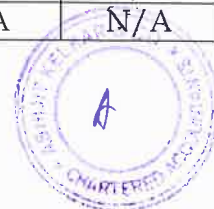
⁵ 100% equity acquired from PFC Consulting Limited on 14th October, 2019.

⁶ 100% equity acquired from REC Transmission Projects Limited on 12th December, 2019.

⁷ 100% equity acquired from PFC Consulting Limited on 19th December, 2019.

c) List of Fellow Joint Ventures (JVs of Holding Co.)

Name of Entity	Place of Business / Country of Incorporation	Proportion of Ownership Interest	
		31 st December 2019	31 st March 2019
Powerlinks Transmission Limited	India	N/A	N/A
Torrent Power Grid Limited	India	N/A	N/A
Jaypee Powergrid Limited	India	N/A	N/A
Parbati Koldam Transmission Company Limited	India	N/A	N/A
Teestavalley Power Transmission Limited	India	N/A	N/A
North East Transmission Company Limited	India	N/A	N/A
National High Power Test Laboratory Private Limited	India	N/A	N/A
Bihar Grid Company Limited	India	N/A	N/A
Kalinga Vidyut Prasaran Nigam Private Limited *	India	N/A	N/A
Cross Border Power Transmission Company Limited	India	N/A	N/A
RINL Powergrid TLT Private Limited**	India	N/A	N/A
Power Transmission Company Nepal Ltd	Nepal	N/A	N/A
Energy Efficiency Services Ltd	India	N/A	N/A



POWERGRID Parli Transmission Limited

*Shareholders of M/s Kalinga Bidyut Prasaran Nigam Pvt Ltd (KBPNL), JV between M/s POWERGRID & M/s OPTCL in their Extra Ordinary General Meeting held on 02.01.2020 approve to striking off the name of the company pursuant to section 248 (2) of the Companies Act, 2013. Accordingly, e-form STK-2 vide SRN NO- R30789564 has been filed in Registrar of Companies (ROC), Odisha on Dated 21.01.2020 for removal of name of the Company. The present status of striking off of the Company (M/s KBPNL) as per MCA website is "Under Process of Striking Off".

** POWERGRID's Board of Directors in its meeting held on 1st May 2018 accorded in principle approval to close RINL Powergrid TLT Private Limited and seek consent of other JV Partner Rashtriya Ispat Nigam Limited. Accordingly Provision for diminution in value of investment has been made by holding company.

d) List of Key Management Personnel

Name	Designation	Date of Appointment
Smt. Seema Gupta	Chairperson	23.03.2018 and Continuing
Shri. V. K. Khare	Director	07.09.2017 and resigned on 23.09.2019
M. Taj Mukarrum	Director	07.05.2018 and Continuing
Sh. Abhay Choudhary	Director	15.10.2018 and Continuing
Sh. Arunasis Basu	CFO	02.08.2018 and Continuing
Ms. Shikha Gupta	Company Secretary	02.08.2018 and Continuing
Sh. D.K.Singh	Additional Director	01.11.2019 and resigned on 30.11.2019
Sh. N.K.Ohdar	Additional Director	19.12.2019 and Continuing

e) Outstanding Balances arising from Sales/Purchases of Goods and Services

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

	(₹ in Lacs)	
Particulars	31st March 2020	31st March 2019
Purchases of Goods and Services		
Holding Co.		
Power Grid Corporation of India Limited	135.79	261.91
Loans From Related Parties		
Holding Co.		
Power Grid Corporation of India Limited	136650.00	147550.00

f) Transactions with related parties

The following transactions occurred with related parties:

	(₹ in Lacs)	
Particulars	31st March 2020	31st March 2019
Consultancy Charges		
Holding Co.		
Power Grid Corporation of India Limited	1369.48 (Excluding Taxes)	1444.98 (Excluding Taxes)



POWERGRID Parli Transmission Limited

Reimbursement of BG Charges.		
Holding Co.		
Power Grid Corporation of India Limited	12.23 (Excluding Taxes)	5.82 (Excluding Taxes)
Interest on Loan		
Holding Co.		
Power Grid Corporation of India Limited	11092.91	11712.17
Repayment of Loan		
Holding Co.		
Power Grid Corporation of India Limited	10900.00	5602.40
Investments Received during the year (Equity)		
Holding Co.		
Power Grid Corporation of India Limited	9100.00	22840.00
Loans Received during the year		
Holding Co.		
Power Grid Corporation of India Limited	-	5493.91

Note 40. Segment Information

Business Segment

The Board of Directors is the company's Chief operating decision maker who monitors the operating results of its business segments separately for the purpose of making decisions about resource allocation and performance assessment. The Company has Single Reportable Segment i.e. Transmission, identified on the basis of product/services.

The Operations of the Company are mainly carried out within the Country and therefore, there is no reportable Geographical Segment.

Note 41. Corporate Social Responsibilities (CSR)

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 Lacs)



POWERGRID Parli Transmission Limited

	Particulars	For the Period ended 31 st March, 2020	For the year ended 31 st March, 2019
A.	Amount Required to be spent during the year	61.15	Nil
B.	Amount spent on CSR –		
	i) Construction or acquisition of any asset	Nil	Nil
	ii) any purpose other than (i) above	61.15	Nil
C.	Shortfall/(Excess) amount appropriated to CSR Reserve	Nil	Nil
D.	Break-up of the amount spent on CSR	Nil	Nil
	Measures for the Benefit of Armed Force	60.94	Nil
	PM CARES Fund for COVID-19	0.21	Nil
E.	Total amount of ₹ 61.15 Lacs (Previous year ₹ Nil) has been spent in cash.		

Note 42. Auditors Remuneration

(₹ in Lacs)			
S. No.	Particulars	FY 2019-20	FY 2018-19
1	Statutory Audit Fees	1.00	0.94
2	Tax Audit	0.18	0.18
3	Other Matters	Nil	0.03
5	Total	1.18	1.15

Note 43. Capital and Other Commitments

(₹ in Lacs)		
Particulars	As at 31 st March 2020	As at 31 st March 2019
Estimated amount of contracts remaining to be executed on capital account and not provided for (Net of Advances)	139.17	3,002.81

Note 44. Contingent Liabilities and Contingent Assets

1) Contingent Liabilities

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

(i) Land compensation cases



POWERGRID Parli Transmission Limited

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 ₹ 0.12 Lacs (Previous Year 0.12 Lacs) has been estimated.

(ii) 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 ₹ 98.84 Lacs (Previous Year ₹ 25.79 Lacs) has been estimated.

Note 45. Disclosure on Ind AS 115 Revenue from Contracts with Customers

The following table discloses the movement in unbilled revenue during the period upto 31 March 2020 and 31 March, 2019.

(₹ in Lacs)

	Period ended March 31, 2020	Year ended March 31, 2019
Balance at the beginning	3307.13	Nil
Add: Revenue recognised during the period	33046.88	3307.13
Less: Invoiced during the period	32991.78	Nil
Less: Impairment/reversal during the period	Nil	Nil
Add: Translation gain/(Loss)	Nil	Nil
Balance at the end	3362.23	3307.13

The Company does not have any contract liability during the Period ended 31st March 2020 and 31st March 2019.

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 revenue recognized vis-a-vis revenue recognized in profit or loss statement is as follows: -

(₹ in Lacs)

	Period ended March 31, 2020	Year ended March 31, 2019
Contracted price	31737.91	27550.16
Add/ (Less)- Discounts/ rebates provided to customer	(115.71)	(165.70)
Add/ (Less)- Performance bonus	1107.18	912.12
Add/ (Less)- Adjustment for significant financing component	Nil	Nil
Add/ (Less)- Other adjustments	0.00	0.00
Revenue recognized in profit or loss statement	32729.38	28296.58

Note 46. Previous Year Figures



POWERGRID Parli Transmission Limited

Note 46. Previous Year Figures

1. The Previous Year's Figures have been reclassified/re-grouped wherever necessary.
2. Figures have been rounded off to nearest Rupees in Lacs up to Two Decimal.

As Per Our Report on Even Date.

For Abhijit Kelkar & Co.,
Chartered Accountants
Firm Regn. No. 121920W
UDIN 20110841AAAABE6908



CA Abhijit Kelkar
Partner
Mem. No. 110841
Place: Nagpur
Date: 29.05.2020



For & On Behalf of The Board of Directors



Seema Gupta
(Chairperson)
DIN: 6636330
Place: Gurugram
Date: 29.05.2020



M. Taj Mukarrum
(Director)
DIN- 8097837
Place: Gurugram
Date: 29.05.2020



A Basu
(Chief Financial Officer)
Place: Nagpur
Date: 29.05.2020



Shikha Gupta
(Company Secretary)
Place: Gurugram
Date: 29.05.2020



ABHIJIT KELKAR & CO.

CHARTERED ACCOUNTANTS

Ground Floor, "Shrinivas", Kelkar Building,
Badkas Chowk, Mahal, Nagpur - 440 032
Maharashtra - INDIA. Tel : +91-0712-2734514
Cell : +91 9422126890, 9096021215

Email : info@kelkarcoca.com


Website : www.kelkarcoca.com

Compliance Certificate

We have conducted the audit of annual stand-alone accounts of **M/s POWERGRID Parli Transmission Limited** for the year ended 31st March 2020 in accordance with the directions/sub-directions issued by the C&AG of India under section 143(5) of the Companies Act, 2013 and certify that we have complied with all the direction/Sub-directions issued to us.

For M/s Abhijit Kelkar & Co.,
Chartered Accountants
Firm Regn.No-121920W




Signature:-
CA Abhijit Kelkar
Partner
Mem. No. 110841
Dated: - 29.05.2020
Place: - Nagpur

POWERGRID Parli Transmission Limited

(A 100% Subsidiary of Power Grid Corporation of India Ltd.)

Corporate Office: - Sampriti Nagar, Nari Ring Road, Uppalwadi, Nagpur-440026


Ref: PPTL/F&A/2019-20/

Dated: - 29/05/2020

COMPLIANCE CERTIFICATE

The Annual Accounts for the Financial Year 2019-20 have been prepared keeping in view the provisions of Section 134(5) of the Companies Act, 2013 relating to Director's Responsibilities Statement i.e.

- i) In the preparation of the Annual Accounts, the applicable accounting standards have been followed along with proper explanations relating to material departures.
- ii) The Accounting Policies of the Company have been applied consistently and reasonable and prudent judgments and estimates have been made so as to give a true and fair view of the state of affairs of the company at the end of the financial year and of the profit or loss of the company for that period.
- iii) proper and sufficient care has been taken for the maintenance of adequate accounting records in accordance with the provisions of the Companies Act, 2013 for Safeguarding the Assets of the Company and for Preventing and Detecting Fraud and other Irregularities;
- iv) The Annual Accounts have been prepared on a going concern basis.
- v) The laid down Internal Financial Controls (#) have been followed and such Internal Financial Controls are adequate and are operating effectively.
- vi) proper systems to ensure compliance with the provisions of all applicable laws have been devised and such systems are adequate and operating effectively

Signature : 
Name : A. Basu
Designation : CFO
Date : 29/05/2020

(#)Explanation: For the purposes of this clause, the term "internal financial controls" means the policies and procedures adopted by the company for ensuring the orderly and efficient conduct of its business, including adherence to company's policies, the safeguarding of its assets, the prevention and detection of frauds and errors, the accuracy and completeness of the accounting records, and the timely preparation of reliable financial information.

POWERGRID Parli Transmission Limited

(A 100% Subsidiary of Power Grid Corporation of India Ltd.)

Corporate Office: - Sampri Nagar, Nari Ring Road, Uppalwadi, Nagpur-440026

Ref: PPTL/F&A/2019-20/

Dated: - 23 05-2020

CERTIFICATE

This is to certify that, Financial Results of M/s POWERGRID Parli Transmission Limited for the Financial Year ended 31st March 2020, does not contain any false or misleading statement or figure and do not omit any material fact which may make the statement or figures contained therein misleading.



(Seema Gupta)

Chairperson



(A. Basu)

CFO

POWERGRID Parli Transmission Limited

(A 100% Subsidiary of Power Grid Corporation of India Ltd.)

Corporate Office: - Samprii Nagar, Nari Ring Road, Uppalwadi, Nagpur-440026

Ref: PPTL/F&A/2019-20/

Dated: - 29/05/2020

CERTIFICATE

This is to certify that, all the provisions relating to various Tax Laws, Companies Act and other laws as may be applicable from time to time have been complied with for the Financial Year 2019-20 in respect of the Company.

Signature :



Name : A. Basu

Designation : CFO

Date : 29/05/2020,