पावर ग्रिड कारपोरेशन ऑफ इंडिया लिमिटेड
(भारत सरकार का उद्यम)
POWER GRID CORPORATION OF INDIA LIMITED
(A Government of India Enterprise)
पावरग्रिड

केन्द्रीय कार्यालयः "सौदामिनी" प्लॉट सं. 2, सैक्टर–29, गुडगाँव–122 001, (हरियाणा) दूरभाषः 0124-2571700-719, फैक्स : 0124-2571762,
"Saudamini" Plot No. 2, Sector-29, Gurgaon-122 001, (Haryana) Tel. : 0124-2571700-719, Fax : 0124-2571762, Web.: www.powergridindia.com

CIN : L40101DL1989GOI038121

C/COS/Listing/BSE/ Dt: 29.07.2019

The GM (Listing)
BSE Ltd.,
Phiroze Jeejeebhoy Towers,
Dalal Street,
Mumbai-400001.

Ref: Scrip ID: POWERGRID; Scrip Code: 532898; ISIN: INE752E01010

Dear Sir,

Sub: **Notice of 30th Annual General Meeting**

Please find enclosed the Notice of 30th Annual General Meeting of Power Grid Corporation of India Limited scheduled to be held on Tuesday, the 27th August, 2019 at 11.00 a.m. at "Manekshaw Centre, Parade Road, Delhi Cantt., New Delhi - 110 010" along with Annual Report for the Financial Year 2018-19.

This is being sent in terms of Regulations 29, 30 and 34 of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015.

Thanking You,

Yours faithfully,

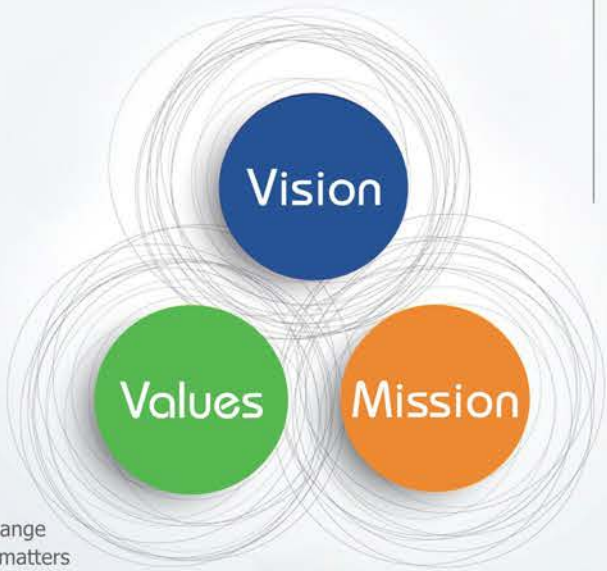
(Divya Tandon)
Chief General Manager & Company Secretary -
Compliance Officer

POWERGRID
Annual Report
2018-19

पावरग्रिड

Vision

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



Mission

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

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

Values

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

Objectives

The Corporation has set following objectives in line with its Vision, Mission and its status as "Central Transmission Utility" to:

- Undertake transmission of electric power through Inter-state Transmission System.
- Discharge all functions of planning and coordination relating to Inter-State Transmission System with-
  - i. State Transmission Utilities;
  - ii. Central Government;
  - iii. State Governments;
  - iv. Generating Companies;
  - v. Regional Power Committees;
  - vi. Authority;
  - vii. Licensees;
  - viii. Any other person notified by the Central Government in this behalf.
- To ensure development of an efficient, co-ordinated and economical system of Inter-State Transmission Lines for smooth flow of electricity from generating stations to the load centres.
- Efficient Operation and Maintenance of Transmission Systems.
- Restoring power in quickest possible time in the event of any natural disasters like super-cyclone, flood etc. through deployment of Emergency Restoration Systems.
- Provide consultancy services at national and international level in transmission sector based on the in-house expertise developed by the organization.
- Participate in long distance telecommunication business ventures.
- Ensure principles of Reliability, Security and Economy matched with the rising/desirable expectation of cleaner, safer, healthier Environment of people, both affected and benefited by its activities.

POWERTEL

Diversified into telecommunication to utilize available resources in establishing & operating National Grid. Established Broadband Telecom Network of about 61000 kms connecting over 688 POPs on extensively spread Transmission Infrastructure.

- Only utility in the country having pan India overhead optic fibre on its Extra High Voltage Transmission Network.
- POWERGRID Fibre Telecom Network
  - Sturdy & Secure - Free from rodent menace and vandalism
- Network has self resilient rings for redundancy in backbone as well as intra-city access networks.
- Possesses Unified License with National Long Distance (NLD) and Internet Service Provider Category A (ISP-A) service authorizations valid across India
- Reliability of Telecom Network 99.95%
- Bandwidth capacity available on all the metros & major cities.
- Extensive telecom network to serve remote areas for the benefit of the common man.
- Reliable OPGW connectivity available to neighboring countries viz. Bangladesh, Bhutan and Nepal. Domestic Leg of circuits to Bhutan and Nepal commercially available for International Long Distance (ILD) licensees.
- One of the executing agency for major prestigious projects of Govt. of India, like - National Knowledge Network (NKN), Bharat Net etc.
- Enterprise Business offerings -Virtual Local Area Network (VLANs), Multi Protocol Label Switching (MPLS) based Virtual Private Network (VPN).
- Introducing other Value Added Services:
  - Tower Infrastructure - Wi-fi Services
  - Data Centre Services - DDOS Protection -SDWAN
- Introducing innovative usage of Green induced power which was getting wasted earlier to power up Telecom Equipment for Rural & remote connectivity.

Power Grid Corporation of India Limited

(A Government of India Enterprise)

CIN: L40101DL1989GOI038121

Regd. Office : B-9, Qutab Institutional Area, Katwaria Sarai, New Delhi- 110 016.

Phone No.: 011-26560112, Fax: 011-26601081

Corp. Off.: "Saudamini", Plot No. 2, Sector-29, Gurgaon-122 001 (Haryana)

Phone No.: 0124-2822000, 2823000, Fax: 0124-2571762

Website: www.powergridindia.com, Email ID: investors@powergrid.co.in

NOTICE

NOTICE is hereby given that the 30th Annual General Meeting of the Members of Power Grid Corporation of India Limited will be held on **Tuesday, the 27th August, 2019 at 11.00 a.m. at 'Manekshaw Centre', Parade Road, Delhi Cantt., New Delhi - 110 010** to transact the following business:

ORDINARY BUSINESS:

1. To receive, consider and adopt the Audited Financial Statements including Consolidated Financial Statements of the Company for the Financial Year ended 31st March, 2019, together with the Board's Report, the Auditor's Report thereon and comments of the Comptroller and Auditor General of India.
2. To note the payment of interim dividend and declare final dividend for the Financial Year 2018-19.
3. To appoint a Director in place of Shri Ravi P. Singh (DIN 05240974), who retires by rotation and being eligible, offers himself for re-appointment.
4. To authorize the Board of Directors of the Company to fix the remuneration of the Statutory Auditors for the Financial Year 2019-20.

SPECIAL BUSINESS:

5. To appoint Shri Rajeev Kumar Chauhan (DIN 02018931) as a Director liable to retire by rotation.

To consider and if thought fit, to pass with or without modification, the following resolution as an ORDINARY RESOLUTION:

"RESOLVED THAT pursuant to the provisions of Section 149, 152 and any other applicable provisions of the Companies Act, 2013 and the Rules made thereunder, Shri Rajeev Kumar Chauhan (DIN 02018931), who was appointed as Director (Projects), by the President of India vide Ministry of Power Office Order No. 25-11/9/2017-PG dated 23rd August, 2018 and appointed by the Board of Directors as an Additional Director w.e.f. 23rd August, 2018 and subsequently appointed again by the Board as an Additional Director on 18th September, 2018 after conclusion of 29th Annual General Meeting held on 18th September, 2018 and holds office up to the date of ensuing Annual General Meeting under Section 161 of the Companies Act, 2013 and in respect of whom the Company has received a notice in writing under Section 160 of the Companies Act, 2013, be and is hereby appointed as Director (Projects), liable to retire by rotation."

6. To approve the reappointment of Shri Jagdish Ishwarbhai Patel (DIN: 02291361) as an Independent Director.

To consider and if thought fit, to pass with or without modification, the following resolution as a SPECIAL RESOLUTION:

"RESOLVED THAT pursuant to the provisions of Sections 149, 150, 152 and any other applicable provisions of the Companies Act, 2013 and the Rules made thereunder, Shri Jagdish Ishwarbhai Patel (DIN 02291361) who was appointed as an Independent Director of the Company with effect from 17th November, 2015 for a period of three years i.e. upto 16th November, 2018 and who had been reappointed by Government of India vide Order dt. 22nd November, 2018 for further period of one year starting from 17th November, 2018 and subsequently appointed as an Additional Director - Independent Director by the Board of Directors with effect from 17th November, 2018 and holds office upto the date of ensuing Annual General Meeting under Section 161 of the Companies Act, 2013 be and is hereby appointed as Independent Director of the Company to hold office for another term of one year with effect from 17th November, 2018, not liable to retire by rotation."

7. To approve the appointment of Shri M. N. Venkatesan (DIN: 02126022) as an Independent Director.

To consider and if thought fit, to pass with or without modification, the following resolution as an ORDINARY RESOLUTION:

"RESOLVED THAT pursuant to the provisions of Sections 149, 150, 152 and any other applicable provisions of the Companies Act, 2013 and the Rules made thereunder, Shri M. N. Venkatesan (DIN 02126022) who was appointed as an Independent Director by the President of India vide Ministry of Power Office Order No. 20/6/2017-Coord. dated 11th July, 2019 and also appointed as an Additional Director - Independent Director by the Board of Directors with effect from 11th July, 2019 and holds office upto the date of ensuing Annual General Meeting under Section 161 of the Companies Act, 2013 be and is hereby appointed as Independent Director of the Company with effect from 11th July, 2019 for a period of three years, not liable to retire by rotation."

8. Ratification of remuneration of the Cost Auditors for the Financial Year 2019-20.

To consider and if thought fit, to pass with or without modification, the following resolution as an ORDINARY RESOLUTION:

"RESOLVED THAT pursuant to Section 148 and any other applicable provisions of the Companies Act, 2013 read with the Companies (Audit and Auditors) Rules, 2014, the remuneration of M/s. Chandra Wadhwa & Co., Cost Accountants and M/s. R.M. Bansal & Co., Cost

Accountants as the joint Cost Auditors of the Company (for Transmission and Telecom business) as appointed by the Board of Directors for the Financial Year 2019-20 at a remuneration of ₹2,50,000/- (Rupees Two Lakh Fifty Thousand only) to be shared equally by both the firms; Taxes as applicable to be paid extra, travelling and out of pocket expenses to be reimbursed as per policy of the Company and an additional remuneration of ₹12500 plus Taxes as applicable to be paid to M/s. Chandra Wadhwa & Co., Cost Accountants, the Lead Cost Auditor for consolidation and facilitation for filing of Consolidated Cost Audit Reports for the Financial Year 2019-20 of the Company as a whole, be and are hereby ratified and confirmed."

9. To raise funds up to ₹10,000 Crore, from domestic market through issue of secured / unsecured, non-convertible, non-cumulative/cumulative, redeemable, taxable / tax-free Debentures/Bonds under Private Placement during the Financial Year 2020-21 in upto twenty tranches/offers.

To consider and if thought fit, to pass with or without modification, the following resolution as a SPECIAL RESOLUTION:

(i) "RESOLVED THAT pursuant to Sections 23(1)(b), 42 and 71 of Companies Act, 2013 read with Rule 14(2) of Companies (Prospectus and Allotment of Securities) Rules, 2014 and other applicable provisions, if any, of the Companies Act, 2013 as amended, Securities and Exchange Board of India (SEBI) Rules and Regulations including SEBI (Issue and Listing of Debt Securities) Regulations, 2008, as amended, and provisions of any other applicable law and the Memorandum and Articles of Association of the Company, approval be and is hereby granted to raise upto ₹10,000 Crore in domestic market during the Financial Year 2020-21 for financing of capital expenditure, providing Inter Corporate Loan(s) to wholly owned subsidiaries, other purposes as may be approved by the Board of Directors / Committee of Directors for Bonds and for general corporate purposes, in one or more tranches but not exceeding twenty tranches / offers through issue of secured / unsecured, non-convertible, cumulative/non-cumulative, redeemable, taxable / tax-free debentures ("Bonds") under Private Placement.

(ii) RESOLVED FURTHER THAT that the Board of Directors / Committee of Directors for Bonds / such official(s) as may be authorized by Board of Directors / Committee of Directors for Bonds, be and are hereby authorized and it shall always be deemed to have been so authorized to finalize the detailed terms and conditions of each issue / tranche of Bonds, Issue programme of Bonds, deposit / pay fees, execute and deliver / file such offer letter(s), document(s), deed(s) and writing(s), etc. as may be required and to do all such other acts, deeds and things as may be necessary and incidental and consequential for raising funds up to ₹10,000 Crore during the Financial Year 2020-21 from domestic sources through Private Placement of secured / unsecured, non-convertible, cumulative/ non-cumulative, redeemable, taxable / tax-free Bonds in one or more tranches but not exceeding twenty tranches / offers.

(iii) RESOLVED FURTHER THAT the Director (Finance) and Company Secretary be and is hereby severally authorized to carry out minor modifications, if any, and to do all such acts, deeds and things as may be necessary, proper, expedient or incidental or consequential for the purpose of giving effect to the aforesaid resolution."

By order of the Board of Directors

Divya Tandon

(Divya Tandon)
Chief General Manager &
Company Secretary

Regd. Office: B-9, Qutab Institutional Area,
Katwaria Sarai, New Delhi - 110 016.
(CIN: L40101DL1989GOI038121

Date: 19th July, 2019

NOTES:

1. **A MEMBER ENTITLED TO ATTEND AND VOTE AT THE MEETING IS ENTITLED TO APPOINT A PROXY TO ATTEND AND VOTE INSTEAD OF HIMSELF/HERSELF AND THE PROXY NEED NOT BE A MEMBER OF THE COMPANY.**

   Proxies, in order to be effective must be lodged with the Company not less than 48 hours before the commencement of the Annual General Meeting, i.e. latest by 11.00 a.m. on Sunday, 25th August, 2019. Blank proxy form is enclosed.

   A person can act as a proxy on behalf of members not exceeding fifty and holding in the aggregate not more than ten percent of the total share capital of the Company carrying voting rights. A member holding more than ten percent of the total share capital of the Company carrying voting rights may appoint a single person as proxy and such person cannot act as a proxy for any other person or shareholder.

2. As required by Regulation 36 of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015, the relevant details of Shri Ravi P. Singh (DIN: 05240974), Director (Personnel), retiring by rotation and seeking re-appointment under aforesaid Item No. 3; Shri Rajeev Kumar Chauhan (DIN: 02018931), Additional Director seeking appointment under aforesaid Item No. 5; Shri Jagdish Ishwarbhai Patel (DIN: 02291361) and Shri M. N. Venkatesan (DIN: 02126022) seeking appointment as Independent Directors under aforesaid Item No. 6 and 7, respectively, in accordance with applicable provisions of the Articles of Association of the Company are annexed.

3. None of the Directors of the Company is in any way related to each other.

4. A Statement pursuant to Section 102(1) of the Companies Act, 2013, relating to the Special Business to be transacted at the Meeting is annexed hereto.

5. Members are requested to:-

   (i) note that copies of Annual Report will not be distributed at the Annual General Meeting.

   (ii) bring their copies of Annual Report, Notice and Attendance Slip duly completed and signed at the meeting.

   (iii) deliver duly completed and signed Attendance Slip at the entrance of the venue of the meeting and obtain entry slips, as entry to the Hall will be strictly on the basis of the entry slip available at the counter at the venue of the Annual general meeting. Photocopies of Attendance Slip will not be entertained for issuing entry slip for attending Annual General Meeting.

   (iv) quote their Folio/Client ID & DP ID Nos. in all correspondence.

   (v) note that due to strict security reasons mobile phones, brief cases, eatables and other belongings will not be allowed inside the Auditorium.

   (vi) note that no gifts/coupons will be distributed at the Annual General Meeting.

6. Corporate Members are requested to send a duly certified copy of the Board Resolution/Power of Attorney authorizing their representative to attend and vote on their behalf at the Annual General Meeting. Alternatively, such an authority duly certified should be brought by the representative attending on behalf of the corporate body, at the meeting.

7. The Register of Members and Share Transfer Books of the Company will remain closed from 21st August, 2019 to 27th August, 2019 (both days inclusive).

8. The Board of directors, in their meeting held on 7th March, 2019, had declared an Interim Dividend of ₹5.83 per share (i.e. @ 58.30%) on the paid-up equity share capital of the Company which was paid on 22nd March, 2019. Members who have not received or not encashed their Dividend warrants may approach Karvy Fintech Private Limited, Registrar and Share Transfer Agent of the Company for obtaining duplicate warrant or revalidating the warrant, as the case be. The Board had further recommended a Final Dividend of ₹2.50 per share (i.e. @ 25%) on the paid-up equity share capital of the Company in its meeting held on 29th May, 2019. The Dividend, if declared at the Annual General Meeting will be paid on 4th September, 2019 to those Members, whose names appear on the Register of Members of the Company as on 27th August, 2019 in respect of physical shares. However, in respect of shares held in dematerialized form, the Dividend will be payable to those persons whose names appear as beneficial owners as at the closure of the business hours on 20th August, 2019 as per details to be furnished by the depositories.

9. Pursuant to provisions of Companies Act, 2013, unclaimed final dividend for the Financial Year 2010-11 and unclaimed interim dividend for the Financial Year 2011-12 have been transferred to the Investor Education and Protection Fund (IEPF) established by Central Government on 20th November, 2018 and 9th April, 2019, respectively. Pursuant to Provisions of IEPF Rules, the Company has uploaded the details of unpaid and unclaimed amounts lying with the Company as on 18th September, 2018 (the date of last Annual General meeting) on the website of the Company (www.powergridindia.com) and also filed with the Ministry of Corporate Affairs.

10. Unclaimed final dividend for the Financial Year 2011-12 and unclaimed interim dividend for the Financial Year 2012-13 will be due for transfer to the Investor Education and Protection Fund in October, 2019 and March, 2020, respectively, pursuant to the provisions of Section 124 of the Companies Act, 2013.

11. Attention of the members is drawn to the provisions of Section 124(6) of the Act, which require a company to transfer in the name of IEPF Authority all shares in respect of which dividend has not been paid or claimed for 7 (seven) consecutive years or more. In accordance with the aforesaid provision of the Act read with the Investor Education and Protection Fund Authority (Accounting, Audit, Transfer and Refund) Rules, 2016, as amended, the Company has already initiated action for transfer of all shares in respect of which dividend has not been claimed or paid for seven consecutive years. Members are advised to visit the web-link: http://www.powergridindia.com/investor relation/ investor services to ascertain details of shares liable for transfer in the name of IEPF Authority.

12. Members are advised to submit their Electronic Clearing System (ECS) mandates to enable the Company to make remittance by means of ECS. Those holding shares in dematerialized form may send the ECS Mandate Form directly to their Depository Participants (DP). Those

holding shares in physical form may send the ECS Mandate Form to Karvy Fintech Private Limited, the Registrar & Share Transfer Agent of the Company. Those who have already furnished the ECS Mandate Form to the Company/ Depository Participant/Registrar & Share Transfer Agent with complete details, need not send them again.

The shareholders who hold shares in Physical form and who do not wish to opt for ECS facility may please mail their bankers' name, branch address and account number to Karvy Fintech Private Limited, Registrar & Share Transfer Agent of the Company to enable them to print these details on the dividend warrants.

13. Members holding shares in multiple folios in physical mode are requested to apply for consolidation of shares to the Company or to the Registrar & Share Transfer Agent along with relevant Share Certificates.

14. Pursuant to Section 139 (5) of the Companies Act, 2013 the auditors of the Government company are appointed by the Comptroller & Auditor General of India (C&AG) and in terms of Section 142 of the Companies Act, 2013, the remuneration has to be fixed by the Company in the Annual General Meeting or in such manner as the company in General Meeting may determine. The Members of the Company, in 29th Annual General Meeting held on 18th September, 2018, had authorized the Board of Directors to fix the remuneration of Statutory Auditors for the Financial Year 2018-19. Accordingly, the Board of Directors has fixed audit fee of ₹1.09 Crore towards audit fee for the Statutory Auditors for the Financial Year 2018-19 in addition to reimbursement of actual travelling and out-of-pocket expenses for visit to accounting units. The C&AG is yet to appoint Statutory Auditors of the Company for the Financial Year 2019-20. The Members may authorize the Board to fix an appropriate remuneration of Statutory Auditors as may be deemed fit by the Board for the Financial Year 2019-20.

15. All the documents referred to in this Notice and the Registers referred to in Section 170 and in Section 189 of the Companies Act, 2013 are open for inspection at the Registered Office of the Company on all working days (excluding Saturday and Sunday), between 11.00 AM to 1.00 PM upto Monday, the 26th August, 2019 and at the venue of the meeting.

16. Members holding shares in physical form and desirous of making a nomination in respect of their shareholding in the Company, as permitted under Section 72 of the Companies Act, 2013, are requested to submit to the Registrar & Share Transfer Agents of the Company the prescribed Form (Form No. SH-13) of the Companies (Share Capital and Debentures) Rules, 2014. In case of shares held in dematerialized form, the nomination has to be lodged with the respective Depository Participant.

17. Attention of the members is drawn to Securities and Exchange Board of India (SEBI) Circular SEBI/HO/MIRSD/DOP1/CIR/P/2018/73 dated 20.04.2018, which require shareholders holding shares in physical form and whose folio(s) do not have complete details relating to their PAN and bank account, or where there is any change in the bank account details provided earlier, to compulsorily furnish the details to RTA/ Company for registration /updation.

18. Members are informed that pursuant to SEBI (LODR) (Fourth Amendment) Regulations, 2018 dated 8th June, 2018, requests for effecting transfer of securities in physical form shall not be processed by the Company unless the securities are held in dematerialized form with a Depository. Hence, members are requested to dematerialize their physical holding.

19. Annual Listing fee for the year 2019-20 has been paid to the Stock Exchanges wherein shares of the Company are listed.

20. Members are requested to send all correspondence concerning registration of transfers, transmissions, sub-division, consolidation of shares or any other shares related matter and bank account to Company's Registrar and Share Transfer Agent.

21. Members are requested to notify immediately any change in their address:

    (i) to their Depository Participants (DP) in respect of shares held in dematerialized form, and

    (ii) to the Company at its Registered Office or its Registrar & Share Transfer Agent, Karvy Fintech Private Limited in respect of their physical shares, if any, quoting their Folio Number.

22. Members desirous of getting any information on any items of business of this meeting are requested to address their queries to the Company Secretary at least ten days prior to the date of the meeting, so that the information required can be made readily available at the meeting.

23. In terms of Section 108 of the Companies Act, 2013 read with Rule 20 of the Companies (Management and Administration) Rules, 2014 and in compliance with the provisions of Regulation 44(3) of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015, the Company is offering remote e-voting facility to all the Shareholders of the Company in respect of items to be transacted at this Annual General Meeting and in this regard, the Company has engaged the services of Karvy Fintech Private Limited (KARVY) to provide the facility of electronic voting ('remote e-voting').

24. Instructions and other information relating to remote e-voting are as under:

    A. The remote e-voting facility will be available during the following voting period:

        - Commencement of remote e-voting: From 9.00 a.m. (IST) on 24th August, 2019.
        - End of remote e-voting: Up to 5:00 p.m. (IST) on 26th August, 2019.

    B. In case a Member receives an email from Karvy [for Members whose email IDs are registered with the Company/ Depository Participant(s)]:

        (i) Launch internet browser by typing the URL: https://evoting.karvy.com

        (ii) Enter the login credentials (i.e. User ID and password mentioned at Attendance Slip). Your Folio No./DP ID- Client ID will be your User ID. However, if you are already registered with Karvy for e-voting, you can use your existing User ID and password for casting your vote.

User-ID	For Members holding shares in Demat Form:- a) For NSDL : 8 Character DP ID followed by 8 Digits Client ID b) For CDSL : 16 digits beneficiary ID For Members holding shares in Physical Form:- Event no. followed by Folio Number registered with the company.
Password	Your Unique password is printed on the Attendance Slip.
Captcha	Enter the Verification code (please enter the alphabets and numbers in the exact way as they are displayed for security reasons).

(iii) After entering these details appropriately, click on "LOGIN".

(iv) You will now reach password change Menu wherein you are required to mandatorily change your password. The new password shall comprise minimum 8 characters with at least one upper case (A-Z), one lower case (a-z), one numeric (0-9) and a special character (@,#,$,etc.). The system will prompt you to change your password and update your contact details like mobile number, email ID, etc. on first login. You may also enter a secret question and answer of your choice to retrieve your password in case you forget it. It is strongly recommended that you do not share your password with any other person and that you take utmost care to keep your password confidential.

(v) You need to login again with the new credentials.

(vi) On successful login, the system will prompt you to select the E-Voting Event Number for Power Grid Corporation of India Limited.

(vii) On the voting page enter the number of shares (which represents the number of votes) as on the cut-off date under "FOR/AGAINST" or alternatively, you may partially enter any number in "FOR" and partially in "AGAINST" but the total number in "FOR/AGAINST" taken together should not exceed your total shareholding. You may also choose the option "ABSTAIN" and the shares held will not be counted under either head.

(viii) Members holding multiple folios / demat accounts shall choose the voting process separately for each of the folios / demat accounts.

(ix) Voting has to be done for each item of the Notice separately. In case you do not desire to cast your vote on any specific item it will be treated as abstained.

(x) You may then cast your vote by selecting an appropriate option and click on "Submit".

(xi) A confirmation box will be displayed. Click "OK" to confirm else "CANCEL" to modify. Once you confirm, you will not be allowed to modify your vote. During the voting period, Members can login any number of times till they have voted on the Resolution(s).

(xii) Corporate / Institutional Members (i.e. other than Individuals, HUF, NRI, etc.) are also required to send scanned certified true copy (PDF Format) of the Board Resolution / Authority Letter, etc., together with attested specimen signature(s) of the duly authorized representative(s), to the Scrutinizer at e-mail ID: contact@cssanjaygrover.in. They may also upload the same in the e-voting module in their login. The scanned image of the above mentioned documents should be in the naming format "Corporate Name_EVEN" (E-Voting Event Number).

C. (I) In case a Member receives physical copy of the Annual General Meeting Notice by Post [for Members whose email IDs are not registered with the Company / Depository Participant(s)]:

(i) Use 'user ID' and 'initial password' as provided at Attendance Slip.

(ii) Please follow all steps from Sr. No. (i) to (xii) as mentioned in (B) above, to cast your vote.

(II) The remote e-voting period commences on 24th August, 2019 (09.00 AM IST) and ends on 26th August, 2019 (05.00 PM. IST). The remote e-voting module shall be disabled by M/s Karvy Fintech Private Limited for voting thereafter and the facility will be blocked forthwith. During remote e-voting period, shareholders of the company holding shares either in physical form or in dematerialized form, as on the cut-off date i.e. 20th August, 2019 may cast their vote electronically. Once the vote on a resolution is cast by a Member, the Member shall not be allowed to change it subsequently. Further, the Members who have cast their vote electronically shall not be allowed to vote again at the Meeting.

(III) Any Person who has acquired shares and becomes Member of the Company after the dispatch of the Notice of the AGM but before the cut-off date of 20th August, 2019, may obtain their user ID and password for remote e-voting from Company's Registrar & Transfer Agents, M/s Karvy Fintech Private Limited, Karvy Selenium Tower B, Plot 31-32, Gachibowli Financial District, Nanakramguda, Hyderabad – 500 032, Phone No: 040 6716 2222, E-mail id: einward.ris@karvy.com, Toll Free No.: 18003454001 and Fax: 040 23420814 and can also request for the physical copy of the Annual Report.

(IV) Members who have cast their vote through remote e-voting facility prior to the meeting may also attend the meeting but shall not be entitled to cast their vote again. At the venue of the meeting, members who have not cast their vote through remote voting may cast their vote through Instapoll (Tab Voting).

(V) Persons whose names are recorded in the Register of Members maintained by Registrar and Share Transfer Agent as on cutoff date i.e. 20th August, 2019 shall only avail the facility of remote e-voting or voting through Instapoll (Tab Voting) at venue of the meeting.

(VI) In case of any query, members are requested to contact:

Name	:	Shri S V Raju/Shri A. Mohan Kumar
Designation	:	Deputy General Manager/Manager
E-mail id	:	einward.ris@karvy.com
Address	:	M/s Karvy Fintech Private Limited, Karvy Selenium
		Tower B, Plot 31-32, Gachibowli Financial District, Nanakramguda, Hyderabad – 500 032.
Contact details	:	Phone No.040 6716 2222
Fax No.	:	040 23420814
Toll Free No.	:	18003454001

(VII) In case of any query pertaining to e-voting, please visit Help & FAQ's section available at Karvy's website https://evoting.karvy.com.

(VIII) The voting rights of the Members shall be in proportion to the paid-up value of their shares in the equity capital of the Company as on the cut-off date (i.e. the record date), being Tuesday, 20th August, 2019.

(IX) The Board of Directors have appointed Shri Sanjay Grover, Managing Partner, M/s Sanjay Grover & Associates, Company Secretaries, as a Scrutinizer, for conduct of the e-voting process in a fair and transparent manner.

(X) The Scrutinizer shall, immediately after the conclusion of voting at the Annual General Meeting, first count the votes cast at the meeting, thereafter, unblock the votes cast through remote e-voting in the presence of at least two (2) witnesses not in the employment of the Company and will make, not later than forty eight hours of conclusion of the meeting, a consolidated Scrutinizer's Report of the votes cast in favour or against, if any, to the Chairman or a person authorized by him in writing who shall countersign the same. Chairman or a person authorized by him in writing shall declare the result of the voting forthwith.

(XI) The Results on resolutions shall be declared after the Annual General Meeting of the Company and the resolutions will be deemed to be passed on the Annual General Meeting date subject to receipt of the requisite number of votes in favour of the Resolutions.

(XII) The Results declared along with the Scrutinizer's Report(s) will be available on the website of the Company (www.powergridindia.com) and on Karvy's website (https://evoting.karvy.com) immediately after the result is declared by the Chairman or a person authorized by him in writing and communication of the same to National Stock Exchange of India Limited and BSE Limited.

25. Your Company is pleased to provide the facility of live webcast of proceedings of Annual General Meeting. Members who are entitled to participate in the Annual General Meeting can view the proceedings of Annual General Meeting by logging on the e-voting website of Karvy at https://evoting.karvy.com/ using their secure login credentials.

26. Important Communication to Members:-

As per the provisions of Sections 101 and 136 of the Companies Act, 2013 read with the Companies (Management and Administration) Rules, 2014 and Regulation 36 of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015, the service of notice/documents including Annual Report can be sent by e-mail to its members. Members who have not registered their e-mail addresses, so far, are requested to register their e-mail addresses, in respect of dematerialized shares with the Depository through their concerned Depository Participants. Members who hold shares in physical form are requested to fill the E-Communication Mandate Form and hand over the same along with Attendance Slip at the Registration Counter of venue of Annual General Meeting for registration of Email address for receiving notice/documents including Annual Report in future.

Annexure to Notice

EXPLANATORY STATEMENT

ITEM NO. 5

Appointment of Shri Rajeev Kumar Chauhan (DIN 02018931) as a Director liable to retire by rotation.

Shri Rajeev Kumar Chauhan was appointed as Director (Projects) of the Company by the President of India vide Ministry of Power Order No. 25-11/9/2017-PG dated 23rd August, 2018 and assumed charge w.e.f. 23rd August, 2018. In terms of Article 31A of the Articles of Association, the Board of Directors are empowered to appoint the directors appointed by the President of India as an Additional Director under provisions of the Companies Act, 2013 (the Act) and they will be appointed by the Shareholders at the succeeding Annual General Meeting (AGM). Accordingly, the Board, vide resolution by circulation dated 23rd August, 2018 appointed Shri Rajeev Kumar Chauhan as an Additional Director till the date of last AGM and subsequently in the Board meeting held on 18th September, 2018 appointed Shri Rajeev Kumar Chauhan again as an Additional Director. Shri Rajeev Kumar Chauhan holds office upto the date of the ensuing AGM. The Company has received a notice in writing under Section 160 of the Act proposing the appointment of Shri Rajeev Kumar Chauhan as a Director on the Board of POWERGRID.

The above appointment of Shri Rajeev Kumar Chauhan as Director (Projects) on the Board of the Company, being liable to retire by rotation in terms of Section 152 of the Act read with Article 31A of the Articles of Association of the Company requires approval of the Members in the General Meeting.

Shri Rajeev Kumar Chauhan holds 1 share in POWERGRID.

None of the Directors and Key Managerial Personnel of the Company or their relatives are concerned or interested in the resolution financially or otherwise except to the extent that he or she is a Director and/or Shareholder of the Company.

The Board of Directors of your Company recommends passing of the resolution as set out at Item No. 5 as an Ordinary Resolution.

Brief resume of Shri Rajeev Kumar Chauhan is annexed.

ITEM NO. 6

Reappointment of Shri Jagdish Ishwarbhai Patel (DIN: 02291361) as an Independent Director

Shri Jagdish Ishwarbhai Patel (DIN: 02291361) was appointed as an Independent Director of the company with effect from 17th November, 2015 for a period of three years which was completed on 16th November, 2018. Government of India vide Order dt. 22nd November, 2018 had reappointed Shri Jagdish Ishwarbhai Patel for further period of one year w.e.f. from 17th November, 2018. In terms of Article 31A of the Articles of Association, the Board of Directors are empowered to appoint the directors appointed by the President of India as an Additional Director under provisions of the Companies Act, 2013 (the Act) and they will be appointed by the Shareholders at the Annual General Meeting (AGM) after their appointment. Accordingly, the Board vide resolution by circulation dated 22nd November, 2018 appointed Shri Jagdish Ishwarbhai Patel as an Additional Director – Independent Director w.e.f. 17th November, 2018 for a period of one year. Shri Jagdish Ishwarbhai Patel holds office upto the date of the ensuing AGM.

Further, in the opinion of the Central Government, Ministry of Power Shri Jagdish Ishwarbhai Patel fulfills the conditions specified in the Act and the Rules made thereunder and that Shri Jagdish Ishwarbhai Patel is independent of the Management. It is proposed to reappoint him as an Independent Director for a period of one year w.e.f. 17th November, 2018.

Reappointment of Shri Jagdish Ishwarbhai Patel as an Independent Director on the Board of the Company, not being liable to retire by rotation in terms of Section 152 read with Section 149 of the Companies Act, 2013, requires approval of the Members in the General Meeting.

Shri Jagdish Ishwarbhai Patel holds NIL shares in POWERGRID.

None of the Directors and Key Managerial Personnel of the Company or their relatives are concerned or interested in the resolution except to the extent that he or she is a Director and / or Shareholder of the Company.

The Board of Directors of your Company recommends the passing of the resolution as set out at Item No. 6 as a Special Resolution.

Brief resume of Shri Jagdish Ishwarbhai Patel is annexed.

ITEM NO. 7

Appointment of Shri M. N. Venkatesan (DIN: 02126022) as an Independent Director

Shri M. N. Venkatesan (DIN 02126022) was appointed as an Independent Director of the Company by the President of India vide Ministry of Power Office Order No. 20/6/2017-Coord. dated 11th July, 2019 for a term not exceeding 3 years. In terms of Article 31A of the Articles of Association, the Board of Directors are empowered to appoint the directors appointed by the President of India as an Additional Director under provisions of the Companies Act, 2013 (the Act) and they will be appointed by the Shareholders at the Annual General Meeting (AGM) after their appointment. Accordingly, the Board vide resolution by circulation dated 11th July, 2019 appointed Shri M. N. Venkatesan as an Additional Director– Independent Director. Shri M. N. Venkatesan holds office upto the date of the ensuing AGM.

Further, in the opinion of the Central Government, Ministry of Power Shri M. N. Venkatesan fulfills the conditions specified in the Act and the Rules made thereunder and that Shri M. N. Venkatesan is independent of the Management. It is proposed to appoint him as an Independent Director for a period of three years w.e.f. 11th July, 2019.

The above appointment of Shri M. N. Venkatesan as an Independent Director on the Board of the Company, not being liable to retire by rotation in terms of Sections 149 & 152 of the Act, requires approval of the Members in the General Meeting.

Shri M. N. Venkatesan holds NIL shares in POWERGRID.

None of the Directors and Key Managerial Personnel of the Company or their relatives are concerned or interested in the resolution financially or otherwise except to the extent that he or she is a Director and/or Shareholder of the Company.

The Board of Directors of your Company recommends passing of the resolution as set out at Item No. 7 as an Ordinary Resolution.

Brief resume of Shri M. N. Venkatesan is annexed.

ITEM NO. 8

Ratification of remuneration of the Cost Auditors for the Financial Year 2019-20

As per Section 148 (3) of the Companies Act, 2013, the appointment of Cost Auditor shall be made by the Board of Directors on such remuneration as may be determined by the Members. Under the Companies (Audit and Auditors) Rules, 2014, the Board while appointing the cost auditors has to approve the remuneration payable to them and the remuneration so approved by the Board has to be ratified by the general meeting. Accordingly, as recommended by the Audit Committee, the Board appointed (i) M/s Chandra Wadhwa & Co., Cost Accountants and M/s R.M. Bansal & Co., Cost Accountants as joint Cost Auditors of the Company for the FY 2019-20 for a fee of ₹2,50,000/- plus applicable taxes to be shared equally by each Auditor. The above fees is exclusive of travelling and out of pocket expenses, which shall be reimbursed as per policy of the Company and; (ii) M/s. Chandra Wadhwa & Co., Cost Accountants, as the Lead Cost Auditor for the work of consolidation and facilitation for filing of consolidated Cost Audit Report of the Company for the financial year 2019-20 at an additional fee of ₹12,500/- (Rupees Twelve Thousand Five Hundred only) excluding taxes and out of pocket expenses.

None of the Directors and Key Managerial Personnel of the Company or their relatives are concerned or interested in the resolution financially or otherwise except to the extent that he or she is a Director and/or Shareholder of the Company.

The Board of Directors of your Company recommends passing of the resolution as set out at Item No. 8 as an Ordinary Resolution.

ITEM NO. 9

To raise funds up to ₹10,000 Crore from domestic market through issue of secured / unsecured, non-convertible, non-cumulative/cumulative, redeemable, taxable / tax-free Debentures/Bonds under Private Placement during the Financial year 2020-21 in upto twenty tranches/offers.

POWERGRID Board of Directors, in their 367th meeting held on 3rd July, 2019, approved raising of secured / unsecured, non-convertible, non-cumulative, redeemable, taxable / tax-free, Rupee Linked Bonds/Bonds under private placement from domestic / external / overseas sources up to ₹10,000 Crore (Approx) in upto twenty tranches depending upon the requirement of funds during the Financial Year 2020-21 for financing of POWERGRID Capital expenditure requirement, providing inter corporate loans to wholly owned subsidiaries, other purposes as may be approved by the board of Directors / Committee of Directors for Bonds and for general corporate purposes.

An amount of ₹10,000 Crore to ₹15,000 Crore is being considered as expected Capital Expenditure (CAPEX) during the Financial Year 2020-21. In order to have a debt equity mix of 70:30 an amount of ₹7,000 Crore - ₹10,500 Crore is estimated to be mobilized as debt and Balance ₹3,000 Crore - ₹4,500 Crore from internal resources during the Financial Year 2020-21.

Presently, POWERGRID domestic Bonds have been rated at highest credit rating (AAA) by various Rating Agencies i.e. CRISIL, ICRA & CARE. The rates of interest are determined on the market conditions prevailing at the time of entering the market for a particular offer of bonds on private placement (including offer to Qualified Institutional Buyer/s). At present, borrowing through domestic bonds was being done by the Company at a cost which is comparable to prevailing interest rates applicable to AAA rated corporate bonds. In line with the past practice, the interest yield on the proposed borrowings is also envisaged to be comparable to the interest rates of prevailing interest rates of AAA rated corporate bonds.

The proposed borrowing for FY 2020-21 will be within overall borrowing limits of ₹1,80,000 crore.

None of the Directors and Key Managerial Personnel of the Company or their relatives are concerned or interested in the resolution financially or otherwise except to the extent that he or she is a Director and/or Shareholder of the Company.

The Board of Directors of your Company recommends passing of the resolution as set out at Item No. 9 as a Special Resolution.

The Register of Directors and Key Managerial Personnel and their shareholding, Register of Contracts or Arrangements in which Directors are interested and all the documents referred to in this Notice and Explanatory Statement are open for inspection between 11.00 a.m. to 1.00 p.m. on all working days at the Registered Office i.e. B-9, Qutab Institutional Area, Katwaria Sarai, New Delhi – 110 016 upto Monday, 26th August, 2019 and at the venue of meeting.

By order of the Board of Directors

Divya Tandon

(Divya Tandon)
Chief General Manager &
Company Secretary

Regd. Office: B-9, Qutab Institutional Area,
Katwaria Sarai, New Delhi - 110 016.
(CIN: L40101DL1989GOI038121

Date: 19th July, 2019

BRIEF RESUME OF THE DIRECTORS SEEKING RE-ELECTION

Directors seeking re-election at the 30th AGM:

Name	**Shri Ravi P. Singh**
DIN	05240974
Date of Birth and Age	21 January 1960/ 59 Years
Date of Appointment	01 April 2012
Qualification	Mechanical Engineering, NIT Allahabad & PGD in HR from AIMA, New Delhi
Expertise in specific functional Area	Shri Ravi P. Singh has over 37 years of work experience in the power sector, handling various multidisciplinary functions like HR, Telecom, Contracts, Materials, Planning, Monitoring and Transmission System Construction/O&M. Before his elevation as Director (Personnel) he was Executive Director (Eastern Region- II) and Executive Director (Human Resource Management & Corporate Communication) in POWERGRID. Prior to joining POWERGRID in 1991, Shri Singh has worked for 10 years in NTPC.
Directorship held in other Companies (Part-time)	1. Cross Border Power Transmission Company Limited 2. North East Transmission Company Limited 3. Bihar Grid Company Limited 4. Jaypee Powergrid Limited 5. Parbati Koldam Transmission Company Limited 6. Powerlinks Transmission Limited 7. Teestavalley Power Transmission Limited 8. Torrent Power Grid Limited
Membership / Chairmanship of Committees in other Companies	NIL
No. of Shares held	9016

Director being appointed at the 30th Annual General Meeting

1.

Name	**Shri Rajeev Kumar Chauhan**
DIN	02018931
Date of Birth and Age	25th October, 1960 / 58 Years
Date of Appointment	23rd August, 2018
Qualification	Electrical Engineer, IIT Roorkee
Expertise in specific functional Area	Shri Rajeev Kumar Chauhan is a highly experienced professional in the field of EHV Power transmission system in the Country. He has diverse experience of more than 34 years in EHV AC & DC transmission system. Prior to taking over the charge as Director (Projects), Shri Chauhan was holding the Charge of Executive Director (Engineering) in POWERGRID.
Directorship held in other Companies (Part-time)	1. PTC India Limited. 2. RINL POWERGRID TLT Pvt. Limited. 3. POWERGRID Varanasi Transmission System Limited. 4. POWERGRID Jawaharpur Firozabad Transmission Limited. 5. POWERGRID Southern Interconnector Transmission System Limited 6. POWERGRID Medinipur – Jeerat Transmission Limited
Membership / Chairmanship of Committees in other Companies	NIL
No. of Shares held	1

2.

Name	**Shri Jagdish Ishwarbhai Patel**
DIN	02291361
Date of Birth and Age	15th October, 1964 / 54 Years
Date of Appointment	17th November, 2018
Qualification	B.Sc., ASTM-UT, MBA (Ind.)
Expertise in specific functional Area	Mr. Jagdish I Patel has an illustrious career spanning over 38 years in the areas of Energy Generation, Mining and Space sectors as engineering solution providers and strategic planner over business auxiliary units. Having been Director (Tech.) at Pushpak Trademech Limited, as well as KIA Infrastructure Development Limited and active member of Gujarat Chamber of Commerce and Industry (GCCI), he has served as a member of several institutions such as District Implementation & Industrial Management Committee of ITI, Industrial Management Committee of IGTR and has also served as President as well as Treasurer at LUB-Gujarat.
Directorship held in other Companies (Part-time)	1. Pushpak Trademech Limited 2. KIA Infrastructure Development Limited
Membership / Chairmanship of Committees in other Companies	NIL
No. of Shares held	NIL

3.

Name	**Shri M. N. Venkatesan**
DIN	02126022
Date of Birth and Age	3rd October, 1955 / 63 Years
Date of Appointment	11th July, 2019
Qualification	B.Com, FCA
Expertise in specific functional Area	Shri M. N. Venkatesan, B.Com, FCA is a practising Chartered Accountant specialising in Management and Financial Consultancy. He has wide experience of more than 35 years in the profession including as Statutory Central Auditor of Large Public Sector Banks for over 30 years. Presently, Shri Venkatesan is a senior partner of M.R. Narain and Co., Chartered Accountants, Chennai.
Directorship held in other Companies (Part-time)	1. Svasti Micro Finance Private Limited 2. Focus Credit Management India Private Limited
Membership / Chairmanship of Committees in other Companies	Svasti Micro Finance Private Limited : Audit Committee – Chairman Nomination and Remuneration Committee - Chairman Finance Committee – Member
No. of Shares held	NIL

Power Grid Corporation of India Limited
(A Government of India Enterprise)
CIN: L40101DL1989GOI038121
Regd. Office : B-9, Qutab Institutional Area, KatwariaSarai, New Delhi- 110016, Phone No.: 011-26560112, Fax: 011-26601081
Corp. Off.: "Saudamini", Plot No. 2, Sector-29, Gurgaon-122001 (Haryana), Phone No.: 0124-2822000, 2823000, Fax: 0124-2571762
Website: www.powergridindia.com, Email ID: investors@powergrid.co.in

PROXY FORM

Name of the member (s):

Registered address:

E-mail Id:

Folio no/ Client Id:

DP ID:

I/We, being the member (s) of ..... shares of the above named company, hereby appoint

1. Name of the member (s):
   Address:
   E-mail Id:
   Signature:....., or failing him
2. Name of the member (s):
   Address:
   E-mail Id:
   Signature:....., or failing him
3. Name of the member (s):
   Address:
   E-mail Id:
   Signature:.....,

As my/our proxy to attend and vote (on a poll) for me/us and on my/our behalf at the 30th Annual General Meeting of the company, to be held on **Tuesday, the 27th August, 2019 at 11.00 a.m. at 'Manekshaw Centre', Parade Road, Delhi Cantt., New Delhi – 110 010** and at any adjournment thereof in respect of such resolutions as are indicated below:

ReSl. No.	Resolutions	For	Against
Ordinary Business			
1.	To receive, consider and adopt the Audited Financial Statements including Consolidated Financial Statements of the Company for the Financial Year ended 31st March, 2019, together with the Board's Report, the Auditor's Report thereon and comments of the Comptroller and Auditor General of India.		
2.	To note the payment of interim dividend and declare final dividend for the Financial Year 2018-19.		
3.	To appoint a Director in place of Shri Ravi P. Singh (DIN 05240974), who retires by rotation and being eligible, offers himself for re-appointment.		
4.	To authorize the Board of Directors of the Company to fix the remuneration of the Statutory Auditors for the Financial Year 2019-20.		
Special Business			
5.	To appoint Shri Rajeev Kumar Chauhan (DIN 02018931) as a Director liable to retire by rotation.		
6.	To approve the reappointment of Shri Jagdish Ishwarbhai Patel (DIN: 02291361) as an Independent Director.		
7.	To approve the appointment of Shri M. N. Venkatesan (DIN: 02126022) as an Independent Director.		
8.	Ratification of remuneration of the Cost Auditors for the Financial Year 2019-20.		
9.	To raise funds up to ₹10,000 Crore, from domestic market through issue of secured / unsecured, non-convertible, non-cumulative/cumulative, redeemable, taxable / tax-free Debentures/Bonds under Private Placement during the Financial Year 2020-21 in upto twenty tranches/offers.		

Signed this.....day of....., 2019.

Signature of shareholder

Signature of Proxy holder(s)

Affix Revenue Stamp

Note:

1. **This form of proxy in order to be effective should be duly completed and deposited at the Registered Office of the Company, not less than 48 hours before the commencement of the Meeting.**
2. For the resolutions, explanatory statements and Notes, please refer to the Notice of 30th Annual General Meeting.
3. Please complete all details including details of member(s) in the above box before submission.

Power Grid Corporation of India Limited
(A Government of India Enterprise)
CIN: L40101DL1989GOI038121
Regd. Office : B-9, Qutab Institutional Area, KatwariaSarai, New Delhi- 110016, Phone No.: 011-26560112, Fax: 011-26601081
Corp. Off.: "Saudamini", Plot No. 2, Sector-29, Gurgaon-122001 (Haryana), Phone No.: 0124-2822000, 2823000, Fax: 0124-2571762
Website: www.powergridindia.com, Email ID: investors@powergrid.co.in

E-COMMUNICATION REGISTRATION FORM

Folio No. / DP ID & Client ID : .....

Name of 1st Registered Holder : .....

Name of Joint Holder(s) : .....

Registered Address : .....
.....

E-mail ID (to be registered) : .....

I/we shareholder(s) of Power Grid Corporation of India Limited agree to receive communication from the Company in electronic mode. Please register my above e-mail in your records for sending communication through e-mail.

Signature:.....
(First Holder)

Date: .....

Note: Shareholder(s) are requested to keep the Company informed as and when there is any change in the e-mail address.

Power Grid Corporation of India Limited
Regd. Office : B-9, Qutab Institutional Area, KatwariaSarai, New Delhi- 110016, Phone No.: 011-26560112, Fax: 011-26601081
Corp. Off.: "Saudamini", Plot No. 2, Sector-29, Gurgaon-122001 (Haryana), Phone No.: 0124-2822000, 2823000, Fax: 0124-2571762
Website: www.powergridindia.com, Email ID: investors@powergrid.co.in

ECS MANDATE FORM
[APPLICABLE FOR SHARES HELD IN PHYSICAL FORM ONLY]

To
Karvy Fintech Private Limited
Unit: Power Grid Corporation of India Limited,
Karvy Selenium Tower B,Plot 31-32,
Gachibowli Financial District,
Nanakramguda, Hyderabad – 500 032.

Name of the First/Sole Share holder	
Folio No.	

PAN / Email information

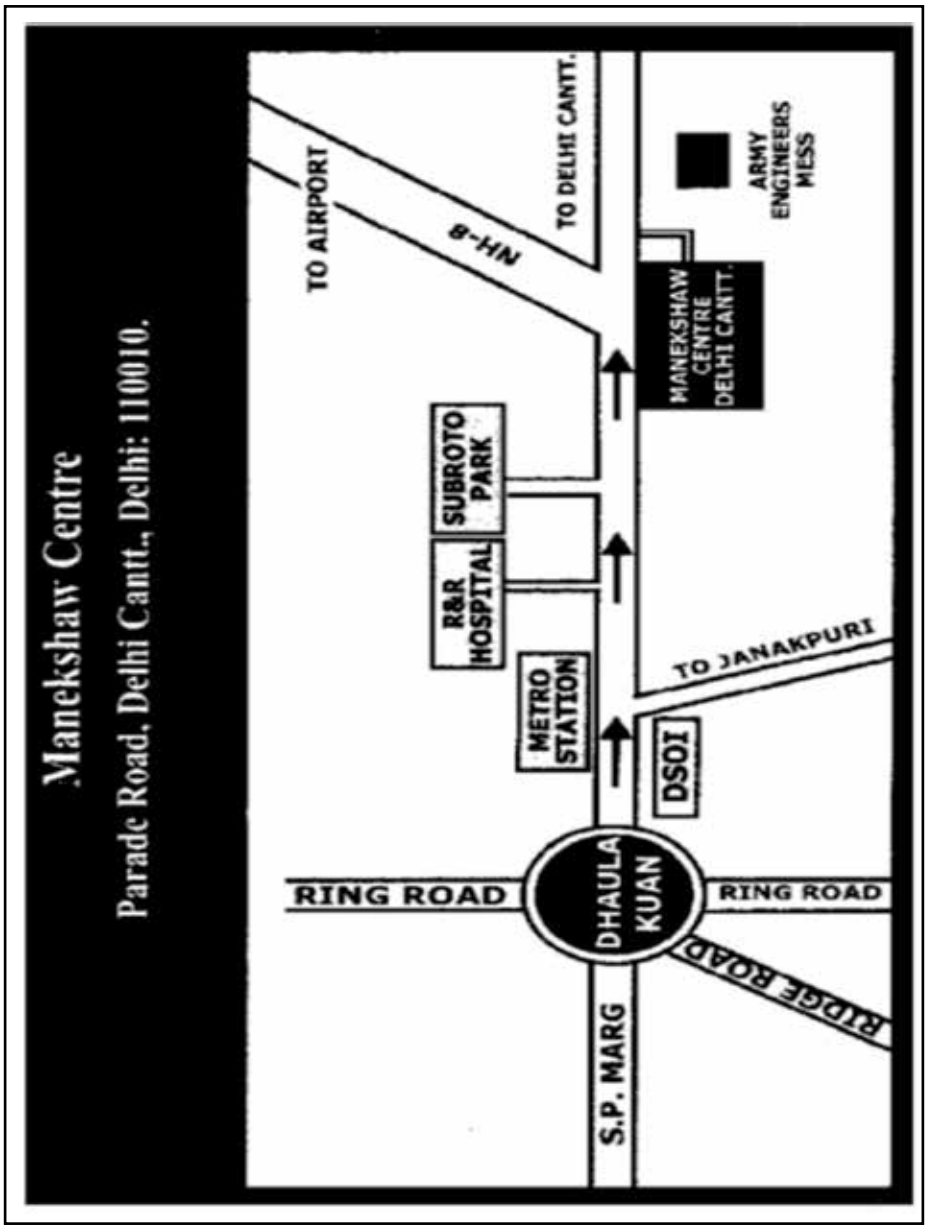
Income Tax Permanent Account Number (PAN) (Please attach a photocopy of PAN Card)	
Email ID	

ECS Mandate Form (for shares held in Physical mode)

Bank Name										
Branch Name & Address										
Bank Account Type (tick)	SB		Current		Others					
Bank Account Number										
9 Digit Code Number of the Bank and Branch appearing on the MICR Cheque issued by the Bank. **(Please attach a photo copy of the Cheque)**										

I hereby declare that the particulars given above are correct and complete and also express my concurrence to receive information through e-mail towards dividend paid by the Company under the ECS mode.

Signature of the 1st Registered Holder/Sole Holder


Manekshaw Centre
Parade Road, Delhi Cantt., Delhi: 110010.
TO AIRPORT
NH-8
TO DELHI CANTT.
ARMY ENGINEERS MESS
MANEKSHAW CENTRE DELHI CANTT.
SUBROTO PARK
R&R HOSPITAL
METRO STATION
TO JANAKPURI
DSOI
RING ROAD
DHAULA KUAN
RING ROAD
RIDGE ROAD
S.P. MARG

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POWER GRID CORPORATION OF INDIA LIMITED
CIN: L40101DL1989GOI038121

<table>
<tr><td>Registered Office
B-9, Qutab Institutional Area,
Katwaria Sarai, New Delhi - 110 016
Phone No. - 011-26560112, Fax – 011-26601081</td><td>Chief General Manager - Company Secretary & Compliance Officer
Ms. Divya Tandon</td></tr>
<tr><td>Corporate Office
"Saudamini", Plot No. 2,
Sector 29, Gurgaon - 122 001 (Haryana)
Phone No. – 0124-2822000, 2823000, Fax – 0124-2571762</td><td>Website: www.powergridindia.com
E-mail ID: investors@powergrid.co.in</td></tr>
<tr><td colspan="2">For the Financial year under review i.e. 2018-19</td></tr>
<tr><td>Statutory Auditors

1. M/s. S. K. Mittal & Co., Chartered Accountants
Mittal House, E-29, South Extension Part-II,
New Delhi – 110049.
Email : skmittalca@yahoo.co.in

2. M/s. R. G. N. PRICE & Co., Chartered Accountants
Simpson Buildings, 861, Anna Salai, Chennai - 600002.
Email : rangarajan@rgnprice.com

3. M/s. Kothari & Co., Chartered Accountants
1E, Neelkanth, 26-B, Camac Street, Kolkata – 700016.
Email : manaswykothari@yahoo.co.in

4. M/s. PARAKH & Co., Chartered Accountants
A-101 , Pratik Apartments,
Ramachandra Nagar 3,
Near Cadbury Signal, Thane West, Mumbai – 400604.
Email : sharmapsd@yahoo.com</td><td>Cost Auditors

1. M/s R. M. Bansal & Co., Cost Accountants,
A-201, Twin Towers,
Lakhanpur,
Kanpur – 208024.
Email : cmarmbansal11@gmail.com

2. M/s Chandra Wadhwa & Co., Cost Accountants,
1305 & 1306, Vijaya Building,
17, Barakhamba Road,
New Delhi-110001.
Email: wadhwafai@gmail.com</td></tr>
<tr><td>Registrar & Share Transfer Agent:

Equity Shares:

Karvy Fintech Private Limited
Karvy Selenium Tower B, Plot 31-32,
Gachibowli Financial District,
Nanakramguda, Hyderabad – 500 032
Ph. : 040-67162222, Fax : 040-23420814
Toll Free No. 1800 345 4001
Email : einward.ris@karvy.com
Website: www.karvyfintech.com

Bonds:
MCS Share Transfer Agent Limited,
F-65, Okhla Industrial Area,
Phase-I, New Delhi- 110 020.
Ph: 011-41406149-52
Telefax.: 011-41709881
E-mail : admin@mcsregistrars.com</td><td rowspan="3">Bankers
Indian Overseas Bank
Bank of Baroda
Canara Bank
State Bank of India
Punjab National Bank
Union Bank of India
HDFC Bank Ltd
ICICI Bank Ltd
IDBI Bank
Corporation Bank
Axis Bank Ltd
Kotak Mahindra Bank</td></tr>
<tr><td>Shares Listed at:
National Stock Exchange of India Limited
BSE Limited</td></tr>
<tr><td>Depositories:
National Securities Depository Limited
Central Depository Services (India) Limited</td></tr>
<tr><td colspan="2">Debenture Trustees</td></tr>
<tr><td colspan="2">For Bond Series XVIII to LXII Issue, GoI Bond
IDBI Trusteeship Services Ltd.
Asian Building, Ground Floor, 17, R. Kamani Marg, Ballard Estate, Mumbai - 400 001
Phone: 022-40807000, Fax: 022-66311776, Email: itsl@idbitrustee.com</td></tr>
</table>

LETTER TO SHAREHOLDERS

Dear Shareholders,

It gives me immense pleasure to share with you the progress made by your company during the year 2018-19.

Friends, India has become the 6th largest economy* now. The GDP of the country has grown at 6.8% during the year 2018-19. The real GDP growth of India for the year 2019-20 is projected at 7%.

Fiscal 2019 was another year of remarkable performance on various fronts for your Company.

I am glad to share with you that your Company along with its subsidiaries has added 8,468 circuit km (ckm.) of Extra High Voltage (EHV) transmission lines, 40,119 Mega Volt Ampere (MVA) transformation capacity and 10 new substations during the year. The Assets capitalized (including TBCB projects) were about ₹27,325crore (inclusive of FERV) and Capital expenditure has been ₹25,807crore against the target of ₹25,000Crore. A number of large and important projects were commissioned/completed during the year including 765kV Double Circuit (D/C) Jharsuguda-Dharamjaygarh line (between Eastern and Western Regions); 765kV D/C Banaskantha-Chittorgarh line (between Western and Northern Regions) & Banaskantha Substation; 765kV Single Circuit (S/C) Dharampuri-Madhugiri (Tumkur) line; 765kV D/C Bhuj Pool-Banaskantha line & Bhuj substation; 765kV D/C Angul-Jharsuguda transmission line; 765kV D/C Orai-Aligarh transmission line (2nd Ckt.) & Orai ICT; and 400kV D/C (Quad) Punatsangchu-Alipurduar transmission line (Indian Portion of Indo-Bhutan transmission line).

As on March 31, 2019, your Company along with its subsidiaries owns & operates a transmission network of 1,58,298 ckm of inter-State transmission lines, 245 nos. of EHVAC & HVDC sub-stations with transformation capacity of 371,912 MVA. The Gross Fixed Assets of your Company & its subsidiaries stood at ₹2,07,214.57crore as on March 31, 2019 as against ₹1,79,889.67crore as on March 31, 2018.

On the operational front, your Company maintained availability of the transmission network at 99.71% with number of tripping per line contained at 0.46.

In Fiscal 2019, your Company displayed an impressive financial performance. On a standalone basis, your Company registered a Total Income of ₹35,618.07crore and Profit after Tax (PAT) of ₹9,938.55 crore, a growth of 15.77% and 20.55%, respectively over the corresponding Total Income and PAT in Fiscal 2018. On a Consolidated basis, your Company registered a Total Income and Profit after Tax (PAT) of ₹35,661.32crore and ₹10,333.52crore, respectively.

Your Company also made impressive progress in its Telecom business. The revenue from Telecom business increased to ₹663.25crore, registering an increase of 9.34% over the previous year. Total Telecom network coverage increased by about 27% to more than 60,900 km from 47,735 km in the previous year.

On the Consultancy front, the revenues moderated as a number of assignments including the prestigious and challenging 220kV Srinagar Leh Transmission System Project have been completed during the year. The revenue from Consultancy stood at ₹610.93crore during the year. The new assignments (domestic / international) secured during the year and some of the earlier assignments are under implementation.

Under Tariff Based Competitive Bidding (TBCB), your Company secured its first Intra-State Transmission Project viz. 'Establishment of Transmission System for Evacuation of Power from 2 X 660 MW Jawaharpur Thermal Power Project and Construction of 400kV Substation at Firozabad along with associated Transmission Lines' during the year. With this, your Company has secured 13 projects as on March 31, 2019 through TBCB. I am glad to share with you that seven of these projects have since been successfully completed and elements in other projects are being completed progressively. The TBCB projects' contribution to the revenues of your Company surpassed the ₹1,000crore mark during the year.

Your Company has been working towards implementation of Green Energy Corridors (GEC) for integration of Renewable Energy Resources with the Grid by way of setting up of Inter-State Transmission System (ISTS) at 765kV and 400kV level in renewable resource rich states in the country. Your Company as CTU has also evolved a comprehensive transmission plan for grid integration of various Renewable Energy Zones (66.5 GW) in the country.

Towards fulfilling the commitment towards the goal of sustainable development, your Company continued to take various initiatives including adoption of modern techniques for selection of most optimum route for transmission lines and construction of high voltage levels transmission system ±800kV HVDC, 765kV etc. Further, your Company is in the process of installing 5 MWp Rooftop Solar PV Systems in its premises, covering more than 50 locations.

Friends, as a step forward to promote use of electric vehicles in the country your Company has set up its first public eV fast-charging station in Hyderabad at Miyapur Metro station on pilot basis. Based on the experience, your Company is also exploring other locations / cities.

As a part of Corporate Social Responsibility(CSR), your Company continued to contribute to society at large with main focus on inclusive social-economic growth for development of marginalized & under-privileged sections of the society residing around its areas of operation. Focus area of the Company's CSR activities during the year were Education and Health initiatives in line with Govt. of India targets besides implementation of projects for construction of community centres, installation of solar street lights and other projects in areas of Rural development, Infrastructure development, Skill development, Health, Education, etc. In addition, as part of 'Swachh Bharat Abhiyan', your Company has carried out

***Economic Survey 2018-19**

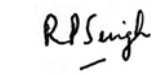
construction of toilet blocks in Government schools, construction of individual households' toilets for development of primitive tribal groups, etc. Also, gaining experience from setting up of 'POWERGRID Vishram Sadan' at AIIMS, New Delhi which has been applauded, your Company is implementing seven more 'POWERGRID Vishram Sadans' in Govt. hospitals at Lucknow, Patna, Guwahati, Ranchi, Bengaluru, Darbhanga and Vadodara. Your Company has spent ₹195.52crore on CSR activities during FY 2018-19.

Your Company has received recognition in the form of awards on various fronts during the year and some of the significant and recent awards/ recognition include –

- 'Fastest Growing Electric Utility' in Asia- for the fifth successive year since 2014, based on Platts Top 250 Global Energy Company Rankings. Globally, the Company was positioned as the 3rd Fastest Growing Electric Utility;
- One of the Top 25 Most Innovative Companies in India at the Fifth CII Industrial Innovation Awards 2018;
- CBIP Award 2019 for 'Best Performing Transmission Utility' and CBIP Special Jury Award for 'Innovation Excellence in Power Transmission';
- Platinum Prize (1st prize) in Power Sector Category at the '6th FICCI Quality Systems Excellence Awards';
- '2018 EEI Asia-Oceania Index Award' at EEI (Edison Electric Institute) Global Electrification Forum, for Highest Total Shareholder Returns in Gold Large Capitalization category;
- 'Good Corporate Citizen Award' category at PHD Annual Awards for Excellence 2018;
- Featured in Top 100 in India's Best Place To Work list for 2019.

On behalf of the Company, I thank shareholders for their continued confidence and support. I would also like to express my appreciation to all our employees, for their contribution towards the performance of the Company. I am confident that with a dedicated and committed resource of employees and valuable support of our esteemed stakeholders, your Company will continue to deliver its responsibilities and enhance value to its stakeholders.

With best wishes,
Yours sincerely



(Ravi P. Singh)
Director (Personnel) & CMD

Date: 19th July, 2019
Place: New Delhi

Integrated Report

Financial Capital

Asset Capitalization*
₹27,325 Crore

Capital Investment*
₹25,807 Crore

Gross Fixed Assets*
₹2,07,214.57crore

Total Income*
₹35,661.32Crore

Profit after Tax*
₹10,333.52Crore

Manufactured Capital

Inter-state Transmission Lines*
8,468 ckm added during FY 2018-19
1,58,298 ckm as on March 31, 2019

EHVAC & HVDC Sub-Stations*
10 new sub-stations added during FY 2018-19
245 sub-stations as on March 31, 2019

Transformation Capacity*
40,119 MVA added during FY 2018-19
3,71,912 MVA as on March 31, 2019

Transmission System Availability
99.71%

Telecom Network Coverage
60,900 KM, up from 47,735 KM during previous FY (Increase of about 27%.)

Intellectual Capital

1200kV National Test Station at Bina, Madhya Pradesh – Indigenously developed.
1200kV UHVAC testing station has resulted in reduction in Right of Way and transmission losses.

Geographical Information System Tool
Saves time and manpower for preliminary survey with reasonable accuracy

Process Bus Technology
Reduction in cabling, carbon footprint and commissioning time, Improved diagnostics

Software for monitoring of Transformers and Reactors
Software developed in-house for monitoring of wide fleet of equipment.

National Transmission Asset Management Centre (NTAMC)
210 Sub-Stations being remotely monitored and operated

*On Consolidated Basis

Human Capital

Employees
9255

Diversity and Inclusion
687 Female Employees
206 Persons in PWD category employed

Recruitments
832 Recruits during FY 2018-19

POWERGRID Academy of Leadership – Learning and development Centre for Power Sector
825 Training programs during FY 2018-19

Training Man Days Per Employee
5.28 during FY 2018-19

Social & Relationship Capital

Environmental and Social Policy & Procedures
Accepted by The World Bank and ADB under their policy of "Use of Country System" (UCS) and "Country Safeguard System" (CSS) in 2009 & 2017 respectively.

Alignment with UN Sustainability Development Goals
POWERGRID's Sustainability Report has mapped 11 out of 17 UN Sustainability Development Goals

CSR
CSR spend of ₹195.52 Crore during FY 2018-19.
Focus area- Education & Health (GoI targets)
Seven more POWERGRID Vishram Sadans being constructed

Skill Development
About 1100 youths trained during FY 2018-19
Owned & operated Skill Development Centres in 8 substations to impart training on Transmission Line Tower Erection.

Contribution to States
Electrification of 87,838 partially/un-electrified villages and service connections to 49.49 lac BPL households.

Make in India
Thrust on Make in India and MSEs.
Target for Annual procurement from MSEs achieved as per Public Procurement Policy (Order 2012)

Natural Capital

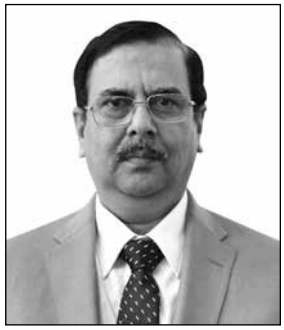
Conservation of Right of Way
Involvement of Forest has been reduced from 6% in 1998 to 2.26% in 2019

Renewable Energy Integration
Implementation of Green Energy Corridors (GEC) - Inter-State Transmission System (ISTS) at 765kV and 400kV level in renewable resource rich states

Emission Control
First public eV fast-charging station in Hyderabad at Miyapur Metro station on pilot basis

Waste Management
Hazardous and other wastes are disposed as per norms laid down by MoEF.
Waste Paper Recycling plant installed at Gurgaon Substation is contributing in recycling of waste paper.

DIRECTORS' PROFILE



Shri Ravi P. Singh
Director (Personnel) & CMD

Shri Ravi P. Singh (59 years), (DIN: 05240974), is Director (Personnel) of our Company and assigned with additional charge of post of CMD w.e.f. 21.01.2019 for a period of 6 months. He is a Mechanical Engineer from NIT, Allahabad in First Class with Honours and Post Graduate Diploma in HR from AIMA, New Delhi. He has previously held the positions of Executive Director (Eastern Region-II) and Executive Director (Human Resource Management & Corporate Communication) in POWERGRID. Shri Singh has over 37 years of work experience in the power sector handling various multi-disciplinary functions like HR, Telecom, Contracts, Materials, Planning, Monitoring and Transmission System Construction/O&M. Prior to joining POWERGRID in 1991, Shri Singh has worked for 10 years in NTPC. He was appointed as a Director on our Board in April, 2012.

Shri K. Sreekant
Director (Finance)

Shri K. Sreekant (55 years), (DIN: 06615674) is Director (Finance) of our Company. He is CMA and PGDM (Finance) from Management Development Institute, Gurgaon. He is currently whole-time Director (Finance) of Power Grid Corporation of India Limited (PGCIL) with additional charge of Director (Finance), NTPC Limited w.e.f. 12.02.2019.

He has over 33 years of experience in the power sector in the areas of Long Term Financial Planning, Investment Appraisals, formulation of Capital Budgets, Resource Mobilization from domestic and international markets, Corporate Accounts, Commercial, Regulatory Affairs and Enterprise Resource Planning Systems. He was appointed as a Director on our Board in September, 2016.

Mrs. Seema Gupta
Director (Operations)

Mrs. Seema Gupta (57 years), (DIN:06636330) is Director (Operations) of our Company. Prior to taking up this assignment, she was Executive Director (Northern Region-I) in the company. She is a graduate Engineer from Delhi College of Engineering (DCE) and also holds a Post Graduate Diploma in Management from IMT. Ms. Seema Gupta has more than 35 years of experience in power sector and has handled multi-disciplinary functions like Commercial, International Business, Corporate Planning, Corporate Monitoring Group and Central Transmission Utility in the Company. Before joining POWERGRID in 1991, Ms.Seema has worked for about 7 years in NTPC. She was appointed as a Director on our Board in March, 2018.

Shri Rajeev Kumar Chauhan
Director (Projects)

Shri Rajeev Kumar Chauhan, (58 years), (DIN: 02018931) is Director (Projects) of our Company. He graduated from IIT Roorkee in Electrical Engineering and has a diverse experience of more than 34 years in EHV AC&DC transmission system covering almost all areas of the transmission system. He has been associated with POWERGRID since 1994 and has contributed to all segments of Power System Management in POWERGRID i.e. Project Management, CTU Planning, Design & Engineering (EHV AC & HVDC), Procurement, Site Execution, Operation & Maintenance, Consultancy, DMS, Commercial Functions in POWERGRID under various capacities and has played vital role in various prestigious HVDC projects of the Company. He has also served for 10 years in NTPC prior to joining POWERGRID in 1994. He has also authored technical papers in various forums. Presently, he is chairman of CIGRE NSC B4 committee for HVDC & Power electronics and the BIS ETD40 Group. He was appointed as a Director on our Board in August, 2018.

Shri Ghanshyam Prasad
Government Nominee Director

Shri Ghanshyam Prasad, (52 years), (DIN: 08288849) is B. Tech (Electrical) from IIT, BHU; M. Tech (Energy and Environment Management) from IIT, Delhi and MBA (Finance). He is presently working as Chief Engineer in Ministry of Power, Government of India looking after Reforms and Restructuring (R&R) in Electricity Sector, Operation and Monitoring (OM) of Electricity Grid and Transmission Sector. Earlier, he worked as Chief Engineer (Distribution) in Central Electricity Authority and Director (Transmission and OM) in Ministry of Power. He has also served for about six years in Haryana Electricity Regulatory Commission. He has varied and rich experience in the field of Power System Operation and Electricity Sector. He was appointed as a Director on our Board in February, 2019.

Shri Jagdish I Patel
Independent Director

Shri Jagdish I Patel (54 years), (DIN:02291361) is a B.Sc., ASTM-UT, MBA (Ind.) has an illustrious career spanning over 38 years in the areas of Energy Generation, Mining and Space sectors as engineering solution providers and strategic planner over business auxiliary units. Having been Director (Tech.) at Pushpak Trademech Limited, as well as KIA Infrastructure Development Limited and active member of Gujarat Chamber of Commerce and Industry (GCCI), he has served as a member of several institutions such as District Implementation & Industrial Management Committee of ITI, Industrial Management Committee of IGTR; President as well as Treasurer at LUB-Gujarat; and member of Standing Committee/ Town Planning Committee/ Solid Waste Management Committee of AMC. He was appointed as an Independent Director on our Board in November, 2015.

Shri Tse Ten Dorji
Independent Director

Shri Tse Ten Dorji, (68 years), (DIN: 03469466) is an I.A.S (Retired). During his career over 42 years, he has held various posts in many Departments / Ministries of Government of India. He has multidisciplinary experience spanning Personnel & General Administration, Finance, Education/ Human Resource Development, Animal Husbandry, Planning & Programme Implementation, Land Revenue Management & District Administration, etc. He was appointed as a Director on our Board in February, 2017.

Shri Manoj Kumar Mittal
Independent Director

Shri Manoj Kumar Mittal (55 years), (DIN: 07937052) graduated in Civil Engineering from BITS Pilani in 1985. He also earned his M.Sc. & MS degrees from the same Institute. He is practicing as Consulting Civil & Structural Engineer and has an experience of over 32 years in the field of Civil & Structural engineering Consulting. He also has expertise in structural retrofitting and rehabilitation of structures in distress. He has keen interest in the field of green & sustainable design of built environment. He is member of several professional bodies e.g. IEI (I), IAStructE, ICI, CEAI, CDC, ACCE (I), ACI-India Chapter, IBC and IOV. He is member of various BIS committees e.g. CED-29, and CED-54 & CED-46: P4, P11 & P19. Presently he is also affiliated with SPA-New Delhi as visiting faculty. He was appointed as an Independent Director on our Board in September, 2017.

Shri Sunil Kumar Sharma
Independent Director

Shri Sunil Kumar Sharma (62 years), (DIN: 03614952) has served as Chairman & Managing Director of Bharat Electronics Limited. He is a post graduate with MBA and gold medalist from University Engineering College, Bangalore. During his long professional tenure of about 4 decades, he has steered the development & execution of large defence projects and complex IT based national E-Governance projects such as Electronic Voting Machine, Biometrics for National Population Register and Smart Cards. He was appointed as an Independent Director on our Board in July, 2018.

Mrs. A. R. Mahalakshmi
Independent Director

Mrs. A. R. Mahalakshmi (49 years), (DIN: 08187493) is an M.A., M.B.A., M.Phil., P.G.D.L.A. and a woman Entrepreneur. She has been honoured with many awards for her entrepreneurship and social works. She was appointed as an Independent Director on our Board in July, 2018.

Shri M. N. Venkatesan
Independent Director

Shri M. N. Venkatesan (63 years) (DIN: 02126022), B.Com, FCA is a practising Chartered Accountant specialising in Management and Financial Consultancy. He has wide experience of more than 35 years in the profession including as Statutory Central Auditor of Large Public Sector Banks for over 30 years. Presently, Shri Venkatesan is a senior partner of M.R. Narain and Co., Chartered Accountants, Chennai. He was appointed as an Independent Director on our Board in July, 2019.

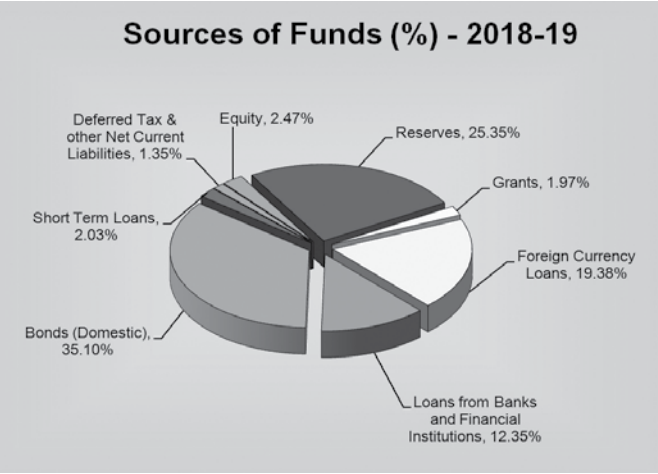
Shri Deepak Kashyap
CVO

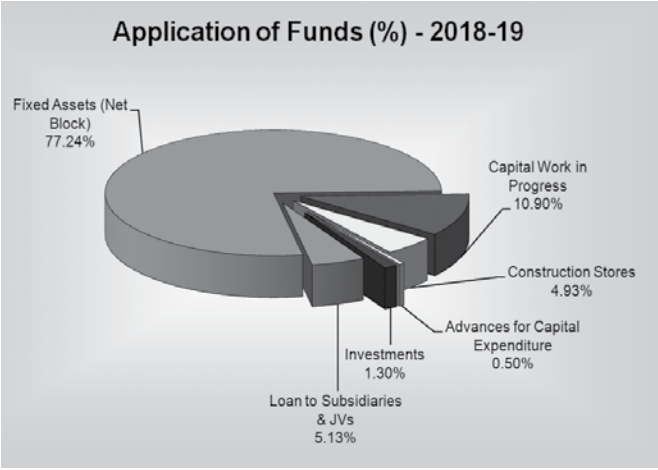
Shri Deepak Kashyap (57 years), a 1986 batch officer of Indian Railway Traffic Service is the Chief Vigilance Officer of POWERGRID. He graduated in English Honours from Patna University and has held various key posts such as CVO, BSNL, DRM, South Eastern Railway, Chief Commercial Manager / General Northern Railways, Member/ Rail Land Development Authority, and Director, Central Vigilance Commission. He has varied experience in administrative, establishment, vigilance, operations, Revenue, Tendering and allied disciplines. He is also credited with conceptualizing and commissioning Indian Railways' popular onboard magazine "Rail Bandhu". He was appointed as Chief Vigilance Officer of POWERGRID in May, 2019.

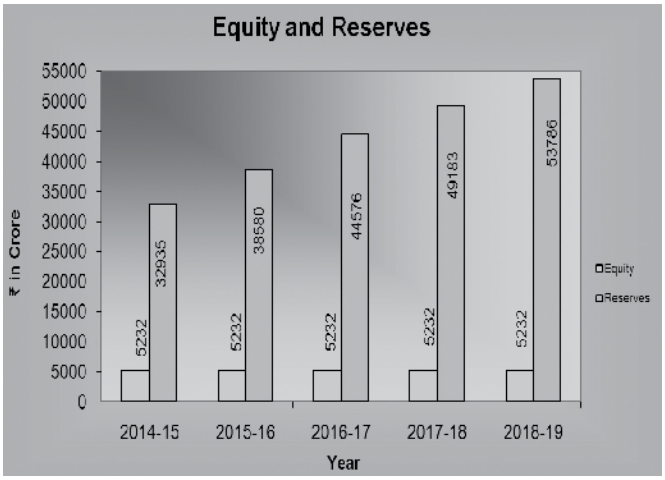
List of Senior Executives as on 1st July, 2019

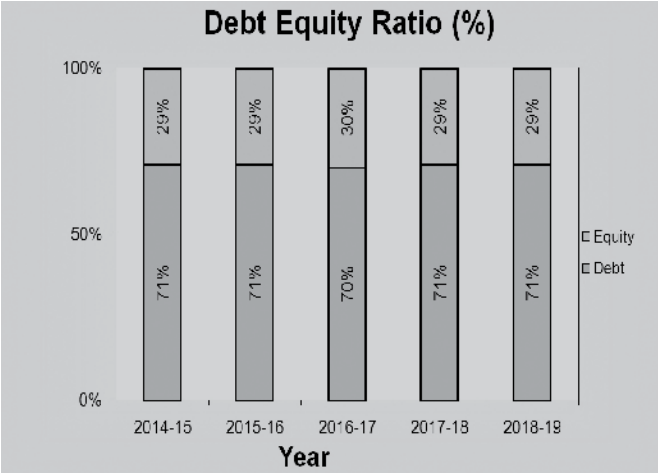
S.No.	Name(S/Sh.)	Designation	Level	Department/Function/Region/Project
Corporate Centre				
1	D.S. Yadav	ED	E9	Asset Management
2	T.C. Sarmah	COO	E9	BDD, JV&PI
3	Sanjeev Singh	ED	E9	CMG
4	Abhay Chaudhary	ED	E9	Commercial, Regulatory Cell
5	D.C. Joshi	ED	E9	Contract Services & Material Management
6	Anil Jain	ED	E9	Corporate Planning, Cost Engg, CMD Coordination Cell
7	Dr. Subir Sen	ED	E9	CTU Planning, Smart Grid
8	Sanjay Garg	ED	E9	Energy Management Department
9	Rakesh Kumar	ED	E9	Engg-HVDC
10	Ram Naresh Singh	ED	E9	Engg-(S/s, TL, Civil), FQA
11	K.S.R. Murty	ED	E9	F&A
12	Mohammed Taj Mukarrum	ED	E9	F&A
13	N. Shankar	ED	E9	HR, Law
14	Anil Saberwal	ED	E9	HRD/POWERGRID Academy of Leadership - Manesar
15	Anil Mehra	COO	E9	International Business
16	Sunil Agrawal	COO & CISO	E9	IT,ERP,ISD, LD&C, NTAMC - Manesar
17	A.K. Singhal	ED	E9	TBCB Cell
18	B.N.De.Bhowmick	ED	E9	Technology Development Dept.
19	A.K. Arora	COO	E9	Telecom - New Delhi
20	Upendra Pande	Dy. CVO	E9	Vigilance
21	Satish Chandra	Chief GM (I/c)	E8	Administration, Corporate Communications, Rajbhasha
22	K.K. Srivastava	Chief GM (I/c)	E8	DMS
Regional Heads				
23	H.K. Mallick	ED	E9	Northern Region- I, New Delhi
24	Jai Pal Singh	ED	E9	Northern Region- II, Jammu
25	Sanjai Gupta	ED	E9	Northern Region- III, Lucknow
26	Sunit Nath Sahay	ED	E9	Eastern Region – I, Patna
27	N.K. Ohdar	ED	E9	Eastern Region – II, Kolkata
28	B. Anantha Sarma	ED	E9	North Eastern Region, Shillong
29	S. Ravi	ED	E9	Southern Region – II, Bengaluru
30	Dr. Vinod Kumar Khare	ED	E9	Western Region – I, Nagpur
31	D.K. Singh	ED	E9	Western Region – II, Vadodara
32	Avinash M. Pavgi	Chief GM (I/c)	E8	Southern Region – I, Secunderabad
Other Heads				
33	Rajiv Kumar	ED	E9	NERPSIP, Guwahati
34	V. Sekhar	ED	E9	RPT HVDC Project and associated transmission system Task force, Bengaluru
35	Atul Trivedi	ED	E9	W/N IC Projects, Gurgaon
36	Ravindar Kumar S.	Chief GM (I/c)	E8	Odisha Projects, Bhubaneswar
37	A K Mishra	Chief GM (I/c)	E8	RPT HVDC Project, Bengaluru
On Deputation to other Organization(s)				
38	T. Pandey	ED	E9	Bihar Grid Company Limited
39	I.N. Jha	ED	E9	Cross Border Power Transmission Company Ltd.
40	A.S. Kushwaha	ED	E9	Jaypee POWERGRID Ltd.

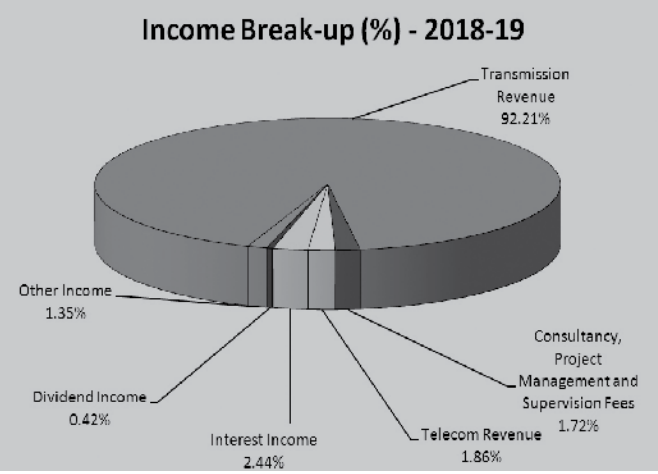
POWERGRID's PERFORMANCE

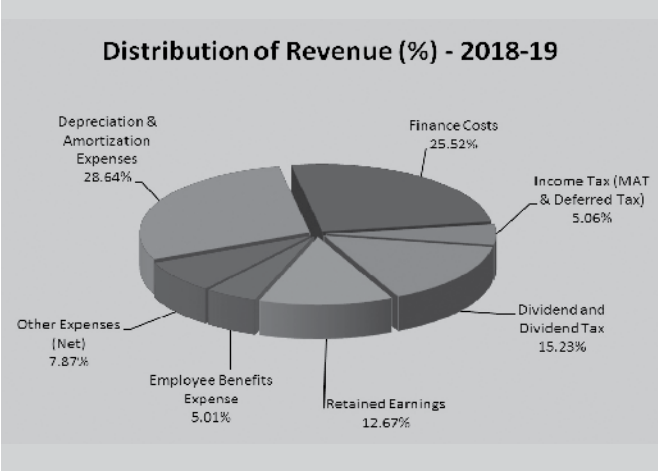












FIVE YEARS' SUMMARY - STANDALONE

OPERATING RESULTS

(₹ in crore)

Particulars	As per Ind AS 2018-19	As per Ind AS 2017-18	As per Ind AS 2016-17	As per Ind AS 2015-16	As per Indian GAAP 2014-15
(A) EARNED FROM :					
Transmission Revenue	**32616.99**	28447.16	24411.66	19732.06	16450.86
Other Operative Revenue - Transmission	**227.95**	48.66	218.62	76.04	70.88
Consultancy Revenue					
- Sales of Services	**610.93**	662.18	582.43	465.46	380.60
Telecom Revenue	**663.25**	606.59	497.36	392.25	274.89
Other Income	**1498.95**	1001.73	866.63	577.49	602.81
Total Earnings	**35618.07**	**30766.32**	**26576.70**	**21243.30**	**17780.04**
(B) PAID & PROVIDED FOR :					
Employees benefits expense	**1783.57**	1599.09	1377.13	993.72	1023.65
Finance costs	**9091.42**	7590.66	6303.83	5134.93	3979.32
Depreciation and amortization expense	**10200.67**	9091.25	7662.80	6179.80	5085.41
Other Expenses	**3053.43**	2215.70	1733.11	1394.29	1402.28
Total Expenses	**24129.09**	**20496.70**	**17076.87**	**13702.74**	**11490.66**
Profit before Tax & Regulatory Deferral Account Balances	**11488.98**	10269.62	9499.83	7540.56	6289.38
Tax expense:					
Provision for tax (MAT)	**2489.43**	2169.01	1988.45	1574.79	1280.99
Deferred Tax (Net)	**(3465.87)**	3140.15	2680.23	1828.64	29.22
	(976.44)	5309.16	4668.68	3403.43	1310.21
Profit for the period before Regulatory Deferral Account Balances	**12465.42**	4960.46	4831.15	4137.13	4979.17
Movement in Regulatory Deferral Account Balances-Income/(Expenses) (net of tax)	**(2526.87)**	3284.19	2689.00	1811.37	-
Profit after Tax	**9938.55**	8244.65	7520.15	5948.50	4979.17
Other Comprehensive Income	**(16.30)**	8.03	49.83	(11.97)	
Total Comprehensive Income for the period	**9922.25**	8252.68	7569.98	5936.53	
Dividend	**4514.87**	3034.33	1313.12	1103.87	1046.32
Dividend Tax	**909.57**	610.64	264.76	221.41	207.56

FINANCIAL POSITION

(₹ in crore)

Particulars	As per Ind AS 2018-19	As per Ind AS 2017-18	As per Ind AS 2016-17	As per Ind AS 2015-16	Opening Ind AS figures as on 01.04.2015	As per Indian GAAP 2014-15
(A) WHAT THE COMPANY OWNED:						
Property, Plant & Equipments (^)	**197792.69**	177100.25	149730.18	121336.82	89549.41	118264.26
Less: Accumulated Depreciation	**33932.71**	23489.90	14222.22	6394.52	-	28578.05
Net Property, Plant & Equipments (^)	**163859.98**	153610.35	135507.96	114942.30	89549.41	89686.21
Capital Work in Progress (including Construction Stores)	**33578.08**	30307.12	35884.13	43795.15	52922.41	52924.15
Investment Property	**0.03**	0.03	0.03	0.03	0.03	
Advances for Capital Expenditure	**1056.98**	2670.86	3057.92	3020.19	3348.96	3367.44
Non-current Investments	**2756.53**	1608.24	1327.55	836.08	826.07	740.99
Regulatory Assets	**8083.27**	11304.22	7975.80	5286.80	3475.43	37.72
Other Non-current Loans & Advances	**19265.82**	12094.12	7744.22	6125.58	3832.59	3614.27
Current Assets, Loans & Advances	**17872.31**	12300.20	11050.05	9652.25	7837.91	7930.10
TOTAL (A)	**246473.00**	223895.14	202547.66	183658.38	161792.81	158300.88
(B) WHAT THE COMPANY OWED:						
Long Term Loans:						
- From Banks & Financial Institutions	**24736.00**	17078.00	12902.00	12031.00	7600.22	7600.22
- Foreign Currency Loans	**38557.63**	32858.02	29511.71	29256.76	26708.25	26713.66
- Domestic Bonds	**67745.88**	72484.30	68549.46	58885.55	55003.32	55061.96
Total Long-term Borrowings	**131039.51**	122420.32	110963.17	100173.31	89311.79	89375.84
Current maturities of Long Term Loans	**10746.85**	7792.64	6234.74	6081.60	4468.56	4468.71
Working Capital Loan (short-term)	**4300.00**	1000.00	1500.00	2000.00	1200.00	1200.00
Current Liabilities & Provisions	**17067.29**	18107.29	17024.39	16202.66	15332.47	16195.81
Deferred Tax Liability (Net)	**10093.02**	13558.89	10418.74	7738.51	5909.87	2472.15
Deferred Revenue-Advance against Depreciation	**1323.45**	1504.09	1624.81	1770.66	1911.50	1938.57
Deferred Revenue-DFCFI/E Account	**3960.26**	2903.76	3107.26	3818.31	2750.23	2751.22
Grants in Aid	**4173.32**	559.56	150.30	109.17	73.12	73.12
Non-current Provisions	**368.15**	716.87	789.56	650.45	580.23	580.23
Other non-current Liabilities	**4384.01**	916.76	927.44	1302.48	1055.36	1078.64
TOTAL (B)	**187455.86**	169480.18	152740.41	139847.15	122593.13	120134.29
(C) NET WORTH OF THE COMPANY REPRESENTED BY :						
Equity Share Capital	**5231.59**	5231.59	5231.59	5231.59	5231.59	5231.59
Other Equity	**53785.55**	49183.37	44575.66	38579.64	33968.09	32805.48
TOTAL (C)	**59017.14**	54414.96	49807.25	43811.23	39199.68	38037.07
(D) COMMITTED RESERVES						
CSR Activities Reserve (@)						129.52
TOTAL (D)						129.52
TOTAL (B+C+D)	**246473.00**	223895.14	202547.66	183658.38	161792.81	158300.88
CAPITAL EMPLOYED	**149618.15**	139010.62	121798.88	100310.29	76386.29	75751.79
(Net Fixed Assets+Net Current Assets)						

FINANCIAL POSITION (Contd.)

(₹ in crore)

Particulars	As per Ind AS 2018-19	As per Ind AS 2017-18	As per Ind AS 2016-17	As per Ind AS 2015-16	As per Indian GAAP 2014-15
(E) RATIOS					
Net Profit to Capital Employed(%)	**6.64**	5.93	6.17	5.93	6.57
Net Profit to Net Worth(%)	**16.84**	15.15	15.10	13.58	13.09
Net Worth per Rupee of Paid-up Capital (₹)	**11.28**	10.40	9.52	8.37	7.27
Debt/Equity Ratio (#)	**71:29**	71:29	70:30	71:29	71:29
Current Ratio	**0.56:1**	0.46:1	0.45:1	0.40:1	0.36:1
Earning per Share (Basic & Diluted EPS) (₹)	**19.00**	15.76	14.37	11.37	9.52
Book Value per share (₹)	**112.81**	104.01	95.20	83.74	72.71
Dividend per share (₹)	**8.63**	5.80	2.51	2.11	2.00
Capital Expenditure (including TBCB) on cash basis	**25807**	25791	24429	22584	22456
(F) OTHER IMPORTANT INFORMATION					
Length of Transmission Lines (CKT)	153075	148149	139077	129354	115637
No. of Substations	242	234	219	207	192
Transformation capacity (MVA)	365282	331163	289543	254848	231709
No. of Employees ($)	9886	9465	9346	8606	8575
Transmission Network availability (%)	99.71%	99.81%	99.79%	99.72%	99.78%

(^) 'Property, Plant & Equipment' includes 'Other Intangible Assets' also.
(@) CSR Activity Reserve is not considered as Committed Reserve in Ind AS Financial Statements.
(#) For calculation of Debt-Equity Ratio, Loan liability also include Current Maturities of Long Term Loans.
($) Including FTB employees and excluding employees posted in POSOCO on secondment basis.

Directors' Report 2018-19

To,

Dear Shareholders,

The Board of Directors have the pleasure of presenting the Thirtieth Annual Report on performance of the Company together with the Audited Financial Statements for the financial year ended 31st March 2019.

Keeping in line with the past trend, Financial Year (FY) 18-19 has proved to be yet another year of excellence and achievements.

In FY 2018-19, Transmission assets consisting of **8,468 circuit km (ckm.)** of Extra High Voltage (EHV) transmission lines, **40,119 Mega Volt Ampere (MVA)** transformation capacity and **10 new substations** have been added. This includes 3,543 ckm., 6000 MVA transformation capacity and 2 substations added during the year by the Company's wholly owned subsidiaries. At the end of 31st March 2019, the total transmission assets of POWERGRID and its subsidiaries stood at **1,58,298 circuit km** of transmission lines, **245 substations** and **3,71,912 MVA** of transformation capacity.

The major milestones achieved during FY 2018-19 are as below:

- Asset Capitalization of **₹27,325 crore including ₹6,633 crore through subsidiaries and Foreign Exchange Rate Variation (FERV) of ₹1,456 crore.**
- Capital Investment of **₹25,807 crore including ₹4,008 crore in subsidiaries** against the target of ₹ 25,000 crore.
- Transmission System Availability was **99.71%** with number of trippings per line contained at 0.46.
- Total Income of **₹35,618.07 crore** and Profit After Tax (PAT) of **₹9,938.55 crore** on standalone basis and total Income of **₹35,661.32 crore** and PAT of **₹10,033.52 crore** on consolidated basis.
- Interim Dividend of **₹5.83 per share** (Face Value ₹10/- each) paid and in addition, recommendation made for **₹2.50 per share** as final dividend for the FY 2018-19, subject to approval of shareholders.
- Inter-regional power transfer capacity of **8,400 MW** added by the Company during the year. The cumulative inter-regional power transfer capacity added by the Company stood at **84,090 MW** at the end of 31st March 2019.
- About 12,950 km of Optical Ground Wire (OPGW) network added by the Company and its subsidiaries to support voice and data communication with Regional Load Despatch Centres (RLDCs) / State Load Despatch Centres (SLDCs) for effective grid management.
- Telecom revenue rose to **₹663.25 crore** in the financial year ended on 31st March 2019.
- Consultancy revenue in the financial year ended on 31st March 2019 was **₹610.93 crore.**
- 220 kV Srinagar Leh Transmission System commissioned, thereby connecting strategically important Ladakh region with the National Grid.
- Total Income of subsidiaries crossed ₹1,000 crore mark at ₹1,056 crore and Profit After Tax stood at ₹193 crore.
- POWERGRID acquired its first Intra-State Transmission Project through **Tariff Based Competitive Bidding** (TBCB) for evacuation of power from 2x600 MW Jawaharpur Thermal Power Plant and associated transmission system.
- Four TBCB subsidiaries viz. POWERGRID Parli Transmission Limited, POWERGRID Warora Transmission Limited, POWERGRID Jabalpur Transmission Limited and POWERGRID NM Transmission Limited became fully operational.

1.0 FINANCIAL PERFORMANCE

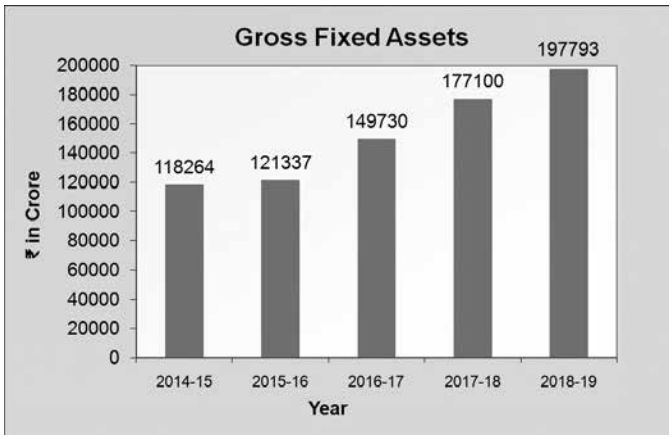
The Company maintained its sound Financial Performance in FY 2018-19. The Financial Performance during FY 2018-19 as compared to the previous year 2017-18 on standalone basis is summarized below:

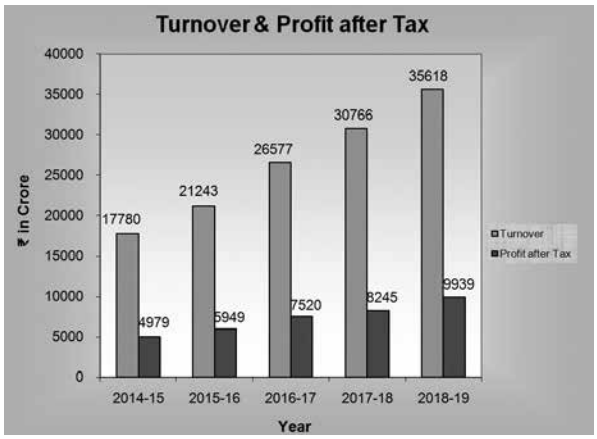
(All Figures except per share data is in units as indicated)

Description	2018-19		2017-18		Y-o-Y Growth
	INR (Cr.)	US $ (M)	INR (Cr.)	US $ (M)	
Revenue					
Transmission Charges	32,844.94	4,707.60	28,495.82	4,084.25	**15.26%**
Consultancy-Sale of Services	610.93	87.56	662.18	94.91	**-7.74%**
Telecom	663.25	95.06	606.59	86.94	**9.34%**
Other Income	1,498.95	214.84	1,001.73	143.58	**49.64 %**
Total Income	35,618.07	5,105.06	30,766.32	4,409.68	**15.77 %**

Description	2018-19		2017-18		Y-o-Y Growth
	INR (Cr.)	US $ (M)	INR (Cr.)	US $ (M)	
Profit After Tax (PAT)	9,938.55	1,424.47	8,244.65	1,181.69	**20.55 %**
Earnings per Share	₹19.00	US$ 0.27	₹15.76	US$ 0.23	**20.56%**
Book Value per Share (₹)	₹112.81	US$ 1.62	₹104.01	US$ 1.49	**8.46%**
Gross Fixed Assets	1,97,792.69	28,349.25	1,77,100.25	25,383.44	**11.68%**
Long Term Borrowings*	1,41,786.36	20,321.97	1,30,212.96	18,663.17	**8.89%**
Net Worth	59,017.14	8,458.81	54,414.96	7,799.19	**8.46%**
Debt Equity Ratio	71:29		71:29		**-**
Return on Net Worth	16.84%		15.15%		**-**

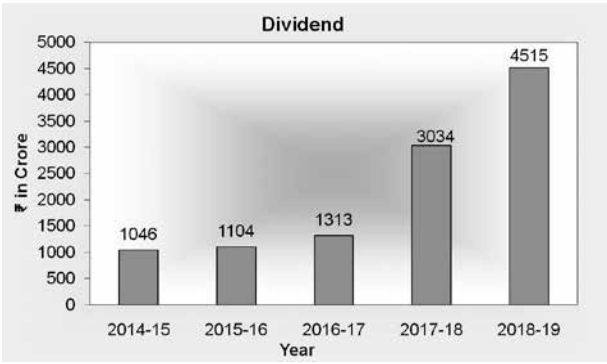
* Including current maturities of Long Term Borrowings.
Convenience conversion at 1 US $ = 69.77 INR as on 31.03.2019.





1.1 DIVIDEND PAYOUT

For FY 2018-19, the Company has proposed a final dividend of ₹2.50 per share in addition to ₹5.83 per share of interim dividend paid in February, 2019 taking total dividend for the financial year 2018-19 to ₹8.33 per share. The total dividend payout for the year amounts to ₹ 4,357.91 crore (including an interim dividend of ₹ 3,050.02 crore). The final dividend shall be paid after your approval at the Annual General Meeting.



1.2 TRANSFER TO RESERVES

For the FY 2018-19, appropriation of profit has been made as follows:

a. General Reserve: ₹ 4,250 crore
b. Bonds Redemption Reserve: ₹ 2,029.20 crore
c. Self Insurance Reserve: ₹ 249.07 crore

2.0 MoU PERFORMANCE

The Company was rated 'Excellent' for financial year 2017-18 for its performance against MoU with Ministry of Power, thereby continuing with the trend of consistently achieving 'Excellent' rating since signing of its first MoU, for the year 1993-94.

3.0 OPERATIONAL PERFORMANCE

3.1 Asset Management

As on 31st March 2019, the transmission assets owned and operated by the Company (consolidated) consist of 1,235 lines and 245 nos. EHV substations including 15 nos. High Voltage Direct Current (HVDC) substations upto ± 800 kV level, 726 nos. transformers, 11 nos. STATCOMs, 5 nos. Static Var Compensators (SVC) besides Series Reactors and Thyristor Controlled Series Compensators (TCSC) /Fixed Series Compensators (FSC) at various places.

Reliable operation of such large and complex transmission network calls for maintaining the assets in utmost condition and the Company achieves this by meticulous advance planning as well as adopting best technological tools available for maintenance and monitoring of the

transmission system. Some such state-of-the-art techniques being deployed for management of assets across the Company include On-line Condition Monitoring for Substation Equipment, On-line Transient Monitoring System, Aerial Patrolling, GIS Mapping etc.

3.2 National Transmission Asset Management Centre, Manesar (NTAMC) and Regional Transmission Asset Management Centers (RTAMCs)

NTAMC has been established for remote operation of the system and monitoring of various parameters at National level and ten numbers Regional Transmission Asset Management Centres (RTAMCs) for similar function at Regional level. During the year 2018-2019, 38 nos. of substations have been integrated in NTAMC for remote operations. With this, a total of 210 sub stations are now integrated under NTAMC for remote operation from control centers. These are manned by experts on 24x7 basis to provide expert handling of the system.

3.3 Operation & Maintenance Benchmarking in POWERGRID

To achieve optimum performance in all spheres of Operation & Maintenance (O&M) activities, the Company undertakes external as well as internal benchmarking. In the External Benchmarking process, the Company is a part of 'International Transmission Operation and Maintenance Study (ITOMS)' - a global O&M benchmarking platform presently comprising 32 leading global power transmission utilities. The results of the benchmarking study are discussed and the best maintenance practices are shared amongst the participating utilities. The Company has consistently improved its performance in both line and substation categories.

Internally, the operational performance of regions are evaluated with the objective to identify gaps in operational practices of various regions, identify key initiatives and focus areas in an effort to bring, at par, the performance of regions. A benchmarking system has also been developed for regional O&M performance on monthly basis for critical parameters. The best practices of regions are shared on regular basis.

Measures/ initiatives, taken by the Company, to mitigate the challenges/ concerns have been described in the Management Discussion and Analysis (MDA) Report.

3.4 Adoption of latest technology for better availability of transmission lines

The Company has adopted various technological tools for ensuring better availability of transmission lines such as Aerial Patrolling of Transmission lines, App based Patrolling etc., the details of which are described in the MDA.

3.5 Other key operational achievements during the year

3.5.1 Overhauling of six number HVDC convertor transformers at Pusauli substation was carried out on site. This has saved time and money required for transportation of the transformers to the factory for overhauling.

3.5.2 Rigorous in-house protection audit of more than 80 substations was undertaken.

3.5.3 There has been no major outage of any station during the year.

3.6 Cyber Security

The Company is committed to security of its infrastructure assets from the risks associated with cyber security and has an Information Security Policy, implementation of which is reviewed annually through third party audits for ISO:27001 Certification. The cyber security preparedness of the Company's businesses and cyber security initiatives are being reviewed by Chief Information Security Officer (CISO) through the Information Security Department. The Corporate Office and the Regional Headquarters are certified for ISO:27001 Information Security Management System. The advisories and guidelines issued by the designated statutory bodies, namely Indian Computer Emergency Response Team (CERT-In) and National Critical Information Infrastructure Protection Centre (NCIIPC) are complied with. The Company also participates in mock-drill programs organised by CERT-In. All concerned staff are sensitized in the area of cyber security through specific awareness programs.

The possible risks due to cyber-attacks are minimised by isolating grid connected intelligent systems from external data networks. Digital signals controlling operation of critical equipment are kept further confined and isolated by design to prevent any large scale cascade event.

4.0 PROJECT IMPLEMENTATION

4.1 Project Management

Efficient and timely implementation being the cornerstone of infrastructure projects, the Company undertakes detailed planning of the projects through various tools and processes such as Integrated Project Management and Control Systems (IPMCS) and Enterprise Resource Planning (ERP). Also, the projects under implementation are regularly reviewed at various levels to pre-empt/ address any obstacles faced in timely implementation. Interactive meets with Industry partners are also a regular feature with the objective of sharing industry best practices and resolution of issues. To further bolster business relationships, the Company has been annually felicitating the vendors for their performance.

4.2 Physical Achievements

4.2.1 A number of important and critical pending projects, which were stuck up due to Right-of-Way (RoW) issues in different States, were completed through Company's persistent efforts and with the help of Hon'ble PM's institutional project monitoring platform – Pro-Active Governance & Timely Implementation (PRAGATI) and constant support from Ministry of Power, Minister of State for Power (Independent Charge), Central Electricity Authority (CEA) and the States' administration.

The list of projects completed by the Company during the year includes Inter-Regional Schemes, renewable energy integration linked, projects for cross border interconnections etc.

Inter-Regional Schemes

- 765kV Double Circuit (D/C) Jharsuguda-Dharamjaygarh line (between Eastern and Western Regions); and
- 765kV D/C Banaskantha-Chittorgarh line & Banaskantha Substation

  (between Western and Northern Regions).

Renewable Energy Integration linked

- 765kV Single Circuit (S/C) Dharampuri-Madhugiri (Tumkur) line;
- 765kV D/C Bhuj Pool-Banaskantha line & Bhuj substation;
- 400kV D/C Kadapa-Hindupur-NP Kunta System & Kadappa Gas Insulated Substation (GIS);
- 400kV D/C Banaskantha-Sankhari transmission line;
- 400kV D/C Mundra UMPP–Bhuj transmission line;
- 400kV D/C Tumkur (Pavagada)-Hiriyur transmission line;
- 400kV D/C Bhadla (POWERGRID) – Bhadla (RVPN) transmission line along with 1X500 MVA ICT at 765/400/220kV Bhadla (POWERGRID) substation;
- 400/220kV Tirunelveli Pooling Station (GIS) 2x500 MVA ICTs; and
- 2x1500 MVA 765/400kV ICTs at Srikakulam alongwith bay extension at Srikakulam.

Cross border interconnections

- 400kV D/C (Quad) Punatsangchu-Alipurduar transmission line (Indian Portion of Indo-Bhutan transmission line).

Other Major transmission lines and substations

- 765kV D/C Angul-Jharsuguda transmission line;
- 2nd Ckt. of 765kV D/C Orai-Aligarh transmission line & Orai ICT;
- 400kV D/C Silchar-Melriat transmission line;
- 400kV D/C Dharampuri-Somanhali transmission line;
- 400kV D/C Kota-Jaipur (South) transmission line;
- 400kV D/C Farakka-Baharampur transmission line;
- LILO of both circuits of Bamnauli–Samaypur 400kV D/C transmission line at Tughlakabad along with GIS;
- 132kV S/C Tezu-Namsai transmission line (strung on D/C towers) & Namsai substation; and
- STATCOMs at Lucknow, Nalagarh, Kishenganj, Ranchi, Jeypore, Gwalior, Aurangabad & Solapur.

Projects implemented by subsidiaries acquired through TBCB

- POWERGRID Parli Transmission Limited
  - ✓ 765kV D/C Warora pooling station-Parli transmission line;
  - ✓ 765kV D/C Parli (New)-Solapur transmission line;
  - ✓ 765/400kV pooling station at Parli (2x1500MVA);and
  - ✓ 400 kV D/C (Quad) Parli (New)-Parli (PG) transmission line.
- POWERGRID Warora Tranmission Limited
  - ✓ 765kV D/C Gadarwara-Warora transmission line;
  - ✓ 765/400kV pooling station at Warora (2x1500MVA);and
  - ✓ LILO of both circuits of 400kV D/C Wardha-Parli (PG) at pooling station near Warora.
- POWERGRID Jabalpur Transmission Limited
  - ✓ 765kV D/C Vindhyachal-Jabalpur transmission line.
- POWERGRID NM Transmission Limited
  - ✓ 765kV S/C Salem-Madhugiri transmission line;

- POWERGRID Southern Interconnector Transmission System Limited
  - ✓ 400kV D/C Srikakulam-Garividi transmission line; and
  - ✓ 400kV D/C Cuddapah-Madhugiri transmission line.

5.0 CAPITAL INVESTMENT AND FUND MOBILIZATION

During the year, the Company made a capital investment (CAPEX) of ₹25,807 crore. Towards this, ₹11,112 crore were mobilized through private placement of bonds & term loans, ₹6,808 crore were mobilized through External Commercial Borrowings (ECB)/ Suppliers' Credit, ₹7,282 crore from Internal Resources and ₹605 crore in form of grants received from Power System Development Fund & from Central Financial Assistance (Ministry of New and Renewable Energy).

The Company signed following new loan agreements during FY 2018-19:

- Unsecured Syndicated Term Loan facility of JPY 22 billion with Sumitomo Mitsui Banking Corporation (SMBC), Aozora Asia Pacific Finance Ltd. and The Bank of Yokohama.
- Term Loan facility of € 200 million from 'KfW, Frankfurt am Main, ('KfW'), Germany for financing high capacity transmission projects, first such loan agreement signed by the Company under KfW's 'Promotional Loan Category'.
- Term Loan of ₹ 10,000 crore from State Bank of India.

Investment approvals for transmission projects worth about ₹ 3,000 crore have been accorded during the year.

6.0 COMMERCIAL PERFORMANCE

The Central Electricity Regulatory Commission (Sharing of Inter-State Transmission Charges and Losses) Regulations, 2010, which came into effect from 01.07.2011, provides for computation of Point of Connection (PoC) charges and losses for sharing of transmission charges. The recovery of transmission charges for the services provided by the Company for Designated Interstate Customers (DIC) is based on the Sharing Regulations, 2010 and subsequent amendments thereof. As per the CERC Sharing Regulations, the Company, as Central Transmission Utiliy, raises bills for transmission charges on the beneficiaries i.e., DICs on behalf of all ISTS Licensees in the country and collects & disburses the payments to the Licensees as per the provisions of the said regulations. The Company is fulfilling the assigned responsibilities effectively and achieved collection efficiency of 94.6% for FY 2018-19.

CERC has notified Tariff Regulations, 2019 vide notification dated 7th March 2019 for the tariff block 2019-24. The salient features of the Tariff Regulations, 2019 are highlighted in the MDA section.

7.0 SUBSIDIARIES ACQUIRED THROUGH TARIFF BASED COMPETITIVE BIDDING (TBCB)

The Company has 13 nos wholly owned subsidiaries acquired through TBCB, and 7 of these are under commercial operation. The detailed information about Company's TBCB subsidiaries and their performance has been described in MDA section.

8.0 STRENGTHENING OF NATIONAL GRID AND CROSS BODER INTERCONNECTIONS

8.1 Inter - Regional Power Transmission Capacity

Two inter-regional transmission lines have been commissioned during the year, viz., 765kV D/C Banaskantha-Chittorgarh transmission line, 765kV D/C Jharsuguda-Dharamjaygarh transmission line, thereby increasing inter-regional power transfer capacity by 8,400 MW.

With this addition by the Company and further 4200 MW added by other transmission licensees during the year, cumulative inter-regional power transfer capacity of the National Grid stood at 99,050 MW as on 31st March 2019.

8.2 Cross-Border Interconnections

Presently, electrical interconnections with neighbouring countries- Nepal, Bhutan, Bangladesh and Myanmar exist with aggregate power transfer capacity of 3150MW. The interconnections are being further strengthened for increased exchange of power. Some of the upcoming and planned interconnections are as under:

8.2.1 Interconnections with Nepal

- Gorakhpur (India) – New Butwal (Nepal) 400 kV D/C (Quad) transmission line is under discussion.
- Upgradation to rated voltage of 400kV D/C Muzaffarpur - Dhalkebar transmission line.

8.2.2 Interconnections with Bhutan

- For evacuation of power from various upcoming hydro - electric power projects (HEPs) in Bhutan, Jigmeling (Bhutan) – Alipurduar (India) 400kV D/C (Quad) transmission line is under implementation.

8.2.3 Interconnections with Bangladesh

- Baharampur (India) – Bheramara (Bangladesh) 400kV D/C 2nd transmission line is under implementation.
- Katihar (India) – Parbotipur (Bangladesh) – Bornagar (India) 765kV D/C transmission line is under discussion.
- Upgradation of Surajmaninagar - Comilla D/C line at 400kV alongwith 500MW HVDC Back to Back at Comilla.

9.0 CONNECTIVITY, LONG TERM ACCESS (LTA) & MEDIUM TERM OPEN ACCESS (MTOA)

POWERGRID as CTU, being the nodal agency for processing & grant of Connectivity, Long Term Access (LTA) and Medium Term Open Access (MTOA) has granted Connectivity to 449 nos of eligible applications for a quantum of about 1,86,597 MW and has granted LTOA/LTA to 237 nos applications for a quantum of about 1,05,122 MW so far. In addition, based on the transmission capacity margins availability, the MTOA has also been granted to 138 nos of applications for a total quantum of about 14,517 MW by 31st March 2019.

10.0 QUALITY MANAGEMENT

Quality Management System has been implemented in the Company, adopting best practices to ensure quality of goods procured as well as quality of physical works in the field. To accomplish this, apart from procuring goods at competitive prices and revision of technical specifications, lot of efforts have been put on quality assurance and various measures have been taken as mentioned below:

- Developed and maintained systems and procedures aligned with integrated management system comprising ISO 9001: 2015 for Quality Management System, ISO 14001:2015 for Environmental Management System and OHSAS 18001:2007 for Occupational Health and Safety Management System. BSI Group India has maintained the certification after rigorous audits. Systems were also audited for maintenance of Social Accountability Standard, SA: 8000, Energy Management Systems as per ISO: 50001 and Information Security Management Systems as per ISO:27001.
- With a target to move towards zero product inspection as per POWERGRID quality policy, inspections at some of the manufacturing units of towers, conductor, cables, transformer oil etc. were reduced after thorough process audits as per standardized guidelines. Man-days saved were used for process audits at other manufacturing units for system improvements.
- Special program was conducted wherein QCI-MSE meet for ZED i.e., Zero Defect Zero Effect was organized. Program was a huge success and was appreciated by all Medium and Small Enterprises (MSE) and Quality Council of India (QCI) team.
- To ensure availability of spares for ease of maintenance, efforts have been made over the years towards indigenisation, due to which most of 765kV Class Transformers/ Reactors/other equipment and even some of GIS equipment are presently being supplied from India itself. New plants and facilities have been set-up in India by a number of foreign manufacturers for equipment like GIS equipment upto 765kV, Optical Ground Wires (OPGW), 765kV reactors, STATCOM etc., thus contributing to 'Make In India' program.
- The Company promoted a number of existing vendors to upgrade their equipment to higher voltage level & cover more items to increase vendor base thus creating more competitive environment.

11.0 INFORMATION TECHNOLOGY AND ENTERPRISE RESOURCE PLANNING

11.1 As part of continued efforts towards paper-less office, transparency and digitalization of communication, the e-office system has been implemented and made operational. Online web-streaming facility has commenced for training programs. This facilitates live participation across the country and also helps in archiving of training sessions in document repository for future references.

11.2 The ERP System implementation has been successfully completed in all regions in phases. The additional functionalities have also become operational in the integrated ERP system as discussed herein below.

11.2.1 As part of digital initiative, POWERGRID Online Payment Utility (POPU) application Portal has been developed for receiving all types of payments to POWERGRID. This has resulted in 100% digitalization of payment receipts by POWERGRID.

11.2.2 All payments being made by POWERGRID have been totally centralized with ERP system. This facilitated better management of working capital and cash-flow needs at optimal levels in a cost-effective manner.

11.2.3 Company's establishments throughout the country have been facilitated with biometric attendance system, which has been integrated with ERP system

12.0 TECHNOLOGY DEVELOPMENT

During the year, POWERGRID Advanced Research & Technology Centre (PARTeC) commenced its full-fledged operation. The facility is equipped with state-of-the-art laboratories consisting of power system analysis and real time simulation facility, protection, automation and control facility, Wide Area Measurement System (WAMS) facility, Equipment Diagnostics facility, Calibration and Diagnostics facility, Material Science facility and Smart Grid facility. Various studies on power system, substation automation system, Phasor Measurement Units (PMUs), material analysis, equipment diagnosis and calibration are being conducted to cater to the in-house requirement of organization. The facilities are also being used as a training facility for imparting hands-on training programs on substation automation system, smart grid etc. to engineers of the Company as well as of various utilities.

Software system for fault detection of Transformer, based on the data acquired from online Dissolved Gas Analysis sensors installed on various transformers, has been developed in-house. This is being operated at NTAMC and all RTAMCs of the Company. With the use of this system, the Company envisages to take timely action for preventing failures of transformers/ reactors.

A mobile capacitor bank at 33kV level, to meet the needs of distribution companies for utilization at low voltage system conditions, has been developed and successfully field tested in Haryana Vidyut Prasharan Nigam Limited (HVPNL) system. Its effect on distribution system has been studied with respect to the HVPNL system and the results obtained are affirmative.

13.0 SMART GRID AND E-VEHICLE CHARGING

13.1 Smart Grid Knowledge Centre

The Company has established Smart Grid Knowledge Center in association with Ministry of Power, Govt. of India at PARTeC, Manesar. The Centre is equipped with various working models and functionalities pertaining to Smart Grid and aims to bring awareness on the applications of Smart Grid technologies and its demonstration in a holistic manner. The Centre is providing learning environment and capacity building on all major smart grid attributes viz., Advanced Metering Infrastructure, SCADA, Outage Management System, Renewable Integration, Microgrid, Smart Home, EV with Renewable Charging Infrastructure and Cyber Security etc. to the stakeholders.

13.2 Smart Transmission

Towards Smart Transmission, the Company is implementing WAMS based Unified Real Time Dynamic State Measurement (URTDSM) project. This involves placement of PMUs at all 400kV and above substations, generation switchyards of 220kV and above, HVDC terminals and Phasor Data Concentrator (PDC) at SLDCs, RLDCs & NLDC control centres along with OPGW based backbone communication infrastructure.

During the year, 154 nos PMUs (for 44 stations) and 12 nos PDCs at SLDCs and RLDCs were added by the Company to enable synchronous measurement of real time grid parameters across the widely spread grid with low latency in data transfer to control centres, which would be very effective in reliable, secure and economical grid operation. With this, cumulative PMUs and PDCs commissioned by the Company as on 31st March 2019 stood at 1,319 nos. (for 329 stations) and 29 nos (for all RLDCs and 24 SLDCs) respectively.

13.3 EV Charging Infrastructure

The Company is promoting electric vehicles in the country by installing EV chargers & using electric vehicles for office purpose. It has established its first e-taxi charging station at Hyderabad Metro.

14.0 INTEGRATION OF RENEWABLE ENERGY (RE)

Large scale renewable penetration in the grid leads to challenges towards evacuation and its integration. The Company has been working towards implementation of Green Energy Corridors (GEC) - Inter-State Transmission System (ISTS) at 765kV and 400kV level in renewable resource rich states in the country.

The Company has also evolved a comprehensive transmission plan for grid integration of various Renewable Energy Zones (66.5 GW) in the country.

15.0 Renewable Energy Management Centres

To enable forecasting of renewable resources and efficient management of intermittent renewable generation, the Company, on behalf of Govt. of India, is establishing Renewable Energy Management Centres (REMCs) at 11 (eleven) locations in various SLDCs/ RLDCs/ NLDC.

16.0 ENERGY EFFICIENCY

Realising the significance of energy saving aspect of sustainable development, the Company is aggressively pursuing business opportunities in energy saving by way of conducting energy audits of various Govt. as well as private agencies e.g. industries, institutions, commercial establishments, State Transmission Utilities etc. The Company is a BEE Grade-I Energy Service Company (ESCO) for undertaking energy efficiency projects and has a large pool of certified energy auditors/energy managers who are well qualified to offer energy efficiency solutions.

During the year, the Company secured a no. of consultancy assignments in the energy audit business as below:

- Energy auditing of Power Transmission Corporation of Uttarakhand Limited (PTCUL) substations along with assessment of transmission losses.
- Preparation of 14 nos. Investment Grade Energy audit report for various cities under 'Atal Mission for Rejuvenation and Urban Transformation (AMRUT)' Scheme of Govt. of India.
- Energy audit of transmission network of BSES Rajdhani Power Limited (BRPL) through Delhi Electricity Regulatory Commission (DERC).

Futher, the Company, has signed an MoU with Uttar Pradesh Power Corporation Limited for replacement of agricultural pumps, which shall pave the way for ESCO projects in Uttar Pradesh. The Company is also exploring possibility of cooperation with IIT Roorkee to work in the mutually agreed areas such as space cooling, lighting power quality and waste to energy. The Company is also empaneled now with Energy Management Centre, Kerala as an energy auditing agency and is exploring avenues for working together in the areas of mutual interest in Energy Management.

17.0 TELECOM BUSINESS- 'POWERTEL'

Leveraging its country-wide transmission infrastructure, the Company under the brand name 'POWERTEL' is providing a range of services under its Unified License as National Long Distance (NLD) and Internet Service Provider – Category 'A' (ISP-'A') Service authorizations.

The Company has undertaken expansion of the network using 200G DWDM system, to double the existing capacity (12 Tbps) in next two years. The Company is also partnering with last mile connectivity providers and State Electricity Boards for Right of Way (RoW), fiber leasing, etc. to increase its network reach, its presence and potential business opportunities. As a result, the network coverage has increased to more than 60,900 km by the end of FY 2018-19 from about 47,700 km in the previous year.

The Company has been displaying excellent performance in the areas of providing telecom bandwidth, Mutliprotocol Label Switching (MPLS) based Virtual Private Network (VPN), internet and other communication services to Telecom Service Providers, Government departments and enterprise customers. The Telecom Backbone Availability for the FY 2018-19 was 99.98%.The Company has a strong portfolio of diverse customers due to its excellent availability and reliability. A number of customers from various segments have reposed their trust in the reliability of Telecom Services rendered by the Company by continuing to place the orders on it on long term basis. This has resulted into continuous growth of revenue from Telecom business in spite of consistently falling tariffs.

17.1 Bharat Net

In line with the vision of the Government to connect 250,000 Gram Panchayats (GP) under 'Bharat Net' towards digital India, the Company, under its scope, is laying optical fibre cables to connect to Gram Panchayats, wherever required. As per the revised scope of work under Phase-I, 39 districts spread across 5 States viz., Andhra Pradesh, Telangana, Himachal Pradesh, Jharkhand & Odisha, covering 10,436 GPs, have been allotted to the Company, by Bharat Broadband Network Limited (BBNL). Out of these, 9,793 GPs have been connected on fibre by the end of FY 2018-19.

In Phase-II of project, the Company has been assigned the work of development of network in 2 states, i.e. Uttarakhand (5,706 GPs) and Himachal Pradesh (2,994 GPs). Survey work and tendering activities of contracts for implementation of projects are under progress.

17.2 Enterprise and Internet Service Provider (ISPs) Business

Connectivity to Enterprise Segment Customers is provided on Company's MPLS Cloud. The Company provides both Layer-2 and Layer-3 VPNs with port capacity ranging from 2 Mbps to 10 Gbps.

Company is peered with global content providers for providing IP Transit services to ISPs. The IP Transit service reduces cost and enhances service quality of hosted content for ISPs and in turn facilitates them to offer better internet services to their users in a cost effective manner.

17.3 Telecom Tower Business

With a view to increase the Company's telecom services portfolio and to provide a green and clean solution to bridge the urban-rural telecom divide in the country, it has been exploring the use of its transmission towers as telecom towers and also to provide power to the associated telecom equipment viz., mobile antennae, MW antennae, electronic equipment etc., placed on the tower. The Company had undertaken a pilot in this regard in 2017 which has been in successful operation since then. Subsequently, the Company had approached the regulator, CERC for its approval for utilization of transmission assets for telecom tower business. CERC has recently allowed POWERGRID to go ahead to provide transmission line towers for Telecom application with suitable revenue sharing with the beneficiaries. Company's extensive transmission tower network will provide backbone telecom network and will eliminate the location disadvantage of small distant towns towards accessibility and affordability of high speed internet.

17.4 POWERGRID is endowed with attributes essential for Data Centre business viz., reliable power, telecom connectivity and secure space. Accordingly, the Company is working on a business strategy for Data Centre business opportunity.

18.0 BUSINESS DEVELOPMENT & CONSULTING SERVICES

Utilising its expertise in project management as well as technical capabilities established over the years in the core areas of power transmission, sub-transmission, distribution management, load dispatch and communications, Smart Grid etc., the Company is providing its services as consultant/ training partner to various agencies within as well as outside the Country.

18.1 Domestic Market

During the year, the Company successfully commissioned the prestigious and challenging 220kV Srinagar- Alusteng-Drass-Kargil–Leh Transmission Project. The project was implemented by the Company on behalf of Govt. of India, as Project Management Consultant. With its commissioning, the strategically important Ladakh region of Jammu & Kashmir has now been electrically connected to the ISTS (Northern) Grid. The project was dedicated to the Nation by Hon'ble Prime Minister on February 3, 2019.

Besides, on behalf of Govt. of India, the Company is also implementing, as a Consultant, important projects in difficult geographic terrains of Sikkim and NER. Under the NER Power System Improvement Project (NERPSIP), funded by The World Bank & Govt. of India, transmission schemes in 6 States of NER are being implemented. During the year, 23 elements were commissioned including transformation capacity addition of 312 MVA. Further, the Company is acting as Consultant to Govt. of India for its 'Comprehensive Scheme for Strengthening of Transmission & Distribution in Arunachal Pradesh & Sikkim' project.

The Company received about 50 new consultancy assignments in domestic market during FY 2018-19. The major consultancy assignments during the year 2018-19 include:

- Implementation of Smart Grid Projects in 19 Towns of Jammu & Kashmir under Prime Minister Development Package (PMDP).
- Construction of substation bays at POWERGRID substations (ISTS Grid) for injection of power from various renewable (Wind & Solar) developers.

- Diversion works of various transmission lines of POWERGRID infringing the corridor of 'Purvanchal Expressway', being constructed by Uttar Pradesh Expressways Industrial Development Authority (UPEIDA)
- Diversion works of various transmission lines of POWERGRID for National Highways Authority of India (NHAI).
- Diversion of 25 transmission lines in Gujarat & Maharashtra for upcoming high speed rail Corridor from Ahmedabad to Mumbai (Bullet Train Project).

The Company has entered into a Memorandum of understanding (MoU) with Neyveli Lignite Corporation (NLC) for development of Neyveli Township of NLC as mini Smartcity having all attributes of Smartcity.

18.2 International Market

On the International front also, the Company has been providing consultancy to various clients. During the year, the Company successfully completed the following Consultancy assignments:

- Prestigious 'CASA 1000 Project' planned for export of surplus power to Afghanistan & Pakistan from hydroelectric projects of Kyrgyzstan & Tajikistan.
- Second Block of 1x500MW HVDC back to back station at Bheramara (Bangladesh) to facilitate enhancement of interconnection capacity between India and Bangladesh.

Power Grid Company of Bangladesh (PGCB) placed another order for providing consultancy services for establishment of 500MW HVDC Back-to Back station, interconnecting Surajmaninagar (India) and Comilla North (Bangladesh).

During the year, the Company secured ten nos of consultancy assignments, which include 'Project Management Consultancy Services for Transmission System associated with Arun-3 HEP in Nepal', consultancy services for Design & Construction of 400kV D/C Transmission line associated with Punatsangchu-I and II Hydroelectric projects, study tour to India for delegates of Southern African power Pool etc.

The Company has signed a Memorandum of Cooperation with Korea Electric Power Corporation (KEPCO) for a period of two years to promote bilateral cooperation, explore the business opportunities and develop business in power sector. Areas of cooperation shall cover transmission lines & substations construction, O&M, power system reliability and efficiency enhancement, Smart Grid including AMI, EV charging, micro grid etc.

19.0 CONTRIBUTION IN GOVT. OF INDIA SCHEMES FOR DISTRIBUTION REFORMS

The Company has been making valuable contribution in Govt. of India's schemes related to distribution reforms in the Country.

The Company has achieved its assigned targets of releasing service connections in the States of Odisha, Uttar Pradesh, Jammu and Kashmir by December 2018, under the Govt. of India mission of connecting each and every household.

19.1 Rural Electrification (RE) works under Deen Dayal Upadhyaya Gram Jyoti Yojana (DDUGJY)

Under GoI's DDUGJY/ Prime Minister's Development Package (PMDP) for rural electricity infrastructure and household electrification, the Company has so far implemented infrastructure work for rural electrification in ninety five (95) districts of Ten (10) States in the country at a cost of about ₹10,802 crore. Till date, total infrastructure has been created for electrification of 87,838 nos. villages (including partially electrified & un-electrified villages) and service connections have been provided to about 49.49 lakhs BPL households.

Further, RE works under DDUGJY/PMDP schemes in 8 districts of J&K are also in progress where the scope includes 4 nos 33kV substations in Jammu, 5 Nos 33kV substations in Kashmir and 2 nos 66kV & 2 nos 33kV substations in Leh & Kargil areas.

Progress of RE works in FY 2018-19 is as below:

19.1.1 RE Works in Odisha

Village infrastructure was completed in 4,249 villages and 4,98,197 service connections were provided. Augmentation work of 64 nos 33kV substations, out of total 89 substations completed.

19.1.2 RE Works in J&K

Village infrastructure was completed in 190 villages and 6,040 service connections were provided. Work in 2 substations of 33kV in Jammu and 1 substation in Kashmir is in progress.

19.1.3 RE Works in Uttar Pradesh

Village Infrastructure was completed in 345 villages and 17,380 service connections were provided. Augmentation work of 5 nos 33kV substations was completed and 2 new 33kV substations have also been charged.

20.0 CONSERVATION OF LAND AND ENVIRONMENTAL CONCERNS

Transmission projects are considered by and large environmentally benign due to the fact that they don't involve disposal of any pollutants/ waste in various environmental matrices, i.e. air, water or soil. Nevertheless, the Company, being a responsible corporate entity, addresses any residual environmental or social impacts associated with its business following the cardinal principles of Avoidance, Minimization and

Mitigation as outlined in its Environmental and Social Policy & Procedure (ESPP). In doing so, it leverages the role of technology by not only adopting the existing modern technological tools and technologies developed in different parts of the world but also emphasizes on in-house technology development meeting the national requirement.

In a country like India, which caters to 18% of the world population, while having 2.4% of world's land mass, conflicts related to land resources are not uncommon due to presence of different competing user groups. The Company, as a firm believer in addressing the pressing social needs of the society, has always been forthcoming in up gradation and adoption of new and better technologies such as Gas Insulated Switchyard (GIS) which requires lesser area compared to the traditional Air Insulated Switchyard (AIS). Additionally, it has taken a policy decision to secure land for its substations through direct purchase on willing buyer-willing seller basis on market/negotiated rate to avoid public resistance and court intervention faced during land acquisition. Land for Jeerat, Chandauti, Saharsa & Sitamarhi substations were secured through this method during the year.

Another area where it is able to make significant contribution in reducing land requirement is Right of Way (RoW) through innovative tower designs such as special compact tower, pole type tower and Multi-circuit towers. These technological interventions not only reduced the requirement of precious land resources and social risks to projects but also helped in preservation of environment by minimizing forest and vegetation involvement. Further, construction of High Capacity Power Transmission Corridors (HCPTCs) for transmitting power at higher voltage levels (765kV HVAC, $\pm$800kV HVDC) not only reduced transmission losses but also ensured transmission of more power per unit of RoW (MW/meter of RoW).

In the area of environmental preservation also, adoption of new and modern technologies has helped the Company by putting it firmly on the path of Sustainable Development. In addition to technologies indicated above, adoption of tools like Remote sensing and GPS has resulted in the selection of most optimum route for the transmission lines, thus, avoiding/ minimizing environmentally sensitive areas such as Forest, Protected Areas, important wetlands, important Bird and Biodiversity Areas, elephant corridors etc.

Another key initiative to reduce environment footprint includes up gradation of existing lines by reconductoring them with advanced conductors to enhance the carrying capacity of such lines. This has helped in saving lot of forest and tree cover which might have been affected, if new lines were to be constructed for such enhanced transmission of power. Recognizing the importance of solar power in combating Climate change and in-line with GOI's commitment towards Paris Agreement, the Company is in the process of installing 5 MWp Rooftop Solar PV Systems in its premises, covering more than 50 locations. This initiative will result in saving of 7-8 million units (MUs) of Grid connected energy per annum, thereby, reducing atmospheric emission of 35,916 mT of CO_2 per year. Another significant innovation done by the Company is the use of inductive power in earth wire for powering of telecom antennas. This inductive power which otherwise goes waste will eliminate the use of DG sets (a constant source of pollution and Green House Gas emission) for powering of telecom Base Transceiver Station (BTS) units. The technology has been successfully tested at pilot scale and regulatory approval of the CERC has also been received. Other initiatives in this direction are making Rain Water Harvesting an integral part of substation design, installation of LED bulbs & solar street lighting in substation, fuel catalysts devices for Diesel Generator (DG) sets etc., which further strengthened the Company's agenda of sustainable development.

21.0 CORPORATE SOCIAL RESPONSIBILITY

The Company discharges its Corporate Social Responsibility (CSR), by committing itself to contribute to the society, through initiatives that have positive impact on society at large, especially the community in the neighbourhood of its operations. The main objective of CSR initiatives is improvement in the quality of life of marginalized and under-privileged sections of the society residing around its areas of operation. With this approach, the Company carries out various CSR activities with thrust on Rural Development, Infrastructural Development, Skill Development, Health, Education, Environment etc.

During FY 2018-19, the Company spent ₹195.52 crore and sanctioned more than 200 CSR projects of value of approx. ₹360 crore, that will be executed over the next 2-3 years. Focus area of the Company's CSR activities during FY 2018-19 were education and health initiatives in line with Govt. of India targets besides infrastructure development in rural areas like construction of community centres, internal roads, culverts as well as projects like installation of solar street lights, drinking water facility etc. The company provided ambulances, conducted health check-up camps and provided infrastructural support to government hospitals/ Community Health Centre/Primary Health Centre, etc. and organized livelihood generating skill development programmes for youths through various government agencies.

To help economically weak patients and their attendants, creation of patient support infrastructure at prominent health centres, like AIIMS, State Govt. Medical Colleges, and Hospitals etc., has been given special focus over the last few years. In this direction, the Company has constructed 300 bedded 'POWERGRID Vishram Sadan' at J.P. Apex Trauma Centre, AIIMS, New Delhi, which was dedicated to the nation by the Hon'ble PM on 29th June, 2018. Seven more 'POWERGRID Vishram Sadans' are being established in the Govt. hospitals at Lucknow, Patna, Guwahati, Ranchi, Bengaluru, Darbhanga and Vadodara, where outpatients from distant locations approach for specialised medical treatment.

During the year, Company participated in 'Swachh Bharat Abhiyan', as a part of Swachhta initiative. Besides construction of toilet blocks in Government schools, construction of individual households' toilets for development of primitive tribal groups was also taken up across the Country. 'Swachhta Pakhwada' was also observed in all units of the Company across the Country.

The Company has its owned and operated Skill Development Centres in eight of its Substations in Assam, Manipur & West Bengal, which impart training on Transmission Line Tower Erection. Besides, the Company has also tied up with Indo-German Institute for Advanced Technology (IGIAT), Vizag and Indo German Tool Room (IDTR), Indore for imparting high-end skill training to youths on a residential basis in their campus. About 1,100 youths were trained during FY 2018-19 and most of them are gainfully employed

Details of the CSR policy are available on Company's website, at http://10.100.18.171/sites/default/files/CSR_Policy_2015_0.pdf. The Annual Report on our CSR activities is enclosed as Annexure XI of the Directors' Report.

22.0 CITIZEN'S CHARTER

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

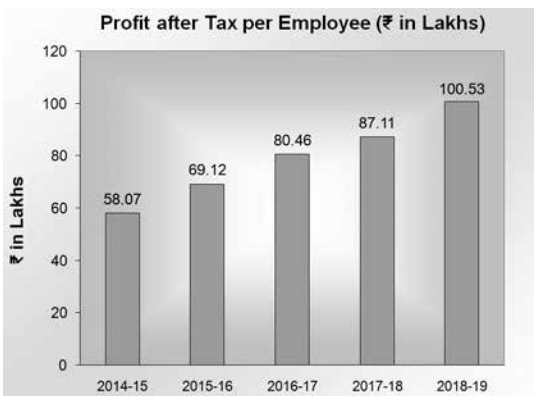
23.0 OUR PEOPLE - OUR STRENGTH

The Company, being a service organisation, has always recognised People as its core strength and it firmly believes that employee growth and organizational growth move in sync and this can be delivered largely through a well-articulated learning and development system within the organization together with a culture of mutual respect and trust.

As on March 31, 2019, the employee strength of the Company stood at 9,255 as against 8,900 on March 31, 2018, which is exclusive of the employees on Contract.

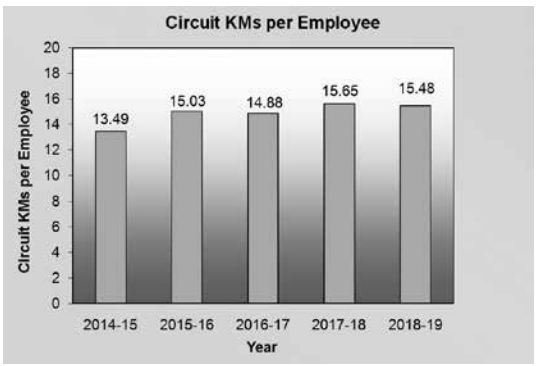
23.1 Human Resource Development

Committed to the cause of continuous learning and development of its people, the Company has established 'POWERGRID Academy of Leadership (PAL)', a state-of-the-art, world class institute at its Manesar complex near Gurgaon. The facility provides a wide range of training including induction, hands-on, managerial and behavioural programs to its employees. These programs, in the electricity sector, cover areas such as sector overview, transmission technology & system management, hotline maintenance, Smart Grid & Distribution Management, behavioural/ leadership development programs etc.



During the year, the Company conducted 825 training and development programs, at its PAL facility, its Employee Development Centres in regions and also at premium educational institutes and centres of learning in India and abroad. Further, the Company's web based competency based training management system has been upgraded with updated competency directory. An android-based mobile app 'PAL Manesar' has been developed to make it easy for employees to access many web based applications from their handheld devices.

In FY 2018-19, the company carried out a current state assessment of its HR processes and practices against the globally acclaimed People Capability Maturity Model (PCMM) framework. The company was one of the few organisations in Public Sector assessed to be at Maturity level 3. The existing HR Processes and practices in the company are being further strengthened and upgraded in line with PCMM. Through PCMM implementation, the company aims to streamline and align its policies and practices to global best practices. PCMM's emphasis on commitment, measurement and improvement will lead to a stronger foundation for continual business excellence through workforce and process capability improvement.



The Company is also leveraging its people capabilities and the physical infrastructure at PAL to provide customised functional and behavioural programs on consultancy basis to external (domestic and international) stakeholders also. Training programs carried out through Ministry of External Affairs (MEA) for South African Power Pool comprising a number of South African nations and Capacity Building & Institutional Strengthening (CBIS) programs for North Eastern States were some important training assignments taken up during the year.

23.2 Employee Welfare

The Company is continuously updating its welfare policies in line with industry trend and to meet the changing needs for its employees. Issues are successfully addressed through the National and Regional Bipartite Committee (PNBC/PRBC), a joint consultative forum comprising management and workmen representatives elected through secret ballot. Wage Revision of Executives, Supervisors and Workmen effective from 1st January, 2017 has been implemented during the year.

23.3 Grievance Redressal

Grievance redressal is always taken-up on priority in the Company. Both employee grievance and public grievance are given utmost importance and efforts are made to resolve them promptly. A dedicated team monitors and ensures grievances are redressed timely and impartially under strict & unbiased framework after thoroughly analysing the facts and data. The same is reviewed regularly by

the senior management. The employee grievance is accorded top priority and the Company has a 3-tier structure for expeditious resolution of grievance within the broad framework of policy guidelines.

23.4 Ensuring Social Justice

The Company has constituted a separate cell to look after and safeguard the statutory provisions for SC/ ST/ OBC & Persons with Disabilities (PwD) categories of employees. The reservation cell assists the Liaison Officer who looks after the welfare & safeguard of SC/ ST/ OBC & PWD employees. Liaison Officer also ensures that there is no discrimination on the basis of caste, religion & disabilities amongst the employees. To ensure effective discharge of duties by Liaison Officer across all establishments of the company, separate Liaison Officer for each region has been nominated. The Company implements all directives and guidelines with regard to reservation policy issued by Government of India. Annual inspection is also conducted to ensure implementation of directives issued by GoI. Periodic meeting is also held with representative of the association of SC/ ST and OBC to resolve issues, if any.

The company is also committed to gender diversity and considering that women constitute 7.42% of its total workforce, the Company continuously strives to make the workplace, safe and better, for its women with its policy interventions and learning and development initiatives. The HRD Deptt of the Company also designs specific women-centric programs with focus on empowerment and mentorship for women and special programs are also conducted on the International Women's Day.

23.5 Sports and Cultural Activities

The Company organizes Intra & Inter-regional Sports Competitions for Cricket, Badminton, Volleyball, Athletics, Kabaddi, Football, Chess, Carrom, Table Tennis, Bridge etc. and participates in the Inter-CPSU Sports meets organised under the aegis of Power Sports Control Board. POWERGRID team has emerged winners in Table Tennis, Cricket, Chess (women) and runners up in Volleyball, Badminton (women), Kabaddi and Athletics. One of our employees, Shri J. Mukherjee stood first in National Championship in Para Table Tennis and represented Indian team at the International Paralympic Championship 2019 held in Amman, Jordan and won the Silver medal for the country.

Cultural programs are regularly conducted at various establishments of the Company for promoting healthy community living; and festivals are celebrated collectively by organizing milan samarohs and other activities etc.

24.0 PREVENTION OF SEXUAL HARASSMENT AT WORKPLACE

As per the requirement of the Sexual Harassment of Women at Workplace (Prevention, Prohibitions and Redressal) Act, 2013, and Rules made thereunder, Internal Complaint Committees (ICC) are in place to redress complaints received regarding sexual harassment. The Company has been conducting training/ workshop both for male and female employees sensitising them about the issues and laws relating to Sexual Harassment.

During the year, 05 such training programmes were conducted across the organization. There was no complaint of sexual harassment during the year.

25.0 IMPLEMENTATION OF OFFICIAL LANGUAGE (RAJBHASHA)

The Company is sensitive towards its responsibilities, heritage, social and cultural values. In pursuance of Govt. of India's Rajbhasha Policy to promote Indian languages and Rajbhasha "Hindi", the Company has made all round efforts to integrate and promote use of Hindi in its official works at all levels.

To ensure the increased use of Official language, various activities such as Annuvad Abhayaas Karyakram, workshops, trainings, motivational programs are organized in the Company. Computer trainings are imparted to enhance the working knowledge in Hindi on computers. Hindi classes are also being organized for non-Hindi speaking employees through Hindi Teaching Scheme. Lectures on heritage, social and cultural concerns are also being delivered by eminent scholars on regular basis to motivate the employees towards increased working in Hindi.

Various activities are undertaken to publicize the Rajbhasha, e.g. Akhil Bhartiya Rajbhasha Sammelans, Technical conferences in Hindi, Kavi Sammelans (Poetry sessions), Plays, publication of monthly articles in Hindi via emails etc. Also, various Hindi competitions are being conducted in the organization throughout the year with special emphasis during Hindi Pakhwada, Swachchta Pakhwada, Vigilance Awareness Week, Qaumi Ekta Saptaah, Pt. Deen Dayal Upadhyay Janmshati Diwas etc. along with departmental meetings as well as Official Language Implementation Committee (OLIC) meetings. The Company's Hindi library is considered as one of the best Hindi libraries among Public Sector Undertakings. More than 14,500 books, 53 Hindi Magazines on various topics and 16 Hindi daily newspapers are available for the employees.

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

For creating awareness among the employees, and to motivate them to maximise use of Hindi in official works and for publicity of official language, All India Official Language Conference Cum Technical Seminars were organised at eight places during the year by the Company. During the daylong events, employees from different regions of the Company along with various member offices of Town Official Language Implementation Committee participated where different sessions on official language, as well as on technical topics e.g. health, information technology etc. and multi-topic quiz were held.

The efforts made by the Company were recognised in several fora during the year 2018-19. Various awards were conferred by different Town Official Language Implementation Committee (TOLICs) under the aegis of Ministry of Home Affairs, Govt. of India regarding best

Implementation of Official Language. Besides, Company's efforts were also appreciated during various inspections and discussions of the Hon'ble Committee of Parliament on Official Language and by Hindi Advisory Committee meetings on different occasions.

26.0 STAKEHOLDER ENGAGEMENT & CORPORATE IMAGE

The Company has been persistently working towards building a long term sustainable relationship with its stakeholders and it has always believed that reliable and timely communication is the hallmark of stakeholder engagement.

For internal stakeholders, communication streams such as e-magazines like Communiqué and Cue; display magazine LOUNGE and quarterly magazines published by regional offices regularly apprise the employees about the developments, achievements, events, and also the viewpoints of management.

Regular interactions between management, analysts and other stakeholders have been instrumental in bringing transparent work culture in the organization. Evocative films and documentaries, made on specific projects (Srinagar Leh Transmission System and IPDS works in Varanasi) captured and highlighted the hard work and project management skills of the workforce of the Company.

The Company also regularly participates in various domestic and international exhibitions and during the year 2018-19, it participated in such conferences including those in Myanmar, Nigeria, Russia and Abu Dhabi where it displayed its competencies and capabilities.

27.0 RIGHT TO INFORMATION

In compliance to 'Right to Information Act, 2005', an appropriate mechanism is in place across the Company for promoting transparency and accountability, wherein the Company has nominated Central Public Information Officer / Appellate Authorities at its Corporate Office and Regional offices across the country to provide required information under the provisions of Act.

Further, for effective processing, monitoring, and management of RTIs and Appeals, a web-based online RTI Portal has been developed in POWERGRID. The RTI portal is envisaged to facilitate timely reply of RTI/ Appeal to the applicant by real time monitoring of RTIs / Appeals. Also, the portal facilitates in generation of various RTI reports, knowledge sharing with regard to replies, latest RTI circulars and guidelines etc.

In FY 2018-19, total 1,501 nos. of RTI applications were received in the Company and processed as per the Act. RTI Awareness Programs/ Workshops were organized in different regions to apprise the employees with latest updates on the RTI Act, 2005 and Central Information Commission (CIC) decisions.

28.0 COMMITMENT TO TRANSPARENCY & VIGILANCE FUNCTION

Recognizing the importance of good governance, the Company advocates the principles of Transparency, Probity and Ethics in its management functioning. The Vigilance Department of the Company functions as an integral part of the management. The department ensures that best ethical practices are followed in the organization.

- **Emphasis on Preventive Vigilance**

  Although the Vigilance Department performs preventive, proactive, as well as punitive functions to strengthen the organizational process and to minimize the malpractices in various systems and activities of the organization, the emphasis is on preventive and proactive vigilance. While preventive vigilance focuses on whether the right type of systems exist or need to be re-engineered, proactive vigilance aims at the identification of opportunities and in taking pro-active action against potential threats.

  During FY19, 47 surprise inspections and 59 Chief Technical Examiner (CTE) Type inspections/ process-on-line inspections were conducted. Pursuant to Vigilance inspections and observations/recommendations, many system improvements in various functions of the organisations have been implemented.

- **Preventive Vigilance Workshops as part of Capacity Building**

  As part of Capacity Building, Workshops on Preventive Vigilance were conducted at the Corporate Centre as well as at various Regions of the Company. During the year, 23 Preventive Workshops were conducted for 690 non-vigilance personnel. The Preventive Vigilance Workshops contain module of Ethics Management which enables the employees to identify and deal with ethical dilemma.

- **Vigilance Awareness**

  In pursuance of the directions of Central Vigilance Commission, the Vigilance Awareness Week 2018 was observed by POWERGRID in all its offices across the Country from 29.10.2018 to 03.11.2018 in line with the theme for this year "Eradicate Corruption- Build a New India".

  Vigilance Awareness Week was celebrated with great enthusiasm and fervour across all offices in India and abroad along with the management, its employees and their family members.

  The Week commenced with the Integrity Pledge in Corporate Office and across all offices of the Company and was extended to all the stakeholders. To sensitize the next-gen to the ethical values, a number of activities were organized in more than 350 schools and colleges involving more than 40,000 students.

  Walkathons were conducted in around 200 establishments wherein the employees along with their families participated holding placards on integrity, honesty etc. Nukkad Natak with the theme of integrity and transparency were organized in prominent places involving more than 20,000 people. 'Awareness Gram Sabhas' were conducted touching more than 15,000 villagers for dissemination of awareness in Gram Panchayats to sensitise citizens on the ill- effects of corruption. CANDOUR, the official journal of POWERGRID Vigilance department was released during the Vigilance Awareness Week. In line with Go Green Initiative of the Company, the journal was released in digital form (e-CANDOUR).

29.0 DISASTER MANAGEMENT

The Company has always been at forefront when it comes to contribution in restoration of the power system as well as providing manpower and relief material in any area hit by natural calamity. In August 2018, when devastating floods caused major damages in the State of Kerala and the distribution system of Kerala was affected, the Company provided assistance in restoration of system by setting up on - Site testing facility and repair workshops for distribution transformer at Kochi, Trichur and Pathanamthitta. Restoration of 110 kV Neriamangalam- Kuthungal line was done by directly connecting to substation through stringing across the river. Replacement of medical equipment in Govt. Hospital at Pampa- Sabarimala along with restoration of the Hospital was also carried out. In addition to this, support was also extended by supplying common relief material in flood - affected districts.

The employees of the Company also supported in the rebuilding efforts through contribution to Chief Minister's Relief Fund and supporting the cleaning up activities.

30.0 PROMOTION OF MICRO, SMALL AND MEDIUM ENTERPRISES (MSMEs)

In line with Govt. of India directives for promotion of MSMEs, the Company has been complying with the guidelines. The Company has been registered on Trade Receivable e-Discounting System (TReDS) platforms of Receivable Exchange of India Limited (RXIL). Trade Receivables Discounting System (TReDS) is the scheme for facilitating the financing of trade receivables of MSMEs from corporate and other buyers, including Government Departments and Public Sector Undertakings (PSUs), through multiple financiers. The Company is continuously pursuing with its MSME suppliers to get themselves on-boarded on TReDS Platforms, for which detailed guidelines have been provided in 'Tender' section of the Company's official website www.powergridindia.com. Suitable provisions have already been incorporated in the Bidding Documents of the company for procurements of various products produced and services rendered by Micro and Small Enterprises in line with amendment to the Public Procurement Policy (Order 2012) in November 2018. The company has achieved the target of mandatory procurement of 25% out of total annual purchases of products and services rendered by Micro and Small Enterprises in line with Public Procurement Policy (Order 2012) read in conjunction with its amendment in November 2018. Total eligible value of annual procurement of goods produced and services rendered by MSEs (including MSEs owned by SC/ST and women entrepreneurs) for financial year 2019-20 is projected to be in the range of ₹ 1,000 crore.

Further, to encourage and develop Micro and Small manufacturers for supply of innovative & quality products, MSE vendor development programs were conducted during the year at various locations across the Country, wherein presentations were made and discussions were held with numerous small manufacturers of our Country. A number of Micro, Small & Medium Enterprises have been developed as sub-vendors and approved for supply of components for various equipment.

31.0 MANAGEMENT DISCUSSION AND ANALYSIS

In addition to the issues stated in the Directors' Report, some issues have been brought out in report on Management Discussion and Analysis placed at **Annexure-I** and forms part of the Financial Report.

32.0 BUSINESS RESPONSIBILITY REPORT

The Business Responsibility Report, as stipulated under Regulation 34 (2) of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015, is given in **Annexure-II** and forms part of the Annual Report.

33.0 CONSERVATION OF ENERGY, TECHNOLOGY ABSORPTION AND FOREIGN EXCHANGE EARNINGS AND OUTGO

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

34.0 RISK MANAGEMENT POLICY

Information on Risk Management Framework is covered in the Management Discussion and Analysis Report attached as **Annexure-I** of this Report.

35.0 INTERNAL FINANCIAL CONTROLS AND ADEQUACY

The Board has adopted policies and procedures for ensuring the orderly and efficient conduct of its businesses, including adherence to the Company's policies, the safeguarding of its assets, the prevention and detection of frauds, error reporting mechanism, the accuracy and completeness of the accounting records and the timely preparation of reliable financial disclosures.

36.0 STATUTORY AUDITORS OF THE COMPANY

The Statutory Auditors of The Company are appointed by the Comptroller & Auditors General of India. M/s S. K. Mittal & Co., M/s R. G. N. Price & Co., M/s Kothari & Co. and M/s Parakh & Co. were appointed as Joint Statutory Auditors for the financial year 2018-19.

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

37.0 COMPTROLLER AND AUDITOR GENERAL'S COMMENTS

Company has received 'NIL comments on the accounts for the year ended March 31, 2019 by the Comptroller and Auditor General of India under Section 143(6) of the Companies Act, 2013. Copy of the same is attached as **Annexure - IV** to this Report.

38.0 SECRETARIAL AUDITOR

Kumar Naresh Sinha & Associates, Practising Company Secretary has conducted Secretarial Audit of the Company for the financial year ended March 31, 2018. The Report forms part of this Annual Report **(Annexure-V).**

The Secretarial Auditor have reported that during the period under review, the Company has generally complied with the provisions of the

Act, Rules, Regulations, Guidelines, Standards, etc. mentioned above subject to the observation that:

"Provisions of Regulation 17(1) of Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015 and Para 3.1.4 of DPE Guidelines on Corporate Governance with regard to Composition of the Board of Directors have not been complied with during the financial year under review."

The explanation, on the observation of Secretarial Auditors, is as under:

Your Company, being a Government Company within the meaning of Section 2(45) of Companies Act,2013, the power to appoint Directors on the Board vests with the Govt. of India. Against the requirement of seven Independent Directors on your Company's Board during the year, five Independent Directors were on the Board. Thus, the Company has not been able to comply with provisions of Regulation 17(1) of SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 and DPE Guidelines on Corporate Governance with regard to Composition of the Board of Directors during the financial year under review. The matter is being pursued with the Administrative Ministry for filling up of existing vacancies of Independent Directors.

39.0 COST AUDITORS OF THE COMPANY

The Company appointed M/s R. M. Bansal & Co., Cost Accountants and M/s Chandra Wadhwa & Co., Cost Accountants as Cost Auditors for the Financial Year 2018-19 under Section 148 of the Companies Act, 2013.

The Cost Audit Reports for the FY 2018-19 will be filed with the Cost Audit Branch, Ministry of Company Affairs before due date.

40.0 EXTRACT OF ANNUAL RETURN

In accordance with Section 134 (3) (a) of the Companies Act, 2013 an extract of the Annual Return, in the prescribed format in MGT-9, is given as **Annexure VI** of this Report.

41.0 COMPANY'S BOARD

The composition of Board of Directors underwent some changes during the year 2018-19.

Shri I.S. Jha demitted the office of Chairman & Managing Director on 21st January, 2019, consequent on his appointment as Member, Central Electricity Regulatory Commission. The Board, on its behalf & all the employees of the Company, placed on record their deep sense of appreciation and gratitude for his valuable contribution and commitment to take the Company to new heights.

The Ministry of Power, vide Office Order dt. 21.01.2019, entrusted the additional charge of post of Chairman & Managing Director (CMD) to Shri Ravi P. Singh, Director (Personnel) for period of three months. The Ministry of Power, vide Office Order dt. 13.06.2019, has further extended tenure of Shri Ravi P. Singh as CMD for a period of six months w.e.f. 21.04.2019 or till the appointment of a regular incumbent, or until further orders, whichever is the earliest.

Shri Prabhakar Singh, Director (Projects) also demitted the office on 30th June, 2018, upon attaining the age of superannuation. The Board acknowledges the contribution of Shri Prabhakar Singh in various roles he handled during his tenure. Mrs. Seema Gupta, Director(Operations) was given the additional charge of the post of Director (Projects) vide Office Order of MoP dt. 09.07.2018 for a period of three months. Shri R. K. Chauhan, assumed the charge of Director (Projects) with effect from 23rd August, 2018.

Ms. Bharati, Joint Secretary, MoP ceased to be Govt. Nominee Director on 13.02.2019. Shri Vivek Kumar Dewangan, JS & FA, MoP, who was on the Board of the Company since 26.04.2018 ceased to be Govt. Nominee Director on 07.06.2019. The Board places on record its appreciation for the valuable contribution, guidance & support given by Ms. Bharati and Shri Dewangan.

Shri Ghanshyam Prasad, Chief Engineer, Ministry of Power, was appointed as Govt. Nominee Director on 01.03.2019.

Shri Sunil Kumar Sharma and Mrs. A. R. Mahalakshmi were appointed as Independent Directors w.e.f. 23.07.2018 and 26.07.2018, respectively vide Ministry of Power Office Order dt. 17.07.2018.

Shri J. I. Patel, Independent Director appointed w.e.f. 17.11.2015 for a period of three years vide GOI Order dated 17.11.2015. Shri Patel was reappointed for further period of one year from the completion of his earlier tenure.

Shri M. N. Venkatesan, appointed as an Independent Director w.e.f. 11.07.2019 for a period of three years vide GOI Order dated 11.07.2019

Shri Anurag Agarwal, AS&FA, Ministry of Power, appointed as a Govt. Nominee Director on the Board of POWERGRID w.e.f. 27.06.2019 ceased to be Director on 12.07.2019.

In accordance with the provisions of the Companies Act and the Articles of Association of the Company, the resolutions w.r.t. reappointment of Shri Ravi P. Singh (DIN: 05240974) as Director liable to retire by rotation; appointment of Shri Rajeev Kumar Chauhan (DIN: 02018931) as Director; reappointment of Shri Jagdish Ishwarbhai Patel (DIN: 02291361) & appointment of Shri M. N. Venkatesan (DIN: 02126022) as Independent Directors have been included in the Notice of Annual General Meeting.

42.0 NUMBER OF MEETINGS OF THE BOARD

Board of Directors met 13 times during the financial year 2018-19. Details regarding dates and attendance of the Board meetings are provided in the Report on Corporate Governance, which forms part of this Report.

43.0 COMMITTEES OF THE BOARD

The Company has Audit Committee, CSR Committee, Nomination and Remuneration Committee, Stakeholders' Relationship Committee, and some other Committees for operational convenience of the Company. The composition and scope of the aforesaid Committees are provided in the Report on Corporate Governance.

Report on the Corporate Governance **(Annexure-VII)**, together with the Certificate thereon **(Annexure-VIII)** are attached to this Report.

44.0 DECLARATION BY INDEPENDENT DIRECTORS

During the year, all the Independent Directors have met the requirements specified under Section 149 (6) of the Companies Act, 2013 for holding the position of 'Independent Director' and necessary declaration from each Independent Director under Section 149 (7) was received.

45.0 PERFORMANCE EVALUATION OF DIRECTORS

The Ministry of Corporate Affairs (MCA) vide Notification dated 5th June, 2015 has exempted Government Companies from the provisions of Section 178 (2) of the Companies Act, 2013 (the Act), which provides for manner of evaluation of performance of Board, its Committees and Directors by Nomination and Remuneration Committee. The requirement of mentioning a statement on the manner of formal evaluation of performance of directors in Boards' Report as per section 134(3) (p) of the Act has also been done away with for Government Companies, where the directors are evaluated by the Ministry or Department of the Central Government which is administratively in charge of the company, as per its own evaluation methodology. Further, MCA vide its notification dated 05th July, 2017 has made an amendment in the Schedule IV of the Act, whereby it has exempted Government Companies from complying with the requirement of performance evaluation by the Independent Directors of non-independent directors and Chairman and performance evaluation of the Independent Directors by the Board, if the concerned departments or ministries have specified these requirements.

The Department of Public Enterprises (DPE) has laid down a mechanism for performance appraisal of all Functional Directors. DPE has also initiated evaluation of Independent Directors.

The Company enters into Memorandum of Understanding (MoU) with Ministry of Power (MoP) every year wherein Company is evaluated on various financial and non-financial parameters. The performance of the Company & Board of Directors is evaluated by the Department of Public Enterprises in terms of MoU entered into with MoP.

In terms of Regulation 25 of SEBI LODR, 2015, the performance of the Board as a whole and non-independent directors including Chairman & Managing Director were evaluated by the Independent Directors in a separate Meeting held by them on 14th March, 2019..

46.0 POLICY ON DIRECTORS' APPOINTMENT AND REMUNERATION

The Company has framed a policy on the remuneration of the Directors, KMPs and employees as required under the provisions of Section 178 of the Act. The said policy is available on our website at https://www.powergridindia.com/sites/default/files/Investor_Relation/Reports_Filings/Code_of_Conduct_Policies/04_Remuneration%20Policy.pdf

47.0 PARTICULARS OF LOANS, GUARANTEES OR INVESTMENTS

Loans, Guarantees or investments under Section 186 of the Companies Act, 2013 form part of the Notes to Financial Statements (Note No. 58) provided in this Annual Report.

48.0 PARTICULARS OF CONTRACTS OR ARRANGEMENTS WITH RELATED PARTIES

Particulars of contracts or arrangements with related parties referred to in Section 188 (1) of the Companies Act, 2013, in the prescribed Form AOC-2, are given as **Annexure IX** of the Directors' Report. Further, attention of the members is drawn on Note No. 58 of the Financial Statement which sets out related party disclosures.

49.0 SUBSIDIARIES AND JOINT VENTURES

As on 31st March 2018 The Company has 13 subsidiaries and 13 Joint Ventures Companies.

A statement containing salient features of the financial statements of our Subsidiaries and Joint Ventures are covered in the Management Discussion and Analysis and also annexed in the prescribed format AOC-1 as **Annexure X.**

50.0 DIVIDEND DISTRIBUTION POLICY

As per regulation 43A of the SEBI (Listing Obligation and Disclosure Requirements) Regulations, 2015 (the Listing Regulations), the top 500 listed companies shall formulate a dividend distribution policy. Accordingly the policy was adopted to set out the parameters and circumstance that will be taken into account by the Board in determining the distribution of dividend to its shareholders and/or retained profits earned by the Company. The policy is also available on the Company's website https://www.powergridindia.com/sites/default/files/Dividend%20Distribution%20Policy.pdf

51.0 SIGNIFICANT MATERIAL ORDERS

There are no significant and material orders passed by the Regulators or Courts or tribunal impacting the going concern status and Company's operations in future.

52.0 DIRECTORS' RESPONSIBILITY STATEMENT

As required u/s 134(3)(c) & 134(5) of the Companies Act, 2013, The Directors confirm that:

(a) in the preparation of the annual accounts, the applicable accounting standards had been followed along with proper explanation relating to material departures;

(b) the Directors had selected such accounting policies and applied them consistently and made judgments and estimates that are reasonable and prudent so as to give a true and fair view of the state of affairs of the Company at the end of the financial year and of the profit of the Company for that period;

(c) the Directors had taken proper and sufficient care for the maintenance of adequate accounting records in accordance with the provisions of this Act for safeguarding the assets of the Company and for preventing and detecting fraud and other irregularities;

(d) the Directors had prepared the annual accounts on a going concern basis;

(e) the Directors had laid down internal financial controls to be followed by the Company and that such internal financial controls are adequate and were operating effectively;

(f) the Directors had devised proper systems to ensure compliance with the provisions of all applicable laws and that such systems were adequate and operating effectively.

53.0 ACCOLADES & AWARDS

During FY 2018-19, the Company has been conferred following important awards/ accolades:

- Fastest Growing Electric Utility in Asia- for the fifth successive year since 2014, based on **Platts Top 250 Global Energy Company Rankings.** Globally, the Company was positioned as the 3rd Fastest Growing Electric Utility;
- **CBIP Award 2019** for Best Performing Power Transmission Utility for its outstanding contribution to the power transmission sector in the country;
- **CBIP Special Jury Award** for Innovation Excellence in Power Transmission;
- Platinum Prize (1st prize) in Power Sector Category at the **6th FICCI Quality Systems Excellence Award**;
- One of the Top 25 Most Innovative Companies in India at the **5th CII Industrial Innovation Awards 2018** – only power sector CPSE in the list;
- Good Corporate Citizen Award category at **PHD Annual Awards for Excellence 2018**;
- Awards for Overall Best Overall Navratna, Best Navratna in Services and Electricity: Power Transmission categories at **Dun & Bradstreet PSU Awards 2018**;
- **2018 EEI Asia-Oceania Index Award** at EEI (Edison Electric Institute) Global Electrification Forum, for Highest Total Shareholder Returns in Gold Large Capitalization category;
- **BML Munjal Award** for Business Excellence through Leadership and Development for 2018 in PSU Services category;
- Third Prize in Public Sector Enterprises category at the **National Competition for Innovative Training Practices (2017-18)** by Indian Society for Training & Development;
- **India Concord Summit (ICS) 2018 PSU Award** for Best HR Practices by a PSU-Navratna;
- ET2GOOD rating at the second edition of **ET2GOOD 4GOOD Ratings** conferral ceremony for All-Round Excellence in CSR for 2016-17 & 2017-18;
- Gold Certificate for Best CSR Practice at the **Haryana CSR Summit 2018** by Govt. of Haryana;
- Gold Medal for Corporate Social Responsibility presented by the **Hon'ble Governor of Telangana & Andhra Pradesh** and **President of the Indian Red Cross Society**;
- **Best CEO Award** to CMD, POWERGRID in PSU category at Business Today Best CEO Awards
- Felicitation of CMD, POWERGRID at the **PSE Excellence Awards 2018** by Indian Chamber of Commerce;
- Mrs. Seema Gupta, Director (Operations) awarded **Best Contribution Award** at the ITOMS International Conference at Kuala Lampur, Malaysia;
- Winner in the Power category at **Dun & Bradstreet Corporate Awards 2018** and in Power Transmission category at **Dun & Bradstreet Infra Awards 2018**;
- Strategic Performance and Consistent Growth Award at the **6th PSU Awards by Governance Now.**

54.0 ACKNOWLEDGEMENTS

The Board of Directors would like to express their deep sense of appreciation for the guidance and co-operation received from Government of India, particularly Ministry of Power, Ministry of Finance, Ministry of Home Affairs, Ministry of External Affairs, Ministry of Statistics and Programme Implementation, Ministry of Environment, Forests & Climate Change, Ministry of Railways, Ministry of Corporate Affairs, , Central Electricity Regulatory Commission, Appellate Tribunal for Electricity, Central Electricity Authority, NITI Aayog, Department of Public Enterprises, Regional Power Committees, Office of the Comptroller and Auditor general of India, and other concerned Govt. departments/ agencies/statutory authorities at the Central and State level without whose active support, the achievements of the Corporation during the year under review would not have been possible.

The Board also conveys its gratitude to your Company's valued customers, State Governments and State power utilities and other clients, who have awarded various consulting works and reposed faith in Company's capability to handle them. The Board also appreciates the contribution of Contractors, Vendors and Consultants for the support and co-operation your Company has been receiving towards successful implementation of various projects by the Company.

The Directors also acknowledge the valuable suggestions and guidance received from the Statutory Auditors during the audit of accounts of the Company for the year under review.

The Board also conveys its sincere thanks to National and International financial institutions, multilateral Financial Institutions, domestic & international Credit rating agencies for their assistance, continued trust and confidence reposed in the Company.

On behalf of Board of Directors, I would also like to thank the Executive team for their strong leadership, the employee unions for their support and our employees at all levels for their commitment and dedicated efforts which have enabled the Company to continue to be the World's premier transmission utility.

For and on behalf of the Board of Directors

RP Singh

(Ravi P.Singh)
Director (Personnel) & CMD
DIN:05240974

Place: New Delhi
Date: 19th July, 2019

Management Discussion and Analysis

1. Economic Outlook

The annual average GDP growth (%) data of 2014-18, as per World Economic Outlook (April 2019 database) of International Monetary Fund, exhibits that India has emerged as the fastest growing major economy in the world. India has now become the sixth largest economy in the World. The GDP of India has grown at 6.8% during 2018-19 as against the 7.2% during 2017-18. The GDP growth for the year 2019-20 is projected at 7%. This is against the world's growth of 3.6% during 2018 and projected growth of 3.3% during 2019.

2. Sectoral Outlook

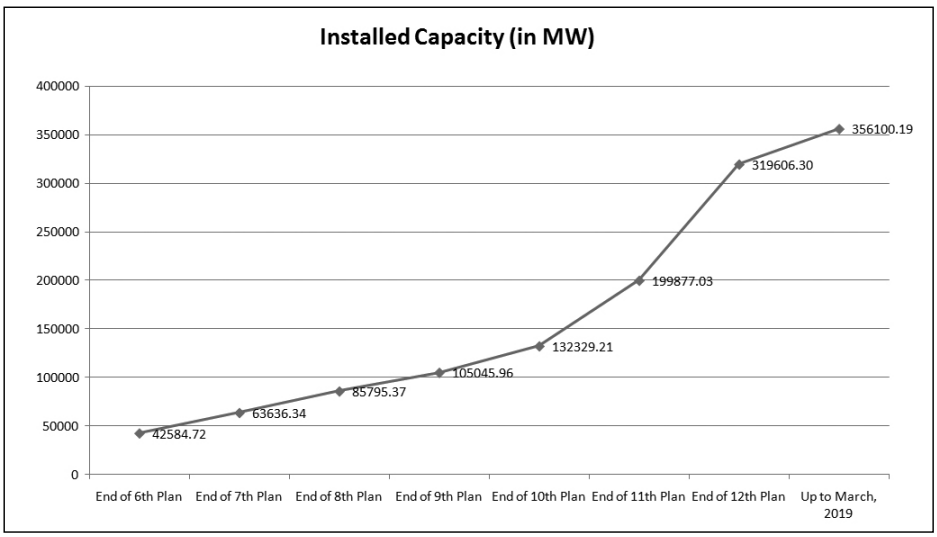
India's energy mix is dominated by coal (49.6%), followed by oil (28%), biomass (11.6%), gas (7.3%), renewable and clean energy (2.2%) and nuclear energy (1.2%). However, the share of electricity, one of the most critical components of infrastructure for economic growth, in energy mix in 2014 was only 17% as against 23% in OECD countries. The development of adequate electricity infrastructure is essential for sustained growth of economy as well as for energy security. The Government of India has identified power sector as one of the key sectors of focus, so as to promote sustained industrial growth.

India's installed capacity and its transmission infrastructure is amongst the largest in the world. However, for the distribution sector, which has been historically plagued by various techno-commercial issues, Government of India has undertaken a number of policy and reform based initiatives like SAUBHAGYA, Affordable 24x7 Power for All, IPDS, UDAY, UJALA, Energy Efficiency etc. for growth of the sector.

The country has been successively witnessing considerable growth in the sector, as listed hereunder:

	FY14-15	FY17-18	FY18-19	Growth (1-year)	Growth (FY15-FY19) CAGR
Generation					
Total Installed Capacity (incl. RE) GW	274.90	344.00	356.10	3.52%	6.68%
Renewable Capacity GW	38.96	69.02	77.64	12.49%	18.81%
Total Generation (incl. RE) BU	1110.07	1308.15	1376.10	5.19%	5.52%
Generation from RE sources(BU)	61.79	101.84	126.76	24.47%	19.68%
Transmission					
Transmission Lines (ckm)	313437	390970	413407	5.74%	7.17%
Tranformation Capacity (MVA)	596100	826958	899663	8.79%	10.84%
Inter-Regional Power Transfer Capacity (MW)	46450	86450	99050	14.57%	20.84%
Inter-Regional Power Transfer (BU)	84.37	150.05	181.74	21.13%	21.15%
Power Markets					
Short Term Transactions (Nos.)	38048	49900	51218	2.64%	7.71%
Short Term Transactions (Energy Transacted) BU	80.87	104.63	120.97	15.62%	10.59%
Power Supply Position					
Peak Demand vs Peak Met (GW)	148.17 / 141.16	164.07 / 160.75	177.02 / 175.53	NA	NA
Energy Demand vs Energy Met (BU)	1068.92 / 1030.79	1213.33 / 1204.70	1274.60 / 1267.53	NA	NA

All India installed capacity (in MW)



NITI Aayog's 'Strategy for New India@75' study considers harnessing of RE sources, which are a strategic national resource, to be a part of India's vision to achieve social equity and energy transition with energy security, a stronger economy, and climate change mitigation.

In this direction, the Govt. is following a focused approach to increase the RE capacity in the country to 175GW by 2022 and in the longer time horizon, it is also committed to achieve about 40 percent cumulative electric power installed capacity from non-fossil fuel based energy resources by 2030, in line with its Intended Nationally Determined Contribution as submitted to the UNFCCC.

Further, as per National Electricity Plan 2018-based on 19th EPS, some of the projections for Indian Power Sector are as follows:

- ✓ Peak Demand to rise to 226 GW by 2022 and to 299 GW by 2027
- ✓ Installed Capacity to increase to 479 GW by 2022 and 619 GW by 2027
- ✓ Energy Requirement to be 1,566 BU in 2022 and 2047 BU in 2027
- ✓ Inter-Regional Power Transfer Capacity to increase to 118,050 MW by 2022
- ✓ Share of RE in Installed Capacity to be 36.5 % by 2022 and 44.4 % by 2027
- ✓ Share of RE in Total Generation to be 20.1% by 2022 and 24.44 % by 2027

Also, the broad indicators of Draft Energy Policy, NITI Aayog (2017) also point towards a sustained growth for electricity sector in the country.

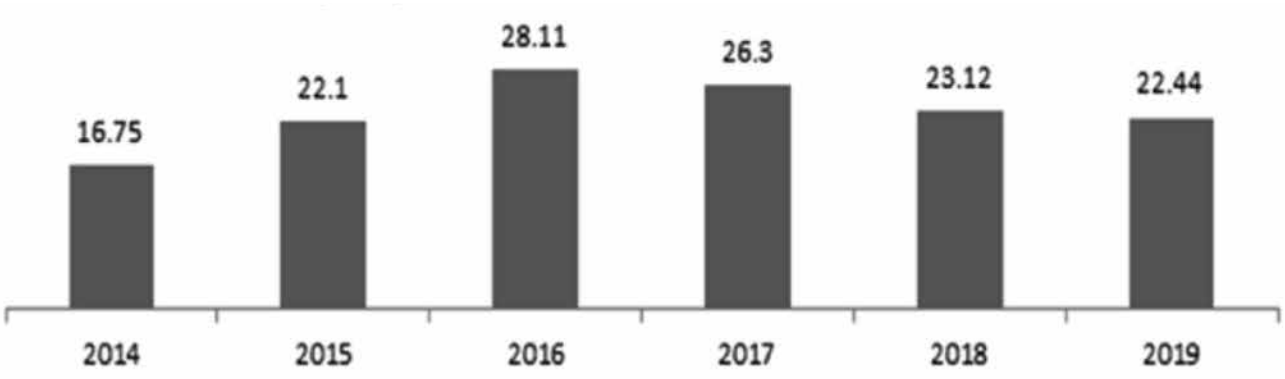
- ✓ Annual Energy Consumption to rise from 670kgoe in 2015-16 to 1055-1184 kgoe in 2040
- ✓ Electricity share to rise from 17% of Total Energy Consumption in 2014 to 26% of total energy demand by 2040
- ✓ India's Electricity Supply to rise to 4800BU by 2040
- ✓ RE Capacity share of ~50-56% of Total Installed Capacity by 2040
- ✓ RE Generation share ~ 29%-36% in overall power generation by 2040
- ✓ Per Capita Consumption to increase to 2911-2984 units by 2040
- ✓ Immense potential for electrification of energy demand – household, transportation, cooking, agriculture and industry
- ✓ Greater use of electricity- an important source for de-carbonisation

3. Indian Transmission Sector

The inter-State transmission has seen considerable growth in the past decade, which led to the creation of a synchronous National Grid, 'One Nation-One Grid-One Frequency' and has been an enabler of power markets in the country. The investments in intra-State transmission sector are also picking up albeit slowly.

The transmission requirements are sensitive to load growth and generation additions and therefore the overall emerging power sector scenario in India augurs well for transmission sector, which is a vital link in the power supply value chain.

All India capacity addition in transmission sector line in '000 ckm



4. OPPORTUNITIES AND THREATS/CHALLENGES

The Government of India, focused on long term energy security as well as kick-starting the growth of economy towards World's Third largest economy, has been consistently addressing both supply and demand side issues through policy and reforms for ensuring sustained development of the Indian Power Sector. Growing power demand as a result of Govt's focus on improving the distribution sector- the last mile in power; addition of RE capacity; addition of capacities in conventional generation sources; cross-border linkages and adoption of new technologies to address challenges linked to RE integration are likely to be the growth drivers for power transmission in India.

Transmission:

(i) Inter-State Transmission driven by RE Integration

In order to increase the RE capacity from the current level of 78 GW to the set target of 175GW in India by 2022, substantial capacities in Solar and Wind are required to be taken up. These capacity additions are likely to come up in the RE rich states viz. Gujarat, Rajasthan and Tamil Nadu. Studies for integration of such RE capacities with the National Grid have been undertaken and transmission requirements for about 66.5GW of new RE capacity has been assessed in two phases - 29 GW by December, 2020, and 37.5 GW by December, 2021. As per the latest estimates, this creates an opportunity of more than ₹43,000 crore in inter-State transmission by December, 2021 of which works of about ₹11,400 crore have been allocated for taking up implementation, either through POWERGRID or through the bidding route.

Further, Govt. of India is also planning to unlock the Solar potential in Leh-Ladakh region of J&K, which can create additional opportunities for the sector.

To provide support to RE integration, the sector envisages new opportunities in creation of balancing infrastructure like STATCOMs, SVCs, Battery Storage also. However, the modalities for the same are yet to be finalized.

(ii) Intra-State Transmission

GOI's Ujwal DISCOM Assurance Yojana (UDAY) scheme has resulted in improved financial position of various State utilities. Improved financials coupled with anticipated demand are making way for the State utilities to undertake various intra-state transmission projects, thereby creating further investment opportunities.

(iii) Cross-Border Inter-connections

The cross border power transfer by India with neighboring countries is taking place through inter-Governmental bilateral cooperation which plans for cross border interconnection, system operation, etc. India's vision to have a multi-country grid (SAARC/ BIMSTEC) for optimal utilization of resources in the region can be achieved through creation of additional and strengthening of existing cross-border interconnections. While Nepal and Bhutan are envisaged to have surplus power in future, Bangladesh would be a net importer trying to reduce its power costs by replacing existing costly power with cheaper power. Similarly, the Govt. is also engaging with Myanmar and Sri Lanka for interconnections. Further, "Guidelines on Cross Border Trade of Electricity" issued by Govt. of India envisage evolving a dynamic and robust electricity infrastructure for cross border transactions to meet the demand of the participating countries by utilizing the available resources in the region and having reliable grid operation and transmission of electricity across the borders. These are expected to provide new opportunities.

Upcoming/ planned projects and projects under discussion/ finalization have been discussed in the Directors' Report.

(iv) Other emerging opportunities

Govt. of India's thrust on seamless and flexible grid interconnection, energy security, development of smart cities, digitization and improving financial health of DISCOMs are creating more business opportunities in the field of Consultancy and Telecom and also new business opportunities in the area of battery storage, distribution, smart grid and smart cities, advance metering infrastructure, railways etc.

5. Company's Outlook

(i) Transmission

Your Company is one of the largest transmission companies in the world and India's principal power transmission company, operating primarily in inter-State transmission sector. Your Company is also India's Central Transmission Utility (CTU). The size of the power transmission network (along with its subsidiaries acquired through tariff based competitive bidding) being operated/maintained, Telecom and consultancy business are discussed in the Director's Report.

As brought out above, Indian power transmission sector has substantial growth opportunities, your Company being a major player in the sector expects to garner a substantial portion of the business potential.

(ii) Telecom

The Telecom business is witnessing major shift in the manner in which the bandwidth is consumed- from telephone calls to data. With the launch of 5G in future and other requirements like data localization, the requirement for bandwidth and other telecom services offers tremendous opportunities for service providers. Your Company is all geared up to tap this opportunity and has been continuously augmenting its all-India network by adding new routes, new locations and has also taken steps for establishment of separate 100 G internet network with SD-WAN facility. Your Company is also adding new services like MPLS-VPN, peering with content delivery networks, drop & carry broadcasting services etc. to increase the offering basket to its customers.

In order to increase your Company's telecom services portfolio and to provide a green and clean solution to bridge the urban-rural telecom divide in the country, it has been exploring the use of its transmission towers as telecom towers while also providing power to the associated telecom equipment viz. mobile antennae, MW antennae, electronic equipment etc. placed on the tower. Your Company believes that the telecom players, with such composite solution, would be able to optimize their capex and opex and reduce dependency on diesel generators. Subsequent to successful running of such telecom tower pilot since 2017 and recent approval from the regulator, CERC, your Company now intends to launch the business commercially in the coming year.

Considering synergies with the existing power and telecom businesses, your Company is also studying Data Centres as a business opportunity to tap the emerging requirements.

(iii) Consultancy – Domestic & International

Your Company is providing consultancy services in areas related to power transmission to its clients which include various departments and agencies of the Government, CPSEs, state and private power utilities and the Indian Railways. Its completed works and pace of works under implementation for such utilities will help it further expand its consultancy business within the country.

Your Company, in line with its stated Vision - to be Global Transmission Company with Leadership in Emerging Markets and as part of Govt. of India's global outreach aspirations from its CPSEs, is also exploring global opportunities in power transmission. Based on its past experience, your Company is continuously scouting for opportunities in Africa, Asia, Middle East and CIS countries. Your Company has been providing Consultancy, Project Management and Asset Management Services to various clients and has footprints in 20 countries, spread across Asia, Africa, CIS countries and Asia-Pacific. The clientele includes state-owned power utilities, multilateral funding agencies like World Bank, ADB, IFC and Govt. of India. From its earlier approach of largely relying on nomination based projects, your Company has now increased its participation in tendered out projects. A number of proposals submitted by your Company are expected to be finalized in FY 2020.

Your Company's performance and latest status of works under implementation has been discussed in the Directors' Report.

(iv) Other emerging opportunities

Your Company has been preparing itself for such new emerging opportunities like Distribution, Energy Efficiency, Smart Grid & Smart City, Grid Scale Battery Storage in the power sector and has been undertaking projects in these areas through Govt. of India's Schemes (rural electrification and IPDS in Distribution), specific assignments for power utilities and from CPSEs in manufacturing/ process industries (energy efficiency), consultancy assignments from States (Smart City & Smart Grid), pilot projects (Smart Grid, Grid Scale Battery Storage and eV charging infrastructure).

(v) Distribution

Recently, your Company and NTPC have entered into an agreement for setting up, National Electricity Distribution Company Limited (NEDCL) through a 50:50 joint venture to undertake electricity distribution business and related activities.

(vi) Energy Efficiency

Your Company is regularly exploring opportunities in the area of energy efficiency and demand side management. In this regard, it intends to take up agriculture pump replacement project in the State of Uttar Pradesh for which an MOU has been signed with the

State Government. your Company expects to explore similar opportunities with other states and institutes also in the coming year.

6. Major Constraints / Challenges / Threats faced in construction, operation & maintenance of Transmission systems and mitigation thereof:

Conserving Right-of-Way (RoW) through forests, agricultural land, urban areas, industrial establishments as well as other infrastructure, upgradation of transfer capacity of lines matching with power transfer requirement, land availability & acquisition for substations are major areas of concern in development of transmission network in the Country. Major constraints & concerns and your Company's efforts in development, operation & maintenance of ISTS are:

I. Challenges in Construction

a) Right of Way (RoW) constraints;

b) Difficulty in acquisition of land, both in terms of required size & location, for construction of Substation;

c) Forest clearance;

d) Inadequate skilled manpower in transmission line construction activities and in the area of new technologies.

II. Challenges in Operations and Maintenance

Your Company has been managing its vast transmission network which is expanding and getting complex along with ageing assets. For maintaining high level of transmission system availability, your Company has been aiming at improving operational efficiency.

III. Initiatives to address/ mitigate the above challenges / concerns

Your Company has been taking various initiatives to address/ mitigate the above concerns through introduction as well as deployment of new technologies in the Indian power system, which are discussed herein below:

a) Addressing Right of Way (RoW) constraints:

Your Company has been adopting higher voltage levels, specially designed towers and new technologies to gradually increase the power carrying capacity of transmission lines to optimize the RoW requirement. Some of the technological initiatives taken by your Company are as under:

(i) Route alignment & detailed survey using modern techniques

Surveying is an important aspect of transmission line for the purpose of assessing RoW and optimizing the cost of transmission line based on selecting the shortest route, selection of optimum foundations based on type of terrain, areas prone to landslides, submergence, minimizing number of river-crossing towers, accessibility / approachability for construction as well as from law and order point of view, etc. Alignments are considered keeping in mind the above-mentioned factors during site selection, with minor alterations often added to avoid environmentally sensitive areas and settlements at execution stage.

Your Company has been using modern techniques for route alignment viz. GIS/ GPS, satellite imaging etc., which helped in detailed mapping of the right-of-way, ground profiling along with geographical details of the location, site constraints, etc.

(ii) Adoption of higher voltage for bulk power transfer

With introduction of higher capacity transmission systems like 765 kV Double Circuit transmission lines, ±800 kV HVDC, considerable reduction could be achieved in RoW requirement per MW of power transfer e.g. For transfer of bulk power to Southern Region, another ±800 kV 6000 MW HVDC link between Raigarh to Pugalur is under construction. For transfer of 2000 MW power to Kerala, Your Company is implementing ±320 kV HVDC VSC technology partly overhead using narrow based towers and partly underground with 320 kV DC XLPE cable to take care of RoW issues.

Towards development of 1200kV Ultra High Voltage (UHV) AC technology, the highest transmission voltage level in the world, your Company has successfully established a 1200 kV UHVAC National Test Station at Bina and commissioned 1200kV single and double circuit transmission line sections along with associated 1200 kV bays as a pilot project using indigenously developed equipment. The power flow through 1200kV National Test Station has commenced successfully. This has facilitated availability of UHV class equipment in India. Long-term field operation and tests are being carried out for performance monitoring of 1200kV UHVAC equipment.

(iii) Use of High Performance Conductors in existing & new lines

High performance conductors of different configurations having the capacity to carry more power within the same transmission corridor does away with the need of creating new parallel corridors and helps in conservation of scarce land, RoW and forest resources, etc. Keeping in view the aforesaid advantages, initiatives have already been taken by your Company for re-conductoring of some of the existing lines where power flow constraints were experienced. Your Company has used twin HTLS conductors instead of quad / triple bundle ACSR conductors in multi-circuit stretches. As on March,2019 reconductoring of 400 kV D/C Maithon RB- Maithon line, 400kV D/C Rangpo-New Siliguri transmission line & 220kV Purnea-North Purnea line are under implementation in this regard.

(iv) Selection of appropriate type of towers

Proper design and construction of transmission line towers is not only important for speedy implementation of projects; safe & reliable operation of power system but also assume great significance in cost of the project and conservation of RoW. A large number of tower designs, approximately 200 numbers, for different wind zones, configurations, complexities & voltage levels have been developed in-house & successfully tested by your Company towards its endeavor to address problem in densely populated urban areas, conservation of forest & scarce RoW, etc.

b) Managing scarcity of land for construction of Substation

In order to reduce problems of land acquisition and related Rehabilitation & Resettlement and to reduce the substation land requirement, your Company has constantly upgraded and improvised by investing in new technologies like Gas Insulated Substations (GIS) which requires substantially lesser land area in comparison to the conventional Air Insulated substations (AIS). Your Company had established its first GIS Substation in 2007 and presently more than 40 GIS Substations have been commissioned.

Further, many substations, where additional capacities (bays) were required to be created, your Company used hybrid technology. Air Insulated Substations have been extended with Gas Insulated Switchgear. Your Company has taken up implementation of such schemes in Sundergarh, Muzzafarpur, Gaya, Gwalior, Malerkotla substations etc.

c) Obtaining Forest Clearances

Due to very lengthy and cumbersome process, obtaining forest clearance has been a big challenge for timely completion of projects. However, your Company's concerted efforts and many proactive decisions taken by Ministry of Environment, Forests & Climate Change (MoEFCC) / Govt. of India have resulted into simplification of forest clearance process to a large extent particularly for linear projects including transmission lines. Moreover, making forest clearance process online and time bound also helped in expediting the process by the concerned forest officials.

d) Addressing issues of inadequate skilled manpower in construction activities, O&M and implementation of new technologies

For overall skill development in the Country, particularly in the area of Power Transmission Line Construction, Capacity Building Programmes are being conducted with the help of vendors of Transmission Line construction and more than 316 youths were trained during FY 2018-19. Cumulatively, about 4332 persons have been trained up to 31st March,2019.

IV Increasing operational & maintenance efficiency

Your Company is geared to consistently maintain the high standards of availability and reliability of its transmission system through latest maintenance practices using state-of the art technologies. Maintenance activities are planned well in advance and an 'Annual Maintenance Plan' is chalked out for every asset through live line or shutdown maintenance, as per technical feasibility.

The proactive approach of your Company in managing the maintenance and refurbishment of the transmission assets has minimized the tripping of lines especially due to fog, pollution and other natural causes. Your Company has also adopted the best of technological tools available for better operational performance and in this direction following latest technologies have been adopted by your Company:

(i) Software Tools for monitoring of Transformers and Reactors: Your Company has successfully developed software tool completely in-house for centralized real time monitoring of transformers and reactors by integrating the sensors installed in the transformers and reactors for Dissolved Gas Analysis. Online monitoring of transformers/reactors is aimed at detecting early stages of faults initiation and hence reducing sudden catastrophic failures of the same. The software tool is operational at National Transmission Asset Management Centre (NTAMC) and Regional Transmission Asset Management Centers (RTAMC).

(ii) Development and operationalization of Software based Transformer Health Indexing System:

Transformers are the most critical assets of the transmission system and are present in large nos. in your Company. Condition monitoring of these costly equipment is of prime importance. Towards condition assessment of the transformers in a more efficient way, your Company is now developing a software tool for health indexing. The tool will be utilized for residual life assessment of the equipment at a later date. This tool would help in ranking of the fleet of transformers based on their condition, which will help in taking timely decisions for repair, refurbishment or replacement and thus investment planning.

(iii) Adoption of latest technology for better availability of transmission lines

- **Aerial patrolling of transmission lines** is being carried out by your Company using Helicopter equipped with Gimbal mounted LIDAR (Light Detection and Ranging), Thermo-vision Camera, Corona Camera, high resolution video and digital camera to identify the defects.

  Your Company has developed an Application for patrolling of transmission lines. Patrolling of towers and defects rectification is being ensured through the APP. This helps in updating of data on real time basis which results into effective monitoring of critical locations.

- **Online fault locator**

  Travelling Wave online fault locator has been implemented in 25 high capacity lines for accurate estimation of fault locations. This has helped in reducing the downtime of transmission lines by identifying the faults in the shortest possible time.

- **State-of-the-art condition monitoring techniques for substation equipment** are being used for detection of defects at incipient stage. These include Frequency Response Analysis for Transformers and Reactors, variable frequency capacitance and tan-delta measurement for Transformer/ Reactor bushings and Current Transformer, Dynamic Contact Resistance Measurement for Circuit Breakers, Third Harmonic Resistive Current measurement for Surge Arrestors, Thermo-vision scanning of substation equipment, etc. These techniques have proved to be very useful in detection of defects at an early stage. Preventive/ corrective actions were taken in advance and major failures were averted. In addition, periodic oil parameter checks, Dissolved Gas Analysis (DGA) of Transformers/ Reactors, particle counts, inhibitor content test are very useful for diagnosis of the problem and life enhancement of the Transformers/Reactors, which your Company has implemented successfully.

- **Implementation of Series Reactor:** Increase in interconnections and concentration of Generation / Loads have caused increase in short circuit level. In certain areas, these short circuit levels are reaching to the maximum capability of equipment which is in operation and it is expected to go beyond the present capability in future. Your company has installed and commissioned 4 numbers of Series Reactor at Ballabhgarh and Mandola substations in National Capital Region (NCR) area to take care of the existing substations. Further, your Company is providing high capability equipment in all new substations.

- **Introduction of Resin Impregnated paper bushings:** Your Company has introduced Resin Impregnated Paper (RIP) bushings having superior characteristics over Oil Impregnated Paper (OIP) bushings technology for 800kV Transformers and Reactors for their increased availability. The chances of fire breaking out on RIP bushings are minimal and catastrophic effects of its failure on nearby equipment in switchyard are very little.

- **On line Transient monitoring systems** are being introduced at 765kV and 400kV substations to monitor switching and lightning surges. This would help in analyzing condition of the substation equipment as well as investigating the causes of failures.

- **Digital Substations:** Gaining experience from the pilot projects on Process Bus technology at Bhiwadi substation and Neemrana substation, your Company has initiated a project at Malerkotla substation for retrofitting conventional protection and control schemes with advanced automation systems. Also your Company is utilizing Process Bus technology on the upcoming 220/66kV GIS substation project at Chandigarh. The new scheme is expected to ease the maintenance, simplify trouble shooting and reduce restoration time in case of any eventuality besides reduction of footprint by replacing large amount of copper cables with minimal fiber optic cables.

- Your Company has installed a number of **Static Synchronous Compensators (STATCOMs)** in the 400kV grid to improve the grid reliability and stability. Company has commissioned STATCOMs at Solapur & Gwalior in Western Region, Lucknow & Nalagarh in Northern region and Ranchi, Jeypore & Kishanganj in Eastern Region). These State- of- the art STATCOMs would enhance the reliability of the GRID and improve voltage stability limit.

  Further, 03 numbers of STATCOMs in Southern region are at final stages of implementation and would be progressively commissioned. Further one Thyristor Controller Reactor (500 MVAR) in Kurukshera is also being implemented to improve the static as well as dynamic voltage profile of Kurukshetra HVDC station.

7. Revenue related Risks

The regulatory framework in India is evolving and regulatory changes, if any, could have an impact on our business, results of operations and financial condition.

Despite best possible coordinated efforts, there could be mismatch in the commissioning of generation units vis-à-vis the associated transmission system due to delays in the materialization of some of the generation projects.

In fourth amendment to the Central Electricity Regulatory Commission (Indian Electricity Grid Code) Regulations,effective from 06.04.2016, provision has been made to sign the implementation agreement with the generating companies and transmission licensees implementing the upstream / downstream network under cost plus to cover the mismatch. CERC in its Tariff Regulations, 2019 has stipulated the methodology for treatment of mismatch with generation and/or upstream/ downstream network or with ISTS system being developed by other transmission licensees. In case the transmission asset is prevented from regular service due to mismatch in commissioning, your Company can approach CERC for approval of date of commercial operation and payment of transmission charges.

For projects being implemented under TBCB route, in case the transmission asset is prevented from regular service due to mismatch in commissioning of the downstream/upstream network, the tariff is recoverable from the defaulting Agency(ies) through bilateral billing.

The Central Electricity Regulatory Commission (Sharing of Inter-State Transmission Charges and Losses) Regulations, 2010 which came into effect from 01.07.2011, provides for computation of Point of Connection (PoC) charges and losses by introducing new

methodology for sharing of transmission charges. However, States namely Bihar, Odisha, West Bengal, Maharashtra and Jharkhand had challenged the aforesaid sharing methodology in the court of law and final decision is awaited. In terms of interim order of the Delhi High Court, all the above States are, however, making payment as per said Regulation. CERC has notified the third amendment to the said Sharing Regulations leading to change in sharing pattern.

Realization of dues by your Company has been fairly good in the past, in spite of the stressed financial conditions of the DISCOMS and IPPs. GOI introduced measures like 'UDAY' and other reforms to improve the financial condition of the DISCOMs have assisted in realization of dues. In addition, your Company has a payment security mechanism with the State Power Utilities in the form of Letters of Credit (LC) backed by the Tri-Partite Agreements (TPA). As per the provisions of the TPA, the customers are required to establish LC covering 105% of the average monthly billing of your Company for last 12 months. The TPA was signed amongst Government of India (GoI), Reserve Bank of India and the individual State Governments subsequent to the issuance of the One Time Settlement Scheme of State Electricity Boards dues during FY 2001-02 by the GoI, which was valid till Oct.'2016. GoI has approved the extension of these TPAs for a further period of 10 years. 29 States/Union Territories have executed the agreements for extension of TPAs and matter is being pursued with the remaining States/ Union Territories. The TPA also provides that if there is any default in payment of current dues by any State Utility, the outstanding dues beyond 90 days can be deducted from the State's RBI account and paid to the concerned CPSU. There is also provision for regulation of power by your Company as per CERC regulations in case of non-payment of dues and non-establishment of LC; for termination of Transmission Service Agreement (TSA) in case of default in establishment of LC and payment of transmission charges.

In respect of trade receivables from Telecom and Consultancy, customer credit risk is managed by regular monitoring of the outstanding receivables and follow-up with the consumer for realization.

Tariff Regulations, 2019

The transmission charges of your Company's assets are regulated by Central Electricity Regulatory Commission and are determined by tariff norms which are applicable for a period of 5 years. CERC vide notification dated 7th March, 2019 notified the Tariff Regulations applicable for transmission system including communication system used for inter-state transmission of electricity for the Tariff Block 2019-24, which is effective from 01.04.2019 and shall remain in force till 31.03.2024. Major changes affecting revenue of your Company under the Tariff Regulations applicable for Tariff Block 2019-24 are as under:

(i) Return on Equity (RoE) to be charged from customers has been retained as in previous block and shall be allowed to be computed at the base rate of 15.5%. Additional RoE on early commissioning of project elements(s) has been dispensed with. ROE for Additional capitalization after cut-off date (i.e., after 3 years) beyond original scope (excluding Additional capitalization due to change in law) shall be computed on weighted average rate of interest on actual loan portfolio of your Company;

(ii) For projects which have completed useful life as on or after 01.04.2019, equity in excess of 30% shall not be taken into account for tariff computation. Few Projects of POWERGRID where we have equity component more than30% will get impacted. However, over the 5 years, the impact is not very significant.

(iii) Late payment surcharge @18% per annum applicable after 45 days. Receivables reduced to 45 days of transmission chargesfor allowing Interest on Working Capital.;

(iv) Rebate @ 1.5% for payments made within 5 days (against earlier provision of 2% for payments made within 2 days); @ 1% rebate on payments made between 5 -30 days.

(v) O&M norms for Communication System introduced as 2% of the capital cost subject to actuals at the time of truing up.

(vi) Security Expenses and Capital Spares for transmission system shall be allowed separately after prudence check by CERC during the tariff determination process.

(vii) Availability of AC system to be worked out on monthly basis and that of HVDC on cumulative annual basis for all HVDC systems.

(viii) Normative Availability: AC System – 98%, HVDC– 95% (85% for first 12 months for new HVDC system). Availability for purpose of Incentive: HVDC system – 97.5% (increase from 96%), AC System-98.5%, No incentive payable for availability beyond 99.75%.

(ix) Provisions related to mismatch in commissioning of the transmission systems have been introduced i.e. in case of delay attributable to transmission licensees.

8. Risk Management Framework

To minimize the uncertainties and complexities associated with your Company's business operations and growth objectives, an Enterprise Risk Management (ERM) framework has been implemented. ERM is a structured, consistent and continuous process for identification, assessment, monitoring and management of risks. As per this framework, the significant business processes / risks are monitored and controlled through various Key Performance Indicators (KPIs).

Your company has duly constituted a Risk Management Committee and designated a Chief Risk Officer. The said Committee meets at regular intervals and reviews KPIs and major business risks and provides corrective measures to improve business process efficiencies,

wherever required. The ERM approach has helped your Company to improve strategic decisions making within the Organization and also in better identifying risks and opportunities.

9. Internal Financial Control and Adequacy

Your Company has a comprehensive internal control mechanism in place to verify the Accounting and Financial Management System, adequacy of controls, material checks, financial propriety aspects and compliance implementation mechanism. The elaborated guidelines for preparation of Accounts are followed consistently for uniform compliance.

In line with the provisions of Section 179 read with Rule 8 of the Companies (Meetings of Board and its Powers) Rules, 2014 the Internal Auditors were appointed by the Board of Directors. Regular and exhaustive Internal Audit on half yearly basis is carried out by the experienced Cost / Chartered Accountant Firms in close co-ordination with Company's own Internal Audit department to ensure that all checks and balances are in place and all internal controls/systems are in order. The Corporate Internal Audit Department also carries out System Audit and Management Audit to reassure the effectiveness of internal control mechanism. The scope of the Internal Audit is derived from the Internal Audit Plan approved by the Audit Committee.

The Audit Committee meets at regular intervals. The significant / material audit findings are placed before the Audit Committee for review, discussion and subsequent action.

10. Integrated Management Policy:

POWERGRID is committed to:

- establish and maintain an efficient and effective "National Grid" with due regard to time, cost, technology and value addition,
- sustainable development through conservation of natural resources and adopting environment friendly technology on principles of Avoidance, Minimization and Mitigation,
- ensure safe, occupational hazard free and healthy work environment,
- to the satisfaction of stakeholders in all areas of its activities and shall endeavor to improve continually its management systems and practices in conformity to legal and regulatory provisions.

11. Financial Discussion and Analysis

Comparison of Fiscal 2019 to Fiscal 2018.

(₹ in Crore)

Particulars	**Fiscal 2019**	**Fiscal 2018**
Revenue from Operations	34,119.12	29,764.59
Other Income	1,498.95	1,001.73
Total	**35,618.07**	**30,766.32**

Total income during Fiscal 2019 was ₹35,618.07 crore, which represented an increase of 15.77% over the total income of ₹30,766.32 crore during Fiscal 2018. During Fiscal 2019, transmission and transmission-related activities constituted 92.21% of our total income, with the balance coming from our consultancy, telecommunication business and other income.

12. Income

12.1. Revenue from Operations

(₹ in Crore)

Revenue from Operations	**Fiscal 2019**	**Fiscal 2018**
Revenue from transmission charges	32,844.94	28,495.82
Consultancy- Project Management & Supervision	610.93	662.18
Revenue from telecom	663.25	606.59
Total	**34,119.12**	**29,764.59**

Factors affecting your Company's results of operations

- **Tariff norms**

  Our charges for transmission customers are governed by tariff norms notified by the CERC pursuant to Central Government Tariff Policy and legislation. Under the Tariff Regulations applicable for Tariff Block 2014-19, your company has been permitted to charge its customers, the transmission charges for recovery of annual fixed cost ("AFC") consisting of various tariff components such as Return on Equity, Interest on Outstanding Debt, Depreciation, Operation & Maintenance expenditure and Interest on Working Capital. FY 2018-19 is the terminal year for determination of tariff for assets of your Company as per the norms of Tariff block 2014-19. Transmission charges payable to your Company from FY 2019-20 till 2023-24 shall be determined as per CERC Terms & Conditions of Tariff for 2019-24 (Tariff Regulations, 2019) notified on 7th March, 2019.

The Return on Equity is computed on pre-tax basis by grossing up the base rate of return on equity of 15.5% at the effective tax rate of the respective financial year. An additional Return on Equity (ROE) of 0.5% allowed for project(s) completed within the timelines specified under the CERC Tariff Regulations for projects more than 50 kilometers. Similarly, ROE may be reduced by 1% for such period as may be decided by CERC, if any transmission system is declared under commercial operation without commissioning of data telemetry, communication system up to load dispatch centre or protection system.

The repayment of loan capital for each year of the tariff period 2014-19 is deemed to be equal to the depreciation allowed for that year. Despite any moratorium period availed by your company, the repayment of loan is considered for tariff from the first year of commercial operation of the project and shall be equal to the annual depreciation allowed.

For interest on working capital, the working capital amount is calculated as - (i) consisting of receivables equivalent to two months of transmission charges; (ii) maintenance spares @ 15% of operation and maintenance expenses and (iii) operation & maintenance expenses for one month. Rate of interest on working capital for the year is on normative basis and is equal to the Base Rate plus 350 basis points of State Bank of India (Bank Rate) as on 1.4.2014 or as on 1st April of the year in which the transmission system is declared under commercial operation during the tariff period 2014-19, whichever is later.

For projects being implemented under TBCB route, the tariff is not on cost plus basis and is discovered through tariff based bidding process wherein the successful bidder would be the one who has quoted the lowest levelized tariff for a period of 35 years for establishing transmission projects on a build, own, operate and maintain basis.

The sharing of transmission charges as determined by CERC for cost plus projects and as adopted by CERC for TBCB projects shall be as per CERC (Sharing of Transmission Charges & Losses in Interstate Transmission System) Regulations, 2010, which came into force from 01.07.2011. Your Company, as CTU, is performing the activity of Billing, Collection and Disbursement (BCD) on behalf of all the ISTS licensees and also some of the non-ISTS licensees, whose lines have been certified by RPCs to be used as deemed ISTS.

Certain expenses and income, allowed under CERC Regulations are required to be reimbursed/passed on to Beneficiaries in future, are to be accounted in the Statement of Profit and Loss as per the provisions of IndAS 114 'Regulatory Deferral Accounts'. Such expenses and income, to the extent recoverable/payable as part of tariff under CERC Regulations are treated as Regulatory Deferral Assets/Liabilities.

- **Foreign Exchange Rate Variation**

Your company under the Tariff Regulations for the tariff block 2014-19 has an option to hedge foreign exchange exposure in respect of the interest on foreign currency loan and repayment of foreign loan acquired for the transmission system, in part or full and recover the cost of hedging of Foreign Exchange Rate Variation (FERV) corresponding to the normative foreign debt, in the relevant year.

If hedging of the foreign exchange exposure is not undertaken, the extra rupee liability towards interest payment and loan repayment corresponding to the normative foreign currency loan in the relevant year is permissible, provided it is not attributable to the generating company or the transmission licensee or its suppliers or contractors.

FERV arising during the construction period for settlement/ translation of monetary items (other than non-current loans) denominated in foreign currency to the extent recoverable/ payable to the beneficiaries as capital cost as per CERC Tariff Regulations are accounted as Regulatory Deferral Account Balance.

In respect of foreign currency borrowings drawn on are after 1st April, 2016, exchange differences arising from foreign currency borrowings to the extent regarded as an adjustment to interest costs are treated as borrowing cost. Other exchange differences are recognized in the Statement of Profit & Loss Account.

12.2 Revenue from other Services

Your company also earns revenue from Consultancy (including project management and supervision services) and Telecommunication business. Our consultancy income mainly consists of fee for the execution of transmission- and communication system-related projects on a turnkey basis and technical consulting assignments for Indian state utilities, joint venture companies and utilities in other countries. The income from Consultancy business against sale of services during the Fiscal 2019 was ₹610.93 crore as against ₹662.18 crore during the Fiscal 2018, a decrease of 7.74%. The consultancy revenue moderated as a number of assignments including the prestigious and challenging 220kV Srinagar Leh Transmission System Project have been completed during the year.

The revenue from our telecommunication business is mainly on account of leasing bandwidth of our fibre-optic lines. The income from Telecom Business during the Fiscal 2019 was ₹663.25 crore as against ₹606.59 crore during Fiscal 2018, an increase of 9.34%.

12.3 Other Income

Your company's other income was ₹1,498.95 crore during Fiscal 2019, an increase of 49.64% over the other income of ₹1,001.73 crore during Fiscal 2018.

The other income increased mainly due to increase in interest on loan to Subsidiaries and dividend income from Subsidiaries/Joint Ventures.

13. Expenses

Expenses have been categorized as (i) Employees' benefits expense (ii) Finance Costs (iii) Depreciation and Amortization expense (iv) Other expenses.

Your company's total expenditure was ₹24,129.09 crore during Fiscal 2019, an increase of 17.72% over the total expenditure of ₹20,496.70 crore during Fiscal 2018. The total expenditure as a percentage of total income was 67.74 % during Fiscal 2019 compared to 66.62 % during Fiscal 2018.

13.1 Employees' benefits expense

Employees' benefits expenses include salaries and wages, Performance Related Pay, allowances, benefits, contributions to provident and other funds and staff welfare expenses.

Employee benefit expenses increased by 11.54% to ₹1,783.57 crore during Fiscal 2019 from ₹1,599.09 crore during Fiscal 2018 due to increase in Pay revision and capitalization of new transmission system during the year.

13.2 Finance Cost

Finance cost increased by 19.77% to ₹9,091.42 crore during Fiscal 2019 from ₹7,590.66 crore during Fiscal 2018. The increase was mainly due to interest on loans from Secured/Unsecured redeemable Bonds and Indian Banks & Financial Institutions for newly commissioned projects during Fiscal 2019 & Fiscal 2018 and interest on loan to subsidiaries.

13.3 Depreciation and Amortisation Expenses

Your company's depreciation and amortization expenses increased by 12.20% to ₹10,200.67 crore during Fiscal 2019 from ₹9,091.25 crore during Fiscal 2018. The increase was mainly because of the commissioning of new transmission assets.

The depreciation provided is related to transmission business on straight line method following the rates and methodology notified by the CERC for the purpose of tariff.

Depreciation on assets of telecom and consulting business is provided for on straight line method as per useful life specified in Schedule-II of the Companies Act, 2013. ULDC assets commissioned prior to 1st April, 2014 are depreciated on straight line method@ 6.67% per annum.

13.4 Other Expenses

Other expenses primarily consist cost of Repair and Maintenance of Buildings, Plant and Machinery, Power Charges, Security expenses, vehicle hiring charges, travelling expenses, CSR expenses and FERV. Other expenses increased by 37.81% to ₹3,053.43 crore during Fiscal 2019 from ₹2,215.70 crore during Fiscal 2018. The increase in other expenses is mainly on account of increase in repair & maintenance cost of Plant & machinery, provision for doubtful debts , CSR expenses and FERV.

14. Profit before Tax & Regulatory Deferral Account Balances

Your company's Profit before Tax & Regulatory Deferral Account Balances during Fiscal 2019 was ₹11,488.98 crore, an increase of 11.87% over our profit before tax & Regulatory Deferral Account Balances of ₹10,269.62 crore during Fiscal 2018.

14.1 Tax Expenses

Tax expenses consist of Current tax and Deferred tax.

14.2 Current Tax

During Fiscal 2019, we provided for ₹2,489.43 crore as against ₹2,169.01 crore during Fiscal 2018. The increase in Tax expense is due to increase in Profit before tax.

14.3 Deferred Tax

Provision for deferred tax is made in respect of timing difference mainly on account of higher depreciation charge available under income tax provisions.

During Fiscal,2019 we provided Deferred Tax ₹(3,465.87) crore as against ₹3,140.15 crore during Fiscal 2018. The decrease in deferred tax is due to recognition of MAT credit of ₹5,935.70 crore during Fiscal, 2019 as it is probable that future economic benefit will flow to your Company in the form of availability of set off against future income tax liability.

Further matter regarding presentation of "Deferred Tax Assets against Deferred Tax liability" in Balance Sheet and Statement of Profit & Loss was referred to Expert Advisory Committee (EAC) of Institute of Chartered Accountants of India. As per opinion received during Fiscal, 2019 'Deferred Assets against Deferred Liability' which was hitherto netted with Deferred Tax Liability is classified as 'Regulatory Deferral Account Balance' in Balance Sheet and Statement of Profit & Loss Account.

14.4 Net Movement in Regulatory Deferral Account Balances (Net of Tax)

Net movement in Regulatory Deferral Account Balances-Income/(Expenses) net of tax for Fiscal 2019 stood at ₹(2,526.87) crore as against ₹3,284.19 crore during Fiscal 2018. The increase in expenses against income is due to implementation of Expert Advisory Committee (EAC) opinion as explained above, MAT credit and Regulatory Deferral Account Balance of Foreign currency fluctuations and Employee benefit expenses.

15. Profit after Tax

Your company's Profit after Tax during Fiscal 2019 was ₹9,938.55 crore, an increase of 20.55% over Profit after Tax of ₹8,244.65 crore during Fiscal 2018.

16. Return on Net Worth

Your company's Return on Net worth during Fiscal 2019 is 16.84% in comparison to 15.15% during Fiscal 2018. Increase in Return on Net worth is mainly due to capitalization of new assets, increase of dividend from subsidiaries & JVs and reduction of Tax expenses during the year.

17. Financial ratios

Particulars	FY 2018-19	FY 2017-18	% Changes
Debtors Turnover	8.25	8.68	-4.95
Inventory Turnover	29.71	30.43	-2.36
Interest Coverage Ratio	3.45	3.61	-4.43
Current Ratio	0.56	0.46	21.74
Debt Equity Ratio	71:29	71:29	0.00
Operating Profit Margin (%) #	30.02	31.83	-5.69
Net Profit Margin (%)	29.13	27.70	5.16

Note: # Operating profit = Profit Before Tax (excluding Deferred assets for deferred tax liability) less Other Income.

18. Other Comprehensive Income (Net of Tax)

Your company's other comprehensive income (net of tax) during Fiscal 2019 was ₹(16.30) crore in comparison to ₹8.03 crore during Fiscal 2018. Decrease in other comprehensive income is due to decrease in value of investment in PTC India Limited shares and increase in provision for certain expenses based on actuary valuation.

19. Credit Ratings

Your Company's financial prudence is reflected in the strong credit rating accorded by ratings agencies. For details, refer Report on Corporate Governance.

20. Liquidity and Capital Resources

Your company depends on both internal and external sources of liquidity to provide working capital and to fund capital requirements. As at March 31, 2019, your company had cash and cash equivalents of ₹3,643.14 crore as against ₹1,516.21crore as at March 31,2018. As at March 31, 2019, your Company had undrawn cash credit facilities of approximately ₹300 crore ("cash credit") towards our working capital facilities.

21. Cash Flows

₹ in crore

	Year ended March 31,	
	2019	2018
Net cash from operating activities	23,148.92	21,880.78
Net cash (used in) investment activities	(18,648.45)	(22,980.98)
Net cash used in Financing activities	(2,373.54)	(612.02)
Cash and cash equivalents at the end of the year	3,643.14	1,516.21

21.1 Net Cash from Operating Activities

Your company's net cash flows from operating activities are principally used to service long-term debt, for capital expenditures, for investments and for payment of dividend. The net cash from operating activities was ₹23,148.92 crore during Fiscal 2019 as against ₹21,880.78 crore during Fiscal 2018.

21.2 Net Cash used in Investment Activities

Your company's net cash used in investing activities during Fiscal 2019 was primarily reflected in expenditure on Property, Plant & Equipment and Capital Work-in-Progress of ₹19,462.03 crore, Loans & Advances to Subsidiaries & Joint Ventures of ₹2,770.73 crore investment in Subsidiaries & Joint Ventures of ₹1,166.44 crore and receipt of interest on deposits, bonds and loans to subsidiaries of ₹906.23 crore and receipt of grant of ₹3,684.53 crore. The Company's net cash used in investing activities was ₹18,648.45 crore during Fiscal 2019 as against ₹22,980.98 crore during Fiscal 2018.

21.3 Net Cash used in Financing Activities

During Fiscal 2019, your company raised ₹19,489.58 crore of new long term borrowings. These borrowings included principally Rupee bonds and foreign currency borrowings. Your Company repaid ₹9,495.60 crore of long term borrowings and paid interest and finance charges of ₹10,266.04 crore. During the Fiscal 2019, your Company paid dividend of ₹4,514.87 crore comprising final dividend of ₹1,464.85 crore for Fiscal 2018 and interim dividend of ₹3,050.02 crore for Fiscal 2019.

22. Capital Expenditure

Your company's capital expenditure is primarily for the installation of new transmission capacity and the expansion of existing capacity. Our capital expenditure during Fiscal 2019 and Fiscal 2018, was ₹25,807 crore and ₹25,791 crore, respectively which includes CAPEX for TBCB companies of ₹4,008 Crore(Previous Year ₹5,027 Crore).

23. Non-current Assets

Your company's Non-current Assets were ₹2,20,517.42 crore and ₹2,00,290.72 crore as at March 31, 2019 and March 31, 2018, respectively. Non current assets have been categorized as (i) Property, Plant & Equipment; (ii) Capital work in progress; (iii) other intangible assets; (iv) Intangible assets under development.; (v) Investments; (vi) Loans; (vii) other non-current financial assets and (viii) other non-current assets.

23.1 Property, Plant and Equipment

Property, Plant & Equipment (Net Block) increased to ₹1,62,266.88 crore during Fiscal 2019 from ₹1,52,243.89 crore during Fiscal 2018 an increase by 6.58%. Property, Plant & Equipment mainly consists of Land, Buildings, Transmission Lines, Substations, HVDC, ULDC Equipment, Furniture & Fixtures etc.

23.2 Capital work in progress

Your company's capital work-in-progress was ₹33,364.02 crore and ₹30261.17 crore, as at March 31, 2019 and 2018, respectively, a increase of 10.25%. The cost of materials consumed, erection charges and other expenses incurred for the implementation of projects are shown on the balance sheet as capital work-in-progress, pending capitalization of the completed project. The change in this amount is due to capitalization of a number of transmission projects on commissioning of these projects and due to undertaking of new transmission projects.

23.3 Other Intangible assets

Other Intangible Assets consist of Electronic Data Processing Software, Right of Way-Afforestation Expenses, Telecom licenses. The value of unamortized Intangible assets (Net) increased to ₹1,593.10 crore during Fiscal 2019 from ₹1,366.46 crore during Fiscal 2018, an increase by 16.59%.

23.4 Intangible assets under development

Right of way-afforestation expenses and expenses incurred for development of 1200 kV Transmission system are shown on the balance sheet as Intangible assets under development. The value of Intangible assets under development was ₹214.06 crore and ₹45.95 crore as at March 31, 2019 and 2018, respectively, on account of capitalization of expenditures on Transmission Projects during Fiscal 2019.

23.5 Investments

Investments have been classified into quoted and un-quoted categories. As at March 31, 2019, the quoted and un-quoted investments were ₹88.14 crore and ₹2668.39 crore as against ₹104.88 crore and ₹1503.36 crore, respectively as at March 31, 2018. Investments under 'Quoted' category are investments made in PTC Limited computed at Fair Value. Investments Under 'Unquoted' category during Fiscal 2019 consist equity investment in joint venture and subsidiary companies mainly at cost. Major investments in Joint venture & subsidiaries as on 31.03.2019 are:

Sl. No.	Name of the Subsidiary/Joint Venture	Amount invested (₹ in crore)
	Subsidiaries	
1	Power Grid NM Transmission Limited	264.00
2	Power Grid Vizag Transmission Limited	209.73
3	Power Grid Unchahar Transmission Limited	12.96
4	Power Grid Kala Amb Transmission Limited	61.00
5	Power Grid Warora Transmission Limited	326.30
6	Power Grid Jabalpur Transmission Limited	173.15
7	Power Grid Parli Transmission Limited	228.50

8	Power Grid Southern Interconnector Transmission System Limited	515.50
	Joint Ventures	
9	Powerlinks Transmission Limited	229.32
10	Torrent Power Grid Limited	23.40
11	Jaypee Power Grid Limited	78.00
12	Parbati Koldam Transmission Company Limited	70.94
13	Teestavalley Power Transmission Limited	105.56
14	North East Transmission Company Limited	106.96
15	National High Power Test Laboratory Private Limited	30.40
16	Cross Border Power Transmission Company Limited.	12.62
17	Bihar Grid Company Limited	171.69
18	Power Transmission Company Nepal Limited	6.50

23.6 Loans (Non Current)

The Loans have been classified as Loans to Related Parties & Loans to Employees. As at March 31, 2019, Loans to Related Parties and Loans to Employees were ₹10,526.96 crore and ₹182.03 crore as against ₹8,113.20 crore and ₹139.92 crore, respectively as at March 31, 2018. The increase in Loans from Fiscal 2018 to Fiscal 2019 was mainly due to increase in Unsecured Loans to Subsidiaries which are executing Projects acquired by your Company through Tariff Based Competitive Bidding (TBCB) route.

23.7 Other non-current financial assets

Your company's other non-current financial assets was ₹4,548.37 crore and ₹866.35 crore as on March 31, 2019 and 2018, respectively. Other non-current financial asset mainly consist of Recoverable from GOI fully service Bond and Lease Receivables. Company has issued GOI fully service bonds amounting to ₹3,487.50 crore during FY 2018-19 for raising of Extra Budgetary Recovery (EBR) for GOI scheme of Power System Development fund in terms of letter no. 7/1/2018-OM dated 21st January, 2019 of Ministry of Power, Govt. Of India (GOI) for meeting accrued liabilities for creation of Capital Assets. The repayment of principal and the interest payment on such bonds shall be met by GOI.

23.8 Other non-current assets

Your company's other non-current assets was ₹5,065.44 crore and ₹5,645.51 crore, as at March 31, 2019 and 2018, respectively, a decrease by 10.27%. Other non-current assets mainly comprise of advances for Capital Expenditure, deferred foreign currency Fluctuation Asset, advance recoverable in kind or for value to be received.

24. Current Assets

Your company's Current Assets were ₹17,872.31 crore and ₹12,300.20 crore as at March 31, 2019 and March 31, 2018, respectively. Current Assets have been categorized as (i) Inventories; (ii) Trade receivables; (iii) Cash & Cash Equivalents; (iv) Bank Balances other than cash and cash equivalents (v) Loans (vi) other current financial assets (vii) other current assets.

24.1 Inventories

Inventories are valued at lower of the cost, determined on weighted average basis, and net realizable value. The inventories were ₹1,226.28 crore as at March 31, 2019 as against ₹1,038.45 crore as at March 31, 2018. Our inventories consists components, spares & other spare parts, loose tools, consumable stores and other items. The cost of inventories increased during Fiscal 2019 as compared with Fiscal 2018, on account of your company continuing to expand the transmission network and capitalization of new projects.

24.2 Trade Receivables

Trade Receivables consist mainly of receivables relating to transmission services, and also receivables from consultancy services and telecom services. Our Trade Receivables as on March 31, 2019 and 2018 were ₹4,628.74 crore and ₹3,638.96 crore, respectively. Trade receivables increased by 27.20% during Fiscal 2019 as compared to Fiscal 2018.

Substantially, all of our receivables are covered by letters of credit, following which we have no material debt collection problems. The average collection period for trade receivables is 44 days during Fiscal 2019 as compared to 42 days during Fiscal 2018.

24.3 Cash & Cash Equivalents

Cash and Cash Equivalents as on March 31, 2019 and 2018 were ₹3,643.14 crore and ₹1,516.21 crore, respectively. Cash & Cash Equivalents increased by 140% during Fiscal 2019 as compared to Fiscal 2018 mainly on account of term deposits (with maturity less than 3 months) held in respect of consultancy clients and Others. As on March 31, 2019, ₹172.13 crore was in current account and non designated term deposits, which was available to your Company for general purpose.

24.4 Bank Balances other than cash & cash equivalents

Bank and other cash & cash equivalents as on March 31, 2019 and 2018 were ₹688.90 crore and ₹654.22 crore, respectively. Bank Balances other than cash & cash equivalents increased by 5.30% during Fiscal 2019 as compared to Fiscal 2018 mainly on account of term deposits in banks for consultancy clients and Others.

24.5 Loans

Loans as on March 31, 2019 and 2018 were ₹416.87 crore and ₹46.88 crore, respectively. Loans during Fiscal 2019 as compared to Fiscal 2018 increased mainly on account of current maturities of Loans to Subsidiaries and Loan to Joint Venture Companies.

24.6 Other current financial assets.

Other current financial assets as on March 31, 2019 and 2018 were ₹6,853.20 crore and ₹4,869.92 crore, respectively mainly consisting unbilled revenue. Other current financial assets increased by 40.73% during Fiscal 2019 as compared to Fiscal 2018 mainly on account of increase in unbilled revenue.

24.7 Other Current Assets

Our other current assets as at March 31, 2019 and 2018 were ₹415.18 crore and ₹535.56 crore respectively.

25. Indebtedness.

Your Company relies on both Rupee and foreign currency denominated borrowings. A significant part of Company's external funding has been through long-term foreign currency loans from multilateral agencies such as the World Bank and the Asian Development Bank (guaranteed by GOI). Following table sets forth, by currency, our outstanding debt and its maturity profile (currency conversions are as of 31st March, 2019):

(₹ in Crore)

Loan Name	2019-20	2020-21	2021-22	2022-23	Beyond 2022-23	Total
Domestic Bonds (1)	6,742.97	5,007.97	8,223.73	6,090.23	48,423.97	74,488.87
Domestic Loans (2)	1,454.00	1,454. 00	1,454 .00	2,004.00	19,824.00	26,190.00
Foreign Loans						
US$	1,993.63	2,119.48	2,090.82	5,550.74	21,897.55	33,652.22
EUR	246.98	434.69	421.13	421.13	2,564.14	4,088.07
SEK	297.73	297.73	206.08	206.08	875.68	1,883.30
JPY	11.53	11.53	11.53	11.53	1,437.78	1,483.90
TOTAL (3)	**2,549.87**	**2,863.43**	**2,729.56**	**6,189.48**	**26,775.15**	**41,107.49**
GRAND TOTAL (1+2+3)	**10,746.84**	**9,325.40**	**12,407.29**	**14,283.71**	**95,023.12**	**1,41,786.36**

25.1 Long-term borrowings

Your company's long-term borrowings (excluding current maturities) as at March 31, 2019 and 2018 were ₹1,31,039.51 crore and ₹1,22,420.32 crore, respectively. Long-term borrowings include amounts raised from our private placement of bonds, term loans from banks and financial institutions. Due to the increased investment in new projects during the last year, our borrowings have increased by 7.04%.

25.2 Secured Loans

Our secured loans (excluding current maturities of long term loans) as at March 31, 2019 and 2018 were ₹1,05,223.31 crore and ₹1,06,965.71 crore, respectively. Most of these loans have been secured by floating charges on the moveable and immovable properties of Your Company. The following table presents the secured debt as at 31st March, 2019:

	Amount (₹ in crore)	% of total secured debt
Bonds denominated in Rupees	64,746.11	61.53
Term Loans and Other Loans From Banks and Financial Institutions:		
Denominated in Foreign Currency	28,293.20	26.89
Denominated in Rupees	12,184.00	11.58
Total	**1,05,223.31**	**100**

25.3 Unsecured Loans

Our unsecured loans (excluding current maturities as at March 31, 2019 and 2018 were ₹25,816.20crore and ₹15,454.61crore respectively, which consist of domestic bonds, foreign currency bonds, loans from foreign financial institutions/ Banks such as the Natixis (Formerly Credit National) in France, Japan International Cooperation Agency (Formerly Japan Bank for International Co-operation) in Japan, Skandinaviska Enskilda Banken AB (publ.) in Sweden and AB Svensk Exportkredit, Sweden.

The following table presents our unsecured debt as at March 31, 2019:

	Amount (₹ in crore)	**% of total unsecured debt**
Bonds denominated in Foreign Currency & Domestic Bonds	6,470.40	25.06
Term Loans, From Banks and Foreign Currency Loans:		
Denominated in Foreign Currency	6,793.80	26.32
Denominated in Rupees	12,552.00	48.62
Total	**25,816.20**	**100**

26. Advance Against Depreciation (AAD)

Advance against depreciation (AAD) was a component of tariff that was permitted to be charged under CERC regulations for the Block 2004-09, to cover shortfall in respect of depreciation in a year on assets, for repayment of debts. AAD was done away with in the tariff block 2009-2014 and depreciation rate were reworked. Due to change in these tariff norms and the depreciation rates w.e.f. 1.04.2009, the outstanding AAD has been taken to transmission income after 12 years from the date of commercial operation to the extent the depreciation charged in respect of transmission system is more than the depreciation recovery under tariff. As on 31st March, 2019, AAD has decreased by 12% from ₹1,504.09 crore during Fiscal 2018 to ₹1,323.45 crore during Fiscal 2019.

27. Current liabilities

Your company's current liabilities as at 31st March, 2019 were ₹32,114.14 crore (previous year ₹26,899.93 crore). The current liabilities include (i) Borrowings, (ii) Trade payables (iii) other current financial liabilities (iv) other current liabilities; (v) Provisions and (vi) Current Tax liabilities at March 31, 2019 were 19.38% higher as compared to 31st March, 2018.

27.1 Borrowings

Your company's Short-term Borrowings are from Banks and through issue of Commercial Paper. These Borrowings as at March 31, 2019 and 2018 were ₹4,300 crore and ₹1,000 crore, respectively.

27.2 Trade payables

Your company's Trade payables as at March 31, 2019 and 2018 were ₹364.11 crore and ₹240.34 crore respectively. Trade payables at March 31, 2019 were 51.50% higher as compared to March 31, 2018.

27.3 Other Current Financial Liabilities

Your company's other current financial liabilities as at March 31, 2019 and 2018 were ₹22,886.18 crore and ₹21,505.61 crore respectively. Other current financial liabilities mainly include current maturities of long term borrowings through secured & unsecured Bonds, foreign currency loans, dues for capital expenditure, deposits/retention money from contractors and others etc. Other current financial liabilities at March 31, 2019 were 6.42% higher as compared to March 31, 2018.

27.4 Other Current liabilities

Your Company's other current liabilities as at March 31, 2019 and 2018 were ₹3,863.26 crore and ₹2,687.33 crore respectively. Other current liabilities at March 31, 2019 were 43.76% are higher as compared to March 31, 2018 mainly on account of advances from customers.

27.5 Provisions

Your Company's provisions for Employee Benefits etc. as on March 31,2019 and 2018 stood at ₹700.59 crore and ₹1,059.58 crore respectively.

28. BUSINESS AND FINANCIAL REVIEW OF JOINT VENTURE COMPANIES and SUBSIDIARIES for FY 2018-19:

28.1. Joint Venture Companies:

I. Powerlinks Transmission Limited (POWERLINKS):

POWERGRID and Tata Power Company Limited are the Joint Venture Partners in this Joint Venture Company and hold 49% and 51% equity, respectively. Your Company was incorporated to undertake the implementation of Transmission Lines associated with Tala HEP, East-North interconnector and Northern Region Transmission System from Siliguri in West Bengal via Bihar to Uttar Pradesh and was the first public - private partnership in Power Transmission.

As on 31.03.2019, POWERLINKS has Authorized share capital of ₹483.60 crore and paid-up capital of Rs 468.00 crore. POWERGRID's share in the paid up capital is ₹229.32 crore.

POWERLINKS had progressively commissioned the project by August, 2006. POWERLINKS has paid dividend amounting to Rs 16.05 crore (interim) and ₹18.35 Crore (final) for Fiscal 2019.

Financial Highlights of the Company:

(₹ in Crore)

Particulars	Fiscal 2019	Fiscal 2018
POWERGRID's investment in Equity	229.32	229.32
Gross Income	155.57	173.90
Profit after Tax	112.57	124.84
Earning per Share* ₹	2.41	2.66

*Face value per Share is ₹10 each.

II. Jaypee Powergrid Limited (JPL):

POWERGRID and Jaiprakash Power Ventures Limited are the Joint Venture Partners in this Joint Venture Company and hold 26% and 74% equity, respectively. The Company was incorporated to undertake the implementation of transmission system to evacuate power generated by 1000 MW Karcham Wangtoo Hydro Electric Power Project in Kinnaur District in Himachal Pradesh, from Wangtoo to Abdullapur.

As on 31.03.2019, JPL has Authorized share capital of ₹300 crore and paid-up capital of ₹300 crore. POWERGRID's share in the paid up capital is ₹78 crore.

The project was progressively commissioned in April, 2012. JPL has paid dividend amounting to ₹5.07 crore (interim) for Fiscal 2019.

Financial Highlights of the Company:

(₹ in Crore)

Particulars	Fiscal 2019	Fiscal 2018
POWERGRID's investment in equity	78.00	78.00
Gross Income	164.85	168.73
Profit /(loss)after Tax	63.02	67.17
Earnings per Share* ₹	2.10	2.24

*Face value per Share is ₹10/- each.

III. Torrent Powergrid Limited (TPL):

POWERGRID and Torrent Power Limited are the Joint Venture Partners in this Joint Venture Company and hold 26% and 74% equity, respectively. The Company was incorporated to undertake the implementation of transmission system associated with 1100MW Gas Based project (Sugen) Generation Station of Torrent Power Ltd. (TPL) at Akhakhol in Surat District of Gujarat.

As on 31.03.2019, TPL has Authorized share capital of ₹125.00 crore and paid-up capital of ₹90.00 crore. POWERGRID's share in the paid up capital is ₹23.40 crore.

The project was progressively commissioned in March, 2011. TPL has paid dividend amounting to Rs 3.28 crore (interim) and recommended final dividend of ₹0.70 Crore for Fiscal 2019.

Financial Highlights of the Company:

(₹ in Crore)

Particulars	Fiscal 2019	Fiscal 2018
POWERGRID's investment in Equity	23.40	23.40
Gross Income	49.43	66.74
Profit after Tax	19.14	39.73
Earning per Share* ₹	2.13	4.41

*Face value per Share is ₹10/- each.

IV. North East Transmission Company Ltd.(NETC):

POWERGRID entered into a Joint Venture Agreement with ONGC Tripura Power Project Company Ltd. (OPTC), Government of Tripura,

Manipur, Mizoram, Assam Electricity Grid Corporation Ltd, Meghalaya and Nagaland for establishment of Transmission Line of 400kV D/C Palatana- Silchar Bongaigoan Transmission Project associated with 726.6 MW Palatana Gas base Power Project in the state of Tripura.

As on 31.03.2019, NETC has Authorized capital of ₹600 crore and paid-up share capital of ₹411.40 crore. POWERGRID's share in the paid up capital is ₹106.96 crore.

The project was progressively commissioned in February, 2015. NETCL has paid dividend amounting to Rs 5.35 crore (interim) and Rs 5.35 crore (final) for Fiscal 2019.

Financial Highlights of the Company

(₹ in Crore)

Particulars	Fiscal 2019	Fiscal 2018
POWERGRID's investment in Equity	106.96	106.96
Gross Income	341.07	353.20
Profit after Tax	65.56	83.84
Earning per Share* ₹	1.59	2.04

*Face value per Share is ₹10/- each.

V. Parbati Koldam Transmission Company Limited (PKTCL)

POWERGRID and Reliance Energy Limited (REL) now Reliance Infrastructure Ltd are the Joint Venture Partners in this Joint Venture Company and hold 26% and 74% equity, respectively. The Company was incorporated to undertake the implementation of transmission lines associated with Parbati-II (800 MW) HEP and Koldam (800 MW) HEP.

As on 31.03.2019, PKTCL has Authorized share capital of ₹331.00 crore and paid-up capital of ₹272.84 crore. POWERGRID's share in the paid up capital is ₹70.94 crore.

The Project commissioned progressively in Nov'2015. PKTCL has paid dividend amounting to Rs 10.64 crore for Fiscal 2019.

Financial Highlights of the Company:

(₹in crore)

Particulars	Fiscal 2019	Fiscal 2018
POWERGRID's investment in Equity	70.94	70.94
Gross Income	166.88	174.78
Profit after Tax	49.23	27.18
Earning per Share* ₹	1.80	1.00

*Face value per Share is ₹10/- each.

VI. Teestavalley Power Transmission Limited (TPTL)

POWERGRID and Teesta Urja Ltd are the Joint Venture Partners in this Joint Venture Company and hold 26% and 74% equity, respectively. The Company was incorporated to undertake the implementation of transmission lines associated with 1200 MW Teesta-III Hydro Electric Power Project to Kishanganj sub-station.

As on 31.03.2019, TPTL has Authorized Share Capital of ₹500 Crore and Paid-Up Capital of ₹373.88 Crore. POWERGRID's share in the paid up capital was ₹105.56 Crore.

The Project commissioned progressively in Feb'2019.

Financial Highlights of the Company:

(₹in crore)

Particulars	Fiscal 2019	Fiscal 2018
POWERGRID's investment in Equity	105.56	94.28
Gross Income	85.62	30.99
Profit after Tax	(1.19)	(6.54)
Earning per Share* ₹	(0.03)	(0.18)

*Face value per Share is ₹10/- each.

VII. National High Power Test Laboratory Private Limited (NHPTL):

NHPTL is a joint venture Company of NTPC, NHPC, POWERGRID, DVC & CPRI with equal equity participation of 20% each. The main aim of the NHPTL is to establish an online high power short circuit test facility in the country. This Facility is being established for the first time in the country at Bina (M.P.) to provide a full range of short circuit testing for the electrical equipment in conformance to Indian and International Standards.

As on 31.03.2019, the Authorized share capital of the Company was ₹153 crore while paid up share capital was ₹152 crore. POWERGRID's share in the paid up capital was ₹30.40 crore.

High Voltage Transformer (HVTR) Section of Laboratory under Phase-I put under commercial operation with effect from 1st July, 17. The Phase-I is capable of catering the requirement of Short Circuit Test of Electric Transformer from 50MVA, 132kV Class to 315MVA, 400 kV Class which is being enhanced upto 500 MVA, 400 kV class and 500 MVA, 765 kV class. Medium Voltage Transformer (MVTR) Section is under implementation.The project has no operating profit.

VIII. Bihar Grid Company Limited (BGCL):

POWERGRID entered into a Shareholders' Agreement on 29.12.2012 with Bihar State Power (Holding) Company Limited {BSP(H)CL} for implementation of Intra-State Transmission System in the State of Bihar on 50:50 equity participation basis.

As on 31.03.2019, the authorized Share Capital of BGCL is ₹800 Crore and the Paid-up Capital is Rs 343.37 Crore, POWERGRID's share in the paid up capital was ₹171.68 Crore.

The Company is implementing Bihar Transmission System Strengthening Schemes in Phase IV, Part I worth ₹2041 crore. The majority of Part-I Project is under commercial operation. Further, Phase IV, Part II works worth ₹1,688 crore are under implementation.

Financial Highlights of the Company:

(₹in crore)

Particulars	Fiscal 2019	Fiscal 2018
POWERGRID's investment in Equity	171.68	156.24
Gross Income	290.67	210.73
Profit after Tax	24.63	25.92
Earning per Share* ₹	0.71	0.82

*Face value per Share is ₹10/- each.

IX. Kalinga Bidyut Prasaran Nigam Private Limited (KBPNL):

POWERGRID has entered into a Shareholders' Agreement on 04.01.2013 with Odisha Power Transmission Corporation Limited (OPTCL) for implementation of Intra State Transmission System in the State of Odisha on the basis of 50:50 equity participation. No business has been undertaken by this Company. The Board of Directors of POWERGRID and OPTCL had approved closure of the Company. The winding up proceeding of M/s KBPNL has already been taken up and NIL Accounts for F.Y-2018-19 has been prepared. Requisite formalities for closure of the Company under fast track exit mode are under process.

X. RINL POWERGRID TLT Private Limited (RPTPL)

POWERGRID and RINL had formed a joint venture Company, "RINL POWERGRID TLT Private Limited (RPTPL)", on 50:50 equity participation basis, for setting up a Transmission Line Tower (TLT) manufacturing plant at Visakhapatnam with a view to exploit the emerging opportunity in transmission line tower manufacturing business. As on 31.03.2019, the JV Company has Authorized share capital of ₹50 crore and paid up share capital of ₹8.00 crore. However, keeping in view the business scenario of tower manufacturing, the Board of Directors of POWERGRID accorded in-Principle approval for closure of the Company.RINL is seeking approval of Ministry of Steel for Closure of RPTPL.

XI. Cross Border Power Transmission Company Limited (CPTCL):

POWERGRID entered into Shareholders' Agreement on 9th July, 2012 with IL&FS Energy Development Company Limited (IEDCL), SJVN Limited (SJVN) & Nepal Electricity Authority (NEA) of Nepal and formed a JV Company under the name "Cross Border Power Transmission Company Ltd" (CPTC) incorporated in India for implementation of Indian portion viz. Muzaffarpur - Sursand section (India Portion) of 400 kV D/C Muzaffarpur - Dhalkebar Indo-Nepal Cross Border transmission line. The Shareholding of POWERGRID, SJVN, IEDCL and NEA in the said JV Company is 26%, 26%, 38% and 10% respectively. The Audited cost of the India Portion is ₹242.55 crore and the Project is being implemented with debt: equity as 80:20.

As on 31.03.2019, CPTC has Authorized share capital of ₹75 crore and paid-up capital of ₹48.50 crore. At present, POWERGRID equity is ₹12.61 crore. The India Portion is under commercial operation w.e.f. 19th February, 2016.

CPTC has paid dividend (interim) of 10% amounting to ₹1.26 crore for Fiscal 2019.

XII. Power Transmission Company Nepal Limited (PTCN):

POWERGRID entered into a "Joint Venture cum Share Purchase Agreement" on 5th April, 2014 with Nepal Electricity Authority(NEA), Hydroelectricity Investment & Development Company Ltd (HIDCL) of Nepal and IL&FS Energy Development Company Ltd (IEDCL), India

and formed a JV Company under the Name "Power Transmission Company Nepal Ltd" (PTCN) incorporated in Nepal for implementation of Dhalkebar - Bhittamod 400 kV Transmission Line (Nepal Portion of 400 kV D/C Dhalkebar - Muzaffarpur Indo-Nepal Cross Border transmission line.) The Shareholding of NEA, POWERGRID, HIDCL and IEDCL in the said JV Company is 50%, 26%, 14% and 10% respectively. The Audited cost of the Nepal Portion is INR. 101 crore and the project has been implemented on 70:30 debt:equity ratio.

As on 31.03.2019, PTCN has Authorized, issued & paid-up share capital of NPR 45 crore. At present, POWERGRID equity is NPR 11.70 crore including 1,30,000 equity shares of NPR 100/- each of Bonus Shares. The line is under commercial operation w.e.f. 19th February, 2016.

The Dhalkebar - Muzaffarpur Indo-Nepal Cross Border Transmission line is being used for Transmission of power between India & Nepal.

Energy Efficiency Services Limited (EESL):

POWERGRID entered into a Joint Venture Agreement with NTPC Ltd., Power Finance Corporation Ltd. and Rural Electrification Corporation Ltd. The JV Company viz. Energy Efficiency Services Limited will promote measures of Energy efficiency, Energy Conservation and Climate Change and is carrying out business related to energy audit of Govt. buildings, consultancy assignments etc.

As on 31.03.2019, the Authorised Share Capital of EESL is ₹3500 crore and Paid-up Share Capital is ₹675.20 crore. POWERGRID's share in the paid up capital was ₹37.70 crore (5.58%).

Financial Highlights of the Company:

(₹in crore)

Particulars	Fiscal 2019	Fiscal 2018
POWERGRID's investment in Equity	37.70	22.5
Gross Income	1935.67	1410.70
Profit after Tax	95.09	39.46
Earning per Share* ₹	1.45	0.85

*Face value per Share is ₹10/- each.

Note: For the purpose of consolidation of Accounts, EESL has not been considered as a Joint Venture Company.

28.2 SUBSIDIARY COMPANIES:

I. POWERGRID NM TRANSMISSION LIMITED

POWERGRID NM Transmission Company Limited (PNMTL) was acquired by POWERGRID on March 29, 2012 under Tariff Based Competitive Bidding for establishing Transmission System associated with IPPs of Nagapattinam / Cuddalore Area (Package A) from PFC Consulting Ltd (the Bid Process Co-coordinator). The Transmission System comprising 765kV D/C and 765kV S/C traverses the states of Tamil Nadu and Karnataka. PNMTL was granted transmission license by CERC in June, 2013.

As on 31.03.2019, PNMTL has an Authorized and Paid up Share Capital of ₹264crore each. The project elements have been progressively commissioned and the entire project has been commissioned on 26.01.2019.

(₹in crore)

Particulars	FY2018-19	FY2017-18
Gross Income	16.14	0.38
Profit after Tax	(63.56)	(83.14)

II. POWERGRID VIZAG TRANSMISSION LIMITED

POWERGRID VIZAG Transmission Company Limited (PVTL) was acquired by POWERGRID on August 30,2013 under Tariff Based Competitive Bidding for establishing Transmission System for 'System Strengthening in Southern Region for import of power from Eastern Region' from REC Transmission Projects Company Limited (the Bid process Coordinator). The transmission system comprising Srikakulam-Vemagiri 765kV D/C line & Khammam –Nagarjunasar 400kV D/C Line traverses through the states of Andhra Pradesh and Telengana. PVTL was granted transmission license by CERC in January, 2014.

As on 31.03.2019, PVTL has an Authorized and Paid up Share Capital of ₹220 crore & ₹209.73crore respectively. The project has been commissioned on 1st February, 2017. PVTL has paid dividend amounting to ₹27.89 crore for Fiscal 2019.

(₹in crore)

Particulars	FY2018-19	FY2017-18
Gross Income	298.24	244.14
Profit after Tax	100.16	77.67

III. POWERGRID UNCHAHAR TRANSMISSION LIMITED

POWERGRID Unchahar Transmission System Limited (PUTL) was acquired by POWERGRID on March 24, 2014 under Tariff Based Competitive bidding from REC Transmission Projects Company Limited (the Bid Process Co-ordinator) for establishment of Transmission System for ATS of Unchahar TPS. The transmission system comprising 400 kV D/C traverses the state of Uttar Pradesh. The Company was granted transmission license by CERC in July, 2014.

As on 31.03.2019, PUTL has an Authorized Share Capital of ₹14crore and Paid-up Share Capital of ₹12.96crore.

The Project has been commissioned on 23.09.2016. PUTL has paid dividend (interim) of 15% amounting to ₹1.94 crore for Fiscal 2019.

(₹in crore)

Particulars	FY2018-19	FY2017-18
Gross Income	23.47	16.34
Profit after Tax	9.81	9.05

IV. POWERGRID KALA AMB TRANSMISSION LIMITED

POWERGRID Kala Amb Transmission Limited (PKATL) was acquired by POWERGRID on May 12, 2014 under Tariff Based Competitive bidding from REC Transmission Projects Company Limited (the Bid Process Co-ordinator) for establishment of Transmission System for Northern Region system Strengthening Scheme, NRSS-XXXI (Part-A). The Transmission System comprising 400/220 kV GIS substation, 400 kV D/C LILO and Series Compensation is to traverse the state of Himachal Pradesh. The Company was granted transmission license by CERC in September, 2014.

As on 31.03.2019, PKATL has an Authorized and Paid-up Share Capital of ₹61crore each. The project has been commissioned on 12.07.2017.

PKATL has paid interim dividend of ₹0.68 per equity share amounting to ₹4.15 Crore in December 2018 and second interim dividend of ₹0.80 per equity share amounting to ₹4.88 Crore in March 2019. Thus, the aggregate interim dividend payout for the Fiscal 2019 amounts to ₹9.03 crore.

(₹in crore)

Particulars	FY2018-19	FY2017-18
Gross Income	60.30	37.77
Profit after Tax	13.08	7.52

V. POWERGRID JABALPUR TRANSMISSION LIMITED

POWERGRID Jabalpur Transmission Limited (PJTL) was acquired by POWERGRID on February 26, 2015 under Tariff Based Competitive bidding from REC Transmission Projects Company Limited (the Bid Process Co-ordinator) for establishment of Transmission System Strengthening associated with Vindhyachal-V. The transmission system comprising 765kV D/C transmission line traverse the State of Madhya Pradesh. The Company was granted transmission license by CERC in June, 2015.

As on 31.03.2019, PJTL has Authorized Share Capital of ₹300crore and Paid up Share Capital of ₹173.15crore.

The project had been completed and declared for commercial operation w.e.f. 01.01.2019.

(₹in crore)

Particulars	FY2018-19	FY2017-18
Gross Income	61.05	-
Profit after Tax	10.15	-

VI. POWERGRID WARORA TRANSMISSION LIMITED

POWERGRID Warora Transmission Limited (PWTL) was acquired by POWERGRID on April 24, 2015 under Tariff Based Competitive bidding from REC Transmission Projects Company Limited (the Bid Process Co-ordinator) for establishment of Transmission System Associated with Gadarwara STPS (2 x 800 MW) of NTPC (Part-A). The transmission system traverses through the States of Maharashtra and Madhya Pradesh and comprises 765kV D/C, 400kV D/C transmission lines and establishment of 2X1500 MVA 765/400 kV new substation in Warora. The Company was granted transmission license by CERC in August, 2015.

As on 31.03.2019, PWTL has an Authorized Share Capital of ₹425crore and Paid up Share Capital of ₹326.30crore.

The project elements have been progressively commissioned and the entire project has been commissioned on 10.07.2018.

PWTL has paid interim dividend of ₹0.65 per equity share amounting to ₹15.75 Crore in December 2018 and second interim dividend of ₹0.06 per equity share amounting to ₹1.96 Crore in March 2019. Thus, the aggregate interim dividend payout for the Fiscal 2019 amounts to ₹17.71 crore.

(₹in crore)

Particulars	FY2018-19	FY 2017-18
Gross Income	280.62	63.70
Profit after Tax	59.67	28.94

VII. POWERGRID PARLI TRANSMISSION LIMITED

POWERGRID Parli Transmission Limited (PPTL) was acquired by POWERGRID on April 24, 2015 under Tariff Based Competitive bidding from REC Transmission Projects Company Limited (the Bid Process Co-ordinator) for establishment of Transmission System Associated with Gadarwara STPS (2 x 800 MW) of NTPC (Part-B). The transmission system traverses through the State of Maharashtra and comprises 765kV D/C, 400kV D/C transmission lines and establishment of 2X1500 MVA 765/400 kV new substation in Parli. The Company was granted transmission license by CERC in July, 2015.

As on 31.03.2019, PPTL has an Authorized Share Capital of ₹350crore and Paid-up Share Capital of ₹228.50crore.

The project elements have been progressively commissioned and the entire project has been commissioned on 04.06.2018.

PPTL has paid interim dividend of ₹0.90 per equity share amounting to ₹12.47 Crore in December 2018 and second interim dividend of ₹0.15 per equity share amounting to ₹3.43 Crore in March 2019. Thus, the aggregate interim dividend payout for the Fiscal 2019 amounts to ₹15.90 crore.

(₹in crore)

Particulars	FY2018-19	FY 2017-18
Gross Income	283.92	-
Profit after Tax	65.01	-

VIII. POWERGRID SOUTHERN INTERCONNECTOR TRANSMISSION SYSTEM LIMITED

POWERGRID Southern Interconnector Transmission System Limited (PSITSL) was acquired by POWERGRID on December 4, 2015 under Tarrif based Competitive bidding from REC Transmission Projects Company Limited (the Bid Process Co-ordinator) for "Strengthening of Transmission System Beyond Vemagiri' Project on build, own operate and maintain (BOOM) basis. The transmission project comprising of 765 kV & 400 kV, D/C transmission lines is to traverse the states of Andhra Pradesh, Telangana & Karnataka and include establishment of one 765/400 kV Substation as well as 400kV bay extension at two existing sub-stations in the state of Andhra Pradesh. The Company was granted transmission license by CERC in March, 2016.

As on 31.03.2019, PSITSL has an Authorized Share Capital of ₹675crore and Paid up Share Capital of ₹515.504 crore. Two elements of the projects have been commissioned on 06.08.2018 and 28.02.2019. The remaining elements are under implementation.

(₹in crore)

Particulars	FY2018-19	FY2017-18
Gross Income	33.15	-
Profit after Tax	(1.56)	-

IX. POWERGRID MEDINIPUR – JEERAT TRANSMISSION LIMITED

POWERGRID Medinipur-Jeerat Transmission Limited (PMJTL) (was acquired by POWERGRID on March 28, 2017 under Tariff based competitive bidding from PFC Consulting Limited (the Bid Process Coordinator) for Transmission System associated with "765kV Strengthening in Eastern Region (ERSS-XVIII). The Transmission System includes establishment of 765kV and 400kV Transmission lines which is to traverse the states of West Bengal and Jharkhand including establishment of two new 765/400kV Substations in West Bengal. The Company was granted transmission license by CERC in June, 2017.

As on 31.03.2019, PMJTL has an Authorized Share Capital of ₹1.00 crore and Paid up Share Capital of ₹0.01crore. The Project is under implementation.

X. POWERGRID MITHILANCHAL TRANSMISSION LIMITED

POWERGRID Mithilanchal Transmission Limited (PMTL), formerly known as ERSS XXI Transmission Limited, was acquired by POWERGRID on January 12, 2018 under Tariff based competitive bidding from REC Transmission Projects Company Limited (the Bid Process Coordinator) for Transmission System associated with "Establish Transmission System for Eastern Region Strengthening Scheme – XXI (ERSS-XXI)". The Transmission System includes establishment of 400kV Transmission lines in the state of Bihar including establishment of three new 400/220/132 kV Substations in Bihar. The Company was granted transmission license by CERC in April, 2018.

As on 31.03.2019, PMTL has an Authorized and Paid up Share Capital of ₹5Lakh each. The Project is under implementation.

XI. POWERGRID VARANASI TRANSMISSION SYSTEM LIMITED

POWERGRID Varanasi Transmission System Limited (PVTSL), formerly known as WR-NR Power Transmission Limited was acquired by POWERGRID on March 27, 2018 under Tariff Based Competitive Bidding from REC Transmission Projects Company Limited (the Bid Process Co-ordinator) for establishing Transmission System for new Western Region – Northern Region 765kV Inter Regional Corridor. The Transmission System includes establishment of a 765kV D/C Transmission Line from Vindhyachal pooling station to Varanasi and traverses the states of Madhya Pradesh and Uttar Pradesh. The Company was granted transmission license by CERC in August, 2018.

As on 31.03.2019, PVTSL has Authorized and Paid up Share Capital of ₹5Lakh each. The Project is under implementation.

XII. POWERGRID JAWAHARPUR FIROZABAD TRANSMISSION LIMITED

POWERGRID Jawaharpur Firozabad Transmission Limited (PJFTL) (formerly known as Jawaharpur Firozabad Transmission Limited) was acquired by POWERGRID on December 21, 2018 under Tariff based competitive bidding from REC Transmission Projects Company Limited (the Bid Process Coordinator) for establishing Transmission System for Evacuation of Power from 2 X 660 MV Jawaharpur Thermal Power Project and Construction of 400 kV Substation at Firozabad along with associated Transmission Lines and is an Intra State Transmission Project.

As on 31.03.2019, PJFTL has an Authorized and Paid up Share Capital of ₹5Lakh each. Application for obtaining transmission license has been filed to UPERC.

XIII. POWERGRID VEMAGIRI TRANSMISSION LIMITED

POWERGRID Vemagiri Transmission Limited was acquired by POWERGRID on April 18, 2012 under Tariff Based Competitive bidding for establishing Transmission system associated with IPPs of Vemagiri Area (Package A) from REC Transmission Projects Company Limited (the Bid Process Co-ordinator). The transmission system comprising 765kV D/C lines was to traverse the state of Andhra Pradesh and Telangana.

As on 31.03.2019, POWERGRID Vemagiri Transmission Limited has an Authorized Share Capital and Paid up Share Capital of ₹5Lakh each.

CERC vide Order dated 06.04.2015 stated that Vemagiri-Khammam-Hyderabad 765 kV D/C lines under the project is neither required as an evacuation line nor as a system strengthening line, no useful purpose will be served by adopting the transmission charges and granting license to the petitioner for the said transmission line and has withdrawn the regulatory approval for the Transmission project.

GRID CONDUCTORS LIMITED

Grid Conductors Limited (GCL), a wholly owned subsidiary of POWERGRID incorporated on 15.09.2015 to set up an aluminum conductor manufacturing plant at Angul, Odisha. The Company did not carry out any business activity since incorporation and an application to strike off the name of the Company through Fast Track Exit Scheme was filed with Registrar of Companies (ROC). ROC vide Notice dated 09.08.2018 has struck off the name from its records.

29. Consolidated financial statements of POWERGRID

The consolidated financial statements have been prepared in accordance with Indian Accounting Standards (IndAS) 110- 'Consolidated Financial Statements' and Indian Accounting Standards (IndAS) 28 – 'Investments in Associates and Joint Ventures'. On consolidated basis, the Total Income of the Company, during F.Y.2018-19, stood at ₹35,661.32 crore against ₹30,430.54 crore during F.Y.2017-18 registering an increase of about 17.19%. Total Expenses as on 31.03.2019 stood at ₹24,116.10 crore as against ₹20,391.92 crore as on 31.03.2018. Profit after Tax during FY 2018-19 increased by 22.30% vis-a-vis FY 2017-18. A brief summary of the results on a consolidated basis is given below:

(₹in crore)

	FY 2018-19	FY 2017-18
Total Income	35,661.32	30,430.54
Profit before Tax & Regulatory Deferral Account Balances	11,674.04	10,186.56
Profit after Tax	10,033.52	8,204.00
Net Cash from operating activities	23,380.67	22,710.12

30. Cautionary Statement

Statement in the Management Discussion and Analysis and Directors Report describing Your Company's objectives, projections and estimates are forward looking statements and progressive within the meaning of applicable laws and regulations. Actual results may vary from those expressed or implied, depending upon economic conditions Government Policies and other incidental factors. Readers are cautioned not to place undue reliance on the forward looking statements.

For and on behalf of the Board of Directors

(Ravi P.Singh)
Director (Personnel) & CMD
DIN:05240974

Place: New Delhi
Date: 19th July, 2019

ANNEXURE II TO THE DIRECTORS' REPORT

Business Responsibility Report

Section A: General Information about the Company

1	Corporate Identity Number (CIN) of the Company	L40101DL1989GOI038121
2	Name of the Company	Power Grid Corporation of India Ltd
3	Registered address	B-9, Qutab Institutional Area, Katwaria Sarai, New Delhi-110016
4	Website	www.powergridindia.com
5	E-mail id	sustainability.report@powergrid.co.in
6	Financial Year reported	2018-19
7	Sector(s) that the Company is engaged in (industrial activity code-wise)	Sector(s) / ITC Code No. Inter State Transmission System (ISTS), Central Transmission Utility (CTU) of country / 99691110 Telecom / 99841100 Consultancy & Project Management / 99833244
8	List three key products/services that the Company manufactures/provides (as in balance sheet)	i) Transmission ii) Telecom iii) Consultancy Services (Domestic / International)
9	Total number of locations where business activity is undertaken by the Company i) Number of International Locations (Provide details of major 5) ii) Number of National Locations	(i) **International**: POWERGRID is providing Consultancy services in all facets of Transmission System. POWERGRID is having footprints in Twenty Countries. Major five countries include Nepal, Bhutan, Bangladesh, Fiji and CASA (Kyrgyz Republic, Tajikistan, Afghanistan & Pakistan). (ii) **National**: Total 256 which includes 245 sub-stations (including subsidiaries), 10 Regional headquarters and 1 corporate office at Gurgaon. Telecom department has its points of presence in more than 680 locations spread across the country. Apart from above, a no. of substations and transmission lines are presently under construction and personnel are located on various site(s).
10	Markets served by the Company - Local/State/National/ International/	POWERGRID has footprint in all the markets-Local/State/National/ International.

Section B: Financial Details of the Company

1	Paid up Capital (INR)	5231.59 crore
2	Total Turnover (INR)	35618.07 crore
3	Total Profit after Taxes (INR)	9938.55 crore
4	Total Spending on Corporate Social Responsibility (CSR) as percentage of profit after tax (%)	During FY 2018-19, the Company has spent ₹195.52 Crore [i.e. 2.09% of average net profits of the Company for last three financial years] on various CSR activities.
5	List of activities in which expenditure in 4 above has been incurred	Health, Education, Environmental Sustainability, Sanitation, Rural Development, Skill Development programmes, etc.

Section C: Other Details

1. Does the Company have any Subsidiary Company/ Companies?

As on March 31, 2019, POWERGRID had thirteen wholly owned subsidiary Companies viz. POWERGRID NM Transmission Limited, POWERGRID Vemagiri Transmission Limited, POWERGRID Vizag Transmission Limited, POWERGRID Unchahar Transmission Limited, POWERGRID Kala Amb Transmission Limited, POWERGRID Jabalpur Transmission Limited, POWERGRID Warora Transmission Limited, POWERGRID Parli Transmission Limited, POWERGRID Southern Interconnector Transmission System Limited, POWERGRID Medinipur

Jeerat Transmission Limited, POWERGRID Mithalanchal Transmission Limited (formerly ERSS XXI Transmission Limited), POWERGRID Varanasi Transmission System Limited(formerly WR-NR Power Transmission Limited) and POWERGRID Jawaharpur Firozabad Transmission Limited (formerly Jawaharpur Firozabad Transmission Limited).

2. Do the Subsidiary Company/Companies participate in the BR Initiatives of the parent company? If yes, then indicate the number of such subsidiary company(s)

Yes. The BR initiatives of POWERGRID generally apply to its subsidiaries also.

3. Do any other entity/entities (e.g. suppliers, distributors etc.) that the Company does business with, participate in the BR initiatives of the Company? If yes, then indicate the percentage of such entity/entities? [Less than 30%, 30-60%, More than 60%]

Yes. The Environmental and Social Policy & Procedures (ESPP) of POWERGRID encompasses the company, its Joint Venture Company-Powerlinks Transmission Limited, subsidiaries in general and relative aspects pertaining to Vendors / Suppliers/ Contractors through contract conditions. Vendors/Suppliers/ Contractors are required to comply with the provisions of the labour laws, environmental laws & effectual safety plans through stipulations in the Conditions of Contract. The percentage of such Vendors' /Suppliers'/ Contractors' are more than 60%.

Section D: BR Information

1. Details of Director/Directors responsible for BR

a) Details of the Director/Director responsible for implementation of the BR policy/policies

The detail of the Director responsible for implementation of the BR policy/policies is as under:

- DIN Number : 02018931
- Name : Shri Rajeev Kumar Chauhan*
- Designation : Director (Projects)

*Appointed as Director (Projects) w.e.f. 23.08.2018. Prior to this, Shri Prabhakar Singh was holding the charge of Director (Projects), Shri Singh had superannuated on 30.06.2018.

b) Details of the BR head (as on 31.03.2019)

S.No.	Particulars	Details
1.	DIN Number (if applicable)	Not Applicable
2.	Name	Dr. R.K. Srivastava#
3.	Designation	Chief General Manager - Incharge (Environment and Social Management Department)
4.	Telephone number	0124-2571980
5.	e-mail id	rks@powergridindia.com

Dr. R. K. Srivastava took over the charge as BR head w.e.f. 01.03.2019. Prior to this, Shri S.K. Gupta, ED(ESMD, CSR & LA) was holding the said charge, who had superannuated on 28.02.2019.

2. Principle-wise (as per NVGs) BR Policy/policies

The National Voluntary Guidelines on Social, Environmental and Economic Responsibilities of Business released by the Ministry of Corporate Affairs has adopted following nine areas of Business Responsibility:

P1	Businesses should conduct and govern themselves with Ethics, Transparency and Accountability
P2	Businesses should provide goods and services that are safe and contribute to sustainability throughout their life cycle
P3	Businesses should promote the wellbeing of all employees
P4	Businesses should respect the interests of, and be responsive towards all stakeholders, especially those who are disadvantaged, vulnerable and marginalised.
P5	Businesses should respect and promote human rights
P6	Business should respect, protect, and make efforts to restore the environment
P7	Businesses, when engaged in influencing public and regulatory policy, should do so in a responsible manner
P8	Businesses should support inclusive growth and equitable development
P9	Businesses should engage with and provide value to their customers and consumers in a responsible manner

2a. Details of compliance (Reply in Y/N)

S.No.	Questions	P1	P2	P3	P4	P5	P6	P7	P8	P9
1.	Do you have policy/policies for....	Y	Y	Y	Y	Y	Y	N	Y	Y
2.	Has the policy being formulated in consultation with the relevant stakeholders?*	Y	Y	Y	Y	Y	Y	NA	Y	Y
3.	Does the policy conform to any national /international standards? If yes, specify?* (50 words)	Y	Y	Y	Y	Y	Y#	NA	Y	Y
4.	Has the policy being approved by the Board? If yes, has it been signed by MD/owner/CEO/appropriate Board Director?	Y	Y	Y	Y	Y	Y	NA	Y	Y
5.	Does the company have a specified committee of the Board/ Director/Official to oversee the implementation of the policy?	Y	Y	Y	Y	Y	Y	NA	Y	Y
6.	Indicate the link for the policy to be viewed online?	www.powergridindia.com								
7.	Has the policy been formally communicated to all relevant internal and external stakeholders?	Y	Y	Y	Y	Y	Y	NA	Y	Y
8.	Does the company have in-house structure to implement the policy/policies.	Y	Y	Y	Y	Y	Y	NA	Y	Y
9.	Does the Company have a grievance redressal mechanism related to the policy/policies to address stakeholders' grievances related to the policy/policies?	Y	Y	Y	Y	Y	Y	NA	Y	Y
10.	Has the company carried out independent audit/evaluation of the working of this policy by an internal or external agency? *	Y	Y	Y	Y	Y	Y	NA	Y	Y

*Conforms to / are updated / reviewed in accordance with, the National Standards including GOI/ CVC/ DPE Guidelines, applicable laws etc.

POWERGRID's Environmental and Social Policy & Procedures (ESPP) based on principles of Avoidance, Minimization, Mitigation in that order of preference and Restoration wherever needed is accepted by The World Bank and Asian Development Bank under their policy of "Use of Country System" (UCS) and "Country Safeguard System" (CSS) in 2009 & 2017, respectively.

2b. If answer to questions at S.No. 1 against any principle, is 'No', please explain why: (Tick up to 2 options)

S.No.	Questions	Principle 7- Responsible public policy advocacy
1.	The company has not understood the Principles	-
2.	The company is not at a stage where it finds itself in a position to formulate and implement the policies on specified principles	-
3.	The company does not have financial or manpower resources available for the task	-
4.	It is planned to be done within next 6 months	-
5.	It is planned to be done within the next 1 year	-
6.	Any other reason (please specify)	POWERGRID is a member of various industrial and trade bodies and participates in these forums on issues and policy matters that impact the interest of our stakeholders. Keeping in view the significant interest of POWERGRID in the Transmission sector, a separate Regulatory Cell is in place to undertake POWERGRID's endeavor of a pro-active approach as part of policy advocacy with the stakeholders and CERC. Wherever felt necessary, we give our comments on various approach papers, consultation papers, draft regulations etc issued by CERC, TRAI and other authorities.

3. Governance related to BR

- **Indicate the frequency with which the Board of Directors, Committee of the Board or CEO to assess the BR performance of the Company. Within 3 months, 3-6 months, Annually, More than 1 year**

  3-6 months

- **Does the Company publish a BR or a Sustainability Report? What is the hyperlink for viewing this report? How frequently it is published?**

  Yes, the Company publishes "Sustainability Report" based on Global Reporting Initiative (GRI) Guidelines. These reports are being published biennially and are available on company website at following link:

  https://www.powergridindia.com/sustainability-report

Section E: Principle-wise performance

Principle 1- Businesses should conduct and govern themselves with Ethics, Transparency and Accountability

1. Does the policy relating to ethics, bribery and corruption cover only the company? Yes/ No. Does it extend to the Group/Joint Ventures/Suppliers/Contractors/NGOs/Others?

Yes. POWERGRID is committed to observe transparency and consistency in all its operations. POWERGRID follows a no. of policies/ rules to strengthen ethical conduct at all levels including the following:

a) **Code of Business Ethics & Conduct:** POWERGRID has laid down two separate Code of Business Ethics & Conduct – one for Board Members and another for Senior Management Personnel (including those deputed in Subsidiaries/ Joint Ventures) in alignment with Company's Vision & Mission and aims at enhancing ethical and transparent process in managing the affairs of the Company.

b) **POWERGRID Conduct and Discipline Appeal rules (POWERGRID CDA Rules):** POWERGRID CDA Rules define the desirable and non-desirable acts and conduct for the employees and extend to all employees working with it (including those deputed in Subsidiaries/ Joint Ventures). The aspects of Bribery and Corruption are also covered under CDA rules. There is laid down procedure for actions in the case of non-compliance with the defined terms as well as for any misconduct.

c) **Whistle Blower and Fraud Prevention Policy:** Whistle Blower and Fraud Prevention Policy provides a system for disclosures made by employees or complaint of any fraud or suspected fraud involving employees of POWERGRID (all full time, part time or employees appointed on adhoc/ temporary/contract basis) as well as representative of vendors, suppliers, contractors, service providers or any outside agency (ies) doing any type of business in POWERGRID.

Since, POWERGRID is a designated public authority, the provisions of the Right to Information Act, 2005 are applicable on us. The Chief Public Information Officers (CPIO) at the Corporate and regional level ensure smooth access to information in a timely manner.

Several initiatives have been taken/are being taken by POWERGRID to strengthen Integrity, transparency and fairness in its business practices which includes the following:

(i) Well defined "Delegation of Powers" is in place delineating the powers of the top executives and below for carrying out work in systematic manner.

(ii) POWERGRID has implemented "Works & Procurement Policy and Procedure (WPPP) for Pre-award and Post-award Stages" (as amended from time to time) with a view to making the policies and procedures more systematic, transparent and easy to administer uniformly throughout its business operations with major thrust on expeditious and decentralized decision making coupled with accountability and responsibility.

(iii) "Integrity Pact Program" has been implemented which is considered as a useful tool in ensuring transparency in the procurement process. Contracts above ₹100Crore are also monitored by a panel of "Independent External Monitors (IEMs)".

(iv) Manuals and Procedures are in place for Construction, Operation & Maintenance.

(v) e-procurement mechanism for most of the project procurements has been implemented.

(vi) e-Reverse auction mechanism is in place.

(vii) The Project "RUPANTAR", the Enterprise Resource Planning (ERP) initiative of our Company has been implemented and majority of the key processes related to business are running on ERP.

(viii) Detail of Award is posted on the website on real time basis.

(ix) POWERGRID focuses on Preventive, Pro-active as well as Punitive Vigilance. Aiming at better transparency and to inculcate good governance within the organization, POWERGRID has taken a number of initiatives. For details, section on 'Commitment to Transparency & Vigilance Function' under Directors' Report may be referred.

2. How many stakeholder complaints have been received in the past financial year and what percentage was satisfactorily resolved by the management? If so, provide details thereof, in about 50 words or so.

During FY 2018-19, 74 nos. of complaints were received. About 48.30% of complaints have been disposed of during the year and the remaining are under due process.

Principle 2 -Businesses should provide goods and services that are safe and contribute to sustainability throughout their life cycle

1. List up to 3 of your products or services whose design has incorporated social or environmental concerns, risks and/or opportunities.

(i) Adoption of modern techniques viz. GIS / GPS, satellite imaging etc. help in selection of most optimum line route avoiding ecological and social sensitive areas as far as possible thus, resulting in minimum ecological and social footprint.

(ii) Technological initiatives such as use of innovative towers (pole, multi circuit) and adoption of high voltage levels transmission system (1200 kV, ±800kV HVDC, 765kV etc.) not only conserved the precious Right of Way (RoW) but also substantially reduced felling of tree as well as conservation of wildlife in ecologically sensitive areas.

(iii) Initiative to utilize the unused inductive power in earth wire for powering of telecom antennas to eliminate use of DG sets by mobile operators- a constant source of pollution and GHGs emission.

2. For each such product, provide the following details in respect of resource use (energy, water, raw material etc.) per unit of product(optional):

(a) Reduction during sourcing/production/ distribution achieved since the previous year throughout the value chain?

(b) Reduction during usage by consumers (energy, water) has been achieved since the previous year?

These activities are being carried out under various policies / guidelines and are implemented from time to time.

3. Does the company have procedures in place for sustainable sourcing (including transportation)?

(a) If yes, what percentage of your inputs was sourced sustainably? Also, provide details thereof, in about 50 words or so.

Sustainability in sourcing is enforced through the Environmental and Social Policy & Procedures (ESPP) of POWERGRID which extends to Suppliers/Contractors/Vendors through contract conditions.Vendors/ Suppliers/Contractors are required to comply with ESPP, Labour laws, Environmental laws & effectual Safety plans through stipulations in the Conditions of Contract. Contracts provide penalties to be imposed on the Vendors/ suppliers / contractors in the event of breach of the said provisions.

4. Has the company taken any steps to procure goods and services from local & small producers, including communities surrounding their place of work? (a) If yes, what steps have been taken to improve their capacity and capability of local and small vendors?

We encourage participation of local vendors for certain works in & around our establishments through local competitive bidding process.

5. Does the company have a mechanism to recycle products and waste? If yes what is the percentage of recycling of products and waste (separately as <5%, 5-10%, >10%). Also, provide details thereof, in about 50 words or so.

Due to nature of the Company's business there is no process waste generated and the waste is restricted primarily to metal scraps, used batteries, used transformer oil, e-waste etc. However, Company has put in place systems for reuse/recycling of these waste materials. The wastes such as used transformer oil, used batteries, & e-waste are disposed either to govt. authorized recyclers/reprocessors or channelized back to manufacturers for recycling as per the applicable rules/regulations, which takes care of 100% recycling of such wastes. For further details on quantity and disposal method, refer Sustainability Reports available at below hyperlink;

https://www.powergridindia.com/sustainability-report

Besides, the "Waste Paper Recycling" plant installed at Gurgaon Substation is also contributing in proper disposal/recycling of waste paper.

Principle 3- Businesses should promote the wellbeing of all employees

1. Please indicate the Total number of employees.

Total numbers of employees as on March 31, 2019 were 9255.

2. Please indicate the Total number of employees hired on temporary/contractual/casual basis.

Total number of employees hired on contractual basis as on March 31, 2019 were 631 (excluding contractual labour).

3. Please indicate the Number of permanent women employees.

Number of permanent women employees as on March 31, 2019 were 687.

4. Please indicate the Number of permanent employees with disabilities

Number of permanent employees with disabilities as on March 31, 2019 were 206.

5. Do you have an employee association that is recognized by management.

Employees under the 'Workmen' category are represented through Trade Unions and the organization has recognized workmen-management forum.

6. What percentage of your permanent employees is members of this recognized employee association?

All employees under the 'Workmen' category are members of Trade Union. Workmen represent about 24% of the employee strength in POWERGRID.

7. Please indicate the Number of complaints relating to child labour, forced labour, involuntary labour, sexual harassment in the last financial year and pending, as on the end of the financial year.

S.No.	Category	No. of complaints filed during the financial year	No. of complaints pending as on end of the financial year
1.	Child labour/forced labour/involuntary labour	NIL	NIL
2.	Sexual harassment	NIL	NIL
3.	Discriminatory employment	NIL	NIL

8. What percentage of your under mentioned employees were given safety & skill up-gradation training in the last year?

Employees	% of Employees given safety & skill up-gradation training in the last year i.e. FY 2018-19
Permanent Employees	79.98%
Permanent Women Employees	79.62%
Casual/Temporary/ Contractual Employees	83.35%
Employees with Disabilities	71.85%

Principle 4- Businesses should respect the interests of, and be responsive towards all stakeholders, especially those who are disadvantaged, vulnerable and marginalised.

1. Has the company mapped its internal and external stakeholders? Yes/No

Yes, POWERGRID has mapped its internal and external stakeholders. We recognize Shareholders, Regulatory Authorities (GoI), Customers, Communities/persons residing around our areas of operation, Projects Affected Persons (PAPs)/Communities, Employees, Suppliers & Contractors, Research & Development Institutions, Funding Agencies and Media as our key stakeholders in economic, environment & social dimensions.

POWERGRID engages with its identified stakeholders on an ongoing basis and the prioritization of such engagement has been done considering factors like Dependency, Influence, Responsibility and Proximity. There is a structured Stakeholder Engagement Matrix which details specific engagement mechanisms including mode & frequency of engagement for each stakeholder category.

2. Of the above, has the company identified the disadvantaged, vulnerable & marginalized stakeholders?

Yes, the company has identified the disadvantaged, vulnerable & marginalized stakeholders and are broadly divided into two categories viz. Internal Stakeholders [Employees – Persons with Disabilities (PWD) / SC/ ST/ Women] and External Stakeholders [Project Affected Persons / Families (PAPs / PAFs) : Widow women headed families, SC/ST/ Persons with Disabilities (PWD)].

3. Are there any special initiatives taken by the company to engage with the disadvantaged, vulnerable and marginalized stakeholders. If so, provide details thereof, in about 50 words or so.

POWERGRID has taken following initiatives to engage with the disadvantaged, vulnerable and marginalized stakeholders:

- Internal Stakeholders (Employees- Persons with Disabilities (PWD)/ SC/ ST/ Women) – POWERGRID ensures diversity at workplace through efforts to recruit, develop and retain the most talented people from the pool of SC/ ST/ OBC/ Ex-servicemen/ Persons with Disabilities (PWD) candidates, in accordance with GoI directives on reservation matters. The special initiatives taken include-

  A time bound mechanism for the redressal of grievances is in place as under:

  a) A Reservation Cell has been constituted at the corporate, as well as regional level to comply with GoI directives on reservation matters for SC/ST/OBC/Ex-servicemen/ Persons with Disabilities (PWD). This cell is under control of nominated liaison officer(s). The Liaison Officer(s) are available on a pre-fixed day and time for interaction once in a week. Wide publicity regarding availability of the liaison officer is ensured amongst SC/ST employees. Regular meetings with SC/ST/OBC Employee's Association are conducted. 'Awareness Programme' are organized to acquaint the SC/ST/ OBC/PWD employees about the relaxations and concessions available to them under Government directives.

  b) Internal Complaints Committees (ICCs) under Sexual Harassment of Women in Workplace (Prevention, Prohibition, Redressal) Act, 2013 exist in the company in order to handle complaints related to the harassment of sexual nature of women.

  Women employees are extended certain relaxation like posting in soft locations, etc. Facilities like Ramp etc are provided to Persons with Disabilities.

- External Stakeholders {Projects Affected Persons / Families (PAPs / PAFs)- Widow women headed families, SC/ST/ Physically Handicap} - The special initiatives taken include –

  a) Rehabilitation and Resettlement (R&R) measures: Vulnerable groups like widow women headed families / SC / ST/ physically handicap who have suffered loss of land / loss of structure / loss of livelihood (wage or occupation) are considered for additional need based benefits.

  b) CSR Initiatives: Corporate Social Responsibility (CSR) activities of POWERGRID are focused towards initiatives that promote inclusive growth and address the basic needs of the under privileged and weaker sections of the society. The organization addresses the issues of Community Development with thrust on Health, Education, Sanitation, Skill development, Infrastructure creation for Rural Development, environmental sustainability, etc. primarily around its areas of operations. A large number of women, girls, SC/ST/Minority, poor & marginalized section of the population were benefitted as a result of POWERGRID's CSR initiatives. Various CSR initiatives such as improvement in facilities at public healthcare/ educational institutions, Scholarship/ financial assistance to the deprived students, etc. had been undertaken for improving the quality of life of the less privileged population. Besides, a large number of projects involving infrastructure development in rural areas like Installation of solar street lights, creating sanitation and drinking water facilities, construction/ renovation of roads, Classroom, community centers, toilets in school, providing schools furniture etc. have been undertaken to make the basic facilities and services available to the community. In addition, the Company continues to undertake several CSR Skill Development initiatives by imparting livelihood oriented skill development training through the reputed institution like NSDC, Indo-German Institute for Advanced Technology (IGIAT), Vizag, Indo German Tool Room (IDTR), Indore for imparting high-end skill training to youth to enable them for meaningful and decent employment.

Principle 5 - Businesses should respect and promote human rights

1. Does the policy of the company on human rights cover only the company or extend to the Group/Joint Ventures/Suppliers/ Contractors/NGOs/Others?

Human Rights issues are incorporated under related policies & practices of POWERGRID which extend to the employees including those deputed in Subsidiaries/ Joint Ventures and relative aspects pertaining to Vendors/ Suppliers/Contractors through contract condition. Further, The Conduct and Discipline Appeal rules ("CDA Rules") of POWERGRID also define the desirable and non-desirable acts and conduct for the employees (including those deputed in Subsidiaries/ Joint Ventures). There is a laid down procedure for actions in case of non-compliance with the defined terms as well as for any inappropriate or unwelcome sexually-oriented behavior. To promote fair and equitable employment relationship, a scheme for Grievance Redressal of employees is also in place which ensures a time bound redressal of grievances. Internal Complaints Committees (ICCs) have been constituted under the Sexual Harassment of Women at Workplace (Prevention, Prohibition and Redressal) Act, 2013 to redess complaints received regarding sexual harrasment.

POWERGRID also got certified to Social Accountability standard SA-8000 for its human resource and labour management policies and practices. Vendors /Suppliers / contractors are required to comply with the provisions of the labour laws/ Human rights etc through stipulations in the conditions of contract. As per the Contract agreement, contractors are prohibited from subjecting their workers to any child, forced or compulsory labour. All contractors are required to comply with various compensation and regulatory acts. All suppliers to POWERGRID have to confirm to General Conditions of Contract and SA 8000 clauses. POWERGRID takes declaration regarding Social Accountability from the bidders/contractors for compliance of all requirements of Social Accountability Standards i.e., SA8000 (latest Standard available at www.sa-intl.org), this declaration forms part of Contract Documents. Provision of penalties for non-adherence of the same are also included in the contract conditions.

POWERGRID promotes awareness of the importance of respecting Human Rights within its value chain and discourage instances of abuse. Besides conducting technical and behavioral trainings, the training on Human Rights issues to sensitize people towards women, the differently-abled and the socially weaker sections of the society have also been imparted.

2. How many stakeholder complaints have been received in the past financial year and what percent was satisfactorily resolved by the management?

No complaint was received regarding human rights violation during the reporting period (2018-19).

Principle 6 - Business should respect, protect, and make efforts to restore the environment

1. Does the policy related to Principle 6 cover only the company or extends to the Group/Joint Ventures/Suppliers/ Contractors/NGOs/others.

The Environmental and Social Policy & Procedures (ESPP) of POWERGRID encompasses the company, its Joint Venture – Powerlinks Transmission Limited, subsidiaries in general and relative aspects pertaining to Vendors/ Suppliers/Contractors through contract condition.

2. Does the company have strategies/initiatives to address global environmental issues such as climate change, global warming, etc? Y/N. If yes, please give hyperlink for webpage etc.

Yes, Company has taken various initiatives for mitigating climate change to fulfil its commitment towards the goal of sustainable development and to meet the GoI's Nationally Determined Target (NDC) under Paris agreement. Some major initiatives in this regard are:-

- Following the cardinal principle of avoidance, minimization as per Environmental and Social Policy and Procedures (ESPP), involvement of forest land in its transmission line project has been progressively reduced from 6% in 1998 to 2.26% at present, thus playing a major role in preserving the precious carbon sink in line with GoI's commitment to Paris agreement. It is estimated that approx. 1.25 million tons of CO_2 absorption by above saved forest annually through this initiative.
- POWERGRID is playing a key role in integration of renewable energy resources by establishing high capacity "Green Energy Corridors" dedicated for renewable energy including solar parks across the country. Such initiative not only reduced the dependency on thermal generation but also provided boost to renewable generation by providing reliable grid connectivity which was earlier thought to be a major impediment for renewable energy development. POWERGRID is implementing inter-state transmission system for eight solar parks of about 7,200MW in five States. Such transmission corridors will facilitate transfer of 43 GW of renewable energy against INDC target of 75 GW.
- Recognizing the importance of solar power in combating Climate change and in-line with GOI's commitment towards Paris Agreement, POWERGRID has been installing solar street lighting and Solar PV Systems in its substation premises and office establishments. We are in the process of installing 5 MWp Rooftop Solar PV Systems covering more than 50 locations in its premises. This initiative will result in further saving of 7-8 Million Units (MUs) of Grid connected energy per annum, thereby, further reducing atmospheric emission of approx. 35916 mt. of CO_2 per year.
- Another significant initiative is the use of inductive power in earth wire for powering of telecom antennas. This inductive power which otherwise goes waste will eliminate the use of DG sets, a constant source of pollution and GHGs emission. The technology has been successfully tested at pilot scale and regulatory approval of the CERC has also been received.
- In line with GoI E- Mobility mission towards lowering vehicular emission and to ensure energy sustainability, POWERGRID has been using e-vehicles for its day to day official transportation. POWERGRID is also developing Electric Vehicle (EV) Charging Stations across India to facilitate E-mobility solutions in road transport covering 2-Wheelers, Rickshaws/Autos, Taxis, Cars, Buses etc.

Further, on the Technological Initiatives front, efforts are being made for conservation of energy in our projects – right from planning stage, to the execution stage and throughout the Operation & Maintenance period. We are implementing ±800kV HVDC systems and 765kV D/C lines to minimize RoW and environmental problems. We have also developed 1200kV Ultra High Voltage (UHV) AC technology indigenously, the highest transmission voltage level in the world, in collaborative efforts with domestic manufacturers. This will enable transfer of 6000-8000 MW power over single corridor. In addition, efforts are being made to switch to high performance conductors in existing and new lines which involve lower sag as against conventional conductor at higher operating temperatures thereby resulting in reduction of tower weight and increasing span and consequently, reduce the total steel requirement resulting into lower carbon footprint. These latest technologies will have wide influence in minimizing environmental and social impact of high voltage transmission line and these initiatives will show extensive results in optimization of RoW and its associated environmental and social impact. POWERGRID has also been designing and

using Compact towers / Pole type towers / Multi-circuit towers depending upon land topography and conditions. Gas Insulated Substation (GIS) are also being established by POWERGRID to reduce land use. POWERGRID has already implemented pilot projects on Substation Automation System with Process Bus architecture in the pursuit of Digital substation. Moreover a project on retrofitting conventional control and protection system with the latest Process Bus based solution at one of the old substation - 400/220kV Malerkotla substation, has also been initiated apart from utilizing the Process Bus in another upcoming green field project at Chandigarh. We have introduced 33kV Mobile Capacitor bank for enabling the distribution utilities to tackle voltage related issues during particular season of the year. As a major step towards the pro-active maintenance, POWERGRID has developed in-house tool for online condition assessment of transformers. POWERGRID is also developing a tool for health indexing of transformers as a next step towards efficient condition assessment. Apart from above, we have taken initiatives for development of Smart Grid in India towards bringing efficiency in distribution and are extending consultancy services for implementation of various projects on Smart Grid technology in different states.

3. Does the company identify and assess potential environmental risks? Y/N

Yes. A detailed Risk Assessment and Management procedure is in place to identify and assess potential environmental and social risks, as part of overall project analysis. The POWERGRID's ESPP which is based on the principles of Avoidance, Minimization and Mitigation outlines POWERGRID's approach and commitment to deal with environmental and social risk/issues and lays out management procedures and protocols to mitigate the same. It provides a framework for identification, assessment, and management of environmental and social concerns at both organizational and project level. ESPP framework includes procedures for: (a) Screening and Identification of Risks (from environmental receptors, social receptors and other stakeholders); (b) avoidance of risks (including criteria and procedures for alternative routing); (c) mitigation of risk through impact management, implementation of Good International Industry Practices (GIIP), adequate compensation to affected stakeholders, public consultation and disclosure, and grievance redress; (d) monitoring, reporting, evaluation, feedback, management review and corrective action; and (e)responsibility and resource allocation including an organization structure for management of social and environmental risks.

POWERGRID is accredited with a Publicly Available Specification, PAS 99:2012 based Integrated Management System (IMS) that includes ISO 9001:2015 (Quality Management System), ISO 14001:2015 (Environment Management System) and OHSAS 18001:2007 (Occupational Health & Safety Management System).

4. Does the company have any project related to Clean Development Mechanism? If so, provide details thereof, in about 50 words or so. Also, if Yes, whether any environmental compliance report is filed?

No.

5. Has the company undertaken any other initiatives on - clean technology, energy efficiency, renewable energy, etc. Y/N. If yes, please give hyperlink for web page etc.

Yes. POWERGRID continues to undertake initiatives on Energy Efficiency which includes energy audits of various industries/institutions/ transmission & distribution companies/ water management systems of canals & irrigation departments/ other commercial establishments/ third party consultancy for base-lining work/ Investment Grade Energy Audit reports for municipalities across India, etc. which is a basic need for implementation of Energy Efficiency solutions / Energy Service Company (ESCO) projects. We are also a BEE certified ESCO for undertaking implementation of energy efficiency projects. To facilitate implementation, POWERGRID has signed / is in the process of signing MoUs with Govt. agencies for undertaking consultancy & investment in Energy Efficiency Projects.

POWERGRID is playing a key role in integration of renewable energy resources by establishing high capacity "Green Energy Corridors" dedicated for renewable energy including solar parks across the country. Such initiative not only reduced the dependency on thermal generation but also provided boost to renewable generation by providing reliable grid connectivity which was earlier thought to be a major impediment for renewable energy development. POWERGRID has also evolved a comprehensive transmission plan for grid integration of various Renewable Energy Zones (66.5 GW) in the country.

For further detail, Sections on 'Energy Efficiency' and 'Integration of Renewable Energy' under the Directors' Report may be referred.

6. Are the Emissions/Waste generated by the company within the permissible limits given by CPCB/SPCB for the financial year being reported?

Power transmission project activities don't involve any direct emission/waste to environment. The only emission that can be attributed to our activity is from operation of DG sets used intermittently as power backup. However, regular maintenance of DG sets ensured containment of emission levels well within the permissible limits prescribed by Pollution Control Boards.

7. Number of show cause/ legal notices received from CPCB/SPCB which are pending (i.e. not resolved to satisfaction) as on end of Financial Year.

NIL

POWERGRID did not receive any show cause/ legal notice from CPCB/SPCB.

Principle 7 - Businesses, when engaged in influencing public and regulatory policy, should do so in a responsible manner

1. Is your company a member of any trade and chamber or association? If Yes, Name only those major ones that your business deals with:

POWERGRID is a member of various industry bodies including the following:

1. Federation of Indian Chambers of Commerce and Industry (FICCI)
2. Confederation of Indian Industry (CII)
3. CII CPSE Council
4. The Associated Chambers of Commerce & Industry of India (ASSOCHAM)
5. PHD Chamber of Commerce & Industry (PHDCCI)
6. Central Board of Irrigation & Power (CBIP)

7. WEC India (formerly known as World Energy Council- India Member Committee)
8. Indian Institute of Plant Engineers (IIPE)
9. Standing Conference of Public Enterprises (SCOPE)
10. Internet Services Providers Association of India (ISPAI)
11. Association of Competitive Telecom Operators (ACTO)
12. Infrastructure Industry & Logistics Federation of India (ILFI)
13. India Infrastructure Forum (IIF)

2. Have you advocated/lobbied through above associations for the advancement or improvement of public good? Yes/No; if yes specify the broad areas. (dropbox: Governance and Administration, Economic Reforms, Inclusive Development Policies, Energy security, Water, Food Security, Sustainable Business Principles, Others)

POWERGRID participates through associations in (1) above on the issues and policy matters that impact the interest of our stakeholders.

Keeping in view the significant interest of POWERGRID in the Transmission sector, a separate Regulatory cell is in place to undertake POWERGRID's endeavor of a pro-active approach as part of policy advocacy with the stakeholders and CERC. Wherever felt necessary, we give our comments on various approach papers, consultation papers, draft regulations etc issued by CERC/TRAI/other authorities. Besides, POWERGRID also gives its comments in the field of Governance & Administration, Economic Reforms, Inclusive Development Policies, Energy security, Water, Sustainable Business Principles etc, as and when sought by GoI. We have also made significant contribution in designing/planning eco-friendly measures to mitigate impacts of transmission line on wildlife as a member of Task force constituted by MoEF&CC.

Principle 8- Businesses should support inclusive growth and equitable development

1. Does the company have specified programmes/initiatives/projects in pursuit of the policy related to Principle 8? If yes details thereof.

By the very nature of our business and as the Central Transmission Utility, we touch millions of lives every day and understand that real success is the result of inclusive development of the involved entities and stakeholders. We support the principles of inclusive growth and equitable development through corporate social responsibility (CSR) initiatives as well as through our core business.

Our commitment towards Social Responsibility (Labour, Employees, Communities, Employee's families) is amply reflected in our already adopted Integrated Management Policy, Environmental and Social Policy & Procedures (ESPP), Rehabilitation Action Plan (RAP), Corporate Objectives, OSHAS-18001 and Social Accountability SA 8000. Corporate Social Responsibility is primarily to showcase our abiding commitment and concern to pay-back to the society and environment for the benefits reaped so far. CSR has always been an integral part of our vision and the cornerstone of Core Values of Good Corporate Citizenship. We are committed towards taking responsibility for its impact, though very minimal in nature, on society and being accountable to the inhabitants of Mother Nature. We emphasize on overall socio-economic development of areas and communities around our operations through various community development programmes, initiatives such as Livelihood generation, Skill development, Healthcare, Education, Plantation, sanitation, drinking water, roads, drainage system, community centres, development and conservation of water bodies, etc.

2. Are the programmes/projects undertaken through in-house team/own foundation/external NGO/government structures/ any other organization?

The programs / projects are undertaken by in-house teams as well as through Govt./ Semi Govt. agencies/agencies of International and National repute, etc.

3. Have you done any impact assessment of your initiative?

Yes. Impact Assessment have been carried out inter-alia to understand/evaluate the community development activities undertaken, the benefits accrued to communities; and to gain insights for formulating & improving the community development activities in future. For projects below Rs 3 crore, impact assessment had been undertaken by POWERGRID internally, however, for larger projects external agencies were engaged.

Impact Assessment Study of the Rehabilitation Action Plan (RAP) implementation is carried out after 1-2 years of RAP implementation to ascertain whether the intended benefits and other objectives of the RAP have been achieved. Such assessment is carried out by independent agencies & measures to mitigate any shortcoming during such Impact Assessment are incorporated in the next implementation to avoid its reoccurrence. During the year, three such studies for Indore, Solapur & Parli substations have been carried out and the reports are disclosed/available on following link:

https://apps.powergridindia.com/esm-documents/resettlement-and-rehabilitation.aspx

4. What is your company's direct contribution to community development projects- Amount in INR and the details of the projects undertaken?

An amount of ₹195.52 Crore has been incurred and more than 200 CSR projects worth about ₹360 crore have been sanctioned under CSR activities during the FY 2018-19. Community development works were undertaken for the overall improvement of surrounding villages and community. Based on social assessment outcome, we implement need based development works like supply and installation of Solar street lights, Water supply hand-pumps, water filtration plants, Water ATMs, construction of roads, community centers in villages, class rooms, toilets, schools furniture, water supply arrangements in different schools, supply of dustbins & Cleaning equipment etc. in association with local authorities.

5. Have you taken steps to ensure that this community development initiative is successfully adopted by the community? Please explain in 50 words, or so.

The communities intended to be benefitted are consulted and closely involved in the process of identifying, planning and implementation of the CSR activities. Wherever possible, the local authorities and specialised agencies are similarly consulted and involved. During implementation and just before handing over of facility, regular awareness programs are organized with the help of local bodies, etc. to inculcate ownership of facility.

Principle 9- Businesses should engage with and provide value to their customers and consumers in a responsible manner

1. **What percentage of customer complaints/consumer cases are pending as on the end of financial year.**

   NIL

2. **Does the company display product information on the product label, over and above what is mandated as per local laws? Yes/No/N.A. /Remarks(additional information)**

   Not Applicable.

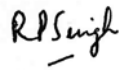
3. **Is there any case filed by any stakeholder against the company regarding unfair trade practices, irresponsible advertising and/or anti-competitive behaviour during the last five years and pending as on end of financial year. If so, provide details thereof, in about 50 words or so.**

   No

4. **Did your company carry out any consumer survey/ consumer satisfaction trends?**

   We engage with our customers on an ongoing basis and generally hold meetings on a regular basis. The objective of said meetings inter alia includes identification of process improvement areas, understanding concerns/expectations of customers. Based on feedback, company takes measures for system improvement, wherever required.

For and on behalf of the Board of Directors



(Ravi P.Singh)
Director (Personnel) & CMD
DIN:05240974

Place: New Delhi
Date: 19th July, 2019

ANNEXURE - III TO THE DIRECTORS' REPORT

1. Particulars required under Rule 8 (3) of the Companies (Accounts) Rules, 2014 read with Section 134 (3) (m) of the Companies Act, 2013.

A. CONSERVATION OF ENERGY

(a) Energy conservation measures taken and on hand:

It has been the endeavour of POWERGRID to make all out efforts for conservation of energy in all its projects - right from the planning stage, to the execution stage and throughout the O&M period. Before finalizing the transmission schemes, various alternatives/ technologies for power transfer are examined and one of the major criteria for selection of transmission system/ technology is lower losses. In fact, POWERGRID has adopted higher voltage levels like 765kV AC, ±500kV HVDC, ±800kV HVDC in its transmission systems for bulk power transfer across various regions which result in lower losses in the system. 1200kV AC system is also being considered for bulk power transmission which is under field trial stage now.

At design stage of the transmission system, optimization of various parameters is done so that losses in the transmission system are optimized. The conductors are selected after detailed optimization studies which consider reduction of line losses as one of the primary criteria. The bus bar materials and the clamps and connectors are chosen meeting stringent international requirements so that losses are optimized. During evaluation of transformer & shunt reactor packages, equipment with minimum losses is given weightage. In case of HVDC system also, the selection of parameters of filter components, Thyristor Valves, Converter Transformer etc. is done in such a way that overall losses are minimized even under various system operating condition. Further, in case of transmission hardware, the material with lower losses is specified. Parameters and types of various other equipments are also chosen in a manner that the losses are optimized. Thus, energy conservation measures are taken by POWERGRID at every step so as to develop an efficient and low-loss transmission network. POWERGRID has also established a dedicated Energy Efficiency Cell to make inroads into the conservation of energy and reduction of carbon emission in industrial and commercial sectors. Energy audits are regularly carried out to identify opportunities for energy saving and few implementations have also been undertaken successfully to reduce energy consumption in industries and agriculture sector. POWERGRID has undertaken Energy Audit of Integrated Steel Plants.

(b) Additional investment and proposals, if any, being implemented for reduction of consumption of Energy:

As stated above, POWERGRID undertakes energy conservation measures by means of reduction of losses in its transmission schemes right from planning to execution stage.

B. RESEARCH AND DEVELOPMENT

1 & 2 It has been POWERGRID's endeavor to pursue the research and development efforts in the field of new technologies in transmission system to remain at par with international standards. Also, realizing the need for conservation of Right-of-Way and future requirement of development of high capacity transmission system to meet the future power requirement, POWERGRID is actively pursuing seamless integration of new and efficient technologies in Indian power Grid to create environment-friendly transmission system. POWERGRID has accorded special emphasis on adoption of new technologies available around the globe for improving the quality of power supply, reduction of losses, optimum utilization of the available transmission assets, conservation of environment and optimizing upon the cost of delivered power. The company is working in collaboration with International/National research/academic institutions; manufacturers etc. and is thus enhancing its in-house capabilities for design and engineering of State-of-the-Art transmission systems.

POWERGRID Advanced Research and Technology Centre

POWERGRID has established world class laboratories and test facilities at Manesar, Gurgaon for carrying out research and development in power transmission area. This R&D centre shall cater to the research needs of POWERGRID and of the Country to a large extent with state-of-the-art laboratories for power system analysis, advanced equipment diagnostics, smart grid, control and automation, material science, engineering design etc.

TECHNOLOGY DEVELOPMENT

POWERGRID adopts and encourages the research & development (R&D) activities in pursuit of technological excellence in power transmission. Notable among them, are the prestigious 1200kV National Test Station project at Bina, Madhya Pradesh and the Process-bus in Substation Automation System

Specific areas in which R&D has been carried out by the company and benefits derived thereby are given below:

Completed Projects:

1. HVDC project with LTT thyristor in Balia-Bhiwadi HVDC
2. Four converter transformer arrangement arranged in such a configuration that outage time of transformer is minimized.
3. Completed in-house design of 10 no. towers for transmission lines including 108 meters 800kV HVDC narrow based power line crossing tower.
4. Completed in-house design of approx. 2000 nos. tower foundations for transmission lines upto 765kV including 52 nos. of pile foundations.
5. Completed testing of 12 nos. of towers for various transmission lines including 800kV HVDC, 320kV HVDC, 66kV, 132kV, 220kV, AC D/C towers.

6. Development of Indigenous vendors for 765kV Transformers, Reactors, Circuit Breaker, Current Transformer and Wave Trap.
7. POWERGRID has successfully implemented first of its kind pilot project on grid scale battery energy storage systems (BESS) in India comprising of batteries, power conditioning system, battery management system etc. at Puducherry based on two different technologies (Advanced Lead Acid, Lithium Lon). Based on the experience gained from the project, implementation of large scale battery energy storage system in future may be taken up.
8. POWERGRID has successfully commissioned Static Var Compensators at 3 locations and STATCOM at 11 locations on all India Grid.
9. Reconductoring of 2 no. 132kV lines with high temperature endurance conductor to enhance the power transfer capacity by about 2 times were completed during last year.
10. To control increasing short circuit current levels in the network, application of series reactors as fault current limiters in the Grid is being taken up 4 no. series reactors comprising of 2 no. series bus reactors a Mandola and Ballabgarh and 2 nos. series line reactors at Mandola end of Dadri-Mandola 400kV D/c have been commissioned to control the fault level at these substaions.
11. Completed design, engineering and testing of Resin Impregnated Paper bushings for introduction into POWERGRID fleet of 765kV Transformers and Reactors.
12. POWERGRID has successfully developed software tool completely in-house for centralized real time monitoring of transformer and reactors by integrating the sensors installed in the transformers and reactors for Dissolved Gas Analysis and the tools are currently in operation at NTAMC and RTAMCs.
13. Pollution mapping: POWERGRID in association with Southern and Eastern Regional Power Committees and the constituent STU's of the Southern Region and Eastern Region has successfully carried out pollution mapping activity of these regions and generated pollution maps.
14. POWERGRID has introduced 33kV mobile capacitor banks for utilization at distribution level for state utilities and evaluated its effect on distribution system of Haryana.

Ongoing projects

1. Re-conductoring of following lines with high temperature endurance conductor to enhance the capacity of the transmission corridor by about two times:
    - Maithon – Maithon-RB 400kV D/c (Twin Moose)
    - Neyveli TS-II – Neyveli TS-I Expansion 400kV S/c
    - Rangpo – Siliguri 400kV D/c
2. Fault Current Limiters: Series bus reactor at Bhiwani and 2 no. series line reactor at Kanpur (Old) end of Kanpur (New) - Kanpur (Old) 400kV D/c line is under implementation. Series bus reactor at Wardha substation is under investment approval.
3. Dynamic Compensation: STATCOMs at 3 locations on all India grid (in Southern Region are being implemented for dynamic control of reactive power in order to maintain the voltage and improve the stability of the grid. These dynamic compensations would be based on State-of-the-Art technologies and would provide online dynamic support to the Grid.
4. Development of in-house tower and foundation designs including 66kV, 132kV, 220kV, $\pm$320kV HVDC, $\pm$800 kV HVDC and 765kV D/C Multi Circuit towers for use in on-going transmission line projects.
5. Development of Indigenous Vendors for HTLS Conductors.
6. Design of special narrow base tower to enable crossing of 765kV D/C transmission lines.
7. Vendor Development for 765kV GIS in India.
8. Green Energy Corridors: To facilitate integration of large scale renewable generation, POWERGRID has started implementation of Green Energy Corridors (GEC) inter-state transmission system (ISTS) in renewable resource rich states & further to handle variability & intermittency of renewable energy sources, POWERGRID is establishing state-of-the-art renewable energy management centers (REMC) in various SLDC/RLDC/NLDC. ISTS transmission network & REMC's are under various stages of implementation.

    POWERGRID is also performing a vital role in evacuating renewable generation through solar resources across nation and has evolved comprehensive plans to evacuate power from various ultra-mega solar parks through Inter-state transmission network. Further, Your Company is also implementing the evacuation system for various solar parks integrated with ISTS network in the Country.

    Your company has also evolved a comprehensive transmission plan for grid integration of various Renewable Energy Zones (66.5 GW) in the country identified based on wind/solar potential. Part of the scheme is already approved by stakeholders and taken up for implementation.

    Towards sustainability and green initiative, your company has installed Rooftop Solar PV Systems in more than 50 locations capacity in the rage of 50-100 kwp of its own premises across the country through net-metering arrangement.
9. Implementation of Controlled Switching schemes of circuit breakers for 400kV transmission line reactors and transformers.
10. Engineering Data Integration on GIS Platform.
11. Process bus Technology - Gaining experience from the pilot projects on Process Bus technology at Bhiwadi substation and Neemrana substation, POWERGRID has initiated the project at Malerkotla substation for retrofitting conventional protection and

control schemes with advanced automation system based on Process Bus. Also POWERGRID is utilizing Process Bus technology in the upcoming 220/66kV GIS substation project at Chandigarh. The new scheme is expected to ease the maintenance and trouble shooting in future and also restoration time will be extremely low in case of any eventuality. Also the replacement of large amount of copper cables with minimal fiber optic cables is expected to optimize space requirement.

12. POWERGRID is introducing Mobile test systems to facilitate on site testing of EHV equipment. This will fulfill HV testing of equipment after site repairs.
13. Geographic information system tools - POWERGRID is utilizing geographic information systems tools like Bhuvan on pilot basis for mapping its transmission assets, for route alignment during planning of new transmission lines and for disaster management studies.
14. Development of Indigenous vendors for 765kV Isolators and surge arrestors.
15. Development of indigenous 765 kV clamps, connectors and insulator string hardware.
16. Spare phase switching arrangement is being adopted for 765 kV transformers and reactors to minimize outage / shut down period.
17. Implementation of smart grid technology in power system is being carried out through installation of phasor measurement units (PMU) on EHV substations in pan India basis integrated with control centres for Wide Area Measurements and real time monitoring of grid parameters.
18. POWERGRID has successfully implemented four pilot projects in the field of state-of-the-art Smart Grid technology in distribution area and presently providing consultancy to four state utilities in smart grid area covering distribution infrastructure, advanced metering infrastructure, intelligent outage management system, electric vehicle charging stations management, distributed generation, net metering etc.
19. Established first of its kind e-taxi charging station at Miyapur Metro Station in Hyderabad and planning to install four more charging station at various locations of Hyderabad Metro Corridor. POWERGRID has signed MoU with Indian Oil Corporation (IOC) and envisaged to develop EV Charging and Battery swapping facility at various Retail outlets.
20. Towards condition assessment of the transformers in a more efficient way, POWERGRID is now developing a software tool for health indexing. The tool will be utilized for residual life assessment of the equipment at a later date.

Technology Absorption:

1. For route selection, length optimisation and estimation of BOQ for transmission lines, POWERGRID has employed modern Survey techniques.
2. Substation Automation with IEC 61850 protocol is being adopted for all new Substations of POWERGRID. This would result in savings in operational cost and increased operational and maintenance efficiency.
3. As a step towards National grid, 765kV AC Double circuit and $\pm$500kV HVDC & $\pm$ 800kV HVDC technology has been implemented in our country.
4. In special areas, compact towers like pole towers, delta configuration towers and narrow based towers which reduce the space occupied by the tower base, are being used. Also tall towers and multi-circuit towers are being used for conservation of scarce right-of-way.
5. Use of metallic return in HVDC system has been adopted.
6. Special insulators like polymer composite insulators have been adopted in transmission lines in polluted areas.
7. High temperature low sag conductors have been adopted for increasing the transfer capacity of transmission corridors.
8. GIS technology at 400kV and 765kV level has been adopted in substations where space constraints exist.
9. Multi-level beams have been used in GIS and AIS substations with multi-ckt. lines to optimize line corridor areas near substation.
10. On line transformer monitoring techniques are being used for monitoring of critical parameters of power transformers.
11. Dynamic compensation in the form of SVCs and STATCOMs are being implemented for dynamic control of reactive power in order to maintain the voltage and improve the stability of the grid.
12. For controlling short circuit current in the system, fault current limiters have been planned in the Grid.
13. For Voltage Control at Kurukshetra, 500MVAr TCR is under implementation.

C. CONSERVATION OF LAND AND ENVIRONMENTAL CONCERNS

Transmission projects are considered by and large environmentally benign due to the fact that they don't involve disposal of any pollutants/ waste in various environmental matrices, i.e. air, water or soil. Even then POWERGRID being a responsible corporate entity addresses any residual environmental or social impacts associated with its business following the cardinal principles of Avoidance, Minimization and Mitigation as outlined in its Environmental and Social Policy & Procedure (ESPP). In doing so, your Company leverage the role of technology by not only adopting the existing modern technological tools and technologies developed in different parts of the world but also emphasize on in-house technology development meeting the national requirement.

In a country like India, which caters to 18% of the world population, while having 2.4% of world's land mass, conflicts related to land resources are not uncommon due to presence of different competing user groups. POWERGRID as a firm believer in addressing the pressing social needs of the society, has always been forthcoming in up gradation and adoption of new and better technologies such as

Gas Insulated Switchyard (GIS) which requires lesser area compared to the traditional Air Insulated Switchyard (AIS). Additionally, it has taken a policy decision to secure land for its substations through direct purchase on willing buyer willing seller basis on market/negotiated rate to avoid public resistance and court intervention faced during land acquisition. Land for Jeerat, Chandauti, Saharsa & Sitamarhi substations were secured through this method.

Another area where we are able to make significant contribution in reducing land requirement is Right of Way (RoW) through innovative tower design such as special compact tower, pole type tower and Multi-circuit towers to reduce RoW requirement. These technological interventions not only reduced the requirement of precious land resources and social risks to projects but also helped in preservation of environment by minimizing forest and vegetation involvement. Further, construction of high energy corridors by transmitting power at higher voltage levels (765 KV HVAC, 800/1200 KV HVDC) not only reduced transmission losses but also reduced RoW requirements by ensuring transmission of more power per unit of RoW (MW/meter of RoW). In addition, it is worth mentioning that Ministry of Power, Govt. of India came up with a landmark guidelines dtd 15th October, 2015 paving the way for the payment of diminishing value of land. POWERGRID has started making payment for tower base and corridor in accordance with notifications issued till date by 13 states. Such additional payment for land cost/diminishing land value has greatly helped in smooth execution of project by further minimizing the social risk associated with the projects and has also revolutionized/transformed the very basis of compensation, thus, paving the way for true inclusive growth.

In the area of environmental preservation also, adoption of new and modern technologies have helped us in putting our organization firmly on the path of Sustainable Development. Apart from the facts mentioned above, adoption of tools like Remote sensing, GIS and GPS has resulted in the selection of most optimum route for our transmission lines, thus, avoiding/minimizing environmentally sensitive areas such as Forest, Protect Areas, Important wetlands, IBAs, Elephant corridors etc. These measures not only reduced the environmental risks associated with project management but also proved to be financially rewarding.

Another key initiative to reduce our environment footprint includes up gradation of existing line or reconductoring them with advanced conductors to enhance the carrying capacity of such lines. This has helped in saving lot of forest and tree cover which might have been affected, if new lines were to be constructed for such enhanced transmission of power. Other initiatives in such direction are making Rain water harvesting an integral part of substation design, installation of LED bulbs & solar street lighting in substation, fuel catalysts devices for DG sets etc. further strengthened our agenda of sustainable development. Recognizing the importance of solar power in combating Climate change and in-line with GOI's commitment towards Paris Agreement, POWERGRID is in the process of installing 5 MWp Rooftop Solar PV Systems covering more than 50 locations in its premises. This initiative will result in saving of 7-8 million units (MUs) of Grid connected energy per annum, thereby, reducing atmospheric emission of 35916 mt of CO2 per year. Another significant innovation done by POWERGRID is the use of inductive power in earth wire for powering of telecom antennas. This inductive power which otherwise goes waste will eliminate the use of DG sets, a constant source of pollution and GHGs emission. The technology has been successfully tested at pilot scale and has been recently approved by the Regulator for its implementation at commercial scale.

FOREIGN EXCHANGE EARNINGS AND OUTGO

(₹ in Crore)

Foreign Exchange Earnings		
(i)	Consultancy Fee	24.89
	Total	24.89
Foreign Exchange outgo		
(i)	Capital goods and Spare Parts	4,788.68
(ii)	Interest	972.81
(iii)	Others	74.88
	Total	**5,836.37**

For and on behalf of the Board of Directors

(Ravi P.Singh)
Director (Personnel) & CMD
DIN:05240974

Place: New Delhi
Date: 19th July, 2019

ANNEXURE -IV TO THE DIRECTORS' REPORT

COMMENTS OF THE COMPTROLLER AND AUDITOR GENERAL OF INDIA UNDER SECTION 143(6)(b) OF THE COMPANIEES ACT, 2013 ON THE FINANCIAL STATEMENTS OF POWER GRID CORPORATION OF INDIA LIMITED FOR THE YEAR ENDED 31 MARCH, 2019

The preparation of financial statements of Power Grid Corporation of India Limited for the year ended 31 March, 2019 in accordance with the financial reporting framework prescribed under the Companies Act, 2013 (Act) is the responsibility of the management of the company. The statutory auditors appointed by the Comptroller and Auditor General of India under Section 139(5) of the Act are responsible for expressing opinion on the financial statements under section 143 of the Act based on independent audit in accordance with standards on auditing prescribed under Section 143(10) of the Act. This is stated to have been done by them vide their Audit Report dated 29.05.2019.

I, on the behalf of the Comptroller and Auditor General of India, have conducted a supplementary audit of the financial statements of Power Grid Corporation of India Limited for the year ended 31 March 2019 under Section 143(6)(a) of the Act. This supplementary audit has been carried out independently without access to the working papers of the statutory auditors and is limited primarily to inquiries of the statutory auditors and company personnel and a selective examination of some of the accounting records.

On the basis of my supplementary audit nothing significant has come to my knowledge which would give rise to any comment upon or supplement to statutory auditors report under section 143(6)(b) of the Act.

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

Sd/-
(Rajdeep Singh)
Principal Director of Commercial Audit &
Ex-officio Member, Audit Board — III,
New Delhi

Place: New Delhi
Dated: 11 July, 2019

COMMENTS OF THE COMPTROLLER AND AUDITOR GENERAL OF INDIA UNDER SECTION 143(6)(b) READ WITH SECTION 129(4) OF THE COMPANIES ACT, 2013 ON THE CONSOLIDATED FINANCIAL STATEMENTS OF POWER GRID CORPORATION OF INDIA LIMITED FOR THE YEAR ENDED 31 MARCH, 2019.

The preparation of consolidated financial statements of Power Grid Corporation of India Limited for the year ended 31 March, 2019 in accordance with the financial reporting framework prescribed under the Companies Act, 2013 (Act) is the responsibility of the management of the company. The statutory auditor appointed by the Comptroller and Auditor General of India under Section 139(5) read with Section 129(4) of the Act is responsible for expressing opinion on the financial statements under Section 143 read with Section 129(4) of the Act based on independent audit in accordance with the standards on auditing prescribed under Section 143(10) of the Act. This is stated to have been done by them vide their Audit Report dated 29.05.2019.

I, on behalf of the Comptroller and Auditor General of India, have conducted a supplementary audit of the consolidated financial statements of Power Grid Corporation of India Limited for the year ended 31 March, 2019 under Section 143(6)(a) read with Section 129(4) of the Act. We conducted a supplementary audit of the financial statements of Power Grid Corporation of India Limited, Powergrid Parli Transmission Limited and Powergrid Vizag Transmission Limited but did not conduct supplementary audit of the financial statements of subsidiaries, associate companies and jointly controlled entities listed in Annexure for the year ended on that date. Further, Section 139(5) and 143(6)(a) of the Act are not applicable to Powerlinks Transmission Limited, Torrent Power Grid Limited, Jaypee Powergrid Limited, Parbati Koldam Transmission Company Limited and Teestavalley Power Transmission Limited being private entities and Power Transmission Company Nepal Limited being incorporated in Foreign country under the respective laws, for appointment of their Statutory Auditor and for conduct of supplementary audit. Accordingly, Comptroller and Auditor General of India has neither appointed the Statutory Auditors nor conducted the supplementary audit of these companies. This supplementary audit has been carried out independently without access to the working papers of the statutory auditors and is limited primarily to inquiries of the statutory auditors and company personnel and a selective examination of some of the accounting records.

On the basis of my supplementary audit nothing significant has come to my knowledge which would give rise to any comment upon or supplement to statutory auditors' report under section 143(6)(b) of the Act.

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

Sd/-
(Rajdeep Singh)
Principal Director of Commercial Audit &
Ex-officio Member, Audit Board — III,
New Delhi

Place: New Delhi
Dated: 11 July, 2019

ANNEXURE 1

List of Subsidiaries Associate Companies and Jointly Controlled Entities whose financial statements were not audited by the Comptroller and Auditor General of India

A. Subsidiaries incorporated in India:

1. Powergrid NM Transmission Limited
2. Powergrid Unchahar Transmission Limited
3. Powergrid Kala Amb Transmission Limited
4. Powergrid Jabalpur Transmission Limited
5. Powergrid Warora Transmission Limited
6. Powergrid Southern interconnector Transmission System Limited
7. Powergrid Medinipur Jeerat Transmission Limited
8. Powergrid Mithilanchal Transmission Limited
9. Powergrid Varanasi Transmission System Limited
10. Powergrid Vemagiri Transmission Limited
11. Powergrid Jawaharpur Firozabad Transmission Limited

B. Joint Ventures incorporated in India:

1. North East Transmission Company Limited
2. National High Power Test Laboratory Private Limited
3. Kalinga Bidyut Prasaran Nigam Private Limited
4. Bihar Grid Company Limited
5. Cross Border Power Transmission Company Limited
6. RINL Powergrid TLT Private Limited

ANNEXURE-V TO THE DIRECTORS' REPORT

FORM NO. MR-3
SECRETARIAL AUDIT REPORT
FOR THE FINANCIAL YEAR ENDED 31st MARCH, 2019

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

To,

The Members,

Power Grid Corporation of India Limited

B-9, Qutab Institutional Area, Katwaria Sarai,

New Delhi-110016

We have conducted the Secretarial Audit of the compliance of applicable statutory provisions and the adherence to good corporate practices by **Power Grid Corporation of India Limited [CIN: L40101DL1989GOI038121]** (hereinafter called the "Company") having its **Registered Office at B-9, Qutab Institutional Area, Katwaria Sarai, New Delhi -110016.** Secretarial Audit was conducted in a manner that provided us a reasonable basis for evaluating the corporate conducts/statutory compliances and expressing our opinion thereon.

Based on our verification of the Company's books, papers, minute books, forms and returns filed and other records maintained by the company and also the information provided by the Company, its officers, agents and authorized representatives during the conduct of secretarial audit, we hereby report that in our opinion, the company has, during the audit period covering the financial year ended on, **March 31, 2019** complied with the statutory provisions listed hereunder and also that the Company has proper Board-processes and compliance-mechanism in place to the extent, in the manner and subject to the reporting made hereinafter:

We have examined the books, papers, minute books, forms and returns filed and other records maintained by the Company for the Financial Year ended on **March 31, 2019**, according to the provisions of:

(i) The Companies Act, 2013 (the Act) and the rules made thereunder;

(ii) The Securities Contracts (Regulation) Act, 1956 ('SCRA') and the rules made thereunder;

(iii) The Depositories Act,1996 and the Regulations and Bye-laws framed thereunder;

(iv) Foreign Exchange Management Act, 1999 and the rules and regulations made thereunder to the extent of Foreign Direct Investment, Overseas Direct Investment and External Commercial Borrowings;

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

a) The Securities and Exchange Board of India (Substantial Acquisition of Shares and Takeovers) Regulations,2011;

b) The Securities and Exchange Board of India (Prohibition of Insider Trading) Regulations,2015;

c) The Securities and Exchange Board of India (Issue of Capital and Disclosure Requirements) Regulations,2009

d) The Securities and Exchange Board of India (Share Based Employee Benefits) Regulations, 2014; **[Not applicable as the Company has not offered any shares or granted any options pursuant to any employee benefit scheme during the period under review];**

e) The Securities and Exchange Board of India (Issue and Listing of Debt Securities) Regulations,2008;

f) The Securities and Exchange Board of India (Registrars to an Issue and Share Transfer Agents) Regulations,1993 regarding the Companies Act and dealing with client;

g) The Securities and Exchange Board of India (Delisting of Equity Shares) Regulations,2009; **[Not Applicable as the Company has not delisted/propose to delist its equity shares from any Stock Exchange during the financial year under review];** and

h) The Securities and Exchange Board of India (Buyback of Securities) Regulations,2018; **[Not Applicable as the Company has not bought back/propose to buy-back any of its securities during the financial year under review];**

(vi) As confirmed and certified by the management, following law is specifically applicable to the Company based on the Sectors / Businesses:

(a) The Electricity Act,2003 and Rules and Regulations made there under.

For the compliances of Labour Laws & other General Laws, our examination and reporting is based on the documents, records and files as produced and shown to us and the information and explanations as provided to us, by the officers and management of the Company and to the best of our judgment and understanding of the applicability of the different enactments upon the Company, in our opinion there are adequate systems and processes exist in the Company to monitor and ensure compliance with applicable General laws and Labour Laws.

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

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

i. Secretarial Standards issued by The Institute of Company Secretaries of India.

ii. The Listing Agreements entered into by the Company with National Stock Exchange of India Limited and BSE Limited for Equity as well as Bonds.

iii. The Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations,2015;

iv. Guidelines on Corporate Governance for Central Public Sector Enterprises (CPSEs) issued by the Department of Public Enterprises vide their OM No. 18(8)/2005-GM dated 14th May, 2010.

v. Guidelines on Capital Restructuring of Central Public Sector Enterprises (CPSEs) as stipulated in the O.M.F No. 5/2/2016-Policy dated 27th May, 2016 issued by Department of Investment and Public Asset Management (DIPAM), Ministry of Finance, Government of India.

During the period under review the Company has complied with the provisions of the Act, Rules, Regulations, Guidelines, Standards, etc. mentioned above subject to the following observation:

Provisions of Regulation 17(1) of Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015 and Para 3.1.4 of DPE Guidelines on Corporate Governance with regard to Composition of the Board of Directors have not been complied with during the financial year under review.

We further report that

- Subject to our observation as above, the Board of Directors of the Company is constituted with Executive Directors, Non-Executive Directors and Independent Directors with the exception of requisite number of Independent Directors on the Board of the Company as on 31st March, 2019. The changes in the composition of the Board of Directors, that took place during the period under review, were carried out in compliance with the provisions of the Act.
- Adequate notice is given to all directors to schedule the Board Meetings, agenda and detailed notes on agenda were sent at least seven days in advance, and a system exists for seeking and obtaining further information and clarifications on the agenda items before the meeting and for meaningful participation at the meeting.
- Decisions of the Board / Committee thereof are carried with consensus.
- As per the records, the Company filed all the forms, returns, documents and resolutions as were required to be filed with the Registrar of Companies and other authorities and all the formalities relating to the same is in compliance with the Act / Regulations.

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

We further report that during the audit period the company has following events/actions having a major bearing on the Company's affairs in pursuance of the above referred laws, rules, regulations, guidelines, standards etc.: -

i. The Company has altered Clause 3A of Object Clause of Memorandum of Association by way of amendment vide Special Resolution passed through Post Ballot dated 19.12.2018; and also inserted following three new Sub-clauses:

Sub-clause	
3B	To invest and/or act as Project Management Consultant in energy efficiency, energy conservation projects, etc.
3C	To develop Smart Grid infrastructure
3D	To develop Electric Vehicle Charging Infrastructure

ii. The Company has approved increase in FPI limit upto an aggregate of 35% of its paid-up capital through Postal Ballot.

iii. The Board of the Company, in its meeting held on 29.05.2019 has recommended a final dividend of ₹2.50 per share (i.e.@ 25% on the paid-up equity share capital) for the financial year 2018-19 subject to the approval of the shareholders at the ensuing Annual General Meeting of the Company. This final dividend is in addition to the Interim Dividend of ₹5.83 per share (i.e.@58.30% on the paid-up equity share capital) paid on 22nd March, 2019 for the financial year 2018-19.

iv. Company's Board of Directors in its meeting held on 16th August, 2017 accorded approval for initiating procedure for winding up/ removal of the name of Kalinga Bidyut Prasaran Nigam Private limited, a Joint Venture Company under fast track Exit mode of Registrar of Companies (ROC).

v. Company's Board of Directors in its meeting held on 1st May 2018 accorded in principle approval to close RINL Powergrid TLT Private Limited, a JV of the Company and seek consent of another JV Partner Rashtriya Ispat Nigam Limited. Accordingly, provision for diminution in value of investment has been made.

vi. Mr. Vivek Kumar Dewangan, Joint Secretary & Financial Advisor (JS&FA), Ministry of Power was appointed as Govt. Nominee Director on the Board of the Company with effect from 26.04.2018 by Ministry of Power, Government of India. He ceased to be a Director w.e.f. 07.06.2019.

vii. Mr. Prabhakar Singh, ceased to be a Director (Projects) on the Board of the Company due to superannuation with effect from 30.06.2018.

viii. Ms. Seema Gupta, Director (Operations) was entrusted with the additional Charge for the post of the Director (Projects) w.e.f. 09.07.2018.

ix. Mr. Sunil Kumar Sharma was appointed as Non-Executive, Independent Director on the Board of the Company with effect from 23.07.2018.

x. Mrs. Anthiya Mahalakshmi Rajaram was appointed as Non- Executive, Independent Director on the Board of the Company with effect from 26.07.2018.

xi. Mr. Rajeev Kumar Chauhan, Executive Director, POWERGRID was appointed to the post of Director (Projects), POWERGRID on the Board of the Company with effect from 23.08.2018 vice Ms. Seema Gupta, Director (Operations), who demitted the additional charge of the post of Director (Projects) on 23.08.2018 in terms of the GoI order dt. 09.07.2018.

xii. The Company, being successful bidder under Tariff based competitive bidding, has acquired Jawaharpur Firozabad Transmission Limited (JFTL), the Project SPV to establish Transmission System for construction of 400 kV substation at Firozabad along with associated Transmission Lines.

xiii. Cessation of Mr. I.S. Jha, Executive Director from the post of CMD of the Company with effect from 21.01.2019.

xiv. Shri Ravi P. Singh, Director (Personnel) has been assigned with additional charge of post of CMD, POWERGRID w.e.f. 21.01.2019 (AN) for a period of 03 months. MoP, vide letter dated 13.06.2019, has further extended the tenure of Shri Ravi P. Singh as CMD for a period of six months w.e.f. 21.04.2019 or till appointment of regular incumbent or until further orders, which ever event occurs earliest.

xv. Cessation of Ms. Bharati, Non-Executive, Nominee Director from the Board of the Company with effect from 13.02.2019.

xvi. Mr. Ghanshyam Prasad, Chief Engineer, Ministry of Power was appointed as Non- Executive, Nominee Director on the Board of the Company with effect from 01.03.2019.

xvii. During the audit period, i.e. F.Y.2018-19, the Company has issued bonds of ₹5487.50 Crore as per details mentioned below:-

Sr. No.	**Type of Bonds**	**Amount** (₹ in crore)
1.	Secured, Non-Convertible, Non-Cumulative, Redeemable, Taxable POWERGRID Bond LXII Issue	2,000.00
2.	Unsecured, Non-Convertible, Non-Cumulative, Redeemable, Taxable GOI Fully Serviced Bonds Issue Series-I	3,487.50

For Kumar Naresh Sinha & Associates
Company Secretaries

CS Naresh Kumar Sinha
(Proprietor)
FCS: 1807
C.P. No.: 14984

Place: NOIDA
Date: 27.06.2019

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

Annexure-A

To,

The Members

Power Grid Corporation of India Limited

B-9, Qutab Institutional Area, Katwaria Sarai,

New Delhi-110016

Our Report of even date is to be read along with this letter.

1. Maintenance of secretarial record is the responsibility of the management of the Company. Our responsibility is to express an opinion on these secretarial records based on our audit.
2. We have followed the audit practices and processes as were appropriate to obtain reasonable assurance about the correctness of the contents of the secretarial records. The verification was done on the random test basis to ensure that correct facts are reflected in secretarial records. We believe that the processes and practices, we followed provide a reasonable basis for our opinion.
3. We have not verified the correctness and appropriateness of financial records and Books of Accounts of the Company.
4. Where ever required, we have obtained the Management representation about the compliance of laws, rules and regulations and happening of events etc.
5. The compliance of the provisions of Corporate and other applicable laws, rules, regulations, standards is the responsibility of management. Our examination was limited to the verification of procedures on random test basis.
6. The Secretarial Audit report is neither an assurance as to the future viability of the company nor of the efficacy or effectiveness with which the management has conducted the affairs of the Company.

For Kumar Naresh Sinha & Associates

Company Secretaries

Sd/-

CS Naresh Kumar Sinha
(Proprietor)

FCS: 1807

C.P. No.: 14984

Place: NOIDA

Date: 27.06.2019

ANNEXURE-VI - TO THE DIRECTORS' REPORT

FORM NO. MGT 9

EXTRACT OF ANNUAL RETURN

as on financial year ended on 31.03.2019

Pursuant to Section 92 (3) of the Companies Act, 2013 and Rule 12(1) of the Company (Management & Administration) Rules, 2014.

I REGISTRATION & OTHER DETAILS:

i	CIN	L40101DL1989GOI038121
ii	Registration Date	23-Oct-89
iii	Name of the Company	POWER GRID CORPORATION OF INDIA LIMITED
iv	Category/Sub-category of the Company	COMPANY LIMITED BY SHARES / UNION GOVERNMENT COMPANY
v	Address of the Registered office & contact details	B-9, QUTAB INSTITUTIONAL AREA, KATWARIA SARAI, NEW DELHI - 110 016. Tel: 011-26560112, 26560121, 26564812, 26564892 Fax: 011-26601081
vi	Whether listed company	YES
vii	Name , Address & contact details of the Registrar & Transfer Agent, if any.	Karvy Fintech Private Limited , Karvy Selenium Tower B, Plot No. 31 & 32, Gachibowli, Financial District, Nanakramguda, Serilingampally, Hyderabad - 500 032. Tele: +91-40-67162222, Fax: +91-40-23420814, Toll free No.1800-345-4001

II PRINCIPAL BUSINESS ACTIVITIES OF THE COMPANY

All the business activities contributing 10% or more of the total turnover of the company shall be stated

SL No	Name & Description of main products/services	NIC Code of the Product /service	% to total turnover of the company
1	Transmission	35107	96.27%

III PARTICULARS OF HOLDING , SUBSIDIARY & ASSOCIATE COMPANIES

Sl No	Name & Address of the Company	CIN/GLN	HOLDING/ SUBSIDIARY/ ASSOCIATE	% OF SHARES HELD	APPLICABLE SECTION
1	**POWERGRID Vemagiri Transmission Limited** Regd. Office: B-9, Qutab Institutional Area, Katwaria Sarai, New Delhi – 110 016.	**U40300DL2011GOI217975**	**Subsidiary**	**100**	Section 2 (87)
2	**POWERGRID NM Transmission Limited** Regd. Office: B-9, Qutab Institutional Area, Katwaria Sarai, New Delhi – 110 016.	**U40106DL2011GOI219542**	**Subsidiary**	**100**	Section 2 (87)
3	**POWERGRID Vizag Transmission Limited** Regd. Office: B-9, Qutab Institutional Area, Katwaria Sarai, New Delhi – 110 016.	**U40300DL2011GOI228136**	**Subsidiary**	**100**	Section 2 (87)
4	**POWERGRID Unchahar Transmission Limited** Regd. Office: B-9, Qutab Institutional Area, Katwaria Sarai, New Delhi – 110 016.	**U40300DL2012GOI246341**	**Subsidiary**	**100**	Section 2 (87)
5	**POWERGRID Kala Amb Transmission Limited** Regd. Office: B-9, Qutab Institutional Area, Katwaria Sarai, New Delhi – 110 016.	**U40106DL2013GOI256048**	**Subsidiary**	**100**	Section 2 (87)
6	**POWERGRID Jabalpur Transmission Limited** Regd. Office: B-9, Qutab Institutional Area, Katwaria Sarai, New Delhi – 110 016.	**U40300DL2014GOI270433**	**Subsidiary**	**100**	Section 2 (87)
7	**POWERGRID Warora Transmission Limited** Regd. Office: B-9, Qutab Institutional Area, Katwaria Sarai, New Delhi – 110 016.	**U40300DL2014GOI269918**	**Subsidiary**	**100**	Section 2 (87)
8	**POWERGRID Parli Transmission Limited** Regd. Office: B-9, Qutab Institutional Area, Katwaria Sarai, New Delhi – 110 016.	**U40109DL2014GOI269652**	**Subsidiary**	**100**	Section 2 (87)
9	**POWERGRID Southern Interconnector Transmission System Limited** Regd. Office: B-9, Qutab Institutional Area, Katwaria Sarai, New Delhi – 110 016.	**U40106DL2015GOI278746**	**Subsidiary**	**100**	section 2 (87)
10	**POWERGRID Medinipur-Jeerat Transmission Limited** Regd. Office: B-9, Qutab Institutional Area, Katwaria Sarai, New Delhi–110 016.	**U40300DL2016GOI290075**	**Subsidiary**	**100**	Section 2 (87)

Sl No	Name & Address of the Company	CIN/GLN	HOLDING/ SUBSIDIARY/ ASSOCIATE	% OF SHARES HELD	APPLICABLE SECTION
11	**POWERGRID Mithilanchal Transmission Limited** Regd. Office: B-9, Qutab Institutional Area, Katwaria Sarai, New Delhi – 110 016.	**U40300DL2017GOI310436**	**Subsidiary**	**100**	Section 2 (87)
12	**POWERGRID Varanasi Transmission System Limited** Regd. Office: B-9, Qutab Institutional Area, Katwaria Sarai, New Delhi – 110 016.	**U40100DL2017GOI310478**	**Subsidiary**	**100**	Section 2 (87)
13	**POWERGRID Jawaharpur Firozabad Transmission Limited** Regd. Office: B-9, Qutab Institutional Area, Katwaria Sarai, New Delhi – 110 016.	**U40100DL2018GOI337674**	**Subsidiary**	**100**	Section 2 (87)
14	**Powerlinks Transmission Limited** Regd. Office: 10th Floor, DLF Tower A, District Center Jasola, New Delhi-110025	**U40105DL2001PLC110714**	**Joint Venture**	**49**	Section 2 (6)
15	**Torrent Power Grid Limited** Regd. Office: "SAMANVAY", 600, Tapovan, Ambawadi, Ahemdabad, Gujarat -380015	**U40104GJ2005PLC046660**	**Joint Venture**	**26**	Section 2 (6)
16	**Jaypee Powergrid Limited** Regd. Office: 'JA House', 63, Basant Lok, Vasant Vihar, New Delhi 110057	**U40101DL2006PLC154627**	**Joint Venture**	**26**	Section 2 (6)
17	**North East Transmission Company Limited** Regd. Office: Vill- East Champamura, Bypass Road, Near Asian Paint Godown, P/O- Old Agartala, Agartala, West Tripura, TR-799008	**U40101TR2008PLC008249**	**Joint Venture**	**26**	Section 2 (6)
18	**Parbati Koldam Transmission Company Limited** Regd. Office: 5th Floor, FF-1A JMD Galleria, Sector-48, Sohna Road, Gurgaon, Haryana - 122018	**U40108HR2002PLC071677**	**Joint Venture**	**26**	Section 2 (6)
19	**Teestavalley Power Transmission Limited** Regd. Office: 2nd Floor, Vijaya Building 17, Barakhamba Road, Connaught Place, New Delhi-110001	**U40109DL2006SGC151871**	**Joint Venture**	**28.23**	Section 2 (6)
20	**National High Power Test Laboratory Private Limited** Regd. Office: NHPTL, POWERGRID Complex, 765/400 K.V. Substation, Khimlasa Road Bina Sagar, MP-470113	**U73100MP2009PTC047744**	**Joint Venture**	**20**	Section 2 (6)
21	**Energy Efficiency Services Limited** Regd. Office: NFL Building, 5th & 6th Floor, Core - III, Scope Complex, Lodhi Road, New Delhi - 110003	**U40200DL2009PLC196789**	**Joint Venture**	**5.58**	Section 2 (6)
22	**Bihar Grid Company Limited** Regd. Office: 2nd Floor, Alankar Place, Boring Road, Patna, Bihar 800001	**U40100BR2013PLC019722**	**Joint Venture**	**50**	Section 2 (6)
23	**Kalinga Bidyut Prasaran Nigam Private Limited** Regd. Office: Plot No. 4, Mauja Chandarsekharpur, Unit-41, Bhubaneswar, Puri, Odisha 751021	**U40102OR2012PTC016411**	**Joint Venture**	**50**	Section 2 (6)
24	**Cross Border Power Transmission Company Limited** Regd. Office: C/O IL&FS Securities Services Ltd., 10, Community Center, 2nd Floor, East of Kailash, New Delhi - 110 065	**U40102DL2006PLC156738**	**Joint Venture**	**26**	Section 2 (6)
25	**RINL POWERGRID TLT Private Limited (RPTPL)** Regd. Office: Room No. 31, 'B' Block, Project Office, Visakhapatnam Steel Plant, Visakhapatnam-530031, Andhra Pradesh	**U28121AP2015PTC097211**	**Joint Venture**	**50**	Section 2 (6)
26	**Power Transmission Company Nepal Limited** c/o Nepal Electricity Authority, Durbar Marg, Kathmandu, Nepal	**-**	**Joint Venture**	**26**	Section 2 (6)

Note: Grid Conductors Limited (GCL), a wholly owned subsidiary of POWERGRID was incorporated on 15.09.2015. The Company did not carry out any business activity since incorporation and an application to strike off the name of the Company through Fast Track Exit Scheme was filed with Registrar of Companies (ROC). Registrar of Companies vide Notice dated 09.08.2018 has approved striking off the name of Company from its records.

(IV) Shareholding Pattern (Equity Share Break up as % of total equity)

CATEGORY CODE	CATEGORY OF SHAREHOLDER	NO. OF SHARES HELD AT THE BEGINNING OF THE YEAR 01/04/2018				NO. OF SHARES HELD AT THE END OF THE YEAR 31/03/2019				% CHANGE DURING THE YEAR
		DEMAT	PHYSICAL	TOTAL	% OF TOTAL SHARES	DEMAT	PHYSICAL	TOTAL	% OF TOTAL SHARES	
(I)	(II)	(III)	(IV)	(V)	(VI)	(VII)	(VIII)	(IX)	(X)	(XI)
(A)	**PROMOTER AND PROMOTER GROUP**									
(1)	INDIAN									
(a)	Individual /HUF	0	0	0	0.00	0	0	0	0.00	0.00
(b)	Central Government/ State Government(s)	2977314759	0	2977314759	56.91	2896495942	0	2896495942	55.37	-1.54
(c)	Bodies Corporate	0	0	0	0.00	0	0	0	0.00	0.00
(d)	Financial Institutions / Banks	0	0	0	0.00	0	0	0	0.00	0.00
(e)	Others	0	0	0	0.00	0	0	0	0.00	0.00
	Sub-Total A(1) :	**2977314759**	**0**	**2977314759**	**56.91**	**2896495942**	**0**	**2896495942**	**55.37**	**-1.54**
(2)	FOREIGN									
(a)	Individuals (NRIs/ Foreign Individuals)	0	0	0	0.00	0	0	0	0.00	0.00
(b)	Bodies Corporate	0	0	0	0.00	0	0	0	0.00	0.00
(c)	Institutions	0	0	0	0.00	0	0	0	0.00	0.00
(d)	Qualified Foreign Investor	0	0	0	0.00	0	0	0	0.00	0.00
(e)	Others	0	0	0	0.00	0	0	0	0.00	0.00
	Sub-Total A(2) :	**0**	**0**	**0**	**0.00**	**0**	**0**	**0**	**0.00**	**0.00**
	Total A=A(1)+A(2)	**2977314759**	**0**	**2977314759**	**56.91**	**2896495942**	**0**	**2896495942**	**55.37**	**-1.54**
(B)	**PUBLIC SHAREHOLDING**									
(1)	INSTITUTIONS									
(a)	Mutual Funds /UTI	489078542	0	489078542	9.35	346629556	0	346629556	6.63	-2.72
(b)	Financial Institutions / Banks	64310575	0	64310575	1.23	65212285	1	65212286	1.25	0.02
(c)	Central Government / State Government(s)	0	0	0	0.00	0	0	0	0.00	0.00
(d)	Venture Capital Funds	0	0	0	0.00	0	0	0	0.00	0.00
(e)	Insurance Companies	273570989	0	273570989	5.23	351106927	0	351106927	6.71	1.48
(f)	Foreign Institutional Investors	1110637201	0	1110637201	21.23	1330645583	0	1330645583	25.43	4.20
(g)	Foreign Venture Capital Investors	0	0	0	0.00	0	0	0	0.00	0.00

CATEGORY CODE	CATEGORY OF SHAREHOLDER	NO. OF SHARES HELD AT THE BEGINNING OF THE YEAR 01/04/2018				NO. OF SHARES HELD AT THE END OF THE YEAR 31/03/2019				% CHANGE DURING THE YEAR
		DEMAT	PHYSICAL	TOTAL	% OF TOTAL SHARES	DEMAT	PHYSICAL	TOTAL	% OF TOTAL SHARES	
(I)	(II)	(III)	(IV)	(V)	(VI)	(VII)	(VIII)	(IX)	(X)	(XI)
(h)	Qualified Foreign Investor	0	0	0	0.00	0	0	0	0.00	0.00
(i)	Others	0	0	0	0.00	0	0	0	0.00	0.00
	Sub-Total B(1) :	1937597307	0	1937597307	37.04	2093594351	1	2093594352	40.02	2.98
(2)	**NON-INSTITUTIONS**									
(a)	Bodies Corporate	121508490	0	121508490	2.32	62014485	0	62014485	1.19	-1.13
(b)	Individuals									
	(i) Individuals holding nominal share capital upto ₹2 lakh	146463615	43354	146506969	2.80	135652672	39803	135692475	2.59	-0.21
	(ii) Individuals holding nominal share capital in excess of ₹2 lakh	9317663	0	9317663	0.18	5323589	0	5323589	0.10	-0.08
(c)	Others									
	CLEARING MEMBERS	4650667	0	4650667	0.09	7042583	0	7042583	0.13	0.04
	FOREIGN BODIES	4171304	0	4171304	0.08	4171304	0	4171304	0.08	0.00
	I E P F	298438	0	298438	0.01	478154	0	478154	0.01	0.00
	NBFC	1818213	0	1818213	0.03	487483	0	487483	0.01	-0.02
	NON RESIDENT INDIANS	1889803	0	1889803	0.04	1682575	0	1682575	0.03	-0.01
	NRI NON-REPATRIA TION	1222909	0	1222909	0.02	1236937	0	1236937	0.02	0.00
	TRUSTS	25293126	0	25293126	0.48	23369769	0	23369769	0.45	-0.03
(d)	Qualified Foreign Investor	0	0	0	0.00	0	0	0	0.00	0.00
	Sub-Total B(2) :	**316634228**	**43354**	**316677582**	**6.05**	**241459551**	**39803**	**241499354**	**4.62**	**-1.44**
	Total B=B(1)+B(2) :	**2254231535**	**43354**	**2254274889**	**43.09**	**2335053902**	**39804**	**2335093706**	**44.63**	**1.54**
	Total (A+B) :	**5231546294**	**43354**	**5231589648**	**100.00**	**5231549844**	**39804**	**5231589648**	**100.00**	**0.00**
(C)	Shares held by custodians, against which									
	Depository Receipts have been issued									
(1)	Promoter and Promoter Group									
(2)	Public	0	0	0	0.00	0	0	0	0.00	0.00
	GRAND TOTAL (A+B+C) :	**5231546294**	**43354**	**5231589648**	**100.00**	**5231549844**	**39804**	**5231589648**	**100.00**	

(ii) SHARE HOLDING OF PROMOTERS

Sl No.	Shareholders Name	Shareholding at the begginning of the year 01/04/2018			Shareholding at the end of the year 31/03/2019			% change in share holding during the year
		NO of shares	% of total shares of the company	% of shares pledged encumbered to total shares	NO of shares	% of total shares of the company	% of shares pledged encumbered to total shares	
1	PRESIDENT OF INDIA	2876044959	54.97	0	2,795,226,142	53.43	0	-1.54
2	PRESIDENT OF INDIA	101269800	1.94	0	101,269,800	1.94	0	0.00
	Total	2977314759	56.91	0	2896495942	55.37	0	-1.54

(iii) CHANGE IN PROMOTERS' SHAREHOLDING (SPECIFY IF THERE IS NO CHANGE)

Sl No.		Share holding at the beginning of the Year 01/04/2018		Cumulative Share holding during the year 31/03/2019	
		NO of shares	% of total shares of the company	NO of shares	% of total shares of the company
	At the beginning of the year	2977314759	56.91	2977314759	56.91
	Sale on 22/06/2018	-33402576	-0.64	2943912183	56.27
	Purchase on 06/07/2018	3464718	0.07	2947376901	56.34
	Sale on 22/02/2019	-50880959	-0.97	2896495942	55.37
	At the end of the year	2896495942	55.37	2896495942	55.37

(iv) SHAREHOLDING PATTERN OF TOP 10 SHAREHOLDERS BETWEEN 31/03/2018 AND 30/03/2019 (OTHERTHAN PRMOTER, DIRECTOR, ADR AND GDR)

					Shareholding at the begginning of the Year					Cumulative Shareholding during the Year	
Slno	**Folio/Dpid-Clientid**	**Category**	**Type**	**Name of the Share Holder**	**No of Shares**	**% of total shares of the company**	**Date**	**Increase/ Decrease in share holding**	**Reason**	**No of Shares**	**% of total shares of the company**
1	AAACL0582H	LTD	Opening Balance	LIFE INSURANCE CORPORATION OF INDIA - ULIF0022 0091	307084255	5.87	31/03/2018			307084255	5.87
			Purchase				06/04/2018	3435070	Transfer	310519325	5.94
			Purchase				13/04/2018	3600	Transfer	310522925	5.94
			Sale				13/04/2018	-3600	Transfer	310519325	5.94
			Purchase				11/05/2018	8209070	Transfer	318728395	6.09
			Purchase				18/05/2018	12673100	Transfer	331401495	6.33
			Purchase				25/05/2018	11008141	Transfer	342409636	6.55
			Purchase				01/06/2018	9802500	Transfer	352212136	6.73
			Purchase				08/06/2018	9774828	Transfer	361986964	6.92
			Purchase				15/06/2018	11105618	Transfer	373092582	7.13
			Purchase				22/06/2018	8406151	Transfer	381498733	7.29
			Purchase				29/06/2018	9396127	Transfer	390894860	7.47
			Purchase				06/07/2018	1655926	Transfer	392550786	7.50
			Closing Balance				30/03/2019			392550786	7.50
2	AAAAI0038F	MUT	Opening Balance	ICICI PRUDENTIAL EQUITY ARBITRAGE FUND	220516548	4.22	31/03/2018			220516548	4.22
			Purchase				06/04/2018	101978	Transfer	220618526	4.22
			Sale				06/04/2018	-300141	Transfer	220318385	4.21
			Purchase				13/04/2018	527	Transfer	220318912	4.21
			Sale				13/04/2018	-119356	Transfer	220199556	4.21
			Sale				20/04/2018	-1033389	Transfer	219166167	4.19
			Purchase				27/04/2018	39	Transfer	219166206	4.19
			Sale				27/04/2018	-667016	Transfer	218499190	4.18
			Purchase				04/05/2018	668	Transfer	218499858	4.18
			Sale				04/05/2018	-283485	Transfer	218216373	4.17
			Purchase				11/05/2018	296533	Transfer	218512906	4.18
			Sale				11/05/2018	-1900003	Transfer	216612903	4.14
			Purchase				18/05/2018	4195	Transfer	216617098	4.14
			Sale				18/05/2018	-16130632	Transfer	200486466	3.83
			Purchase				25/05/2018	771	Transfer	200487237	3.83
			Sale				25/05/2018	-13275792	Transfer	187211445	3.58

					Shareholding at the begginning of the Year					Cumulative Shareholding during the Year	
Slno	Folio/Dpid-Clientid	Category	Type	Name of the Share Holder	No of Shares	% of total shares of the company	Date	Increase/ Decrease in share holding	Reason	No of Shares	% of total shares of the company
			Purchase				01/06/2018	1952	Transfer	187213397	3.58
			Sale				01/06/2018	-43840062	Transfer	143373335	2.74
			Purchase				08/06/2018	7816	Transfer	143381151	2.74
			Sale				08/06/2018	-4387071	Transfer	138994080	2.66
			Purchase				15/06/2018	4692	Transfer	138998772	2.66
			Sale				15/06/2018	-2780362	Transfer	136218410	2.60
			Purchase				22/06/2018	12817	Transfer	136231227	2.60
			Sale				22/06/2018	-4369275	Transfer	131861952	2.52
			Purchase				29/06/2018	29754836	Transfer	161616788	3.09
			Sale				29/06/2018	-3055000	Transfer	158561788	3.03
			Purchase				06/07/2018	2415441	Transfer	160977229	3.08
			Sale				06/07/2018	-9301074	Transfer	151676155	2.90
			Purchase				13/07/2018	2399414	Transfer	154075569	2.95
			Sale				13/07/2018	-3899033	Transfer	150176536	2.87
			Purchase				20/07/2018	7056322	Transfer	157232858	3.01
			Sale				20/07/2018	-2029749	Transfer	155203109	2.97
			Purchase				27/07/2018	5943124	Transfer	161146233	3.08
			Sale				27/07/2018	-4374722	Transfer	156771511	3.00
			Purchase				03/08/2018	25145	Transfer	156796656	3.00
			Sale				03/08/2018	-7723231	Transfer	149073425	2.85
			Purchase				10/08/2018	1133	Transfer	149074558	2.85
			Sale				10/08/2018	-1557177	Transfer	147517381	2.82
			Purchase				17/08/2018	1050	Transfer	147518431	2.82
			Sale				17/08/2018	-825505	Transfer	146692926	2.80
			Purchase				24/08/2018	150410	Transfer	146843336	2.81
			Sale				24/08/2018	-1024323	Transfer	145819013	2.79
			Purchase				31/08/2018	329842	Transfer	146148855	2.79
			Sale				31/08/2018	-3662043	Transfer	142486812	2.72
			Purchase				07/09/2018	2808	Transfer	142489620	2.72
			Sale				07/09/2018	-2637547	Transfer	139852073	2.67
			Purchase				14/09/2018	8082	Transfer	139860155	2.67
			Sale				14/09/2018	-260918	Transfer	139599237	2.67
			Purchase				21/09/2018	16228	Transfer	139615465	2.67
			Sale				21/09/2018	-6497818	Transfer	133117647	2.54
			Purchase				28/09/2018	4743	Transfer	133122390	2.54
			Sale				28/09/2018	-56680	Transfer	133065710	2.54

					Shareholding at the begginning of the Year					Cumulative Shareholding during the Year	
Slno	Folio/Dpid-Clientid	Category	Type	Name of the Share Holder	No of Shares	% of total shares of the company	Date	Increase/ Decrease in share holding	Reason	No of Shares	% of total shares of the company
			Purchase				05/10/2018	319963	Transfer	133385673	2.55
			Sale				05/10/2018	-156153	Transfer	133229520	2.55
			Purchase				12/10/2018	416622	Transfer	133646142	2.55
			Sale				12/10/2018	-4991	Transfer	133641151	2.55
			Purchase				19/10/2018	380121	Transfer	134021272	2.56
			Purchase				26/10/2018	31451	Transfer	134052723	2.56
			Sale				26/10/2018	-304440	Transfer	133748283	2.56
			Purchase				02/11/2018	565569	Transfer	134313852	2.57
			Sale				02/11/2018	-7020	Transfer	134306832	2.57
			Purchase				09/11/2018	1655	Transfer	134308487	2.57
			Sale				09/11/2018	-5720	Transfer	134302767	2.57
			Purchase				16/11/2018	1315304	Transfer	135618071	2.59
			Sale				16/11/2018	-505269	Transfer	135112802	2.58
			Purchase				23/11/2018	9597	Transfer	135122399	2.58
			Sale				23/11/2018	-981360	Transfer	134141039	2.56
			Purchase				30/11/2018	3165	Transfer	134144204	2.56
			Sale				30/11/2018	-3585598	Transfer	130558606	2.50
			Purchase				07/12/2018	22926	Transfer	130581532	2.50
			Sale				07/12/2018	-1776808	Transfer	128804724	2.46
			Purchase				14/12/2018	8866	Transfer	128813590	2.46
			Sale				14/12/2018	-881714	Transfer	127931876	2.45
			Purchase				21/12/2018	5416	Transfer	127937292	2.45
			Sale				21/12/2018	-34512	Transfer	127902780	2.44
			Purchase				28/12/2018	117	Transfer	127902897	2.44
			Sale				28/12/2018	-12129301	Transfer	115773596	2.21
			Purchase				31/12/2018	4686824	Transfer	120460420	2.30
			Sale				31/12/2018	-5980	Transfer	120454440	2.30
			Purchase				04/01/2019	6946	Transfer	120461386	2.30
			Sale				04/01/2019	-17206	Transfer	120444180	2.30
			Purchase				11/01/2019	254958	Transfer	120699138	2.31
			Sale				11/01/2019	-280741	Transfer	120418397	2.30
			Purchase				18/01/2019	30978	Transfer	120449375	2.30
			Sale				18/01/2019	-3997297	Transfer	116452078	2.23
			Purchase				25/01/2019	2080	Transfer	116454158	2.23
			Sale				25/01/2019	-2334405	Transfer	114119753	2.18
			Purchase				01/02/2019	5256	Transfer	114125009	2.18

					Shareholding at the begginning of the Year					Cumulative Shareholding during the Year	
Slno	Folio/Dpid-Clientid	Category	Type	Name of the Share Holder	No of Shares	% of total shares of the company	Date	Increase/ Decrease in share holding	Reason	No of Shares	% of total shares of the company
			Sale				01/02/2019	-7165318	Transfer	106959691	2.04
			Purchase				08/02/2019	9883	Transfer	106969574	2.04
			Sale				08/02/2019	-631656	Transfer	106337918	2.03
			Purchase				15/02/2019	6305	Transfer	106344223	2.03
			Sale				15/02/2019	-2697651	Transfer	103646572	1.98
			Purchase				22/02/2019	50503756	Transfer	154150328	2.95
			Sale				22/02/2019	-6114857	Transfer	148035471	2.83
			Purchase				01/03/2019	2875415	Transfer	150910886	2.88
			Sale				01/03/2019	-39646533	Transfer	111264353	2.13
			Purchase				08/03/2019	1240	Transfer	111265593	2.13
			Sale				08/03/2019	-11782563	Transfer	99483030	1.90
			Purchase				15/03/2019	4710	Transfer	99487740	1.90
			Sale				15/03/2019	-5219811	Transfer	94267929	1.80
			Purchase				22/03/2019	93805	Transfer	94361734	1.80
			Sale				22/03/2019	-7329626	Transfer	87032108	1.66
			Purchase				29/03/2019	11616	Transfer	87043724	1.66
			Sale				29/03/2019	-5469371	Transfer	81574353	1.56
			Closing Balance				30/03/2019			81574353	1.56
3	AAATH1809A	MUT	Opening Balance	HDFC TRUSTEE COMPANY LIMITED-HDFC EQUITY FUND	155129892	2.97	31/03/2018			155129892	2.97
			Purchase				06/04/2018	1242793	Transfer	156372685	2.99
			Purchase				13/04/2018	1502844	Transfer	157875529	3.02
			Sale				13/04/2018	-1349	Transfer	157874180	3.02
			Purchase				20/04/2018	695	Transfer	157874875	3.02
			Purchase				27/04/2018	831865	Transfer	158706740	3.03
			Sale				27/04/2018	-836000	Transfer	157870740	3.02
			Purchase				04/05/2018	1409	Transfer	157872149	3.02
			Sale				04/05/2018	-1994	Transfer	157870155	3.02
			Purchase				11/05/2018	1251901	Transfer	159122056	3.04
			Sale				11/05/2018	-1267660	Transfer	157854396	3.02
			Purchase				18/05/2018	3985	Transfer	157858381	3.02
			Sale				18/05/2018	-7072	Transfer	157851309	3.02
			Purchase				25/05/2018	59092	Transfer	157910401	3.02
			Sale				25/05/2018	-61371	Transfer	157849030	3.02
			Purchase				01/06/2018	75951	Transfer	157924981	3.02

					Shareholding at the begginning of the Year					Cumulative Shareholding during the Year	
Slno	Folio/Dpid-Clientid	Category	Type	Name of the Share Holder	No of Shares	% of total shares of the company	Date	Increase/ Decrease in share holding	Reason	No of Shares	% of total shares of the company
			Purchase				08/06/2018	17352559	Transfer	175277540	3.35
			Sale				08/06/2018	-15918000	Transfer	159359540	3.05
			Purchase				15/06/2018	7826	Transfer	159367366	3.05
			Purchase				22/06/2018	1557	Transfer	159368923	3.05
			Sale				22/06/2018	-2160	Transfer	159366763	3.05
			Purchase				29/06/2018	1766	Transfer	159368529	3.05
			Sale				29/06/2018	-4786	Transfer	159363743	3.05
			Purchase				06/07/2018	3936	Transfer	159367679	3.05
			Sale				06/07/2018	-251	Transfer	159367428	3.05
			Purchase				13/07/2018	502312	Transfer	159869740	3.06
			Purchase				20/07/2018	2955	Transfer	159872695	3.06
			Purchase				27/07/2018	441	Transfer	159873136	3.06
			Sale				27/07/2018	-9547	Transfer	159863589	3.06
			Purchase				03/08/2018	21617	Transfer	159885206	3.06
			Purchase				10/08/2018	2187	Transfer	159887393	3.06
			Sale				10/08/2018	-28	Transfer	159887365	3.06
			Purchase				17/08/2018	4039	Transfer	159891404	3.06
			Purchase				24/08/2018	3077	Transfer	159894481	3.06
			Purchase				31/08/2018	1143	Transfer	159895624	3.06
			Sale				31/08/2018	-23879	Transfer	159871745	3.06
			Purchase				07/09/2018	8213	Transfer	159879958	3.06
			Sale				07/09/2018	-202200	Transfer	159677758	3.05
			Purchase				14/09/2018	269325	Transfer	159947083	3.06
			Sale				14/09/2018	-4452	Transfer	159942631	3.06
			Purchase				21/09/2018	4830	Transfer	159947461	3.06
			Purchase				28/09/2018	20782	Transfer	159968243	3.06
			Purchase				05/10/2018	19784	Transfer	159988027	3.06
			Purchase				12/10/2018	224229	Transfer	160212256	3.06
			Purchase				19/10/2018	17870	Transfer	160230126	3.06
			Purchase				26/10/2018	8220	Transfer	160238346	3.06
			Purchase				02/11/2018	129989	Transfer	160368335	3.07
			Sale				02/11/2018	-276	Transfer	160368059	3.07
			Purchase				09/11/2018	2524	Transfer	160370583	3.07
			Purchase				16/11/2018	98751	Transfer	160469334	3.07
			Purchase				23/11/2018	2884	Transfer	160472218	3.07
			Purchase				30/11/2018	12670	Transfer	160484888	3.07

					Shareholding at the begginning of the Year					Cumulative Shareholding during the Year	
Slno	**Folio/Dpid-Clientid**	**Category**	**Type**	**Name of the Share Holder**	**No of Shares**	**% of total shares of the company**	**Date**	**Increase/ Decrease in share holding**	**Reason**	**No of Shares**	**% of total shares of the company**
			Sale				30/11/2018	-12000	Transfer	160472888	3.07
			Purchase				07/12/2018	3187	Transfer	160476075	3.07
			Sale				07/12/2018	-296000	Transfer	160180075	3.06
			Purchase				14/12/2018	9388	Transfer	160189463	3.06
			Purchase				21/12/2018	4777	Transfer	160194240	3.06
			Purchase				28/12/2018	4674	Transfer	160198914	3.06
			Sale				28/12/2018	-3752	Transfer	160195162	3.06
			Purchase				31/12/2018	4984	Transfer	160200146	3.06
			Purchase				04/01/2019	2240	Transfer	160202386	3.06
			Sale				04/01/2019	-239	Transfer	160202147	3.06
			Purchase				11/01/2019	8941	Transfer	160211088	3.06
			Purchase				18/01/2019	6810	Transfer	160217898	3.06
			Purchase				25/01/2019	4404	Transfer	160222302	3.06
			Purchase				01/02/2019	11197	Transfer	160233499	3.06
			Purchase				08/02/2019	6222	Transfer	160239721	3.06
			Sale				08/02/2019	-166	Transfer	160239555	3.06
			Purchase				15/02/2019	7135	Transfer	160246690	3.06
			Sale				15/02/2019	-2835	Transfer	160243855	3.06
			Purchase				22/02/2019	8683	Transfer	160252538	3.06
			Purchase				01/03/2019	10478	Transfer	160263016	3.06
			Purchase				08/03/2019	2766	Transfer	160265782	3.06
			Sale				08/03/2019	-301965	Transfer	159963817	3.06
			Purchase				15/03/2019	6523	Transfer	159970340	3.06
			Sale				15/03/2019	-1416	Transfer	159968924	3.06
			Purchase				22/03/2019	10530	Transfer	159979454	3.06
			Sale				22/03/2019	-6811	Transfer	159972643	3.06
			Purchase				29/03/2019	31257	Transfer	160003900	3.06
			Sale				29/03/2019	-1905427	Transfer	158098473	3.02
			Closing Balance				30/03/2019			158098473	3.02
4	AACCC5769M	FPI	Opening Balance	COMGEST GROWTH PLC - COMGEST GROWTH EMERGING MARKE	68555662	1.31	31/03/2018			68555662	1.31
			Purchase				22/06/2018	1471172	Transfer	70026834	1.34
			Sale				01/03/2019	-1504175	Transfer	68522659	1.31
			Sale				29/03/2019	-1994816	Transfer	66527843	1.27
			Closing Balance				30/03/2019			66527843	1.27

					Shareholding at the begginning of the Year					Cumulative Shareholding during the Year	
Slno	**Folio/Dpid-Clientid**	**Category**	**Type**	**Name of the Share Holder**	**No of Shares**	**% of total shares of the company**	**Date**	**Increase/ Decrease in share holding**	**Reason**	**No of Shares**	**% of total shares of the company**
5	AABTC2758E	FPI	Opening Balance	CAPITAL WORLD GROWTH AND INCOME FUND	64038000	1.22	31/03/2018			64038000	1.22
			Sale				29/06/2018	-4165186	Transfer	59872814	1.14
			Sale				06/07/2018	-3304496	Transfer	56568318	1.08
			Sale				13/07/2018	-7155987	Transfer	49412331	0.94
			Sale				20/07/2018	-2498479	Transfer	46913852	0.90
			Sale				27/07/2018	-11394852	Transfer	35519000	0.68
			Sale				03/08/2018	-3500000	Transfer	32019000	0.61
			Closing Balance				30/03/2019			32019000	0.61
6	AAACI7351P	LTD	Opening Balance	ICICI PRUDENTIAL LIFE INSURANCE COMPANY LTD	47177791	0.90	31/03/2018			47177791	0.90
			Sale				06/04/2018	-3272552	Transfer	43905239	0.84
			Sale				13/04/2018	-1581298	Transfer	42323941	0.81
			Sale				20/04/2018	-1148414	Transfer	41175527	0.79
			Sale				27/04/2018	-770150	Transfer	40405377	0.77
			Sale				04/05/2018	-903091	Transfer	39502286	0.76
			Sale				11/05/2018	-3398630	Transfer	36103656	0.69
			Sale				18/05/2018	-3129002	Transfer	32974654	0.63
			Sale				25/05/2018	-1745400	Transfer	31229254	0.60
			Sale				01/06/2018	-8758482	Transfer	22470772	0.43
			Purchase				08/06/2018	600000	Transfer	23070772	0.44
			Sale				08/06/2018	-142291	Transfer	22928481	0.44
			Sale				15/06/2018	-194215	Transfer	22734266	0.43
			Sale				22/06/2018	-457558	Transfer	22276708	0.43
			Sale				29/06/2018	-3324671	Transfer	18952037	0.36
			Purchase				06/07/2018	275000	Transfer	19227037	0.37
			Sale				06/07/2018	-1000930	Transfer	18226107	0.35
			Purchase				13/07/2018	192668	Transfer	18418775	0.35
			Purchase				20/07/2018	154853	Transfer	18573628	0.36
			Sale				27/07/2018	-33032	Transfer	18540596	0.35
			Purchase				03/08/2018	499388	Transfer	19039984	0.36
			Sale				03/08/2018	-309363	Transfer	18730621	0.36
			Sale				10/08/2018	-44757	Transfer	18685864	0.36
			Sale				17/08/2018	-8484	Transfer	18677380	0.36
			Sale				24/08/2018	-413500	Transfer	18263880	0.35

					Shareholding at the begginning of the Year					Cumulative Shareholding during the Year	
Slno	Folio/Dpid-Clientid	Category	Type	Name of the Share Holder	No of Shares	% of total shares of the company	Date	Increase/ Decrease in share holding	Reason	No of Shares	% of total shares of the company
			Sale				31/08/2018	-704427	Transfer	17559453	0.34
			Sale				07/09/2018	-631310	Transfer	16928143	0.32
			Sale				14/09/2018	-1394262	Transfer	15533881	0.30
			Sale				21/09/2018	-1704237	Transfer	13829644	0.26
			Purchase				28/09/2018	232801	Transfer	14062445	0.27
			Sale				28/09/2018	-103297	Transfer	13959148	0.27
			Purchase				05/10/2018	365000	Transfer	14324148	0.27
			Sale				05/10/2018	-2670287	Transfer	11653861	0.22
			Sale				12/10/2018	-777713	Transfer	10876148	0.21
			Purchase				19/10/2018	293044	Transfer	11169192	0.21
			Sale				26/10/2018	-12613	Transfer	11156579	0.21
			Purchase				02/11/2018	265685	Transfer	11422264	0.22
			Sale				02/11/2018	-109812	Transfer	11312452	0.22
			Sale				09/11/2018	-742211	Transfer	10570241	0.20
			Sale				16/11/2018	-1759511	Transfer	8810730	0.17
			Purchase				30/11/2018	57509	Transfer	8868239	0.17
			Purchase				07/12/2018	10276	Transfer	8878515	0.17
			Sale				14/12/2018	-207482	Transfer	8671033	0.17
			Sale				21/12/2018	-133037	Transfer	8537996	0.16
			Sale				28/12/2018	-78202	Transfer	8459794	0.16
			Purchase				31/12/2018	5030	Transfer	8464824	0.16
			Sale				04/01/2019	-277519	Transfer	8187305	0.16
			Sale				11/01/2019	-294063	Transfer	7893242	0.15
			Sale				18/01/2019	-267	Transfer	7892975	0.15
			Purchase				25/01/2019	405565	Transfer	8298540	0.16
			Sale				01/02/2019	-636694	Transfer	7661846	0.15
			Purchase				08/02/2019	36535	Transfer	7698381	0.15
			Sale				08/02/2019	-100000	Transfer	7598381	0.15
			Purchase				15/02/2019	63467	Transfer	7661848	0.15
			Sale				15/02/2019	-59000	Transfer	7602848	0.15
			Sale				22/02/2019	-1069613	Transfer	6533235	0.12
			Purchase				01/03/2019	139009	Transfer	6672244	0.13
			Sale				01/03/2019	-14369	Transfer	6657875	0.13
			Purchase				08/03/2019	347024	Transfer	7004899	0.13
			Sale				15/03/2019	-251129	Transfer	6753770	0.13
			Purchase				22/03/2019	3203	Transfer	6756973	0.13

					Shareholding at the begginning of the Year						Cumulative Shareholding during the Year	
Slno	**Folio/Dpid-Clientid**	**Category**	**Type**	**Name of the Share Holder**	**No of Shares**	**% of total shares of the company**	**Date**	**Increase/ Decrease in share holding**	**Reason**		**No of Shares**	**% of total shares of the company**
			Purchase				29/03/2019	95789	Transfer		6852762	0.13
			Closing Balance				30/03/2019				6852762	0.13
7	AAATH4654D	FPI	Opening Balance	VIRTUS VONTOBEL EMERGING MARKETS OPPORTUNITIES FUN	42725595	0.82	31/03/2018				42725595	0.82
			Purchase				11/05/2018	3837096	Transfer		46562691	0.89
			Purchase				18/05/2018	6650437	Transfer		53213128	1.02
			Sale				22/06/2018	-1025928	Transfer		52187200	1.00
			Sale				06/07/2018	-399048	Transfer		51788152	0.99
			Sale				20/07/2018	-253240	Transfer		51534912	0.99
			Sale				27/07/2018	-353431	Transfer		51181481	0.98
			Purchase				03/08/2018	1831259	Transfer		53012740	1.01
			Purchase				10/08/2018	1879276	Transfer		54892016	1.05
			Purchase				17/08/2018	292991	Transfer		55185007	1.05
			Purchase				24/08/2018	87485	Transfer		55272492	1.06
			Sale				21/09/2018	-619518	Transfer		54652974	1.04
			Sale				19/10/2018	-550261	Transfer		54102713	1.03
			Sale				02/11/2018	-755512	Transfer		53347201	1.02
			Sale				16/11/2018	-451056	Transfer		52896145	1.01
			Sale				23/11/2018	-996334	Transfer		51899811	0.99
			Sale				14/12/2018	-691289	Transfer		51208522	0.98
			Sale				21/12/2018	-1768606	Transfer		49439916	0.95
			Sale				31/12/2018	-546897	Transfer		48893019	0.93
			Sale				04/01/2019	-481560	Transfer		48411459	0.93
			Closing Balance				30/03/2019				48411459	0.93
8	AAECM1699Q	FPI	Opening Balance	MAGELLAN	42223211	0.81	31/03/2018				42223211	0.81
			Sale				22/06/2018	-1471172	Transfer		40752039	0.78
			Sale				13/07/2018	-1072063	Transfer		39679976	0.76
			Closing Balance				30/03/2019				39679976	0.76
9	AABTS6407Q	MUT	Opening Balance	SBI - ETF SENSEX	25510951	0.49	31/03/2018				25510951	0.49
			Purchase				06/04/2018	485785	Transfer		25996736	0.50
			Purchase				13/04/2018	60570	Transfer		26057306	0.50
			Purchase				20/04/2018	193903	Transfer		26251209	0.50
			Purchase				27/04/2018	239719	Transfer		26490928	0.51
			Purchase				04/05/2018	174304	Transfer		26665232	0.51

					Shareholding at the begginning of the Year					Cumulative Shareholding during the Year	
Slno	Folio/Dpid-Clientid	Category	Type	Name of the Share Holder	No of Shares	% of total shares of the company	Date	Increase/ Decrease in share holding	Reason	No of Shares	% of total shares of the company
			Purchase				11/05/2018	287213	Transfer	26952445	0.52
			Purchase				18/05/2018	88173	Transfer	27040618	0.52
			Sale				18/05/2018	-1771895	Transfer	25268723	0.48
			Purchase				25/05/2018	155888	Transfer	25424611	0.49
			Purchase				01/06/2018	48015	Transfer	25472626	0.49
			Sale				01/06/2018	-3874397	Transfer	21598229	0.41
			Purchase				08/06/2018	1786550	Transfer	23384779	0.45
			Purchase				15/06/2018	175345	Transfer	23560124	0.45
			Purchase				22/06/2018	185	Transfer	23560309	0.45
			Sale				22/06/2018	-430658	Transfer	23129651	0.44
			Purchase				29/06/2018	75703	Transfer	23205354	0.44
			Sale				29/06/2018	-1941749	Transfer	21263605	0.41
			Purchase				06/07/2018	4426419	Transfer	25690024	0.49
			Purchase				13/07/2018	180782	Transfer	25870806	0.49
			Sale				13/07/2018	-2683	Transfer	25868123	0.49
			Purchase				20/07/2018	150768	Transfer	26018891	0.50
			Purchase				27/07/2018	149716	Transfer	26168607	0.50
			Sale				27/07/2018	-141155	Transfer	26027452	0.50
			Purchase				03/08/2018	2616019	Transfer	28643471	0.55
			Sale				03/08/2018	-144627	Transfer	28498844	0.54
			Purchase				10/08/2018	208009	Transfer	28706853	0.55
			Sale				10/08/2018	-3	Transfer	28706850	0.55
			Purchase				17/08/2018	73005	Transfer	28779855	0.55
			Purchase				24/08/2018	195550	Transfer	28975405	0.55
			Purchase				31/08/2018	134297	Transfer	29109702	0.56
			Sale				31/08/2018	-173711	Transfer	28935991	0.55
			Purchase				07/09/2018	100790	Transfer	29036781	0.56
			Sale				07/09/2018	-241	Transfer	29036540	0.56
			Purchase				14/09/2018	71118	Transfer	29107658	0.56
			Sale				14/09/2018	-347047	Transfer	28760611	0.55
			Purchase				21/09/2018	162832	Transfer	28923443	0.55
			Purchase				28/09/2018	388768	Transfer	29312211	0.56
			Sale				28/09/2018	-681591	Transfer	28630620	0.55
			Purchase				05/10/2018	1640290	Transfer	30270910	0.58
			Purchase				12/10/2018	258375	Transfer	30529285	0.58
			Purchase				19/10/2018	117893	Transfer	30647178	0.59

					Shareholding at the begginning of the Year					Cumulative Shareholding during the Year	
Slno	Folio/Dpid-Clientid	Category	Type	Name of the Share Holder	No of Shares	% of total shares of the company	Date	Increase/ Decrease in share holding	Reason	No of Shares	% of total shares of the company
			Purchase				26/10/2018	223651	Transfer	30870829	0.59
			Purchase				02/11/2018	1683045	Transfer	32553874	0.62
			Sale				02/11/2018	-4	Transfer	32553870	0.62
			Purchase				09/11/2018	146005	Transfer	32699875	0.63
			Purchase				16/11/2018	240627	Transfer	32940502	0.63
			Sale				16/11/2018	-2013	Transfer	32938489	0.63
			Purchase				23/11/2018	138998	Transfer	33077487	0.63
			Purchase				30/11/2018	109151	Transfer	33186638	0.63
			Purchase				07/12/2018	8070	Transfer	33194708	0.63
			Sale				07/12/2018	-44678	Transfer	33150030	0.63
			Purchase				14/12/2018	40382	Transfer	33190412	0.63
			Sale				14/12/2018	-180279	Transfer	33010133	0.63
			Purchase				21/12/2018	163049	Transfer	33173182	0.63
			Sale				28/12/2018	-734717	Transfer	32438465	0.62
			Purchase				31/12/2018	56056	Transfer	32494521	0.62
			Purchase				04/01/2019	352755	Transfer	32847276	0.63
			Purchase				11/01/2019	435418	Transfer	33282694	0.64
			Purchase				18/01/2019	299794	Transfer	33582488	0.64
			Sale				18/01/2019	-780	Transfer	33581708	0.64
			Purchase				25/01/2019	323505	Transfer	33905213	0.65
			Sale				25/01/2019	-294	Transfer	33904919	0.65
			Purchase				01/02/2019	344075	Transfer	34248994	0.65
			Purchase				08/02/2019	680636	Transfer	34929630	0.67
			Purchase				15/02/2019	55134	Transfer	34984764	0.67
			Sale				15/02/2019	-2171075	Transfer	32813689	0.63
			Purchase				22/02/2019	187114	Transfer	33000803	0.63
			Purchase				01/03/2019	420178	Transfer	33420981	0.64
			Sale				01/03/2019	-65681	Transfer	33355300	0.64
			Purchase				08/03/2019	2735473	Transfer	36090773	0.69
			Sale				08/03/2019	-10479	Transfer	36080294	0.69
			Purchase				15/03/2019	412272	Transfer	36492566	0.70
			Purchase				22/03/2019	380436	Transfer	36873002	0.70
			Sale				22/03/2019	-498	Transfer	36872504	0.70
			Purchase				29/03/2019	249246	Transfer	37121750	0.71
			Sale				29/03/2019	-1	Transfer	37121749	0.71
			Closing Balance				30/03/2019			37121749	0.71

					Shareholding at the begginning of the Year					Cumulative Shareholding during the Year	
Slno	**Folio/Dpid-Clientid**	**Category**	**Type**	**Name of the Share Holder**	**No of Shares**	**% of total shares of the company**	**Date**	**Increase/ Decrease in share holding**	**Reason**	**No of Shares**	**% of total shares of the company**
10	AAAAE0997R	FPI	Opening Balance	EUROPACIFIC GROWTH FUND	34891520	0.67	31/03/2018			34891520	0.67
			Sale				06/04/2018	-6028282	Transfer	28863238	0.55
			Sale				13/04/2018	-2473064	Transfer	26390174	0.50
			Sale				20/04/2018	-11226043	Transfer	15164131	0.29
			Sale				27/04/2018	-772274	Transfer	14391857	0.28
			Sale				04/05/2018	-3194651	Transfer	11197206	0.21
			Sale				11/05/2018	-11197206	Transfer	0	0.00
			Closing Balance				30/03/2019			0	0.00

(v) Shareholding of Directors & KMP

1. Shri Ravi P. Singh, Director (Personnel) & CMD

	Change in Shareholding		Cumulative Shareholding during the year	
For Each of the Directors & KMP	**No.of shares**	**% of total shares of the company**	**No of shares**	**% of total shares of the company**
At the beginning of the year 01/04/2018	9,016	0	9,016	0
Date wise increase/decrease in Share holding during the year specifying the reasons for increase/decrease (e.g. allotment/transfer/bonus/sweat equity etc)	0	0	0	0
At the end of the year 31/03/2019	9,016	0	9,016	0

2. Shri K. Sreekant, Director (Finance)

	Change inShareholding		Cumulative Shareholding during the year	
For Each of the Directors & KMP	**No.of shares**	**% of total shares of the company**	**No of shares**	**% of total shares of the company**
At the beginning of the year 01/04/2018	1,029	0	1,029	0
Date wise increase/decrease in Share holding during the year specifying the reasons for increase/decrease (e.g. allotment/transfer/bonus/sweat equity etc)	0	0	0	0
At the end of the year 31/03/2019	1,029	0	1,029	0

3. Ms. Seema Gupta, Director (Operations)

	Change in Shareholding		Cumulative Shareholding during the year	
For Each of the Directors & KMP	**No.of shares**	**% of total shares of the company**	**No of shares**	**% of total shares of the company**
At the beginning of the year 01/04/2018	8,807	0	8,807	0
Date wise increase/decrease in Share holding during the year specifying the reasons for increase/decrease (e.g. allotment/transfer/bonus/sweat equity etc)		0		0
At the end of the year 31/03/2019	8,807	0	8,807	0

4. Shri R. K. Chauhan, Director (Projects) (w.e.f. 23.08.2018)

	Change in Shareholding		Cumulative Shareholding during the year	
For Each of the Directors & KMP	**No.of shares**	**% of total shares of the company**	**No of shares**	**% of total shares of the company**
At the beginning of the year 01/04/2018	-	-	1	0
Date wise increase/decrease in Share holding during the year specifying the reasons for increase/decrease (e.g. allotment/transfer/bonus/sweat equity etc)		0		0
At the end of the year 31/03/2019	-	-	1	0

5. Shri Vivek Kumar Dewangan Govt. Director (w.e.f. 26.04.2018)

	Change in Shareholding		Cumulative Shareholding during the year	
For Each of the Directors & KMP	**No.of shares**	**% of total shares of the company**	**No of shares**	**% of total shares of the company**
At the beginning of the year 01/04/2018	0	0	0	0
Date wise increase/decrease in Share holding during the year specifying the reasons for increase/decrease (e.g. allotment/transfer/bonus/sweat equity etc)	0	0	0	0
At the end of the year 31/03/2019	0	0	0	0

6. Shri Ghanshyam Prasad Govt. Director (w.e.f. 01.03.2019)

	Change inShareholding		Cumulative Shareholding during the year	
For Each of the Directors & KMP	**No.of shares**	**% of total shares of the company**	**No of shares**	**% of total shares of the company**
At the beginning of the year 01/04/2018	0	0	0	0
Date wise increase/decrease in Share holding during the year specifying the reasons for increase/decrease (e.g. allotment/transfer/bonus/sweat equity etc)	0	0	0	0
At the end of the year 31/03/2019	0	0	0	0

7. Shri Jagdish I. Patel,Independent Director

	Change in Shareholding		Cumulative Shareholding during the year	
For Each of the Directors & KMP	**No.of shares**	**% of total shares of the company**	**No of shares**	**% of total shares of the company**
At the beginning of the year 01/04/2018	0	0	0	0
Date wise increase/decrease in Share holding during the year specifying the reasons for increase/decrease (e.g. allotment/transfer/bonus/sweat equity etc)	0	0	0	0
At the end of the year 31/03/2019	0	0	0	0

8. Shri Tse Ten Dorji, Independent Director

	Change inShareholding		Cumulative Shareholding during the year	
For Each of the Directors & KMP	**No.of shares**	**% of total shares of the company**	**No of shares**	**% of total shares of the company**
At the beginning of the year 01/04/2018	0	0	0	0
Date wise increase/decrease in Share holding during the year specifying the reasons for increase/decrease (e.g. allotment/transfer/bonus/sweat equity etc)	0	0	0	0
At the end of the year 31/03/2019	0	0	0	0

9. Shri Manoj Kumar Mittal, Independent Director

	Change in Shareholding		Cumulative Shareholding during the year	
For Each of the Directors & KMP	**No.of shares**	**% of total shares of the company**	**No of shares**	**% of total shares of the company**
At the beginning of the year 01/04/2018	0	0	0	0
Date wise increase/decrease in Share holding during the year specifying the reasons for increase/decrease (e.g. allotment/transfer/bonus/sweat equity etc)	0	0	0	0
At the end of the year 31/03/2019	0	0	0	0

10. Shri Sunil Kumar Sharma, Independent Director (w.e.f. 23.07.2018)

	Change inShareholding		Cumulative Shareholding during the year	
For Each of the Directors & KMP	**No.of shares**	**% of total shares of the company**	**No of shares**	**% of total shares of the company**
At the beginning of the year 01/04/2018	0	0	0	0
Date wise increase/decrease in Share holding during the year specifying the reasons for increase/decrease (e.g. allotment/transfer/bonus/sweat equity etc)	0	0	0	0
At the end of the year 31/03/2019	0	0	0	0

11. Smt. A. R. Mahalakshmi, Independent Director (w.e.f. 26.07.2018)

For Each of the Directors & KMP	Change in Shareholding		Cumulative Shareholding during the year	
	No.of shares	% of total shares of the company	No of shares	% of total shares of the company
At the beginning of the year 01/04/2018	0	0	0	0
Date wise increase/decrease in Share holding during the year specifying the reasons for increase/decrease (e.g. allotment/transfer/bonus/sweat equity etc)	0	0	0	0
At the end of the year 31/03/2019	0	0	0	0

12. Smt. Divya Tandon, Company Secretary

For Each of the Directors & KMP	Change in Shareholding		Cumulative Shareholding during the year	
	No.of shares	% of total shares of the company	No of shares	% of total shares of the company
At the beginning of the year 01/04/2018	15,337	0	15,337	0
Date wise increase/decrease in Share holding during the year specifying the reasons for increase/decrease (e.g. allotment/transfer/bonus/sweat equity etc)	0	0	0	0
At the end of the year 31/03/2019	15,337	0	15,337	0

V. INDEBTEDNESS (As on 31.03.2019)

Indebtedness of the Company including interest outstanding/accrued but not due for payment				(₹ in Crore)
	"Secured Loans excluding deposits"	"Unsecured Loans"	Deposits	"Total Indebtedness"
Indebtness at the beginning of the financial year			N/A	
i) Principal Amount	114,481.31	16,731.65		131,212.96
ii) Interest due but not paid				
iii) Interest accrued but not due	3333.86	117.43		3,451.29
Total (i+ii+iii)	117,815.17	16,849.08		134,664.25
Change in Indebtedness during the financial year				
Additions	7,089.35	29,820.23		36,909.58
Reduction	7,652.94	15,962.66		23,615.60
Net Change				
Indebtedness at the end of the financial year				
i) Principal Amount	115,519.14	30,567.22		146,086.36
ii) Interest due but not paid				-
iii) Interest accrued but not due	3234.45	156.97*		3,391.42
Total (i+ii+iii)	118,753.59	30,724.19		149,477.78

Includes ₹36.22 crore interes accured but not due on GoI fully serviced bonds.

VI REMUNERATION OF DIRECTORS AND KEY MANAGERIAL PERSONNEL (2018-19)

A. Remuneration to Managing Director, Whole time director and/or Manager:

Sl.No	Particulars of Remuneration							Total Amount
		Shri Ravi P. Singh, Director (Personnel) & CMD	Shri I. S. Jha, CMD (From 01.04.2018 to 21.01.2019)	Shri K. Sreekant, Director (Finance) & CFO	Ms. Seema Gupta, Director (Operations)	Shri R. K. Chauhan, Director (Projects) w.e.f. 23.08.2018	Shri Prabhakar Singh, Director (Projects) (Up to 30.06.2018)	
1	Gross salary							
	(a) Salary as per provisions contained in section 17(1) of the Income Tax. 1961.	9195544.34	13584973.21	8630668.3	8298696.18	4729126.23	7592757.47	52031765.73
	(b) Value of perquisites u/s 17(2) of the Income tax Act, 1961	1367059.18	2905104.34	1203686.27	171027.69	89957.24	1340816	7077650.72
	(c) Profits in lieu of salary under section 17(3) of the Income Tax Act, 1961				0	0	0	0
2	Stock option				0	0	0	0
3	Sweat Equity				0	0	0	0
4	Commission				0	0	0	0
	as % of profit				0	0	0	0
	others (specify)				0	0	0	0
5	Others, please specify				0	0	0	0
	Total (A)	**10562603.52**	**16490077.55**	**9834354.57**	**8469723.87**	**4819083.47**	**8933573.47**	**59109416.45**
	Ceiling as per the Act							

B. Remuneration to other directors

Sl.No	Particulars of Remuneration	Name of the Directors					Total Amount
1	**Independent Directors**	**Shri J.I.Patel**	**Shri Tse Ten Dorji**	**Shri Manoj Kumar Mittal**	**Shri Sunil Kumar Sharma (w.e.f. 23.07.2018)**	**Smt. A. R. Mahalakshmi, (w.e.f. 26.07.2018)**	
	(a) Fee for attending board & committee meetings	940000	1100000	780000	480000	420000	3720000
	(b) Commission	0	0	0			0
	(c) Others, please specify	0	0	0			0
	Total (1)	940000	1100000	780000	480000	420000	3720000
2	Other Non Executive Directors						
	"(a) Fee for attending board committee meetings"	0	0	0			0
	(b) Commission	0	0	0			0
	(c) Others, please specify.	0	0	0			0
	Total (2)	**0**	**0**	**0**			**0**
	Total (B)=(1+2)	**940000**	**1100000**	**780000**	**480000**	**420000**	**3720000**
	Total Managerial Remuneration	**940000**	**1100000**	**780000**	**480000**	**420000**	**3720000**
	Overall Cieling as per the Act.	₹ 100,000/- per Board Meting or Committee Meeting					

C. REMUNERATION TO KEY MANAGERIAL PERSONNEL OTHER THAN MD/MANAGER/WTD (2018-19)

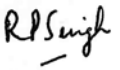
Sl. No.	Particulars of Remuneration	Key Managerial Personnel			Total
		CEO	Company Secretary	CFO	
1	Gross Salary				
	(a) Salary as per provisions contained in section 17(1) of the Income Tax Act, 1961.	0.00	7042587.59	0.00	7042587.59
	(b) Value of perquisites u/s 17(2) of the Income Tax Act, 1961	0.00	39871.93	0.00	39871.93
	(c) Profits in lieu of salary under section 17(3) of the Income Tax Act, 1961	0.00	0.00	0.00	0.00
2	Stock Option	0.00	0.00	0.00	0.00
3	Sweat Equity	0.00	0.00	0.00	0.00
4	Commission	0.00	0.00	0.00	0.00
	as % of profit	0.00	0.00	0.00	0.00
	others, specify	0.00	0.00	0.00	0.00
5	**Others, please specify**	0.00	0.00	0.00	0.00
	Total	**0.00**	**7082459.52**	**0.00**	**7082459.52**

VII PENALTIES/PUNISHMENT/COMPPOUNDING OF OFFENCES

NOT APPLICABLE

Type	Section of the Companies Act	Brief Description	Details of Penalty/ Punishment/Compounding fees imposed	Authority (RD/NCLT/ Court)	Appeall made if any (give details)
A. COMPANY					
Penalty					
Punishment					
Compounding					
B. DIRECTORS					
Penalty					
Punishment					
Compounding					
C. OTHER OFFICERS IN DEFAULT					
Penalty					
Punishment					
Compounding					

For and on behalf of the Board of Directors



(Ravi P.Singh)
Director (Personnel) & CMD
DIN:05240974

Place: New Delhi
Date: 19th July, 2019

Annexure - VII to the Directors' Report

REPORT ON CORPORATE GOVERNANCE

The Directors present the Company's Report on Corporate Governance.

1. THE COMPANY'S GOVERNANCE PHILOSOPHY:

Corporate Governance is about promoting corporate fairness, transparency and accountability in the best interest of various stakeholders in a Company. It is a system by which business corporations are directed and controlled. Power Grid Corporation of India Limited (POWERGRID or the Company) believes that good governance should entail trusteeship, empowerment and accountability of the management while remaining proactive to the Government policies. POWERGRID's Governance process is focused towards its Vision of "World Class, Integrated, Global Transmission Company with Dominant Leadership in Emerging Power Markets Ensuring Reliability, Safety and Economy" and its mission i.e. "We will become a Global Transmission Company with Dominant Leadership in Emerging Power Markets with World Class Capabilities by:

1. Setting superior standards in capital project management and operations for the industry and ourselves.
2. Leveraging capabilities to consistently generate maximum value for all stakeholders in India and in emerging and growing economies.
3. Inspiring, nurturing and empowering the next generation of professionals.
4. Achieving continuous improvements through innovation and state-of-the-art technology.
5. Committing to highest standards in health, safety, security and environment."

The Corporate Governance of POWERGRID is geared by the following:

(i) To meet the short term, medium term & long term objectives and specific targets every year set by the Government of India and by the Board, by empowering people at the most appropriate levels keeping the job profile/functions in view.

(ii) To respond to the challenges and the emerging opportunities and to play a pivotal role in the economic development of the country.

The corporate governance structure specifies the distribution of rights, responsibilities and powers among different participants in the corporation. All strategic decisions regarding investment, diversification, major decisions regarding procurement, commercial and finance are implemented after approval by the Board.

POWERGRID is a "NAVRATNA PSE" since May 2008. The NAVRATNA status has provided the Company more flexibility and autonomy in terms of making investments and operational decisions. The Board of Directors of POWERGRID has been delegated powers by the Central Government to approve capital schemes, incur capital expenditure on purchase of new items of assets or for replacement without any monetary ceiling. The ceiling on equity investment to establish joint ventures and wholly owned subsidiaries in India or abroad is 15% of the net worth of POWERGRID. However, in a single project the ceiling on equity investment is limited to ₹1000 Crore. The overall ceiling on such investment in all projects put together is 30% of the net worth of POWERGRID.

The Board of Directors comprises Chairman and Managing Director, Functional Directors, Govt. Nominee Directors and Non-Official Part Time Directors (Independent Directors). The rights and obligations of the employees are delineated in the policy manuals published and the amendments are notified, from time to time. The powers of the internal participants i.e. top executives and below are laid down in the well-established and practiced "Delegation of Powers". POWERGRID has implemented "Works and Procurement Policy and Procedure for Pre-award and Post-award Stages" with a view to making the policies and procedures more systematic, transparent and easy to administer with major thrust on expeditious and decentralized decision making coupled with accountability and responsibility. The Board has also constituted several Committees, viz. Audit Committee; Stakeholders' Relationship Committee; Nomination and Remuneration Committee; Risk Management Committee; CSR Committee; Committee on Investment on Projects; Committee on Award of Contracts; Committee for Bonds; Committee for Award of Contracts relating to Rural Electrification (RE) and other Deposit Works; Committee on Transfer /Split / Rematerialisation etc. of shares; Committee of Directors for New Businesses; etc. to have better and more focused attention. Advisory Boards of eminent persons are in place for Environment and Social Policy and Procedures, R&D and for Telecom to advise POWERGRID on critical issues/consensus building in these areas.

Besides adhering to the provisions of SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015, POWERGRID is required to follow the Guidelines on Corporate Governance issued by Department of Public Enterprises, Government of India.

The compliance of the Company with the conditions of the Corporate Governance and the disclosure requirements for the Year 2018-19 are given below:

2. Board of Directors:

2.1 Size of the Board

POWERGRID is a Government Company within the meaning of Section 2(45) of the Companies Act, 2013 (the Act) and the President of India presently holds 55.37% of the total paid-up share capital. As per Articles of Association, the power to appoint Directors rests with the President of India. In terms of Articles of Association of the Company, the strength of Board of Directors of the Company shall not be less than four Directors and not more than eighteen Directors. These Directors may be either whole-time Directors or part-time Directors.

2.2 Composition of the Board

SEBI (Listing Obligations & Disclosure Requirements) Regulations, 2015, as amended from time to time, (hereinafter referred as SEBI LODR) stipulate that the Board of Directors of the company shall have an optimum combination of executive and non-executive directors with at least one-woman director and not less than fifty percent of the Board of Directors comprising of non-executive directors.

Sub-section (4) of section 149 of Companies Act, 2013 stipulates that every listed company should have at least one-third of the total number of directors as independent directors.

As on 31st March, 2019, the Board comprised of eleven directors out of which four were Whole Time Directors including the Chairman &

Managing Director, two Government Nominee Directors and five Independent Directors. The Board composition also comprised of Woman Directors.

All the Independent Directors meet with the requirements specified under Section 149 (6) of the Act for holding the position of 'Independent Director' and None of the Directors of the Company is related to each other.

The number of independent directors during the financial year 2018-19 was insufficient as compared to the number of independent directors required under SEBI LODR and Companies Act, 2013. As the power to appoint the Directors on the Board vests with the President of India acting through Administrative Ministry, the Company has been, from time to time, requesting Ministry of Power to appoint requisite number of independent directors on the Board.

2.3 Age Limit and Tenure of Directors

The age limit for the Chairman & Managing Director and other Whole Time Directors is 60 years.

The Chairman & Managing Director and other whole-time Directors are appointed for a period of five years from the date of taking over of charge or till the date of superannuation of the incumbent or till further orders from the Government of India, whichever event occurs earlier. On appointment by the Government of India, as POWERGRID is a listed Company, these Directors are co-opted as Additional Directors and the appointment is regularized at the following Annual General Meeting.

Government Nominee Directors representing the Ministry of Power, Government of India retire from the Board after completion of tenure of three years from the date of appointment unless their tenure is extended by Government of India. On appointment by the Government of India they are appointed as Government Nominee Director by the Board of Directors in terms of Section 161(3) of Companies Act, 2013.

Independent Directors are generally appointed by the Government of India for tenure of three years.

The details of Directors as on 31st March, 2019 were as follows:

Details of Directors		**Name**	**Date of Joining on the Board**
Category (Functional/ Official/ Non-official)	**Designation**		
1. Whole Time Directors	Director (Personnel) & CMD(additional charge w.e.f. 21.01.19)	Shri Ravi P. Singh	01.04.2012 As Director (Personnel)
	Director (Finance)	Shri K. Sreekant	01.09.2016
	Director (Projects)	Shri Rajeev Kumar Chauhan	23.08.2018
	Director (Operations)	Mrs. Seema Gupta	01.03.2018
2. Govt. Nominees Part – time Directors	Govt. Nominee Director	Shri Vivek Kumar Dewangan	26.04.2018
	Govt. Nominee Director	Shri Ghanshyam Prasad	01.03.2019
3. Non-official Part-time Directors	Non-official Part-time Director (Independent Director)	Shri Jagdish I. Patel	17.11.2015
	Non-official Part-time Director (Independent Director)	Shri Tse Ten Dorji	16.02.2017
	Non-official Part-time Director (Independent Director)	Shri Manoj Kumar Mittal	12.09.2017
	Non-official Part-time Director (Independent Director)	Shri Sunil Kumar Sharma	23.07.2018
	Non-official Part-time Director (Independent Director)	Smt. A. R. Mahalakshmi	26.07.2018

2.4 Board Meetings and Attendance:

The meetings of the Board of Directors are normally held at the Registered Office of the Company. Meetings are generally scheduled well in advance and the Notice, detailed Board agenda, management reports and other explanatory Board notes are circulated to the Directors. The members of the Board have complete access to all information of the Company. Senior management is also invited to the Board meetings to provide additional input to the items being discussed by the Board. In case of urgency, resolutions are passed by circulation.

During the financial year ended 31st March, 2019, thirteen Board meetings were held on 26th April, 2018, 1st May 2018, 29th May 2018, 10th July, 2018, 18th July 2018, 31st July 2018, 20th September 2018, 5th November 2018, 3rd January 2019, 31st January, 2019, 16th February, 2019, 7th March, 2019 and 27th March, 2019. The maximum interval between any two meetings during this period was 58 days. Detail of number of Board meetings attended by Directors, attendance at last AGM, number of other directorship / committee membership [viz. Audit Committee and Stakeholders' Relationship Committee as per SEBI LODR] held by them during the Financial year 2018-19 are tabulated below:

Name of the Directors	Meeting held during respective tenure of Directors	No. of Board Meetings attended	% of Attendance of Board Meeting	Attendance at the last AGM (held on 18.09.2018)	No. of Directorship held on 31.03.2019 in other Companies	No. of other Companies in which Membership or Chairmanship of Committee held on 31.03.2019*		Directorship held in other Listed Companies & Category As on 31.03.2019	
						Chairmanship	Membership	Name of Companies	Category of Directorship
Whole Time Directors									
Shri Ravi P. Singh Director (Personnel) & CMD	13	13	100%	No	8	NIL	1	NIL	NIL
Shri I. S. Jha, Chairman & Managing Director (up to 21.01.2019)	9	9	100%	Yes	N/A	N/A	N/A	N/A	N/A
Shri K. Sreekant Director (Finance)	13	13	100%	Yes	1	NIL	2	NTPC LIMITED	Additional Director
Ms. Seema Gupta Director (Operations)	13	13	100%	Yes	9	NIL	NIL	NIL	NIL
Shri Prabhakar Singh Director (Projects) (Up to 30.06.2018)	03	03	100%	N/A	N/A	N/A	N/A	N/A	N/A
Shri Rajeev Kumar Chauhan Director (Projects) (w.e.f. 23.08.2018)	07	07	100%	Yes	6	NIL	NIL	PTC India Limited	Nominee Director
Non-executive Directors (Government Nominees)									
Ms. Bharati Jt. Secy. - Govt. Nominee Director (Up to 13.02.2019)	10	10	100%	Yes	N/A	N/A	N/A	N/A	N/A
Shri Vivek Kumar Dewangan JS & FA - Govt. Nominee Director (w.e.f. 26.04.2018)	13	11	84.62%	No	1	NIL	2	NTPC LIMITED	Nominee Director
Shri Ghanshyam Prasad Chief Engineer - Govt. Nominee Director (Ministry of Power) (w.e.f. 01.03.2019)	02	02	100%	N/A	1	NIL	NIL	NIL	NIL
Independent Directors									
Shri Jagdish I. Patel	13	13	100%	Yes	2	2	NIL	NIL	NIL
Shri Tse Ten Dorji	13	13	100%	Yes	NIL	NIL	1	NIL	NIL
Shri Manoj Kumar Mittal	13	13	100%	Yes	NIL	NIL	2	NIL	NIL
Shri Sunil Kumar Sharma (w.e.f. 23.07.2018)	08	08	100%	Yes	3	NIL	1	Astra Microwave Products Limited	Additional Director
Smt. A. R. Mahalakshmi (w.e.f. 26.07.2018)	08	08	100%	Yes	NIL	NIL	1	NIL	NIL

All whole time Directors and Independent Directors have attended all Board Meetings held during their tenure.

N/A indicates that concerned person was not a Director on POWERGRID's Board on the relevent date.
* Includes committee position in POWERGRID

2.5 Information to be placed before the Board of Directors, inter alia, includes:

The Board has complete access to all information with the Company. The information regularly supplied to the Board includes:

1. Annual operating plans and budgets and updates, if any.
2. Annual Accounts, Directors' Report, etc.
3. Quarterly financial results of the company.
4. Minutes of meetings of Audit Committee and other committees of the Board including minutes of Subsidiary Companies.
5. Major Investments, formation of Subsidiaries and Joint Ventures, Strategic Alliances, etc.
6. Award of large Contracts.
7. All related party transections.
8. Disclosure of Interest by Directors about directorship and committee positions occupied by them in other Companies.
9. Declaration of independency by Independent Directors.
10. Monthly Report on Commercial Status of the Company.
11. Quarterly Report on Business Activities of various Subsidiaries Companies.
12. Quarterly Report on Compliance of various laws.
13. Quarterly Report on Compliance with Corporate Governance; Reconciliation of Share Capital Audit and Investors' Complaints.
14. Report on the status of various ongoing projects/Scheme and Budget Utilization.
15. Report on the O&M Review.
16. Any significant development in Human Resources/ Industrial Relations front like signing of wage agreement, etc.
17. Non-compliance of any Regulatory, statutory or listing requirements and shareholders' service such as non-payment of dividend, delay in share transfer etc. Short-Term investment of surplus funds.
18. Other materially important information.

    Post meeting follow-up system:
19. The Governance process in the Company includes an effective post-meeting follow-up, review and reporting process for action taken on decisions of the Board and the Board Committee(s).

3. Committees of the Board of Directors:

The Board has constituted the following Committees:

i) Audit Committee
ii) Nomination and Remuneration Committee
iii) Stakeholders' Relationship Committee
iv) CSR Committee
v) Risk Management Committee

3.1 Audit Committee

The Company has constituted Audit Committee in line with the provisions of Section 177 of the Companies Act, 2013 and Regulation 18 of SEBI LODR

As on 31 March, 2019, the Audit Committee comprised the following Directors:

(i)	Shri Jagdish I. Patel	Independent Director	Chairman
(ii)	Shri Tse Ten Dorji	Independent Director	Member
(iii)	Shri Manoj Kumar Mittal	Independent Director	Member
(Iv)	Shri Vivek kumar Dewangan (w.e.f. 26.04.2018)	Govt. Nominee Director	Member
(v)	Shri Sunil Kumar Sharma (w.e.f.20.09.2018)	Independent Director	Member

The Company Secretary is the Secretary of the Committee.

Meetings of Audit Committee

As per SEBI LODR, the Audit Committee is required to meet at least four times in a year and not more than one hundred twenty days elapse between two meetings. The quorum for the Audit Committee meetings is either two members or one third of the members of the Audit Committee whichever is greater, but there should be a minimum of two independent directors present.

Powers of Audit Committee

The powers of the Audit Committee include the following:

1. To investigate any activity within its terms of reference.
2. To seek information on and from any employee.
3. To obtain outside legal or other professional advice.

4. To secure attendance of outsiders with relevant expertise, if it considers necessary.
5. To protect whistle blowers.
6. To consider other matters as referred by the Board.

Role of Audit Committee

The Role of Audit Committee includes the following:

1. Oversight of our Company's financial reporting process and the disclosure of its financial information to ensure that the financial statement is correct, sufficient and credible.
2. Recommending to the Board regarding fixation of audit fee to be paid to statutory auditors appointed by the Comptroller & Auditor General under the Companies Act and approval for payment with respect to any other services rendered by the statutory auditors.
3. Reviewing, with the management, the Standalone and Consolidated annual financial statements and Auditors' Report thereon before submission to the Board for approval, with particular reference to:
   a. Matters required to be included in the Director's Responsibility Statement to be included in the Board's report in terms of Clause (c) of Sub-section 3 of Section 134 of the Companies Act,2013.
   b. Changes, if any, in accounting policies and practices and reasons for the same.
   c. Major accounting entries involving estimates based on the exercise of judgment by management.
   d. Significant adjustments made in the financial statements arising out of audit findings.
   e. Compliance with listing and other legal requirements relating to financial statements.
   f. Disclosure of any related party transactions.
   g. Qualifications/modified opinions in the draft audit report.
4. Reviewing/examining, with the management, the quarterly Standalone financial statements and consolidated quarterly financial statements along with Limited Review Report by the Statutory Auditors of the Company of all the entities / companies whose Accounts are to be consolidated, before submission to the Board for approval.
5. Reviewing, with the management, the statement of uses / application of funds raised through an issue (public issue, rights issue, preferential issue, etc.), the statement of funds utilized for purposes other than those stated in the offer document / prospectus / notice and the report submitted by the monitoring agency monitoring the end use/ utilization of proceeds of a public or rights issue & related matters and making appropriate recommendations to the Board to take up steps in this matter.
6. Reviewing, with the management, performance of statutory and internal auditors and adequacy of the internal control systems.
7. Reviewing the adequacy of internal audit function, if any, including the structure of the internal audit department, staffing and seniority of the official heading the department, reporting structure, coverage and frequency of internal audit.
8. Discussing with internal auditors and / or auditors any significant findings and follow up there on.
9. Reviewing the findings of any internal investigations by the internal auditors / auditors / agencies into matters where there is suspected fraud or irregularity or a failure of internal control systems of a material nature and reporting the matter to the Board.
10. Discussing with statutory auditors before the audit commences, about the nature and scope of audit as well as post-audit discussion to ascertain any area of concern.
11. To look into the reasons for substantial defaults in the payment to the depositors, debenture holders, shareholders (in case of non-payment of declared dividends) and creditors.
12. To review / oversee the functioning of vigil mechanism / Whistle Blower mechanism of the Company.
13. To review the follow up action on the audit observations in the Comptroller & Auditor General audit.
14. To review the follow up action taken on the recommendations of Committee on Public Undertakings (COPU) of the Parliament.
15. Provide an open avenue of communication between the independent auditor, internal auditor and the Board.
16. Approval or any subsequent modification of transactions of the company with related parties.
17. Review all related party transactions in the Company. For this purpose, the Audit Committee may designate a member who shall be responsible for reviewing related party transactions;

    The term "related party transactions" shall have the same meaning as provided in Regulation 2 (zc) of the SEBI (LODR).
18. Reviewing with the independent auditor the co-ordination of audit efforts to ensure completeness of coverage, reduction of redundant efforts, and the effective use of all audit resources.
19. Considering and review the following with the independent auditor and the management:
    a. The adequacy of internal controls including computerized information system controls and security; and
    b. related findings and recommendations of the independent auditor and internal auditor, together with the management responses.
20. Considering and reviewing the following with the management, internal auditor and the independent auditor:
    a. Significant findings during the year, including the status of previous audit recommendations; and
    b. Any difficulties encountered during audit work including any restrictions on the scope of activities or access to required information.
21. Reviewing and monitoring the Auditor's independence and performance, and effectiveness of audit process.
22. Scrutiny of inter-corporate loans and investments.

23. Valuation of undertakings or assets of the Company, whenever it is necessary.
24. Evaluation of Internal Financial Controls and Risk Management Systems.
25. Reviewing the compliance with the provisions of SEBI (Prohibition of Insider Trading) (Amendment) Regulations, 2018 at least once in a financial year and verifying that the systems for internal control are adequate and are operating effectively.
26. Reviewing the utilization of loans and / or advances from / investment by the Company in the Subsidiary exceeding ₹100 crore or 10% of the asset size of the subsidiary, whichever is lower including existing loans / advances / investments existing as on the date.
27. Carrying out any other function as is mentioned in the terms of reference of the Audit Committee under the Companies Act, 2013, SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 and DPE Guidelines on Corporate Governance for CPSEs, as amended from time to time.

Review of information by Audit Committee

The Audit Committee shall mandatorily review the following information:

1. Management discussion and analysis of financial condition and results of operations.
2. Statement of significant related party transactions submitted by management.
3. Management letters / letters of internal control weaknesses issued by the statutory auditors.
4. Internal audit reports relating to internal control weaknesses.
5. The appointment, removal and terms of remuneration of the chief internal auditor.
6. Certification/declaration of financial statements by the Chief Executive Officer/Chief Financial Officer.
7. Statement of deviations:
   (a) quarterly statement of deviation(s) including report of monitoring agency, if applicable, submitted to stock exchange(s) in terms of Regulation 32(1).
   (b) annual statement of funds utilized for purposes other than those stated in the offer document/prospectus/notice in terms of Regulation 32(7)."

Attendance:

During the financial year ended 31st March 2019, twelve meetings of the Audit committee were held on 1st May 2018, 29th May 2018, 10th July 2018, 18th July 2018, 31st July 2018, 21st August 2018, 20th September 2018, 5th November 2018, 5th December 2018, 3rd January 2019, 31st January, 2019 and 7th March, 2019.

Attendance at Audit Committee Meetings during the Financial Year 2018-19:

Name of the Audit Committee Member	Meetings held during respective tenure of Members	No. of Meetings attended	% of Attendance of Audit Committee Meeting
Shri Jagdish I. Patel	12	11	91.67%
Shri Tse Ten Dorji	12	12	100%
Shri Manoj Kumar Mittal	12	12	100%
Shri Vivek kumar Dewangan (w.e.f. 26.04.2018)	12	10	83.33%
Shri Sunil Kumar Sharma (w.e.f. 20.09.2018)	05	05	100%

3.2 Nomination and Remuneration Committee

Your Company has constituted Nomination and Remuneration Committee in line with the provisions of Section 178 of the Companies Act, 2013 and Regulation 19 of SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015.

As on 31st March 2019, the Nomination and Remuneration Committee comprised the following Directors:

Shri Jagdish I. Patel	Non-official Part-time Director	Chairman
Shri Tse Ten Dorji	Non-official Part-time Director	Member
Shri Manoj Kumar Mittal	Non-official Part-time Director	Member
Smt. A. R. Mahalakshmi (w.e.f. 20.09.2018)	Non-official Part-time Director	Member
Shri Ghansyam Prasad (w.e.f. 06.03.2019)	Govt. Nominee Director	Member
Shri Vivek Kumar Dewangan (w.e.f. 26.04.2018)	Govt. Nominee Director	Member
Shri Ravi P. Singh	Director (Personnel) & CMD	Member

The Nomination and Remuneration Committee decides the annual bonus/variable pay pool and policy for its distribution across the employees within the prescribed limits.

Four meetings of the Nomination and Remuneration committee were held during the Financial Year 2018-19 i.e. on 29th May, 2018, 20th September, 2018, 5th November, 2018 and 7th March, 2019.

Attendance at Nomination and Remuneration Committee Meetings during the Financial Year 2018-19:

Name of the Nomination and Remuneration Committee Member	Meetings held during respective tenure of Members	No. of Meetings attended	% of Attendance of Nomination and Remuneration Committee Meeting
Shri Jagdish I. Patel	4	4	100%
Shri I. S. Jha (up to 21.01.2019)	3	3	100%
Shri Ravi P. Singh (w.e.f. 21.01.2019)	1	1	100%
Shri Tse Ten Dorji	4	4	100%
Shri Manoj Kumar Mittal	4	4	100%
Ms. Bharati (up to 13.02.2019)	3	3	100%
Shri Vivek Kumar Dewangan (w.e.f. 26.04.2018)	4	2	50%
Smt. A. R. Mahalakshmi (w.e.f. 20.09.2018)	2	2	100%
Shri Ghansyam Prasad (w.e.f. 06.03.2019)	1	1	100%

Performance Evaluation of Directors

The requirement of performance evaluation of Directors under Section 178(2) of the Companies Act, 2013 has been done away with for Government Companies vide Ministry of Corporate Affairs' (MCA) Notification dt. 5th June, 2015. Further, MCA vide its notification dated 05th July, 2017 has made an amendment in the Schedule IV of the Act, whereby it has exempted Government Companies from complying with the requirement of performance evaluation by the Independent Directors of Non-independent Directors and Chairman and performance evaluation of the Independent Directors by the Board, if the concerned departments or ministries have specified these requirements. In this regard, the Department of Public Enterprises (DPE) has also laid down a mechanism for performance appraisal of all Functional Directors. DPE has also initiated evaluation of Independent Directors. The Company enters into Memorandum of Understanding (MoU) with Ministry of Power (MoP) every year wherein Company is evaluated on various financial and non-financial parameters. The performance of the Company & Board of Directors is evaluated by the DPE in terms of MoU entered into with MoP.

Separate Meeting of Independent Directors:

As per the Guidelines issued by DPE on Role & Responsibilities of Non-Official Directors (Independent Directors) of CPSEs, Code of Conduct for Independent Directors prescribed under the Companies Act, 2013 and Regulation 25 of SEBI LODR, a separate meeting of the Independent Directors is required to be held at least once in a year to, inter-alia:

(i) review the performance of the non-independent directors and the Board as a whole;

(ii) review the performance of the Chairperson of the Company, taking into account the views of executive directors and non-executive directors; and

(iii) assess the quality, quantity and timeliness of flow of information between the management of the Company and the Board of Directors that is necessary for the Board to effectively and reasonably perform their duties.

A separate meeting of Independent Directors was held on 14th March, 2019. The meeting was attended by all five Independent Directors. In this meeting, Independent Directors assessed the performance of the Board as a whole, the performance of Non-Independent Directors including Chairman & Managing Director and also the quality, quantity and timeliness of flow of information between the Company management and the Board which is necessary for the Board to effectively and reasonably perform their duties.

3.3 Stakeholders' Relationship Committee

The Company has constituted Stakeholders' Relationship Committee in line with the provisions of Section 178 (5) of the Companies Act, 2013 and Regulation 20 of SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015.

Scope of the Committee

The scope of the Committee is to specifically consider and resolve the grievances of shareholders, debenture-holders, and other security holders of the company including the complaints related to transfer of shares, non-receipt of balance sheet, non-receipt of declared dividends, etc. of the Company.

Composition of Stakeholders' Relationship Committee during the F.Y. 2018-19

As on 31st March 2019, the Stakeholder Relationship Committee comprised the following Directors:

Shri Jagdish I. Patel	Non Official Part time Director	Chairman
Shri Manoj Kumar Mittal	Non Official Part time Director	Member
Smt. A. R. Mahalakshmi (w.e.f. 20.09.2018)	Non Official Part time Director	Member

Shri Ravi P. Singh	Director (Personnel) & CMD	Member
Shri K. Sreekant	Director (Finance)	Member

The Company Secretary is the Secretary of the Committee.

Two meetings of the Stakeholders' Relationship Committee were held during the financial year 2018-19 i.e. on 21st August, 2018 and 7th March, 2019.

Attendance at Stakeholders' Relationship Committee meeting during the Financial Year 2018-19:

Name	Shareholders'/Investors' Grievance Committee Meeting held during the tenure		% of Attendance of Stakeholders' Relationship Committee Meeting
	Held	Attended	
Shri Jagdish I. Patel	2	1	50%
Shri Manoj Kumar Mittal	2	2	100%
Smt. A. R. Mahalakshmi (w.e.f. 20.09.2018)	1	1	100%
Shri Ravi P. Singh	2	2	100%
Shri K. Sreekant	2	2	100%

Name and designation of Compliance Officer

Ms. Divya Tandon, Chief General Manager & Company Secretary is the Compliance Officer in terms of SEBI (LODR) Regulations, 2015.

Investors' Grievances

During the financial year ending 31st March 2019, the Company has attended to investors' grievances expeditiously except for the cases constrained by disputes or legal impediment. The details of the complaints received and disposed of during the year are as under:

S. No.	Description	Opening Balance	Received	Attended	Pending
1	Non receipt of refund orders	0	15	15	0
2	Non receipt of dividend warrants	0	1672	1672	0
3	Non receipt of share certificate	0	42	42	0
4	SEBI	0	18	16	2
5	Stock Exchange	0	4	4	0
6	Advocate Notices	0	0	0	0
7	Consumer Forum/Court cases	0	0	0	0
	Total	**0**	**1,751**	**1749**	**2**

Shares lying in Share Escrow Account

In pursuance of Schedule V (F) of SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015, details of shares lying in the shares escrow account are as under:

SHARES IN THE SHARE ESCROW ACCOUNT						
Event	IPO		FPO [2010]		FPO [2013]	
	No. of Shareholders	No. of Shares	No. of Shareholders	No. of Shares	No. of Shareholders	No. of Shares
As on 01.04.2018	4	970	18	3439	0	0
Transfers during the year 2018-19	0	0	18	3439	0	0
As on 31.03.2019	4	970	0	0	0	0

The voting rights on the shares in the Escrow Account will remain frozen till the rightful owner of such shares claims the shares. These shares are lying in Demat form in a Pool Account with the Registrars i.e. M/s Karvy Fintech Private Limited and the benefits accrued on them are being properly accounted for.

Centralized Web Based Complaint Redressal System- SCORES

The centralized web based Complaint Redressal System of SEBI i.e. SCORES (SEBI Complaints Redress System) is in place since June 2011. Through SCORES, shareholders can register their complaints against the Company for redressal. When the complaint is registered, a unique complaint registration number is allotted for future reference and tracking. Status of every complaint lodged can also be viewed online and the Shareholder can send reminder for their complaint. Your Company takes action for redressal of the complaints and uploads Action Taken Report on line. SEBI disposes off the complaints if it is satisfied that the complaints have been redressed adequately. A

Shareholder, who is not accessing SCORES can lodge his/her complaint in physical form also.

Remuneration of Directors

POWERGRID, being a Government Company, the appointment, tenure and remuneration of Directors is decided by the President of India. Remuneration paid to Chairman & Managing Director and Functional Directors during the Year 2018-19 was as per terms and conditions of their appointment. Independent Directors are paid only sitting fee per Board / Committee meeting attended {rate fixed by the Board within the ceiling fixed for payment of sitting fee without Government approval under the Rule 4 of the Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014 read with the Section 197 of the Companies Act, 2013} and in accordance with the Government Guidelines for attending the Board Meeting as well as Committee Meetings.

The remuneration paid to the Whole time Directors during the year 2018-19 is as under:

S No.	Directors	Designation	Salary (in ₹)	Benefits (in ₹)	Bonus / Commission (in ₹)	Performance Linked Incentive (in ₹)	Total (in ₹)
1.	Shri Ravi P. Singh	Director (Personnel) & CMD	50,99,150	12,50,721.5		41,30,310	1,04,80,181.5
2.	Shri I. S. Jha (upto 21st January 2019)	Chairman & Managing Director	65,91,923	13,19,988		63,92,749	1,43,04,660
3.	Shri K. Sreekant	Director (Finance)	45,74,273	9,97,838		37,19,872	92,91,983
4.	Ms. Seema Gupta	Director (Operations)	56,22,397	11,00,261.38		27,06,306	94,28,964.38
5.	Shri R. K. Chauhan (w.e.f. 23rd August, 2018)	Director (Projects)	25,07,462	8,99,913		23,63,363	57,70,738
6.	Shri Prabhakar Singh (upto 30th June, 2018)	Director (Projects)	34,08,664	3,47,183		38,69,027	76,24,874

The Government Nominees Directors on the POWERGRID's Board do not draw any remuneration/sitting fee for attending Board/ Committee meetings from the Company. The Independent Directors were paid sitting fee of ₹20,000/- per meeting for attending Board/Committee Meetings.

Details of Payment made towards sitting fee to Independent Directors during the year 2018-19 are given below:

(₹ in lacs.)

Name of Non-official Part-time Directors	Sitting Fee		Total (₹)
	Board Meeting (₹)	Committee of Board of Directors Meeting (₹)	
Shri Jagdish I. Patel	2.60	6.80	9.40
Shri Tse Ten Dorji	2.60	8.40	11.00
Shri Manoj Kumar Mittal	2.60	5.20	7.80
Smt. A. R. Mahalakshmi	1.60	3.20	4.80
Shri Sunil Kumar Sharma	1.60	2.60	4.20

As on 31.03.2019, the Directors' Shareholding were as under:

S. No.	Name of Directors	No. of Equity Shares Held
1.	Shri Ravi P. Singh	9,016
2.	Shri K. Sreekant	1,029
3.	Ms. Seema Gupta	8,807
4.	Shri R. K. Chauhan	1
5.	Shri Vivek kumar Dewangan	NIL
6.	Shri Ghanshyam Prasad	NIL
7.	Shri Jagdish I. Patel	NIL
8.	Shri Tse Ten Dorji	NIL
9.	Shri Manoj Kumar Mittal	NIL

10.	Smt. A. R. Mahalakshmi	NIL
11.	Shri Sunil Kumar Sharma	NIL

3.4 CSR Committee

POWERGRID has constituted a CSR Committee in line with the requirements of the Companies Act, 2013 and Department of Public Enterprises' Guidelines on Corporate Social Responsibility and Sustainability for Central Public Sector Enterprises'. As on 31st March 2019, the CSR Committee comprised following directors as members:

Shri Ravi P. Singh	Director (Personnel) & CMD	Chairman
Shri K. Sreekant	Director (Finance)	Member
Mrs. Seema Gupta	Director (Operations)	Member
Shri R. K. Chauhan	Director (Projects)	Member
Shri Jagdish I. Patel	Non-official Part-time Director	Member
Shri Tse Ten Dorji	Non-official Part-time Director	Member
Shri Sunil Kumar Sharma	Non-official Part-time Director	Member
Smt. A. R. Mahalakshmi	Non-official Part-time Director	Member
Shri Ghanshyam Prasad	Chief Engineer, Govt. Nominee Director	Member

Eleven meetings of the CSR Committee were held during the financial year 2018-19.

3.5 Risk Management Committee

POWERGRID had constituted Risk Management Committee in line with the requirement of SEBI LODR As on 31st March 2019, the Committee comprises of following Directors as members:

Shri Ravi P Singh	Director (Personnel) & CMD	Chairman
Shri K. Sreekant	Director (Finance)	Member
Shri R. K. Chauhan	Director (Projects)	Member

Three meetings of Risk Management Committee were held during the Financial Year 2018-19.

The 'Enterprise Risk Management Framework' (ERM framework) has been implemented in POWERGRID. The details of the same are given in Management Discussion and Analysis.

Apart from the constitution of mandatory committees, the Board has constituted various committees viz. (i) Committee on Investment on Projects (ii) Committee on Award of Contracts (iii) Committee for Transfer/Split/Rematerialization etc. of Shares (iv) Committee for Bonds (V) Committee for Award of Contracts relating to RE and other Deposit Works for facilitating the day to day business of the company.

4. Monitoring of Subsidiaries

The Company does not have any material unlisted Subsidiary Company in terms of SEBI LODR or the subsidiaries as defined under Guidelines on Corporate Governance for Central Public Sector Enterprises issued by Department of Public Enterprises, Govt. of India. However, minutes of the meeting of the Board of Directors of the subsidiaries are placed before the Company's Board periodically along with status of subsidiaries. Further, pursuant to Regulations 16 (c) and 43 of the SEBI LODR, POWERGRID has formulated a policy for determining 'material' subsidiaries and the policy has been disclosed on the company's website and a web link thereto is also given as under:
https://www.powergridindia.com/code-conductpolicies

5. General Body Meetings

Date, time and location where the last three Annual General Meetings were held are as under:

Year	Date	Time	Venue	Special Resolution
2015-16	16 September 2016	11.00 a.m.	Manekshaw Centre, Parade Road, Delhi Cantt., New Delhi	1
2016-17	19 September 2017	11.00 a.m.	Manekshaw Centre, Parade Road, Delhi Cantt., New Delhi	4
2017-18	18 September 2018	11.00 a.m.	Manekshaw Centre, Parade Road, Delhi Cantt., New Delhi	1

Resolutions passed through Postal Ballot:

The Shareholders of the Company have approved with requisite majority, the Special Resolutions under the provisions of Companies Act,

2013 for:

1. Altering the Objects Clause of the Memorandum of Association, and

2. Increasing in Shareholding limit of Foreign Portfolio Investors (FPIs) including Foreign Institutional Investors (FIIs) in POWERGRID.

Notice dated 5th November, 2018 was served to all shareholders for voting through postal ballot as per provision of Section 110 of the Companies Act, 2013 read with the Companies (Management and Administration) Rules, 2014. Ms. Savita Jyoti, Practicing Company Secretary was appointed as scrutinizer for conduct of Postal Ballot. The detail of voting are as under:

1. Altering the Objects Clause of the Memorandum of Association.

Promoter / Public	No. of Shares Held (1)	No. of Votes Polled (2)	% of Votes Polled on Outstanding shares (3) = (2/1)*100	No. of Votes in favour (4)	No. of Votes against (5)	% of Votes in favor on Votes Polled (6) = (4/2)*100	% of Votes against on votes polled (7) = (5/2) *100
Prompter and Promoter Group	2947376901	2947376901	100.00	2947376901	0	100.0000	0
Public – Institutional Holders	2044270273	1784066988	87.2716	1784066988	0	100.0000	0
Public – Others	239942474	44935553	18.7276	44924148	11405	99.9746	0.0254
Total	5231589648	4776379442	91.2988	4776368037	11405	99.9998	0.0002

2. Increasing in Shareholding limit of Foreign Portfolio Investors (FPIs) including Foreign Institutional Investors (FIIs) in POWERGRID.

Promoter / Public	No. of Shares Held (1)	No. of Votes Polled (2)	% of Votes Polled on Outstanding shares (3) = (2/1)*100	No. of Votes in favour (4)	No. of Votes against (5)	% of Votes in favor on Votes Polled (6) = (4/2)*100	% of Votes against on votes polled (7) = (5/2) *100
Prompter and Promoter Group	2947376901	2947376901	100.00	2947376901	0	100.0000	0
Public – Institutional Holders	2044270273	1784066988	87.2716	1784066988	0	100.0000	0
Public – Others	239942474	44933270	18.7267	44912649	20621	99.9541	0.0459
Total	5231589648	4776377159	91.2988	4776356538	20621	99.9996	0.0004

6. Credit rating

POWERGRID has availed the following rating from the credit rating agencies during the FY 2018-19:

Rating by Domestic Rating Agency:

Sr. No.	Credit Rating Agency	Rating for Long term Debt Instrument / Bank Borrowing	Rating for Short term Bank Borrowing	Rating for Commercial Paper
1.	ICRA	(ICRA) AAA (Stable)	(ICRA) A1+	(ICRA) A1+
2.	CRISIL	CRISIL AAA / Stable	CRISIL A+	CRISIL A+
3.	CARE	CERE AAA; Stable	CARE A+	CARE A1+

Rating by Foreign Rating Agency:

Sr. No.	Credit Rating Agency	Rating Assigned
1.	Moody's Investor Service Inc.	Baa2 Outlook: Stable
2.	S&P	BBB (-) Outlook: Stable
3.	Fitch	BBB (-) Outlook: Stable

7. Disclosures:

(I) The transactions with related parties contain (i) payment to Companies under Joint Venture Agreement and on account of contracts for works/services, (ii) remuneration to key management personnel and (iii) equity contribution to subsidiaries, which are not in the nature of potential conflicts of interest of the Company at large. Details of related party transactions are included in the Notes to the Accounts as per Indian Accounting Standards – IndAS-24 notified by the Central Government.

(II) POWERGRID do not have any material non listed Indian Subsidiary Company.

(III) POWERGRID established Enterprise Risk Management Framework and Internal Control Framework for CEO/CFO Certification. General Manager (Corporate Planning) has been appointed as Chief Risk Officer of the Company.

(IV) There are no material individual transactions with related parties which are not in the normal course of business.

(V) There are no material individual transactions with related parties or others, which are not on an arm's length basis. Further, pursuant to Regulation 23 SEBI LODR, POWERGRID has formulated a policy on materiality of related party transactions and disclose the same on the website of POWERGRID and a web link is provided as under:

https://www.powergridindia.com/code-conductpolicies

(VI) The Company has complied with the requirements of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 and Guidelines on Corporate Governance for Central Public Sector Enterprises issued by Ministry of Heavy Industries and Public Enterprises, Department of Public Enterprises, Government of India except that the Company is non-compliant w.r.t. composition of Board of Directors due to non-nomination of the requisite number of Independent Directors by the Government of India. There were no penalties or strictures imposed on the Company by any statutory authorities for non-compliance on any matter related to capital markets, during the year.

(VII) The Company has separate Vigilance Department which deals with fraud or suspected fraud involving employees / representatives of suppliers, contractors, consultants, service provider, or any other party doing business with POWERGRID. Whistle Blower and Fraud Prevention Policy have been approved by the Board of Directors and the same has been uploaded on the website of POWERGRID. The web link of the Whistle Blower and Fraud Prevention Policy is as under:

https://www.powergridindia.com/code-conductpolicies

(VIII) The Financial Statements for the financial year 2018-19 have been prepared as per the Indian Accounting Standards notified under Section 133 of the Companies Act, 2013.

(IX) Information on adoption (and compliance) / Non-adoption of the non-mandatory requirements is at Annexure - A.

(X) The compliance with Corporate Governance requirements specified in Regulation 17 to 27 and Clauses (b) to (i) of sub-regulation (2) of regulation 46 of SEBI LODR have been made.

(XI) Certificate Pursuant to Regulation 34 (3) and Schedule V Para C clause (10) (i) of SEBI LODR, 2015 has been obtained from Company Secretary in Practice.

CEO/CFO Certification

As required by Regulation 17 (8) of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015, the Compliance Certificate as specified in Part B of Schedule II of the said Regulation duly signed by Shri Ravi P. Singh, Director (Personnel) & CMD and Shri K. Sreekant, Director (Finance) was placed before the Board of Directors at the meeting held on 29th May, 2019.

8. Means of Communication

The Company communicates with its shareholders through its Annual Report, General Meeting, Newspapers and disclosure through website.

The Company also communicates with its Institutional shareholders through Analysts and Investors meets held during the end of each quarter where Directors and Senior Officials of the Company interact with the investing community.

Information and latest updates and announcements made by the Company can be accessed at Company's website: www.powergridindia.com including the following:

- Quarterly /Half-Yearly /Annual Financial Results
- Quarterly Shareholding Pattern
- Quarterly Corporate Governance Report
- Corporate disclosures made from time to time to Stock Exchanges

In order to save trees and environment by cutting down the consumption of costly paper, your Company has started sending the Annual Report and other communications through email to the shareholders from the Financial Year 2010-2011 onwards after seeking their consent.

Quarterly Results

Publication of Financial Results in Newspapers			
Sl. No.	**Publication of Financial Results for the quarter ended**	**Date(s) of publication**	**Newspapers**
1.	30.06.2018	02.08.2018 & 03.08.2018	Times of India, Economic Times, Hindustan Times, Mint, Business Standard, The Hindu, Business Line, Statesman, Indian Express, Financial Express, Jansatta, DNA, Amar Ujala, Divya Bhaskar, AAj
2.	30.09.2018	06.11.2018 & 09.11.2018	Times of India, Economic Times, Hindustan Times, Mint, Business Standard, The Hindu, Business Line, Telegraph, Indian Express, Financial Express, Jansatta, MidDay, Amar Ujala, Rajasthan Patrika, Free Press Journal, Navshakti
3.	31.12.2018	01.02.2019 & 02.02.2019	Times of India, Economic Times, Hindustan Times, Mint, Pioneer, New Indian Express,, Dainik Jagran, Statesman, Indian Express, Financial Express, Jansatta, DNA, Hinduatan, Free Press Journal, Navshakti, Business Standard, Rajasthan Patrika, Financial Chronicle
4.	31.03.2019	30.05.2019 & 31.05.2019	Times of India, Economic Times, Hindustan Times, Mint, Business Line, The Statesman, Hindustan, Pioneer, Financial Express, Jansatta, Deccan Chronicle, Mail Today, Mid Day

These Results are also displayed at Company's website **www.powergridindia.com**

Official Releases and Presentations

The Company's official news releases, other press coverage, presentations made to institutional investors or to the analysts are also hosted on the Website.

9. Code of Conduct

The Board of Directors have laid down two separate Codes of Conduct – one for Board Members and another for Senior Management Personnel in alignment with Company's Mission & Objectives and aims at enhancing ethical and transparent process in managing the affairs of the Company. The 'Code of Business Conduct and Ethics for Board members' and the 'Code of Business Conduct and Ethics for Senior Management Personnel' are available at the website of the Company.

Declaration required under Regulation 26 (3) of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015

All the members of the Board and Senior Management Personnel have affirmed compliance with the Code of Business Conduct and Ethics for the financial year ended 31st March, 2019.

Place: New Delhi **(Ravi P. Singh)**

Date: 1st July, 2019 Director (Personnel) & CMD

10. Code of Insider Trading

In pursuance of the Securities and Exchange Board of India (Prohibition of Insider Trading) Regulations, 2015 and as amended from time to time, POWERGRID Board has laid down "Code of Practices & Procedures for Fair Disclosure of Unpublished Price Sensitive Information and Conduct for Regulating, Monitoring & Reporting of Trading in the securities of Power Grid Corporation of India Limited" by Insiders of Power Grid Corporation of India Limited with an aim that 'Designated Persons' shall not derive any benefit or assist others to derive any benefit from the access to and possession of Unpublished Price Sensitive Information about the Company which is not in the public domain and thus constitutes insider information. Company Secretary has been designated as Compliance Officer for this Code.

11. Familiarization program for Independent Directors:

The Company familiarizes the independent directors with the activities and functioning of the company and their roles, rights, responsibilities in the company, nature of the industry in which the company operates, business model of the company, etc., through various programmes and presentations. The details of such familiarization programmes are disclosed on the company's website and a web link thereto is also given as under:
https://www.powergridindia.com/familiarisation-programme-independent-directors

12. Disclosures in relation to the sexual Harassment of Women at Workplace (Prevention, Prohibition and Redressal) Act, 2013.

Sr. No.	Particulars	No. of Complaints
1.	Number of Complaints filed during FY 2018-19	0
2.	Number of Complaints disposed of during FY 2018-19	0
3.	Number of Complaints pending as on end of the FY 2018-19	0

13. A chart or matrix setting out the skills / expertise / competencies identified of the board as required in the context of its business (es) and sector(s) for an efficient functioning.

POWERGRID, being a Govt. Company within the meaning of Section 2 (45) of the Companies Act, 2013, the power to appoint functional/ Official Part-time Directors / non-Official Part-time Directors (Independent Directors) are appointed by the President of India. Thus, skills / expertise / competencies of an incumbent are within the purview of Govt. of India.

14. General Shareholders' Information

i) Annual General Meeting

Date : 27th August, 2019

Time : 11:00 AM

Venue : Manekshaw Centre, Parade Road, Delhi Cantt., New Delhi

ii) Financial Year

The Company's Financial Year is from 1st April to 31st March.

iii) Book Closure

The Register of Members and Share Transfer Books of the Company will remain closed from 21st August, 2019 to 27th August, 2019 (both days inclusive).

iv) Payment of dividend

The Board of Directors of the Company has recommended declaration of a final Dividend of ₹ 2.50 per share (25%) for the financial year ended 31st March, 2019. In addition, an Interim Dividend of ₹ 5.83 per share (58.3%) was paid on 22nd March, 2019. [Dividend paid in the Previous Year was ₹5.25 per share (52.50%)].

The record date for the payment of Dividend is 20th August,2019.

v) Dividend History

Year	Total Paid-up Capital as on 31st March of the Year (₹ in Crore)	Total Amount of Dividend Paid for the Financial Year (₹ in Crore)	Date of AGM in which dividend was declared	Date of Payment of Final Dividend
2010-11	4629.73	810.23	19.09.2011	07.10.2011
2011-12	4629.73	976.87	19.09.2012	08.10.2012
2012-13	4629.73	1,273.17	19.09.2013	10.10.2013
2013-14	5231.59	1,349.75	18.09.2014	09.10.2014
2014-15	5231.59	1,046.32	15.09.2015	06.10.2015
2015-16	5231.59	1,208.50	16.09.2016	06.10.2016
2016-17	5231.59	2275.75	19.09.2017	04.10.2017
2017-18	5231.59	2746.58	18.09.2018	26.09.2018
2018-19	5231.59	^3050.02	^^07.03.2019	^^^22/03/2019

^Amount of Interim Dividend

^^Date of Board Meeting declaring Interim Dividend

^^^ Date of Payment of Interim Dividend

vi) Listing on Stock Exchange

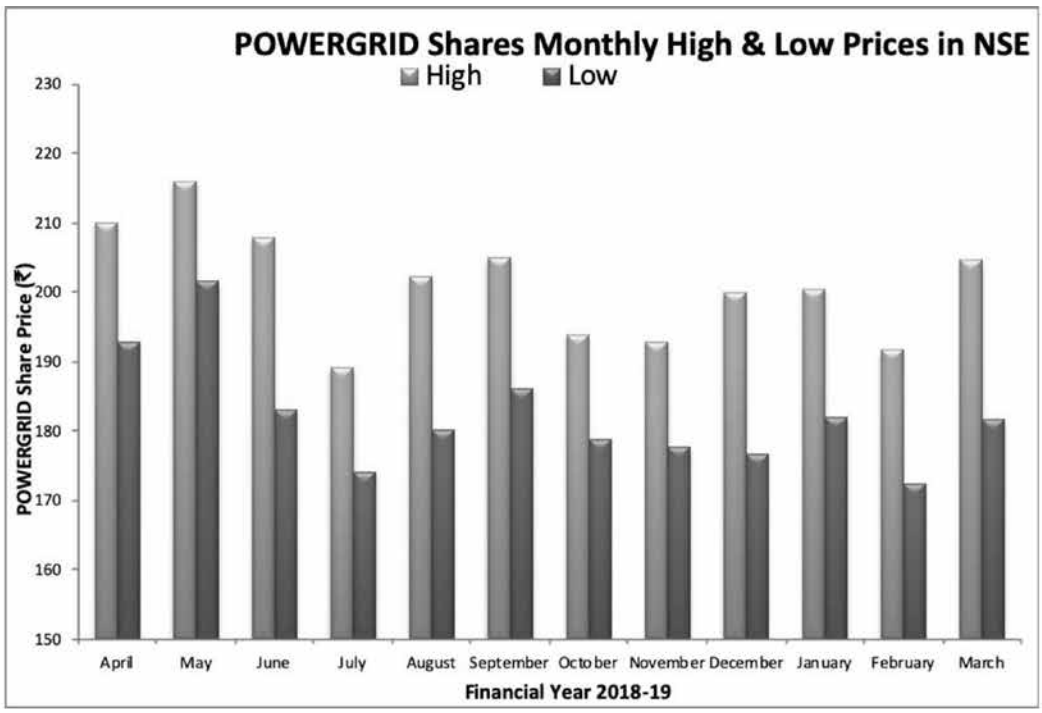
POWERGRID equity shares are listed on the following Stock Exchanges:

National Stock Exchange of India Limited. Exchange Plaza, Plot No. C/1, G Block, Bandra-Kurla Complex, Bandra (E), Mumbai - 400 051.	**BSE Limited** Phiroze Jeejeebhoy Towers, Dalal Street, Mumbai – 400 001
Scrip Code : POWERGRID EQ	**Scrip Code: 532898**
Stock Code: ISIN – INE752E01010	

The payment of annual listing fee for the Financial Year 2018-19 has been made to National Stock Exchange of India Limited and BSE Ltd.

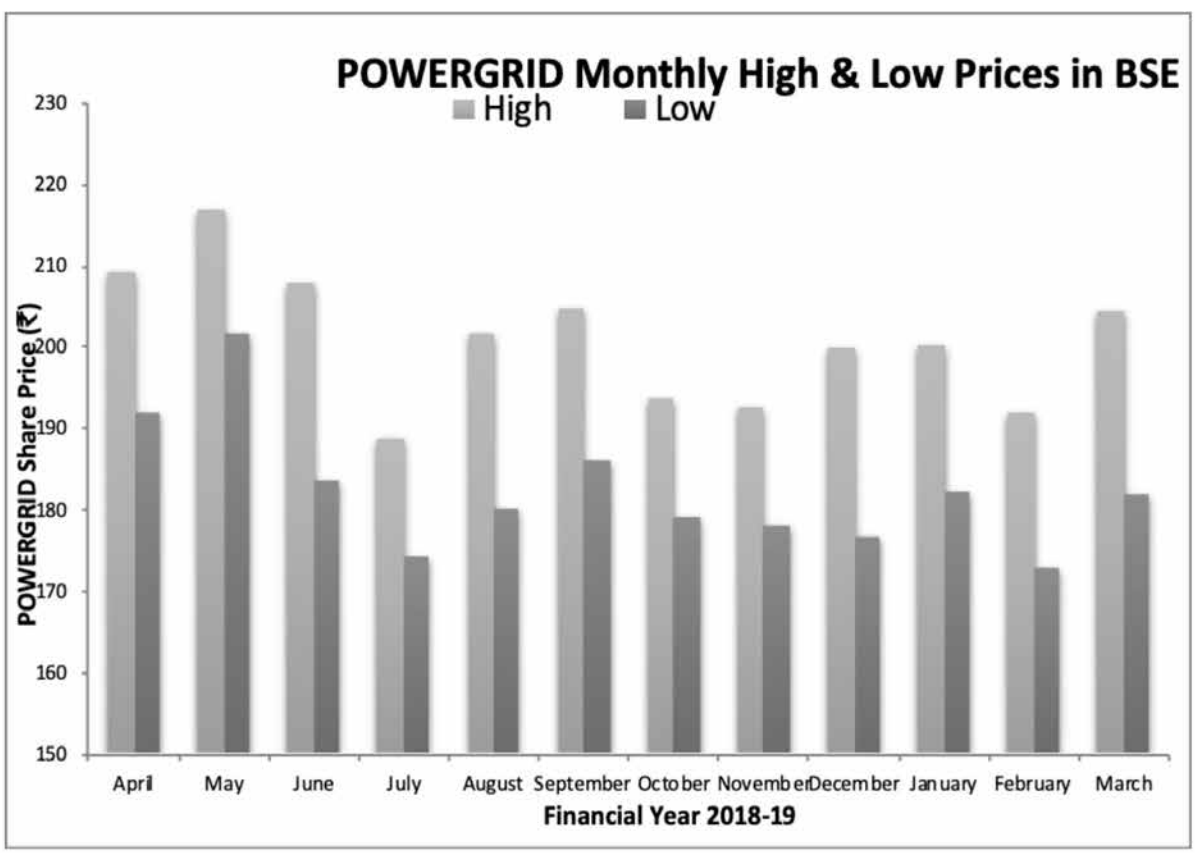
vii) POWERGRID's Shares Market Price Data - NSE

	High (₹)	Low (₹)	Sum of Turnover in Lac (₹) during the Month
April, 2018	210.00	192.90	1,78,215.85
May, 2018	216.00	201.60	7,78,002.32
June, 2018	207.90	183.15	2,60,164.01
July, 2018	189.25	174.10	2,20,776.78
August, 2018	202.25	180.15	1,68,267.81
September, 2018	205.00	186.20	1,90,665.92
October, 2018	193.90	178.80	1,49,674.69
November, 2018	192.90	177.80	1,43,677.46
December, 2018	200.00	176.65	2,28,707.60
January, 2019	200.50	182.00	1,76,286.26
February, 2019	191.85	172.50	3,05,964.58
March, 2019	204.70	181.70	2,71,448.79

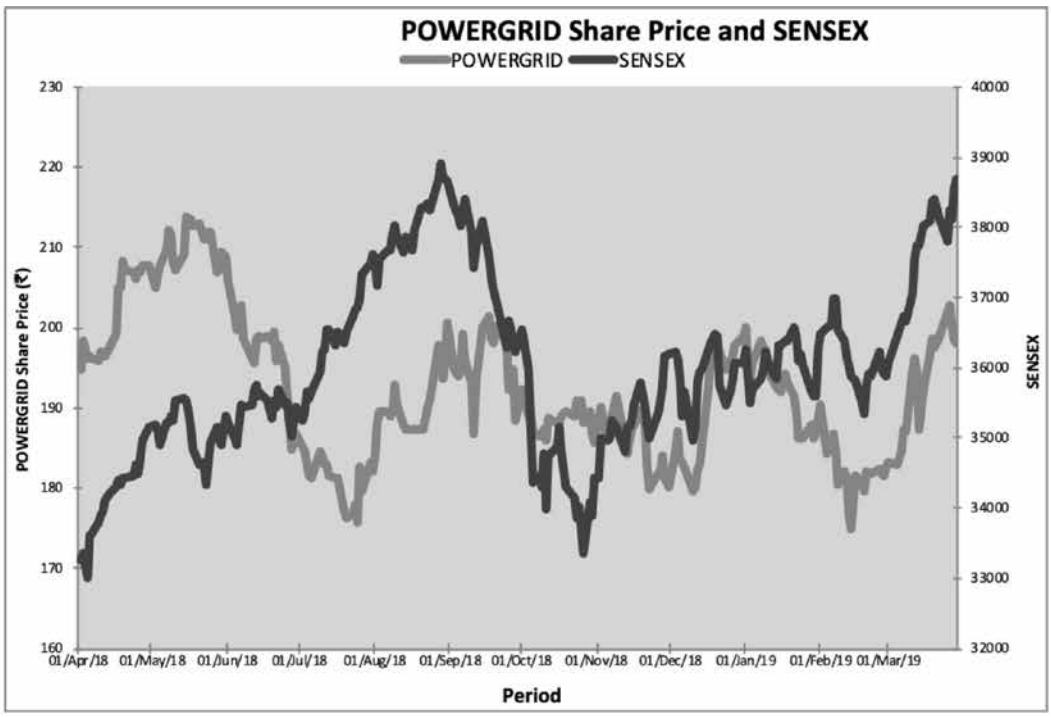


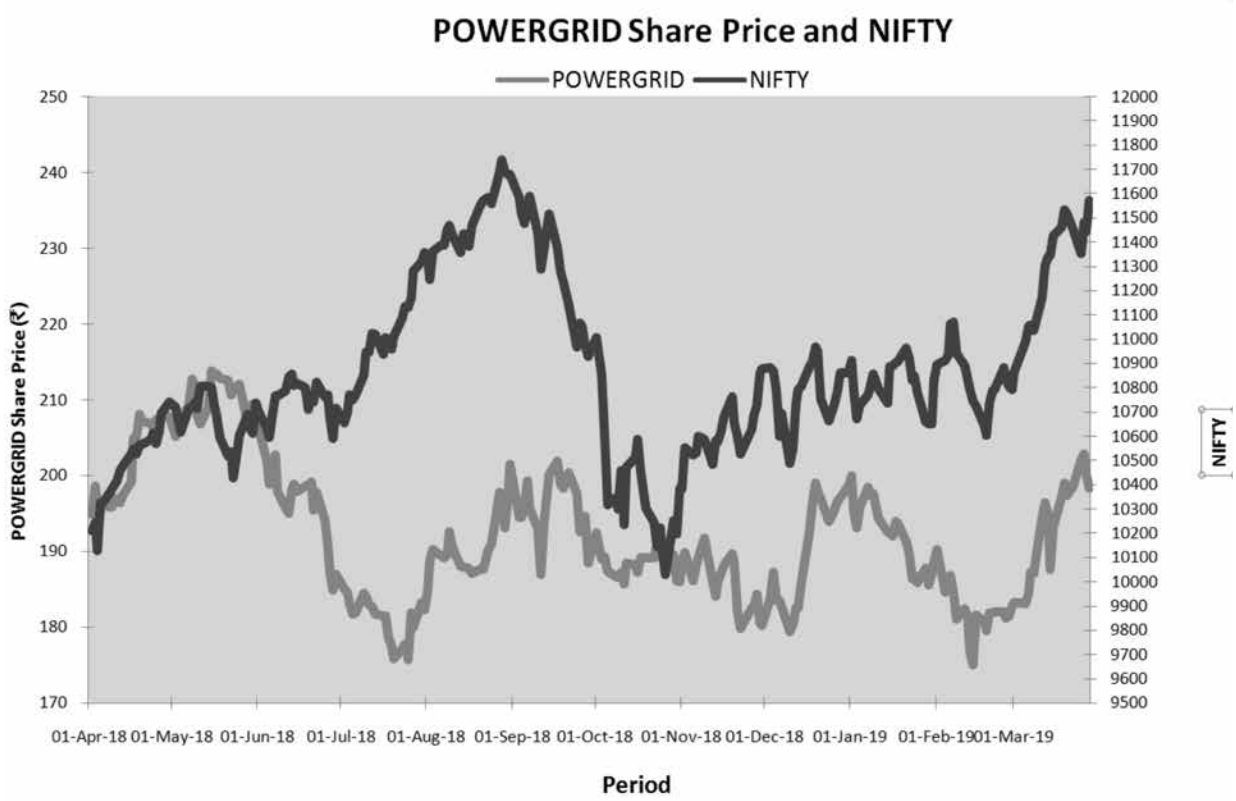
viii) POWERGRID's Shares Market Price Data - BSE

	High (₹)	Low (₹)	Sum of Turnover in Lac (₹) during the Month
April, 2018	209.45	192.00	14,904.89
May, 2018	217.00	201.70	54,221.02
June, 2018	208.00	183.65	53,815.80
July, 2018	189.00	174.25	30,326.70
August, 2018	201.65	180.35	7022.13
September, 2018	204.70	186.10	7,405.60
October, 2018	193.70	179.15	8,382.50
November, 2018	192.65	178.05	3,652.37
December, 2018	199.80	176.80	13,982.31
January, 2019	200.45	182.30	8,769.80
February, 2019	192.00	173.05	8.090.52
March, 2019	204.60	182.00	7,773.57



ix) Performance in comparison to indices NSE NIFTY, BSE Sensex and POWERGRID





x) Registrar and Transfer Agents

EQUITY SHARES	**BONDS**
Karvy Fintech Pvt. Ltd Karvy Selenium Tower B, Plot No. 31& 32, Gachibowli, Financial District, Nanakramguda, Serilingampally, Hyderabad - 500 032. Tele: +91-40-67162222, Fax: +91-40-23420814, Toll free No.1800-345-4001. E-mail: einward.ris@karvy.com	MCS Limited, F-65, Okhla Industrial Area, Phase-I, New Delhi- 110 020. Ph: 011-41406148/49/51 Telefax.: 011-41406148 E-mail : admin@mcsdel.com

xi) Share Transfer System

Entire share transfer activities under physical segment are being carried out by Karvy Fintech Pvt. Limited. The share transfer system consists of activities like receipt of shares along with transfer deed from transferees, its verification, preparation of Memorandum of Transfer, etc. Share transfers are approved by Committee of the Board for Transfer/Split/Rematerialization etc. of Shares.

Pursuant to SEBI LODR, certificate on half-yearly basis confirming due compliance of shares transfer formalities by the Company from a Practicing Company Secretary have been submitted to Stock Exchanges within stipulated time.

xii) Shareholding as on 31st March, 2019

Shares held by different categories of shareholders and according to the size of the holdings as on 31st March, 2019 are given below:

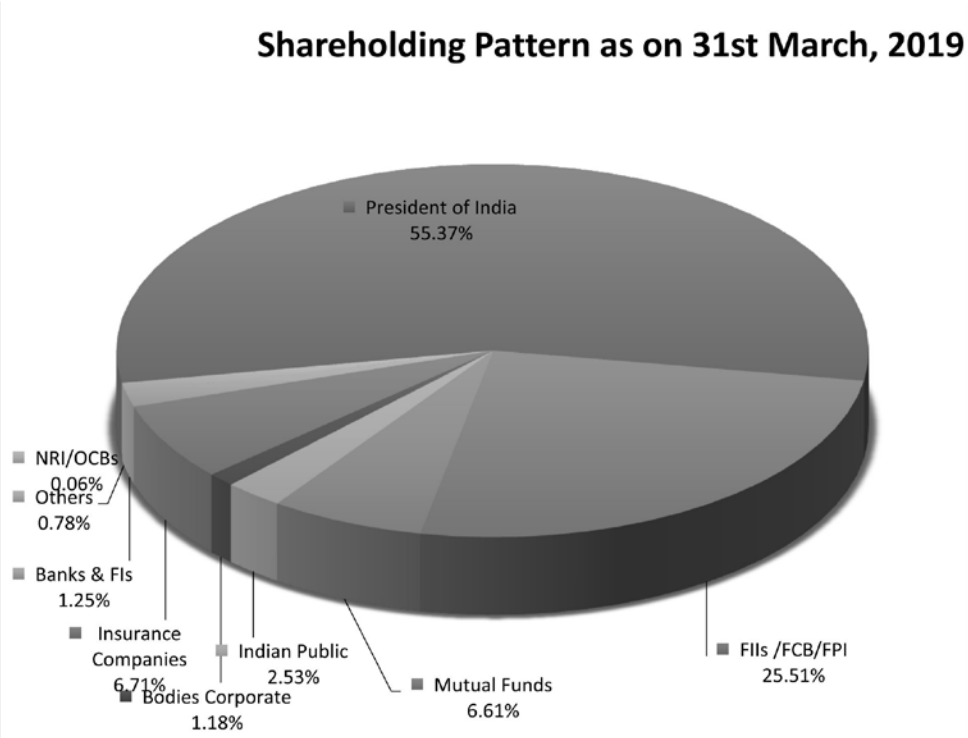
According to Size

a. Distribution of shareholding according to size, % of holding as on 31st March, 2019:

Category	Total Cases	Total Cases %	Total Shares	Total Amount (₹)	Total Amount %
1 – 5000	584877	99.62	133054647	1330546470	2.54
5001 – 10000	768	0.13	5421802	54218020	0.10
10001 – 20000	321	0.05	4475848	44758480	0.09
20001 – 30000	118	0.02	2912312	29123120	0.06
30001 – 40000	73	0.01	2571547	25715470	0.05
40001 – 50000	56	0.01	2535805	25358050	0.05
50001 – 100000	149	0.03	10601471	106014710	0.20
100001 & Above	747	0.13	5070016216	50700162160	96.91
TOTAL	**587109**	**100.00**	**5231589648**	**52315896480**	**100.00**

b. Shareholding pattern as on 31st March, 2019

Sl. No.	Category	Total Shares	% To Equity
1	President of India	2896495942	55.37
2	FIIs /FCB/FPI	1334816887	25.51
3	Mutual Funds	345996819	6.61
4	Indian Public	132401213	2.53
5	Bodies Corporate	61989741	1.18
6	Insurance Companies	351106927	6.71
7	Banks & FIs	65212286	1.25
8	Others	40650321	0.78
9	NRI/OCBs	2919512	0.06
Total		**5,231,589,648**	**100.00**



c. Major Shareholders

Details of Shareholders holding more than 1% of the paid-up capital of the Company as on 31st March, 2019 are given below:

S. No.	Name of the shareholder	Shares	% equity	Category
1	President of India^	279,52,26,142	53.43	POI
2	Life Insurance Corporation Of India	33,53,85,684	6.41	INS
3	President of India^^	101,269,800	1.94	POI
4	HDFC Trustee Company Ltd. A/C HDFC Balanced Advant Age Fund	7,03,76,000	1.35	MUT
5	Comgest Growth PLC - Comgest Growth Emerging Market	665,27,843	1.27	FPC

^ represented through Ministry of Power

^^ represented through Ministry of DoNER

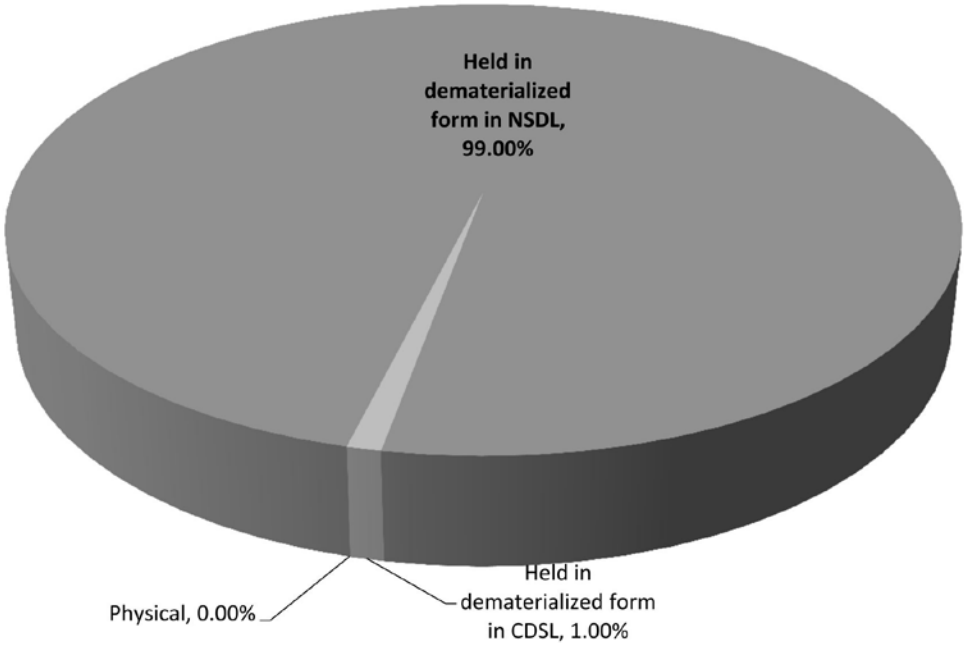
xiii) Dematerialization of Shares

The shares of the Company are in compulsory dematerialized segment and are available for trading system of both National Securities Depository Limited (NSDL) and Central Depository Services (India) Limited (CDSL).

No. of shares held in dematerialized and physical mode:

S. No.	Physical/Demat	Number of Holders	Number of Shares	% of total capital issued
1	Physical	13,975	39,804	0.00
2	Held in dematerialized form in NSDL	3,92,859	5,17,94,33,789	99.00
3	Held in dematerialized form in CDSL	1,80,275	5,21,16,055	1.00
Total		**5,87,109**	**5,231,589,648**	**100.00**

No. of shares held in dematerialized and physical mode



The name and addresses of the Depositories are as under:

1. National Securities Depository Limited

Trade World, 4th Floor,
Kamala Mills Compound, Senapathi Bapat Marg,
Lower Parel, Mumbai – 400 013.

2. Central Depository Services (India) Limited

Phiroze Jeejeebhoy Towers,
17th Floor, Dalal Street, Mumbai – 400 023.

xiv) Outstanding GDRs/ADRs/Warrants or any Convertible instruments, conversion date and likely impact on equity

No GDRs/ADRs/Warrants or any Convertible instruments have been issued by the Company.

xv) Location of POWERGRID Plants

POWERGRID has no plants as it is in the business of Transmission of Power.

xvi) Address for correspondence:

Power Grid Corporation of India Limited,
B-9, Qutab Institutional Area,
Katwaria Sarai, New Delhi – 110 016.
Telephone No. : 011-26560112, 26560121, 26564812, 26564892
Fax No. : 011-26601081
Email Id: investors@powergrid.co.in

Dispatch of Documents in electronic form:

Sections 101 and 136 of the Companies Act, 2013 read with the Companies (Management and Administration) Rules, 2014 and Regulation 36 of SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 , listed companies are required to supply soft copies of the said documents to all the shareholders who have registered their email address(es) for the purpose.

Accordingly, the said documents will be sent by e-mail to those members who have registered their e-mail address(es) with their DP/ the company, in terms of the said clause.

Non-Mandatory Requirements

1. **The Board:** The Company is headed by an executive Chairman. No person has been appointed as independent director who has been a Director, in the aggregate, exceeding a period of nine years on the Board of POWERGRID.

2. **Shareholder Rights:** The financial results for the half year ended 30th September, 2018 were published in Times of India and Economics Times dated 6th November, 2018 and also put up on website. Separate half year report has, however, not been sent to each household of shareholders. Significant events have been disclosed on the Company website: www.powergridindia.com.

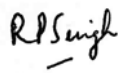
3. **Modified opinion(s) in audit report:** The Statutory Auditors have issued unmodified opinion on the standalone and the consolidated financial statements of the Company for the year ended 31st March, 2019.

4. **Reporting of Internal Auditor:** The Internal auditor directly report to the Audit Committee.

Certificate on Corporate Governance:

The Certificate on Corporate Governance is being published as an annexure to the Directors' Report.

For and on behalf of the Board of Directors



(Ravi P.Singh)
Director (Personnel) & CMD
DIN:05240974

Place: New Delhi
Date: 19th July, 2019

Annexure-VIII

T.V. NARAYANASWAMY
COMPANY SECRETARY
(CP 203)

B2/121 Janakpuri
New Delhi 110058

Phones: 25597065, 25542489
Emails:
tvns@bol.net.in
tvns32@gmail.com

27.06.2019

Certificate on Corporate Governance

To

The Members,

Power Grid Corporation of India Limited

I have examined the compliance of conditions of corporate governance by Power Grid Corporation of India Limited, for the year ended on 31st March 2019 as stipulated in the Securities and Exchange Board of India (Listing Obligations and Disclosure Requirement) Regulations, 2015 (the Regulations) in respect of Equity Shares of the said Corporation with Stock Exchanges and in the DPE Guidelines.

The compliance of conditions of corporate governance is the responsibility of the management. My examination was limited to the procedures and implementation thereof, adopted by the Corporation for ensuring the compliance of the conditions of the Corporate Governance. It is neither an audit nor an expression of opinion on the financial statement of the Corporation.

In my opinion and to the best of my information and according to the explanation given to me, I certify that, the Corporation has generally complied with all the conditions of Corporate Governance as stipulated in the Regulations and wherever there are deviations, the same have been indicated in the Report

I further state that such compliance is neither an assurance as to the future viability of the Corporation nor the efficiency or effectiveness with which the management has conducted the affairs of the Corporation.

(T.V. NARAYNASWAMY)
COMPANY SECREARY

ANNEXURE - IX TO THE DIRECTORS' REPORT

FORM NO. AOC -2

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

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

1	**Details of contracts or arrangements or transactions not at arm's length basis**	
	a) Name(s) of the related party and nature of relationship	-
	b) Nature of contracts / arrangements / transactions	-
	c) Duration of the contracts / arrangements / transactions	-
	d) Salient terms of the contracts or arrangements or transactions including the value, if any	-
	e) Justifications for entering into such contracts or arrangements or transactions	-
	f) Date(s) of approval by the Board	-
	g) Amount paid as advances, if any :	-
	h) Date on which the special resolution was passed in general meeting as required under first proviso to section 188	-
2	**Details of material contracts or arrangement or transactions at arm's length basis**	
(A)	**a) Name(s) of the related party and nature of relationship**	1. POWERGRID NM Transmission Limited 2. POWERGRID Vizag Transmission Limited 3. POWERGRID Unchahar Transmission Limited 4. POWERGRID Kala Amb Transmission Limited 5. POWERGRID Jabalpur Transmission Limited 6. POWERGRID Warora Transmission Limited 7. POWERGRID Parli Transmission Limited 8. POWERGRID Southern Interconnector Transmission System Limited 9. POWERGRID Medinipur Jeerat Transmission Limited 10. POWERGRID Mithilanchal Transmission Limited 11. POWERGRID Varanasi Transmission System Limited 12. POWERGRID Jawaharpur Firozabad Transmission Limited The aforementioned Project SPVs are 100% wholly owned subsidiaries of POWERGRID acquired by POWERGRID under Tariff Based Competitive Bidding (TBCB).

	b) Nature of contracts / arrangements / transactions	Part (A) POWERGRID to provide security (ies) / guarantee(s) in connection with loan (s) an / or any form of debt including ECBs and / or to provide inter corporate loan (s) on cost to cost basis, or a combination thereof, upto an amount of ₹16223 Crore (Rupees Sixteen Thousand Two Hundred Twenty Three Crore only) to aforementioned Project SPVs . However, the agreements entered into are presently limited to Rs 15748 crore as per the following amounts: 1. POWERGRID NM Transmission Limited Rs 1100 Cr 2. POWERGRID Vizag Transmission Limited Rs 1200 Cr 3. POWERGRID Unchahar Transmission Limited Rs 90 Cr 4. POWERGRID Kala Amb Transmission Limited Rs 300 Cr 5. POWERGRID Jabalpur Transmission Limited Rs 1400 Cr 6. POWERGRID Warora Transmission Limited Rs 2020 Cr 7. POWERGRID Parli Transmission Limited Rs 1780 Cr 8. POWERGRID Southern Interconnector Transmission System Limited Rs 2924 Cr 9. POWERGRID Medinipur Jeerat Transmission Limited Rs 2800 Cr 10. POWERGRID Mithilanchal Transmission Limited Rs 1000 Cr 11. POWERGRID Varanasi Transmission System Limited Rs 756 Cr 12. POWERGRID Jawaharpur Firozabad Transmission Limited Rs 378 Cr Part (B) POWERGRID to render all inputs and services as may be required by the aforementioned Projects SPVs. Part (C) POWERGRID to provide Post-CoD activities including O&M consultancy as may be required by the Project SPVs
	a) Duration of the contracts / arrangements / transactions	Part (A) As mutually agreed Part (B) As mutually agreed Part (C) As mutually agreed
	b) Salient terms of the contracts or arrangements or transactions including the value, if any	Refer (b)
	c) Date(s) of approval by the Board, if any	29th May, 2014, 4th March 2015, 27th January 2016,5th August 2016, 29th March 2017, 2nd November, 2017 , 16th March, 2018 and 7th March 2019.
	d) Amount paid as advances, if any:	NIL
(B)	**a) Name(s) of the related party and nature of relationship**	**Bihar Grid Company Limited(BGCL), Joint Venture Company**
	b) Nature of contracts / arrangements / transactions	Consultancy for post-award Techno Managerial services for Strengthening of Transmission System in Bihar-Phase-IV, (Part-II).
	c) Duration of the contracts / arrangements / transactions	24 months from April'18(Extendable automatically in case of delay till completion of the scope as per Agreement).
	d) Salient terms of the contracts or arrangements or transactions including the value, if any	Providing post-award engineering, quality assurance & inspection related services for the packages awarded by BGCL under strengthening of Transmission System in Bihar-Phase-IV, (Part-II). Agreement signed on 24th Apr'18. The estimated cost of the project is ₹1370.0 Cr. and service charges @ 2% of the actual executed cost of the project.
	e) Date(s) of approval by the Board, if any	16th Mar'18 (351st Board meeting of POWERGRID)
	f) Amount paid as advances, if any:	No amount was paid to BGCL as advance for this contract.
(C)	**a) Name(s) of the related party and nature of relationship**	**Bihar Grid Company Limited(BGCL), Joint Venture Company**
	b) Nature of contracts / arrangements / transactions	Consultancy for Post-award Techno Managerial services (Post-award Engineering & QA&I only) for Strengthening of Transmission System in Bihar-Phase-IV (Part-1).

	c)	**Duration of the contracts / arrangements / transactions**	24 months from Mar'15 (Extendable automatically in case of delay till completion of the scope as per Agreement).
	d)	**Salient terms of the contracts or arrangements or transactions including the value, if any**	Providing post-award engineering, quality assurance & inspection related services for the packages awarded by BGCL under strengthening of Transmission System in Bihar-Phase-IV, (Part-1). Agreement signed on 1st Jan'15. The estimated cost of the project is ₹1700.0 Cr. and service charges @ 2% of the actual executed cost of the project.
	e)	**Date(s) of approval by the Board, if any**	24th Dec'14 (308th Board meeting of POWERGRID)
	f)	**Amount paid as advances, if any:**	No amount was paid to BGCL as advance for this contract.
(D)	**a)**	**Name(s) of the related party and nature of relationship**	**Teestavalley Power Transmission Company Limited(TPTL), Joint Venture Company**
	b)	**Nature of contracts / arrangements / transactions**	Consultancy for execution of 2 nos. 400 kV AIS bays and 2x63 MVAR Reactors at Kishenganj POWERGRID S/S (Subsequently, scope revised to GIS from AIS)
	c)	**Duration of the contracts / arrangements / transactions**	26 months from Mar'10 (Extendable automatically in case of delay till completion of the scope as per Agreement)
	d)	**Salient terms of the contracts or arrangements or transactions including the value, if any**	Providing all services i.e procurement, engineering, implementation including testing and commissioning for 2 nos. 400 kV GIS bays and 2x63 MVAR reactors at Kishenganj. Agreement signed on 1st Sep'09 having estimated project cost of ₹26.78 Cr. and consultancy fee @15% of the actual executed cost of the project.
	e)	**Date(s) of approval by the Board, if any**	Not applicable
	f)	**Amount paid as advances, if any:**	No amount was paid to TPTL as advance for this contract.
E)	**a)**	**Name(s) of the related party and nature of relationship**	**Teestavalley Power Transmission Company Limited(TPTL), Joint Venture Company**
	b)	**Nature of contracts / arrangements / transactions**	Consultancy for Engineering services for execution of 400 kV D/C Teesta III-Kishenganj line (about 211 km) associated with Teesta- III HEP(1200 MW) in Sikkim.
	c)	**Duration of the contracts / arrangements / transactions**	Mutually agreed (Matching with commissioning of the transmission line)
	d)	**Salient terms of the contracts or arrangements or transactions including the value, if any**	Providing all services for finalization and appointment of agency/ contractor by TPTL, pre-award and post-award engineering, quality assurance & inspection related services (except issue of NIT, placement of award, payment towards project cost to contractors, supervision of erection, testing & commissioning) for execution of 400 kV D/C Teesta III-Kishanganj line (about 211 km) associated with Teesta- III HEP (1200 MW) in Sikkim. Work order date 21st Apr'09 and lumpsum consultancy fee is ₹16.0 Cr.
	e)	**Date(s) of approval by the Board, if any**	Not applicable
	f)	**Amount paid as advances, if any:**	No amount was paid to TPTL as advance for this contract.
(F)	**a)**	**Name(s) of the related party and nature of relationship**	**North East Transmission Company Limited(NETC), Joint Venture Company**
	b)	**Nature of contracts / arrangements / transactions**	Consultancy for Operation & Maintenance of 400 KV D/C Pallatana-Silchar Byrnihat-Bongaigaon line (about 661 km).
	c)	**Duration of the contracts / arrangements / transactions**	3 years from June'16
	d)	**Salient terms of the contracts or arrangements or transactions including the value, if any**	Providing all services for Operation & Maintenance of 400 KV D/C Pallatana-Silchar-Byrnihat-Bongaigaon line (about 661 km). Original agreement signed on 16th Jan'13 and same is renewed on 30th May'2016. The consultancy fee is as per CERC tariff norms.
	e)	**Date(s) of approval by the Board, if any**	Not applicable
	f)	**Amount paid as advances, if any:**	No amount was paid to NETC as advance for this contract.
(G)	**a)**	**Name(s) of the related party and nature of relationship**	**National High Power Test Laboratory Pvt. Ltd. (NHPTL), Joint Venture Company**
	b)	**Nature of contracts / arrangements / transactions**	Consultancy for establishment of On-line High Power Short Circuit Test Facility at Bina Substation

	c)	**Duration of the contracts / arrangements / transactions**	Mutually agreed
	d)	**Salient terms of the contracts or arrangements or transactions including the value, if any**	Providing all services i.e. procurement, engineering, implementation including testing and commissioning for establishment of On-line High Power Short Circuit Test Facility at Bina Substation. Agreement Signed on 25th Nov'10 having estimated project cost of ₹247.06 Cr. And Consultancy fee @ 10% of the actual executed cost of the project.
	e)	**Date(s) of approval by the Board, if any**	Not applicable
	f)	**Amount paid as advances, if any:**	No amount was paid to NHPTL as advance for this contract.
(H)	**a)**	**Name(s) of the related party and nature of relationship**	**Power Transmission Company Nepal Ltd, JV Company**
	b)	**Nature of contracts / arrangements / transactions**	To provide Project Management Consultancy for execution of 400kV D/C Dhalkebar Bittamod (42.1 km) section (Nepal Portion) of 400kV D/C Muzaffarpur (India)- Dhalkebar (Nepal) Transmission Line.
	c)	**Duration of the contracts / arrangements / transactions**	24 months from 13-Aug-2012 (Extended automatically in case of delay till completion of the scope as per agreement)
	d)	**Salient terms of the contracts or arrangements or transactions including the value, if any**	Providing project management consultancy i.e. preparation of Master N/w design & Engineering, Preparation of technical specifications including BOQ, NIT and cost estimate; preparation of technical & commercial bid documents, preparation of draft NIT, evaluation of bid draft LOA, post contract Engg. and project management activities and supervision of site work, opening of site offices and other work incidental to execution of work. Value: Consultancy fee shall be 10% of the final actual executed cost of the project plus applicable taxes/duties in India/ Nepal.
	e)	**Date(s) of approval by the Board**	6-Jan-2010
	f)	**Amount paid as advances, if any :**	INR 0.53 Cr. received on 25-Jul-14. No amount paid as advances thereafter.
(I)	**a)**	**Name(s) of the related party and nature of relationship**	**Cross-Border Power Transmission Company Ltd, JV Company**
	b)	**Nature of contracts / arrangements / transactions**	To provide Project Management Consultancy for execution of 400kV D/C Muzaffarpur-Sursand (85.55 km) section (India Portion) of 400kV D/C Muzaffarpur (India)- Dhalkebar (Nepal) Transmission Line
	c)	**Duration of the contracts / arrangements / transactions**	30 months from 10-Aug-2012 (Extended automatically in case of delay till completion of the scope as per agreement)
	d)	**Salient terms of the contracts or arrangements or transactions including the value, if any**	Providing project management consultancy i.e. preparation of Master N/w design & Engineering, Preparation of technical specifications including BOQ, NIT and cost estimate; preparation of technical & commercial bid documents, preparation of draft NIT, evaluation of bid draft LOA, award of the Contract, post contract Engg. and project management activities and supervision of site work, opening of site offices and other work incidental to execution of work Value: Consultancy fee shall be 12% of the final actual executed cost of the project plus applicable taxes/duties in India/ Nepal.
	e)	**Date(s) of approval by the Board, if any**	24-Aug-2009
	f)	**Amount paid as advances, if any:**	INR 1.31 Cr. received on 19-Apr-2013. No amount paid as advances thereafter.

For and on behalf of the Board of Directors

R P Singh

(Ravi P.Singh)
Director (Personnel) & CMD
DIN:05240974

Place: New Delhi
Date: 19th July, 2019

Annexure-X

Form No AOC 1
(Pursuant to first proviso to sub-section(3) of section 129 read with rule 5 of Companies (Accounts) Rules, 2014)
Statement containing salient features of the financial statement of subsidiaries or associate companies or joint ventures
Part "A": Subsidiaries

(Amounts in ₹ Crore)

1.	Sl. No.	1	2	3	4	5	6	7	8	9	10	11	12	13
2.	Name of Subsidiaries	Power-grid NM Trans-mission Limited	Pow-ergrid Vemagiri Trans-mission Limited	Pow-ergrid Vizag Trans-mission Limited	Powergrid Unchahar Trans-mission Limited	Powergrid Kala Amb Trans-mission Limited	Powergrid Jabalpur Trans-mission Limited	Powergrid Warora Trans-mission Limited	Power-grid Parli Trans-mission Limited	Powergrid Southern Intercon-nector Trans-mission System Limited	Power-grid Me-dinipur Jeerat Trans-mission Limited	Powergrid Mithilan-chal Trans-mission Limited (erstwhile ERSS XXI Trans-mission Limited)	Powergrid Varanasi Transmission System Lim-ited (erst-while WR-NR Power Transmission Limited)	Powergrid Jawaharpur Firozabad Transmis-sion Limited (erstwhile Jawaharpur Firozabad Transmis-sion Limited)
3.	Reporting period for the subsidiary concerned, if different from the holding company's reporting period	N.A	N.A	N.A	N.A	N.A	N.A	N.A	N.A	N.A	N.A	N.A	N.A	N.A
4.	Reporting currency and Exchange rate as on the last date of the relevant Financial year in the case of foreign subsidiaries	N.A	N.A	N.A	N.A	N.A	N.A	N.A	N.A	N.A	N.A	N.A	N.A	N.A
5.	Share capital	264.00	0.05	209.73	12.96	61.00	173.15	326.30	228.50	515.50	0.01	0.05	0.05	0.05
6.	Reserves & surplus	(165.66)	(19.45)	97.44	11.62	9.71	10.15	56.46	45.86	(1.58)	-	(0.01)	(0.01)	-
7.	Total assets	1249.44	-	1223.79	69.67	302.07	1509.37	2137.51	1824.45	3411.21	1519.46	240.88	226.37	6.38
8.	Total Liabilities	1151.10	19.40	916.62	45.09	231.36	1326.07	1754.75	1550.09	2897.27	1519.45	240.84	226.33	6.33
9.	Investments	Nil	Nil	Nil	Nil	Nil	Nil	Nil	Nil	Nil	Nil	Nil	Nil	Nil
10.	Turnover	15.85	Nil	295.44	23.30	57.26	61.05	280.44	282.97	33.01	Nil	Nil	Nil	Nil
11.	Profit before taxation	(89.68)	(0.01)	139.44	14.75	18.48	14.31	84.08	91.73	(2.12)	Nil	Nil	Nil	Nil
12.	Provision for taxation	(26.11)	Nil	39.29	4.94	5.40	4.16	24.41	26.71	(0.56)	Nil	Nil	Nil	Nil
13.	Profit after taxation	(63.57)	(0.01)	100.15	9.81	13.08	10.15	59.67	65.02	(1.56)	Nil	Nil	Nil	Nil
14.	Proposed Dividend	Nil	Nil	Nil	Nil	Nil	Nil	Nil	Nil	Nil	Nil	Nil	Nil	Nil
15.	% of shareholding	100%	100%	100%	100%	100%	100%	100%	100%	100%	100%	100%	100%	100%

Names of subsidiaries which are yet to commence operations

- Powergrid Vemagiri Transmission Limited.
- Powergrid Southern Interconnector Transmission System Limited (Partially Commissioned).
- Powergrid Medinipur Jeerat Transmission Limited.
- Powergrid Mithilanchal Transmission Limited.
- Powergrid Varanasi Transmission System Limited.
- Powergrid Jawaharpur Firozabad Transmission Limited.

Names of subsidiaries which have been liquidated or sold during the year - Nil

Part "B": Associates and Joint Ventures
Statement pursuant to Section 129 (3) of the Companies Act, 2013 related to Associate Companies and Joint Ventures

(Amounts in ₹ Crore)

Name of Associates/Joint Ventures	Powerlinks Trans-mission Limited	Torrent Power Grid Limited	Jaypee Powergrid Limited	Parbati Koldam Trans-mission Company Limited	Teestavalley Power Trans-mission Limited	North East Trans-mission Company Limited	National High Power Test Laboratory Private Limited	Kalinga Vidyut Prasaran Nigam Private Limited	Bihar Grid Company Limited	Cross Border Power Trans-mission Company Limited	RINL Powergrid TLT Pvt Limited	Power Trans-mission Company Nepal Ltd
1. Latest audited Balance Sheet Date	31.03.2019	31.03.2019	31.03.2019	Unaudited	Unaudited	31.03.2019	Unaudited	Unaudited	Unaudited	Unaudited	Unaudited	Unaudited
2. Shares of Associate/ Joint Ventures held by the company on the year end												
Number	229320000	23400000	78000000	70937620	105560000	106964000	30400000	5000	171685600	12612473	4000000	1170000
Amount of Investment in Associates/Joint Venture	229.32	23.40	78.00	70.94	105.56	106.96	30.40	0.01	171.69	12.62	4.00	6.50
Extend of Holding %	49%	26%	26%	26%	28.23%	26%	20%	50%	50%	26%	50%	26%
3. Description of how there is significant influence	Share holding is more than 20%	Share holding is more than 20%	Share holding is more than 20%	Share holding is more than 20%	Share holding is more than 20%	Share holding is more than 20%	Share holding is more than 20%	Share holding is more than 20%	Share holding is more than 20%	Share holding is more than 20%	Share holding is more than 20%	Share holding is more than 20%
4. Reason why the associate/joint venture is not consolidated	N.A	N.A	N.A	N.A	N.A	N.A	N.A	N.A	N.A	N.A	N.A.	N.A
5. Net worth attributable to Shareholding as per latest audited Balance Sheet	447.58	35.56	105.45	95.30	101.47	125.71	26.08	NIL	195.94	23.03	3.97	10.46
6. Profit / Loss for the year												
i. Considered in Consolidation	55.12	4.97	16.39	12.67	(0.34)	17.06	(1.75)	NIL	12.32	3.98	(0.02)	2.23
ii. Not Considered in Consolidation	N.A	N.A	N.A	N.A	N.A	N.A	N.A	N.A	N.A	N.A	N.A.	N.A

Names of associates or joint ventures which are yet to commence operations - Kalinga Vidyut Prasaran Nigam Private Limited
- RINL Powergrid TLT Pvt Limited

Names of associates or joint ventures which have been liquidated or sold during the year - Nil

For and on behalf of the Board of Directors

Divya Tandon
Company Secretary

K. Sreekant
Director (Finance)

Ravi P Singh
Director (Personnel)

As per our report of even date

For S.K. Mittal & Co.
Chartered Accountants
Firm Regn No. 001135N
(CA. S Murthy)
Partner
M.No. 072290

For R.G.N.Price & Co.
Chartered Accountants
Firm Regn No. 002785S
(CA. Rangarajan Raghavan Iyengar)
Partner
M.No. 041883

For Kothari & Co.
Chartered Accountants
Firm Regn No. 301178E
(CA. Manaswy Kothari)
Partner
M.No. 064601

For Parakh & Co.
Chartered Accountants
Firm Regn No. 001475C
(CA. Gautam Kumar Bagariya)
Partner
M.No. 425104

Place: New Delhi
Date: 29th May, 2019

Annual Report on Corporate Social Responsibility

1. CSR Policy of the Company was approved by the Board of Directors in its 307th meeting held on 11.11.2014 and was modified in its 323rd meeting held on 30.11.2015. Major changes were incorporated in the Name of the Policy, inclusion of Vision and Mission Statements, defining local area and communication strategy. The Policy is available on Company's website http://www.powergridindia.com/sites/default/files/CSR_Policy_2015_0.pdf.

The main features of the Policy are:

The Policy is named as POWERGRID's Corporate Social Responsibility and Sustainability Policy.

Vision

To be a Corporate that sets a long term strategy for Social & Economic Development of communities through initiatives in rural development, school education, healthcare, skill development and other areas of national importance and adhere to sustainable environmental practices.

Mission

To align CSR and Sustainability Policy with the business policy so as to conduct business in a sustainable manner, adhering to the principles of Avoidance, Minimization and Mitigation in dealing with environmental & social issues and to undertake high impact community development projects of national & local importance in consultation with stakeholders.

Activities under CSR

The activities proposed to be undertaken under CSR shall include all the activities mentioned in Schedule VII of Section 135 (3) (a) of the Companies Act, 2013.

The Corporation will give preference to the stakeholders who are directly impacted by its operation for CSR activities. Since such stakeholders are generally located in the periphery of the commercial operations of the Corporation, POWERGRID will accord priority for CSR activities in local areas and neighborhood areas of its operations.

The Geographical limits of a District where POWERGRID has its presence shall be considered as "local area" for CSR&S activities. In addition, POWERGRID shall also undertake CSR activities outside it. Ratio of CSR spends between local areas and outside would be approximately 75:25. However, projects/activities executed under directives of Government of India or of foremost concern of the national development agenda will be outside the purview of this ratio. The CSR&S Committee is authorized to approve any project, irrespective of the amount involved, which is beyond the above ratio.

Priority will be given for CSR activities to the stakeholders directly impacted by operations of the Corporation.

CSR Projects or Programmes or activities undertaken in India shall only amount to CSR expenditure.

Endeavour shall be made to promote sustainable development through initiatives by conducting business in a manner that is beneficial to both business and society.

Mode of Execution of CSR activities

CSR activities shall preferably be implemented in a project mode. Implementation of various activities will normally be done through placement of award by the Corporation as per Works & Procurement Policy of the Corporation. Services of various departments of Central, State Governments, Panchayati Raj Institutions, etc. may also be availed for implementation of CSR activities on deposit work basis.

CSR activities/projects/programmes, may also be taken up in association with a registered trust or a registered society or a company established by the Corporation or its holding or subsidiary or associate company, submitted to fulfilling requirements, as mentioned in Companies Act.

Communication Strategy

The electronic media shall be used for broader communication with the stakeholders. Display in website, emails, Annual CSR booklet, Annual Report,etc. will be key instruments to decipher the CSR initiatives of POWERGRID.

Funding of CSR activities

The Corporation will be required to spend annually on CSR, two percent of the average net profit made during last three immediately preceding financial years.

2. The composition of CSR&S Committee:

1.	Shri Ravi P. Singh	:	Director (Personnel) & CMD, Chairman of the Committee
2	Shri K. Sreekant	:	Director (Finance)
3	Ms. Seema Gupta	:	Director (Operations)
4	Shri Rajeev K. Chauhan	:	Director (Projects)
5	Shri Ghanshyam Prasad	:	Director (Govt. representative)
6	Shri Jagdish I. Patel	:	Director (Independent)
7	Shri Tse Ten Dorji	:	Director (Independent)
8	Shri Sunil K. Sharma	:	Director (Independent)
9	Ms. A. R. Mahalaxmi	:	Director (Independent)

3. Average Net Profit of the Company for last three financial years:

₹9336.05 crore

4. Prescribed CSR expenditure (two per cent of the amount as in items 3 above.)

CSR @ 2% average of net profit for the last three years for FY 2018-19: ₹ 186.72 Crore

5. Details of CSR spent during financial year:

a. Total amount to be spent for financial year :

₹186.72 Crore

b. Amount unspent, if any.

NIL

c. Manner in which the amount spent during financial year.

Details of amount spent during the year is attached at Annexure-I.

6. The company has spent more than two percent of the average net profit of the last three financial areas or any part thereof.

7. It is to state that the implementation and monitoring of CSR Policy, is in compliance with CSR objectives and Policy of the Company.

Sd/- **(Chief Executive Officer or Managing Director or Director)**	**Sd/-** **(Chairman CSR Committee)**	**Sd/-** **(Person specified under clause (d) of sub-Section (1) of Section 380 of the Act)**

Annexure-I The Annual Report on CSR for FY 2018-19 **(Amount in ₹ lakhs)**

S.No.	CSR Projects or activity identified	Sector in which the project is covered	Local Area or other	District, State	Amount Outlay	Amount spent on the project during the previous years	Amount spent on the project or programme during 2018-19	Cummulative expenditure upto the reporting period	Amount spent: Direct or through implementing Agency (Name)
1	Development of Nagharia Govt. High School, Malda, (Constn. of play ground, boundary wall, and play gallery)	Promoting Education	Local Area	Malda, West Bengal	144.36	57.87	75.70	133.57	Direct
2	Construction of "Sikshan Prashikshan Sah Punarwas Sansthan" for school cum hostel building for physically challenged children, at Rajnandgaon, Chattisgarh	Promoting Education	Local Area	Rajnandgaon, Chattisgarh	350.00	251.20	74.41	325.61	Collector, Rajnandgaon
3	Construction of play ground at K.B.Women's Ccollege, Hazaribagh	Promoting Education	Other	Hazariganj, Jharkhand	189.89	25.04	60.76	85.80	Direct
4	Construction of five class rooms and three laboratory rooms at Govt. Senior Secondary School, Kadipur, Gurugram	Promoting Education	Local Area	Gurgaon, Haryana	119.05	0.00	54.65	54.65	UPPCL
5	Construction of class rooms at Higher Primery School, Oorkere, Tumkur Dist	Promoting Education	Local Area	Tumkur, Karnataka	121.03	12.10	48.42	60.52	DM, Tumkur
6	Construction of class rooms at Higher Primery School, Seethakal, Tumkur Dist	Promoting Education	Local Area	Tumkur, Karnataka	121.03	12.10	48.42	60.52	DM, Tumkur
7	Construction of Hostel for working women at Mewat-Nuh Dist.	Promoting Education	Local Area	Nuh, Haryana	224.25	145.76	48.14	193.90	MDA
8	Providing 1750 no. 3 seater dual desk benches to 47 Govt. schools in 11 mandals of Vishakhapatnam district	Promoting Educatoin	Local Area	Vizianagaram, Andhra Pradesh	79.04	36.50	42.54	79.04	Govt. ITI, Vizag
9	Construction of 5 no. class rooms with varandah and providing furniture at Govt. Sr. Sec. School, Kadipur, Gurugram	Promoting Education	Local Area	Gurugram, Haryana	64.12	19.89	43.24	63.13	UPPCL

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10	Construction of Skill Development Centre Building at Assam Engg Institute, Assam	Promoting Education	Local Area	Kamrup, Assam	148.57	7.00	35.86	42.86	Assam Engineering Institute
11	Renovation of Bal Bhawan building of District Council of Child Welfare (DCCW) in NIT Faridabad, Haryana	Promoting Education	Local Area	Faridabad, Haryana	43.28	4.31	32.20	36.51	DCCW
12	Providing desktop computers to the Mewat Model School in Nuh Mewat area	Promoting Education	Local Area	Nuh, Haryana	37.58	0.00	31.95	31.95	Direct
13	Supply of furniture to School at Aligarh and Agra	Promoting Education	Other	Aligarh and Agra, Uttar Pradesh	31.24	0.00	31.24	31.24	Direct
14	Supply of furniture and other basic facilities to 7 Govt. Schools at Bassi, Jaipur	Promoting Education	Local Area	Jaipur, Rajasthan	31.95	0.00	30.36	30.36	Direct
15	Construction of Open sheds for Govt. Higher Secondary Schools at Magrura and Maihar, Satna District	Promoting Education	Other	Satna, Madhya Pradesh	43.75	14.10	29.63	43.73	Direct
16	Various Infrastructural facilities in Govt. School, Agnanwari & Community Centre in East Champaran.	Promoting Education	Local Area	East Champaran, Bihar	69.32	0.00	29.50	29.50	Direct
17	Construction of two classrooms for Govt. Vocational higher Secondary School at Mallpuram	Promoting Education	Other	Malapuram, Kerala	32.89	0.00	27.26	27.26	LSDG, Mallapuram district
18	Construction of 40 toilets at various Govt. Schools in Nirjuli, District Itanagar, Arunachal Pradesh as a part of Swachh Bharat Abhiyan	Promoting Education	Local Area	Itanagar, Arunachal Pradesh	135.57	0.00	27.11	27.11	DC intanagar
19	Various Infrastructural facilities in Govt. School, Agnanwari & Community Centre in East Champaran.	Promoting Education	Local Area	East Champaran, Bihar	25.04	0.00	25.04	25.04	Direct

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20	Construction of Classrooms at Zilla Parishad Schools at Shikrapur and Koyal Villages at Shikrapur (Pune)	Promoting Education	Local Area	Pune, Maharashtra	122.21	39.50	22.74	62.24	Direct
21	Providing 110 nos. of projector-cum-Laptop machines to Govt. Schools in Madhya Pradesh, Rajasthan and Haryana	Promoting Education	Local Area	Various districts, MP, Rajasthan and Haryana	44.00	0.00	22.00	22.00	R.K.Mission
22	Construction of 8 no. classrooms at Govt. high School, Singhawala Moga	Promoting Education	Local Area	Moga, Punjab	61.29		20.83	20.83	Direct
23	Carrying out development work at Government Senior Secondary School, Sukhrali, Gurgaon	Promoting Education	Local Area	Gurugram, Haryana	20.72	0.00	19.69	19.69	Direct
24	Construction of Ladies Hostel at Agricultural University Thrissur, Kerala	Promoting Education	Local Area	Thrissur, Kerala	445.00	0.00	17.00	17.00	Kerala Agriculture University
25	Construction of school building at Ladania, Madhubani.	Promoting Education	Other	Madhubani, Bihar	17.17	0.00	16.70	16.70	Direct
26	Providing Wi-Fi Hotspots at Railway Stations in Mumbai Suburban area	Promoting Education	Other	Various districts, Maharashtra	3,053.00	6.60	15.79	22.40	Direct
27	Supply of 1 No. Non A.C. College Bus for Govt. Medical College, Chandrapur	Promoting Education	Local Area	Chandrapur, Maharashtra	16.45	0.00	16.46	16.46	Direct
28	Construction of 03 no. additional classrooms and one hall at Primary School, Sehra	Promoting Education	Local Area	Betul, Madhya Pradesh	69.96	44.44	15.23	59.67	Direct
29	Construction of Boundary wall for Primary School at Bhendra Village, Raigarh	Promoting Education	Local Area	Raigarh, Chhatisgarh	28.93	0.00	12.29	12.29	Direct
30	Construction of Dining hall with kitchen for Mid-day meal and Construction of school main gate at Raiganj Govt. School, Chhatrapur,	Promoting Education	Local Area	North Dinajpur, West Bengal	11.88	0.00	11.88	11.88	Direct

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31	Construction of Open stage & Green Room near East Kaliajuli LP School B.Chariali District	Promoting Education	Local Area	Sonitpur, Assam	13.72	0.00	10.87	10.87	Direct
32	Construction of RCC road and Boundary wall at Government ITI, Barghi, Jabalpur	Promoting Education	Other	Jabalpur, Madhya Pradesh	63.74	0.00	10.14	10.14	Direct
33	Construction of clsss rooms for primary schools of arnivada & Danta, Construction of stall at Nari Sanrakshan Kendra Banaskantha and Construction of Shade in kendriya vidyalaya	Promoting Education	Other	Banaskantha, Gujarat	91.48	52.97	9.59	62.56	Direct
34	Construction of Assam Type Classroom (04 nos) at Rangapara College, Rangapura	Promoting Education	Local Area	Sonitpur, Assam	65.00	0.00	6.50	6.50	DC Sonitpur
35	Construction of class room, boundary wall in Primary school, Chilwaga vilage at Barabanki.	Promoting Education	Other	Barabanki, Uttar Pradesh	61.76	0.00	6.18	6.18	Direct
36	Procurement of 100 nos Sewing machine with Table at Parli	Promoting Education	Other	Beed, Maharashtra	0.90	-5.35	5.95	4.72	Direct
37	Supply & Intallation of 7.5KW Solar Plant at ZP School, Katol Road, Nagpur	Promoting Education	Local Area	Nagpur, Maharashtra	5.17	0.00	5.04	5.04	Direct
38	Construction of hall at Govt. High School, Jandrah (Jammu) at Kishenpur.	Promoting Education	Local Area	Jammu	57.50	39.73	4.38	44.11	Direct
39	Providing utility items & books at Dadenggre Public Library, West Garo Hills District	Promoting Education	Other	West Garo hills, Meghalaya	4.93	0.00	3.95	3.95	DC West garo hills
40	Providing 06 nos. Computers to Govt. Model Higher Secondary School, Samba	Promoting Education	Local Area	Samba, J&K	2.74	0.00	2.62	2.62	Direct

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41	Repairing work of wash room, toilets at Zilla Parishad High School, Katol road, Dist. Nagpur	Promoting Education	Local Area	Nagpur, Maharashtra	3.38	-0.01	2.40	4.72	Direct
42	Providing furniture items and repair & whitewashing of boundary wall in Govt. High School, Sukhrali, Gurgaon.	Promoting Education	Local Area	Gurugram, Haryana	16.06	10.00	2.31	12.31	Direct
43	Construction of 01 no. Library room & 02 no. classrooms in ME School Sarupathar, Misa	Promoting Education	Local Area	Hojai, Assam	19.29	16.40	2.28	18.68	Direct
44	Construction of Brick Boundary Wall & Gate at Baligaon Miri L.P. School, Baligaon	Promoting Education	Local Area	Sonitpur, Assam	18.12	0.00	1.81	1.81	DC Sonitpur
45	Procurement of 40 nos. of school bench with desk at Badjiuna U.P.s School, Koraput	Promoting Education	Local Area	Koraput, Odisha	1.65	0.00	1.73	1.73	Direct
46	Procurement of 40 nos. of school bench with Desk at Tatibeda UP school, Koraput	Promoting Education	Local Area	Koraput, Odisha	1.65	0.00	1.73	1.73	Direct
47	"Supply of computer equipment & accessories to Govt. Higher Secondary. School, Tarkela, Raigarh"	Promoting Education	Local Area	Raigarh, Chhatisgarh	1.41	0.00	1.41	1.41	Direct
48	Providig Material & Equipments in Rajkiya Mook Badhir School, Patna.	Promoting Education	Local Area	Patna, Bihar	17.56	0.00	1.39	1.39	Direct
49	Repairing of Kitchen & Dining Hall of Boys Hostel at Govt BDS Deaf & Dumb School in Kahilipara	Promoting Education	Local Area	Kamrup, Assam	13.55	0.00	1.35	1.35	Social Welfare Dept
50	Procurement of chair for E-class room and table tennis set for Kendriya Vidyalaya no.2, Balangir	Promoting Education	Local Area	Balangir, Odisha	2.33	0.00	1.29	1.29	Direct

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51	Repair and renovation of Baligaon Miri L.P. School, Balgaon	Promoting Education	Local Area	Sonitpur, Assam	12.80	0.00	1.28	1.28	DC Sonitpur
52	Providing 90 no. of projectors system to State Govt. schools of Ajmer, Rajasthan	Promoting Education	Local Area	Ajmer, Rajasthan	37.62	36.19	1.25	37.44	Ram Krishna Mission
53	Procurement of equipments for Smart Class at Govt. School, Laskar, Haridwar Dist. Uttarakhand	Promoting Education	Local Area	Haridwar, Uttrakhand	17.93	17.19	0.64	17.83	Direct
54	Distributing Old Office Furniture Daltonganj	Promoting Education	Local Area	Daltonganj, Jharkhand	0.53	0.00	0.53	0.53	Direct
55	Supply of Blanket in Deaf & Dumb School, Patna	Promoting Education	Local Area	Patna, Bihar	0.49	0.00	0.49	0.49	Direct
56	Development of infrastruture, supply of furniture and winter accessories in Govt. Girls High School, Raipur, Satwari	Promoting Education	Local Area	Jammu, J&K	20.25	0.64	0.30	0.94	Direct
57	Renovation and upgradation of District Public Library, Gurugram	Promoting Education	Local Area	Gurugram, Haryana	75.02	0.00	0.00	0.00	District Administration
58	Supply of furniture to schools at Sitarganj.	Promoting Education	Other	Sitarganj, Uttar Pradesh	6.33	1.41	0.00	1.41	Direct
59	Escalators at Santacruz Railway Station, Andheri and Mumbai	Healthcare & Sanitation	Other	Mumbai, Maharashtra	250.00	175.00	0.15	175.15	Western Railway
60	Creating Nuclear Medicine Theranostics facility for Patients Undergoing Radioisotope Treatment at TMC/ACTREC for cancer patients at TATA memorial hospital, Mumbai	Healthcare	Other	Mumbai, Maharashtra	3,000.00	280.22	769.78	1,050.00	Tata Memorial Hospital
61	Construction of Vishram Sadan at Indira Gandhi Institute of Medical Sciences, Patna.	Healthcare	Local Area	Patna, Bihar	1,500.00	0.00	703.17	703.17	HSCC

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62	Construction of Vishram Sadan in King George's Medical University (KGMU) (Trauma Centre), Lucknow campus.	Healthcare	Local Area	Lucknow, Uttar Pradesh	760.63	355.10	404.90	760.00	KGMU
63	Upgradation of Common Health Center at Manpur	Healthcare	Local Area	Rajnandgaon, Chattisgarh	481.00	0.00	125.00	125.00	Chief Medical & Health Officer, Manpur
64	Construction of POWERGRID Centre for Capacity Development in Oncology at Dr.Borooah Cancer Institute, Guwahati	Healthcare	Local Area	Guwahati, Assam	398.26	198.80	102.31	301.11	Dr.B.Boroah Cancer Institute
65	Renovation work of Govt. hospital, Pampa, Pathanamthitta Disrict in Sabrimala, Kerala	Healthcare	Other	Sabrimala, Kerala	120.00	0.00	92.90	92.90	District Administration
66	Providing 30 no. Open Gyms at different locations in Jaipur	Healthcare	Local Area	Jaipur, Rajasthan	183.09	0.00	92.50	92.50	Direct
67	Providing 4 nos. Medical Mobile units to Bilaspur Distt. Authorities	Healthcare	Other	Bilaspur, Himachal Pradesh	219.11		64.64	64.64	District Administration
68	Organizing medical camps in Gurugram District to screen TB, HIV & Leprosy, patients along with Gynaecology, Eye vision testing and general health check-up	Healthcare	Other	Gurugram, Haryana	89.20	0.00	52.97	52.97	HLL Lifecare Ltd
69	Providing 2 no. Ambulance and 2 no. mortuary vans at Rampur Naikin and Sihaval.	Healthcare	Other	Sidhi, Madhya Pradesh	60.61	8.64	48.54	57.18	Direct
70	Conducting Health Check up camps in Lucknow	Healthcare	Other	Lucknow, Uttar Pradesh	45.72	0.00	43.58	43.58	CMO
71	Renovation of General Ward and supply of Medical Equipment, Furniture, AC, at Netaji Subhash Chandra Bose Medical College, Jabalpur	Healthcare	Local Area	Jabalpur, Madhya Pradesh	115.60	0.00	42.42	42.42	Direct

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72	Organizing Multi Speciality Medical Camps in AP & Telangana	Healthcare	Local Area	various districts, A.P. and Telengana	86.42	0.00	37.67	37.67	IRCS
73	Distribution of aids and appliances to Persons with Disabilities	Healthcare	Other	Various districts, UP, MP. Telengana, TN, WB, Odisha and Maharashtra	198.00	154.14	31.17	185.31	ALIMCO
74	Construction of (i) Sub health Centre and (ii) Veterniary hospital in village Badhadhar in Sikar	Healthcare	Local Area	Sikar, Rajasthan	52.31	0.00	27.20	27.20	BDO, Panchayat Samiti, Dhaud
75	Procurement of 3 nos. Ambulance for Rayagada and Sub-divisional Hospital, Gunupur of Rayagada district,	Healthcare	Local Area	Rayagada, Odisha	24.55	0.00	24.30	24.30	Direct
76	Construction of Vishram Sadan at Jai Prakash Narayan Apex Trauma Centre, AIIMS - providing furniture thereof	Healthcare	Local Area	Delhi, Delhi	3,292.00	3,268.30	23.70	3,292.00	HSCC
77	Medical camps by Indian Red Cross Society- 23 locations around 2000 people in each location	Healthcare	Local Area	"Various districts, AP & Telengana"	115.12	91.41	20.98	112.39	IRCS
78	Supply of one Intubating Fibre Optic Bronchoscope and one Ventilator ICU to Government Medical College	Healthcare	Other	Manjeri, Kerala	19.32	0.00	19.32	19.32	Govt. Medical College
79	Supply of one Ultra sound scanner and two ECG Machine to Sri Narasimha Raja District Hospital, Kolar	Healthcare	Local Area	Kolar, Karnataka	24.37	0.00	17.50	17.50	Direct
80	Providing Clinical instruments at Pithoragarh Hospital	Healthcare	Local Area	Pithoragarh, Uttrakhand	17.23	0.00	17.23	17.23	Direct

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81	Supply of golf cart for transferring the patients between different units of Tata Memorial Centre, Mumbai	Healthcare	Local Area	Mumbai, Maharashtra	16.79	0.00	16.79	4.72	Direct
82	Construction of Waiting Hall for Patients and Attendants visiting IGGMC & Mayo Hospital, Nagpur	Healthcare	Local Area	Nagpur, Maharashtra	115.81	0.00	16.01	4.72	Direct
83	Construction of 142 bedded Vishram Sadan with Large Cafeteria/Kitchen facility, in KGMU Campus Chowk (KGMU Trauma Centre), Lucknow. PHASE-2	Healthcare	Local area	Lucknow, Uttar Pradesh	477.30	0.00	15.55	15.55	KGMU
84	Providing one ambulance to the community health centre at Tepu, Tehsil-Bap, Jodhpur	Healthcare	Local Area	Jodhpur, Rajasthan	15.71	0.00	13.17	13.17	Direct
85	Supply of C-Arm Image Intensifier & 160 kVA generator for Govt. hospiatal, Tirupur	Healthcare	Other	Tirupur, Tamil Nadu	23.81	0.00	10.50	10.50	Direct
86	Advance Life Support fittings in Ambulance provided to Civil Hospital, Nashik	Healthcare	Local Area	Nashik, Maharashtra	9.90	0.00	9.90	9.90	Direct
87	"Equipments to Govt. ITI and Govt. Hospital at Dharampuram, Pugalur, Karur District, Tamil Nadu"	Healthcare	Other	Karur, Tamil Nadu	7.92	0.00	7.92	7.92	Direct
88	Purchase & distribution of 500 Steel container sets to socio economically deprived section of the society at Sector-43 & 46, Gurgugram	Healthcare	Local Area	Gurugram, Haryana	6.26	0.00	6.02	6.02	Direct
89	Supply of 35 nos. 3 seated steel chair in Govt Hospital at Dimapur	Healthcare	Local Area	Dimapur, Nagaland	4.98	0.00	4.94	4.94	Direct

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90	Supply of 35 nos. 3 seated steel chair in Govt Hospital at Bongaigaon	Healthcare	Local Area	Bongaigaon, Assam	4.98	0.00	4.93	4.93	Direct
91	Providing one ambulance for sub-divisional hospital, Kamakhya Nagar, Dhenkanal	Healthcare	Other	Dhenkanal, Odisha		0.00	4.72	4.72	Direct
92	Construction of sub health centre at village Kelhora in Panchayat Majhgavan, Dist. Satna	Healthcare	Local Area	Satna, Madhya Pradesh	15.89	11.70	4.19	15.89	Distict Administration Satna
93	Supply of Boat Ambulance for Malkangiri District hospital, Balimela reservoir	Healthcare	Other	Malkangiri, Odisha	75.99	0.00	3.71	3.71	M/s.Mechem Pvt. Limited
94	(i) Supply of RO water in Govt schools & Hospital at Pandiabili (ii) UV based storage cooler cum water purifier at Govt.Schools at Baripada (iii) Industrial RO water purifier in Govt schools in Jajpur (iv)Supply of Hospital equipment and furnitures, AC system for CHC, kaniha (iv) construction of 50 mtr RCC road at Tirimal village under Pandiabili (vi) Construction of Crematorium at Pandiabili	Healthcare	Local Area	Angul, Odisha	31.83	21.72	3.23	24.95	Direct
95	Health check up camp at various locations in Lucknow	Healthcare	Local Area	Lucknow, Uttar Pradesh	3.05	0.00	3.05	3.05	HLL Lifecare Ltd
96	Providing 20 nos three seater steel lounge chair to District Hospital Dimapur	Healthcare	Local Area	Dimapur, Nagaland	3.67	0.00	2.95	2.95	Direct
97	Providing various items to Govt Community Health Centre (CHC), Nalagarh	Healthcare	Local Area	Nalagarh, J&K	22.26		2.45	2.45	Direct
98	Providing various LED lights to Chest Hospital,Jammu	Healthcare	Local Area	Jammu, J&K	2.21	0.00	1.94	1.94	Direct
99	Providing 15 nos. open gyms at different location in Jaipur.	Healthcare	Local Area	Jaipur, Rajasthan	110.20	83.37	1.82	85.19	Direct

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100	Provision of water supply arrangement at Community Health centre at Sehra	Healthcare	Local Area	Betul, Madhya Pradesh	5.98	4.47	1.51	5.98	CMO, Betul
101	Procurement of Ambulances for 10 locations in NR-II.	Healthcare	Other	Jammu, J&K	100.88	99.74	1.14	100.88	Direct
102	Providing medical equipments, machine, furniture etc. for Sardar Vallabh Bhai Patel District Hospital, Satna	Healthcare	Local Area	Satna, Madhya Pradesh	54.22	44.79	1.04	45.83	District Admn, Satna
103	Providing Electric driven pump set to Village Water and Sanitation for water supply to surrounding villages	Healthcare	Other	Imphal, Manipur	0.99	0.00	0.99	0.99	Direct
104	Distributionn of Nutritional to 152 Pregnant Women of 5 Gram Panchayt of Singrauli	Healthcare	Local Area	Singrauli, Madhya Pradesh	0.85	0.00	0.97	0.97	Direct
105	Providing sanitary napkin vending machine at various girls schools, hostels in itarsi	Healthcare	Local Area	Hoshangabad, Madhya Pradesh	1.10	0.00	0.86	0.86	Direct
106	Essential Hospital equipment for Community Health Centre Vellanikkara	Healthcare	Other	Thrissur, Kerala	0.78	0.00	0.78	0.78	Direct
107	Construction of "POWERGRID Vishram Sadan" in Guwahati Medical College & Hospital, Guwahati	Healthcare	Local Area	Guwahati, Assam	1,500.00	0.00	0.45	0.45	HSCC
108	Providing 03 no.ambulances to Govt. Health Centres in Ziro, Namsai and Karimganj area	Healthcare	Local Area	Lower Subansiri, Lohit & Cachar District, Arunachal Pradesh and Assam	19.85	0.00	0.32	0.32	Direct

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109	Providing one no. Ambulance to Health Centre, Kolkata.	Healthcare	Local Area	Kolkata, West Bengal	11.96	6.02	0.22	6.24	Direct
110	Vishram Sadan at Darbhanaga Medical College	Healthcare	Local Area	Darbhanga, Bihar	1,500.00	0.00	0.04	0.04	HSCC
111	Providing High end Artificial Limbs to Persons with Disabilities (PwDs) in Mumbai	Healthcare	Other	Mumbai, Maharashtra	27.90	27.90	0.00	27.90	ALIMCO
112	Provided various items to Civil hospital Moga	Healthcare	Local Area	Moga, Punjab	4.74	4.16	0.00	4.16	Direct
113	Providing medical Equipment to SRN Hospital Allahabad	Healthcare	Local Area	Allahabad, Uttar Pradesh	18.39	29.41	0.00	29.41	Direct
114	Supply of equipments & materials for installation of 01 no. overhead tank along with deep tube well, pump and laying of distribution of pipe line up to existing distribution system in Govt. District hospital Kushinagar	Healthcare	Local Area	Kushinagar, Uttar Pradesh	52.23	52.23	0.00	52.23	UP Jal Nigam
115	Construction of household toilets and construction of Namma public toilets for Open Defecation Free (ODF) in Varanasi (part funding) through Varanasi Nagar Nigam,	Healthcare	Local Area	Varanasi, Uttar Pradesh	764.00	191.00	0.00	191.00	Varanasi Nagar Nigam
116	Providing flood relief material in flood affected areas of District Siddharthnagar	Healthcare	Other	Siddarthnagar, Uttar Pradesh	21.41	21.41	0.00	21.41	Direct
117	Construction of Community Heritage Centre near Baruni Padia, Jajpur, district Jajpur	Art & Culture	Local Area	Jajpur, Odisha	402.55	235.00	120.00	355.00	Collectorate Jaipur
118	Construction and Renovation of Road, Drain and Floor at Baidyanath Dham, Deoghar	Art & Culture	Local Area	Deoghar, Jharkhand	236.95	0.00	52.10	52.10	Municipal Corporation, Deoghar

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119	Inclusive growth of Madhubani Painting by Indian Institute of Corporate Affairs. (IICA)	Art & Culture	Local Area	Madhubani, Bihar	66.67	46.67	20.02	66.69	IICA
120	Contribution to Taj Mahotsav at Agra	Art & Culture	Local Area	Agra, Uttar Pradesh	4.00	4.00	2.36	6.36	DM, Agra
121	Providing Cluster based RO Plants with Mother plant - 0.1 MLD capacity & Remote dispensing units with 5 KL capacity with card based dispensation	Drinking water	Local Area	Guntur, A.P.	220.00	0.00	167.09	167.09	RWS&S
122	Implemention of water supply system in four villages of Orai/Madhogarh tehsil of Jaulaun District	Drinking water	Local Area	Jaulaun, Uttar Pradesh	184.60	55.26	110.52	165.78	DM, Jaulaun
123	Installation of 230 nos. hand pumps at Fatehpur, Agra	Drinking Water	Local area	Agra, Uttar Pradesh	189.79	0.00	75.63	75.63	UP Jal Nigam
124	Installation of 50 nos. submersible pumps at Agra	Drinking Water	Local Area	Agra, Uttar Pradesh	93.03	0.00	67.86	67.86	UP State Corporation & Infrastructure Development
125	Installation & supply of 100 nos. hand pumps in Azamgarh	Drinking Water	Other	Azamgarh, Uttar Pradesh	47.21	0.00	33.05	33.05	UP Agro
126	Installationof 258 nos. submersible pumps with boring at Lucknow	Drinking Water	Local Area	Lucknow, Uttar Pradesh	328.95	0.00	32.89	32.89	UP State Corporation & Infrastructure Development
127	Supply and installation of 284 nos. Hand Pumps in Pratapgarh	Drinking Water	Local Area	Pratapgarh, Uttar Pradesh	117.74	87.33	29.11	116.44	UP Jal Nigam
128	Construction of 100 nos. hand pumps at Farookabad Dist.	Drinking Water	Local Area	Agra, Uttar Pradesh	46.07	0.00	24.42	24.42	UP Agro
129	Installation of 93 nos. handpumps at Deoria.	Drinking Water	Local Area	Deoria, Uttar Pradesh	33.27	16.63	16.63	33.26	UP Jal Nigam
130	Installation of 67 No. submersible pumps in and around Agra.	Drinking Water	Local Area	Agra, Uttar Pradesh	99.24	0.00	15.87	15.87	UP Agro Industrial Corporation Ltd.

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131	Installation of 98 no. hand pumps at Pratapgarh	Drinking Water	Local Area	Pratapgarh, Uttar Pradesh	44.10	28.66	15.43	44.09	UP Jal Nigam
132	Installation of 200 no. hand pumps at Jhansi	Drinking Water	Local area	Jhansi, Uttar Pradesh	140.05	0.00	14.00	14.00	UPSIC
133	Drinking Water Supply to Vakapalli village	Drinking water	Other	Vakapalli, Andhra Pradesh	55.95	0.00	11.19	11.19	RWS&S
134	Installation of Water ATMs at 20 locations in Nalanda District.	Drinking Water	Local Area	Nalanda, Bihar	107.55	0.00	10.70	10.70	District Administration
135	Installation of 195 nos. hand pumps in Sahajahanpur	Drinking Water	Local Area	Sahajahanpur, Uttar Pradesh	87.37	0.00	8.74	8.74	UP Jal Nigam
136	Installation of 150 nos. hand pumps in Pilibhit	Drinking Water	Other	Pilibhit, Uttar Pradesh	83.83	0.00	8.28	8.28	UP Jal Nigam
137	Water supply in 7 wards of Taga Village, Akaltora, Janjgir	Drinking Water	Local Area	Durg, Chhatisgarh	49.93	44.91	4.99	4.72	Collector Janjgir
138	Providing Drinking Water and seating arrangement for the visiting general publiic at Tumkur, Karnataka	Drinking Water	Local Area	Tumkur, Karnataka	4.98	0.00	4.97	4.97	Direct
139	Supply of water filter & cooler at Deoghar.	Drinking Water	Local Area	Deoghar, Jharkhand	4.40	0.00	4.12	4.12	Direct
140	Purchase & installation of Water Tank, Water Cooler & RO at Tehsil Campus at Wazirabad, Gurugram	Drinking Water	Local Area	Gurugram, Haryana	1.36	0.00	1.35	1.35	Direct
141	Drinking water arrangement and drip irrigation at Bangalore	Drinking water	Local Area	Bangalore, Karnataka	4.97	0.00	1.26	1.26	Direct
142	Providing portable water of 20 liters in a can for ₹2.00 each household (by installing 1000 LPH capacity R.O Units) in Rural areas under the banner of "NTR Sujala Pathakam"	Drinking water	Local Area	Kadapa, Andhra Pradesh	50.00	49.32	0.68	50.00	RWS&S

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143	Supply of Fully Stainless Steel Water Cooler at Zilla Parishad School Village: Khanivalli.	Drinking Water	Other	Padghe, Maharashtra	0.34	0.00	0.34	4.72	Direct
144	Supply and installation of 200 nos. hand pumps in village of Phoolpur, Allahabad.	Drinking Water	Local Area	Allahabad, Uttar Pradesh	82.60	82.60	0.00	82.60	UP Jal Nigam
145	Supply & installation of 139 nos. hanp pumps in villages of Balrampur Dist.	Drinking Water	Other	Balrampur, Uttar Pradesh	51.51	51.51	0.00	51.51	UP Agro Industrial Corporation Ltd.
146	Supply & installation of hand pumps in various villages of chandauli & Varanasi district	Drinking Water	Local Area	Varanasi, Uttar Pradesh	117.94	117.94	0.00	117.94	UP Jal Nigam
147	Supply & installation of 100 nos hand pumps in various villages of Manihar Block of Ghazipur.	Drinking Water	Other	Ghazipur, Uttar Pradesh	43.60	43.60	0.00	43.60	UP Jal Nigam
148	Installation of 250 no. India marks-II handpumps in the various villages of Kushinagar district	Drinking Water	Local Area	Kushinagar, Uttar Pradesh	90.18	67.07	0.00	67.07	UP Jal Nigam
149	Supply & Installation of 200 no. hand pumps in various villages of Akbarpur, Kanpur	Drinking Water	Other	Kanpur, Uttar Pradesh	117.76	93.61	0.00	93.61	UP Jal Nigam
150	Installation of 67 no. hand pumps at Deoria	Drinking Water	Local Area	Deoria, Uttar Pradesh	23.97	11.98	0.00	11.98	UP Jal Nigam
151	Supply of two no. water cooler at Kanpur	Drinking Water	Local area	Kanpur, Uttar Pradesh	2.13	2.13	0.00	2.13	Direct
152	Supply of water filter & cooler at Lucknow	Drinking Water	Local Area	Lucknow, Uttar Pradesh	0.72	0.72	0.00	0.72	Direct
153	Supply and installation of 800 nos. Solar lights at Etah	Environment & Sustainability	Other	Etah, Uttar Pradesh	180.64	0.00	162.58	162.58	UPNEDA
154	Supply & Installation of solar high mast lights & solar street lights in Saharanpur, Noorpur, Muzaffarnagar and Shamli (Thanabhawan)	Environment & Sustainability	Local Area	Muzaffarnagar, Uttar Pradesh	251.52	76.36	152.09	228.44	EESL

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155	Conducting Painting Competition in 8 UTs/ States, National Level Painting competiton (Group B) for promoting Energy Conservation - 2018	Environment & Sustainability	Other	Various districts, Rajasthan, Chattisgarh, Goa, Assam, Darar, Nagar Haveili, Gujarat and TN	179.61	0.00	135.67	135.67	Direct
156	Installation of 500 solar lights at various villages of Lucknow	Environment & Sustainability	Local Area	Lucknow, Uttar Pradesh	112.96	0.00	103.92	103.92	EESL
157	Distribution of Polycotton bags in Jharkhand .	Environment & Sustainability	Local Area	Ranchi, Jharkhand	105.55	0.00	100.62	100.62	JHARCRAFT, RANCHI
158	Part funding for construction of Theme Park and Renovation & Restoration of "CHO-DZO LAKE" at Ravangla, Namchi, South Sikkim	Environment & Sustainability	Other	Namchi, Sikkim	100.00	0.00	100.00	100.00	DC South Sikkim, Sikkim
159	Supply & installation of 501 solar street lights at different locations of Noida	Environment & Sustainability	Local Area	Gautam Budh Nagar, Uttar Pradesh	112.72	0.00	99.08	99.08	UPNEDA
160	Renovation/Construction of lakes in Aurangabad and Rohtas Districts.	Environment & Sustainability	Local Area	Aurangabad and Rohtas, Bihar	118.84	0.00	68.44	68.44	DIST. ADMN ROHTAS & AURANGABAD
161	Desilting of two no. ponds at Village Riwara, Maihar	Environment & Sustainability	Local Area	Satna , Madhya Pradesh	85.43	0.00	65.47	65.47	Direct
162	Supply & Installation of 300 nos. LED solar photovoltaic Street Lighting in various villages of Pali and Jodhpur District	Environment & Sustainability	Other	Pali and Jodhpur, Rajasthan	68.67	6.87	61.80	68.67	REIL Jaipur
163	Supply & Installation of solar street LED lights in Ghaziabad	Environment & Sustainability	Local Area	Ghaziabad, Uttar Pradesh	56.16	0.00	53.12	53.12	UPSIC
164	Installation of Solar Power Plant at Etah	Environment & Sustainability	Other	Etah, Uttar Pradesh	68.58	0.00	51.30	51.30	UPNEDA
165	Supply and Installation of 250 solar LED Street Lights in Bagpat.	Environment & Sustainability	Local Area	Bagpat, Uttar Pradesh	56.16	0.00	50.32	50.32	UPSIC

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166	Supply & Installation of 250 Solar LED Street Lights in Gautam Budh Nagar	Environment & Sustainability	Local Area	Gautam Budh Nagar, Uttar Pradesh	56.16	0.00	50.32	50.32	UPSIC
167	Supply & installation of Solar LED Street Light in Purnea.	Environment & Sustainability	Other	Purnea, Bihar	67.30	0.00	46.90	46.90	UPSIC
168	Supply & Installation of Solar Street Light in Giridih	Environment & Sustainability	Local Area	Giridih, Jharkhand	46.74	0.00	44.21	44.21	REIL Jaipur
169	Providing Chain Link Fencing & 1.5 mtrs. wide pathway Interlocking paver tiles along the periphery of Green Belt in Gurugram	Environment & Sustainability	Local Area	Gurugram, Haryana	85.79	0.00	42.75	42.75	Direct
170	Carrying out study on assessing the impacts of power lines on Avian species in the arid plains of Western Gujarat by Wildlife Institute of India.	Environment & Sustainability	Local Area	Western Gujarat, Gujarat	90.00	9.00	42.13	51.13	Wildlife India Ltd.
171	Supply of 250 no. Solar lights in Bhadhoi	Environment & Sustainability	Local Area	Bhadhoi, Uttar Pradesh	57.27	0.00	40.09	40.09	REIL
172	Installation of 1650 nos. solar light in UP and Uttrakhand	Environment & Sustainability	Other	Various districts, UP and Uttrakhand	328.59	0.00	30.87	30.87	EESL
173	Construction of RCC drainage system at Pratapgarh district	Environment & Sustainability	Local Area	Pratapgarh, Uttar Pradesh	56.66	22.66	28.33	50.99	Rural Engg. Deptt.
174	Supply & installation of 5 nos. High Mast Lighting System at Baidyanath Dham, Deoghar	Environment & Sustainability	Local Area	Deoghar, Jharkhand	28.67	0.00	21.75	21.75	Direct
175	Supply & installation of green Reprocessor unit for Organic Manure at Baidyanath Dham, Deoghar.	Environment & Sustainability	Local Area	Deoghar, Jharkhand	24.94	0.00	21.14	21.14	Direct
176	Supply and installation of 400 nos. solar light at Shravasti	Environment & Sustainability	Local Area	Shravasti, Uttar Pradesh	100.00	62.88	20.96	83.84	Central Electronics Ltd.
177	Supply & installation of green Reprocessor unit for Organic Manure at Baidyanath Dham, Deoghar.	Environment & Sustainability	Local Area	Deoghar, Jharkhand	20.67	0.00	20.67	20.67	Direct

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178	Supply of 50 no. solar lights and installationof 30 hand pumps at Phoolpur	Environment & Sustainability	Local Area	Allahabad, Uttar Pradesh	24.27	0.00	17.76	17.76	UPNEDA
179	Installation of solar lights/ street lights at village Pohru, Gangipora & Suthsoo .	Environment & Sustainability	Other	Budgam, J&K	21.00	0.00	16.57	16.57	Direct
180	Supply & installation of 750 nos. solar lights in various villages of Manihari block of Ghazipur.	Environment & Sustainability	Other	Ghazipur, Uttar Pradesh	158.63	140.74	15.64	156.38	REIL
181	Scientific Study of Cauvery river basin in Kodagu	Environment & Sustainability	Local Area	Kodagu, Karnataka	26.60	0.00	10.85	10.85	Indian Institute of Science
182	Supply and installation of 50 Solar lights at Diamond park in Damoh District	Environment & Sustainability	Local Area	Damoh, Madhya Pradesh	11.45	0.00	9.40	9.40	Direct
183	Solar Off Grid system for PHC at NP Kunta, Anantapur District	Environment & Sustainability	Local Area	Ananthapur, Andhra Pradesh	8.07	0.00	7.18	7.18	NREDCAP
184	Nallah Deepening and Widening Work at Varude Village, Shirur Taluka, Pune District under Jalyukta Shiver Abhiyan	Environment & Sustainability	Other	Pune, Maharashtra	48.54	35.91	5.75	41.66	Direct
185	Capacity Building Programme on "Eco -Sustainability and Renewal Energy"	Environment & Sustainability	Local Area	North 24 Paraganas, West Bengal	5.00	0.00	5.00	5.00	Dr. A.P.J. Abdul Kalam Government College, New Town, Kolkata
186	Water Conservation by Desilting work of pond at villages of Santalpur Grampanchayat of Taluka Radhanpur under Shujalam Shufalam Abhiyaan of Govt. of Gujarat.	Environment & Sustainability	Other	Patan, Gujarat	4.83	0.00	4.60	4.60	Direct
187	Nallah/Well Deepening & Widening at Khairemala, Pune	Environment & Sustainability	Other	Pune, Maharashtra	10.23	6.17	4.06	10.23	Direct

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188	Water Conservation by Desilting of 6 no. of ponds in 4 villages of Rapar Taluka, Gujarat under Shujalam Shufalam Abhiyaan of Govt. of Gujarat.	Environment & Sustainability	Other	Kutch, Gujarat	4.76	0.00	3.96	3.96	Direct
189	Maintenance of green Belt in front of POWERGRID Sector-43, Ggn - under Swach Bharat Abhiyan.	Environment & Sustainability	Local Area	Gurugram, Haryana	12.46	7.11	3.90	11.01	Direct
190	Plantation of 125 no. trees in Auraiya	Environment & Sustainability	Local Area	Auraiya, Uttar Pradesh	2.88	0.00	2.43	2.43	Forest Deptt.
191	Cleaning drive at Govt. school Kadipur Gurugram	Environment & Sustainability	Local Area	Gurugram, Haryana	2.00	0.00	2.00	2.00	Direct
192	Purchase of 04 Nos Solar Semi High Mast Lamp at Villages Taga / Chorbatti, Champa	Environment & Sustainability	Local Area	Champa, Chhatisgarh	13.49	11.77	1.72	13.49	Direct
193	Organising end point arrangement with sound system, Banners, Posters during Mini-Marathon on World Environment day Celebration 2018 with the theme Beat Plastic Pollution	Environment & Sustainability	Local Area	Khorda, Odisha	1.38	0.00	1.38	1.38	Direct
194	Celeberation of World Environment Day	Environment & Sustainability	Local Area	Lucknow, Uttar Pradesh	0.38	0.00	0.38	0.38	Direct
195	Installation of Solar Plant at Govt. Girls Senior Secondary School, Khatkar and Govt. Girls Model Senior Secondary school in Jind, Haryana	Environment & Sustainability	Local Area	Jind, Haryana	35.18	31.14	0.14	31.28	Direct
196	Supply and installations of 3250 solar LED street lights in various districts of Himachal Pradesh	Environment & Sustainability	Other	Various districts, H.P	737.10	147.42	0.00	147.42	M/s EESL

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197	Supply & Installation of solar high mast lights & solar street lights in Saharanpur, Noorpur, Muzaffarnagar and Shamli (Thanabhawan) state assembly in Uttar Pradesh	Environment & Sustainability	Other	various districts, Uttar Pradesh	161.05	52.53	0.00	52.53	EESL
198	Impact Assessment programme expenses for completed projects	Others	Local Area	Various districts, Assam	0.98	0.00	0.09	0.09	Direct
199	Employees cost towardss CSR activities	Overhead		in various regions		0.00	716.65	716.65	Direct
200	Supply & installation of 2 nos. LED outdoor Video Wall at Deoghar	Protection of national heritage art & culture,	Local Area	Deoghar, Jharkhand	18.46	0.00	18.46	18.46	Direct
201	Renovation of Foot Over Bridge at deoghar	Protection of national heritage art & culture,	Local Area	Deoghar, Jharkhand	10.92	0.00	9.59	9.59	District Administration
202	Participation in The India Drive - A CSR compendium by Outlook	Publication	Local Area	Gurugram, Haryana	5.25	0.00	5.25	5.25	Direct
203	Implementation of Integrated Power Development Scheme (IPDS) work in old Kashi Area of Varanasi	Rural Develeopment	Local Area	Varanasi, Uttar Pradesh	2,515.00	1,209.36	646.84	1,856.20	Direct
204	Various development works under Rural Development Projects in Ara	Rural Develeopment	Other	Bhoppur, Bihar	1,109.14	0.00	532.20	532.20	Direct
205	Supply & Installation of 800 Hoardings in Bihar under Pradhan Mantri Sahaj Har Ghar Bijli Yojna	Rural Develeopment	Local Area	Various districts , Bihar	422.72	0.00	207.49	207.49	Direct
206	Integrated Village Development near Kudgi, by ICRISAT	Rural Develeopment	Local Area	Bijapur, Karnataka	901.00	600.34	176.75	4.72	ICRISAT

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207	Display of 800 Hoardings in the state of Odisha for Public awareness of "Pradhan Mantri Sahaj Bijli Har Ghar Yojna (Saubhagya Scheme)"	Rural Develeopment	Local Area	Various districts, Odisha	412.87	0.00	156.23	156.23	Direct
208	Integrated Village Development near Kurnool by ICRISAT	Rural Develeopment	Local Area	Kurnool, Andhra Pradesh	901.00	585.71	148.57	734.28	ICRISAT
209	Display of 200 no. of hoardings under "SAUBHAGYA" SCHEME.	Rural Develeopment	Local Area	Various districts, Odisha	172.10	0.00	142.89	142.89	Direct
210	Installation of 1700 nos. Hoarding in Bihar under Saubhagya Scheme	Rural Develeopment	Local Area	Patna, Bihar	701.93	0.00	129.89	129.89	Direct
211	Strengthening of 2.291 km road at Beltapara & Balasi, Mathabhanga block near Earth Electrode Station, Alipurduar	Rural Develeopment	Local Area	Alipurduar, W.B.	198.76	43.49	116.75	160.24	Direct
212	Construction of interconnecting road and internal road for Dastan Gram Panchayat, Palsana Tehsil	Rural Develeopment	Local Area	Surat, Gujarat	149.39	0.00	86.91	86.91	Direct
213	Construction work of (i) Panchayat Hall with toilet complex, boundary wall with entrance gates (ii) solar street lights and (iii) high mast light at village kukrola near Manesar	Rural Develeopment	Local Area	Gurugram, Haryana	104.64	10.46	83.71	94.17	IRCON
214	Community Development works around +- 800 kv HVDC Terminal, Kurukshetra from Panchayati Raj Department, Karnal	Rural Develeopment	Local Area	Kurushetra, Haryana	159.88	0.00	79.94	79.94	Panchayatri Raj Department

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215	Renovation & Strengthening of around 1 km. existing PMGSY Kaccha Road including provision of Hume Pipe culverts and shoulder protection work from Chaitanya Kabiraj to Chhat Pakkihaga near Earth electrode station at Mathabhanga, Alipurduar	Rural Develeopment	Local Area	Alipurduar, W.B.	69.07	2.45	67.66	70.11	Direct
216	Construction of Community Centre at Kushinagar	Rural Develeopment	Local Area	Kushinagar, Uttar Pradesh	92.47	0.00	60.11	60.11	Rural Engg. Deptt.
217	Construction of PCC Road with drain at Nahra village in Tetaria Bloack in East Champaran,	Rural Develeopment	Other	East Champaran, Bihar	109.78	0.00	58.34	58.34	Direct
218	Construction of village road in Kishenganj	Rural Develeopment	Local Area	Kishenganj, Bihar	200.12	69.46	52.09	121.55	District Administration
219	Widening of Road at Biswanath Ghat LinkRoad	Rural Develeopment	Local Area	Biswanath Chariali, Assam	49.25	0.00	49.25	49.25	Direct
220	Construction of RCC drainage in Pratapgarh	Rural Develeopment	Local Area	Pratapgarh, Uttar Pradesh	102.88	0.00	46.30	46.30	PWD
221	Providing and laying of Bitumen road from Bhiwani village to Dhana Narsan	Rural Develeopment	Local Area	Bhiwani, Haryana	123.52	120.07	36.95	157.02	Direct
222	Construction of community centre, Boundary wall and open play ground for underprivileged residents of Gram Panchayat Dastan, Tehsil Palsana, Dist. Surat	Rural Develeopment	Local Area	Surat, Gujarat	31.82	7.25	27.25	34.50	Direct
223	Construction of Community Center at Daundwadi Village, Pune	Rural Develeopment	Local Area	Pune, Maharashtra	25.60	0.00	25.26	4.72	District Adminstration, Pune
224	Construction of Panchayat Ghars in 06 No. villages around Agra .(Ph-2)	Rural Develeopment	Local Area	Agra, Uttar Pradesh	163.90	98.88	23.43	122.31	Rural Engg. Deptt.
225	Construction of CC Road at village Bhendra, Raigarh	Rural Develeopment	Local Area	Raigarh, Chhatisgarh	37.83	0.00	21.99	4.72	Direct

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226	Solar Street System at Jaggapeta and Irripaka villages in East Godavari Dist.	Rural Develeopment	Local Area	East Godavari, Andhra Pradesh	20.83	0.00	20.83	20.83	NREDCAP
227	Construction of Kalyan Mandap cum community centre at Beherenbesa village of Jujomura block in Sambalpur district	Rural Develeopment	Local Area	Sambalpur, Odisha	35.00	0.00	20.69	20.69	DRDA SAMBALPUR
228	Chatt Ghat & Community Centres at Darbha, Dhanbad	Rural Develeopment	Local Area	Dhanbad, Jharkhand	122.33	0.00	20.31	20.31	Direct
229	Installation of CCTV system in Rupnarayampur area, at Salampur, Asansol, Burdwan, West Bengal	Rural Develeopment	Local Area	Paschim Bardhaman, W.B.	22.55	0.00	20.27	20.27	Direct
230	"Rural development works Guntur: 1.Laying of 21 Nos of CC Roads & Drains 2.Laying of 11 Nos of CC Roads & Drains 3.Community halls-04 Nos in villanges of Sattenapalli 4.RO Plants-10 NO s in Villages of Satteenapalli "	Rural Develeopment	Local Area	Guntur, A.P.	190.00	95.00	20.00	115.00	Panchyat Raj & RWS&S
231	Construction of PCC work at weekly market of village Tarkela, Raigarh	Rural Develeopment	Local Area	Raigarh, Chhatisgarh	41.45	0.00	15.78	4.72	Direct
232	Repair and redevelopment of 930 m approach road connected Malerkotla-Ludhiana state Highway, village Dulma	Rural Develeopment	Local Area	Sangrur, Punjab	19.56	1.73	15.08	16.81	PWD Malerkotla
233	Construction of weaving Centre for Tribal women, Renovation of Community Centre, Construction of ,market shed, Construction of additional classroom and construction of 5 toilets in public place in Biswanath Chariali	Rural Develeopment	Local Area	Sonitpur, Assam	48.26	0.00	14.84	14.84	DCBiswanath Chariali

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234	Community hall/ CC Roads/ Drains etc. at Ashapur & Aralibench villages, Raichur District	Rural Develeopment	Local Area	Raichur, Karnataka	99.15	24.79	13.53	38.32	KRIDL
235	Rural Development in Sundergarh District Odisha (i) Repairing of damaged road from Bandhapali High school to Kenapali village, (ii)PCC road in Kenapali village, (iii) Provisioning of water cooler with purifier, one musical drum set & one grill gate for Kanapali Sewasthram school.	Rural Develeopment	Local Area	Sundargarh, Odisha	33.51	18.48	13.21	31.69	SDPDS
236	Repair of road at Aligarh, (PWD)	Rural Develeopment	Other	Agra, Uttar Pradesh	129.23	0.00	12.92	12.92	PWD
237	Construction of 8 no. Community Centres at Baghmara, Tundi & Poorvi Block of Dhanbad District	Rural Develeopment	Other	Dhanbad, Jharkhand	59.83	43.83	9.11	52.94	Direct
238	(i) Construction of Community Centre (ii) digging of Pond at Jamujhari in Kishorenagar Block	Rural Develeopment	Local Area	Angul, Odisha	12.70	6.00	6.70	12.70	BDO KISHORENAGAR
239	Construction of Community Centre at Village Sehra	Rural Develeopment	Local Area	Betul, Madhya Pradesh	25.00	13.75	6.47	20.22	Rural Engineering Servises
240	Construction of 4 nos. houses at Kushth Ashram at Jagadhari near Abdullapur	Rural Develeopment	Local Area	Abhullapur, Haryaana	10.20	5.45	5.45	10.90	Direct
241	Construction of Community centre near MADA House Topchaichi in Dhanbad.	Rural Develeopment	Other	Dhanbad, Jharkhand	43.64	36.88	5.39	42.27	Direct
242	Construction of 06 nos. of Community Hall, 01 no. Rahasbari, Digging / Renovation of Ponds 04 nos., Construction of CC Road alongwith culvert & drain and Construction of Road Guard wall 64 mts. in Athamalik Block, Banarpal Block and Angul Block	Rural Develeopment	Local Area	Angul, Odisha	115.67	87.70	5.16	92.86	BDO ATHAMALLIK , BANARPAL & ANGUL

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243	Construction of Panchayat Ghars in 06 Nos. villages around Agra.	Rural Develeopment	Local Area	Agra, Uttar Pradesh	163.08	154.93	4.08	159.01	Rural Engg. Deptt.
244	Purchase of 60/70 watt LED Street Light Fittings for installations in nearby villages under Polerhat-II Gram panchyat (bhangar Block-II)	Rural Develeopment	Local Area	North 24 Paraganas, West Bengal	3.83	0.00	3.83	3.83	Direct
245	Construction of 02 nos Pachari at DOMA talaab in village Kotra, Raigarh	Rural Develeopment	Local Area	Raigarh, Chhatisgarh	8.82	5.50	3.32	8.82	Direct
246	Construction of Hostel for Integral Development of Children of underpriviledged & poor farmers at Panchgaon, Nagpur	Rural Develeopment	Other	Nagpur, Maharashtra	48.00	43.20	3.29	46.49	Nagpur Improvement Trust
247	Construction of community hall at Yelahanka	Rural Develeopment	Local Area	Bangalore, Karnataka	75.00	70.07	3.25	4.72	Nirmiti Kendra, Bangalore
248	Supply of Auto-refraction machine at Indian Red Cross Society, Thane	Rural Develeopment	Local Area	Thane, Maharashtra	8.87	0.00	2.97	4.72	Direct
249	Purchase of 24/25 Watt LED Street Light Fittings for installations in nearby villages under Polerhat-II Gram panchyat (bhangar Block-II)	Rural Develeopment	Local Area	North 24 Paraganas, West Bengal	2.95	0.00	2.95	2.95	Direct
250	Fixation of High Load capacity RUBBER Road Bump at the Lauhati-Haroa Road Rajarhat	Rural Develeopment	Local Area	North 24 Paraganas, West Bengal	4.49	0.00	2.89	2.89	Direct
251	Renovation of 2 no. Bus Stops at Nari Ring Road, Nagpur	Rural Develeopment	Local Area	Nagpur, Maharashtra	3.49	0.00	2.85	4.72	Direct
252	Construction of culvert at Milanpur	Rural Develeopment	Local Area	Kamrup, Assam	5.50	2.75	2.75	5.50	Direct

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253	Comprehensive activities in Sitamarhi - Supply of Mini High Mast Light, Motorized Tricycle, Community Centre at Sitamarhi	Rural Develeopment	Local Area	Sitamarhi, Bihar	194.05	0.00	2.63	2.63	ALIMCO & UPSIC & Direct
254	Construction of community Hall at Aizawl	Rural Develeopment	Local Area	Aizawl, Mizoram	25.85	14.00	2.28	16.28	Direct
255	1) Construction of five no. community hall (2) Renovation of 3 nos. of community centre (3) construction of two nos. of rahasbadi (open shed) (4) construction of 127 mts cc road along with culvert widening & drains (5) supply of furnitures for phulpada Panchayat high school at villages in Banarpala bolck and angul bolck of Angul district.	Rural Develeopment	Local Area	Angul, Odisha	74.26	64.04	1.87	65.91	BDO Banarpal & Angul
256	Supply of furniture at Deosar	Rural Develeopment	Other	Deosar, Uttar Pradesh	1.06	0.00	1.01	1.01	Direct
257	Repairing of WBM Road (Approx. 2.8Km) at Jakhi village	Rural Develeopment	Other	Satna, Madhya Pradesh	0.99	0.00	0.89	0.89	Direct
258	Community development works under green energy corridor , Banaskantha	Rural Develeopment	Other	Banaskantha, Gujarat	0.38	0.00	0.38	0.38	Direct
259	Construction & improvement of existing 3 kms. kachha road to Bitumenous road	Rural Develeopment	Local Area	Alipurduar, W.B.	124.24	106.20	0.33	106.53	Direct
260	Cremation Shed at Village Dharampura, Hirapur Bandha Gram Panchayat, Jabalpur	Rural Develeopment	Local Area	Jabalpur, Madhya Pradesh	0.07	0.00	0.07	0.07	Direct
261	Construction of Community Hall at Medikeri, Bangalore	Rural Develeopment	Local Area	Bangalore, Karnataka	50.00	45.00	0.00	45.00	District Administration
262	Construction of community center at village Kharta (Jammu)	Rural Develeopment	Local Area	Jammu, J&K	31.97	27.68	0.00	27.68	Direct

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263	Construction of CC paved road for interlinking road in village Dhana Narsan	Rural Develeopment	Local Area	Bhiwani, Haryana	54.49	30.14	0.00	30.14	Direct
264	Renovation of waiting room at Sadar Tehsil area.	Rural Develeopment	Local Area	Lucknow, Uttar Pradesh	6.39	6.39	0.00	6.39	Public Works Department
265	Participation in "Namami Gange"– an Integrated Conservation Mission for River Ganga	Sanitation	Other	Haridwar, Uttrakhand	3,500.00		3,500.00	3,500.00	Clean Ganga Fund
266	Contribution to Swachh Bharat Kosh	Sanitation	Other	Delhi, Delhi	1,500.00		1,500.00	1,500.00	Swachh Bharat Kosh
267	Supply and installations of 13000 twin bins dustbins	Sanitation	Other	Various districts, H.P	575.71	115.14	575.71	690.85	EESL
268	Supporting Sanitation workers in Uttar Pradesh	Sanitation	Other	Allahabad, Uttar Pradesh	250.00	0.00	250.00	250.00	Kumbh Mela Pradhikaran Authority
269	Supply, installation and commissing of 10000 twin-bin dustbins with Double Swing stand at 92 railway stations of Indian Railways	Sanitation	Other	North West Railway	442.85	0.00	216.37	216.37	EESL
270	Installation of 100 nos. toilets at Ghazipur.	Sanitation	Other	Ghazipur, Uttar Pradesh	270.00	0.00	178.93	178.93	IrconISL
271	Installation of 6440 pair of dustbins at Western Central Railway stations in the areas of Western Region	Sanitation	Other	Western Central Railway, Madhya Pradesh	285.10	0.00	163.07	163.07	EESL
272	Undertaking Solid Liquid Waste Management (SLWM) and associated projects in Rajarhat	Sanitation	Local Area	South 24 Parganas, W.B.	150.00	0.00	150.00	150.00	District Administration
273	Providing Disaster relief materials to flood victims in the State of Kerala	Sanitation	Other	Various Districts, Kerala	200.00	0.00	146.94	146.94	Govt. of Kerala
274	Construction of Toilets and water arrangement in 26 Govt. schools in Noida, Uttar Pradesh	Sanitation	Local Area	Gautam Budh Nagar, Uttar Pradesh	127.59	0.00	106.57	106.57	District Basic Education Officer G.B Nagar

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275	Overhead and Administrative expenses, Sanitation etc.	Others	Local Area	Gurugram, Haryana	297.20	0.00	197.20	197.20	
276	Conducting Swachhta Programme at Baidyanath Dham Temple, Deoghar	Sanitation	Local Area	Deoghar, Jharkhand	120.46	34.87	77.33	112.20	Direct
277	Construction of 4 seated toilets in Nalanda District.	Sanitation	Local Area	Nalanda, Bihar	94.56	0.00	69.86	69.86	District Administration
278	Construction of 43 nos. toilets at Pratapgarh	Sanitation	Local Area	Pratapgarh, Uttar Pradesh	132.45	0.00	66.23	66.23	IrconISL
279	Construction of Drainage System in Puhana village, Roorkee	Sanitation	Local Area	Roorkee, Uttrakhand	87.16	0.00	60.31	60.31	UPRNNL
280	Providing garbage tippers 2 nos. each for municipalities of Modi Nagar in Dist. Ghaziabad and Tatiri, Aminagar Sarai Bagpat and Baraut District	Sanitation	Local Area	Ghazibad & Bagpat, Uttar Pradesh	46.31	0.00	42.51	42.51	Direct
281	Providing one no. truck mounted sweeping machine with vacuum cleaner for cleaning of roads to Municipal Corporation, Faridabad	Sanitation	Local Area	Faridabad, Haryana	199.77	159.82	39.95	199.77	MCF
282	Observance of Swachhta Pakhwada 2018 w.e.f. 15-31 May, 2018; 16-31 August, 2018 and Swachhta Hi Sewa from 16 September to 2nd October, 2018	Sanitation	Local Area	Various districts, W.B. & Sikkim	480.00	0.00	473.58	473.58	Direct
283	Construction of Toilets in 15 Nos Govt. Schools and 1 No Govt. College in Jalpaiguri	Sanitation	Local Area	South 24 Pragans, Uttar Dinajpur, Alipurduar, Jalpaiguri, W.B.	109.99	0.00	35.98	35.98	Direct
284	Construction of 08 no. public toilets in 08 villages in Basti District	Sanitation	Local Area	Basti, Uttar Pradesh	61.21	19.92	24.69	44.61	UPRNSS
285	Construction of toilets at Bus stand, Allahabad	Sanitation	Local Area	Allahabad, Uttar Pradesh	60.77	0.00	24.31	24.31	UPSRTC

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286	Construction of toilets in three Government schools and Renovation of schools building in Manesar, Gurugram	Sanitation	Local Area	Gurugram, Haryana	60.40	36.24	24.16	60.40	Ircon ISL
287	Conducting Swachhta Programm at Baidyanath Dham Temple, Deoghar	Sanitation	Local Area	Deoghar, Jharkhand	335.45	0.00	21.30	21.30	Direct
288	Development of Mahatma Gandhi Udhyaan Public park and supply of garbage collection van for Waghodia village, Vadodara	Sanitation	Other	Vadodara, Gujarat	48.25	20.27	21.00	41.27	Direct
289	Programme on Swachh Bharat Abhiyan Expenses	Sanitation	Other	various districts, Assam	20.00	0.00	20.00	20.00	Direct
290	Various developmental work in South Sikkim District	Sanitation	Local Area	South Sikkim, Sikkim	27.82	0.00	17.85	17.85	District Administration
291	Installation of 2360 no. (out of 8800 nos.) of dustbins on West Central stations of Indian Railways. (78 stations)	Sanitation	Other	various Railway Stations, UP and MP	107.61	0.00	17.71	17.71	EESL
292	Construction of Nama Toilets (Samastipur Railway Division)	Sanitation	Local Area	Samastipur, Bihar	106.79	42.53	15.48	58.01	Samastipur Railway Division.
293	Construction of 03 Nos. Toilets at Primary School at Sagani, Parsada & Medesara village (Distt.-Durg).	Sanitation	Other	Durg, Chhatisgarh	14.72	0.00	13.66	4.72	Direct
294	Housekeeping work at surrounding of Shivaji peth, Kolhapur	Sanitation	Local Area	Kolhapur, Maharashtra	33.29	19.81	12.60	32.41	Direct
295	Supply of mechanized cleaning equipment for District Hospital, Khordha, Odisha	Sanitation	Other	Khorda, Odisha	11.32	0.00	10.96	10.96	Direct
296	Providing one Industrial Ride on Sweeper machine for Bhawanipatna Municipality, Kalahandi District, Odisha	Sanitation	Local Area	Kalahandi, Odisha	9.49	0.00	8.74	8.74	Direct

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297	Supply of four mechanized cleaning equipment to Sainik School, Bhubaneshwar	Sanitation	Local Area	Khorda, Odisha	8.02	0.00	8.02	8.02	Direct
298	Construction of individual households latrines/toilets for development of primitive tribal group in Adilabad District, Telengana	Sanitation	Local Area	Adilabad, Telengana	81.20	0.00	7.79	7.79	Distrcict Collectorate
299	Construction of : (i) 01 New Borewell ; (ii) 05 Toilet blocks; (iii) Urinal block with 24 capacity; & Renovation of (i) 02 borewells; (ii) 08 non functional toilets at Z.P.Govt Girls High school, Gooty	Sanitation	Local Area	Ananthapur, Andhra Pradesh	11.77	4.00	7.65	11.65	Panchayat Raj Department
300	Construction of Toilets in 02 nos. Govt. Schools in Sikkim	Sanitation	Local Area	East & South Sikkim, Sikkim	32.24	0.00	7.26	7.26	Direct
301	Construction of toilet complex at Anugrah Magadh Medical college & Hospoital Gaya	Sanitation	Local Area	Gaya, Bihar	21.94	0.00	6.49	6.49	Direct
302	Awareness compaign of Swachhta Sarvekshan Abhiyan in Patna under Swachh Bharat Mission initiative through Radio Mirchi 98.5 FM	Sanitation	Local Area	Patna, Bihar	6.15	0.00	6.15	6.15	Direct
303	Audit and Impact Assessment of toilets constructed under Swachh Vidyalaya Abhiyan through AFC India Ltd.	Sanitation	Other	Various districts , Bihar	55.28	0.00	5.53	5.53	AFC India Ltd.
304	Vehicle and equipment to Nagar Nigam, Agra	Sanitation	Local Area	Agra, Uttar Pradesh	79.69	0.00	5.25	5.25	Direct
305	Construction of 6 nos. toilets at Govt Senior Secondary School Dayalpur near Kartarpur S/S	Sanitation	Local Area	Jalandhar, Punjab	9.26	0.00	5.06	5.06	Direct

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306	Procurement, installation & commissioning of Oragniic recycler (automated organic compost machien) at Chandi mandir cuttack	Sanitation	Local Area	Cuttack, Odisha	5.00	0.00	5.00	5.00	Direct
307	Supply of Bottle curshign machine at Deoghar	Sanitation	Local Area	Deoghar, Jharkhand	5.00	0.00	5.00	5.00	Direct
308	Installation of Sanitary Napkin vending machine in different Govt. schools	Sanitation	Local Area	Patna, Bihar	5.00	0.00	4.75	4.75	Direct
309	Installation of 100 nos. hand pumps at Pratapgarh	Sanitation	Local Area	Pratapgarh, Uttar Pradesh	46.90	0.00	4.69	4.69	UP Jal Nigam
310	Supply of pure drinking water, water cooler,dust-bin in different schools of Rourkela Sub-station.	Sanitation	Local Area	Sundargarh, Odisha	4.84	0.00	3.82	3.82	Direct
311	Construction of 01 No. Toilet at Primary School at Potia village (Distt.-Durg) under CSR	Sanitation	Other	Durg, Chhatisgarh	5.04	0.00	3.23	3.23	Direct
312	Construction of Crematorium at Village Kotra, Raigarh (CG)	Sanitation	Local Area	Raigarh, Chhatisgarh	3.38	0.00	2.29	4.72	Direct
313	Procurement and disttribution of 1000 T-shirts for public awareness towards cleaning of River Ganga through Sparsh Ganga Abhiyan	Sanitation	Local Area	Gurugram, Haryana	2.00	0.00	1.68	1.68	Direct
314	Installation of dustbin at Howrah Railway Station	Sanitation	Local Area	Howrah, W.B.	1.53	0.00	1.53	1.53	Direct
315	Maintenance of 40 no. toilets at Ballia	Sanitation	Local Area	Ballia, Uttar Pradesh	3.01	0.00	1.50	1.50	IrconISL
316	Construction of 14 no. toilets in 9 Govt. Schools at Bassi, Jaipur	Sanitation	Local Area	Jaipur, Rajasthan	57.14	0.00	1.46	1.46	Direct
317	Construction of toilet complex at Kishenpur chowk Kharta (Jammu)	Sanitation	Local Area	Jammu, J&K	4.75	0.25	1.22	1.47	Direct

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318	Procurement of Dustbins & Water Filters under CSR activities of Odisha Projects.	Sanitation	Local Area	Khorda, Odisha	1.26	0.00	1.08	1.08	Direct
319	Providing Twelve nos. barricades under Swachh Bharat initiative at Lohit District, Tezu	Sanitation	Local Area	Lohit, Arunachal Pradesh	1.20	0.00	0.96	0.96	Superitendant of police, Lohit district
320	Procourment & Distribution of 500 T-shirts for awareness of Sawachh Bharat.	Sanitation	Local Area	Gurugram, Haryana	2.00	0.00	0.95	0.95	Direct
321	Construction of toilets at Fatehapur	Sanitation	Local Area	Fatehapur, Uttar Pradesh	0.91	0.00	0.91	0.91	UPSRTC
322	Restoration of three (03) Ponds-Kotra Village	Sanitation	Local Area	Raigarh, Chhatisgarh	19.52	19.03	0.49	19.52	Direct
323	Construction of toilet blocks in 19 Govt. Schools of West Sikkim district	Sanitation	Local Area	West Sikkim, Sikkim	288.45	0.00	0.00	0.00	GVT
324	Construction of 117 toilet complex block (430 No. Toilet) in 116 schools in Ghazipur	Sanitation	Local Area	Ghazipur, Uttar Pradesh	310.59	239.41	0.00	239.41	IrconISL
325	Undertaking Livelihood Generating Skill Development Programme in villages Rajarhat	Skill Development	Local Area	South 24 Parganas, W.B.	150.00	0.00	150.02	150.02	District Administration
326	Skill development at IGIAT, Vizag	Skill Development	Local Area	Vishakapatna, Andhra Pradesh	109.04	0.00	109.04	109.04	IGIAT
327	Skill development program by National Academy of Construction (NAC)	Skill Development	Local Area	Hyderabad, Telengana	110.55	0.00	82.91	82.91	NAC
328	Capacity Building Programme on Power transmission line Tower Erection for the FY 2018-19	Skill Development	Local Area	Malda & South 24 Parganas, W.B.	76.36	0.00	55.24	55.24	Direct

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329	Imparting Skill Development training to 5000 youths in 33 locations across India through NSDC"	Skill Development	Local Area	Various districts , Bihar, Assam, UP,Haryna	653.00	515.88	52.72	568.60	NSDC
330	Capacity Building Training Program for 03 months w.e.f. 01/08/2018 to 31/10/2018	Skill development	Local Area	Nagaon/ Cachar, Assam	29.52	0.00	29.52	29.52	Direct
331	Providing 100 no. High-Tech Sewing Machines and 05 nos. Semi-Automatic Sanitary Napkin Manufacturing machines at District Damoh	Skill Development	Local Area	Damoh, Madhya Pradesh	53.89	0.00	17.30	17.30	Direct
332	Capacity Building Programme on Power Transmission Line Tower Erection	Skill Development	Local Area	Malda, South 24 Parganas & Jalpaiguri, W.B.	150.09	108.12	14.68	122.80	Direct
333	Skill development of local youth in Dist. Lahaul Spiti through infrastructure additions & capacity building in the filed of mountaineering & allied activities	Skill Development	Local Area	Lahaul spiti, J&K	33.25	16.63	13.30	29.93	District Administration
334	Skill Development Program for 86 youths primariily from under privileged youth of land oustee villages of Indore	Skill Development	Local Area	Indore, Madhya Pradesh	107.01	96.17	10.57	106.74	Indo-German Tool Room, Indore
335	Skill Development Training on Apparel making for tribal under-privileged youths in Mokhada and Jawahar Taluka, Palghar district	Skill Development	Other	Palghar, Maharashtra	50.00	39.85	8.68	48.53	MSSDS
336	Procurement of 38 sewing machines alongwith six months training at village Mangaon, near Koteshwar Pooling station	Skill Development	Local Area	Koteshwar, Uttrakhand	7.35	0.00	5.17	5.17	Direct

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337	Providing sewing machines along with equipment & furniture and providing skill development training at Sewing centre, Khanpur village, Alwar	Skill Development	Local Area	Alwar, Rajasthan	5.44	0.00	3.58	3.58	Direct
338	Providing sewing machines along with training for poor sections of domestic ladies/ girls at village Pohru.	Skill Development	Other	Budgam, J&K	5.13	1.14	3.52	4.66	Direct
339	Five months learning classes in tailoring for unprivileged girls / women at Sector-43, Gurugram	Skill Development	Local Area	Gurugram, Haryana	4.32	0.00	2.89	2.89	Direct
340	Distribution of 20 Sewing Machines & imparting 6 months training Program at Government Sr. Secondary School Kadipur, Gurugram	Skill Development	Local Area	Gurugram, Haryana	6.95	0.00	0.91	0.91	Direct
341	Workshop for training to Govt. officers from different organisations	Skill Development	Other	Gurugram, Haryana	0.46	0.00	0.46	0.46	Direct
342	Providing 38 nos. sewing machines alongwith 06 months training program in tailoring for girls and women of gram panchayat mangaon, Koteshwar	Skill Development	Local Area	Koteshwar, Uttrakhand	6.55	5.11	0.39	5.50	Direct
343	Provided vehicle to DC Leh, for use by Looms of Ladakh	Skill Development	Local Area	Leh, J&K	7.90	7.90	0.00	7.90	Direct
344	Supply of TV & Cloth in old age home, Sahara, Patna	Social Welfare	Local Area	Patna, Bihar	0.91	0.00	0.78	0.78	Direct
345	Renovation of Statium in Supaul	Sports	Local Area	Supaul, Bihar	50.00	24.27	25.73	50.00	District Administration, Supaul
346	Construction of Stadium at Village Barikhurd Babupur,Tehsil Raghuraj Nagar	Sports	Other	Satna , Madhya Pradesh	129.89	0.00	12.99	12.99	RES Satna

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347	Development of Green Space and Play Ground for promotion of sports at Indian Institute of Forest Mangement (IIFM), Bhopal.	Sports	Local Area	Bhopal, Madhya Pradesh	29.61	18.48	7.25	25.73	Direct
348	Sports/Arts/Culture Expenses-CSR activities	Sports	Local Area	Gurugram, Haryana	7.10	0.00	7.10	7.10	Direct
349	Providing Racing Cycle to Special Child for participation in Special Olympic 2019	Sports	Local Area	North 24 Parganas, W.B.	0.30	0.00	0.21	0.21	Direct
350	Establishment of 2 nos. synthetic surface tennis courts at Vizzy sports complex, Viziaanagaram, (AP)	Sports	Local Area	Vishakapatna, Andhra Pradesh	30.00	28.52	0.00	28.52	District Sports Authority
351	Contribution to National Sports Developemnt Fund (NSDF), Govt. of India, for sports activities and sports infrastructure upgradation, facilitating training to promote sports in Jaipur Rural Areas	Sports	Local Area	Jaipur, Rajasthan	200.00	0.00	200.00	200.00	Direct
					53167.02		19551.28		

Balance Sheet as at 31st March, 2019

(₹ in Crore)

Particulars	Note No.	As at 31st March, 2019	As at 31st March, 2018*	As at 1st April, 2017*
ASSETS				
Non-current assets				
Property, Plant and Equipment	4	**162266.88**	152243.89	134252.57
Capital work-in-progress	5	**33364.02**	30261.17	35806.80
Investment Property	6	**0.03**	0.03	0.03
Other Intangible assets	7	**1593.10**	1366.46	1255.39
Intangible assets under development	8	**214.06**	45.95	77.33
Financial Assets				
Investments	9	**2756.53**	1608.24	1327.55
Loans	10	**10708.99**	8253.12	3618.41
Other non-current financial assets	11	**4548.37**	866.35	836.95
Other non-current assets	12	**5065.44**	5645.51	6346.78
		220517.42	200290.72	183521.81
Current assets				
Inventories	13	**1226.28**	1038.45	906.95
Financial Assets				
Investments		**-**	-	2.50
Trade receivables	14	**4628.74**	3638.96	3221.10
Cash and cash equivalents	15	**3643.14**	1516.21	3228.43
Bank balances other than Cash and cash equivalents	16	**688.90**	654.22	112.16
Loans	17	**416.87**	46.88	35.14
Other current financial assets	18	**6853.20**	4869.92	3319.03
Other current assets	19	**415.18**	535.56	224.74
		17872.31	12300.20	11050.05
Regulatory Deferral Account Balances	20	**8083.27**	11304.22	7975.80
Total Assets		**246473.00**	223895.14	202547.66
EQUITY AND LIABILITIES				
Equity				
Equity Share capital	21	**5231.59**	5231.59	5231.59
Other Equity	22	**53785.55**	49183.37	44575.66
		59017.14	54414.96	49807.25
Liabilities				
Non-current liabilities				
Financial Liabilities				
Borrowings	23	**131039.51**	122420.32	110963.17
Other non-current financial liabilities	24	**3897.44**	459.60	352.24
Provisions	25	**368.15**	716.87	789.56
Deferred tax liabilities(Net)	26	**10093.02**	13558.89	10418.74
Other non-current liabilities	27	**486.57**	457.16	575.20
		145884.69	137612.84	123098.91
Current liabilities				
Financial Liabilities				
Borrowings	28	**4300.00**	1000.00	1500.00
Trade payables				
(A) total outstanding dues of micro enterprises and small enterprises	29	**33.27**	2.33	-
(B) total outstanding dues of creditors other than micro enterprise and small enterprises	29	**330.84**	238.01	413.98
Other current financial liabilities	30	**22886.18**	21505.61	19324.61
Other current liabilities	31	**3863.26**	2687.33	2566.00
Provisions	32	**700.59**	1059.58	537.21
Current Tax Liabilities (Net)	33	**-**	407.07	417.33
		32114.14	26899.93	24759.13
Deferred Revenue	34	**9457.03**	4967.41	4882.37
Total Equity and Liabilities		**246473.00**	223895.14	202547.66

* Restated (Refer Note 54)

The accompanying notes (1 to 68) form an integral part of financial statements

For and on behalf of the Board of Directors

Divya Tandon
Company Secretary

K. Sreekant
Director (Finance)

Ravi P Singh
Director (Personnel)

As per our report of even date

For S.K. Mittal & Co.	**For R.G.N.Price & Co.**	**For Kothari & Co.**	**For Parakh & Co.**
Chartered Accountants	Chartered Accountants	Chartered Accountants	Chartered Accountants
Firm Regn No. 001135N	Firm Regn No. 002785S	Firm Regn No. 301178E	Firm Regn No. 001475C
(CA S. Murthy)	**(CA Rangarajan Raghavan Iyengar)**	**(CA Manaswy Kothari)**	**(CA Gotam Kumar Bagariya)**
Partner	Partner	Partner	Partner
M.No. 072290	M.No. 041883	M.No. 064601	M.No. 425104

Place: New Delhi
Date: 29th May, 2019

Statement of Profit and Loss for the year ended 31st March, 2019

(₹ in Crore)

Particulars	Note No.	For the year ended 31st March, 2019	For the year ended 31st March, 2018*
Revenue From Operations	35	**34119.12**	29764.59
Other Income	36	**1498.95**	1001.73
Total Income		**35618.07**	30766.32
EXPENSES			
Employee benefits expense	37	**1783.57**	1599.09
Finance costs	38	**9091.42**	7590.66
Depreciation and amortization expense	39	**10200.67**	9091.25
Other expenses	40	**3053.43**	2215.70
Total expenses		**24129.09**	20496.70
Profit Before Tax & Regulatory Deferral Account Balances		**11488.98**	10269.62
Tax expense:			
Current tax - Current Year		**2489.43**	2153.67
- Earlier Years		**-**	15.34
Deferred tax	26	**(3465.87)**	3140.15
		(976.44)	5309.16
Profit for the period before Regulatory Deferral Account Balances		**12465.42**	4960.46
Net movement in Regulatory Deferral Account Balances-	41		
Income/(Expenses) (net of tax)		**(2526.87)**	3284.19
Profit for the period		**9938.55**	8244.65
Other Comprehensive Income			
Items that will not be reclassified to profit or loss (net of tax)	42	**(16.30)**	8.03
Total Comprehensive Income for the period		**9922.25**	8252.68
Earnings per equity share including movement in Regulatory Deferral Account Balances (Par value ₹10/- each):			
Basic & Diluted (₹)	63	**19.00**	15.76
Earnings per equity share excluding movement in Regulatory Deferral Account Balances (Par value ₹ 10/- each):			
Basic & Diluted (₹)	63	**23.83**	9.48

*Restated (Refer Note 54)

The accompanying notes (1 to 68) form an integral part of financial statements

For and on behalf of the Board of Directors

Divya Tandon
Company Secretary

K. Sreekant
Director (Finance)

Ravi P Singh
Director (Personnel)

As per our report of even date

For S.K. Mittal & Co.	**For R.G.N.Price & Co.**	**For Kothari & Co.**	**For Parakh & Co.**
Chartered Accountants	Chartered Accountants	Chartered Accountants	Chartered Accountants
Firm Regn No. 001135N	Firm Regn No. 002785S	Firm Regn No. 301178E	Firm Regn No. 001475C
(CA S. Murthy)	**(CA Rangarajan Raghavan Iyengar)**	**(CA Manaswy Kothari)**	**(CA Gotam Kumar Bagariya)**
Partner	Partner	Partner	Partner
M.No. 072290	M.No. 041883	M.No. 064601	M.No. 425104

Place: New Delhi
Date: 29th May, 2019

STATEMENT OF CHANGES IN EQUITY for the period ended 31st March, 2019

A. Equity Share Capital

(₹ in Crore)

As at 1st April, 2018	5231.59
Changes during the year	-
As at 31st March, 2019	**5231.59**
As at 1st April, 2017	5231.59
Changes during the year	-
As at 31st March, 2018	**5231.59**

B. Other Equity

(₹ in Crore)

Particulars	Reserves and Surplus						Other Comprehensive Income	Total
	Securities Premium	Bond Redemption Reserve	Self Insurance Reserve	CSR Reserve	General Reserve	Retained Earnings	Fair Value through Other Comprehensive Income Equity Investment	
Balance at 1st April, 2018	**9578.29**	**9158.59**	**735.03**	**123.33**	**26911.55**	**2585.74**	**90.84**	**49183.37**
Profit for the year						9938.55		9938.55
Other Comprehensive Income						(2.15)	(14.15)	(16.30)
Total Comprehensive Income						**9936.40**	**(14.15)**	**9922.25**
Adjustments during the year								-
Transfer to General Reserve					4250.00	(4250.00)		-
Transfer to Bond redemption reserve		2029.20				(2029.20)		-
Transfer from Bond Redemption Reserve		(1302.99)				1302.99		-
Transfer to Self Insurance Reserve			249.07			(249.07)		-
Transfer from Self Insurance Reserve			(101.92)		101.92	-		-
Transfer from CSR Reserve				(8.79)	8.79	-		-
Final Dividend F.Y. 2017-18						(1464.85)		(1464.85)
Tax on Final Dividend F.Y. 2017-18						(296.92)		(296.92)
Interim Dividend F.Y. 2018-19						(3050.02)		(3050.02)
Tax on Interim dividend F.Y. 2018-19						(612.65)		(612.65)
Other Changes (Ind AS 115 impact)					104.37			104.37
Balance at 31st March, 2019	**9578.29**	**9884.80**	**882.18**	**114.54**	**31376.63**	**1872.42**	**76.69**	**53785.55**

STATEMENT OF CHANGES IN EQUITY for the period ended 31st March, 2019 (Contd.)

(₹ in Crore)

Particulars	Reserves and Surplus						Other Comprehensive Income	Total
	Securities Premium	Bond Redemption Reserve	Self Insurance Reserve	CSR Reserve	General Reserve	Retained Earnings	Fair Value through Other Comprehensive Income Equity Investment	
Balance at 1st April, 2017	**9578.29**	**8095.09**	**676.64**	**123.38**	**23243.64**	**2754.86**	**103.76**	**44575.66**
Profit for the year						8238.96		8238.96
Other Comprehensive Income						26.64	(12.92)	13.72
Total Comprehensive Income						**8265.60**	**(12.92)**	**8252.68**
Adjustments during the year								
Transfer to General Reserve					3500.00	(3500.00)		-
Transfer to Bond redemption reserve		2075.83				(2075.83)		-
Transfer from Bond Redemption Reserve		(1012.33)				1012.33		-
Transfer to Self Insurance Reserve			226.25			(226.25)		-
Transfer from Self Insurance Reserve			(167.86)		167.86	-		-
Transfer from CSR Reserve				(0.05)	0.05	-		-
Final Dividend F.Y. 2016-17						(1752.59)		(1752.59)
Tax on Final Dividend F.Y. 2016-17						(355.44)		(355.44)
Interim Dividend F.Y. 2017-18						(1281.74)		(1281.74)
Tax on Interim dividend F.Y. 2017-18						(255.20)		(255.20)
Balance at 31st March, 2018	**9578.29**	**9158.59**	**735.03**	**123.33**	**26911.55**	**2585.74**	**90.84**	**49183.37**

The accompanying notes (1 to 68) form an integral part of financial statements
Refer to Note No 22 for nature and movement of Reserve and Surplus.

For and on behalf of the Board of Directors

Divya Tandon
Company Secretary

K. Sreekant
Director (Finance)

Ravi P Singh
Director (Personnel)

For S.K. Mittal & Co.
Chartered Accountants
Firm Regn No. 001135N
(CA S. Murthy)
Partner
M.No. 072290

For R.G.N.Price & Co.
Chartered Accountants
Firm Regn No. 002785S
(CA Rangarajan Raghavan Iyengar)
Partner
M.No. 041883

For Kothari & Co.
Chartered Accountants
Firm Regn No. 301178E
(CA Manaswy Kothari)
Partner
M.No. 064601

For Parakh & Co.
Chartered Accountants
Firm Regn No. 001475C
(CA Gotam Kumar Bagariya)
Partner
M.No. 425104

Place: New Delhi
Date: 29th May, 2019

Statement of Cash Flows for the year ended 31st March, 2019

(₹ in Crore)

Particulars	For the year ended 31st March, 2019	For the year ended 31st March, 2018
A. CASH FLOW FROM OPERATING ACTIVITIES		
Profit Before Tax & Regulatory Deferral Account Balances	**11,488.98**	10,269.62
Add: Net movement in Regulatory Deferral Account Balances (net of tax)	**(2,526.87)**	3,284.19
Add: Tax on Net movement in Regulatory Deferral Account Balances	**(694.08)**	44.23
Profit Before Tax (including net movement in Regulatory Deferral Account Balances)	**8,268.03**	13,598.04
Adjustment for :		
Depreciation & amortization expenses	**10,200.67**	9,091.25
Transfer from Grants in Aid	**(70.77)**	(12.13)
Deferred revenue - Advance against Depreciation	**(180.64)**	(120.72)
Provisions	**408.70**	31.67
Changes in fair value of financial assets through profit or loss	**(6.97)**	(14.28)
Net Loss on Disposal / Write off of Property, Plant & Equipment	**25.58**	10.30
Deferred Foreign Currency Fluctuation Asset	**(941.06)**	240.75
Deferred Income from Foreign Currency Fluctuation	**1,056.50**	(203.50)
Regulatory Deferral Account Debit Balances	**3,220.95**	(3,328.42)
Finance Costs	**9,091.42**	7,590.66
Provisions Written Back	**(28.25)**	(8.36)
FERV loss / (gain)	**(0.16)**	(0.32)
Interest income on Deposits, Bonds and loans to Subsidiaries & JVs	**(846.55)**	(537.71)
Dividend income	**(149.78)**	(94.05)
	21,779.64	12,645.14
Operating profit before Changes in Assets and Liabilities	**30,047.67**	26,243.18
Adjustment for Changes in Assets and Liabilities:		
(Increase)/Decrease in Inventories	**(172.23)**	(152.56)
(Increase)/Decrease in Trade Receivables	**(1,279.11)**	(433.60)
(Increase)/Decrease in Other Financial Assets	**(5,920.32)**	(2,091.45)
(Increase)/Decrease in Other Non-current Assets	**(92.33)**	74.93
(Increase)/Decrease in Other Current Assets	**120.38**	(310.82)
Increase/(Decrease) in Liabilities & Provisions	**2,646.83**	780.29
	(4,696.78)	(2,133.21)
Cash generated from operations	**25,350.89**	24,109.97
Direct taxes paid	**(2,201.97)**	(2,229.19)
Net Cash from Operating Activities	**23,148.92**	21,880.78
B. CASH FLOW FROM INVESTING ACTIVITIES		
Property, Plant & Equipment and Capital Work in Progress (Including Advances for Capital Expenditure)	**(19,462.03)**	(19,077.07)
Receipt of Grant	**3,684.53**	421.39
Investments in Subsidiaries & JVs	**(1,166.44)**	(318.68)
Loans & Advances to Subsidiaries & JVs (Including repayments)	**(2,770.73)**	(4,633.08)
Lease receivables	**10.21**	59.82
Interest received on Deposits, Bonds and Loans to Subsidiaries & JVs	**906.23**	472.59
Dividend received	**149.78**	94.05
Net Cash used in Investing Activities	**(18,648.45)**	(22,980.98)
C. CASH FLOW FROM FINANCING ACTIVITIES		
Proceeds from Borrowings		
Non Current	**19,489.58**	18,706.79
Current	**17,420.00**	6,675.00
Repayment of Borrowings		
Non Current	**(9,495.60)**	(6,236.67)
Current	**(14,120.00)**	(7,175.00)
Adjustment for Fair Valuation of Long Term Loans	**22.96**	22.31

Statement of Cash Flows for the year ended 31st March, 2019 (Contd.)

(₹ in Crore)

Particulars	For the year ended 31st March, 2019	For the year ended 31st March, 2018
Finance Costs paid	**(10,266.04)**	(8,959.48)
Dividend paid	**(4,514.87)**	(3,034.33)
Dividend Tax paid	**(909.57)**	(610.64)
Net Cash used in Financing Activities	**(2,373.54)**	(612.02)
D. Net change in Cash and Cash equivalents (A+B+C)	**2,126.93**	(1,712.22)
E. Cash and Cash equivalents (Opening balance)	**1,516.21**	3,228.43
F. Cash and Cash equivalents (Closing balance) (Refer Note No 15) *	**3,643.14**	1,516.21

The accompanying notes (1 to 68) form an integral part of financial statements

* Includes ₹ 3471.01 crore (Previous Year ₹ 1373.92 crore) held in designated accounts which is not available for use by the Company.

Further Notes:

1. Cash and cash equivalents consist of cheques, drafts, stamps in hands, balances with banks and deposits with original maturity of upto three months.
2. Previous year figures have been re-grouped / re-arranged wherever necessary.
3. Reconciliation between the opening and closing balances in the balance sheet for liabilities arising from financing activities.

(₹ in Crore)

Particulars	Non-current borrowings	Current borrowings
Opening Balance as at 1st April, 2018	1,33,660.62	1,000.00
Net Cash Flows during the year	336.68	3,300.00
Non-cash changes due to :		
- Interest on borrowings	9,601.06	
- Variation in exchange rates	1,556.46	
- Fair value adjustments	22.96	
Closing Balance as at 31st March, 2019	**1,45,177.78**	**4,300.00**

(₹ in Crore)

Particulars	Non-current borrowings	Current borrowings
Opening Balance as at 1st April, 2017	1,20,368.76	1,500.00
Net Cash Flows during the year	5,472.50	(500.00)
Non-cash changes due to :		
- Interest on borrowings	7,274.43	
- Variation in exchange rates	522.62	
- Fair value adjustments	22.31	
Closing Balance as at 31st March, 2018	**1,33,660.62**	**1,000.00**

For and on behalf of the Board of Directors

Divya Tandon
Company Secretary

K. Sreekant
Director (Finance)

Ravi P Singh
Director (Personnel)

As per our report of even date

For S.K. Mittal & Co.	**For R.G.N.Price & Co.**	**For Kothari & Co.**	**For Parakh & Co.**
Chartered Accountants	Chartered Accountants	Chartered Accountants	Chartered Accountants
Firm Regn No. 001135N	Firm Regn No. 002785S	Firm Regn No. 301178E	Firm Regn No. 001475C
(CA S. Murthy)	**(CA Rangarajan Raghavan Iyengar)**	**(CA Manaswy Kothari)**	**(CA Gotam Kumar Bagariya)**
Partner	Partner	Partner	Partner
M.No. 072290	M.No. 041883	M.No. 064601	M.No. 425104

Place: New Delhi
Date: 29th May, 2019

Notes to Separate Financial Statements

1. Corporate and General Information

Power Grid Corporation of India Limited ('the Company') is a public company domiciled and incorporated in India under the provisions of Companies Act and its shares are listed on the National Stock Exchange (NSE) and BSE Limited (BSE) in India. The registered office of the Company is situated at B-9, Qutab Institutional Area, Katwaria Sarai, New Delhi, India and its Corporate Office is located at Saudamini, Plot No.2, Sector-29, Gurgaon, Haryana.

The Company is notified as the Central Transmission Utility (CTU) under The Electricity Act, 2003. It is principally engaged in planning, implementation, operation and maintenance of Inter-State Transmission System (ISTS), Telecom and consultancy services.

The financial statements of the company for the year ended March 31, 2019 were approved for issue by the Board of Directors on 29th May, 2019.

2. Significant Accounting Policies

2.1 Basis of Preparation

i) Compliance with Ind AS

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

ii) Basis of Measurement

The financial statements have been prepared on accrual basis and under the historical cost convention except following which have been measured at fair value:

- Certain financial assets and liabilities measured at fair value (refer Note no. 2.13 for accounting policy regarding financial instruments),
- Defined benefit plans – plan assets measured at fair value

iii) Functional and presentation currency

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

iv) Use of estimates

The preparation of financial statements requires estimates and assumptions that affect the reported amount of assets, liabilities, revenue and expenses during the reporting period. Although, such estimates and assumptions are made on a reasonable and prudent basis taking into account all available information, actual results could differ from these estimates. The estimates and underlying assumptions are reviewed on an ongoing basis. Revisions to accounting estimates are recognised in the period in which the estimate is revised if the revision effects only that period or in the period of the revision and future periods if the revision affects both current and future years (refer Note no. 3 on critical accounting estimates, assumptions and judgments).

v) Current and non-current classification

The 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

The Company had opted to consider the carrying value of Property, Plant and Equipment as per previous GAAP on the date of transition to Ind AS (1st April, 2015) to be the deemed cost as per Ind AS 101 'First time Adoption of Indian Accounting Standards'.

Initial Recognition and Measurement

Property, Plant and Equipment is initially measured at cost of acquisition/construction including any costs directly attributable to bringing the asset to the location and condition necessary for it to be capable of operating in the manner intended by management.

After initial recognition, Property, Plant and Equipment is carried at cost less accumulated depreciation / amortisation and accumulated impairment losses, if any.

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.

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

Assets and systems common to more than one transmission system are capitalized on the basis of technical estimates/ assessments.

Transmission system assets are considered as ready for intended use from the date of commercial operation declared in terms of CERC Tariff Regulations 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 leveling, 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 Corporate office, Regional Offices and Projects, attributable to construction of property, plant and equipment are identified and allocated on a systematic basis to the cost of the related assets.

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

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

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

2.4 Intangible Assets and Intangible Assets under development

The Company had opted to consider the carrying value of Intangible Assets as per previous GAAP on the date of transition to Ind AS (1st April, 2015) to be the deemed cost as per Ind AS 101 'First time Adoption of Indian Accounting Standards'.

Intangible assets 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.

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

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

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

2.5 Investment property

The Company had opted to consider the carrying value of Investment Property as per previous GAAP on the date of transition to Ind AS (1st April, 2015) to be the deemed cost as per Ind AS 101 'First time Adoption of Indian Accounting Standards'.

Investment property comprises portions of land and/or buildings that are held for long term rental yields and/or for capital appreciation.

Investment properties are initially measured at cost, including transaction costs. Subsequent to initial recognition, investment properties are carried at cost less accumulated depreciation and accumulated impairment loss, if any.

Transfers to or from investment property is made when and only when there is a change in use.

Investment properties are derecognised either when they have been disposed off or when they are permanently withdrawn from use and no future economic benefit is expected from their disposal. The difference between the net disposal proceeds and the carrying amount of the asset is recognised as profit or loss in the period of derecognition.

2.6 Depreciation / Amortisation

Property, Plant & Equipment

Depreciation/amortisation on the assets related to transmission business is provided on straight line method following the rates and methodology notified by the CERC for the purpose of recovery of tariff and on assets of telecom and consultancy business is provided on straight line method as per useful life specified in Schedule II of the Companies Act, 2013 except for assets specified in the following paragraphs.

ULDC assets commissioned prior to 1st April 2014 are depreciated on Straight Line Method @ 6.67% per annum. Such assets commissioned on or after 1st April 2014 are depreciated on straight line method following the rates and methodology notified by the CERC for the purpose of recovery of tariff.

In the case of property, plant and equipment of National Thermal Power Corporation Limited (NTPC), National Hydro-Electric Power Corporation Limited (NHPC), North-Eastern Electric Power Corporation Limited (NEEPCO), Neyveli Lignite Corporation Limited (NLC) transferred w.e.f. April 1, 1992, Jammu and Kashmir Lines w.e.f. April 1, 1993, and Tehri Hydro Development Corporation Limited (THDC) w.e.f. August 1, 1993, depreciation is charged based on gross block as indicated in transferor's books with necessary adjustments so that the life of the assets as laid down in the CERC notification for tariff is maintained.

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.

Depreciation on buildings held as investment property is provided on straight line method as specified in Schedule II of The Companies Act, 2013.

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 assets 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.

Fixed Assets 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, except for telecom and consultancy business assets where residual life is determined on the basis of useful life of property, plant and equipment as specified in Schedule II of the Companies Act, 2013.

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

The residual values, useful lives and methods of depreciation for assets other than assets related to transmission business are reviewed at each financial year-end and adjusted prospectively, wherever required.

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.

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

Expenditure on development of 1200kv Transmission System shall be amortised over a period of 10 years.

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

The 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".

2.7 Borrowing Costs

All the borrowed funds (except short term funds for working capital) are earmarked to specific projects. The borrowing costs (including bond issue expenses, interest, discount on bonds, front end fee, guarantee fee, management fee etc.) are allocated to the projects in proportion to the funds so earmarked.

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

Other borrowing costs are charged to revenue.

2.8 Impairment of non-financial assets

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

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

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

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

2.9 Cash and cash equivalents

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

2.10 Inventories

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

2.11 Leases

i) As a Lessor

The determination of whether an arrangement is (or contains) a lease is based on the substance of the arrangement at the inception of the lease. The arrangement is, or contains, a lease if fulfillment of the arrangement is dependent on the use of a specific asset or assets and the arrangement conveys a right to use the asset or assets, even if that right is not explicitly specified in an arrangement.

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

a) Finance leases

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

State sector Unified Load Dispatch Centre (ULDC)/ Fiber Optic Communication Assets (FOC)/Bilateral line assets leased to the beneficiaries are considered as Finance Lease. Net investment in such leased assets are recorded as receivable at the lower of the fair value of the leased property and the present value of the minimum lease payments along with accretion in subsequent years is accounted for as Lease Receivables under current and non-current other financial assets. Wherever grant-in-aid is received for construction of State Sector ULDC, lease receivable is accounted for net of such grant.

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

FERV on foreign currency loans relating to leased assets is adjusted to the amount of lease receivables and is amortised over the remaining tenure of lease. FERV recovery (as per CERC norms) from the constituents is recognised net of such amortised amount.

b) Operating leases

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

For operating leases, the asset is 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.

ii) As a Lessee

a) Finance lease

Leases of property, plant and equipment where the company, as lessee has substantially all risks and rewards of ownership are

classified as finance lease. On initial recognition, assets held under finance lease are recorded as property, plant and equipment and related liability is recognized under borrowings. At inception of the lease, finance leases are recorded at amount equal to fair value of leased asset or if lower, the present value of minimum lease payments. Minimum lease payments under finance leases are apportioned between the finance expense and reduction of the finance liability.

The finance expense is allocated to each period during the lease term so as to produce a constant periodic rate of interest on the remaining balance of the liability.

b) Operating leases

Payments made under operating leases are recognized as an expense over the lease term.

2.12 Employee benefits

2.12.1 Defined contribution plans

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

The Company has a defined contribution pension scheme which is administered through a separate trust. The obligation of the Company is to contribute to the trust to the extent of amount not exceeding 30% of basic pay and dearness allowance less employer's contribution towards provident fund, gratuity, post retirement medical facility (PRMF) or any other retirement benefits. The contributions to the fund for the year are recognized as an expense and charged to the statement of profit and loss.

2.12.2 Defined benefit plans

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

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

The Company pays fixed contribution to Provident Fund at predetermined rates to a separate trust, which invests the funds in permitted securities. The contributions to the fund for the year are recognized as expense and are charged to the statement of profit and loss. The obligation of the Company is limited to such fixed contributions and to ensure a minimum rate of interest on contributions to the members as specified by the Government of India (GoI).

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

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

The calculation is performed annually by a qualified actuary using the projected unit credit method. When the calculation results in a benefit to the Company, the recognized asset is limited to the total of any unrecognized past service costs and the present value of economic benefits available in the form of any future refunds from the plan or reductions in future contributions to the plan. An economic benefit is available to the Company if it is realizable during the life of the plan, or on settlement of the plan liabilities. Any actuarial gains or losses are recognized in OCI in the period in which they arise.

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

2.12.3 Other long-term employee benefits

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

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

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

2.12.4 Short-term benefits

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

A liability is recognized for the amount expected to be paid under performance related pay if the Company has a present legal or

constructive obligation to pay this amount as a result of past service provided by the employee and the obligation can be estimated reliably.

2.13 Financial instruments

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

Financial Assets

Classification

The Company classifies its financial assets in the following categories:

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

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).

Equity investments

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

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

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.

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.

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 unfavorable 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 as well as through the EIR amortisation process.

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.

2.14 Investment in Subsidiaries

A subsidiary is an entity controlled by the Company. Control exists when the Company has power over the entity, is exposed, or has rights to variable returns from its involvement with the entity and has the ability to affect those returns by using its power over the entity.

Power is demonstrated through existing rights that give the ability to direct relevant activities, those which significantly affect the entity's returns.

Investments in subsidiaries are carried at cost. The cost comprises price paid to acquire investment and directly attributable cost.

2.15 Investment in Joint Ventures and Associates

A joint venture is a type of joint arrangement whereby the parties that have joint control of the arrangement have rights to the net assets of the joint venture. Joint control is the contractually agreed sharing of control of an arrangement, which exists only when decisions about the relevant activities require unanimous consent of the parties sharing control.

The investment in joint ventures and associates are carried at cost. The cost comprises price paid to acquire investment and directly attributable cost.

2.16 Foreign Currency Translation

(a) Functional and presentation currency

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

(b) Transactions and balances

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

Foreign exchange gains and losses (other than related to foreign currency loans outstanding) are presented in the statement of profit and loss on a net basis within other gains/(losses).

The Company has availed the exemption available in Ind AS 101, to continue the policy adopted for accounting for exchange differences arising from translation of long-term foreign currency monetary liabilities outstanding as on March 31, 2016.

Foreign currency loans outstanding as on March 31, 2016:

Foreign Exchange Rate Variation (FERV) arising on settlement / translation of such foreign currency loans relating to property, plant and equipment/ capital work-in-progress is adjusted to the carrying cost of related assets and is recoverable/payable from the beneficiaries on actual payment basis as per Central Electricity Regulatory Commission (CERC) norms w.e.f. 1st April, 2004 or Date of Commercial Operation (DOCO) whichever is later. The above FERV to the extent recoverable or payable as per the CERC norms is accounted for as follows:

i) FERV recoverable/payable adjusted to carrying cost of property, plant and equipment is accounted for as 'Deferred foreign currency fluctuation asset/liability a/c' with a corresponding credit/debit to 'Deferred income/expenditure from foreign currency fluctuation a/c'.

ii) 'Deferred income/expenditure from foreign currency fluctuation a/c' is amortized in the proportion in which depreciation is charged on such FERV.

iii) The amount recoverable/payable as per CERC norms on year to year basis is adjusted to the 'Deferred foreign currency fluctuation asset/liability a/c' with corresponding debit / credit to the trade receivables.

FERV earlier charged to Statement of Profit and Loss & included in the capital cost for the purpose of tariff is adjusted against 'Deferred foreign currency fluctuation asset/liability a/c'.

FERV arising out of settlement/translation of long term monetary items (other than foreign currency loans) relating to Property Plant & Equipment /CWIP is adjusted in the carrying cost of related assets.

FERV arising during the construction period from settlement/translation of monetary items (other than non current loans) denominated in foreign currency to the extent recoverable/payable to the beneficiaries as capital cost as per CERC tariff Regulation are accounted as Regulatory Deferral Account Balances. Transmission charges recognised on such amount is adjusted against above account. Other exchange differences are recognized as income or expenses in the period in which they arise.

Foreign currency loans drawn on or after April 1, 2016:

Exchange differences arising from foreign currency borrowing to the extent regarded as an adjustment to interest costs are treated as borrowing cost. Other exchange differences are recognized in the Statement of Profit and Loss.

Exchange difference to the extent recoverable as per CERC tariff regulations are recognized as Regulatory Deferral Account Balances through Statement of Profit and Loss.

2.17 Income Tax

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

Current income tax

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

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.

2.18 Regulatory Deferral Account Balances

Certain expenses and income, allowed under CERC regulations to be reimbursed by/passed on to beneficiaries in future, are to be accounted in the Statement of Profit and Loss as per the provisions of Ind AS 114 'Regulatory Deferral Accounts'. Such expenses and income, to the extent recoverable /payable as part of tariff under CERC Regulations are treated as Regulatory Deferral Assets/Liabilities.

The Company presents separate line items in the Balance Sheet for:

(a) the total of all Regulatory Deferral Account Debit Balances; and

(b) the total of all Regulatory Deferral Account Credit Balances.

A separate line item is presented in the profit or loss section of the Statement of Profit and Loss for the net movement in all Regulatory Deferral Account Balances for the reporting period.

Regulatory deferral accounts balances are adjusted in the year in which the same become recoverable from or payable to the beneficiaries.

2.19 Revenue

Revenue is measured based on the 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. The Company has applied Ind AS 115 using the cumulative effect method and therefore the comparative information has not been restated and continues to be reported under Ind AS 18 and Ind AS 11.

In the comparative period, revenue was measured at the fair value of the consideration received or receivable. Amounts disclosed as revenue are net of returns, trade allowances, rebates, GST and value added taxes.

Significant Financing Component

Where the period between the transfer of the promised goods or services to the customer and payment by the customer exceeds one year, the Company assesses the effects of significant financing component in the contract. As a consequence, the Company makes adjustment in the transaction prices for the effects of time value of money. No such adjustment has been made for the comparative period.

2.19.1 Revenue from Operations

Transmission

Transmission Income is accounted for based on tariff orders notified by the CERC. In case of transmission projects where final tariff orders are yet to be notified, transmission income is accounted for on provisional basis as per tariff regulations and orders of the CERC in similar cases. Difference, if any, is accounted on issuance of final tariff orders by the CERC. Transmission Income in respect of additional capital expenditure incurred after the date of commercial operation is accounted for based on expenditure incurred on year to year basis as per CERC tariff regulations. As at each reporting date, transmission income includes an accrual for services rendered to the customers but not yet billed i.e. Unbilled Revenue.

The Transmission system incentive / disincentive is accounted for based on certification of availability by the respective Regional Power Committees (RPCs) and in accordance with the CERC tariff regulations. Where certification by RPCs is not available, incentive/ disincentive is accounted for on provisional basis as per estimate of availability by the company and differences, if any is accounted upon certification by RPCs.

Advance against depreciation (AAD), forming part of tariff pertaining upto the block period 2004-09, to facilitate repayment of loans, was reduced from transmission income and considered as deferred income to be included in transmission income in subsequent years. The outstanding deferred income in respect of AAD is recognized as transmission income, after twelve years from the end of the financial year in which the asset was commissioned, to the extent depreciation recovered in the tariff during the year is lower than depreciation charged in the accounts.

Telecom Services

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

Consultancy Services

In respect of 'Cost-plus-consultancy contracts', involving execution on behalf of the client, revenue is recognized in proportion to the stage of completion of the work performed at the reporting date, which is determined based on input method.

Income from other consultancy contracts are accounted for on technical assessment of progress of services rendered.

In the comparative period, in respect of 'Cost-plus-consultancy contracts', involving execution on behalf of the client, income is accounted for (wherever initial advances received) in phased manner as under:

a) 10% on the issue of Notice Inviting Tender for execution

b) 5% on the Award of Contracts for execution

c) Balance 85% on the basis of actual progress of work including supplies

Income from other consultancy contracts are accounted for on technical assessment of progress of services rendered.

2.19.2 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.

Application Fees towards Long Term Open Access (LTOA) as per CERC Guidelines is accounted for on receipt.

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

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

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

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

2.20 Government Grants

Grants-in-aid from Central Government or other authorities towards capital expenditure for projects, betterment of transmission systems and specific depreciable assets initially are treated as deferred income when there is a reasonable assurance that they will be received and the Company will comply with the conditions associated with the grant. Deferred Income is recognized in the Statement of Profit and Loss over the useful life of related asset in proportion to which depreciation on these assets is provided. Grants that compensate the Company for expenses incurred are recognized over the period in which the related costs are incurred and deducted from the related expenses.

2.21 Dividends

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

2.22 Provisions and Contingencies

a) Provisions

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

b) Contingencies

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

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

2.23 Share capital and Other Equity

Ordinary shares are classified as equity.

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

Self-insurance reserve is created @ 0.12% p.a. on 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'.

2.24 Prior Period Items

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

2.25 Operating Segments

The Board of Directors is the Company's 'Chief Operating Decision Maker' or 'CODM' within the meaning of Ind AS 108 'Operating Segments'. CODM monitors the operating results of its business segments separately for the purpose of making decisions about resource allocation and performance assessment. Segment performance is evaluated based on profit or loss and is measured consistently with profit or loss in the financial statements.

The operating segments have been identified on the basis of the nature of products / services.

- Segment revenue includes sales and other income directly identifiable with / allocable to the segment including inter-segment transactions.
- Expenses that are directly identifiable with / allocable to segments are considered for determining the segment result. Expenses which relate to the Company as a whole and not allocable to segments are included under unallocable expenditure.
- Income which relates to the Company as a whole and not allocable to segments is included in unallocable income.
- Segment assets and liabilities include those directly identifiable with the respective segments. Unallocable assets and liabilities represent the assets and liabilities that relate to the Company as a whole and not allocable to any segment.
- Segment capital expenditure is the total cost incurred during the period to acquire property, plant and equipment, and intangible assets.

2.26 Earnings per Share

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

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

Additionally, basic and diluted earnings per share are computed using the earnings amounts excluding the movements in Regulatory Deferral Account Balances.

2.27 Cash Flow Statement

Cash flow statement 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:

Revenue Recognition:

Transmission income is accounted for based on tariff orders notified by the CERC. In case of transmission projects where final tariff orders are yet to be notified, transmission income is accounted for as per tariff regulations and other orders of the CERC in similar cases. Differences, if any, are accounted on issuance of final tariff orders by the CERC. Transmission income in respect of additional capital expenditure incurred after the date of commercial operation is accounted for based on expenditure incurred on year to year basis as per CERC tariff regulations.

Regulatory Deferral Balances:

Recognition of Regulatory Deferral Balances involves significant judgments including about future tariff regulations since these are based on estimation of the amounts expected to be recoverable/payable through tariff in future.

Estimation of defined benefit obligation

Estimation of defined benefit obligation involves certain significant actuarial assumptions which are listed in Note 66.

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

Useful life of property, plant and equipment

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

The Company reviewes at the end of each reporting date the useful life of plant and equipment, other than the assets of transmission business which are governed by CERC Regulations, and are adjusted prospectively, if appropriate.

Provisions and contingencies

The assessments undertaken in 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.

Note 4/Property, Plant and Equipment

(₹ in Crore)

Particulars	Cost					Accumulated depreciation					Net Book Value	
	As at 1st April, 2018	Additions during the year	Disposal	Adjustment during the year	As at 31st March, 2019	As at 1st April, 2018	Additions during the year	Disposal	Adjustment during the year	As at 31st March, 2019	As at 31st March, 2019	As at 31st March, 2018
Land												
a) Freehold	2,179.20	48.06	-	-	**2,227.26**	-	-	-	-	**-**	**2,227.26**	2,179.20
b) Leasehold	305.72	132.46	-	-	**438.18**	31.22	11.53	-	-	**42.75**	**395.43**	274.50
Buildings												
a) Sub-Stations & Office	1,281.79	218.06	-	(10.19)	**1,510.04**	103.46	53.74	-	(0.06)	**157.26**	**1,352.78**	1,178.33
b) Township	514.94	72.19	-	(0.67)	**587.80**	63.75	23.91	-	(0.01)	**87.67**	**500.13**	451.19
Temporary Erection	0.95	0.07	-	-	**1.02**	0.94	0.01	-	-	**0.95**	**0.07**	0.01
Roads & Bridges	163.90	8.76	-	(0.01)	**172.67**	21.99	7.16	-	-	**29.15**	**143.52**	141.91
Water Supply Drainage & Sewerage	96.54	1.50	-	(0.36)	**98.40**	12.87	4.32	-	-	**17.19**	**81.21**	83.67
Plant & Equipment												
a) Transmission	1,09,907.90	11,038.38	45.99	(879.64)	**1,21,779.93**	14,832.94	6,442.16	17.83	(4.94)	**21,262.21**	**1,00,517.72**	95,074.96
b) Sub-station	58,240.88	7,268.68	66.25	(368.65)	**65,811.96**	7,537.79	3,591.27	33.88	(0.94)	**11,096.12**	**54,715.84**	50,703.09
c) Unified Load Despatch & Communication	755.98	206.62	-	12.57	**950.03**	149.96	56.25	-	2.28	**203.93**	**746.10**	606.02
d) Telecom	1,057.15	43.20	-	(17.57)	**1,117.92**	289.87	102.63	-	(8.57)	**401.07**	**716.85**	767.28
Furniture Fixtures	109.52	21.14	0.25	0.07	**130.34**	20.50	8.54	0.06	0.02	**28.96**	**101.38**	89.02
Vehicles	3.33	0.28	0.71	-	**2.90**	1.11	0.32	0.16	(0.05)	**1.32**	**1.58**	2.22
Office equipment	190.20	18.84	0.37	(2.26)	**210.93**	27.17	13.43	0.13	(0.57)	**41.04**	**169.89**	163.03
Electronic Data Processing & Word Processing Machines	91.47	20.71	1.66	(0.17)	**110.69**	56.24	21.10	1.59	(0.08)	**75.83**	**34.86**	35.23
Construction and Workshop equipment	286.30	13.07	1.25	(0.02)	**298.14**	42.33	17.58	0.64	(0.37)	**59.64**	**238.50**	243.97
Electrical Installation	92.79	13.24	-	-	**106.03**	17.58	5.83	-	-	**23.41**	**82.62**	75.21
Laboratory Equipments	45.46	2.44	0.40	-	**47.50**	9.53	3.02	0.03	-	**12.52**	**34.98**	35.93
Workshop & Testing Equipments	155.78	79.50	0.14	1.68	**233.46**	14.95	10.78	0.03	-	**25.70**	**207.76**	140.83
Miscellaneous Assets/ Equipments	0.04	0.11	-	(0.01)	**0.16**	0.01	0.01	-	-	**0.02**	**0.14**	0.03
Total	**1,75,479.84**	**19,207.31**	**117.02**	**(1,265.23)**	**1,95,835.36**	**23,234.21**	**10,373.59**	**54.35**	**(13.29)**	**33,566.74**	**1,62,268.62**	**1,52,245.63**
Less: Provision for assets discarded	1.74	-	-	-	**1.74**	-	-	-	-	**-**	**1.74**	1.74
Grand Total	**1,75,478.10**	**19,207.31**	**117.02**	**(1,265.23)**	**1,95,833.62**	**23,234.21**	**10,373.59**	**54.35**	**(13.29)**	**33,566.74**	**1,62,266.88**	**1,52,243.89**

Note 4/Property, Plant and Equipment (Contd.)

(₹ in Crore)

Particulars	Cost					Accumulated depreciation					Net Book Value	
	As at 1st April, 2017	Additions during the year	Disposal	Adjustment during the year	As at 31st March, 2018	As at 1st April, 2017	Additions during the year	Disposal	Adjustment during the year	As at 31st March, 2018	As at 31st March, 2018	As at 31st March, 2017
Land												
a) Freehold	2,062.59	124.31	-	7.70	2,179.20	-	-	-	-	-	2,179.20	2,062.59
b) Leasehold	250.05	46.60	-	(9.07)	305.72	19.13	10.99	-	(1.10)	31.22	274.50	230.92
Buildings												
a) Sub-Stations & Office	869.89	419.74	-	7.84	1,281.79	57.98	45.66	-	0.18	103.46	1,178.33	811.91
b) Township	441.96	72.98	-	-	514.94	41.91	21.84	-	-	63.75	451.19	400.05
Temporary Erection	0.84	0.11	-	-	0.95	0.83	0.10	-	(0.01)	0.94	0.01	0.01
Roads & Bridges	154.50	9.40	-	-	163.90	15.12	6.87	-	-	21.99	141.91	139.38
Water Supply Drainage & Sewerage	92.91	3.63	-	-	96.54	8.65	4.22	-	-	12.87	83.67	84.26
Plant & Equipment												
a) Transmission	96,162.42	13,992.90	124.10	123.32	1,09,907.90	9,040.07	5,825.59	55.27	(22.55)	14,832.94	95,074.96	87,122.35
b) Sub-station	45,960.56	12,218.94	54.25	(115.63)	58,240.88	4,483.08	3,061.96	15.19	(7.94)	7,537.79	50,703.09	41,477.48
c) Unified Load Despatch & Communication	605.42	137.97	-	(12.59)	755.98	90.21	51.99	-	(7.76)	149.96	606.02	515.21
d) Telecom	918.87	153.39	-	15.11	1,057.15	193.00	104.60	-	7.73	289.87	767.28	725.87
Furniture Fixtures	98.08	11.93	0.44	0.05	109.52	12.53	8.07	0.27	(0.17)	20.50	89.02	85.55
Vehicles	2.74	0.59	-	-	3.33	0.66	0.45	-	-	1.11	2.22	2.08
Office equipment	132.59	96.52	0.43	38.48	190.20	15.34	11.60	0.26	(0.49)	27.17	163.03	117.25
Electronic Data Processing & Word Processing Machines	74.29	17.59	0.33	0.08	91.47	35.99	19.79	0.28	(0.74)	56.24	35.23	38.30
Construction and Workshop equipment	248.31	38.37	0.38	-	286.30	26.05	16.50	0.22	-	42.33	243.97	222.26
Electrical Installation	82.34	7.23	-	(3.22)	92.79	11.59	5.80	-	(0.19)	17.58	75.21	70.75
Laboratory Equipments	41.74	3.83	0.11	-	45.46	6.45	3.08	-	-	9.53	35.93	35.29
Workshop & Testing Equipments	120.31	35.67	0.20	-	155.78	7.56	7.54	0.17	(0.02)	14.95	140.83	112.75
Miscellaneous Assets/ Equipments	0.05	-	0.01	-	0.04	-	0.01	-	-	0.01	0.03	0.05
Total	**1,48,320.46**	**27,391.70**	**180.25**	**52.07**	**1,75,479.84**	**14,066.15**	**9,206.66**	**71.66**	**(33.06)**	**23,234.21**	**1,52,245.63**	**1,34,254.31**
Less: Provision for assets discarded	1.74	-	-	-	1.74	-	-	-	-	-	1.74	1.74
Grand Total	**1,48,318.72**	**27,391.70**	**180.25**	**52.07**	**1,75,478.10**	**14,066.15**	**9,206.66**	**71.66**	**(33.06)**	**23,234.21**	**1,52,243.89**	**1,34,252.57**

4. Property, Plant and Equipment (Contd.)

Further Notes:

a) The Company owns 7251 hectare (Previous Year 7232 hectare) of land amounting to ₹2665.44 Crore (Previous Year ₹2484.92 Crore) which has been classified into freehold land 6211 hectare (Previous Year 6197 hectare) amounting to ₹2227.26 Crore (Previous Year ₹2179.20 Crore) and leasehold land 1040 hectare (Previous Year 1035 hectare) amounting to ₹438.18 Crore (Previous Year ₹305.72 Crore) based on available documentation.

b) Freehold land acquired by the company includes 188.50 hectare (Previous Year 268.50 hectare) amounting to ₹144.27 Crore (Previous Year ₹230.05 Crore) in respect of which conveyance deed in favour of the company is pending and 118.60 hectare (Previous Year 289.81 hectare) amounting to ₹60.50 Crore (Previous Year ₹224.78 Crore) in respect of land acquired by the company for which mutation in revenue records is pending.

c) i) The land classified as leasehold land held in the state of Jammu and Kashmir with area of 113.88 hectare (Previous Year 113.88 hectare) amounting to ₹83.90 Crore (Previous Year ₹80.46 Crore) is acquired by state government as per procedures under State Land Acquisition Act. As per prevailing law the state government remains the owner of the land so acquired and company is only given possession for the specific use.

ii) The transmission system situated in the state of Jammu and Kashmir have been taken over by the company w.e.f. 1st April 1993 from National Hydroelectric Power Corporation of India Limited (NHPC) upon mutually agreed terms pending completion of legal formalities.

iii) Leasehold land includes area of 2.65 hectare (Previous Year 2.65 hectare) amounting to ₹13.97 Crore (Previous Year ₹13.97 Crore) in respect of land in Chamba (HP) acquired from NHPC by the company for which legal formalities are pending.

iv) Leasehold land other than above includes 133.91 hectare (Previous Year 130.60 hectare) amounting to ₹186.11 Crore (Previous Year ₹55.86 Crore) in respect of which lease agreements/ legal formalities are pending.

d) Leasehold land includes area of 0.41 hectare (Previous Year 0.41 hectare) amounting to ₹7.64 Crore (Previous Year ₹7.64 Crore) in respect of land acquired for office complex on perpetual lease basis and hence not amortised.

e) Township building includes ₹2.95 Crore (Previous Year ₹2.95 Crore) for 28 flats at Mumbai, for which registration in favour of the company is pending. Out of the above flats, 17 flats are occupied by employees of M/S Power System Operation Corporation Ltd.

f) 5.63 hectare of land (Previous Year 5.63 hectare) having value of ₹0.04 Crore (Previous Year ₹0.04 Crore) has been transferred to National High Power Test Laboratory Pvt. Ltd. on right to use without granting ownership.

g) Refer note 23 for information on property, plant and equipment, pledged as security by the company.

Note 5/Capital work in progress

(₹ in Crore)

Particulars	As at 1st April, 2018	Additions during the year	Adjustments	Capitalised during the year	As at 31st March, 2019
Land					
Development of land	10.76	0.39	-	4.71	**6.44**
Buildings					
a) Sub-Stations & Office	151.65	89.18	-	142.68	**98.15**
b) Township	97.00	88.24	-	69.51	**115.73**
Roads & Bridges	18.66	5.24	-	5.63	**18.27**
Water Supply Drainage and Sewerage	3.22	0.32	-	-	**3.54**
Plant & Equipments (including associated civil works)					
a) Transmission	11,851.80	7,293.42	-	9,547.28	**9,597.94**
b) Sub-Station	7,000.35	9,637.03	(0.01)	6,772.92	**9,864.47**
c) Unified Load Despatch & Communication	464.29	228.66	20.93	193.68	**478.34**
d) Telecom	46.90	52.18	-	23.76	**75.32**
Furniture & Fixtures	-	0.57	-	0.57	**-**
Other office equipments	8.88	7.73	-	6.78	**9.83**
Electrical Installations	0.93	11.72	-	9.21	**3.44**
Construction Stores (Net of Provision)	7,589.19	2,872.97	-	-	**10,462.16**
Expenditure pending allocation					
i) Survey, investigation, consultancy & supervision Charges	32.95	-	8.42	18.10	**6.43**
ii) Difference in Exchange on foreign currency loans	187.89	(14.97)	-	45.59	**127.33**
iii) Expenditure during construction period(net) (Note 43)	2,798.96	1,653.67	4.86	1,948.88	**2,498.89**
	30,263.43	**21,926.35**	**34.20**	**18,789.30**	**33,366.28**
Less: Provision for unserviceable Assets	2.26	-	-	-	**2.26**
Grand Total	**30,261.17**	**21,926.35**	**34.20**	**18,789.30**	**33,364.02**

(₹ in Crore)

Particulars	As at 1st April, 2017	Additions during the year	Adjustments	Capitalised during the year	As at 31st March, 2018
Land					
Development of land	25.16	60.84	-	75.24	10.76
Buildings					
a) Sub-Stations & Office	386.96	127.09		362.40	151.65
b) Township	67.59	64.83	-	35.42	97.00
Roads & Bridges	20.46	7.60	-	9.40	18.66
Water Supply Drainage and Sewerage	3.06	0.16	-	-	3.22
Plant & Equipments (including associated civil works)					
a) Transmission	15,449.54	9,128.01	0.26	12,725.49	11,851.80
b) Sub-Station	8,257.71	9,576.85	0.37	10,833.84	7,000.35
c) Unified Load Despatch & Communication	375.00	233.37	6.11	137.97	464.29
d) Telecom	66.99	69.86	-	89.95	46.90
Other office equipments	6.49	4.25	-	1.86	8.88
Electrical Installations	0.55	1.77	-	1.39	0.93
Construction Stores (Net of Provision)	7,664.18	-	74.99	-	7,589.19
Expenditure pending allocation					
i) Survey, investigation, consultancy & supervision Charges	23.18	14.40	-	4.63	32.95
ii) Difference in Exchange on foreign currency loans	69.49	170.00	-	51.60	187.89
iii) Expenditure during construction period(net) (Note 43)	3,394.08	2,207.39	0.57	2,801.94	2,798.96
	35,810.44	**21,666.42**	**82.30**	**27,131.13**	**30,263.43**
Less: Provision for unserviceable Assets	3.64	-	1.38	-	2.26
Grand Total	**35,806.80**	**21,666.42**	**80.92**	**27,131.13**	**30,261.17**

Note 5/Capital work in progress (Contd.)

(Details of Construction stores) (At cost)

(₹ in Crore)

Particulars	As at 31st March, 2019	As at 31st March, 2018
Construction Stores		
Towers	**1169.06**	1442.08
Conductors	**2566.47**	2364.57
Other Line Materials	**489.92**	547.97
Sub-Station Equipments	**2333.70**	1982.03
High Voltage Direct Current (HVDC) Equipments	**3473.09**	704.51
Unified Load Despatch & Communication(ULDC) Materials	**219.08**	387.36
Telecom Materials	**52.29**	37.54
Others	**158.55**	123.13
	10462.16	7589.19
Less: Provision for shortages and obsolete material	-	-
Total	**10462.16**	7589.19
Construction Stores include:		
i) Material in transit		
Towers	**0.35**	3.84
Other Line Materials	**18.18**	12.38
Sub-Station Equipments	**155.15**	158.41
High Voltage Direct Current (HVDC) Equipments	**723.53**	45.22
Others	**2.22**	2.35
Total	**899.43**	222.20
ii) Material with Contractors		
Towers	**1168.71**	1438.24
Conductors	**2566.47**	2364.56
Other Line Materials	**471.73**	535.60
Sub-Station Equipments	**2178.56**	1823.62
High Voltage Direct Current (HVDC) Equipments	**2749.55**	659.29
Unified Load Despatch & Communication (ULDC) Materials	**219.08**	387.36
Telecom Materials	**52.29**	37.54
Others	**156.34**	120.78
Total	**9562.73**	7366.99
Grand total	**10462.16**	7589.19

Further Notes:

Materials with Contractors amounting to ₹334.62 crore (Previous Year ₹488.14 crore) in respect of commissioned lines is pending for reconciliation. However reconciliation are carried out on ongoing basis.

Note 6/Investment Property

(₹ in Crore)

Particulars	Cost					Accumulated Amortisation					Net Book Value	
	As at 1st April, 2018	Additions during the year	Disposal	Adjustment during the year	As at 31st March, 2019	As at 1st April, 2018	Additions during the year	Disposal	Adjustment during the year	As at 31st March, 2019	As at 31st March, 2019	As at 31st March, 2018
Land (Freehold)	0.02	-	-	-	**0.02**	-	-	-	-	**-**	**0.02**	0.02
Buildings	0.01	-	-	-	**0.01**	-	-	-		**-**	**0.01**	0.01
Total	**0.03**	**-**	**-**	**-**	**0.03**	**-**	**-**	**-**	**-**	**-**	**0.03**	**0.03**

(₹ in Crore)

Particulars	Cost					Accumulated Amortisation					Net Book Value	
	As at 1st April, 2017	Additions during the year	Disposal	Adjustment during the year	As at 31st March, 2018	As at 1st April, 2017	Additions during the year	Disposal	Adjustment during the year	As at 31st March, 2018	As at 31st March, 2018	As at 31st March, 2017
Land (Freehold)	0.02	-	-	-	0.02	-	-	-	-	-	0.02	0.02
Buildings	0.01	-	-	-	0.01	-		-		-	0.01	0.01
Total	**0.03**	**-**	**-**	**-**	**0.03**	**-**	**-**	**-**	**-**	**-**	**0.03**	**0.03**

Note 6/Investment Property (Contd.)

Futher Notes :

(i) Amount recognised in profit and loss for investment property

(₹ in Crore)

	For the year ended 31st March, 2019	For the year ended 31st March, 2018
Rental income	**-**	0.80
Direct operating expenses from property that generated rental income	**-**	-
Direct operating expenses from property that did not generate rental income	**-**	-
Profit from investment property before depreciation	**-**	0.80
Depreciation	**-**	-
Profit from investment property	**-**	0.80

(ii) Contractual obligations

(₹ in Crore)

	31st March, 2019	31st March, 2018
Contractual obligation for future repairs and maintenance not recognised as a liability	**NIL**	0.80

(iii) Leasing arrangements

Minimum lease payments receivable under non-cancellable operating leases of investment property are as follows:-

(₹ in Crore)

	31st March, 2019	31st March, 2018*
Within one year	**-**	-
Later than one year but not later than 5 years	**-**	-
Later than 5 years	**-**	-

* Lease agreement ended with mutual consent during the year w.e.f 15th March 2018 and no new lease agreement has been entered.

(iv) Fair value

(₹ in Crore)

	31st March, 2019	31st March, 2018
Investment property	**2.83**	2.98

Estimation of fair value

The fair values of investment property has been determined by independent valuer. The main inputs used are the rental growth rates, expected vacancy rates, terminal yields and discount rates based on comparable transactions and industry data. All resulting fair value estimates for investment property are included in level 2.

Note 7/Other Intangible assets

(₹ in Crore)

Particulars	Cost					Accumulated Amortisation					Net Book Value	
	As at 1st April, 2018	Additions during the year	Disposal	Adjustment during the year	As at 31st March, 2019	As at 1st April, 2018	Additions during the year	Disposal	Adjustment during the year	As at 31st March, 2019	As at 31st March, 2019	As at 31st March, 2018
Electronic Data Processing Software	46.97	7.77	-	(0.12)	**54.86**	42.17	4.81	-	(0.12)	**47.10**	**7.76**	4.80
Right of Way-Afforestation Expenses	1502.81	275.13	-	(51.61)	**1829.55**	200.38	97.97	-	-	**298.35**	**1531.20**	1302.43
Telecom Licenses	2.80	-	-	-	**2.80**	0.13	0.14	-	-	**0.27**	**2.53**	2.67
Development of 1200 KV TS*	69.57	2.29	-	-	**71.86**	13.01	7.24	-	-	**20.25**	**51.61**	56.56
Total	**1,622.15**	**285.19**	**-**	**(51.73)**	**1,959.07**	**255.69**	**110.16**	**-**	**(0.12)**	**365.97**	**1,593.10**	**1,366.46**

*Internally generated intangible asset

(₹ in Crore)

Particulars	Cost					Accumulated Amortisation					Net Book Value	
	As at 1st April, 2017	Additions during the year	Disposal	Adjustment during the year	As at 31st March, 2018	As at 1st April, 2017	Additions during the year	Disposal	Adjustment during the year	As at 31st March, 2018	As at 31st March, 2018	As at 31st March, 2017
Electronic Data Processing Software	42.21	4.67	-	(0.09)	46.97	30.21	11.96	-	-	42.17	4.80	12.00
Right of Way-Afforestation Expenses	1,297.34	211.32	-	5.85	1,502.81	118.44	81.94	-	-	200.38	1,302.43	1,178.90
Telecom Licenses	2.50	2.80	2.50	-	2.80	1.37	0.13	1.37	-	0.13	2.67	1.13
Development of 1200 KV TS*	69.41	-	-	(0.16)	69.57	6.05	6.96	-	-	13.01	56.56	63.36
Total	**1,411.46**	**218.79**	**2.50**	**5.60**	**1,622.15**	**156.07**	**100.99**	**1.37**	**-**	**255.69**	**1,366.46**	**1,255.39**

*Internally generated intangible asset

Note 8/Intangible assets under development

(₹ in Crore)

Particulars	As at 1st April, 2018	Additions	Adjustments	Capitalised during the year	As at 31st March, 2019
Electronic Data Processing Software	-	4.47	-	4.47	-
Right of Way-Afforestation expenses	45.95	328.17	-	160.06	**214.06**
Development of 1200 KV TS	-	5.68	3.39	2.29	-
Total	**45.95**	**338.32**	**3.39**	**166.82**	**214.06**

(₹ in Crore)

Particulars	As at 1st April, 2017	Additions	Adjustments	Capitalised during the year	As at 31st March, 2018
Electronic Data Processing Software	0.07	1.77	-	1.84	-
Right of Way-Afforestation expenses	61.38	71.99	-	87.42	45.95
Development of 1200 KV TS	15.88	-	15.88	-	-
Total	**77.33**	**73.76**	**15.88**	**89.26**	**45.95**

Note 9/Investments

(₹ in Crore)

Particulars	As at 31st March, 2019	As at 31st March, 2018
Investments in Equity Instruments (Fully paid up)		
Investments at Fair Value through Other Comprehensive Income (OCI)		
Quoted		
PTC India Limited		
12000006 (Previous Year 12000006) Equity Shares of ₹10/- each	**88.14**	104.88
Unquoted		
Energy Efficiency Services Limited		
37704350 (Previous Year 22500000) Equity Shares of ₹10/- each	**41.70**	23.90
Investments at Cost (Fully paid up)		
Unquoted		
i) Subsidiary Companies		
Powergrid NM Transmission Limited		
264000000 (Previous Year 212000000) Equity Shares of ₹10 each.	**264.00**	212.00
Powergrid Vemagiri Transmission Limited		
50000 (Previous Year 50000) Equity Shares of ₹10 each.	**0.05**	0.05
Less: Provision for diminution in the value of Investment	**0.05**	0.05
	-	-
Powergrid Vizag Transmission Limited		
209730000 (Previous Year 209730000) Equity Shares of ₹10 each.	**209.73**	209.73
Powergrid Unchahar Transmission Limited		
12961067 (Previous Year 12961067) Equity Shares of ₹10 each.	**12.96**	12.96
Powergrid Kala Amb Transmission Limited		
61000000 (Previous Year 56000000) Equity Shares of ₹10 each.	**61.00**	56.00
POWERGRID-Jabalpur Transmission Limited		
173150000 (Previous Year 150000) Equity Shares of ₹10 each.	**173.15**	0.15
POWERGRID Warora Transmission Limited		
326300000 (Previous Year 176300000) Equity Shares of ₹10 each.	**326.30**	176.30
POWERGRID Parli Transmission Limited		
228500000 (Previous Year 100000) Equity Shares of ₹10 each.	**228.50**	0.10

Note 9/Investments (Contd.)

(₹ in Crore)

Particulars	As at 31st March, 2019	As at 31st March, 2018
POWERGRID Southern Interconnector Transmission System Limited		
515504000 (Previous Year 50000) Equity Shares of ₹10 each.	**515.50**	0.05
Powergrid Medinipur Jeerat Transmission Limited		
10000 (Previous Year 10000) Equity Shares of ₹10 each.	**0.01**	0.01
Powergrid Mithilanchal Transmission Limited		
50000 (Previous Year 50000) Equity Shares of ₹10 each.	**0.05**	0.05
POWERGRID Varanasi Transmission System Limited		
50000 (Previous Year 50000) Equity Shares of ₹10 each.	**0.05**	0.05
POWERGRID Jawaharpur Firozabad Transmission Limited		
50000 (Previous Year NIL) Equity Shares of ₹10 each.	**0.05**	-
	1791.30	**667.40**
ii) Joint Venture Companies		
Torrent Power Grid Limited		
23400000 (Previous Year 23400000) Equity Shares of ₹10/- each.	**23.40**	23.40
Jaypee Powergrid Limited		
78000000 (Previous Year 78000000) Equity Shares of ₹10/- each.	**78.00**	78.00
Parbati Koldam Transmission Company Limited		
70937620 (Previous Year 70937620) Equity Shares of ₹10/- each.	**70.94**	70.94
Teestavalley Power Transmission Limited		
105560000 (Previous Year 94277820) Equity Shares of ₹10/- each.	**105.56**	94.28
Powerlinks Transmission Limited		
229320000 (Previous Year 229320000) Equity Shares of ₹10/- each.	**229.32**	229.32
North East Transmission Company Limited		
106964000 (Previous Year 106964000) Equity Shares of ₹10/- each.	**106.96**	106.96
National High Power Test Laboratory Private Limited		
30400000 (Previous Year 30400000) Equity Shares of ₹10/- each.	**30.40**	30.40
Cross Border Power Transmission Company Limited		
12612473 (Previous Year 12612473) Equity Shares of ₹10/- each.	**12.62**	12.62
Kalinga Bidyut Prasaran Nigam Private Limited		
5000 (Previous Year 5000) Equity Shares of ₹10/- each. (Refer further note 4 below)	**0.01**	0.01
Less: Provision for diminution in the value of Investment	**0.01**	0.01
	-	-
Bihar Grid Company Limited		
171685600 (Previous Year 156240000) Equity Shares of ₹10/- each.	**171.69**	156.24
Power Transmission Company Nepal Limited		
1170000 (Previous Year 1040000) Equity Shares of Nepali ₹100/- each.	**6.50**	6.50
RINL POWERGRID TLT Private Limited		
4000000 (Previous Year 3400000) Equity Shares of ₹10/- each. (Refer further note 5 below)	**4.00**	3.40
Less: Provision for diminution in the value of Investment	**4.00**	-
	-	3.40
	835.39	812.06
iii) Others		
NIL (Previous Year 500) Equity Shares of ₹10/- each in Employees Co-op Society Limited Rourkela (Previous Year ₹ 5000/-)		
1 (Previous Year 1) share of ₹10/- each in Bharat Broadband Network Limited (₹ 10/-)		
Total	**2756.53**	**1608.24**

Further notes:

			(₹ in Crore)
1)	a)	Aggregate amount of Quoted Investments	
		At Cost	**12.00** 12.00
		Market Value	**88.14** 104.88
	b)	Aggregate amount of Unquoted Investments	**2668.39** 1503.36
	c)	Aggregate amount of impairment in value of Investment	**4.06** 0.06

2) 229319997 Equity Shares (Previous Year 229319997 Equity Shares) of Powerlinks Transmission Limited held by the Company have been pledged as security with consortium of financial institutions against financial assistance obtained by Powerlinks Transmission Limited.

3) Investments have been valued as per accounting policy no. 2.13, 2.14 & 2.15.

4) POWERGRID's Board of Directors in its meeting held on 16th August, 2017 accorded approval for initiating procedure for winding up/ removal of the name of Kalinga Bidyut Prasaran Nigam Private Ltd under fast track Exit mode of Registrar of Companies (ROC). Provision for diminution in the value of Investment of ₹ 0.01 crore had been made in the previous year.

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

6) Refer remarks at Note No 11 for Powergrid Vemagiri Transmission Limited.

Note 10/Loans (considered good unless otherwise stated)

(₹ in Crore)

Particulars	As at 31st March, 2019	As at 31st March, 2018
Loans to Related Parties **		
Loans to Subsidiaries-Unsecured	**10520.86**	8113.13
Loans to JVs-Unsecured	**6.00**	-
Loan to Directors & Key Managerial Personnel (KMP)		
Secured #	**0.01**	-
Unsecured	**0.09**	0.07
	10526.96	8113.20
Loans to Employees (including interest accrued)		
Secured #	**143.15**	111.02
Unsecured	**38.88**	28.90
	182.03	139.92
Total	**10708.99**	**8253.12**

Further notes:
** Details of loans to related parties is provided in Note 58.
# House building loans and conveyance advance to Directors, KMP and Employees are secured against the mortgage of the house properties or hypothecation of vehicles for which such loans have been given in line with the policies of the Company.

Note 11/Other Non-current Financial Assets

(Unsecured considered good unless otherwise stated) (₹ in Crore)

Particulars	As at 31st March, 2019	As at 31st March, 2018
Lease receivables	**589.82**	602.88
Unbilled Revenue $		
i) Considered good	**307.33**	77.62
ii) Considered doubtful	**105.71**	-
	413.04	77.62
Less: Provision	**105.71**	-
	307.33	77.62
Bank deposits with more than 12 months maturity #	**163.47**	185.85
Recoverable for GOI fully serviced bonds ##	**3487.75**	-
Advances to related parties (Subsidiaries and Others)*		
i) Considered good	**-**	-
ii) Considered doubtful**	**19.40**	19.39
	19.40	19.39
Less: Provision for Doubtful advances**	**19.40**	19.39
	-	-
Total	**4548.37**	**866.35**

Further notes:
$ Refer Note 46 for disclosure as per Ind AS 115 'Revenue from Contracts with Customers'.
# Bank deposits against designated accounts for consultancy work.
The Company issued 'GoI fully serviced bonds' for an amount of ₹3487.50 crore for raising of Extra Budgetary Resources (EBR) for GoI scheme of Power System Development Fund (PSDF) in terms of letter No: 7/1/2018-OM dated 21st January, 2019 of Ministry of Power, Govt. of India (GoI) for meeting accrued liabilities for creation of Capital Assets. The repayment of principal and the interest payment on such bonds shall be met by GoI. Out of the proceeds of bond issue, an amount of ₹3424.63 Crore has been recognised as Grant in aid and balance of ₹ 62.87 crore pending utilization has been shown in Note No 15.
*Details of advances to related parties are provided in Note 58.
**CERC vide order dated 06/04/2015 in petition no.127/2012 had directed that 80% of the acquisition price incurred by the Company for Vemagiri Transmission Company Limited (VTSL) shall be reimbursed by the Long Term Transmission Customers (LTTCs) and balance 20% along with the expenditure incurred by VTSL from the date of acquisition till the liquidation of the company shall be borne by the Company. Subsequently, on a review petition filed by the Company, CERC vide order dated 20/10/2016 held that there are sufficient reasons to review the liability of the Company to pay 20% of the acquisition price and accordingly, directed that the issue shall be decided afresh by taking a holistic view in the matter after disposal of appeals filed by the LTTCs on the issue in Appellate Tribunal of Electricity (ATE). The matter is still pending before ATE/CERC.

Note 12/Other non-current Assets

(Unsecured considered good unless otherwise stated)

(₹ in Crore)

Particulars	As at 31st March, 2019	As at 31st March, 2018
Advances for Capital Expenditure		
Unsecured		
a. Against bank guarantees	**1025.02**	2633.90
b. Others	**31.96**	36.96
Unsecured considered doubtful	**1.25**	1.67
	1058.23	2672.53
Less: Provision for bad & doubtful Advances	**1.25**	1.67
	1056.98	2670.86
Advances other than for Capital Expenditure		
Security Deposits	**15.08**	8.91
Advances to Related Parties*	**-**	0.43
Deferred Employee Cost	**52.66**	50.59
Deferred Foreign currency Fluctuation Asset	**3675.22**	2734.16
Advances recoverable in kind or for value to be received		
Employees	**6.76**	-
Balance with Customs Port Trust and other authorities	**26.64**	20.53
Advance tax and Tax deducted at source #	**77.36**	-
Others**	**154.74**	160.03
	265.50	180.56
Considered doubtful	**2.90**	2.90
	268.40	183.46
Less: Provision for doubtful Advances	**2.90**	2.90
	265.50	180.56
Total	**5065.44**	**5645.51**

Further notes:

*Details of advances to related parties are provided in Note 58.

**Others include amount recoverable from Customers & State Governments, insurance claims etc.

Net of Current Tax Liabilities - Note 33.

Note 13/Inventories

(₹ in Crore)

Particulars	As at 31st March, 2019	As at 31st March, 2018
(For mode of valuation refer Note 2.10)		
Components, Spares & other spare parts	**1216.47**	1047.03
Loose tools	**20.02**	21.58
Consumable stores	**12.50**	8.15
	1248.99	1076.76
Less Provision for Shortages/damages etc.	**22.71**	38.31
Total	**1226.28**	**1038.45**
Inventories includes material in transit		
Components, Spares & other spare parts	**10.34**	3.75

Note 14/Trade receivables

(₹ in Crore)

Particulars	As at 31st March, 2019	As at 31st March, 2018
Trade receivables - Unsecured		
Considered good	**4557.56**	3574.09
Considered Doubtful	**337.48**	48.15
	4895.04	3622.24
Receivable from related parties - Unsecured *		
Considered good	**71.18**	64.87
	4966.22	3687.11
Less: Provision for doubtful trade receivables	**337.48**	48.15
Total	**4628.74**	**3638.96**

Further notes:

*Details of trade receivables from related parties are provided in Note 58.

Refer Note 46 for disclosure as per Ind AS 115 'Revenue from Contracts with Customers'.

Note 15/Cash and Cash Equivalents

(₹ in Crore)

Particulars	As at 31st March, 2019	As at 31st March, 2018
Balance with banks-		
- In Current accounts	**142.33**	118.99
- In designated Current accounts (For Consultancy clients and others)	**205.61**	360.19
In term deposits (with maturity less than 3 months)*	**3265.40**	1013.73
Drafts/Cheques in hand/Remittances in transit	**29.79**	23.30
Others (Stamps and Imprest)	**0.01**	-
Total	**3643.14**	**1516.21**

Further notes:

*Term deposit includes ₹ 3265.40 crore (Previous Year ₹ 1013.73 crore) for Consultancy clients and others.

Note 16/ Bank Balances other than Cash & Cash Equivalents

(₹ in Crore)

Particulars	As at 31st March, 2019	As at 31st March, 2018
Earmarked balance with banks*	**20.18**	12.61
In Term Deposits having maturity over 3 months but upto 12 months (For Consultancy clients and others)	**668.72**	641.61
Total	**688.90**	**654.22**

Further notes:

*Earmarked balance with Bank includes unpaid dividend and refund of FPO proceeds

Note 17/Loans

(₹ in Crore)

Particulars	As at 31st March, 2019	As at 31st March, 2018
Loans to Related Parties**		
Loans to Subsidiaries - Unsecured	**285.88**	-
Loans to Joint Venture - Unsecured	**77.12**	6.00
Loan to Directors & Key Managerial Personnel (KMP)		
Secured #	**-**	-
Unsecured Considered good	**0.08**	0.04
	363.08	6.04
Loans to Employees (including interest accrued)		
Secured #	**23.60**	21.63
Unsecured Considered good	**30.19**	19.21
	53.79	40.84
Total	**416.87**	**46.88**

Further notes:

** Details of loans to related parties is provided in Note No 58.

House building loans and conveyance advance to Directors, KMP and Employees are secured against the mortgage of the house properties or hypothecation of vehicles for which such loans have been given in line with the policies of the Company.

Note18/Other Current Financial Assets

(Unsecured considered good unless otherwise stated)

(₹ in Crore)

Particulars	As at 31st March, 2019	As at 31st March, 2018
Lease Receivables	**46.33**	43.48
Unbilled Revenue*	**6154.31**	4009.77
Interest accrued but not due		
Interest accrued on Investments (Bonds)	**-**	0.42
Interest accrued on Term/Fixed Deposits	**2.62**	2.23
Interest accrued on Loan to Subsidiaries	**106.90**	168.17
Interest accrued on Loan to JVs	**1.62**	-
Interest accrued on Others **	**38.57**	4.05
	149.71	174.87
Advances to Related Parties #	**33.87**	5.99
Others ##		
Considered Good	**468.98**	635.81
Total	**6853.20**	**4869.92**

Further notes:

* Unbilled revenue includes transmission charges for the month of March in the financial year amounting to ₹ 2471.43 crore (Previous Year ₹ 2245.81 crore) billed to beneficiaries in the month of April of subsequent financial year. Further refer note no 46 for disclosure as per Ind AS 115 'Revenue from Contracts with Customers'.

** Interest accrued on Others includes accrued interest on recoverable for GOI fully serviced bonds, advance to contractors.

Details of advances to related parties are provided in Note 58.

Others include:-

(a) an amount of ₹ 30.85 crore recoverable from M/s Delhi Transco Limited towards transfer of 1.167 hectare land at Tughlaqabad Sub-station pending completion of legal formalities for transfer of title.

(b) amount recoverable from Customers, Advance rent for Residential and Office accommodation, Advance to PF Trust and Gratuity Trust, Other advance etc.

Note 19/Other Current Assets

(Unsecured considered good unless otherwise stated) (₹ in Crore)

Particulars	As at 31st March, 2019	As at 31st March, 2018
Advances other than for Capital Expenditure		
Advances recoverable in kind or for value to be received		
Contractors & Suppliers	**14.22**	91.85
Employees	**15.18**	6.20
Balance with Customs Port Trust and other authorities	**122.38**	221.19
Claims recoverable	**0.54**	0.54
	152.32	319.78
Advances to related parties #		
Subsidiaries and JVs	**86.40**	153.52
Others*		
Considered Good	**176.46**	62.26
Considered Doubtful	**0.01**	0.03
	176.47	62.29
Less: Provision for Doubtful Advances	**0.01**	0.03
	176.46	62.26
Total	**415.18**	**535.56**

Further notes:

Details of advances to related parties are provided in Note 58.

*Others include advance given for CSR activities, prepaid expenses and input tax credit - GST.

Note 20/Regulatory Deferral Account Balances

(₹ in Crore)

Particulars	As at 31st March, 2019	As at 31st March, 2018
Assets		
Deferred assets for deferred tax liability *	**7516.50**	10989.39
Foreign Currency Fluctuation	**432.61**	200.34
Employee Benefits Expense	**134.16**	114.49
Total	**8083.27**	**11304.22**

Further Note:

* Refer to note no 54 for reclassification of prior year presentation.

Refer to note no 53 for detailed disclosure on Regulatory Deferral Account Balances.

Note 21/Equity Share capital

(₹ in Crore)

Particulars	As at 31st March, 2019	As at 31st March, 2018
Equity Share Capital		
Authorised		
10,00,00,00,000 (Previous Year 10,00,00,00,000) equity shares of ₹10/- each at par	**10000.00**	10000.00
Issued, subscribed and paid up		
5,23,15,89,648 (Previous Year 5,23,15,89,648) equity shares of ₹10/-each at par fully paid up	**5231.59**	5231.59

Note 21/Equity Share capital (Contd.)

Further Notes:

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

Particulars	For the year ended 31st March, 2019		For the year ended 31st March, 2018	
	No. of Shares	Amount (₹ in crore)	No. of Shares	Amount (₹ in crore)
Shares outstanding at the beginning of the year	**5231589648**	**5231.59**	5231589648	5231.59
Additions during the year	-	-	-	-
Deduction during the year	-	-	-	-
Shares outstanding at the end of the year	**5231589648**	**5231.59**	5231589648	5231.59

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

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

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

Particulars	As at 31st March, 2019		As at 31st March, 2018	
	No. of Shares	% of holding	No. of Shares	% of holding
Government of India	**2896495942**	**55.37**	2977314759	56.91
Life Insurance Corporation of India	**335385684**	**6.41**	254719223	4.87

Note 22/Other Equity

(₹ in Crore)

Particulars	As at 31st March, 2019	As at 31st March, 2018
Reserves and Surplus		
Securities Premium	**9578.29**	9578.29
Bonds Redemption Reserve	**9884.80**	9158.59
Self Insurance Reserve	**882.18**	735.03
Corporate Social Responsibility (CSR) Activity Reserve	**114.54**	123.33
General Reserve	**31376.63**	26911.55
Retained Earnings	**1872.42**	2585.74
Other Reserves		
Other Comprehensive Income Reserve	**76.69**	90.84
Total	**53785.55**	**49183.37**

22.1 Securities Premium

(₹ in Crore)

Particulars	As at 31st March, 2019	As at 31st March, 2018
Balance at the beginning of the year	**9578.29**	9578.29
Addition during the year	-	-
Deduction during the year	-	-
Balance at the end of the year	**9578.29**	**9578.29**

Securities premium is used to record the premium on issue of shares/securities. This amount is utilised in accordance with the provision of the Companies Act, 2013.

22.2 Bonds Redemption Reserve

(₹ in Crore)

Particulars	As at 31st March, 2019	As at 31st March, 2018
Balance at the beginning of the year	**9158.59**	8095.09
Addition during the year	**2029.20**	2075.83
Deduction during the year	**1302.99**	1012.33
Balance at the end of the year	**9884.80**	**9158.59**

Bonds Redemption Reserve is created for the purpose of redemption of debentures in term of the Companies Act, 2013.

Note 22/Other Equity (Contd.)

22.3 Self Insurance Reserve

(₹ in Crore)

Particulars	As at 31st March, 2019	As at 31st March, 2018
Balance at the beginning of the year	**735.03**	676.64
Addition during the year	**249.07**	226.25
Deduction during the year	**101.92**	167.86
Balance at the end of the year	**882.18**	**735.03**

Self-Insurance Reserve is created @ 0.12% p.a. (0.12% p.a. in previous year) on the Gross Block of Property, Plant & Equipments not covered under insurance as at the end of the year to meet future losses which may arise from un-insured risks and for procurement of towers and other transmission line materials including strengthening of towers and equipments of AC sub-station to take care of future contingencies.

22.4 Corporate Social Responsibility (CSR) Activity Reserve

(₹ in Crore)

Particulars	As at 31st March, 2019	As at 31st March, 2018
Balance at the beginning of the year	**123.33**	123.38
Addition during the year	**-**	-
Deduction during the year	**8.79**	0.05
Balance at the end of the year	**114.54**	**123.33**

Corporate Social Responsibility Reserve is created to the extent of shortfall in the actual expenditure in any year vis-à-vis the amount stipulated as per the Companies Act, 2013.

22.5 General Reserve

(₹ in Crore)

Particulars	As at 31st March, 2019	As at 31st March, 2018
Balance at the beginning of the year	**26911.55**	23243.64
Add/(Less): Ind AS 115 Adjustments *	**104.37**	-
	27015.92	23243.64
Addition during the year	**4360.71**	3667.91
Deduction during the year	-	-
Balance at the end of the year	**31376.63**	**26911.55**

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

* Refer note no 46 for details.

22.6 General Reserve

(₹ in Crore)

Particulars	As at 31st March, 2019	As at 31st March, 2018
Balance at the beginning of the year	**2585.74**	2754.86
Add: Additions		
Net Profit for the period	**9938.55**	8244.65
Items of other comprehensive income recognised directly in surplus balance		
- Remeasurements of post employment benefit obligations	**(2.15)**	20.95
Transfer from Bond Redemption Reserve	**1302.99**	1012.33
Less: Appropriations		
General Reserve	**4250.00**	3500.00
Bonds Redemption Reserve	**2029.20**	2075.83
Self Insurance Reserve	**249.07**	226.25
Interim dividend paid	**3050.02**	1281.74
Tax on Interim dividend	**612.65**	255.20
Final Dividend (refer note 62(b))	**1464.85**	1752.59
Tax on Final Dividend	**296.92**	355.44
Balance at the end of the year	**1872.42**	**2585.74**

Note 22/Other Equity (Contd.)

22.7 Other Comprehensive Income Reserve

(₹ in Crore)

Particulars	As at 31st March, 2019	As at 31st March, 2018
Balance at the beginning of the year	90.84	103.76
Addition during the year	(14.15)	(12.92)
Balance at the end of the year	**76.69**	**90.84**

Other Comprehensive Income Reserve is created from increase/decrease in valuation of Non Current Investments in Equity instruments classified as fair valued through Other Comprehensive Income (FVOCI).

Note 23/ Borrowings

(₹ in Crore)

Particulars			As at 31st March, 2019	As at 31st March, 2018
A)	**BONDS**			
A1)	**Secured (Taxable, Redeemable, Non-Cumulative, Non-Convertible)**			
A1.1	i)	Bonds of ₹ 10 Lakh each		
		LV Issue-7.55% Redeemable at par on 21.09.2031	**1,238.92**	1,238.91
		LX Issue-7.20% Redeemable at par on 09.08.2027	**3,059.78**	3,059.76
		LIX Issue-7.30% Redeemable at par on 19.06.2027	**3,069.78**	3,069.76
		XXXIX Issue-9.40% redeemable at par on 29.03.2027	**1,799.86**	1,799.86
		LVIII Issue-7.89% redeemable at par on 09.03.2027	**2,059.44**	2,059.41
		XXXVIII Issue-9.25% redeemable at par on 09.03.2027	**854.72**	854.72
		LVI Issue-7.36% redeemable at par on 18.10.2026	**1,064.10**	1,064.08
		LXII Issue-8.36% Redeemable at par in 05(five) equal installments w.e.f. 07.01.2025	**1,999.75**	-
		XLII Issue-8.80% redeemable at par on 13.03.2023	**1,989.52**	1,989.49
		LVII Issue-7.20% redeemable at par on 21.12.2021	**2,118.79**	2,118.75
	ii)	Bonds of ₹ 30 Lakh each consisting of 3 STRPPs of ₹ 10 lakh each redeemable at par in 3 (Three) equal installments on 15.07.2021, 15.07.2026 and 15.07.2031		
		LIV Issue-7.97% Redeemable w.e.f 15.07.2021	**2,997.93**	2,997.89
	iii)	Bonds of ₹ 30 Lakh each consisting of 3 STRPPs of ₹ 10 lakh each redeemable at par in 3 (Three) equal installments on 23.12.2020, 23.12.2025 and 23.12.2030		
		LII Issue-8.32% redeemable w.e.f. 23.12.2020	**1,396.95**	1,396.94
	iv)	Bonds of ₹ 1.20 crore each consisting of 12 STRPPs of ₹ 10 lakh each redeemable at par in 12 (twelve) equal installments		
		LIII Issue-8.13% Redeemable w.e.f 25.04.2020	**3,995.76**	3,995.46
	v)	Bonds of ₹ 30 Lakh each consisting of 3 STRPPs of ₹ 10 lakh each redeemable at par in 3 (Three) equal installments on 09.03.2020, 09.03.2025 and 09.03.2030		
		XLIX Issue-8.15% redeemable w.e.f. 09.03.2020	**869.63**	1,304.60
	vi)	Bonds of ₹40 Lakh each consisting of 4 STRPPs of ₹10 lakh each redeemable at par in 4 (Four) equal installments on 23.01.2020, 23.01.2022, 23.01.2025 and 23.01.2030		
		XLVIII Issue-8.20% redeemable w.e.f. 23.01.2020	**1,933.70**	2,578.64
	vii)	Bonds of ₹ 1.20 crore each consisting of 12 STRPPs of ₹ 10 lakh each redeemable at par in 12 (twelve) equal installments		
		LI Issue-8.40% redeemable w.e.f. 14.09.2019	**2,747.80**	2,997.62
	viii)	Bonds of ₹ 30 Lakh each consisting of 3 STRPPs of ₹ 10 lakh each redeemable at par in 3 (Three) equal installments on 04.09.2019, 04.09.2024 and 04.09.2029		
		XLVI Issue-9.30% redeemable w.e.f. 04.09.2019	**2,903.53**	4,357.52

Note 23/ Borrowings (Contd.)

(₹ in Crore)

Particulars		As at 31st March, 2019	As at 31st March, 2018
ix)	Bonds of ₹ 1.20 crore each consisting of 12 STRPPs of ₹10 lakh each redeemable at par in 12 (twelve) equal installments		
	L Issue-8.40% redeemable w.e.f. 27.05.2019	**2,682.75**	2,926.70
x)	Bonds of ₹ 1.20 crore each consisting of 12 STRPPs of ₹10 lakh each redeemable at par in 12 (Twelve) equal installments		
	XLVII Issue-8.93% redeemable w.e.f. 20.10.2018	**2,197.98**	2,417.64
xi)	Bonds of ₹ 30 Lakh each redeemable at par in 3 equal instalments on 15.07.2018,15.07.2023 and 15.07.2028		
	XLIV Issue-8.70% redeemable w.e.f. 15.07.2018	**2,641.89**	2,640.88
xii)	Bonds of ₹1.2 crores each consisting of 12 STRPPs of ₹ 10 lakhs each redeemable at par in 12 (Twelve) equal annual instalments		
	XLV Issue-9.65% redeemable w.e.f. 28.02.2018	**1,499.14**	1,665.55
	XLIII Issue-7.93% redeemable w.e.f. 20.05.2017	**2,343.46**	2,603.84
xiii)	Bonds of ₹ 1.5 crores each consisting of 12 STRPPs of ₹12.50 Lakhs each redeemable at par in 12 (twelve) equal annual instalments.		
	XLI Issue-8.85% redeemable w.e.f. 19.10.2016	**1,892.95**	2,129.59
xiv)	Bonds of ₹ 1.50 crores each, consisting of 15 STRPPs of ₹ 10.00 Lakhs each redeemable at par in 15 (fifteen) equal annual instalments		
	XXXVI Issue- 9.35% redeemable w.e.f. 29.08.2016	**2,263.49**	2,469.27
xv)	Bonds of ₹ 1.5 crores each consisting of 12 STRPPs of ₹ 12.50 Lakhs each redeemable at par in 12 (twelve) equal annual instalments.		
	XL Issue-9.30% redeemable w.e.f. 28.06.2016	**2,662.67**	2,995.53
	XXXVII Issue- 9.25% redeemable w.e.f 26.12.2015	**1,162.66**	1,328.77
	XXXV Issue- 9.64% redeemable w.e.f 31.05.2015	**1,141.04**	1,304.05
	XXXIV Issue- 8.84% redeemable w.e.f 21.10.2014	**1,741.84**	2,032.19
	XXXIII Issue- 8.64% redeemable w.e.f 08.07.2014	**1,438.78**	1,678.61
	XXXII Issue- 8.84% redeemable w.e.f 29.03.2014	**431.21**	517.45
	XXXI Issue- 8.90% redeemable w.e.f 25.02.2014	**852.77**	1,023.33
	XXX Issue- 8.80% redeemable w.e.f 29.09.2013	**970.77**	1,164.96
	XXIX Issue- 9.20% redeemable w.e.f 12.03.2013	**432.37**	540.47
	XXVIII Issue- 9.33% redeemable w.e.f 15.12.2012	**799.13**	998.95
	XXVII Issue- 9.47% redeemable w.e.f 31.03.2012	**176.18**	234.92
	XXVI Issue- 9.30% redeemable w.e.f 07.03.2012	**249.66**	332.88
	XXV Issue- 10.10% redeemable w.e.f 12.06.2011	**265.97**	354.65
	XXIV Issue- 9.95% redeemable w.e.f 26.03.2011	**133.23**	199.85
	XXIII Issue- 9.25% redeemable w.e.f 09.02.2011	**51.21**	76.82
	XXII Issue- 8.68% redeemable w.e.f 07.12.2010	**114.86**	172.32
	XXI Issue- 8.73% redeemable w.e.f 11.10.2010	**84.88**	127.34
	XX Issue- 8.93% redeemable w.e.f 07.09.2010	**249.65**	374.53
	XIX Issue- 9.25% redeemable w.e.f 24.07.2010	**82.39**	123.60
	XVIII Issue- 8.15% redeemable w.e.f 09.03.2010	**83.22**	166.45
		64,746.11	69,484.55

Note 23/ Borrowings (Contd.)

(₹ in Crore)

Particulars	As at 31st March, 2019	As at 31st March, 2018
A2) Unsecured		
A2.1 Redeemable Domestic Bonds		
Bonds of ₹ 50 Lakhs each consisting of 05 STRPPs of ₹ 10.00 Lakhs each redeemable at par in 05 (Five) equal annual instalments.		
LXI Issue-7.74% redeemable w.e.f. 12.12.2028	**2,999.77**	2,999.75
A2.2 Redeemable Foreign Currency Bonds		
3.875% Foreign Currency Bonds to be redeemed at par on 17.01.2023	**3,470.63**	3,253.88
	6,470.40	6,253.63
Total (A)	**71,216.51**	75,738.18
B) Term loans		
from Banks		
Secured		
Foreign Currency Loans [Guaranteed by Government of India (GOI)]	**24,891.44**	21,294.39
Other Foreign Currency Loans	**3,401.76**	2,548.77
Rupee Loans	**12,184.00**	13,638.00
	40,477.20	37,481.16
Unsecured		
Foreign Currency Loans [Guaranteed by Government of India (GOI)]	**3,657.84**	3,738.32
Other Foreign Currency Loans	**3,135.96**	2,022.66
Rupee Loans	**12,552.00**	3,440.00
	19,345.80	9,200.98
Total (B)	**59,823.00**	46,682.14
Total (A to B)	**1,31,039.51**	**1,22,420.32**

Further notes:

Details of terms of repayment and rate of interest

1. Secured Foreign Currency Loans (Guaranteed by GoI) carry floating rate of interest linked to 6M LIBOR . These loans are repayable in semi annual installment, as per terms of the respective loan agreement, commencing after moratorium period of 3 to 5 years except for one loan ₹ 342.93 Crore (Previous year₹199.69 Crore) which carry fixed rate of interest of 0.25% p.a.
2. Secured other Foreign Currency Loans carry floating rate of interest linked to 6M (LIBOR/EURIBOR/STIBOR). These loans are repayable in semi annual installment, as per terms of the respective loan agreements, commencing after moratorium period of 3 to 5 years.
3. Secured Rupee loan from banks carry floating rate of interest linked to 3M MCLR. These loans are repayable in semi annual installments, as per terms of the respective loan agreements, commencing after moratorium period of 5 years.
4. Unsecured Foreign Currency Loans (Guaranteed by GoI) carry fixed rate of interest ranging from 1.63% p.a. to 2.30% p.a. These loans are repayable in semi annual installments as per terms of the respective loan agreements.
5. Unsecured Foreign Currency Loans carry floating rate of interest linked to 6M STIBOR/EURIBOR/JPYLIBOR.These loans are repayable in semi annual installments as per terms of the respective loan agreements, commencing after moratorium period as per terms of the respective loan agreements.
6. Unsecured Rupee loans from banks carry floating rate of interest linked to 3 months MCLR. These loans are repayable in semi annual installments, commencing after moratorium period as per terms of the respective loan agreements.
7. There has been no default in repayment of loans or payment of interest thereon as at the end of the year.

Note 23/ Borrowings (Contd.)

Details of Securities

1. Domestic Bonds are Secured by way of Registered Bond Trust Deed ranking pari passu on immovable property situated at Mouje Ambheti Taluka Kaparada in district Valsad Gujarat and floating charge on the assets of the company.
2. Secured Foreign Currency Loans (Guaranteed by GoI) are secured by pari passu interest in the lien created on the assets as security for the debts.
3. Secured Other Foreign Currency Loans and Rupee Loans are secured by the way of
   (i) pari passu charge on the assets of the company except investments, land and building, roads and bridges, water supply, drainage and sewerage and current assets or
   (ii) pari passu charge on the assets of the company except investments and current assets or
   (iii) floating charge on the immovable properties of the company.
   as per the terms of respective loan agreements.

Note 24/Other Non-current financial liabilities

(₹ in Crore)

Particulars	As at 31st March, 2019	As at 31st March, 2018
Deposits/Retention money from contractors and others.	**409.94**	456.95
Govt. of India fully serviced bonds *	**3487.50**	-
Dues for Capital Expenditure	**-**	2.65
Total	**3897.44**	**459.60**

Further Notes:

Disclosure with regard to Micro and Small enterprises as required under "The Micro, Small and Medium Enterprises Development Act, 2006" is given in Note No 50.

* Govt. of India fully serviced bonds issued @ 8.24% redeemable at par on 14.02.2029. Refer Note No 11 for details.

Note 25/ Provisions

(₹ in Crore)

Particulars	As at 31st March, 2019	As at 31st March, 2018
Employee Benefits		
As per last balance sheet	**716.87**	789.56
Additions/(adjustments) during the year	**(348.72)**	(72.69)
Closing Balance	**368.15**	**716.87**

Further Notes:

Provision is created for the purpose of leave encashment, Settlement Allowance, Long Service Award and other benefits. Refer Note No 66 for detailed disclosure related to Employee Benefit Obligations.

Note 26/ Deferred tax liabilities (Net)

(₹ in Crore)

Particulars	As at 31st March, 2019	As at 31st March, 2018
A. Deferred Tax Liability		
Difference in book depreciation and tax depreciation	**16894.24**	14209.42
Finance lease assets	**83.23**	88.37
Others	**37.60**	48.27
Deferred Tax Liability (A)	**17015.07**	**14346.06**

Note 26/ Deferred tax liabilities (Net) (Contd.)

(₹ in Crore)

Particulars	As at 31st March, 2019	As at 31st March, 2018
B. Deferred Tax Assets		
Income during Construction Period	20.95	16.76
Self Insurance Reserve	-	8.11
Provisions allowable on payment basis	481.93	215.92
Advance Against Depreciation	462.47	525.59
MAT Credit Entitlement	5935.70	-
Others	21.00	20.79
Deferred Tax Assets (B)	**6922.05**	**787.17**
Deferred Tax Liability (Net) (A-B)	**10093.02**	**13558.89**

Further Notes :

Movement in Deferred Tax Liabilities

(₹ in Crore)

Particulars	Property Plant and Equipment	Finance Leased Assets	Others	Total
At 1st April, 2017	**11214.62**	**90.83**	**66.30**	**11371.75**
Charged/(credited)				
- to profit or loss	2994.80	(2.46)	(18.03)	2974.31
At 31st March, 2018	**14209.42**	**88.37**	**48.27**	**14346.06**
Charged/(credited)				
- to profit or loss	2684.82	(5.14)	(10.67)	2669.01
At 31st March, 2019	**16894.24**	**83.23**	**37.60**	**17015.07**

a) A credit of ₹3465.87 crore (Previous year charge of ₹3140.15 crore) has been made in the Statement of Profit & Loss.

b) Matter regarding presentation of 'Deferred Assets against Deferred Tax Liability' in Balance Sheet and Statement of Profit and loss was referred to Expert Advisory Committee (EAC) of Institute of Chartered Accountant of India. As per opinion received during the year 'Deferred Assets against Deferred Tax Liability' which was hitherto netted with Deferred Tax Liability, is classified as 'Regulatory Deferral Account Balance" in Balance Sheet and Statement Profit and Loss Account'. Further refer to note no 54 'Reclassification of Prior Year Presentation'.

Movement in Deferred Tax Assets

(₹in Crore)

Particulars	Property Plant & Equipment-Income during construction period	Self-insurance reserve	Provisions allowable on payment basis	Advance against depreciation	MAT Credit	Others	Total
At 1st April, 2017	**18.69**	**11.26**	**236.77**	**562.31**	**0.00**	**123.98**	**953.01**
Charged/(credited)							
- to profit or loss	(1.93)	(3.15)	(20.85)	(36.72)	-	(103.19)	(165.84)
At 31st March, 2018	**16.76**	**8.11**	**215.92**	**525.59**	**0.00**	**20.79**	**787.17**
Charged/(credited)							
- to profit or loss	4.19	(8.11)	266.01	(63.12)	5935.70	0.21	6134.88
At 31st March, 2019	**20.95**	**0.00**	**481.93**	**462.47**	**5935.70**	**21.00**	**6922.05**

Amount taken to Statement of Profit and Loss

(₹in Crore)

Particulars	For the year ended 31st March, 2019	For the year ended 31st March, 2018
Increase/ (Decrease) in Deferred Tax Liabilities	**2669.01**	2974.31
Decrease / (Increase) in Deferred Tax Assets	**(6134.88)**	165.84
Total	**(3465.87)**	**3140.15**

c) In the opinion of the management, it is probable that future economic benefits will flow to the company in the form of availability of set off against future income tax liability by recognizing MAT credit as follows:

Future taxable profits will be adjusted against (a) tax holiday u/s 80-IA of Income Tax Act, 1961 for the projects commissioned upto 31st March, 2017 (b) initial depreciation on the assets to be commissioned in future and (c) regular income tax depreciation u/s 32 of Income Tax Act, 1961 and thereafter tax amount will be set off against MAT credit to the extent of ₹ 2003.24 Cr (FY 2016-17), ₹ 2203.64 Cr (FY 2017-18) and ₹1728.82 Cr (FY 2018-19). Hence, the same has been recognised as Deferred Tax Assets during the year.

d) MAT credit available to the company in future but not recognised in the books:

(₹ in Crore)

For the Financial Year	As at 31st March 2019	Expiry Date	As at 31st March 2018	Expiry Date
2017-18	-	31st March 2033	2203.64	31st March 2033
2016-17	-	31st March 2027	2003.24	31st March 2027
2015-16	1421.20	31st March 2026	1421.20	31st March 2026
2014-15	1281.23	31st March 2025	1281.23	31st March 2025
2013-14	1085.14	31st March 2024	1085.14	31st March 2024
2012-13	1071.31	31st March 2023	1071.31	31st March 2023
2011-12	239.01	31st March 2022	239.01	31st March 2022
2010-11	9.36	31st March 2021	9.36	31st March 2021
2009-10	-	31st March 2020	-	31st March 2020
2008-09	277.91	31st March 2019	277.91	31st March 2019
2007-08	-	31st March 2018	250.01	31st March 2018

e) Tax losses brought forward:

(₹ in Crore)

Particulars	As at 31st March 2019	Expiry Date	As at 31st March 2018	Expiry Date*
Unused tax losses for which no deferred tax asset has been recognised	**-**	-	2761.43	-

Deferred tax asset has not been recognised in respect of the tax losses incurred by the company that is not likely to generate taxable income in the foreseeable future due to the availability of deduction of tax holiday to the company under the Income Tax Act, 1961.

*Under the provisions of the Income Tax Act, 1961, unabsorbed depreciation can be carried forward for an unlimited period.

Note 27/Other non-current liabilities

(₹ in Crore)

Particulars	As at 31st March, 2019	As at 31st March, 2018
Advance from customers (Consultancy/Telecom services) $	**359.04**	328.84
Others*	**127.53**	128.32
Total	**486.57**	**457.16**

Further Notes:

$ Refer Note 46 for disclosure as per Ind AS 115 'Revenue from Contracts with Customers'.

*Others includes amount payable to Customers upon recovery.

Note 28/Borrowings

(₹ in Crore)

Particulars	As at 31st March, 2019	As at 31st March, 2018
Short Term - Unsecured		
From Others		
From Banks	**1300.00**	-
Commercial Paper	**3000.00**	1000.00
Total	**4300.00**	**1000.00**

Further Notes:

1. Commercial Papers/short term loan are unsecured in nature, with rate of interest ranging form 6.63% to 8.20% and repayable with in 30 days to 90 days from the date of drawal.
2. There has been no default in repayment of loans or payment of interest thereon as at the end of the year.

Note 29/Trade payables

(₹ in Crore)

Particulars	As at 31st March, 2019	As at 31st March, 2018
For goods and services		
(A) total outstanding dues of micro enterprises and small enterprises	**33.27**	2.33
(B) total outstanding dues of creditors other than micro enterprises and small enterprises	**330.84**	238.01
Total	**364.11**	**240.34**

Further Notes:

Disclosure with regard to Micro and Small enterprises as required under "Division II of Schedule III of The Companies Act, 2013" and "The Micro, Small and Medium Enterprises Development Act, 2006" is given in Note No 50.

Note 30/Other Current Financial Liabilities

(₹ in Crore)

Particulars	As at 31st March, 2019	As at 31st March, 2018
Current maturities of long term borrowings		
Secured		
Bonds	**6742.98**	5211.89
Rupee Term Loans	**1454.00**	454.00
Foreign Currency Loans	**2098.85**	1849.71
	10295.83	7515.60
Un-secured		
Foreign Currency Loans	**451.02**	277.04
	10746.85	7792.64
Interest accrued but not due on borrowings from		
Foreign Banks & Financial Institutions	**251.70**	144.90
Secured/Unsecured redeemable Bonds #	**3139.72**	3302.76
	3391.42	3447.66
Others		
Dues for capital expenditure	**2478.41**	4065.11
Employee related liabilities	**158.03**	170.31
Unclaimed dividends & FPO*	**13.37**	12.61
Deposits/Retention money from contractors and others.	**4401.05**	4761.13
Related parties**	**2.72**	52.05
Dividend Payable	**6.81**	-
Others ##	**1687.52**	1204.10
	8747.91	10265.31
Total	**22886.18**	**21505.61**

Further notes:

Disclosure with regard to Micro and Small enterprises as required under "The Micro, Small and Medium Enterprises Development Act, 2006" is given in Note No 50.

includes ₹36.22 Crore interest accrued but not due on GoI fully serviced bonds.

* No amount is due for payment to Investor Education and Protection Fund.

** Details of amount payable to related parties are provided in Note 58.

Others include liability for payment against Long Term Access (LTA), Short Term Open Access (STOA), ISTS License recovery, dead cheques, Price variation etc.

Note 31/Other current liabilities

(₹ in Crore)

Particulars	As at 31st March, 2019	As at 31st March, 2018
Advances from customers *	**3500.58**	2569.87
Advances from customers - related parties #	**80.42**	-
Statutory dues	**282.26**	117.46
Total	**3863.26**	**2687.33**

Further notes:

* Refer Note 46 for disclosure as per Ind AS 115 'Revenue from Contracts with Customers'.
# Details of amount payable to related parties are provided in Note 58.

Note 32/Provisions

(₹ in Crore)

Particulars	As at 31st March, 2019	As at 31st March, 2018
A) Employee Benefits		
i) Performance related pay /special incentive		
As per last balance sheet	**163.33**	109.83
Addition during the year	**444.50**	163.46
Amount paid/adjusted during the year	**163.33**	109.96
Closing Balance	**444.50**	163.33
ii) Wage revision		
As per last balance sheet	**725.36**	265.43
Additions/(adjustments) during the year	**(725.36)**	459.93
Closing Balance	**-**	725.36
iii) Other Employee Benefits		
(Leave Encashment, Settlement Allowance and Long Service Award etc.)		
As per last balance sheet	**66.52**	73.86
Additions/(adjustments) during the year	**1.59**	(7.34)
Closing Balance	**68.11**	66.52
Total (A)	**512.61**	**955.21**
B) Others		
i) Downtime Service Credit-Telecom		
As per last balance sheet	**18.20**	14.85
Additions during the year	**5.49**	8.26
Amounts adjusted during the year	**5.74**	4.91
Closing Balance	**17.95**	18.20
ii) Provision Others		
As per last balance sheet	**86.17**	73.24
Additions/(adjustments) during the year	**83.86**	12.93
Closing Balance	**170.03**	86.17
Total (B)	**187.98**	**104.37**
Total (A+B)	**700.59**	**1059.58**

Note 32/Provisions (Contd.)

Further Notes:

Employee Benefits

Performance Related Pay/Special Incentive

Provision is created for Performance Related Pay to Executives and Non-Executives

Wage Revision

Pay revision of Executives and Non Executives was implemented during the FY 2018-19 and accordingly provision against wage revision was utilised/adjusted during the year.

Other Employee Benefits

Provision is created for the purpose of meeting out leave encashment, settlement allowance, long service award and POWERGRID Employee Family Rehabilitation Scheme.

Others

Downtime Service Credit -Telecom

Provision is created in case when actual downtime is in excess of the permissible service level agreement, in such cases the necessary credit is passed on to the customer on demand.

However, in some case, the downtime is not claimed by the customer then in such cases necessary provision on account of downtime is made in the books of accounts as per the links availability reports received from National Telecom Control Centre (NTCC) for the period of non-operation of links given to the customers. The calculation of downtime credit is based on the SLA signed with various customers.

Provision Others:

It includes provision for entry tax ₹ 138.39 crore (Previous Year ₹ 71.44 crore) as per demand raised by revenue authorities disputed by the company and are under litigation. An amount of ₹ 8.24 crore (Previous Year Nil) has been paid under court order and shown as "Balance with custom port trust and other authorities" in Note 19.

Note 33/Current Tax Liabilities (Net)

(₹ in Crore)

Particulars	As at 31st March, 2019	As at 31st March, 2018
Taxation (Including interest on tax)		
As per last balance sheet	**5781.65**	4846.07
Additions during the year	**1794.90**	2218.93
Amount adjusted during the year	**1574.73**	1283.35
Total	**6001.82**	5781.65
Net off against Advance tax and TDS	**6001.82**	5374.58
Closing Balance	**-**	**407.07**

Note 34/Deferred Revenue

(₹ in Crore)

Particulars	As at 31st March, 2019	As at 31st March, 2018
Advance against depreciation	**1323.45**	1504.09
Grants in aid (Refer Further Notes)		
As per last Balance Sheet	**559.56**	150.30
Addition during the year	**3684.53**	421.39
Adjustments during the year	**70.77**	12.13
Closing balance	**4173.32**	559.56
Deferred income from foreign currency fluctuation (Net)	**3960.26**	2903.76
Total	**9457.03**	**4967.41**

Further Notes:

1. Grant in Aid of ₹ 2889.00 crore (Previous Year Nil crore) was received from Power System Development Fund (PSDF) towards Transmission system associated with 'North East-Northern/Western Interconnector-I Project' and 'Transmission system for development of pooling station in Northern Part of West Bengal and transfer of power from Bhutan to NR/WR (BNC-Agra HVDC)'.
2. Grant in Aid of ₹ 667.78 crore (Previous Year ₹ 141.15 crore) was received from Power System Development Fund (PSDF) for installation of STATCOM in ER (ERSS-XI) and SR (System Strengthening in SR-XXI). In addition to Grant received, an interest of ₹ 1.24 crore (Previous Year ₹ 0.12 crore) credited to the Grant.
3. Grant in Aid of ₹ 17.85 crore (Previous Year ₹ 115.99 crore) was received from Power System Development Fund (PSDF) for Unified Real Time Dynamic State Measurement (URTDSM). In addition to Grant received, an interest of ₹ 6.95 crore (Previous Year Nil) credited to the Grant.
4. Grant in Aid of ₹ 93.87 crore (Previous Year ₹ 164.13 crore) was received from Ministry of Natural Resources & Environment (MNRE) for establishment of transmission system associated with Ultra Mega Solar Parks in Andhra Pradesh, Karnataka, Madhya Pradesh, Rajasthan and Gujarat. In addition to Grant received, an interest of ₹ 0.83 crore (Previous Year Nil) credited to the Grant.
5. Grant in Aid of ₹ 7.01 crore (Previous Year Nil) receivable from Ministry of New & Renewable Energy for establishing solar roof top plants in various buildings of POWERGRID under achievement linked/incentive award scheme for Government Sector.

Note 35/Revenue from operations

(₹ in Crore)

Particulars	For the year ended 31st March, 2019	For the year ended 31st March, 2018
Sales of services		
Transmission Business		
Transmission Charges	**32436.35**	28326.44
Add: Revenue recognised out of Advance Against Depreciation	**180.64**	120.72
	32616.99	28447.16
Other Operating Revenue		
Interest on differential Provisional and Final Tariff	**145.87**	25.36
Income from lease lines	**11.31**	11.17
Recognised from deferred revenue - Grant in aid	**70.77**	12.13
	227.95	48.66
	32844.94	28495.82
Telecom Business	**663.25**	606.59
Consultancy Project Management and Supervision	**610.93**	662.18
Total	**34119.12**	**29764.59**

Further Notes:

a) In exercise of powers u/s 178 of the Electricity Act 2003, Central Electricity Regulatory Commission (CERC) has notified "CERC (Terms and Conditions of tariff) Regulations 2014" vide order dated 21st February, 2014 for the determination of transmission tariff for the block period 2014-19.

b) The company has recognised transmission income during the year as per the following:-

i) ₹ 27229.59 Crore (previous year ₹ 24212.90 Crore) as per final tariff orders issued by CERC.

ii) ₹ 5387.40 Crore (previous year ₹ 4234.17 Crore) in respect of transmission assets for which final tariff orders are yet to be issued as per CERC Tariff Regulations and other orders in similar cases.

c) Consequent to the final order issued by CERC, transmission income includes ₹ 285.42 crore (increase) (Previous Year ₹ 79.33 Crore (decrease)) pertaining to earlier years.

d) Refer note no 46 for disclosure as per Ind AS 115 " Revenue from Contracts with Customer".

Note36/Other income

(₹ in Crore)

Particulars	For the year ended 31st March, 2019	For the year ended 31st March, 2018
Interest income from financial assets at amortised cost		
Interest on Govt.securities	**-**	0.07
Indian Banks	**84.22**	110.72
Interest on loan to Subsidiaries	**759.93**	438.74
Interest on Loan to Joint Ventures (JVs)	**2.40**	-
Others*	**19.65**	14.62
	866.20	564.15
Interest from advances to contractors	**35.18**	54.36
	901.38	618.51
Dividend income from investment in		
Subsidiaries	**86.69**	22.92
Joint Ventures	**57.67**	65.55
Equity investments designated at fair value through other comprehensive income	**5.42**	5.58
	149.78	94.05

Note36/Other income (Contd.)

(₹ in Crore)

Particulars	For the year ended 31st March, 2019	For the year ended 31st March, 2018
Others		
Profit on sale of Property, Plant and Equipment	**1.26**	0.45
Finance Income from finance lease	**69.66**	73.64
Surcharge	**196.74**	155.61
FERV gain	**0.16**	0.32
Provisions written back	**28.25**	8.36
Fair Value gain on initial recognition of Financial liability/investment	**55.73**	50.56
Miscellaneous income **	**185.90**	105.89
	537.70	394.83
	1588.86	1107.39
Less: Transferred to expenditure during construction (Net) - Note 43	**89.91**	105.66
Total	**1498.95**	**1001.73**

Further Notes:

* Others include interest on employee loans & unwinding of finance cost on employee loans.

** Miscellaneous income include Sale of Scrap, Insurance Claim Recovery, UI Charges etc.

Note 37/Employee benefits expense

(₹ in Crore)

Particulars	For the year ended 31st March, 2019	For the year ended 31st March, 2018
Salaries, wages, allowances & benefits	**1838.79**	1844.95
Contribution to provident and other funds	**228.50**	112.24
Staff Welfare expenses (Including Deferred Employee cost)	**233.25**	193.10
	2300.54	2150.29
Less: Transferred to Expenditure during Construction (Net) - Note 43	**509.80**	544.40
Transferred to CSR expenses - Note 40	**7.17**	6.80
Total	**1783.57**	**1599.09**

Further Notes :

a) Refer note 58 for Remuneration to Key Managerial Personnel (KMPs).

b) Pay revision of Executive and Non-executive implemented during the current financial year and an amount of ₹ 18.67 crores (Net of amount transferred to expenditure during construction) was written back against provision for wage revision.

c) Special allowance was settled as per the rates approved by Ministry of Power and Department of Public Enterprises to employees who are posted in the difficult and far flung areas. An amount of ₹ 22.65 crores was recovered form employees during the current year being the excess amount paid in earlier period.

d) Refer note no. 66 for details of Employee Benefit Obligations.

Note 38/Finance costs

(₹ in Crore)

Particulars	For the year ended 31st March, 2019	For the year ended 31st March, 2018
Interest and finance charges on financial liabilities at amortised cost		
Indian Banks & Financial Institutions	**2094.59**	1367.58
Foreign Banks and Financial Institutions	**956.83**	558.71
Secured/Unsecured redeemable Bonds	**6401.86**	6534.22
Foreign Currency Bonds	**147.78**	134.89
Unwinding of discount on financial liabilities	**113.02**	51.25
Interest - Others	**34.51**	15.45
	9748.59	8662.10
Other Finance charges		
Commitment charges	**7.08**	10.13
Guarantee Fee	**449.17**	296.95
Others*	**116.96**	62.03
	573.21	369.11
Exchange differences regarded as adjustment to Borrowing Cost	**(112.00)**	205.10
	461.21	574.21
	10209.80	9236.31
Less: Transferred to Expenditure during Construction (Net) - Note 43	**1118.38**	1645.65
Total	**9091.42**	**7590.66**

Further Notes:

*Others includes management fees, agency fees, trustee fees, front-end fees, interest on land compensation, tree & crop compensation etc.

Note 39/Depreciation and amortization expense

(₹ in Crore)

Particulars	For the year ended 31st March, 2019	For the year ended 31st March, 2018
Depreciation of Property, Plant and Equipment	**10373.59**	9206.66
Amortization of Intangible assets	**110.16**	100.99
	10483.75	9307.65
Less: Transferred to Expenditure During Construction (Net) - Note 43	**10.29**	12.76
	10473.46	9294.89
Less: Depreciation amortised due to FERV adjustment	**272.79**	203.64
Charged to Statement of Profit & Loss	**10200.67**	**9091.25**

Note 40/Other expenses

(₹ in Crore)

Particulars	For the year ended 31st March, 2019	For the year ended 31st March, 2018
Repair & Maintenance		
Buildings	**86.36**	64.66
Plant & Machinery		
Sub-Stations	**355.14**	333.00
Transmission lines	**290.53**	147.10
Telecom equipments	**35.96**	37.25
Others	**42.79**	38.64
	724.42	555.99

Note 40/Other expenses (Contd.)

(₹ in Crore)

Particulars	For the year ended 31st March, 2019	For the year ended 31st March, 2018
System and Market Operation Charges	**10.58**	8.22
Power charges	**259.35**	242.21
Less: Recovery from contractors	**3.03**	1.13
	256.32	241.08
Expenses of Diesel Generating sets	**4.95**	5.04
Stores consumed	**10.61**	8.67
Water charges	**9.77**	2.70
Right of Way charges-Telecom	**8.20**	7.57
Patrolling Expenses-Telecom	**1.38**	2.95
Last Mile connectivity-Telecom	**9.01**	9.83
Training & Recruitment Expenses	**31.67**	30.82
Less:Fees for training and application	**1.55**	2.00
	30.12	28.82
Legal expenses	**20.20**	19.40
Professional charges	**24.71**	22.62
Consultancy expenses	**2.23**	1.96
Communication expenses	**16.39**	16.03
Inland Travelling Expenses	**117.66**	104.49
Foreign travel	**11.09**	11.11
	128.75	115.60
Tender expenses	**13.27**	12.09
Less: Sale of tenders	**1.56**	1.89
	11.71	10.20
Payments to Statutory Auditors		
Audit Fees	**1.18**	1.07
Tax Audit Fees	**0.33**	0.26
In Other Capacity	**1.15**	1.21
Arrears	**0.03**	0.36
Out of pocket Expenses	**1.00**	0.99
	3.69	3.89
Advertisement and publicity	**13.95**	14.01
Printing and stationery	**7.22**	5.70
Books Periodicals and Journals	**1.77**	1.48
EDP hire and other charges	**17.84**	10.70
Entertainment expenses	**2.74**	3.17
Brokerage & Commission	**1.16**	1.08
Research & Development expenses	**12.67**	1.33
Cost Audit and Physical verification Fees	**1.35**	1.26
Rent	**13.95**	14.60
CERC petition & Other charges	**74.16**	62.31
Miscellaneous expenses	**99.10**	94.05
Horticulture Expenses	**28.90**	27.11
Security Expenses	**260.11**	243.42
Hiring of Vehicle	**155.48**	143.00
Insurance	**104.35**	79.31
Rates and taxes	**39.63**	34.63

Note 40/Other expenses (Contd.)

(₹ in Crore)

Particulars	For the year ended 31st March, 2019	For the year ended 31st March, 2018
License Fees to DOT	**59.11**	60.38
Bandwidth charges dark fibre lease charges (Telecom)	**27.71**	30.70
Corporate Social Responsibility (CSR) Expenses *	**195.52**	157.99
Transit Accomodation Expenses	**25.42**	22.28
Less : Income from Transit Accomodation	**1.67**	1.36
	23.75	20.92
Foreign Exchange Rate Variation	**225.47**	162.08
Provisions for		
Doubtful loans, advances, debts, claims etc.	**396.19**	16.39
Obsolescence in Stores	**8.51**	14.86
Shortages in Stores	**-**	0.42
Others **	**4.00**	-
	408.70	31.67
	3134.04	2326.13
Less:Transferred to Expenditure during Construction (Net) - Note 43	**107.45**	121.18
	3026.59	2204.95
Loss on Disposal/Write off of Property, Plant & Equipment	**26.84**	10.75
Total	**3053.43**	**2215.70**

Further Note:

* Includes an amount of ₹7.17 crore (Previous Year ₹6.80 crore) transferred from Note No 37- 'Employee Benefits Expense'

** Provision for diminution in the value of Investment in JV Company (RINL POWERGRID TLT Private Limited)

Note 41/Net Movement in Regulatory Deferral Account Balances-Incomes/ (expenses) (net of tax)

(₹ in Crore)

Particulars	For the year ended 31st March, 2019	For the year ended 31st March, 2018
Deferred assets for deferred tax liability*	**(3472.89)**	3121.19
Foreign Currency Fluctuation	**232.27**	195.92
Employee Benefits Expense	**19.67**	11.31
	(3220.95)	3328.42
Tax on net movement in regulatory deferral account balances	**(694.08)**	44.23
Total	**(2526.87)**	3284.19

Further Note:

* Refer to note no 54 for reclassification of prior year presentation.

Refer to note no 53 for detailed disclosure on Regulatory Deferral Account Balances.

Note 42/Other Comprehensive Income

(₹ in Crore)

Particulars	For the year ended 31st March, 2019	For the year ended 31st March, 2018
Items that will not be reclassified to Profit or Loss		
Gain/(Loss) on valuation of Investment in Equity	**(14.15)**	(12.92)
Provisions for actuarial valuation	**(0.26)**	37.58
	(14.41)	24.66
Less: Transferred to Expenditure during Construction(Net) - Note 43	**2.34**	10.94
	(16.75)	13.72
Income Tax relating to items that will not be reclassified to Profit or Loss	**(0.45)**	5.69
Items that will not be reclassified to Profit or Loss (net of tax)	**(16.30)**	**8.03**

Note 43/ Expenditure during Construction (Net)

(₹ in Crore)

Particulars	For the year ended 31st March, 2019	For the year ended 31st March, 2018
A. Employees Remuneration & Benefits		
Salaries wages allowances and benefits	**424.68**	486.71
Contribution to provident and other funds	**53.81**	29.97
Welfare expenses	**31.31**	27.72
Total (A)	**509.80**	**544.40**
B. Other Expenses		
Repair and maintenance	**7.36**	5.60
Power charges	**5.11**	2.47
Less: Recovery from contractors	**1.87**	0.74
	3.24	1.73
Expenses on Diesel Generating sets	**0.29**	0.45
Water charges	**0.34**	-
Training & Recruitment Expenses	**0.11**	0.98
Legal expenses	**1.86**	1.33
Professional charges	**3.58**	5.40
Consultancy expenses	**0.31**	0.15
Communication expenses	**2.65**	2.13
Travelling & Conv.exp. (Including Foreign Travel)	**28.54**	27.03
Tender expenses	**6.26**	10.30
Less: Sale of tenders	**1.44**	1.64
	4.82	8.66
Payment to Auditors	**0.13**	0.04
Advertisement and Publicity	**0.15**	0.97
Printing and stationery	**0.73**	0.69
Books, Periodicals and Journals	**0.04**	0.01
EDP hire and other charges	**0.18**	0.22
Entertainment expenses	**0.35**	0.40
Brokerage and commission	**-**	0.03
Rent	**2.68**	3.27
Miscellaneous expenses	**4.68**	11.72
Horticulture Expenses	**0.90**	0.64
Security Expenses	**16.67**	19.28
Hiring of Vehicles	**23.18**	23.54
Insurance	**0.01**	0.03
Rates and taxes	**3.27**	5.82
Bandwidth charges, dark fibre lease charges(Telecom)	**0.08**	0.13
Transit Accomodation Expenses	**1.30**	0.93
Less : Income from Transit Accomodation	-	-
	1.30	0.93
Total (B)	**107.45**	121.18
C. Depreciation/Amortisation	**10.29**	12.76
Total (C)	**10.29**	12.76

Note 43/ Expenditure during Construction (Net) (Contd.)

(₹ in Crore)

Particulars	For the year ended 31st March, 2019	For the year ended 31st March, 2018
D. Finance Costs		
a) Interest and finance charges on financial liabilities at amortised cost		
Government of India		
Indian Banks and Financial Institutions	**405.33**	301.29
Foreign Banks and Financial Institutions	**256.27**	131.59
Secured/Unsecured Redeemable Bonds	**364.17**	882.92
Foreign Currency Bonds	**2.70**	5.17
Others	**54.87**	44.83
	1083.34	1365.80
b) Other finance charges		
Commitment charges	**5.62**	8.33
Guarantee fee	**108.34**	71.61
Others	**45.97**	26.91
	159.93	106.85
c) FERV adjustment to borrowing cost	**(124.89)**	173.00
Total (D)	**1118.38**	1645.65
E. Less: Other Income		
Interest from		
Indian banks	**-**	11.82
Contractors	**32.77**	48.87
	32.77	60.69
Miscellaneous income	**57.14**	44.97
Total (E)	**89.91**	105.66
F. Less: Other Comprehensive Income		
Other Comprehensive Income	**2.34**	10.94
Total (F)	**2.34**	10.94
Grand Total (A+B+C+D-E-F)	**1653.67**	**2207.39**

44. Cash equivalent of deemed export benefits availed of ₹ 209.99 crore in respect of supplies effected for East South Inter Connector-II Transmission Project (ESI) and Sasaram Transmission Project (STP), were paid to the Customs and Central Excise Authorities in accordance with direction from Ministry of Power (GOI) during 2002-03 due to non-availability of World Bank loan for the entire supplies in respect of ESI project and for the supplies prior to March 2000 in respect of STP project and the same was capitalised in the books of accounts. Thereafter, World Bank had financed both the ESI project and STP project as originally envisaged and they became eligible for deemed export benefits. Consequently, the company has lodged claims with the Customs and Excise Authorities.
In this regard the Cumulative amount received and de-capitalized upto 31st March, 2019 is ₹ 12.12 crore (Previous Year ₹ 12.12 crore). The company continued to show the balance of ₹ 197.87 crore as at 31st March, 2019 (Previous Year ₹197.87 crore) in the capital cost of the respective assets / projects pending receipt of the same from Customs and Excise Authorities.

45. 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 the value at which they are stated in the Balance Sheet.

46. a) Impact of application of Ind AS 115 'Revenue from Contracts with Customers'
Effective April 1, 2018, the company has applied Ind AS 115 which establishes a comprehensive framework for determining whether, how much and when revenue is to be recognised. Ind AS 115 replaces Ind AS 18 Revenue and Ind AS 11 Construction Contracts. The company has applied Ind AS 115 retrospectively only to contracts that are not completed as at the date of initial application, with the cumulative effect of initial application recognised as an adjustment to the opening balance of General Reserve at April 1, 2018. In accordance with the transition guidance in Ind AS 115 has only been applied to contracts that are incomplete as at April 1, 2018.
The company's accounting policies for its revenue streams are disclosed in Note 2.19. Apart from effect of significant financing component in telecom contracts, the application of Ind AS 115 does not have any significant impact on the financial position and/or financial performance of the company. The amount of adjustment for each line item of financial statement affected by the application of Ind AS 115 is as given below.

Impacts on assets, liabilities and equity as at April 1, 2018.

(₹ in Crore)

Particulars	As previously reported	Ind AS 115 adjustments	As restated
Contract liabilities	1475.79	(104.37)	1371.42
Other Equity – General Reserve	49183.37	104.37	49287.74

Impacts on Statement of Profit and Loss for the period ended March 31, 2019

Due to Implementation of Ind AS 115, Revenue from Operation increased by ₹ 88.29 Crore, Finance Cost increased by ₹ 37.18 Crore, Other Expenses increase by ₹ 7.06 Crore and Provision for tax increased by ₹ 9.50 Crore. Profit after Tax increased by ₹ 34.55 crores during the year.

b) For milestone based contracts (consultancy contracts), following amount relates to unsatisfied performance obligations-

(₹ in Crore)

Particulars	Year ended March 31, 2019	Year ended March 31, 2018
Transaction price related to unsatisfied (or partially satisfied) performance obligation	**2110.24**	2850.96
These performance obligations are expected to be satisfied within	**5 Years**	4 Years

c) The following table discloses the movement in unbilled revenue during the year ended 31 March, 2019 and 31 March, 2018.

(₹ in Crore)

Particulars	Year ended March 31, 2019	Year ended March 31, 2018
Balance at the beginning	**4087.40**	2515.81
Add: Revenue recognised during the period	**5140.34**	3646.35
Less: Invoiced during the period	**2660.39**	2074.76
Less: Impairment/reversal during the period	**105.71**	-
Add: Translation gain/(Loss)	**-**	-
Balance at the end	**6461.64**	4087.40

d) The following table discloses the movement in contract liability during the year ended 31 March 2019 and 31 March 2018.

(₹ in Crore)

Particulars	Year ended March 31, 2019	Year ended March 31, 2018
Balance at the beginning	**1371.42**	1502.10
Add: Advance billing during the period	**1021.17**	975.43
Less: revenue recognised during the period		
a) From contract liability as at beginning of the period	**497.26**	870.05
b) From contract liability recognised during the period	**147.62**	236.13
Add: Translation gain/(Loss)	**0.13**	0.07
Balance at the end	**1747.84**	**1371.42**

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

(₹ in Crore)

Particulars	Year ended March 31, 2019	Year ended March 31, 2018
Contracted price	**33645.51**	29479.06
Add/ (Less)- Discounts/ rebates provided to customer	**(209.11)**	(211.26)
Add/ (Less)- Performance bonus	**185.84**	327.41
Add/ (Less)- Adjustment for significant financing component	**88.29**	-
Add/ (Less)- Other adjustments	**408.59**	169.38
Revenue recognized in profit or loss statement	**34119.12**	29764.59

f) A provision of ₹ 390.36 crore has been created in the current financial year against trade receivables and unbilled debtors outstanding as on 31.03.2018 from a few customers and revenue from transmission and surcharge thereon amounting to ₹ 317.68 crore has not been recognised during the year due to uncertainty of collection of consideration in line with Ind AS 115 'Revenue from Contracts with Customers'.

47. The company has been entrusted with the responsibility of billing collection and disbursement (BCD) of the transmission charges on behalf of all the ISTS (Interstate transmission System) licensees through the mechanism of the POC (Point of Connection) charges introduced w.e.f. 01st July, 2011 which involves billing based on approved drawl/injection of power in place of old mechanism based on Mega Watt allocation of power by Ministry of Power. By this mechanism, revenue of the company will remain unaffected.

Some of the beneficiaries aggrieved by the POC mechanism have preferred appeal before various High Courts of India. All such appeals have been transferred to Delhi High Court as per order of the Supreme Court on the appeal preferred by the company and company has also requested for directing agitating states to pay full transmission charges as per new methodology pending settlement of the matter. Honourable Delhi High Court has directed all the above beneficiaries to release payments and accordingly the beneficiaries have started making payments as per the said directions.

48. (i) FERV Loss of ₹ 1441.50 crore (Previous Year Loss of ₹ 146.36 crore) has been adjusted in the respective carrying amount of Property, Plant and Equipment/Capital work in Progress (CWIP)/Lease Receivables

(ii) FERV Loss of ₹ 225.31 crore (Previous Year Loss of ₹161.76 crore) has been recognised in the Statement of Profit and Loss.

49. Borrowing cost capitalised during the year is ₹ 1118.38 crore (previous year ₹1645.65 crore) in the respective carrying amount of Property, Plant and Equipment/Capital work in Progress (CWIP) as per Ind AS 23 'Borrowing Costs'.

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

(₹ in Crore)

Sr. No.	Particulars	Trade Payables		Others	
		31st March, 2019	**31st March, 2018**	**31st March, 2019**	**31st March, 2018**
1.	Principal amount and interest due thereon remaining unpaid to any supplier as at end of each accounting year: Principal Interest	 **33.27** **0.05**	 2.33 Nil	 **22.30** **Nil**	 12.88 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	**0.01**	Nil	**Nil**	Nil
4	The amount of interest accrued and remaining unpaid at the end of each accounting year	**0.04**	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

51. Disclosure as per IND AS 17 'Leases'

a) Finance Leases:-

The Company has classified and accounted for the arrangements for state sector ULDC assets and bilateral assets as finance leases based on the principles enunciated in Appendix C of Ind AS 17, 'Leases'. Agreements for State Sector ULDC are for a period of 15 years and Bilateral Line Assets with the beneficiary are for the period as specified in CERC Regulations.

Other Non-Current Financial Assets and Other Current Financial Assets include lease receivables representing the present value of future lease rentals receivable on the finance lease transactions entered into by the company with the constituents in respect of State Sector ULDC and Bilateral Line Assets. Disclosure requirements of Ind AS 17 'Leases' notified under the Companies Act, 2013 are given as under:

(i) The reconciliation of the lease receivables (as per project cost data submitted to / approved by the CERC for tariff fixation) is as under:

51. Disclosure as per IND AS 17 'Leases' (Contd.)

(₹ in Crore)

	Particulars	31st March, 2019	31st March, 2018
	Gross value of assets acquired and leased at the beginning of the year	**1627.20**	1581.71
Add	Adjustment for gross value of assets acquired prior to the beginning of the year	**(0.52)**	(23.84)
	Revised Gross value of the assets at the beginning of the year	**1626.68**	1557.87
Less	Capital recovery provided up to the beginning of the year	**1050.19**	970.59
Add	Capital recovery for assets acquired prior to the beginning of the year	**30.86**	19.50
	Revised Capital recovery provided up to the beginning of the year	**1081.05**	990.09
	Capital recovery outstanding as on 31st March of last financial year	**545.64**	567.78
Add	Gross value of assets acquired and leased during current financial year	**43.73**	69.32
Less	Capital recovery for the current year	**44.88**	60.08
	Lease receivables at end of the year	**544.49**	577.02

(ii) Details of gross investment in lease, un-earned finance income and present value of minimum lease payments receivables at the end of financial year is given as under:

(₹ in Crore)

Particulars	31st March, 2019	31st March, 2018
Gross investment in Lease	**1597.41**	1742.24
Un-earned Finance Income	**1052.92**	1165.22
Present value of Minimum Lease Payment (MLP)	**544.49**	577.02

(iii) The value of contractual maturity of such leases is as under:

(₹ in Crore)

Particulars	Gross Investment in Lease		Present Value of MLPs	
	As at 31st March, 2019	As at 31st March, 2018	As at 31st March, 2019	As at 31st March, 2018
Not later than one year	**132.39**	130.31	**47.50**	46.45
Later than one year and not later than five years	**502.22**	492.86	**173.54**	170.38
Later than five years	**962.80**	1119.07	**323.45**	360.19
Total	**1597.41**	**1742.24**	**544.49**	**577.02**

(iv) There are differences in balance lease receivable as at year end as per accounts and tariff records on account of:

(a) Undischarged liabilities amounting to ₹74.43 crore (Previous Year ₹52.19 crore). Such cost become part of project cost only on discharge of such liabilities.

(b) Unamortized FERV on loans included in lease receivable amounting to ₹17.23 crore (Previous Year ₹17.15 crore). Such FERV are allowed to be recovered as part of tariff on actual payment basis.

Operating leases:-

The company's significant leasing arrangements are in respect of operating leases of premises for residential use of employees, offices and guest houses/transit camps which are usually renewable on mutually agreed terms but are not non-cancellable. Employee benefits expense include ₹12.91 crore (previous year ₹26.12 crore) towards lease payments, net of recoveries, in respect of premises for residential use of employees. Lease payments of ₹13.95 crore (previous year ₹14.60 crore) in respect of premises for offices and guest house/transit camps are shown under the head Rent in Note 40 - Other expenses.

52. Foreign Currency Exposure

Not hedged by a derivative instrument or otherwise

Particulars	Amount in Foreign Currency (in Crore)			Amount (₹ in Crore)	
		31st March, 2019	31st March, 2018	31st March, 2019	31st March, 2018
Borrowings	USD	**482.67**	437.34	**33676.03**	28632.86
	EURO	**51.73**	49.44	**4078.18**	4037.84
	SEK	**249.45**	280.65	**1883.31**	2245.21
	JPY	**2345.42**	163.59	**1487.70**	101.95
Interest accrued but not due thereon including Agency Fee, Commitment Fee & other Charges	USD	**3.68**	2.36	**256.90**	154.69
	EURO	**0.22**	0.20	**17.22**	15.94
	SEK	**1.09**	1.12	**8.22**	8.97
	JPY	**3.94**	0.41	**2.50**	0.26
Trade Payables/deposits and retention money	USD	**7.16**	11.59	**499.76**	758.80
	EURO	**1.05**	1.53	**82.74**	124.96
	SEK	**-**	17.81	**-**	142.48
	CHF	**0.03**	0.04	**2.36**	2.78
	GBP	**1.83**	1.94	**167.90**	180.67
	JPY	**-**	1.04	**-**	0.65
Trade receivables and Bank balances	USD	**0.17**	0.04	**11.86**	2.62
	NPR	**1.65**	-	**1.03**	-
	EURO	**-**	-	**-**	-
	FJI	**0.002**	-	**0.07**	-
Amount of contracts remaining to be executed	USD	**13.61**	14.19	**949.43**	929.02
	EURO	**7.56**	27.82	**596.03**	2272.06
	SEK	**31.91**	162.92	**240.92**	1303.36
	CHF	**-**	-	**-**	-
	GBP	**2.68**	8.95	**245.89**	833.51
	JPY	**216.16**	744.28	**137.11**	463.84

53. Disclosures relating to Regulatory Deferral Account Balances

i) Nature of rate regulated activities

The company is mainly engaged in the business of transmission of power. The tariff for transmission of power is determined by the CERC through tariff regulations. The tariff is based on capital cost admitted by CERC and provides for transmission charges recovery of annual fixed cost consisting of Return on equity, Interest on loan capital, Depreciation, interest on working capital and Operation & Maintenance expenses.

ii) Recognition and measurement

FERV arising during the construction period for settlement/translation of monetary items (other than non-current loans) denominated in foreign currency to the extent recoverable/payable to the beneficiaries as capital cost as per CERC Tariff Regulations are accounted as Regulatory Deferral Account Balances. In respect of long term foreign currency loan drawn on or after 1st April, 2016, exchange difference to the extent recoverable as per CERC Tariff Regulations are recognised as Regulatory Deferral Account Balances. The company expects to recover these amounts through depreciation component of the tariff over the life of the asset or as exchange rate variation on repayment of the loan.

The tariff norms for the block period 2014-2019 notified by the Central Electricity Regulatory Commission (CERC) provide for grossing up of the return on equity based on effective tax rate for the financial year based on the actual tax paid during the year on the transmission income. Accordingly, deferred tax provided during the year ended 31st March, 2019 on the transmission income is accounted as 'Deferred Assets against Deferred Tax Liability'. Deferred Assets against Deferred Tax Liability for the year will be reversed in future years (including tax holiday period) when the related deferred tax liability forms a part of current tax.

Matter regarding presentation of 'Deferred Assets against Deferred Tax Liability' in Balance Sheet and Statement of Profit and loss was referred to Expert Advisory Committee (EAC) of Institute of Chartered Accountant of India, and as per opinion received during the year 'Deferred Assets against Deferred Tax Liability'is classified as 'Regulatory Deferral Account Balance".

The company has recognized an amount of ₹ 19.67 crore (Previous Year ₹ 11.31 crore) on account of pay revision as recoverable from the beneficiaries in subsequent periods under Regulatory Deferral Account Balances. These balances are to be adjusted in the year in which they become recoverable from beneficiaries as per CERC. Amount of regulatory deferral account balances is on undiscounted basis.

53. Disclosures relating to Regulatory Deferral Account Balances (Contd.)

iii) Risk associated with future recovery/ reversal of regulatory deferral account balances

(a) regulatory risk on account of changes in regulations.

(b) other risks including currency or other market risks, if any.

Any change in the Tariff regulations beyond the current tariff period ending on 31st March, 2019 may have an impact on the recovery of Regulatory Deferral Account Balances.

The Regulatory Deferral Account Balances (assets) recognized in the books to be recovered from the beneficiaries in future periods are as follows:

(₹ in Crore)

Particulars	31st March, 2019	31st March, 2018
A. Opening Balance *	**11304.22**	7975.80
B. Addition/(deduction) during the year	**(3220.95)**	3328.42
C. Amount collected/refunded during the year	**NIL**	NIL
D. Regulated Income/(Expense) recognized in the statement of Profit and Loss	**(3220.95)**	3328.42
E. Closing Balance	**8083.27**	11304.22
F. Tax on Regulated Income/(Expense) recognized in the statement of Profit and Loss	**(694.08)**	44.23

* Refer note 54 for change in Opening balance for regulatory deferral account balances.

54. Reclassification of Prior Year Presentation

As per opinion of EAC received during the year 'Deferred Assets against Deferred Tax Liability' is being classified as 'Regulatory Deferral Account Balance' which was earlier shown as deduction from 'Deferred Tax Liability'. Prior year amounts have also been reclassified for consistency with the current year presentation in consonance with principles of Ind AS 1 ' Presentation of Financial Statements'. In view of above reclassification in Balance Sheet, 'Net Deferred Tax Liability' has increased by ₹ 10989.39 crores as at 31st March 2018 and ₹ 7868.20 crores as at 1st April 2017 respectively. 'Regulatory Deferral Account Balances' has also increased by ₹ 10989.39 crores as at 31st March 2018 and ₹ 7868.20 crores as at 1st April 2017 respectively. In Statement of Profit and Loss for the year ended 31st March 2018 'Deferred Tax Expense' has increased by ₹ 3121.19 crores with a corresponding increase in 'Net Movement in Regulatory Deferral Account Balances' by ₹ 3121.19 crores. Tax on Net Movement in Regulatory Deferral Account Balances and Other Comprehensive Income has also been reclassified from Current Tax. Due to above reclassification reported Profit after Tax (PAT) has increase form ₹ 8238.96 crore to ₹ 8244.65 crore and Other Comprehensive Income decreased from ₹ 13.72 crore to ₹ 8.03 crore. However these reclassifications have no effect on the reported Total Comprehensive Income and Equity of Previous years. A reconciliation of Equity, Profit after tax and Other Comprehensive Income is given below:

Reconciliation of equity as at 31st March, 2018 and 1st April, 2017

(₹ in Crore)

Particulars	31st March, 2018	31st March, 2017
Total equity (shareholder's funds) as per previous year Financial Statements	54414.96	49807.25
Adjustments	Nil	Nil
Total equity as per restated Financial Statement	54414.96	49807.25

Reconciliation of Profit after tax for the year ended 31st March, 2018

(₹ in Crore)

Particulars	31st March, 2018
Profit after Tax as per previous year Financial Statements	8238.96
Adjustments	
Less: Increase in Deferred Tax due to reclassification	3121.19
Add: Increase in Net Movement in Regulatory Deferral Account Balances	3121.19
Less: Tax on Net Movement in Regulatory Deferral Account Balances transferred from Current Tax	44.23
Add: Transferred to Tax on Net Movement in Regulatory Deferral Account Balances from Current Tax	44.23
Add: Transferred to Tax on Other Comprehensive Income from Current Tax	5.69
Total adjustments	5.69
Profit after Tax as per restated Financial Statement	8244.65

Reconciliation of Other Comprehensive Income for the year ended 31st March, 2018

(₹ in Crore)

Particulars	31st March, 2018
Other Comprehensive Income as per previous year Financial Statements	13.72
Adjustments	
Less: Transferred to Tax on Other Comprehensive Income from Current Tax	5.69
Total adjustments	(5.69)
Other Comprehensive Income as per restated Financial Statement	8.03

55. Disclosure as required by Regulation 34 (3) of SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015:

A. Loans and Advances in nature of Loans:

1. To Subsidiary Companies and Joint Ventures

(₹ in Crore)

Particulars	Outstanding balance as at		Maximum amount outstanding during	
	31st M arch, 2019	31st March, 2018	31st March, 2019	31st March, 2018
Subsidiary				
Powergid NM Transmission Limited	**1085.90**	924.30	**1085.90**	924.30
Powergid Vizag Transmission Limited	**614.50**	708.43	**708.43**	748.83
Powergrid Unchahar Transmission Limited	**46.32**	55.92	**55.92**	55.92
Powergrid Kala Amb Transmission Limited	**225.28**	246.84	**248.36**	246.84
Powergrid Jabalpur Transmission Limited	**1289.58**	967.00	**1289.58**	967.00
Powergrid Warora Transmission Limited	**1682.00**	1657.87	**1754.55**	1657.87
Powergrid Parli Transmission Limited	**1475.50**	1476.58	**1531.52**	1476.58
Powergrid Southern Interconnector Transmission System Limited	**2707.56**	1823.62	**2707.56**	1823.62
Powergrid Mednipur Jeerat Transmission Limited	**1269.78**	252.57	**1269.78**	252.57
Powergrid Mithilanchal Transmsission Limited	**203.53**	-	**203.53**	-
Powergrid Varanasi Transmission System Limited	**202.19**	-	**202.19**	-
Powergrid Jawaharpur Firozabad Transmission Limited	**4.60**	N.A	**4.60**	N.A
Joint Ventures				
National High Power Test Laboratory Private Limited	**6.00**	6.00	**6.00**	6.00
Teestavalley Power Transmission Limited	**77.12**	-	**77.12**	-
Total	**10889.86**	**8119.13**	**11145.04**	**8159.53**

2. To firms/companies in which directors are interested : NIL

B. Investment by the loanee (as detailed above) in the shares of Power Grid Corporation of India Ltd: NIL

56. Corporate Social Responsibility Expenses (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 Crore)

Particulars	For the Year ended 31st March, 2019	For the Year ended 31st March, 2018
A. Amount required to be spent during the year	**186.72**	157.94
B. Amount spent on CSR –	**44.26**	30.84
(i) Construction or acquisition of any asset		
(ii) on Purpose other than (i) above	**151.26**	127.15
C. Shortfall/(Excess) amount appropriated from CSR Reserve	**(8.79)**	(0.05)
D. Break-up of the amount spent on CSR (Note 40)		
1. Education and Skill Development expenses	**14.50**	15.12
2. Ecology and Environment Expenses	**16.71**	8.10
3. Health and Sanitation expenses	**102.79**	70.75
4. Sports, Art and Culture expenses	**2.55**	16.37
5. Protection of national heritage, art and culture including restoration of building and sites of historical importance	**8.50**	9.43
6. Other CSR activities	**43.30**	31.41
7. Salaries, wages and other benefits of Company's own CSR personnel limited to 5% of total amount required to be spent on CSR	**7.17**	6.80
TOTAL	**195.52**	**157.99**
Amount spent on CSR		
E. Total amount of ₹195.52 crore (Previous year ₹157.99 crore), ₹ 188.28 crore (Previous year ₹ 154.53 crore) has been spent in cash and the balance amount of ₹ 7.24 crore (Previous year ₹ 3.46 crore) is yet to be paid in cash as at 31st March, 2019		

57. Fair Value Measurements

(₹ in Crore)

Financial Instruments by category	31st March, 2019		31st March, 2018	
	FVOCI	Amortised cost	FVOCI	Amortised cost
Financial Assets				
Investments				
Equity Instruments -PTC India Limited (12000006 shares of ₹ 10 each)*	**88.14**	**-**	104.88	
Energy Efficiency Services Limited (37704350 shares of ₹ 10 each)**	**41.70**	**-**	23.90	-
Trade Receivables	**-**	**4628.74**	-	3638.96
Loans	**-**	**11125.86**	-	8300.00
Cash & cash Equivalents	**-**	**3643.14**	-	1516.21
Bank Balance	**-**	**852.37**	-	840.07
Other Financial Assets				
Current	**-**	**6853.20**	-	4869.92
Non-Current	**-**	**4384.90**	-	680.50
Total Financial assets	**129.84**	**31488.21**	**128.78**	**19845.66**
Financial Liabilities				
Borrowings	**-**	**149477.78**	-	134660.62
Trade Payables	**-**	**364.11**	-	240.34
Other Financial Liabilities				
Current	**-**	**8747.91**	-	10265.31
Non-Current	**-**	**3897.44**	-	459.60
Total financial liabilities	**-**	**162487.24**	**-**	**145625.87**

* Investment in PTC Ltd. being a listed equity instrument is a Level 1 fair value hierarchy.

** Investment in Energy Efficiency Services Limited is a Level 2 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 Crore)

Assets and liabilities which are measured at amortised cost for which fair values are disclosed	Level 1	Level 2	Level 3	Total
At 31st March, 2019				
Financial Assets				
Loans				
Loans to Subsidiaries	-	10662.48	-	10662.48
Loans to Joint Ventures	-	83.48	-	83.48
Loans to employees	-	224.22	-	224.22
Total Financial Assets	**-**	**10970.18**	**-**	**10970.18**
Financial Liabilities				
Borrowings	-	147699.95	-	147699.95
Deposits/retention money from contractors and others	-	3918.78	-	3918.78
Total financial liabilities	**-**	**151618.73**	**-**	**151618.73**

57. Fair Value Measurements (Contd.)

(₹ in Crore)

Assets and liabilities which are measured at amortised cost fo r which fair values are disclosed	Level 1	Level 2	Level 3	Total
At 31st March, 2018				
Financial Assets				
Loans				
Loans to Subsidiaries	-	8074.33	-	8074.33
Loans to Joint Ventures	-	6.00	-	6.00
Loans to employees	-	183.76	-	183.76
Total Financial Assets	**-**	**8264.09**	**-**	**8264.09**
Financial Liabilities				
Borrowings	-	139882.65	-	139882.65
Deposits/retention money from contractors and others	-	419.04	-	419.04
Total financial liabilities	-	**140301.69**	-	**140301.69**

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

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

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

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

Valuation technique used to determine fair value

Specific valuation techniques used to value financial instruments include:

- the use of quoted market prices or dealer quotes for similar instruments
- the fair value of Energy Efficiency Services Limited has been determined by making qualitative adjustment to trading multiples such as P/E, EV/EBITDA of comparable listed prices. The same has been included in Level 2 fair value hierarchy.
- the fair value of the remaining financial instruments is determined using discounted cash flow analysis.

All of the resulting fair value estimates are included in level 2 apart from equity instruments of PTC India Limited which is included in Level 1 fair value hierarchy.

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

Fair Value of financial assets and liabilities measured at amortised cost

(₹ in Crore)

Particulars	31st March, 2019		31st March, 2018	
	Carrying Amount	Fair value	Carrying Amount	Fair value
Financial Assets				
Loans				
Loans to Subsidiaries	**10806.74**	**10662.48**	8113.13	8074.33
Loan to Joint Venture	**83.12**	**83.48**	6.00	6.00
Loans to employees	**235.99**	**224.22**	180.87	183.76
Total Financial Assets	**11125.85**	**10970.18**	**8300.00**	**8264.09**
Financial Liabilities				
Borrowings	**149477.78**	**147699.95**	134660.62	139882.65
Deposits/retention money from contractors and others	**3897.44**	**3918.78**	459.60	419.04
Total financial liabilities	**153375.22**	**151618.73**	**135120.22**	**140301.69**

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

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

58. Related party Transactions

(a) Subsidiaries

Name of entity	Place of business/country of incorporation	Proportion of Ownership Interest	
		31st March, 2019	31st March, 2018
Powergrid Vizag Transmission Limited	India	**100%**	100%
Powergrid NM Transmission Limited	India	**100%**	100%
Powergrid Unchahar Transmission Limited	India	**100%**	100%
Powergrid Kala Amb Transmission Limited	India	**100%**	100%
Powergrid Jabalpur Transmission Limited	India	**100%**	100%
Powergrid Warora Transmission Limited	India	**100%**	100%
Powergrid Parli Transmission Limited	India	**100%**	100%
Powergrid Southern Interconnector Transmission System Limited	India	**100%**	100%
Powergrid Vemagiri Transmission Limited	India	**100%**	100%
Powergrid Medinipur Jeerat Transmission Limited	India	**100%**	100%
Powergrid Mithilanchal Transmission Limited (erstwhile ERSS XXI Transmission Limited)	India	**100%**	100%
Powergrid Varanasi Transmission System Limited (erstwhile WR-NR Power Transmission Limited)	India	**100%**	100%
Powergrid Jawaharpur Firozabad Transmission Limited Limited (erstwhile Jawaharpur Firozabad Transmission Limited)#	India	**100%**	Not Applicable

#100% equity in Powergrid Jawaharpur Firozabad Transmission Limited acquired from REC Transmission Projects Limited on 21st December, 2018.

(b) Joint Ventures

Name of entity	Place of business/country of incorporation	Proportion of Ownership Interest	
		31st March, 2019	31st March, 2018
Powerlinks Transmission Limited	India	**49%**	49%
Torrent Power Grid Limited	India	**26%**	26%
Jaypee Powergrid Limited	India	**26%**	26%
Parbati Koldam Transmission Company Limited	India	**26%**	26%
Teestavalley Power Transmission Limited##	India	**28.23%**	26%
North East Transmission Company Limited	India	**26%**	26%
National High Power Test Laboratory Private Limited	India	**20%**	20%
Bihar Grid Company Limited	India	**50%**	50%
Kalinga Bidyut Prasaran Nigam Private Limited###	India	**50%**	50%
Cross Border Power Transmission Company Limited	India	**26%**	26%
RINL Powergrid TLT Private Limited####	India	**50%**	50%
Power Transmission Company Nepal Ltd	Nepal	**26%**	26%

POWERGRID & Teesta Urja Ltd are the Joint venture partners in Teestavalley Power Transmission Limited & holds 26% & 74 % equity, respectively as per Shareholding agreement. On call of additional equity by Teestavalley Power Transmission limited, POWERGRID contributed their share amounting ₹ 11.28 crore while the other JV partner has not yet contributed their share of money as on 31.03.2019. Consequently, the holding of POWERGRID increased to 28.23% as on 31.03.2019 against 26% provided in shareholding agreement.

POWERGRID's Board of Directors in its meeting held on 16th august 2017 accorded approval for initiating procedure for winding up/ removal of the name of Kalinga Bidyut Prasaran Nigam Private Ltd under fast track Exit mode of Registrar of Companies (ROC).

58. Related party Transactions (Contd.)

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.

(c) Key Managerial Personnel

Whole Time Directors

Name	Designation
Shri I.S. Jha	Chairman and Managing Director (CMD) ceased to be Chairman & Managing Director w.e.f 21.01.2019
Shri Ravi P. Singh	Director (Personnel) & Additional Charge of Chairman & Managing Director w.e.f 21.01.2019 to 20.04.2019
Shri K. Sreekant	Director (Finance)
Ms. Seema Gupta	Director (Operations)
Shri. Prabhakar Singh	Director (Projects) retired on 30.06.2018
Shri Rajeev Kumar Chauhan	Director (Projects) w.e.f 23.08.2018

Independent Directors

Name	Designation
Shri Jagdish Ishwar Bhai Patel	Independent Director
Shri Tse Ten Dorji	Independent Director
Shri Manoj Kumar Mittal	Independent Director
Shri Sunil Kumar Sharma	Independent Director w.e.f 23.07.2018
Smt. A.R. Mahalakshmi	Independent Director w.e.f 26.07.2018

Government Nominee Directors

Name	Designation
Ms. Bharati	Government Nominee Director ceased to be Director w.e.f 13.02.2019
Shri Vivek Kumar Dewangan	Government Nominee Director w.e.f 26.04.2018
Shri Ghanshyam Prasad	Government Nominee Director w.e.f 01.03.2019
Smt. Divya Tandon	Company Secretary

(d) List of Other Related Parties

Name of Entity	Place of business/country of incorporation	Nature of Relationship
Powergrid Employees P.F. Trust	India	Post-employment benefit plan of Powergrid
Powergrid Self Contributory Superannuation Benefit (Pension) Fund Trust	India	Post-employment benefit plan of Powergrid
Powergrid Employees Gratuity Fund Trust	India	Post-employment benefit plan of Powergrid
Powergird Employees Post-Retirement Medical Benefit Trust*	India	Post Retirement Benefit plan of Powergrid

*Trust registered on 1st May 2018.

(e) Government Related Entities

The company is controlled by the Government of India (GOI), being a Central Public Sector Enterprise (CPSE) under the Ministry of Power, with GOI holding 55.37% of equity shares capital issued and paid up (previous year 56.91%).

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

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

58. Related party Transactions (Contd.)

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

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

(₹ in Crore)

Particulars	31st March, 2019	31st March, 2018
Advances /Amount Payables		
Joint Ventures & Subsidiary		
Cross Border Power Transmission Company Limited	**10.14**	11.12
Teestavalley Power Transmission Limited	**35.32**	30.92
North East Transmission Company Limited	**7.96**	7.86
Powerlinks Transmission Limited	**2.72**	2.01
Powergrid Warora Transmission Limited	**-**	0.14
Bihar Grid Company Limited	**1.52**	-
Total payables to related parties	**57.66**	52.05
Amount Receivables		
Subsidiaries		
Powergrid Vemagiri Transmission Limited (fully provided refer Note No 11)	**19.40**	19.39
Powergrid NM Transmission Limited	**67.38**	81.21
Powergrid Vizag Transmission Limited	**-**	0.16
Powergrid Unchahar Transmission Limited	**0.09**	-
Powergrid Kala Amb Transmission Limited	**-**	1.08
Powergrid Jabalpur Transmission Limited	**4.43**	18.27
Powergrid Warora Transmission Limited	**3.18**	9.32
Powergrid Parli Transmission Limited	**2.62**	14.61
Powergrid Southern Interconnector Transmission System Ltd.	**9.21**	35.73
Powergrid Medinipur Jeerat Transmission Limited.	**30.48**	3.47
Powergrid Mithilanchal Transmission Limited	**3.22**	25.02
Powergrid Varanasi Transmission System Limited	**6.25**	15.21
Powergrid Jawaharpur Firozabad Transmission Limited	**1.58**	-
Joint Ventures		
Parbati Koldam Transmission Company Limited	**0.38**	0.38
National High Power Test Laboratory Private Limited	**34.02**	10.99
Bihar Grid Company Limited	**-**	7.50
Power Transmission Company Nepal Limited	**3.10**	1.43
Jaypee Powergrid Limited	**0.02**	0.02
Torrent Powergrid Limited	**0.01**	0.41
Total	**185.37**	244.20
Loans to Subsidiaries		
Powergrid NM Transmission Limited	**1085.90**	924.30
Powergrid Vizag Transmission Limited	**614.50**	708.43
Powergrid Unchahar Transmission Limited	**46.32**	55.92
Powergrid Kala Amb Transmission Limited	**225.28**	246.84
Powergrid Jabalpur Transmission Limited	**1289.58**	967.00
Powergrid Warora Transmission Limited	**1682.00**	1657.87
Powergrid Parli Transmission Limited	**1475.50**	1476.58
Powergrid Southern Interconnector Transmission System Ltd.	**2707.56**	1823.62
Powergrid Medinipur Jeerat Transmission Limited	**1269.78**	252.57
Powergrid Mithilanchal Transmission Limited	**203.53**	-
Powergrid Varanasi Transmission System Limited	**202.19**	-
Powergrid Jawaharpur Firozabad Transmission Limited	**4.60**	-
Total	**10806.74**	8113.13

58. Related party Transactions (Contd.)

(₹ in Crore)

Particulars	31st March, 2019	31st March, 2018
Loans to Joint Ventures		
National High Power Test Laboratory Private Limited	**6.00**	6.00
Teestavalley Power Transmission Limited	**77.12**	-
Total	**83.12**	6.00
Interest Accrued on loan to Subsidiaries		
Powergrid NM Transmission Limited	**38.63**	37.78
Powergrid Kala Amb Transmission Limited	**-**	0.10
Powergrid Jabalpur Transmission Limited	**15.26**	18.80
Powergrid Warora Transmission Limited	**-**	41.00
Powergrid Parli Transmission Limited	**-**	31.65
Powergrid Southern Interconnector Transmission System Ltd.	**43.77**	35.22
Powergrid Medinipur Jeerat Transmission Limited	**8.24**	3.61
Powergrid Mithilanchal Transmission Limited	**0.30**	-
Powergrid Varanasi Transmission System Limited	**0.70**	-
Total	**106.90**	168.16
Interest Accrued on loan to Joint Ventures		
National High Power Test Laboratory Private Limited	**-**	0.01
Teestavalley Power Transmission Limited	**1.62**	-
Total	**1.62**	0.01
Loans to Key Managerial Personnel	**0.18**	0.11

(₹ in Crore)

Other Related Parties	31st March, 2019	31st March, 2018
Outstanding balances with Employees Benefit Trust		
Powergrid Employees Gratuity Fund Trust	**Nil**	109.59
Total	**Nil**	109.59

(g) Transactions with related parties

The following transactions occurred with related parties:

(₹ in Crore)

Particulars	For the year ended 31st March, 2019	For the year ended 31st March, 2018
Services provided by the Company		
Consultancy Income		
Joint Ventures		
National High Power Test Laboratory Private Limited	**0.54**	-
Jaypee Powergrid Limited	**1.12**	1.01
Cross Border Power Transmission Company Limited	**2.05**	1.60
Bihar Grid Company Limited	**16.26**	13.84
Parbati Koldam Transmission Company Limited	**0.01**	0.05
Teestavalley Power Transmission Limited	**5.80**	0.17
North East Transmission Company Limited	**5.22**	6.53
Torrent Powergrid Ltd	**1.37**	2.85
Power Transmission Company Nepal Limited	**1.66**	-
Total	**34.03**	26.05
Consultancy Income		
Subsidiaries		
Powergrid Unchahar Transmission Limited	**0.34**	0.67
Powergrid Kala Amb Transmission Limited	**5.83**	4.19
Powergrid Jabalpur Transmission Limited	**18.33**	32.18
Powergrid Warora Transmission Limited	**13.77**	46.62

58. Related party Transactions (Contd.)

(₹ in Crore)

Particulars	For the year ended 31st March, 2019	For the year ended 31st March, 2018
Powergrid Parli Transmission Limited	**14.45**	40.91
Powergrid Southern Interconnector Transmission System Ltd.	**36.65**	85.67
Powergrid NM Transmission Limited	**7.39**	7.77
Powergrid Vizag Transmission Limited	**3.92**	4.93
Powergrid Mithilanchal Transmission Limited	**7.78**	6.06
Powergrid Medinipur Jeerat Transmission Limited	**51.33**	21.51
Powergrid Varanasi Transmission System Limited	**11.17**	-
Powergrid Jawaharpur Firozabad Transmission Limited	**1.45**	-
Total	**172.41**	250.51
Interest on Loan		
Subsidiaries		
Powergrid NM Transmission Limited	**80.32**	71.48
Powergrid Vizag Transmission Limited	**56.37**	61.55
Powergrid Unchahar Transmission Limited	**4.29**	4.47
Powergrid Kala Amb Transmission Limited	**18.47**	17.46
Powergrid Jabalpur Transmission Limited	**95.96**	37.93
Powergrid Warora Transmission Limited	**131.71**	99.11
Powergrid Parli Transmission Limited	**117.12**	69.20
Powergrid Southern Interconnector Transmission System Ltd.	**196.60**	72.56
Powergrid Medinipur Jeerat Transmission Limited	**47.06**	4.97
Powergrid Mithilanchal Transmission Limited	**7.88**	-
Powergrid Varanasi Transmission System Limited	**4.14**	-
Powergrid Jawaharpur Firozabad Transmission Limited	**0.01**	-
Joint Ventures		
National High Power Test Laboratory Private Limited	**0.60**	0.01
Teestavalley Power Transmission Limited	**1.80**	-
Total	**762.33**	438.74
Dividend received		
Subsidiaries		
Powergrid Vizag Transmission Limited	**29.99**	20.97
Powergrid Unchahar Transmission Limited	**4.02**	1.95
Powergrid Kala Amb Transmission Limited	**9.03**	-
Powergrid Warora Transmission Limited	**27.76**	-
Powergrid Parli Transmission Limited	**15.89**	-
Joint Ventures		
Powerlinks Transmission Limited	**25.22**	38.99
Jaypee Powergrid Limited	**12.09**	6.63
Torrent Power Grid Limited	**2.34**	2.34
North East Transmission Company Limited	**5.35**	4.28
Cross Border Power Transmission Company Limited	-	4.05
Parbati Koldam Transmission Company Limited	**11.35**	7.80
Power Transmission Company Nepal Limited	**1.32**	1.46
Total	**144.36**	88.47
Investments made during the year (Equity)		
Subsidiaries		
Powergrid NM Transmission Limited	**52.00**	50.00
Powergrid Kala Amb Transmission Limited	**5.00**	54.95
Powergrid Jabalpur Transmission Limited	**173.00**	-
Powergrid Warora Transmission Limited	**150.00**	151.20

58. Related party Transactions (Contd.)

(₹ in Crore)

Particulars	For the year ended 31st March, 2019	For the year ended 31st March, 2018
Powergrid Parli Transmission Limited	**228.40**	-
Powergrid Southern Interconnector Transmission System Limited	**515.45**	-
Powergrid Mithilanchal Transmission Limited	**-**	0.05
Powergrid Varanasi Transmission System Limited	**-**	0.05
Powergrid Jawaharpur Firozabad Transmission Limited	**0.05**	-
Joint Ventures		
Teestavalley Power Transmission Limited	**11.28**	-
Bihar Grid Company Limited	**15.45**	7.74
RINL Powergrid TLT Pvt. Ltd	**0.60**	-
Power Transmission Company Nepal Limited	**-**	1.62
Total	**1151.23**	265.61
Other Related Parties		
Contribution made during the year		
Powergrid Employees P.F. Trust	**131.04**	93.07
Powergrid Self Contributory Superannuation Benefit (Pension) Fund Trust	**102.41**	108.67
Powergrid Employees Gratuity Fund Trust	**29.56**	4.05
Total	**263.01**	205.79
Recovery for Deputation of Employees		
Joint Ventures		
Jaypee Powergrid Limited	**0.48**	0.17
Cross Border Power Transmission Company Limited	**1.22**	0.82
North East Transmission Company Limited	**0.13**	0.11
Teestavalley Power Transmission Limited	**0.21**	-
Total	**2.04**	1.10

Terms and Conditions

The loans to key management personnel are on the same terms and conditions as applicable to all other employees

All other transactions were made on normal commercial terms and conditions and at market rates. All outstanding balances are unsecured and are repayable in cash.

Loans to Subsidiaries are given on cost to cost basis.

h) Transaction in the capacity of Central Transmission Utility (CTU) with the related parties

(₹ in Crore)

Particulars	For the year ended 31st March, 2019	For the year ended 31st March, 2018
Subsidiaries		
Powergrid Vizag Transmission Limited	**273.21**	220.18
Powergrid Unchahar Transmission Limited	**17.82**	5.05
Powergrid Parli Transmission Limited	**199.70**	-
Powergrid Southern Interconnector Transmission System Limited	**22.30**	-
Powergrid Kala Amb Transmission Limited	**11.09**	-
Powergrid NM Transmission Limited	**6.03**	-
Powergrid Jabalpur Transmission Limited	**16.66**	-
Joint Ventures		
Parbati Koldam Transmission Company Limited	**155.75**	178.83
Torrent Power Grid Limited	**46.91**	46.46
Powerlinks Transmission Limited	**207.79**	172.79
Jaypee Powergrid Limited	**180.92**	192.86
North East Transmission Company Limited	**341.86**	357.06
Teestavalley Power Transmission Limited	**32.23**	30.27
Total	**1512.27**	1203.50

58. Related party Transactions (Contd.)

i) Remuneration to Key Managerial Personnel

(₹ in Crore)

Particulars	31st March, 2019	31st March, 2018
Short Term Employee Benefits	**5.16**	2.78
Post-Employment Benefits	**0.19**	0.54
Long Term Employee Benefits	**0.44**	0.17
Arrears to KMPs	**0.72**	-
Total	**6.51**	**3.49**

In addition to the above remuneration, the whole time directors have been allowed to use the staff car (including for private journeys) on payment of ₹2000/- p.m. as contained in the Department of Public Enterprises (DPE) OM No. 2 (23)/11-DPE (WC)-GL-V/13 dated 21/01/2013.

59. Operating Segments

a) Business Segment

The Board of Directors is the Company's Chief Operating Decision Maker (CODM) who monitors the operating results of its business segments separately for the purpose of making decisions about resource allocation and performance assessment. Three reportable segments have been identified on the basis of services provided.

- **Transmission Services-** Company's principal business is transmission of bulk power across different states of India.
- **Telecom Services-** The company Utilizes the spare Optical fibres available in the Optical Ground Wire (OPGW) laid on the transmission network for providing telecom services. It operates as a neutral carrier in the point to point bandwidth leasing business.
- **Consultancy Services-** provides Consultancy Services in the Transmission, Distribution and Telecom sectors, including Planning Design, Engineering, Load Dispatch, OPGW on intra state Transmission network, Procurement Management, Operation & Maintenance, Financing and Project Management.

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

c) Information about major customer: Revenue from any single customer is not equal to or exceeds 10% of the company's total revenue.

Segment Revenue and Expenses

Revenue directly attributable to the segments is considered as Segment Revenue. Expenses directly attributable to the segments and common expenses allocated on a reasonable basis are considered as segment expenses.

Revenue from external customer in India is ₹34560.28 crore (Previous Year ₹30084.04 crore) and outside India is ₹40.83 crore (Previous Year ₹ 29.96 crore).

Segment Assets and Liabilities

Segment assets include all operating assets comprising of Property, Plant and Equipment, current assets and loan and advances. Construction, Work-in-progress, construction stores and advances and investments are included in unallocated assets. Segment facilities include operating liabilities and provisions.

59. Operating Segments (Contd.)

(₹ in Crore)

Particulars	Transmission Services		Consultancy Services		Telecom Services		Elemination		Total	
	As at 31st March, 2019	As at 31st March, 2018	As at 31st March, 2019	As at 31st March, 2018	As at 31st March, 2019	As at 31st March, 2018	As at 31st March, 2019	As at 31st March, 2018	As at 31st March, 2019	As at 31st March, 2018
Revenue:										
Revenue from Operations (including allocable other income)	**33,317.17**	28,835.41	**615.74**	668.38	**668.20**	610.21	**-**	-	**34,601.11**	30,114.00
Inter Segment Revenue					**73.88**	68.20	**(73.88)**	(68.20)	**-**	-
Net Revenue from Operations	**33,317.17**	28,835.41	**615.74**	668.38	**742.08**	678.41	**(73.88)**	(68.20)	**34,601.11**	30,114.00
Segment results	**15,652.94**	19,790.29	**295.65**	431.68	**393.90**	314.41			**16,342.49**	20,536.38
Unallocated Interest and Other Income									**1,016.96**	652.32
Unallocated Finance Costs									**9,091.42**	7,590.66
Profit before Tax (Including movement in Regulatory Deferral Account Balances)									**8,268.03**	13,598.04
Provision for Taxes									**(1,670.52)**	5,353.39
Profit after Tax									**9,938.55**	8,244.65
Other information:										
Segment Assets	**1,90,893.00**	1,77,214.01	**2,586.55**	1,993.03	**999.71**	919.35			**1,94,479.26**	1,80,126.39
Unallocated Assets									**51,993.74**	43,768.75
Total Assets									**2,46,473.00**	**2,23,895.14**
Segment Liabilities:	**13,099.71**	8,644.29	**3,357.64**	2,395.04	**660.41**	541.17			**17,117.76**	11,580.50
Unallocated Other Liabilities (including loans)									**1,70,338.10**	1,57,899.68
Total liabilities									**1,87,455.86**	**1,69,480.18**
Depreciation and Amortisation	**10,106.27**	8,991.67	**1.24**	1.11	**93.16**	98.47			**10,200.67**	9,091.25
Non-cash expenditure other than Depreciation	**435.54**	26.04	**4.75**	0.23	**1.07**	16.15			**441.36**	42.42
Capital Expenditure	**23,911.84**	21,687.20	**4.99**	1.16	**46.57**	104.70			**23,963.40**	21,793.06

60. Capital and other Commitments

(₹ in Crore)

Particulars	As at 31st March, 2019	As at 31st March, 2018
Estimated amount of contracts remaining to be executed on capital account and not provided for (net of advances)	11027.08	25502.79
Company's commitment towards further investment in join venture entities	201.22	231.72
Company's commitment towards further investment in subsidiary companies	5787.59	9876.51

61. Contingent Liabilities and contingent assets

Contingent Liabilities

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

(i) Capital Works

Some of the contractors for supply and installation of equipments and execution of works at our projects have lodged claims on the company seeking enhancement of the contract price, revision of work schedule with price escalation, compensation for the extended period of work, idle charges etc. These claims are being contested by the Company as being not admissible in terms of the provisions of the respective contracts.

The company is pursuing various options under the dispute resolution mechanism available in the contract for settlement of these claims. In such cases, contingent liability of ₹ 2837.05 crore (Previous Year ₹ 1440.68 crore) has been estimated.

(ii) Land compensation cases

In respect of land acquired for the projects, the land losers have claimed higher compensation before various authorities/courts which are yet to be settled. In such cases, contingent liability of ₹1756.40 crore (Previous Year ₹2490.90 crore) has been estimated.

(iii) Other claims

In respect of claims made by various State/Central Government Departments/Authorities towards building permission fees, penalty on diversion of agriculture land to non-agriculture use, Nala tax, water royalty etc. and by others, contingent liability of ₹26.45 crore (Previous Year ₹4.12 crore) has been estimated.

(iv) Disputed Income Tax/Sales Tax/Excise/Municipal Tax Matters

Disputed Income Tax/Sales Tax/Excise/Municipal Tax Matters amounting to ₹475.70 crore (Previous Year ₹432.64 crore) are being contested before various Appellate Authorities. Many of these matters have been disposed of in favour of the company but are disputed before higher authorities by the concerned departments. Against total claim of ₹172.83 crore (Previous Year ₹80.12 crore), provision of ₹138.39 crore (Previous Year ₹71.44 crore) is made and balance of ₹34.44 crore (Previous Year ₹8.68 crore) towards penalty is shown as contingent liability as it is not a willful default and in management opinion, same is not expected to be upheld by the court.

(v) Others

a) Other contingent liabilities amounts to ₹640.82 crore (Previous Year ₹403.95 crore) which includes claim of ₹384.70 Crore (Previous Year ₹221.81 crore) related to Arbitration cases/Row cases.

b) Some of the beneficiaries have filed appeals against the tariff orders of the CERC. The amount of contingent liability in this regard is not ascertainable.

c) Under the Transmission Service Agreement (TSA) with Powerlinks Transmission Ltd, the company has an obligation to purchase the JV company (Powerlinks Transmission Ltd) at a buyout price determined in accordance with the TSA. Such an obligation may result in case JV company (Powerlinks Transmission Ltd) serves a termination notice either on "POWERGRID event of default" or on "force majeure event" prescribed under TSA. No contingent liability on this account has been considered as the same is not ascertainable.

2. a) Details of Bank guarantees given by the company on behalf of SPV companies, which were taken over to carry out the business awarded under tariff based bidding, towards performance of the work awarded are as under:

(₹ in crore)

Name of SPV	31st March,2019	31st March, 2018
Powergrid NM Transmission Company Ltd	**-**	-
Powergrid Vizag Transmission Company Ltd	**-**	-
Powergrid Unchahar Transmission Company Ltd	**-**	0.02
Powergrid Kala Amb Transmission Limited	**-**	-
Powergrid Jabalpur Transmission Limited	**31.50**	31.50
Powergrid Warora Transmission Limited	**62.10**	62.10
Powergrid Parli Transmission Limited	**63.90**	63.90
Powergrid Southern Interconnector Transmission System Limited	**110.04**	110.04
Powergrid Medinipur Jeerat Transmission Limited	**141.89**	141.89
Powergrid Mithilanchal Transmission Limited	**84.32**	84.32
Powergrid Varanasi Transmission System Limited	**30.38**	30.38
Powergrid Jawaharpur Firozabad Transmission Limited	**41.85**	-

b) The Company has given guarantee for the dues & punctual payment and discharge of the obligations amounting to ₹290 crore (Previous Year ₹ 290 crore) against bond issued by Powergrid Vizag Transmission Company Ltd.

62. 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, securities premium Account and all other equity reserves attributable to the equity holders of the company. The company manages its capital structure and makes adjustments in light of changes in economic conditions, regulatory framework and requirements of financial covenants with lenders. To maintain or adjust the capital structure, the company may adjust the dividend payment to shareholders, regulate investments in new projects, return capital to shareholders or issue new shares. The company monitors capital using debt-equity ratio, which is the ratio of long term debt to total net worth. The policy is to keep the debt-equity ratio wherein the debt is less than 75% of total capital employed (i.e. debt to equity ratio less than 75:25). The company includes within long term debt, interest bearing loans and borrowings and current maturities of long term debt.

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

Particulars	**31st March, 2019**	31st March, 2018
Long term debt (₹ in crore)	**141786.36**	130212.96
Equity (₹ in crore)	**59017.14**	54414.96
Long term debt to Equity ratio	**71:29**	71:29

Under the terms of the major borrowing facilities, the company is required to comply with the financial covenants. Breaches in meeting the financial covenants would permit the lenders to immediately call loans and borrowings. There have been no breaches in the financial covenants of any interest-bearing loans and borrowing in the current reporting period.

No changes were made in the objectives, policies or processes for managing capital during the years ended 31st March, 2019 and 31st March, 2018.

b) Dividends

(₹ in crore)

Particular	**31st March, 2019**	**31st March, 2018**
(i) Equity shares		
Final dividend for the year ended 31st March , 2018 of ₹ 2.80 (31st March, 2017 – ₹ 3.35) per fully paid share	**1464.85**	1752.59
Interim dividend for the year ended 31st March, 2019 of ₹5.83 (31st March, 2018 – ₹ 2.45) per fully paid share	**3050.02**	1281.74

Dividend not recognized at the end of the reporting period

In addition to above dividend, the Board of Directors on 29th May, 2019 recommended the payment of a final dividend of ₹2.50 per fully paid equity share. This proposed dividend is subject to the approval of shareholders in the ensuing Annual general meeting.

63. Earnings per share

(Amount in ₹)

(a) Basic and diluted earnings per share attributable to the equity holders of the company	**31st March, 2019**	**31st March, 2018**
Including movement in Regulatory deferral balances	**19.00**	15.76#
Excluding movement in Regulatory deferral balances*	**23.83**	9.48#
Total basic and diluted earnings per share attributable to the equity holders of the company	**19.00**	15.76

*Restated in the current year consequent to recognition of Minimum Alternate Tax Credit in deferred tax assets during the year. Refer note no 26 (c) and (d)

Refer note no 54 for reclassification

(₹ in Crore)

(b) Reconciliation of earnings used as numerator in calculating earnings per share	**31st March, 2019**	**31st March, 2018**
Earnings attributable to the equity holders of the company including movement in Regulatory deferral balances	**9938.55**	8244.65#
Earnings attributable to the equity holders of the company excluding movement in Regulatory deferral balances	**12465.42**	4960.46#
Total Earnings attributable to the equity holders of the company	**9938.55**	8244.65

Refer note no 54 for reclassification

63. Earnings per share (Contd.)

(c) Weighted average number of shares used as the denominator	31st March, 2019 No. of shares	31st March, 2018 No. of Shares
Weighted average number of equity shares used as the denominator in calculating basic earnings per share	5231589648	5231589648
Adjustments for calculation of diluted earnings per share	-	-
Total weighted average number of equity shares used as the denominator in calculating basic earnings per share	**5231589648**	5231589648

64. 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 has also provided financial guarantee in respect of bonds issued by its wholly owned subsidiary, Powergrid Vizag Transmission Limited. The main purpose of these financial liabilities is to finance the Company's capital investments and operations.

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

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

a) Credit risk,
b) Liquidity risk,
c) Market risk.

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

Risk management framework

The Company has a duly constituted Risk Management Committee headed by Director (Projects) with Director (Finance) and Director (Personnel) as members. For the purpose of evaluating and managing the uncertainties the enterprise faces, Enterprise Risk Management framework has been implemented in the Company. The framework is a structured, consistent and continuous process for identification, assessment, monitoring and management of risks. As per this framework, the significant business processes / risks are monitored and controlled through various Key Performance Indicators (KPIs). The Committee meets at regular intervals and reviews KPIs and provides updates to the Audit Committee/Board.

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

A) Credit Risk

Credit risk is the risk that counterparty will not meet its obligations under a financial instrument or customer contract, leading to a financial loss. The Company is exposed to credit risk from its operating activities on account of trade receivables and loans and advances and from its financing activities due to deposits with banks and financial institutions, foreign exchange transactions and other financial instruments.

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

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

(i) Trade Receivables

The Company primarily provides transmission facilities to inter-state transmission service customers (DICs) comprising mainly state utilities owned by State Governments. The Company has a robust payment security mechanism in the form of Letters of Credit (LC) backed by the Tri-Partite Agreements (TPA). The TPA was signed among the GOI, Reserve Bank of India and the individual State Governments subsequent to the issuance of the One Time Settlement Scheme of State Electricity Boards dues during 2001-02 by the GOI, which was valid till October 2016. GOI has approved the extension of these TPAs for a further period of 10 years. Majority of the States have executed the agreements for extension of TPAs and matter is being pursued with the remaining states.

As per the provisions of the TPA, the customers are required to establish LC covering 105% of the average monthly billing of the Company for last 12 months. The TPA also provides that if there is any default in payment of current dues by any State Utility, the outstanding dues can be deducted from the State's RBI account and paid to the concerned CPSU. There is also provision for regulation of power by the Company in case of non-payment of dues and non-establishment of LC.

CERC tariff regulations allow payment against monthly bills towards transmission charges within a period of 60 days from the date of the bill and levy of surcharge on delayed payment beyond 60 days. A graded rebate is provided by the Company for payments made within 60 days.

64. Financial Risk Management (Contd.)

Trade receivables consist of receivables relating to transmission services of ₹ 4536.61 crore (Previous Year ₹ 3257.37 crore), receivables relating to consultancy services of ₹190.03 crore (Previous Year ₹253.79 crore) and receivables relating to telecom business of ₹239.58 crore (Previous Year ₹175.95 crore)

(ii) Other Financial Assets (excluding trade receivables)

- **Cash and cash equivalents**

  The Company held cash and cash equivalents of ₹377.74 crore (Previous Year ₹502.48 crore). The cash and cash equivalents are held with public sector banks and high rated private sector banks and do not have any significant credit risk.

- **Deposits with banks and financial institutions**

  The Company held deposits with banks and financial institutions of ₹4117.77 crore (Previous Year ₹1853.80 crore). Term deposits are placed with public sector banks and have negligible credit risk.

- **Loans**

  The Company has given loans to employees, subsidiaries, Joint Venture companies, Government of India and other parties. House building loans and conveyance advance to the employees are secured against the mortgage of the house properties or hypothecation of vehicles for which such loans have been given in line with the policies of the Company. The loans provided to group companies are for projects under Tariff Based Competitive Bidding route and Public private partnership. The risk of default in respect of these loans is considered negligible.

o Exposure to credit risk

(₹ in Crore)

Particulars	31st March, 2019	31st March, 2018
Financial assets for which loss allowance is measured using 12 months Expected Credit Losses (ECL)		
Non-Current Loans	10708.99	8253.12
Other non-current financial assets	4384.90	680.50
Cash and cash equivalents	377.74	502.48
Deposits with banks and financial institutions	4117.77	1853.80
Current loans	416.87	46.88
Other current financial assets	6853.20	4869.92
Total	**26859.47**	16206.70
Financial assets for which loss allowance is measured using Life time Expected Credit Losses (ECL)		
Trade receivables	**4966.22**	3687.11

o Provision for expected credit losses

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

The Company has assets where the counter- parties have sufficient capacity to meet the obligations and where the risk of default is very low. At initial recognition, financial assets (excluding trade receivables) 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 losses

In respect of trade receivables from Telecom and Consultancy, customer credit risk is managed by regular monitoring of the outstanding receivables and follow-up with the consumer for realization.

With regard to transmission segment, the Company has customers most of whom are state government utilities with capacity to meet the obligations and therefore the risk of default is negligible. Further, management believes that the unimpaired amounts that are 30 days past due date are still collectible in full, based on the payment security mechanism in place and historical payment 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

The ageing analysis of the trade receivables is as below:

(₹ in Crore)

Ageing	Not due	0-30 days past due	31-60 days past due	61-90 days past due	91-120 days past due	More than 120 days past due	Total
Gross carrying amount as on 31st March, 2019	**14.34**	**1559.70**	**1224.37**	**813.78**	**133.17**	**1220.86**	**4966.22**
Gross carrying amount as on 31st March, 2018	5.57	1504.84	822.79	272.69	167.02	914.20	3687.11

64. Financial Risk Management (Contd.)

(d) Reconciliation of impairment loss provision

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

(₹ in Crore)

Particulars	Trade receivables	Investments	Loans	Advances	Contract Assets	Total
Balance as at 1st April, 2017	**32.41**	**0.05**	**-**	**20.25**	**-**	**52.71**
Impairment loss recognized	15.74	-	-	-	-	15.74
Amounts written off	-	-	-	0.86	-	0.86
Balance as at 31st March, 2018	**48.15**	**0.05**	**-**	**19.39**	**-**	**67.59**
Impairment loss recognized	289.33	4.00	-	0.01	105.71	399.05
Amounts written off	-	-	-	-	-	-
Balance as at 31st March, 2019	**337.48**	**4.05**	**-**	**19.40**	**105.71**	**466.64**

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

B) Liquidity risk

Liquidity risk management implies maintaining sufficient cash and marketable securities and the availability of funding through an adequate amount of committed credit facilities to meet obligations when due. The Company monitors its risk of a shortage of funds using a liquidity planning tool. The Company has access to a variety of sources of funding such as commercial paper, bank loans, bonds and external commercial borrowings and retains flexibility in funding by maintaining availability under committed credit lines.

Management monitors rolling forecasts of the Company's liquidity position comprising the undrawn borrowing facilities below and cash and cash equivalents on the basis of expected cash flows.

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

i) Financial Arrangement

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

(₹ in Crore)

Particulars	31st March, 2019	31st March, 2018
Expiring within 1 year (bank overdraft and other facilities)	**582.13**	1676.50
Expiring beyond one year (bank loans)	**12153.70**	15002.74

The bank overdraft facilities may be drawn at any time and may be terminated by the bank without notice. Subject to the continuance of satisfactory credit ratings, the bank loan facilities may be drawn at any time and have remaining availability period of 1 to 5 years (Previous Year 1 to 5 years).

ii) Maturities of financial liabilities

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

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

(₹ in Crore)

Contractual maturities of financial liabilities	Within a year	Between 1-5 years	Beyond 5 years	Total
31st March, 2019				
Borrowings (including interest outflows)	24733.50	77230.69	108167.14	**210131.33**
Trade payables	364.11	-	-	**364.11**
Other financial liabilities	9035.28	1559.42	4924.35	**15519.05**
Total	**34132.89**	**78790.11**	**113091.49**	**226014.49**
31st March, 2018				
Borrowings (including interest outflows)	17573.08	73642.89	99822.32	**191038.29**
Trade payables	240.34	-	-	**240.34**
Other financial liabilities	10265.31	459.60	-	**10724.91**
Total	**28078.73**	**74102.49**	**99822.32**	**202003.54**

64. Financial Risk Management (Contd.)

C) Market risk

Market risk is the risk that the fair value of future cash flows of a financial instrument will fluctuate because of changes in market prices. Market risk comprises three types of risk:

i. Currency risk

ii. Interest rate risk

iii. Other price risk, such as equity price risk and commodity risk.

i) Currency risk

The Company is exposed to currency risk mainly in respect of foreign currency denominated loans and borrowings and procurement of goods and services whose purchase consideration is denominated in foreign currency. Transmission tariff are regulated by the CERC. According to the CERC tariff regulations for the block 2014-19 the Company may hedge foreign exchange exposure in respect of the interest on foreign currency loan and repayment of foreign loan acquired for the transmission system, in part or full in its discretion and recover the cost of hedging of foreign exchange rate variation corresponding to the normative foreign debt, in the relevant year.

If hedging of the foreign exchange exposure is not undertaken, the extra rupee liability towards interest payment and loan repayment corresponding to the normative foreign currency loan in the relevant year is permissible to be recovered as part of transmission tariff provided it is not attributable to the generating Company or the transmission licensee or its suppliers or contractors. During the Current financial year, no hedging for foreign exchange exposure has been undertaken by the Company. In respect of goods and services procured for Capital Investment, the exchange rate variation is part of the project cost, for determination of transmission tariff. The currency risk in respect of goods and services procured for operation activities is not significant.

The Company's exposure to foreign currency risk at the end of the reporting period expressed in INR is provided in Note No.52.

Sensitivity

Since the impact of strengthening or weakening of Indian rupee against USD, Euro, JPY and other currencies on the statement of profit and loss would not be very significant; therefore, sensitivity analysis for currency risk is not disclosed.

ii) Interest rate risk

The Company is exposed to interest rate risk arising mainly from long term borrowings with floating interest rates. The Company is exposed to interest rate risk because the cash flows associated with floating rate borrowings will fluctuate with changes in interest rates. The Company manages the interest rate risks by maintaining a debt portfolio comprising a mix of fixed and floating rate borrowings in domestic and foreign currencies.

At the reporting date, the interest rate profile of the Company's variable interest rate-bearing financial instruments is as follows:

(₹ in Crore)

Particulars	31st March, 2019	31st March, 2018
Long Term Debt with floating rate of interest		
- Domestic	**26190.00**	17532.00
- Foreign	**33427.30**	27771.63
Sub Total	**59617.30**	45303.63
Long Term Debt with fixed rate of interest		
-Domestic	**74488.86**	77696.21
-Foreign	**7680.20**	7213.12
Sub Total	**82169.06**	84909.33
Total Long Term Debt	**141786.36**	130212.96
% of Floating Interest Rate Debt to Total Long Term Debt	**42.05%**	34.79%

Fair value sensitivity analysis for interest-rate risk

As per CERC Regulations, interest on loan during construction forms part of project cost for the purpose of tariff and after the date of commercial operation, interest on loans is recoverable through tariff calculated on the normative average loan of the year by applying the weighted average rate of interest of the actual loan portfolio.

Accordingly, the Company's interest rate risk is not considered significant; hence sensitivity analysis for the risk is not disclosed.

64. Financial Risk Management (Contd.)

iii) Other price risk

The Company's exposure to equity securities price risk arises from investments held by the Company and classified in the balance sheet as fair value through OCI.

Considering the magnitude of equity investments, no significant risk is expected to arise.

65. Income Tax expense

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

(a) Income tax expense

(₹ in Crore)

Particulars	31st March, 2019	31st March, 2018
Current Tax		
Current tax on profits for the year	**2489.43**	2153.67
Adjustments for current tax of prior periods*	**-**	15.34
Pertaining to regulatory deferral account balances (A)	**(694.08)**	44.23
Total current tax expense (B)	**1795.35**	**2213.24**
Deferred Tax expense		
Origination and reversal of temporary differences	**741.01**	3140.15
Previously unrecognized tax credit recognized as Deferred Tax Asset this year	**(4206.88)**	-
Total deferred tax expense /benefit (C)	**(3465.87)**	**3140.15**
Income tax expense (B+C-A)	**(976.44)**	**5309.16**
Pertaining to regulatory deferral account balances	**(694.08)**	**44.23**
Total tax expense including tax on movement in regulatory deferral account balances	**(1670.52)**	**5353.39#**

* This includes tax on regulatory deferral balance account for the last year.

(b) Income Tax recognized in Regulatory Deferral Account Balances:

(₹ in Crore)

Particulars	31st March, 2019	31st March, 2018
Deferred assets for Deferred tax liability	**(3472.89)**	3121.19#
Foreign Currency Fluctuation	**232.27**	195.92
Employee Benefits Expenses	**19.67**	11.31
Total Regulatory Deferral Account Balances Before Tax - Income / (Expenses)	**(3,220.95)**	3328.42
Current Tax on Regulatory Deferral Account Balances	**(694.08)**	44.23
Net Movement in Regulatory Deferral Account Balances - Income/ (Expenses) (net of Tax)	**(2526.87)**	**3284.19**

(c) Income Tax recognized in other comprehensive income:

(₹ in Crore)

Particulars	31st March, 2019			31st March, 2018		
	Before Tax	Tax expense/ (benefit)	Net of Tax	Before Tax	Tax expense/ (benefit)	Net of Tax
Net gains/(losses) on fair valuation of equity instruments	(14.15)	-	(14.15)	(12.92)	-	(12.92)
Net acturial losses on defined benefit plans	(0.26)	0.05	(0.31)	37.58	8.02	29.56
Less: Transferred to expenditure during construction (net)	2.34	0.50	1.84	10.94	2.33	8.61
Other Comprehensive Income (Net of Tax)	**(16.75)**	**(0.45)**	**(16.30)**	**13.72**	**5.69**	**8.03**

65. Income Tax expense (Contd.)

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

(₹ in Crore)

Particulars	31st March, 2019	31st March, 2018
Profit before income tax expense including movement in regulatory	**8,268.03**	13,598.04
Tax at the Company's domestic tax rate of 34.944 % (31 March 2018 34.608 %)	**2,889.18**	**4,706.01**
Tax effect of:		
Non Deductible tax items	**(2,743.09)**	(4,201.98)
Tax exempt income	**(1,769.51)**	576.15
Deferred Assets for Deferred Tax Liability	**2,654.47**	(1,080.18)
Previous Years tax liability	**-**	15.34
Unabsorbed tax losses	**(964.96)**	-
Deferred Tax expense/(income)	**(3,465.87)**	3,140.15
Minimum alternate tax adjustments**	**1,729.28**	2,197.90
Income tax expense	**(1,670.52)**	**5,353.39**

**Restated in the current year consequent to recognition of Minimum Alternate Tax Credit in deferred tax assets during the year. Refer note no 26 (c) and (d).

Refer note no 54 for reclassification.

66. Employee Benefit Obligations

(₹ in Crore)

Particulars	31st March, 2019			31st March, 2018		
	Current	Non-current	Total	Current	Non-current	Total
Leave Obligations	39.77	331.92	371.69	42.04	312.90	354.94
Post-Retirement Medical Facility (PRMF)	16.86	422.11	438.97	12.30	374.36	386.66
Other Employee benefits /Long Service Award	1.15	13.60	14.75	1.14	13.26	14.40
Gratuity	111.45	514.99	626.44	82.72	548.76	631.48
Other Defined retirement benefits (ODRB)/ Baggage Allowance	2.06	16.67	18.74	2.08	16.35	18.43
Total employee benefit obligations	**171.29**	**1299.29**	**1470.59**	**140.28**	**1265.63**	**1405.91**

(i) Long Term Employee Benefits

A. Leave Obligations

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

B. Other employee benefits – POWERGRID Employee family rehabilitation scheme

The company has introduced POWERGRID Employees Family Economic Rehabilitation Scheme during the year. The Objective of the scheme is to provide monetary assistance and support to an employee in case of his/her permanent total disablement and to his/her family in case of death while in service. The beneficiary would be entitled to monthly payment equivalent to the employee's 50% of one month pay last drawn provided the beneficiary deposits with the company an amount equal to PF (excluding VPF) balance, Gratuity amount and Group Insurance (EDLI) amount, Such monthly payment would continue till the normal notional date on which the employee concerned would have attained the age of superannuation had the employee continued in the service of the company. The scheme is optional. Provision for POWERGRID Employees Family Economic Rehabilitation Scheme amounting to ₹0.53 crore (Previous Year ₹ 6.62 crore) for the year has been made during the year based on actuarial valuation.

(ii) Post-employment obligations (Defined Employee Benefit/Contribution Schemes)

A. Post-Retirement Medical Facility (PRMF)

The Company has Post-Retirement Medical Facility (PRMF), under which retired employees and the spouse are provided medical facilities in the empanelled hospitals. They can also avail treatment as Out-Patient subject to a ceiling fixed by the company. The liability for the same is recognized on the basis of actuarial valuation on annual basis on the Balance Sheet date. The scheme is funded by the company and is managed by a separate trust constituted on 1st May 2018.

66. Employee Benefit Obligations (Contd.)

B. Other employee benefits – Long Service Award

This benefit is applicable to all regular employees of the company (except for Directors and CMD) who have superannuated after completing at least 10 years of service.

C. Gratuity

The company has a defined benefit gratuity plan. Every employee who has rendered continuous service of five years or more is entitled to get gratuity at 15 days salary (15/26 x last drawn basic salary plus, dearness allowance) for each completed year of service on superannuation, resignation, termination, disablement or on death subject to a maximum of ₹ 20 lacs. The scheme is funded by the company and is managed by a separate trust. The liability for the same is recognized on the basis of actuarial valuation on annual basis on the Balance Sheet date. Company has carried out the actuarial valuation of Gratuity benefit considering ceiling of ₹20 Lakhs.

D. Other Defined Retirement Benefits (ODRB)/Baggage Allowance

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

E. Provident Fund

Company pays fixed contribution to Provident Fund at predetermined rate to a separate trust, which invests the funds in permitted securities. Contribution to family pension scheme is paid to the appropriate authorities. The contribution to the fund and EPS scheme for the year amounting to ₹ 131.04 crore (previous year ₹93.07 crore) has been recognized as expense and is charged to Statement of Profit and Loss. The obligation of the company is limited to such fixed contribution and to ensure a minimum rate of interest on contributions to the members as specified by GOI. As per the report of actuary overall interest earning and cumulative surplus is more than statutory interest payment requirement. Hence, no further provision is considered necessary. Since the company does not have unconditional right over the PF corpus, the surplus has not been recognized in the Balance Sheet.

(₹ in Crore)

Particulars	31st March, 2019			31st March, 2018		
	Current	Non-current	Total	Current	Non-current	Total
Provident Fund (PF)	141.68	2615.90	2757.58	427.96	2196.21	2624.17

(₹ in Crore)

Particulars	PF		
	Present value of obligation	Fair value of plan assets	Net amount
1st April, 2018	**2624.17**	**2649.00**	**(24.83)**
Service cost	98.18	-	98.18
Interest expense (income)	199.44	226.44	(27)
Total	**297.62**	**226.44**	**71.18**
Re measurements			
Return on plan assets, excluding amount included in interest expense/(income)	-	-	-
(Gain)/Loss from change in demographic assumptions	-	-	-
(Gain)/Loss from change in financial assumptions	(0.10)	-	(0.10)
Experience (Gain)/ Losses	(34.91)	-	(34.91)
Total	**(35.01)**	**-**	**(35.01)**
Employee contributions	111.69	209.88	(98.19)
Benefits payments	(240.89)	(240.89)	-
31st March, 2019	**2757.58**	**2844.43**	**(86.85)**

(₹ in Crore)

Particulars	PF		
	Present value of obligation	Fair value of plan assets	Net amount
1st April, 2017	**2321.95**	**2363.30**	**(41.35)**
Service cost	71.41	-	71.41
Interest expense (income)	174.15	217.78	(43.63)
Total	**245.56**	**217.78**	**27.78**

66. Employee Benefit Obligations (Contd.)

(₹ in Crore)

Particulars	PF		
	Present value of obligation	Fair value of plan assets	Net amount
Re measurements			
Return on plan assets, excluding amount included in interest expense/(income)	-	-	-
(Gain)/Loss from change in demographic assumptions	-	-	-
(Gain)/Loss from change in financial assumptions	(0.06)	-	(0.06)
Experience (Gain)/ Losses	60.21	-	60.21
Total	**60.15**	**-**	**60.15**
Employee contributions	134.22	205.63	(71.41)
Benefits payments	(137.71)	(137.71)	-
31st March, 2018	**2624.17**	**2649.00**	**(24.83)**

The net liability disclosed above relates to Provident Fund is as follows:

(₹ in Crore)

Particulars	PF	
	31st March, 2019	31st March, 2018
Present value of funded obligations	**2757.58**	2624.17
Fair value of plan assets	**2844.43**	2649.00
Deficit/(Surplus) of funded plan	**(86.85)**	(24.83)

Sensitivity Analysis of Provident Fund:

(₹ in Crore)

Particulars	PF
a) Impact of change in discount rate	2757.58
Present value of Obligation at the end of period	
- Impact due to increase of 0.5%	(0.32)
- Impact due to decrease of 0.5%	0.33

The major categories of plan assets (PF) are as follows

(₹ in Crore)

Particulars	31st March, 2019				31st March, 2018			
	Quoted	Unquoted	Total	In %	Quoted	Unquoted	Total	In %
Equity instruments (ETF)	38.62	-	38.62	2%	14.84	-	14.84	1%
Debt instruments								
Govt/State Bonds	1570.27	-	1570.27	55%	1395.64	-	1395.64	53%
PSU and Private Bonds	1135.92	-	1135.92	40%	1056.47	-	1056.47	40%
Bank Balance	7.79	-	7.79	0%	12.11	-	12.11	0%
Other Receivables	91.83	-	91.83	3%	169.94	-	169.94	6%
Total	**2844.43**	**-**	**2844.43**		**2649.00**	**-**	**2649.00**	

Fair value of company's own transferable financial instruments held as plan assets is ₹85.50 crore as on 31st March, 2019 (₹ 94.81 crore as on 31st March, 2018).

The expected maturity analysis of provident fund is as follows:

(₹ in Crore)

Particulars	Less than a year	Between 1-2 year	Between 2-5 years	Over 5 years	Total
31st March, 2019	**141.68**	**125.82**	**356.78**	**2133.30**	**2757.58**
31st March, 2018	427.96	185.44	584.58	1426.19	2624.17

66. Employee Benefit Obligations (Contd.)

F. Pension

The Company has scheme of employees defined Pension Contribution. Company contribution is paid to separate trust. Amount of contribution paid/payable for the year is ₹ 102.41 crore (previous year ₹108.67 crore) has been recognized as expense and is charged to Statement of Profit & Loss.

The summarized position of various employee benefit obligations is as follows:

(₹ in Crore)

Particulars	Gratuity			ODRB			Leaves			PRMF		
	Present value of obligation	Fair value of plan assets	Net amount	Present value of obligation	Fair value of plan assets	Net amount	Present value of obligation	Fair value of plan assets	Net amount	Present value of obligation	Fair value of plan assets	Net amount
1st April, 2018	**631.48**	**579.51**	**51.97**	**18.43**	**-**	**18.43**	**354.94**	**-**	**354.94**	**386.66**	**-**	**386.66**
Service cost	29.64	-	29.64	0.98	-	0.98	40.75	-	40.75	12.84	-	12.84
Interest expense (income)	47.99	44.04	3.95	1.40	-	1.40	26.97	-	26.97	29.38	3.00	26.38
Total amount recognized in profit or loss	**77.63**	**44.04**	**33.59**	**2.38**	**-**	**2.38**	**67.72**	**-**	**67.72**	**42.22**	**3.00**	**39.22**
Re measurements												
Return on plan assets, excluding amount included in interest expense/ (income)	-	7.53	(7.53)	-	-	-	-	-	-	-	-	-
(Gain)/Loss from change in demographic assumptions	-	-	-	-	-	-	-	-	-	-	-	-
(Gain)/Loss from change in financial assumptions	(5.95)	-	(5.95)	(0.21)	-	(0.21)	(4.91)	-	(4.91)	(7.60)	-	(7.60)
Experience (Gain)/ Losses	(6.36)	-	(6.36)	(1.63)	-	(1.63)	(2.28)	-	(2.28)	33.66	-	33.66
Total amount recognized in other comprehensive income	**(12.31)**	**-**	**(12.31)**	**(1.84)**	**-**	**(1.84)**	**(7.19)**	**-**	**(7.19)**	**26.06**	**-**	**26.06**
Employer contributions	-	29.56	(29.56)	-	-	-	-	-	-	-	431.64	(431.64)
Benefits payments	(70.36)	(70.36)	-	(0.23)	-	(0.23)	(43.78)	-	(43.78)	(15.96)	(15.96)	-
31st March, 2019	**626.44**	**590.28**	**36.16**	**18.74**	**-**	**18.74**	**371.69**	**-**	**371.69**	**438.98**	**418.68**	**20.30**

(₹ in Crore)

Particulars	Gratuity			ODRB			Leaves			PRMF		
	Present value of obligation	Fair value of plan assets	Net amount	Present value of obligation	Fair value of plan assets	Net amount	Present value of obligation	Fair value of plan assets	Net amount	Present value of obligation	Fair value of plan assets	Net amount
1st April, 2017	**625.54**	**551.83**	**73.71**	**17.64**	**-**	**17.64**	**489.97**	**-**	**489.97**	**340.28**	**-**	**340.28**
Service cost	32.32	-	32.32	0.94	-	0.94	33.78	-	33.78	11.16	-	11.16
Interest expense (income)	46.92	41.39	5.53	1.32	-	1.32	36.75	-	36.75	25.52	-	25.52
Total amount recognized in profit or loss	**79.24**	**41.39**	**37.85**	**2.26**	**-**	**2.26**	**70.53**	**-**	**70.53**	**36.68**	**-**	**36.68**

66. Employee Benefit Obligations (Contd.)

(₹ in Crore)

Particulars	Gratuity			ODRB			Leaves			PRMF		
	Present value of obligation	Fair value of plan assets	Net amount	Present value of obligation	Fair value of plan assets	Net amount	Present value of obligation	Fair value of plan assets	Net amount	Present value of obligation	Fair value of plan assets	Net amount
Re measurements												
Return on plan assets, excluding amount included in interest expense/ (income)	-	10.95	(10.95)	-	-	-	-	-	-	-	-	-
(Gain)/Loss from change in demographic assumptions	-	-	-	-	-	-	-		-	-	-	-
(Gain)/Loss from change in financial assumptions	(3.97)	-	(3.97)	(0.13)	-	(0.13)	(2.69)	-	(2.69)	(5.07)	-	(5.07)
Experience (Gain)/ Losses	(40.62)		(40.62)	(1.24)	-	(1.24)	6.95	-	6.95	25.30	-	25.30
Total amount recognized in other comprehensive income	**(44.59)**	**-**	**(44.59)**	**(1.37)**	**-**	**(1.37)**	**4.26**	**-**	**4.26**	**20.23**	**-**	**20.23**
Employer contributions	-	4.05	(4.05)	-	-	-	-	-	-	-	-	-
Benefits payments	(28.71)	(28.71)	-	(0.10)	-	(0.10)	(209.82)	-	(209.82)	(10.53)	-	(10.53)
31st March, 2018	**631.48**	**579.51**	**51.97**	**18.43**	**-**	**18.43**	**354.94**	**-**	**354.94**	**386.66**	**-**	**386.66**

The net disclosed above relates to funded and unfunded plans are as follows:-

(₹ in Crore)

Particulars	Gratuity		ODRB		Leaves		PRMF	
	31st March, 2019	31st March, 2018	31st March, 2019	31st March, 2018	31st March, 2019	31st March, 2018	31st March, 2019	31st March, 2018
Present value of funded obligations	**626.44**	631.48	**-**	-	-	-	438.98	-
Fair value of plan assets	**590.27**	579.51	**-**	-	-	-	418.68	-
Deficit/(Surplus) of funded plan	**36.17**	**51.97**	**-**	**-**	**-**	**-**	**20.30**	**-**
Unfunded plans	**-**	**-**	**18.74**	**18.43**	**371.69**	**354.94**	**-**	**386.66**

The company expects to contribute ₹ 33.85 crore to the gratuity trust during the FY 2019-20.

(iii) Significant actuarial assumptions for Post-Employment Benefits :

Economic Assumptions

Particulars	Gratuity, ODRB, Pension, PRMF,PF	
	31st March, 2019	31st March, 2018
Discount rate	**7.75%**	7.60%
Salary growth rate (except for PF)	**6.50%**	6.50%

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

66. Employee Benefit Obligations (Contd.)

Demographic Assumptions

Particulars	31st March, 2019	31st March, 2018
i) Retirement Age	60	60
ii) Mortality rates inclusive of provision for disability	100% of IALM (2006-08)	
iii) Ages		
	Withdrawal rate %	Withdrawal %
Upto 30 years	3	3
From 31 to 44 years	2	2
Above 44 years	1	1

Mortality rates for specimen ages

Age	Mortality rate	Age	Mortality rate	Age	Mortality rate
15	0.000614	45	0.002874	75	0.039637
20	0.000888	50	0.004946	80	0.060558
25	0.000984	55	0.007888	85	0.091982
30	0.001056	60	0.011534	90	0.138895
35	0.001282	65	0.017009	95	0.208585
40	0.001803	70	0.025855	100	0.311628

(iv) Sensitivity Analysis of the defined benefit obligation

(₹ in Crore)

Particulars	Gratuity	ODRB	Leave	PRMF
a) Impact of change in discount rate				
Present value of Obligation at the end of period	626.44	18.74	371.69	438.98
- Impact due to increase of 0.5%	(18.91)	(0.70)	(14.57)	(24.01)
- Impact due to decrease of 0.5%	20.37	0.71	15.79	24.50
b) Impact of change in salary increase				
Present value of Obligation at the end of period	626.44	18.74	371.69	438.98
- Impact due to increase of 0.5%	6.91	0.71	15.91	24.94
- Impact due to decrease of 0.5%	(7.20)	(0.70)	(14.80)	(24.13)

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

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

(v) The major categories of plan assets (Gratuity) are as follows:

(₹ in Crore)

Particulars	31st March, 2019				31st March, 2018			
	Quoted	Unquoted	Total	In %	Quoted	Unquoted	Total	In %
Equity instruments (ETF)	**3.35**	**-**	**3.35**	**0.5%**	3.20	-	3.20	1%
Debt instruments								
Govt/State Bonds	**292.45**	**-**	**292.45**	**48.5%**	291.91	-	291.91	49%
PSU and Private Bonds	**307.27**	**-**	**307.27**	**51.0%**	296.26	-	296.26	50%
Total*	**603.07**	**-**	**603.07**		**591.37**	**-**	**591.37**	

*Fair valuation as per actuarial valuation is ₹ 590.27 crore (Previous Year ₹ 579.51 crore).

Fair value of company's own transferable financial instruments held as plan assets is ₹ 73.83 crore (Previous Year ₹87.53 crore).

66. Employee Benefit Obligations (Contd.)

(vi) The major categories of plan assets (PRMF) are as follows:

(₹ in Crore)

Particulars	31st March, 2019				31st March, 2018			
	Quoted	Unquoted	Total	In %	Quoted	Unquoted	Total	In %
Equity instruments (ETF)	-	-	-	-	-	-	-	-
Debt instruments								
Govt/State Bonds	**171.85**	**-**	**171.85**	**41%**	-	-	-	-
PSU and Private Bonds	**246.56**	**-**	**246.56**	**59%**	-	**-**	**-**	**-**
Total#	**418.41**	**-**	**418.41**		**-**	**-**	**-**	**-**

#Fair valuation as per actuarial valuation is ₹ 418.69 crore (Previous Year ₹ Nil crore)

(vii) Description of Risk exposures

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

A) Salary Increases (except for PF) – Actual salary increase will increase the plan's liability. Increase in salary increase rate assumptions in future valuation will also increase the liability.

B) Investment risk – If plan is funded then assets liabilities mismatch and actual investment return on assets lower than the discount rate assumed at the last valuation date can impact the liability

C) Discount Rate – Reduction in discount rate in subsequent valuations can increase the plan's liability.

D) Mortality & disability – Actual deaths and disability cases proving lower or higher than assumed in the valuation can impact the liabilities.

E) Withdrawals – Actual withdrawals proving higher or lower than assumed withdrawals and change of withdrawal rates at subsequent valuations can impact Plan's liability.

(viii) Defined benefit liability and employee contribution

The weighted average duration of the defined benefit obligations is 41.39 years (Previous Year 41.89 years). The expected maturity analysis of undiscounted pension, gratuity, other defined retirement benefit and post-employment medical benefits is as follows:

(₹ in Crore)

Particulars	Less than a year	Between 1-2 year	Between 2-5 years	Over 5 years	Total
31st March, 2019					
Defined benefit obligation (Gratuity)	78.80	9.56	172.02	366.07	626.45
Post-employment medical benefits	16.86	18.13	70.80	333.19	438.98
ODRB	2.06	0.20	0.96	15.51	18.73
Other employee benefits(LSA)	1.15	1.00	2.90	9.69	14.74
Total	**98.87**	**28.89**	**246.68**	**724.46**	**1098.90**
31st March, 2018					
Defined benefit obligation (Gratuity)	82.71	153.47	153.16	242.14	631.48
Post-employment medical benefits	12.31	12.95	43.26	318.14	386.66
ODRB	2.08	1.72	4.82	9.81	18.43
Other employee benefits(LSA)	1.14	0.97	2.83	9.46	14.40
Total	**98.24**	**169.11**	**204.07**	**579.55**	**1050.97**

67. Recent Accounting Pronouncements effective from 1st April 2019:

Ind AS 116 was notified by Ministry of Corporate Affairs on 30 March 2019 and it is applicable for annual reporting periods beginning on or after 1 April 2019.

Ind AS 116 will affect primarily the accounting by lessees and will result in the recognition of almost all leases on balance sheet. The standard removes the current distinction between operating and finance leases and requires recognition of an asset (the right-of-use the leased item) and a financial liability to pay rentals for virtually all lease contracts. An optional exemption exists for short-term and low-value leases. The accounting by lessors will not significantly change.

The Company is evaluating the requirements of the amendment and the effect on financial statements.

67. Recent Accounting Pronouncements effective from 1st April 2019: (Contd.)

Amendments to Ind AS 19, 'Employee Benefits'

The amendments to Ind AS 19 clarify the accounting for defined benefit plan amendments, curtailments and settlements. They confirm that entities must :

- Calculate the current service cost and net interest for the remainder of the reporting period after a plan amendment, curtailment or settlement by using the updated assumptions from the date of the change;
- Any reduction in a surplus should be recognised immediately in profit or loss either as part of past service cost, or as a gain or loss on settlement. In other words, a reduction in a surplus must be recognised in profit or loss even if that surplus was not previously recognised because of the impact of the asset ceiling; and
- Separately recognise any changes in the asset ceiling through other comprehensive income.

These amendments will apply to any future plan amendments, curtailments, or settlements of the Company on or after 1 April 2019. The Company is evaluating the requirements of the amendment and the effect on financial statements.

Amendment to Ind AS 12, 'Income Taxes'

The amendments clarify that the income tax consequences of dividends on financial instruments classified as equity should be recognised according to where the past transactions or events that generated distributable profits were recognised. These requirements apply to all income tax consequences of dividends. Previously, it was unclear whether the income tax consequences of dividends should be recognised in profit or loss, or in equity, and the scope of the existing guidance was ambiguous.

The Company is evaluating the requirements of the amendment and the effect on financial statements.

Amendments to Ind AS 23, 'Borrowing Costs'

The amendments clarify that if a specific borrowing remains outstanding after the related qualifying asset is ready for its intended use or sale, it becomes part of general borrowings.

The Company is evaluating the requirements of the amendment and the effect on financial statements.

68. a) Figures have been rounded off to nearest rupees in crore up to two decimal.
b) Previous year figures have been reclassified wherever considered necessary.

For and on behalf of the Board of Directors

Divya Tandon	**K. Sreekant**	**Ravi P Singh**
Company Secretary	Director (Finance)	Director (Personnel)

As per our report of even date

For S.K. Mittal & Co.	**For R.G.N.Price & Co.**	**For Kothari & Co.**	**For Parakh & Co.**
Chartered Accountants	Chartered Accountants	Chartered Accountants	Chartered Accountants
Firm Regn No. 001135N	Firm Regn No. 002785S	Firm Regn No. 301178E	Firm Regn No. 001475C
(CA S. Murthy)	**(CA Rangarajan Raghavan Iyengar)**	**(CA Manaswy Kothari)**	**(CA Gotam Kumar Bagariya)**
Partner	Partner	Partner	Partner
M.No. 072290	M.No. 041883	M.No. 064601	M.No. 425104

Place: New Delhi
Date: 29th May, 2019

Independent Auditors' Report

To the Members of Power Grid Corporation of India Limited

Report on the Standalone Financial Statements

Opinion

We have audited the accompanying standalone financial statements of Power Grid Corporation of India Limited ("the Company"), which comprise the Balance Sheet as at March 31, 2019, the Statement of Profit and Loss (including Other Comprehensive Income), the Statement of Changes in Equity and the Statement of Cash Flows for the year ended on that date, and a summary of the significant accounting policies and other explanatory information (hereinafter referred to as "the standalone financial statements").

In our opinion and to the best of our information and according to the explanations given to us, the aforesaid standalone financial statements give the information required by the Companies Act, 2013 ("the Act") in the manner so required and give a true and fair view in conformity with the Indian Accounting Standards prescribed under section 133 of the Act read with the Companies (Indian Accounting Standards) Rules, 2015, as amended, ("Ind AS") and other accounting principles generally accepted in India, of the state of affairs of the Company as at March 31, 2019, the profit & total comprehensive income, changes in equity and its cash flows for the year ended on that date.

Basis for Opinion

We conducted our audit of the standalone financial statements in accordance with the Standards on Auditing (SAs) specified under section 143(10) of the Act. Our responsibilities under those Standards are further described in the Auditor's Responsibilities for the Audit of the Standalone Financial Statements section of our report. We are independent of the Company in accordance with the Code of Ethics issued by the Institute of Chartered Accountants of India (ICAI) together with the independence requirements that are relevant to our audit of the standalone financial statements under the provisions of the Act and the Rules made there under, and we have fulfilled our other ethical responsibilities in accordance with these requirements and the ICAI's Code of Ethics. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our audit opinion on the standalone financial statements.

Emphasis of Matter

We draw attention to the following matters in the notes to the Standalone financial statements

(a) In respect of recognition of revenue from transmission assets for which final tariff orders are yet to be issued by the CERC [Refer Note No. 35(b)(ii)]; and

(b) In respect of balance confirmation, reconciliation and consequential adjustments, if any, of Trade Receivable and Recoverable and Trade and Other payables which is carried out on an ongoing basis [Refer Note No. 45(a)].

Our opinion is not modified in respect of these matters.

Key Audit Matters

Key audit matters are those matters that, in our professional judgment, were of most significance in our audit of the standalone financial statements for the year ended 31st March 2019. These matters were addressed in the context of our audit of the standalone financial statements as a whole, and in forming our opinion thereon, and we do not provide a separate opinion on these matters. We have determined the matters described below to be the key audit matters to be communicated in our report.

Sr. No.	Key Audit Matters	Auditors' approach to address the Key Audit Matters
1	**Recognition of Revenue** The Company has revenue from three business segments viz. Transmission, Telecom and Consultancy. Transmission Income is accounted for based on tariff orders notified by the CERC. In case of transmission projects where final tariff orders are yet to be notified, transmission income is accounted for on provisional basis as per tariff regulations and orders of the CERC in similar cases. Difference, if any, is accounted on issuance of final tariff orders by the CERC. 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 Company implemented Ind AS 115 in the current financial year and applied the available exemption provided therein, to not restate the comparative periods. This is considered as Key Audit Matter due to the nature and extent of estimates made as per CERC tariff Regulations and contracts with customers for recognition of revenue. (Refer Note No. 35(b)(ii) Standalone Financial Statements)	Our audit approach was a combination of test of internal controls and substantive procedures which includes the following: • We assessed the Company's process to identify the impact of adoption of the new revenue accounting standard. • Evaluated the detailed analysis performed by management on revenue streams by selecting samples for the existing contracts with customers and considered revenue recognition policy in the current period in respect of those revenue streams; • Evaluated and tested the effectiveness of the design of Internal controls relating to recognition and measurement of revenue from Transmission, Telecom and Consultancy. • Verified the transmission revenue based on the CERC tariff Regulation, orders, circulars, guidelines and the company's internal circulars. • Verified the revenue from Transmission based on the tariff orders notified by CERC during the year on test basis. • Verified on test basis the income recognised on provisional basis (Unbilled Revenue) consistently as per the regulatory guidelines for the assets whose final orders are yet to be notified by CERC, based on the date of commercial operation (DOCO) letters issued by Regional technical heads, and capital cost, as certified by the Management. • Verified the Consultancy and Telecom revenue based on the contracts with customers. • Evaluated the appropriateness of the disclosures provided under the new revenue standard and assessed the adequacy of the relevant disclosures.

2.	**Deferred Tax Assets relating to MAT credit entitlement** The Company has considered MAT credit of ₹5935.70 Crore in anticipation of set off against the tax payable in future years and created Deferred Tax Asset for the same during the year. The same has been recognized as liability of the Regulatory Deferral Account corresponding to the said MAT credit entitlement. We identified this as a key audit matter because of the importance of this matter intended uses of the financial statements and its materiality and requirement of judgement in assessing future taxable profits for recognisition of MAT credit entitlement. (Refer Note No.26 of Standalone financial statements.)	Our audit approach involved: • Understanding the current status of availability of MAT credits • Discussed with appropriate senior management and evaluated management's underlying key assumptions for set off of MAT credit against taxable future profits
3.	**Assessment of contingent liabilities in respect of certain litigations including land compensation, direct and indirect taxes, various claims filed by other parties not acknowledged as debt.** There is high level of judgement required in estimating the contingent liabilities. The company's assessment of contingent liabilities is supported by the facts of the matter, Company's judgement thereon, past experience and advices from legal and independent tax consultants wherever necessary. We identified the above area as Key Audit Matters in view of associated uncertainty relating to the outcome of these matter. (Refer Note No. 61 of Standalone financial statements).	**Our audit approach involved;** a. Understanding the current status of the litigation for land compensations/ tax assessments. b. Examining recent orders from competent authorities and/or communication received from various authorities, judicial forums and follow up action thereon. c. Review and analysis of evaluation of the contentions of the company through discussions, collection of details of the subject matter under consideration, the likely outcome and consequent potential outflows on those issues.

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

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

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

In connection with our audit of the standalone financial statements, our responsibility is to read the other information identified above when it becomes available and, in doing so, consider whether the other information is materially inconsistent with the standalone financial statements or our knowledge obtained during the course of our audit or otherwise appears to be materially misstated. We have nothing to report in this regard.

When we read those documents including annexures, if any thereon, if we conclude that there is a material misstatement therein, we shall communicate the matter to those charged with the governance.

Management's Responsibility for the Standalone Financial Statements

The Company's Board of Directors is responsible for the matters stated in section 134(5) of the Act with respect to the preparation of these standalone financial statements that give a true and fair view of the financial position, financial performance including other comprehensive income, changes in equity and cash flows of the Company in accordance with the Ind AS and other accounting principles generally accepted in India.

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 standalone financial statements that give a true and fair view and are free from material misstatement, whether due to fraud or error.

In preparing the standalone financial statements, management is responsible for assessing the Company's ability to continue as a going concern, disclosing, as applicable, matters related to going concern and using the going concern basis of accounting unless management

either intends to liquidate the Company or to cease operations, or has no realistic alternative but to do so.

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

Auditor's Responsibilities for the Audit of the Standalone Financial Statements

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

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

- Identify and assess the risks of material misstatement of the standalone financial statements, whether due to fraud or error, design and perform audit procedures responsive to those risks, and obtain audit evidence that is sufficient and appropriate to provide a basis for our opinion. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control.
- Obtain an understanding of internal financial controls relevant to the audit in order to design audit procedures that are appropriate in the circumstances. Under section 143(3)(i) of the Act, we are also responsible for expressing our opinion on whether the Company has adequate internal financial controls system in place and the operating effectiveness of such controls.
- Evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by management.
- Conclude on the appropriateness of management's use of the going concern basis of accounting and, based on the audit evidence obtained, whether a material uncertainty exists related to events or conditions that may cast significant doubt on the Company's ability to continue as a going concern. If we conclude that a material uncertainty exists, we are required to draw attention in our auditor's report to the related disclosures in the standalone financial statements or, if such disclosures are inadequate, to modify our opinion. Our conclusions are based on the audit evidence obtained up to the date of our auditor's report. However, future events or conditions may cause the Company to cease to continue as a going concern.
- Evaluate the overall presentation, structure and content of the standalone financial statements, including the disclosures, and whether the standalone financial statements represent the underlying transactions and events in a manner that achieves fair presentation.

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

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

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

From the matters communicated with those charged with governance, we determine those matters that were of most significance in the audit of the standalone financial statements of the current period and are therefore the key audit matters. We describe these matters in our auditor's report unless law or regulation precludes public disclosure about the matter or when, in extremely rare circumstances, we determine that a matter should not be communicated in our report because the adverse consequences of doing so would reasonably be expected to outweigh the public interest benefits of such communication.

Report on Other Legal and Regulatory Requirements

1. As required by the Companies (Auditor's Report) Order, 2016 ("the Order") issued by the Central Government in terms of Section 143(11) of the Act, we give in **Annexure '1'** our report on the matters specified in paragraphs 3 and 4 of the Order, to the extent applicable.
2. In terms of section 143(5) of the Companies Act, 2013, we give in the **Annexure '2'** our report on the directions issued by the Comptroller and Auditor General of India.
3. As required by Section 143(3) of the Act, based on our audit we report that:
   (a) We have sought and obtained all the information and explanations which to the best of our knowledge and belief were necessary for the purposes of our audit;
   (b) In our opinion, proper books of account as required by law have been kept by the Company so far as it appears from our examination of those books;
   (c) The Balance Sheet, the Statement of Profit and Loss including Other Comprehensive Income, Statement of Changes in Equity and the Statement of Cash Flow dealt with by this Report are in agreement with the relevant books of account;
   (d) In our opinion, the aforesaid standalone financial statements comply with the Ind AS specified under Section 133 of the Act, read with the relevant rules issued thereunder;

(e) In view of exemption given vide notification no. G.S.R. 463(E) dated June 5, 2015, issued by the Ministry of Corporate Affairs, provisions of Section 164(2) of the Act regarding disqualification of Directors, are not applicable to the Company;

(f) With respect to the adequacy of the internal financial controls with reference to standalone financial statements of the company and the operating effectiveness of such controls, refer to our separate report in **Annexure '3'.** Our report expresses an unmodified opinion on the adequacy and operating effectiveness of the Company's internal financial controls with reference to Standalone financial statements.

(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, as amended in our opinion and to the best of our information and according to the explanations given to us:

i. The Company has disclosed the impact of pending litigations on its financial position in its Standalone financial statements – Refer Note No. 47 and 61 to the Standalone financial statements.

ii. The Company has made provision, as required under the applicable law or accounting standards, for material foreseeable losses, if any, on long-term contracts including derivative contracts.

iii. There has been no delay in transferring amounts, required to be transferred, to the Investor Education and Protection Fund by the Company.

For S.K. Mittal & Co.	**For R.G.N.Price & Co.**	**For Kothari & Co.**	**For Parakh & Co.**
Chartered Accountants	Chartered Accountants	Chartered Accountants	Chartered Accountants
Firm Regn No. 001135N	Firm Regn No. 002785S	Firm Regn No. 301178E	Firm Regn No. 001475C
(CA S. Murthy)	**(CA Rangarajan Raghavan Iyengar)**	**(CA Manaswy Kothari)**	**(CA Gotam Kumar Bagariya)**
Partner	Partner	Partner	Partner
M.No. 072290	M.No. 041883	M.No. 064601	M.No. 425104

Place: New Delhi
Date: 29th May, 2019

Annexure '1' to the Independent Auditors' Report

As referred to in our Independent Auditors' Report of even date to the members of the **Power Grid Corporation of India Limited**, on the standalone Ind AS financial statements for the year ended 31st March, 2019, we report that:

(i) a) The Company has generally maintained records, showing full particulars including quantitative details and situation of Fixed Assets (Property, Plant & Equipment).

b) The fixed assets (Property, Plant & Equipment) have been physically verified by external agencies during the year. In our opinion, frequency of verification is reasonable having regard to the size of the Company and nature of its business. No material discrepancies were noticed on such verification.

c) In our opinion and according to information and explanations given to us and on the basis of an examination of the records of the Company, the title deeds of immovable properties are held in the name of the Company except:

	No. of Cases	Cost (₹ in Crores)	Net Block (₹ in Crores)
Leasehold Land	10	200.08	189.42
Freehold Land	25	144.27	144.27
Buildings (Flats in Mumbai)	28	2.95	1.67

(ii) The inventories have been physically verified by external agencies during the year. In our opinion, frequency of verification is reasonable having regard to the size of the Company and nature of its business. No material discrepancies were noticed on such verification.

(iii) According to the information and explanations given to us, the Company has not granted loans, secured or unsecured, during the year, to any companies, firms, limited liability partnerships or other parties covered in the register maintained under section 189 of the Act. In view of the above, the clause 3(iii) (a), clause 3(iii) (b) and clause 3(iii) (c) of the Order are not applicable.

(iv) In our opinion and according to information and explanation given to us, the company has complied with provisions of section 185 and 186 of the Act in respect of loans, investments, guarantees and security.

(v) In our opinion and according to the information and explanations given to us, the company has not accepted any deposit from the public in accordance with the provisions of the sections 73 to 76 or any other relevant provisions of the Act, and the rules framed thereunder. Accordingly, paragraph 3(v) of the order is not applicable to the company.

(vi) We have broadly reviewed the cost records maintained by the company specified by the Central Government under sub section (1) of section 148 of the Companies Act, 2013, in respect of Transmission & Telecom Operations of the Company and we are of the opinion that prima facie the prescribed records have been made and maintained. However, we have not made detailed examination of the cost records with a view to determine whether they are accurate or complete.

(vii) a) According to the information and explanations given to us, the Company is generally regular in depositing undisputed statutory dues with appropriate authorities including Provident Fund, Income Tax, Goods and Services Tax, Sales Tax, Wealth Tax, Service Tax, Duty of Custom, Duty of Excise, Value Added Tax, Cess and other statutory dues applicable to the Company and that there are no undisputed statutory dues outstanding as at 31st March, 2019 for a period of more than six months from the date they became payable. As informed, provisions of the Employees State Insurance Act are not applicable to the Company.

b) According to information and explanations given to us, there are no disputed dues of Duty of Customs or Duty of Excise which have not been deposited. However, following disputed demands of Income Tax or Sales Tax or Service Tax or Value Added Tax or Cess dues have not been deposited:

Name of the Statute	Nature of dues	Amount* (₹ in Crores)	Period to which the amount relates	Forum where dispute is pending
Income Tax Act, 1961	Income Tax	2.38	For the FY 2010-11	ITAT, Delhi
Income Tax Act, 1961	Income Tax	4.30	For the FY 2015-16	CIT (A) Delhi
Income Tax Act, 1961	Income Tax	5.17		Jurisdictional Assessing Officers of TANs
Income Tax Act, 1961	Income Tax	5.38		Jurisdictional Assessing Officer, Delhi
Chhattisgarh Entry Tax Act, 1976	Entry Tax	164.59	For the FY 2011-12 to 2017-18	Chhattisgarh High Court
Finance Act, 1994	Service Tax	0.28	For the F.Y. 2003-04	CESTAT, Kolkata
Bihar Value Added Tax,2005	Entry Tax	12.00	For FY 2014-15	Chief Commissioner, Commercial Tax, Bihar
Bihar Value Added Tax,2005	Entry Tax	2.16	For FY 2015-16	Joint Commissioner, Commercial Tax (Appeals)

Name of the Statute	Nature of dues	Amount* (₹ in Crores)	Period to which the amount relates	Forum where dispute is pending
J&K GST Act, 1962	Sales Tax	6.94	From F.Y.1996-97 to 2001-02	Sales Tax Appellate Tribunal, J&K
J&K GST Act, 1962	Sales Tax	261.10	From F.Y.2002-03 to 2013-14	Dy./Addl. Commissioner of Sales Tax (appeals) Jammu, J&K
Punjab Vat Act, 2005 (Entry Tax)	Entry Tax	9.64	From F.Y.2011-12 to 2013-14	Hon'able High Court Punjab & Haryana,
Building & Other Construction Workers Cess Act, 1996	BOCW	5.00	For FY 2007-08	Hon'able High Court Himachal Pradesh, Shimla
	Total	**478.94**		

* Demand amount including interest, net of amount paid under protest.

(viii) In our opinion and according to the information and explanations given to us the Company has not defaulted during the year in repayment of loans to its financial institutions, bankers and dues to the Bond holders.

(ix) In our opinion on an overall basis and according to the information and explanations given to us, the company has applied the term loans including funds raised through bonds for the purpose they were obtained. The company has raised funds by issuance of debt instruments (bonds) during the year. The company has not raised money by way of initial public offer or further public offer during the year.

(x) According to the information and explanations given to us and as represented by the management, we have been informed that no case of fraud has been committed on or by the company during the year.

(xi) In view of exemption given vide notification no. G. S. R. 463(E) dated June 5, 2015, issued by Ministry of Corporate Affairs, provisions of Section 197 read with Schedule V of the Act regarding managerial remuneration are not applicable to the Company. Accordingly, paragraph 3(xi) of the order is not applicable to the company.

(xii) The company is not a Nidhi Company as prescribed under section 406 of the Act. Accordingly, paragraph 3(xii) of the order is not applicable to the company.

(xiii) According to the information and explanations given to us and as represented by the management, all transactions with the related parties are in compliance with sections 177 and 188 of the Act, where applicable and the details have been disclosed in the standalone Ind AS financial statements as required by the applicable Indian Accounting Standards.

(xiv) According to the information and explanations given to us and based on our examination of the records of the company, the company has not made any preferential allotment or private placement of shares or fully or partly convertible debentures during the year. Accordingly, paragraph 3(xiv) is not applicable to the company.

(xv) According to the information and explanations given to us and based on our examination of the records of the company, the company has not entered into non-cash transactions with directors or persons connected with them. Accordingly, paragraph 3(xv) is not applicable to the company.

(xvi) According to the information and explanations given to us the company is not required to be registered under section 45 IA of the Reserve Bank of India Act, 1934. Accordingly, paragraph 3(xvi) is not applicable to the company.

For S.K. Mittal & Co.
Chartered Accountants
Firm Regn No. 001135N

(CA S. Murthy)
Partner
M.No. 072290

For R.G.N.Price & Co.
Chartered Accountants
Firm Regn No. 002785S

(CA Rangarajan Raghavan Iyengar)
Partner
M.No. 041883

For Kothari & Co.
Chartered Accountants
Firm Regn No. 301178E

(CA Manaswy Kothari)
Partner
M.No. 064601

For Parakh & Co.
Chartered Accountants
Firm Regn No. 001475C

(CA Gotam Kumar Bagariya)
Partner
M.No. 425104

Place: New Delhi
Date: 29th May, 2019

Annexure '2' to the Auditors Report

As referred to in our Independent Auditors' Report of even date to the members of the **Power Grid Corporation of India Limited**, on the standalone Ind AS financial statements for the year ended 31st March, 2019.

Sr. No.	Directions	Auditors' Comments
1.	Whether the Company has system in place to process all the accounting transactions through IT system? If yes, the implications of processing of accounting transactions outside IT system on the integrity of the accounts along with the financial implications, if any, may be stated.	The company is having ERP system (SAP) in place for processing all accounting transactions. Based on our verification, no accounting transaction is being recorded/ processed other than through the ERP system in place.
2.	Whether there is any restructuring of an existing loan or cases of waiver/write off of debts/loans/ interest etc. made by a lender to the company due to the company's inability to repay the loan? If yes, the financial impact may be stated.	Based on our verification and explanations and information given to us, there were no cases of restructuring of an existing loan or cases of waiver/ write off of debts/loan/interest etc. made by a lender to the company due to the company's inability to repay the loan.
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.	Based on our verification and explanations and information given to us, funds received/receivable for specific scheme from Central/State agencies were properly accounted for and utilized as per its terms and conditions. No deviations were noticed by us.

For S.K. Mittal & Co.
Chartered Accountants
Firm Regn No. 001135N

(CA S. Murthy)
Partner
M.No. 072290

For R.G.N.Price & Co.
Chartered Accountants
Firm Regn No. 002785S

(CA Rangarajan Raghavan Iyengar)
Partner
M.No. 041883

For Kothari & Co.
Chartered Accountants
Firm Regn No. 301178E

(CA Manaswy Kothari)
Partner
M.No. 064601

For Parakh & Co.
Chartered Accountants
Firm Regn No. 001475C

(CA Gotam Kumar Bagariya)
Partner
M.No. 425104

Place: New Delhi
Date: 29th May, 2019

Annexure '3' to the Auditors' Report

As referred to in our Independent Auditors' Report of even date to the members of the **Power Grid Corporation of India Limited**, on the standalone Ind AS financial statements for the year ended 31st March, 2019

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 with reference to Ind AS financial statements of the company as at 31st March 2019 in conjunction with our audit of the standalone Ind AS financial statements of the Company for the year ended on that date.

Management's Responsibility for Internal Financial Controls

The Company's management is responsible for establishing and maintaining internal financial controls with reference to Ind AS financial statements, based on the internal controls over financial reporting criteria established by the Company considering the essential components of internal control stated in the Guidance Note on Audit of Internal Financial Controls over Financial Reporting issued by the Institute of Chartered Accountants of India (ICAI). These responsibilities include the design, implementation and maintenance of adequate internal financial controls with reference to Ind AS financial statements that were operating effectively for ensuring the orderly and efficient conduct of business, including adherence to Company's policies, the safeguarding of its assets, the prevention and detection of frauds and errors, the accuracy and completeness of the accounting records, and the timely preparation of reliable financial information, as required under the Act.

Auditors' Responsibility

Our responsibility is to express an opinion on the Company's internal financial controls with reference to Ind AS financial statements based on our audit. We conducted our audit in accordance with the Guidance Note on Audit of Internal Financial Control over Financial Reporting (the "Guidance Note") and the Standards on Auditing, issued by ICAI and deemed to be prescribed under section 143(10) of the Companies Act, 2013, to the extent applicable to an audit of internal financial controls, 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 with reference to Ind AS financial statements was established and maintained and if such controls operated effectively in all material respects.

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

Meaning of Internal Financial Controls with reference to Ind AS financial statements

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

(1) pertain to the maintenance of records that, in reasonable detail, accurately and fairly reflect the transactions and dispositions of the assets of the company;

(2) provide reasonable assurance that transactions are recorded as necessary to permit preparation of financial statements in accordance with generally accepted accounting principles, and that receipts and expenditures of the Company are being made only in accordance with authorizations of management and directors of the company; and

(3) provide reasonable assurance regarding prevention or timely detection of unauthorized acquisition, use, or dispositions of the Company's assets that could have a material effect on the standalone Ind AS financial statements.

Inherent Limitations of internal Financial Controls with reference to Ind AS financial statements

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

Opinion

In our opinion, the Company has, in all material respects, an adequate internal financial controls system with reference to Ind AS financial statements and such internal financial controls with reference to Ind AS financial statements were operating effectively as at 31st March, 2019, based on the internal financial controls over financial reporting criteria established by the Company considering the essential components of internal control stated in the Guidance Note on Audit of Internal Financial Controls Over Financial Reporting issued by the Institute of Chartered Accountants of India.

For S.K. Mittal & Co. Chartered Accountants Firm Regn No. 001135N	**For R.G.N.Price & Co.** Chartered Accountants Firm Regn No. 002785S	**For Kothari & Co.** Chartered Accountants Firm Regn No. 301178E	**For Parakh & Co.** Chartered Accountants Firm Regn No. 001475C
(CA S. Murthy) Partner M.No. 072290	**(CA Rangarajan Raghavan Iyengar)** Partner M.No. 041883	**(CA Manaswy Kothari)** Partner M.No. 064601	**(CA Gotam Kumar Bagariya)** Partner M.No. 425104

Place: New Delhi
Date: 29th May, 2019

Consolidated Balance Sheet as at 31st March, 2019

(₹ in Crore)

Particulars	Note No	As at 31st March, 2019	As at 31st March, 2018*	As at 1st April, 2017*
ASSETS				
Non-current assets				
Property, Plant and Equipment	4	**171057.99**	154831.38	136422.44
Capital work-in-progress	5	**37388.47**	37603.90	38187.00
Investment Property	6	**0.03**	0.03	0.03
Other Intangible assets	7	**1681.60**	1366.86	1255.39
Intangible assets under development	8	**242.59**	64.67	77.34
Investments in Joint Ventures accounted for using the equity method	9A	**1166.58**	1095.19	1020.76
Financial Assets				
Investments	9	**129.84**	128.78	141.70
Loans	10	**188.13**	139.99	132.36
Other non-current financial assets	11	**4548.37**	866.35	808.95
Other non-current assets	12	**5208.83**	5747.68	6516.58
		221612.43	201844.83	184562.55
Current assets				
Inventories	13	**1247.25**	1049.35	906.95
Financial Assets				
Investments		**-**	-	2.50
Trade receivables	14	**4728.10**	3640.02	3131.93
Cash and cash equivalents	15	**3647.73**	1534.80	3241.45
Bank balances other than Cash and cash equivalents	16	**688.92**	654.22	112.18
Loans	17	**130.99**	46.88	39.82
Other current financial assets	18	**6881.04**	4737.23	3239.17
Other current assets	19	**337.86**	504.50	300.85
		17661.89	12167.00	10974.85
Regulatory Deferral Account Balances	20	**8083.27**	11304.22	7975.80
Total Assets		**247357.59**	225316.05	203513.20
EQUITY AND LIABILITIES				
Equity				
Equity Share capital	21	**5231.59**	5231.59	5231.59
Other Equity	22	**53856.80**	49194.40	44633.91
		59088.39	54425.99	49865.50
Liabilities				
Non-current liabilities				
Financial Liabilities				
Borrowings	23	**131329.51**	122710.32	111253.17
Other non-current financial liabilities	24	**3994.53**	459.60	474.60
Provisions	25	**368.15**	716.87	789.56
Deferred tax liabilities(Net)	26	**10018.48**	13472.85	10404.18
Other non-current liabilities	27	**486.57**	457.16	575.20
		146197.24	137816.80	123496.71
Current liabilities				
Financial Liabilities				
Borrowings	28	**4300.00**	1000.00	1500.00
Trade payables				
(A) total outstanding dues of micro enterprises and small enterprises	29	**33.27**	2.33	-
(B) total outstanding dues of creditors other than micro enterprises and small enterprises	29	**331.86**	238.11	413.98
Other current financial liabilities	30	**23359.68**	22680.00	19809.94
Other current liabilities	31	**3888.98**	2718.55	2589.08
Provisions	32	**701.14**	1059.60	537.21
Current Tax Liabilities (Net)	33	**-**	407.26	418.41
		32614.93	28105.85	25268.62
Deferred Revenue	34	**9457.03**	4967.41	4882.37
Total Equity and Liabilities		**247357.59**	225316.05	203513.20

* Restated (Refer Note 55)

The accompanying notes (1 to 70) form an integral part of financial statements

For and on behalf of the Board of Directors

Divya Tandon	**K. Sreekant**	**Ravi P Singh**
Company Secretary	Director (Finance)	Director (Personnel)

As per our report of even date

For S.K. Mittal & Co.	**For R.G.N.Price & Co.**	**For Kothari & Co.**	**For Parakh & Co.**
Chartered Accountants	Chartered Accountants	Chartered Accountants	Chartered Accountants
Firm Regn No. 001135N	Firm Regn No. 002785S	Firm Regn No. 301178E	Firm Regn No. 001475C
(CA S. Murthy)	**(CA Rangarajan Raghavan Iyengar)**	**(CA Manaswy Kothari)**	**(CA Gotam Kumar Bagariya)**
Partner	Partner	Partner	Partner
M.No. 072290	M.No. 041883	M.No. 064601	M.No. 425104

Place: New Delhi

Date: 29th May, 2019

Consolidated Statement of Profit and Loss for the year ended 31st March, 2019

(₹ in Crore)

Particulars	Note No.	For the year ended 31st March, 2019	For the year ended 31st March, 2018*
Revenue From Operations	35	**35059.12**	29953.62
Other Income	36	**602.20**	476.92
Total Income		**35661.32**	30430.54
EXPENSES			
Employee benefits expense	37	**1783.57**	1599.09
Finance costs	38	**8736.57**	7324.14
Depreciation and amortization expense	39	**10540.95**	9230.99
Other expenses	40	**3055.01**	2237.70
Total expenses		**24116.10**	20391.92
Profit before share of net profits of investments in Joint Ventures accounted for using Equity Method and tax		**11545.22**	10038.62
Share of net profits of investments in Joint Ventures accounted for using Equity Method		**128.82**	147.94
Profit Before Tax and Regulatory Deferral Account Balances		**11674.04**	10186.56
Tax expense:			
Current tax - Current Year		**2568.02**	2182.64
- Earlier Years		**-**	15.34
Deferred tax	26	**(3454.37)**	3068.77
		(886.35)	5266.75
Profit for the period before Regulatory Deferral Account Balances		**12560.39**	4919.81
Net movement in Regulatory Deferral Account Balances- Income/(Expenses) (net of tax)	41	**(2526.87)**	3284.19
Profit for the period		**10033.52**	8204.00
Other Comprehensive Income			
Items that will not be reclassified to profit or loss (net of tax)	42	**(16.30)**	8.03
Share of other comprehensive income of Joint Ventures accounted for using Equity Method		**(0.04)**	(0.10)
Total Comprehensive Income for the period		**10017.18**	8211.93
Earnings per equity share including movement in Regulatory Deferral Account Balances (Par value ₹ 10/- each):			
Basic & Diluted (₹)	65	**19.18**	15.68
Earnings per equity share excluding movement in Regulatory Deferral Account Balances (Par value ₹ 10/- each):			
Basic & Diluted (₹)	65	**24.01**	9.40

* Restated (Refer Note 55)
The accompanying notes (1 to 70) form an integral part of financial statements

For and on behalf of the Board of Directors

Divya Tandon	**K. Sreekant**	**Ravi P Singh**
Company Secretary	Director (Finance)	Director (Personnel)

As per our report of even date

For S.K. Mittal & Co.	**For R.G.N.Price & Co.**	**For Kothari & Co.**	**For Parakh & Co.**
Chartered Accountants	Chartered Accountants	Chartered Accountants	Chartered Accountants
Firm Regn No. 001135N	Firm Regn No. 002785S	Firm Regn No. 301178E	Firm Regn No. 001475C
(CA S. Murthy)	**(CA Rangarajan Raghavan Iyengar)**	**(CA Manaswy Kothari)**	**(CA Gotam Kumar Bagariya)**
Partner	Partner	Partner	Partner
M.No. 072290	M.No. 041883	M.No. 064601	M.No. 425104

Place: New Delhi
Date: 29th May, 2019

Consolidated Statement of Changes in Equity for the period ended 31st March, 2019

A. Equity Share Capital

(₹ in Crore)

As at 1st April, 2018	5231.59
Changes during the year	-
As at 31st March, 2019	**5231.59**
As at 1st April, 2017	5231.59
Changes during the year	-
As at 31st March, 2018	**5231.59**

B. Other Equity

(₹ in Crore)

Particulars	Reserves and Surplus						Other Comprehensive Income	Total
	Securities Premium	Bond Redemption Reserve	Self Insurance Reserve	CSR Reserve	General Reserve	Retained Earnings	Fair Value through Other Comprehensive Income Equity Investment	
Balance at 1st April, 2018	**9578.29**	**9187.58**	**737.60**	**123.33**	**26988.99**	**2487.77**	**90.84**	**49194.40**
Profit for the year						10033.52		10033.52
Other Comprehensive Income						(2.19)	(14.15)	(16.34)
Total Comprehensive Income						**10031.33**	**(14.15)**	**10017.18**
Adjustments during the year								-
Transfer to General Reserve					4250.00	(4250.00)		-
Transfer to Bond redemption reserve		2058.20				(2058.20)		-
Transfer from Bond Redemption Reserve		(1302.99)				1302.99		-
Transfer to Self Insurance Reserve			257.69			(257.69)		-
Transfer from Self Insurance Reserve			(101.92)		101.92			-
Transfer from CSR Reserve				(8.79)	8.79	-		-
Final Dividend F.Y. 2017-18						(1464.85)		(1464.85)
Tax on Final Dividend F.Y. 2017-18						(312.92)		(312.92)
Interim Dividend F.Y. 2018-19						(3050.02)		(3050.02)
Tax on Interim dividend F.Y. 2018-19						(627.58)		(627.58)
Other Changes (Ind AS 115 impact)					104.37	(3.78)		100.59
Balance at 31st March, 2019	**9578.29**	**9942.79**	**893.37**	**114.54**	**31454.07**	**1797.05**	**76.69**	**53856.80**

Consolidated Statement of Changes in Equity for the period ended 31st March, 2019 (Contd.)

(₹ in Crore)

Particulars	Reserves and Surplus						Other Comprehensive Income	Total
	Securities Premium	Bond Redemption Reserve	Self Insurance Reserve	CSR Reserve	General Reserve	Retained Earnings	Fair Value through Other Comprehensive Income Equity Investment	
Balance at 1st April, 2017	9578.29	8095.83	677.79	123.38	23312.01	2742.85	103.76	44633.91
Profit for the year						8198.31		8198.31
Other Comprehensive Income						26.54	(12.92)	13.62
Total Comprehensive Income						**8224.85**	**(12.92)**	**8211.93**
Adjustments during the year								
Transfer to General Reserve					3500.00	(3500.00)		-
Transfer to Bond redemption reserve		2104.08				(2104.08)		-
Transfer from Bond Redemption Reserve		(1012.33)				1012.33		-
Transfer to Self Insurance Reserve			228.63			(228.63)		-
Transfer from Self Insurance Reserve			(168.82)		167.86	0.96		0.00
Transfer from CSR Reserve				(0.05)	0.05	-		-
Final Dividend F.Y. 2016-17						(1752.59)		(1752.59)
Tax on Final Dividend F.Y. 2016-17						(365.58)		(365.58)
Interim Dividend F.Y. 2017-18						(1281.74)		(1281.74)
Tax on Interim dividend F.Y. 2017-18						(259.87)		(259.87)
Other Changes					9.07	(0.73)		8.34
Balance at 31st March, 2018	**9578.29**	**9187.58**	**737.60**	**123.33**	**26988.99**	**2487.77**	**90.84**	**49194.40**

The accompanying notes (1 to 70) form an integral part of financial statements
Refer to Note No 22 for nature and movement of Reserve and Surplus.

For and on behalf of the Board of Directors

Divya Tandon
Company Secretary

K. Sreekant
Director (Finance)

Ravi P Singh
Director (Personnel)

As per our report of even date

For S.K. Mittal & Co.
Chartered Accountants
Firm Regn No. 001135N

(CA S. Murthy)
Partner
M.No. 072290

For R.G.N.Price & Co.
Chartered Accountants
Firm Regn No. 002785S

(CA Rangarajan Raghavan Iyengar)
Partner
M.No. 041883

For Kothari & Co.
Chartered Accountants
Firm Regn No. 301178E

(CA Manaswy Kothari)
Partner
M.No. 064601

For Parakh & Co.
Chartered Accountants
Firm Regn No. 001475C

(CA Gotam Kumar Bagariya)
Partner
M.No. 425104

Place: New Delhi
Date: 29th May, 2019

Consolidated Statement of Cash Flow for the Year ended 31st March, 2019

(₹ in Crore)

Particulars	For the year ended 31st March, 2019	For the year ended 31st March, 2018
A. CASH FLOW FROM OPERATING ACTIVITIES		
Profit Before Tax and Regulatory Deferral Account Balances	**11,674.04**	10,186.56
Add: Net movement in Regulatory Deferral Account Balances (net of tax)	**(2,526.87)**	3,284.19
Add: Tax on Net movement in Regulatory Deferral Account Balances	**(694.08)**	44.23
Net Profit Before Tax (including Net movement in regulatory deferral account balances)	**8,453.09**	13,514.98
Adjustment for :		
Depreciation & amortization expenses	**10,540.95**	9,230.99
Transfer from Grants in Aid	**(70.77)**	(12.13)
Deferred revenue - Advance against Depreciation	**(180.64)**	(120.72)
Provisions	**410.58**	50.59
Changes in fair value of financial assets through profit or loss	**(8.02)**	(6.42)
Net Loss on Disposal / Write off of Property, Plant & Equipment	**25.58**	10.30
Deferred Foreign Currency Fluctuation Asset	**(941.06)**	240.75
Deferred Income from Foreign Currency Fluctuation	**1,056.50**	(203.50)
Regulatory Deferral Account Debit Balances	**3,220.95**	(3,328.42)
Finance Costs	**8,736.57**	7,324.14
Provisions Written Back	**(28.25)**	(8.36)
FERV loss / (gain)	**(0.16)**	(0.33)
Interest income on Deposits, Bonds and loans to JVs	**(86.62)**	(98.97)
Dividend income	**(5.42)**	(5.58)
	22,670.19	13,072.34
Operating profit before Changes in Assets and Liabilities	**31,123.28**	26,587.32
Adjustment for Changes in Assets and Liabilities:		
(Increase)/Decrease in Inventories	**(182.30)**	(163.46)
(Increase)/Decrease in Trade Receivables	**(1,379.29)**	(523.83)
(Increase)/Decrease in Other Financial Assets	**(6,019.61)**	(2,151.34)
(Increase)/Decrease in Other Non-current Assets	**(87.21)**	57.95
(Increase)/Decrease in Other Current Assets	**166.64**	(196.47)
Increase/(Decrease) in Liabilities & Provisions	**2,039.91**	1,359.01
	(5,461.86)	(1,618.14)
Cash generated from operations	**25,661.42**	24,969.18
Direct taxes paid	**(2,280.75)**	(2,259.06)
Net Cash from Operating Activities	**23,380.67**	22,710.12
B. CASH FLOW FROM INVESTING ACTIVITIES		
Property, Plant & Equipment and Capital Work in Progress (Including Advances for Capital Expenditure)	**(22,450.66)**	(26,179.86)
Receipt of Grant	**3,684.53**	421.39
(Increase)/Decrease in Investments	**(15.21)**	(25.12)
(Increase)/Decrease in Investments accounted for using the equity method	**(79.17)**	(74.43)
Loans & Advances to JVs (including repayments)	**(77.12)**	(6.00)
Lease receivables	**10.21**	59.82
Interest received on Deposits, Bonds & loans to JVs	**85.04**	97.17
Dividend received	**5.42**	5.58
Net Cash used in Investing Activities	**(18,836.96)**	(25,701.45)

Consolidated Statement of Cash Flow for the Year ended 31st March, 2019 (Contd.)

(₹ in Crore)

Particulars	For the year ended 31st March, 2019	For the year ended 31st March, 2018
C. CASH FLOW FROM FINANCING ACTIVITIES		
Proceeds from Borrowings		
Non Current	19,489.58	18,706.79
Current	17,420.00	6,675.00
Repayment of Borrowings		
Non Current	(9,495.60)	(6,236.67)
Current	(14,120.00)	(7,175.00)
Adjustment for Fair Valuation of Long Term Loans	22.96	22.31
Finance Costs paid	(10,292.35)	(7,047.97)
Dividend paid	(4,514.87)	(3,034.33)
Dividend Tax paid	(940.50)	(625.45)
Net Cash (used in)/from Financing Activities	**(2,430.78)**	1,284.68
D. Net change in Cash and Cash equivalents (A+B+C)	2,112.93	(1,706.65)
E. Cash and Cash equivalents (Opening balance)	1,534.80	3,241.45
F. Cash and Cash equivalents (Closing balance) (Refer Note No 15)*	**3,647.73**	1,534.80

The accompanying notes (1 to 70) form an integral part of financial statements

* Includes ₹ 3471.01 crore (Previous Year ₹ 1373.92 crore) held in designated accounts which is not available for use by the Group.

Notes:

1. Cash and cash equivalents consist of cheques, drafts, stamps in hands, balances with banks and deposits with original maturity of upto three months.
2. Previous year figures have been re-grouped / re-arranged wherever necessary.
3. Reconciliation between the opening and closing balances in the balance sheet for liabilities arising from financing activities.

(₹ in Crore)

Particulars	Non-current borrowings	Current borrowings
Opening Balance as at 1st April, 2018	133,971.34	1,000.00
Net Cash Flows during the year	310.94	3,300.00
Non-cash changes due to :		
- Interest on borrowings	9,626.88	
- Variation in exchange rates	1,556.46	
- Fair value adjustments	22.96	
Closing Balance as at 31st March, 2019	**145,488.58**	4,300.00

(₹ in Crore)

Particulars	Non-current borrowings	Current borrowings
Opening Balance as at 1st April, 2017	120,680.12	1,500.00
Net Cash Flows during the year	5,739.34	(500.00)
Non-cash changes due to :		
- Interest on borrowings	7,006.95	
- Variation in exchange rates	522.62	
- Fair value adjustments	22.31	
Closing Balance as at 31st March, 2018	**133,971.34**	1,000.00

For and on behalf of the Board of Directors

Divya Tandon	**K. Sreekant**	**Ravi P Singh**
Company Secretary	Director (Finance)	Director (Personnel)

As per our report of even date

For S.K. Mittal & Co.	**For R.G.N.Price & Co.**	**For Kothari & Co.**	**For Parakh & Co.**
Chartered Accountants	Chartered Accountants	Chartered Accountants	Chartered Accountants
Firm Regn No. 001135N	Firm Regn No. 002785S	Firm Regn No. 301178E	Firm Regn No. 001475C
(CA S. Murthy)	**(CA Rangarajan Raghavan Iyengar)**	**(CA Manaswy Kothari)**	**(CA Gotam Kumar Bagariya)**
Partner	Partner	Partner	Partner
M.No. 072290	M.No. 041883	M.No. 064601	M.No. 425104

Place: New Delhi
Date: 29th May, 2019

Notes to Consolidated Financial Statements

1. Group Information

Power Grid Corporation of India Limited ('the Company') is a public company domiciled and incorporated in India under the provisions of The Companies Act and its shares are listed on the National Stock Exchange (NSE) and BSE Limited (BSE) in India. The Registered Office of the Company is situated at B-9, Qutab Institutional Area, Katwaria Sarai, New Delhi, India and its Corporate Office is located at Saudamini, Plot No. 2, Sector-29, Gurgaon, Haryana.

The Company is notified as the Central Transmission Utility (CTU) under The Electricity Act, 2003. It is principally engaged in planning, implementation, operation and maintenance of Inter-State Transmission System (ISTS), Telecom and consultancy services.

The consolidated financial statements of the group for the year ended March 31, 2019 were approved for issue by the Board of Directors on 29th May 2019.

2. Significant Accounting Policies

The Consolidated financial statements of the group are consisting of the Company and its subsidiaries and the Group's interest in joint ventures.

2.1 Basis of Preparation

i) Compliance with Ind AS

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

ii) Basis of Measurement

The consolidated financial statements have been prepared on accrual basis and under the historical cost convention except following which have been measured at fair value:

- Certain financial assets and liabilities measured at fair value (refer Note no. 2.14 for accounting policy regarding financial instruments),
- Defined benefit plans – plan assets measured at fair value.

iii) Functional and presentation currency

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

iv) Use of estimates

The preparation of consolidated financial statements requires estimates and assumptions that affect the reported amount of assets, liabilities, revenue and expenses during the reporting period. Although, such estimates and assumptions are made on a reasonable and prudent basis taking into account all available information, actual results could differ from these estimates. The estimates and underlying assumptions are reviewed on an ongoing basis. Revisions to accounting estimates are recognised in the period in which the estimate is revised if the revision effects only that period or in the period of the revision and future periods if the revision affects both current and future years (refer Note no. 3 on critical accounting estimates, assumptions and judgments).

v) Current and non-current classification

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

An asset is current when it is:

- Expected to be 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 Group recognizes twelve months period as its operating cycle.

2.2 Principle of Consolidation and Equity Accounting

Subsidiaries

Subsidiaries are entities over which the Group has control. The Group controls an entity when the Group is exposed to, or has right to, variable returns from its involvement with the entity and has the ability to affect those returns through its power to direct the relevant activities of the entity. Subsidiaries are fully consolidated from the date on which control is transferred to the Group. They are deconsolidated from the date that control ceases.

The acquisition method of accounting is used to account for business combination by the group.

The Group combines the financial statement of the subsidiaries line by line adding together like items of assets, liabilities, equity, income, and expenses. Inter Group transactions, balances and unrealized gains on transactions between companies are eliminated. Unrealized losses are also eliminated unless the transaction provides evidence of an impairment of the transferred asset. Accounting policies of subsidiaries have been changed where necessary to ensure consistency with the policies adopted by the Group.

The consolidated financial statements have been prepared in accordance with Indian Accounting Standard (Ind AS) 110 – 'Consolidated Financial Statements' and Indian Accounting Standard (Ind AS) 28 – 'Investments in Associates and Joint Ventures'.

Joint Arrangements

Under Ind AS 111 Joint Arrangements, investment in joint arrangements is classified as either joint operation or joint ventures. The classification depends on the contractual right and obligations of each investor, rather than the legal structure of the joint arrangement. The Group has only joint ventures.

Joint Ventures

Interest in joint ventures are accounted for using the equity method, after initially being recognised at cost in the consolidated balance sheet.

Equity Method

Under the equity method of accounting, the investments are initially recognised at cost and adjusted thereafter to recognize the Group's share of the post – acquisition profits or losses of the investee company in Statement of Profit and Loss, and the Group's share of other comprehensive income of the investee Company in other comprehensive income. Dividends received from joint ventures are recognised as reduction in the carrying amount of the investment.

When the Group's share of losses in an investment accounted under Equity method equals or exceeds its interest in the entity, including any other unsecured long term receivables, the Group does not recognise further losses, unless it has incurred obligations or made payments on behalf of the Joint Venture Entities.

Unrealized gains on transactions between the Group and its joint ventures are eliminated to the extent of the Group's interest in these entities. Unrealized losses are also eliminated unless the transaction provides evidence of an impairment of asset transferred. Accounting policies of equity accounted investees have been changed where necessary.

The financial statements of the subsidiary companies and joint venture companies in the consolidation are drawn up to the same reporting date as of the Group.

Changes in ownership interests

When the group ceases to account for an investment under equity method due to loss of joint control, the retained interest in the entity is remeasured to its fair value with the change in carrying amount recognised in Statement of Profit and Loss. The fair value becomes the initial carrying amount for the purpose of subsequent accounting of the retained interest as a financial asset.

Difference in Accounting Policies and Impact thereon:

For certain items the Group and joint venture entities have followed different accounting policies. However, the impact of same is not material.

2.3 Property, Plant and Equipment

The Group had opted to consider the carrying value of Property, Plant and Equipment as per previous GAAP on the date of transition to Ind AS (1st April 2015) to be the deemed cost as per Ind AS 101 'First-time Adoption of Indian Accounting Standards'.

Initial Recognition and Measurement

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

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.

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

Assets and systems common to more than one transmission system are capitalized on the basis of technical estimates/ assessments.

Transmission system assets are considered as ready for intended use from the date of commercial operation declared in terms of CERC Tariff Regulations and capitalized accordingly. However in case of subsidiaries, transmission system assets are considered as ready for intended use after meeting the conditions as stipulated in Transmission Service Agreement (TSA) and 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 leveling, 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 Group 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 Group 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.

2.4 Capital Work-In-Progress (CWIP)

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

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

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

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

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

2.5 Intangible Assets and Intangible Assets under development

The Group had opted to consider the carrying value of Intangible Assets as per previous GAAP on the date of transition to Ind AS (1st April 2015) to be the deemed cost as per Ind AS 101 'First-time Adoption of Indian Accounting Standards'.

Intangible assets 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.

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

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

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

2.6 Investment property

The Group had opted to consider the carrying value of Investment Property as per previous GAAP on the date of transition to Ind AS (1st April 2015) to be the deemed cost as per Ind AS 101 'First-time Adoption of Indian Accounting Standards'.

Investment property comprises portions of land and/or buildings that are held for long term rental yields and/or for capital appreciation.

Investment properties are initially measured at cost, including transaction costs. Subsequent to initial recognition, investment properties are carried at cost less accumulated depreciation and accumulated impairment loss, if any.

Transfers to or from investment property is made when and only when there is a change in use.

Investment properties are derecognised either when they have been disposed off or when they are permanently withdrawn from use and no future economic benefit is expected from their disposal. The difference between the net disposal proceeds and the carrying amount of the asset is recognised as profit or loss in the period of derecognition.

2.7 Depreciation / Amortisation

Property, Plant and Equipment

Depreciation/amortisation on the assets related to transmission business is provided on straight line method following the rates and methodology notified by the CERC for the purpose of recovery of tariff and on assets of telecom and consultancy business is provided on straight line method as per useful life specified in Schedule II of the Companies Act, 2013 except for assets specified in the following paragraphs.

ULDC assets commissioned prior to 1st April 2014 are depreciated on Straight Line Method @ 6.67% per annum. Such assets commissioned on or after 1st April 2014 are depreciated on straight line method following the rates and methodology notified by the CERC for the purpose of recovery of tariff.

In the case of property, plant and equipment of National Thermal Power Corporation Limited (NTPC), National Hydro-Electric Power Corporation Limited (NHPC), North-Eastern Electric Power Corporation Limited (NEEPCO), Neyveli Lignite Corporation Limited (NLC) transferred w.e.f. April 1, 1992, Jammu and Kashmir Lines w.e.f. April 1, 1993, and Tehri Hydro Development Corporation Limited (THDC) w.e.f. August 1, 1993, depreciation is charged based on gross block as indicated in transferor's books with necessary adjustments so that the life of the assets as laid down in the CERC notification for tariff is maintained.

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.

Depreciation on buildings held as investment property is provided on straight line method as specified in Schedule II of The Companies Act, 2013.

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 assets 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.

Fixed Assets 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, except for telecom and consultancy business assets where residual life is determined on the basis of useful life of property, plant and equipment as specified in Schedule II of the Companies Act, 2013.

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

The residual values, useful lives and methods of depreciation for assets other than assets related to transmission business are reviewed at each financial year-end and adjusted prospectively, wherever required.

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.

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

Expenditure on development of 1200kv Transmission System shall be amortised over a period of 10 years.

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

The 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

2.8 Borrowing Costs

All the borrowed funds (except short term funds for working capital) are earmarked to specific projects. The borrowing costs (including bond issue expenses, interest, discount on bonds, front end fee, guarantee fee, management fee etc.) are allocated to the projects in proportion to the funds so earmarked.

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

Other borrowing costs are charged to revenue.

2.9 Impairment of non-financial assets

The carrying amounts of the Groups'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 the purpose of impairment testing, assets that cannot be tested individually are grouped together into the smallest group of assets that generates cash inflows from continuing use that are largely independent of the cash inflows of other assets or groups of assets (the "cash-generating unit", or "CGU").

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

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

2.10 Cash and cash equivalents

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

2.11 Inventories

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

2.12 Leases

i) As a Lessor

The determination of whether an arrangement is (or contains) a lease is based on the substance of the arrangement at the inception of the lease. The arrangement is, or contains, a lease if fulfillment of the arrangement is dependent on the use of a specific asset or assets and the arrangement conveys a right to use the asset or assets, even if that right is not explicitly specified in an arrangement.

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

a) Finance leases

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

State sector Unified Load Dispatch Centre (ULDC)/ Fiber Optic Communication Assets (FOC)/Bilateral line assets leased to the beneficiaries are considered as Finance Lease. Net investment in such leased assets are recorded as receivable at the lower of the fair value of the leased property and the present value of the minimum lease payments along with accretion in subsequent years is accounted for as Lease Receivables under current and non-current other financial assets. Wherever grant-in-aid is received for construction of State Sector ULDC, lease receivable is accounted for net of such grant.

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

FERV on foreign currency loans relating to leased assets is adjusted to the amount of lease receivables and is amortised over the remaining tenure of lease. FERV recovery (as per CERC norms) from the constituents is recognised net of such amortised amount.

b) Operating leases

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

For operating leases, the asset is 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.

ii) As a Lessee

a) Finance lease

Leases of property, plant and equipment where the Group, as lessee has substantially all risks and rewards of ownership are classified as finance lease. On initial recognition, assets held under finance lease are recorded as property, plant and equipment and related liability is recognized under borrowings. At inception of the lease, finance leases are recorded at amount equal to fair value of leased asset or if lower the present value of minimum lease payments. Minimum lease payments under finance leases are apportioned between the finance expense and reduction of the finance liability.

The finance expense is allocated to each period during the lease term so as to produce a constant periodic rate of interest on the remaining balance of the liability.

b) Operating leases

Payments made under operating leases are recognized as an expense over the lease term.

2.13 Employee benefits

2.13.1 Defined contribution plans

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

The Group has a defined contribution pension scheme which is administered through a separate trust. The obligation of the Group is to contribute to the trust to the extent of amount not exceeding 30% of basic pay and dearness allowance less employer's contribution towards provident fund, gratuity, post retirement medical facility (PRMF)or any other retirement benefits. The contributions to the fund for the year are recognized as an expense and charged to the statement of profit and loss.

2.13.2 Defined benefit plans

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

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

The Group pays fixed contribution to Provident Fund at predetermined rates to a separate trust, which invests the funds in permitted securities. The contributions to the fund for the year are recognized as expense and are charged to the statement of profit and loss. The obligation of the Group is limited to such fixed contributions and to ensure a minimum rate of interest on contributions to the members as specified by the Government of India (GoI).

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

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

The calculation is performed annually by a qualified actuary using the projected unit credit method. When the calculation results in a benefit to the Group, the recognized asset is limited to the total of any unrecognized past service costs and the present value of economic benefits available in the form of any future refunds from the plan or reductions in future contributions to the plan. An economic benefit is available to the Group if it is realizable during the life of the plan, or on settlement of the plan liabilities. Any actuarial gains or losses are recognized in OCI in the period in which they arise.

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

2.13.3 Other long-term employee benefits

Benefits under the Group's leave encashment and Employee Family Economic Rehabilitation Scheme constitute other long term employee benefits.

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

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

2.13.4 Short-term benefits

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

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

2.14 Financial instruments

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

Financial Assets

Classification

The Group classifies its financial assets in the following categories:

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

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).

Equity investments

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

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

De-recognition of financial assets

A financial asset is derecognized only when

- The right to receive cash flows from the assets have expired, or
- The group has transferred the rights to receive cash flows from the financial asset or
- Retains the contractual rights to receive the cash flows of the financial assets, but assumes a contractual obligation to pay the cash flows to one or more recipients.

Impairment of financial assets:

For trade receivables, the group applies the simplified approach required by Ind AS 109 Financial Instruments, which requires expected lifetime losses to be recognised from initial recognition of the receivables.

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

Financial Liabilities

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

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

Classification, initial recognition and measurement

Financial liabilities are recognised initially at fair value minus 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 as well as through the EIR amortisation process.

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

De-recognition of financial liability

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

Offsetting of financial instruments

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

2.15 Foreign Currency Translation

(a) Functional and presentation currency

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

(b) Transactions and balances

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

Foreign exchange gains and losses (other than related to foreign currency loans outstanding) are presented in the statement of profit and loss on a net basis within other gains/(losses).

The Group has availed the exemption available in Ind AS 101, to continue the policy adopted for accounting for exchange differences arising from translation of long-term foreign currency monetary liabilities outstanding as on March 31, 2016.

Foreign currency loans outstanding as on March 31, 2016:

Foreign Exchange Rate Variation (FERV) arising on settlement / translation of such foreign currency loans relating to property, plant and equipment/ capital work-in-progress is adjusted to the carrying cost of related assets and is recoverable/payable from the beneficiaries on actual payment basis as per Central Electricity Regulatory Commission (CERC) norms w.e.f. 1st April, 2004 or Date of Commercial Operation (DOCO) whichever is later. The above FERV to the extent recoverable or payable as per the CERC norms is accounted for as follows:

i) FERV recoverable/payable adjusted to carrying cost of property, plant and equipment is accounted for as 'Deferred foreign currency fluctuation asset/liability a/c' with a corresponding credit/debit to 'Deferred income/expenditure from foreign currency fluctuation a/c'.

ii) 'Deferred income/expenditure from foreign currency fluctuation a/c' is amortized in the proportion in which depreciation is charged on such FERV.

iii) The amount recoverable/payable as per CERC norms on year to year basis is adjusted to the 'Deferred foreign currency fluctuation asset/liability a/c' with corresponding debit / credit to the trade receivables.

FERV earlier charged to Statement of Profit and Loss & included in the capital cost for the purpose of tariff is adjusted against 'Deferred foreign currency fluctuation asset/liability a/c'.

FERV arising out of settlement/translation of long term monetary items (other than foreign currency loans) relating to Property Plant &Equipment /CWIP is adjusted in the carrying cost of related assets.

FERV arising during the construction period from settlement/translation of monetary items (other than non current loans) denominated in foreign currency to the extent recoverable/payable to the beneficiaries as capital cost as per CERC tariff Regulation are accounted as Regulatory Deferral Account Balances. Transmission charges recognised on such amount is adjusted against above account. Other exchange differences are recognized as income or expenses in the period in which they arise.

Foreign currency loans drawn on or after April 1, 2016:

Exchange differences arising from foreign currency borrowing to the extent regarded as an adjustment to interest costs are treated as borrowing cost. Other exchange differences are recognized in the Statement of Profit and Loss.

Exchange difference to the extent recoverable as per CERC tariff regulations are recognized as Regulatory Deferral Account Balances through Statement of Profit and Loss.

(c) Foreign Group Companies

The results and financial position of foreign operations (none of which has the currency of a hyper inflationary economy) that have a functional currency different from the presentation currency are translated into the presentation currency as follows:

i) Assets and liabilities are translated at closing rate at the date of that balance sheet.

ii) Income and expenses are translated at average exchange rates (unless this is not the reasonable approximation of the cumulative effect of the rates prevailing on the transaction date in which case income and expenses are translated at the date of transactions) and

iii) All the exchange differences are recognised in other comprehensive income.

2.16 Income Tax

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

Current income tax

The current tax is based on taxable profit for the year under the tax laws enacted and applicable to the reporting period in the countries where the group operate and generate taxable income.

Deferred tax

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

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

Deferred tax liabilities are not recognised for temporary differences between the carrying amount and tax bases of investment in subsidiaries where the group is able to control the timing of the reversal of the temporary differences and it is probable that the differences will not reverse in foreseeable future.

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

2.17 Regulatory Deferral Account Balances

Certain expenses and income, allowed under CERC regulations to be reimbursed by/passed on to beneficiaries in future, are to be accounted in the Statement of Profit and Loss as per the provisions of Ind AS 114 'Regulatory Deferral Accounts'. Such expenses and income, to the extent recoverable /payable as part of tariff under CERC Regulations are treated as Regulatory Deferral Assets/ Liabilities.

The Group presents separate line items in the Balance Sheet for:

(a) the total of all Regulatory Deferral Account Debit Balances; and

(b) the total of all Regulatory Deferral Account Credit Balances.

A separate line item is presented in the profit or loss section of the Statement of Profit and Loss for the net movement in all Regulatory Deferral Account Balances for the reporting period.

Regulatory deferral accounts balances are adjusted in the year in which the same become recoverable from or payable to the beneficiaries

2.18 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 Group recognizes revenue when it transfers control over a product or service to a customer. The Group has applied Ind AS 115 using the cumulative effect method and therefore the comparative information has not been restated and continues to be reported under Ind AS 18 and Ind AS 11.

In the comparative period, revenue was measured at the fair value of the consideration received or receivable. Amounts disclosed as revenue are net of returns, trade allowances, rebates, GST and value added taxes.

Significant Financing Component

Where the period between the transfer of the promised goods or services to the customer and payment by the customer exceeds one year, the Group assesses the effects of significant financing component in the contract. As a consequence, the Group makes adjustment in the transaction prices for the effects of time value of money. No such adjustment has been made for the comparative period.

2.18.1 Revenue from Operations

Transmission

Transmission Income is accounted for based on tariff orders notified by the CERC. In case of transmission projects where final tariff orders are yet to be notified, transmission income is accounted for on provisional basis as per tariff regulations and orders of the CERC in similar cases. Difference, if any, is accounted on issuance of final tariff orders by the CERC. Transmission Income in respect of additional capital expenditure incurred after the date of commercial operation is accounted for based on expenditure incurred on year to year basis as per CERC tariff regulations. As at each reporting date, transmission income includes an accrual for services rendered to the customers but not yet billed i.e. Unbilled Revenue. However in case of subsidiaries transmission Income is accounted for based on orders issued by CERC u/s 63 of Electricity Act 2003 for adoption of transmission charges.

The Transmission system incentive / disincentive is accounted for based on certification of availability by the respective Regional Power Committees and in accordance with the CERC tariff regulations. Where certification by Regional Power Committees (RPCs) is not available, incentive/disincentive is accounted for on provisional basis as per estimate of availability by the Group and differences, if any is accounted on certification by RPCs.

Advance against depreciation (AAD), forming part of tariff pertaining upto the block period 2004-09, to facilitate repayment of loans, was reduced from transmission income and considered as deferred income to be included in transmission income in subsequent years. The outstanding deferred income in respect of AAD is recognized as transmission income, after twelve years from the end of the financial year in which the asset was commissioned, to the extent depreciation recovered in the tariff during the year is lower than depreciation charged in the accounts.

Telecom Services

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

Consultancy Services

In respect of 'Cost-plus-consultancy contracts', involving execution on behalf of the client, revenue is recognized in proportion to the stage of completion of the work performed at the reporting date, which is determined based on input method.

Income from other consultancy contracts are accounted for on technical assessment of progress of services rendered.

In the comparative period, in respect of 'Cost-plus-consultancy contracts', involving execution on behalf of the client, income is accounted for (wherever initial advances received) in phased manner as under:

a) 10% on the issue of Notice Inviting Tender for execution

b) 5% on the Award of Contracts for execution

c) Balance 85% on the basis of actual progress of work including supplies

Income from other consultancy contracts are accounted for on technical assessment of progress of services rendered.

2.18.2 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.

Application Fees towards Long Term Open Access (LTOA) as per CERC Guidelines is accounted for on receipt.

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

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

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

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

2.19 Government Grants

Grants-in-aid from Central Government or other authorities towards capital expenditure for projects, betterment of transmission systems and specific depreciable assets initially are treated as deferred income when there is a reasonable assurance that they will be received and the Group will comply with the conditions associated with the grant. Deferred Income is recognized in the Statement of Profit and Loss over the useful life of related asset in proportion to which depreciation on these assets is provided. Grants that compensate the Group for expenses incurred are recognized over the period in which the related costs are incurred and deducted from the related expenses.

2.20 Dividends

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

2.21 Provisions and Contingencies

a) Provisions

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

b) Contingencies

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

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

2.22 Share capital and Other Equity

Ordinary shares are classified as equity.

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

Self-insurance reserve is created @ 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'.

2.23 Prior Period Items

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

2.24 Operating Segments

The Board of Directors is the Group's 'Chief Operating Decision Maker' or 'CODM' within the meaning of Ind AS 108 'Operating Segments'. CODM monitors the operating results of its business segments separately for the purpose of making decisions about resource allocation and performance assessment. Segment performance is evaluated based on profit or loss and is measured consistently with profit or loss in the financial statements.

The operating segments have been identified on the basis of the nature of products / services.

- Segment revenue includes sales and other income directly identifiable with / allocable to the segment including inter-segment transactions.

- Expenses that are directly identifiable with / allocable to segments are considered for determining the segment result. Expenses which relate to the Group as a whole and not allocable to segments are included under un-allocable expenditure.

- Income which relates to the Group as a whole and not allocable to segments is included in un-allocable income.

- Segment assets and liabilities include those directly identifiable with the respective segments. Un-allocable assets and liabilities represent the assets and liabilities that relate to the Group as a whole and not allocable to any segment.

- Segment capital expenditure is the total cost incurred during the period to acquire property, plant and equipment, and intangible assets.

2.25 Earnings per Share

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

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

Additionally, basic and diluted earnings per share are computed using the earnings amounts excluding the movements in Regulatory Deferral Account Balances.

2.26 Cash Flow Statement

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

Note 3. Critical Estimates and Judgments

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

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

The areas involving critical estimates or judgments are:

Revenue Recognition:

Transmission income is accounted for based on tariff orders notified by the CERC. In case of transmission projects where final tariff orders are yet to be notified, transmission income is accounted for as per tariff regulations and other orders of the CERC in similar cases. Differences, if any, are accounted on issuance of final tariff orders by the CERC. Transmission income in respect of additional capital expenditure incurred after the date of commercial operation is accounted for based on expenditure incurred on year to year basis as per CERC tariff regulations.

Regulatory Deferral Balances:

Recognition of Regulatory Deferral Balances involves significant judgments including about future tariff regulations since these are based on estimation of the amounts expected to be recoverable/payable through tariff in future.

Estimation of defined benefit obligation

Estimation of defined benefit obligation involves certain significant actuarial assumptions which are listed in Note 68.

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

Useful life of property, plant and equipment

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

The Group reviewes at the end of each reporting date the useful life of plant and equipment, other than the assets of transmission business which are governed by CERC Regulations, and are adjusted prospectively, if appropriate.

Provisions and contingencies

The assessments undertaken in 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.

Note 4/Property, Plant and Equipment

(₹ in Crore)

Particulars	Cost					Accumulated depreciation					Net Book Value	
	As at 1st April, 2018	Additions during the year	Disposal	Adjustment during the year	As at 31st March, 2019	As at 1st April, 2018	Additions during the year	Disposal	Adjustment during the year	As at 31st March, 2019	As at 31st March, 2019	As at 31st March, 2018
Land												
a) Freehold	2,220.25	110.53	-	-	**2,330.78**	-	-	-	-	**-**	**2,330.78**	2,220.25
b) Leasehold	319.39	171.89	-	-	**491.28**	31.25	11.99	-	-	**43.24**	**448.04**	288.14
Buildings												
a) Sub-Stations & Office	1,296.39	221.90	-	(10.17)	**1,528.46**	103.81	54.27	-	(0.06)	**158.14**	**1,370.32**	1,192.58
b) Township	514.94	72.19	-	(0.67)	**587.80**	63.75	23.91	-	(0.01)	**87.67**	**500.13**	451.19
Temporary Erection	0.95	0.07	-	-	**1.02**	0.94	0.01	-	-	**0.95**	**0.07**	0.01
Roads & Bridges	163.90	8.76	-	(0.01)	**172.67**	21.99	7.16	-	-	**29.15**	**143.52**	141.91
Water Supply Drainage & Sewerage	97.42	1.50	-	(0.36)	**99.28**	12.87	4.35	-	-	**17.22**	**82.06**	84.55
Plant & Equipment												
a) Transmission	112,334.62	16,745.63	45.99	(879.66)	**129,913.92**	15,022.65	6,733.72	17.83	(4.93)	**21,743.47**	**108,170.45**	97,311.97
b) Sub-station	58,527.96	7,994.58	66.25	(368.65)	**66,824.94**	7,548.71	3,637.19	33.88	(0.94)	**11,152.96**	**55,671.98**	50,979.25
c) Unified Load Despatch & Communication	760.00	209.54	-	12.57	**956.97**	150.35	56.63	-	2.28	**204.70**	**752.27**	609.65
d) Telecom	1,057.15	43.20	-	(17.57)	**1,117.92**	289.87	102.63	-	(8.57)	**401.07**	**716.85**	767.28
Furniture Fixtures	110.09	21.79	0.25	0.07	**131.56**	20.55	8.60	0.06	0.02	**29.07**	**102.49**	89.54
Vehicles	3.33	0.28	0.71	-	**2.90**	1.11	0.32	0.16	(0.05)	**1.32**	**1.58**	2.22
Office equipment	190.26	18.86	0.37	(2.26)	**211.01**	27.18	13.43	0.13	(0.57)	**41.05**	**169.96**	163.08
Electronic Data Processing & Word Processing Machines	91.53	20.73	1.66	(0.17)	**110.77**	56.29	21.10	1.59	(0.08)	**75.88**	**34.89**	35.24
Construction and Workshop equipment	286.33	13.07	1.25	(0.02)	**298.17**	42.32	17.58	0.64	(0.37)	**59.63**	**238.54**	244.01
Electrical Installation	93.06	13.24	-	-	**106.30**	17.59	5.85	-	-	**23.44**	**82.86**	75.47
Laboratory Equipments	45.46	2.44	0.40	-	**47.50**	9.53	3.02	0.03	-	**12.52**	**34.98**	35.93
Workshop & Testing Equipments	155.77	79.56	0.14	1.68	**233.51**	14.95	10.78	0.03	-	**25.70**	**207.81**	140.82
Miscellaneous Assets/ Equipments	0.04	0.12	-	(0.01)	**0.17**	0.01	0.01	-	-	**0.02**	**0.15**	0.03
Total	**178,268.84**	**25,749.88**	**117.02**	**(1,265.23)**	**205,166.93**	**23,435.72**	**10,712.55**	**54.35**	**(13.28)**	**34,107.20**	**171,059.73**	**154,833.12**
Less: Provision for assets discarded	1.74	-	-	-	**1.74**	-		-	-	**-**	**1.74**	1.74
Grand Total	**178,267.10**	**25,749.88**	**117.02**	**(1,265.23)**	**205,165.19**	**23,435.72**	**10,712.55**	**54.35**	**(13.28)**	**34,107.20**	**171,057.99**	**154,831.38**

Note 4/Property, Plant and Equipment (Contd.)

(₹ in Crore)

Particulars	Cost					Accumulated depreciation					Net Book Value	
	As at 1st April, 2017	Additions during the year	Disposal	Adjustment during the year	As at 31st March, 2018	As at 1st April, 2017	Additions during the year	Disposal	Adjustment during the year	As at 31st March, 2018	As at 31st March, 2018	As at 31st March, 2017
Land												
a) Freehold	2,091.04	136.91	-	7.70	2,220.25	-	-	-	-	-	2,220.25	2,091.04
b) Leasehold	250.05	60.27	-	(9.07)	319.39	19.13	11.02	-	(1.10)	31.25	288.14	230.92
Buildings												
a) Sub-Stations & Office	869.91	434.32	-	7.84	1,296.39	57.98	46.01	-	0.18	103.81	1,192.58	811.93
b) Township	441.96	72.98	-	-	514.94	41.91	21.84	-	-	63.75	451.19	400.05
Temporary Erection	0.84	0.11	-	-	0.95	0.83	0.10	-	(0.01)	0.94	0.01	0.01
Roads & Bridges	154.50	9.40	-	-	163.90	15.12	6.87	-	-	21.99	141.91	139.38
Water Supply Drainage & Sewerage	92.91	4.51	-	-	97.42	8.65	4.22	-	-	12.87	84.55	84.26
Plant & Equipment												
a) Transmission	98,360.95	14,211.67	124.10	113.90	112,334.62	9,101.39	5,953.73	55.27	(22.80)	15,022.65	97,311.97	89,259.56
b) Sub-station	45,964.55	12,506.02	54.25	(111.64)	58,527.96	4,483.20	3,072.88	15.19	(7.82)	7,548.71	50,979.25	41,481.35
c) Unified Load Despatch & Communication	605.43	137.97	-	(16.60)	760.00	90.21	52.26	-	(7.88)	150.35	609.65	515.22
d) Telecom	918.87	153.39	-	15.11	1,057.15	193.00	104.60	-	7.73	289.87	767.28	725.87
Furniture Fixtures	98.31	12.27	0.44	0.05	110.09	12.54	8.11	0.27	(0.17)	20.55	89.54	85.77
Vehicles	2.74	0.59	-	-	3.33	0.66	0.45	-	-	1.11	2.22	2.08
Office equipment	132.64	96.53	0.43	38.48	190.26	15.34	11.60	0.25	(0.49)	27.18	163.08	117.30
Electronic Data Processing & Word Processing Machines	74.33	17.61	0.33	0.08	91.53	36.02	19.80	0.28	(0.75)	56.29	35.24	38.31
Construction and Workshop equipment	248.34	38.37	0.38	-	286.33	26.05	16.50	0.23	-	42.32	244.01	222.29
Electrical Installation	82.34	7.50	-	(3.22)	93.06	11.59	5.81	-	(0.19)	17.59	75.47	70.75
Laboratory Equipments	41.74	3.83	0.11	-	45.46	6.45	3.08	-	-	9.53	35.93	35.29
Workshop & Testing Equipments	120.31	35.67	0.20	0.01	155.77	7.56	7.54	0.17	(0.02)	14.95	140.82	112.75
Miscellaneous Assets/ Equipments	0.05	-	0.01	-	0.04	-	0.01	-	-	0.01	0.03	0.05
Total	**150,551.81**	**27,939.92**	**180.25**	**42.64**	**178,268.84**	**14,127.63**	**9,346.43**	**71.66**	**(33.32)**	**23,435.72**	**154,833.12**	**136,424.18**
Less: Provision for assets discarded	1.74	-	-	-	1.74	-	-	-	-	-	1.74	1.74
Grand Totalw	**150,550.07**	**27,939.92**	**180.25**	**42.64**	**178,267.10**	**14,127.63**	**9,346.43**	**71.66**	**(33.32)**	**23,435.72**	**154,831.38**	**136,422.44**

Note 4/Property, Plant and Equipment (Contd.)

Further Notes :

a) The Company owns 7471 hectare (Previous Year 7371 hectare) of land amounting to ₹2822.06 Crore (Previous Year ₹2539.64 Crore) which has been classified into freehold land 6355 hectare (Previous Year 6303 hectare) amounting to ₹2330.78 Crore (Previous Year ₹2220.25 Crore) and leasehold land 1116 hectare (Previous Year 1068 hectare) amounting to ₹491.28 Crore (Previous Year ₹319.39 Crore) based on available documentation.

b) Freehold land acquired by the company includes 221.38 hectare (Previous Year 301.75 hectare) amounting to ₹202.93 Crore (Previous Year ₹251.32 Crore) in respect of which conveyance deed in favour of the company is pending and 123.56 hectare (Previous Year 289.81 hectare) amounting to ₹ 63.44 Crore (Previous Year ₹ 224.78 Crore) in respect of land acquired by the company for which mutation in revenue records is pending.

c) i) The land classified as leasehold land held in the state of Jammu and Kashmir with area of 113.88 hectare (Previous Year 113.88 hectare) amounting to ₹83.90 Crore (Previous Year ₹ 80.46 Crore) is acquired by state government as per procedures under State Land Acquisition Act. As per prevailing law the state government remains the owner of the land so acquired and company is only given possession for the specific use.

ii) The transmission system situated in the state of Jammu and Kashmir have been taken over by the company w.e.f. 1st April 1993 from National Hydroelectric Power Corporation of India Limited (NHPC) upon mutually agreed terms pending completion of legal formalities.

iii) Leasehold land includes area of 2.65 hectare (Previous Year 2.65 hectare) amounting to ₹13.97 Crore (Previous Year ₹ 13.97 Crore) in respect of land in Chamba (HP) acquired from NHPC by the company for which legal formalities are pending.

iv) Leasehold land other than above includes 133.91 hectare (Previous Year 164.19 hectare) amounting to ₹186.11 Crore (Previous Year ₹69.53 Crore) in respect of which lease agreements/ legal formalities are pending.

d) Leasehold land includes area of 42.66 hectare (Previous Year 0.41 hectare) amounting to₹47.07 Crore (Previous Year ₹ 7.64 Crore) in respect of land acquired for office complex and Substation on perpetual lease basis and hence not amortised.

e) Township building includes ₹2.95 Crore (Previous Year ₹ 2.95 Crore) for 28 flats at Mumbai, for which registration in favour of the company is pending. Out of the above flats, 17 flats are occupied by employees of M/S Power System Operation Corporation Ltd.

f) 5.63 hectare of land (Previous Year 5.63 hectare) having value of ₹ 0.04 Crore (Previous Year ₹ 0.04 Crore) has been transferred to National High Power Test Laboratory Pvt. Ltd. on right to use without granting ownership.

g) Refer note 23 for information on property, plant and equipment, pledged as security by the company .

Note 5/Capital work in progress

(₹ in Crore)

Particulars	As at 1st April, 2018	Additions during the year	Adjustments	Capitalised during the year	As at 31st March, 2019
Land					
Development of land	10.78	39.82	0.02	44.14	**6.44**
Buildings					
a) Sub-Stations & Office	189.76	112.63	-	204.24	**98.15**
b) Township	97.00	89.70	-	69.51	**117.19**
Roads & Bridges	18.66	5.24	-	5.63	**18.27**
Water Supply Drainage and Sewerage	3.22	0.32	-	-	**3.54**
Plant & Equipments (including associated civil works)					
a) Transmission	16,749.96	9,864.75	-	14,614.97	**11,999.74**
b) Sub-Station	7,688.19	9,871.38	(0.01)	7,348.74	**10,210.84**
c) Unified Load Despatch & Communication	464.29	228.66	20.93	193.68	**478.34**
d) Telecom	46.90	52.18	-	23.76	**75.32**
Furniture & Fixtures	-	0.57	-	0.57	**-**
Other office equipments	8.88	7.73	-	6.78	**9.83**
Electrical Installations	0.93	11.72	-	9.21	**3.44**
Construction Stores (Net of Provision)	8,721.55	3,586.84	908.26	0.19	**11,399.93**
Expenditure pending allocation		-			
i) Survey, investigation, consultancy & supervision Charges	33.30	-	8.42	18.45	**6.43**
ii) Difference in Exchange on foreign currency loans	187.89	(14.97)	-	45.59	**127.33**
iii) Expenditure during construction period(net) (Note 43)	3,384.85	2,141.48	3.68	2,686.71	**2,835.94**
	37,606.16	**25,998.05**	**941.30**	**25,272.17**	**37,390.73**
Less: Provision for unserviceable Assets	2.26	-	-	-	**2.26**
Grand Total	**37,603.90**	**25,998.05**	**941.30**	**25,272.17**	**37,388.47**

(₹ in Crore)

Particulars	As at 1st April, 2017	Additions during the year	Adjustments	Capitalised during the year	As at 31st March, 2018
Land					
Development of land	25.19	60.84	0.01	75.24	10.78
Buildings					
a) Sub-Stations & Office	394.86	157.30	-	362.40	189.76
b) Township	67.59	64.83	-	35.42	97.00
Roads & Bridges	20.46	7.60	-	9.40	18.66
Water Supply Drainage and Sewerage	3.06	0.16	-	-	3.22
Plant & Equipments (including associated civil works)					
a) Transmission	16,608.47	13,109.54	0.73	12,967.32	16,749.96
b) Sub-Station	8,278.04	10,517.25	0.37	11,106.73	7,688.19
c) Unified Load Despatch & Communication	375.00	233.37	6.11	137.97	464.29
d) Telecom	66.99	69.86	-	89.95	46.90
Other office equipments	6.49	4.25	-	1.86	8.88
Electrical Installations	0.55	1.77	-	1.39	0.93
Construction Stores (Net of Provision)	8,589.34	695.45	563.24	-	8,721.55
Expenditure pending allocation					
i) Survey, investigation, consultancy & supervision Charges	23.53	14.40	-	4.63	33.30
ii) Difference in Exchange on foreign currency loans	69.49	170.00	-	51.60	187.89
iii) Expenditure during construction period(net) (Note 43)	3,661.58	2,662.40	131.38	2,807.75	3,384.85
	38,190.64	**27,769.02**	**701.84**	**27,651.66**	**37,606.16**
Less: Provision for unserviceable Assets	3.64	-	1.38	-	2.26
Grand Total	**38,187.00**	**27,769.02**	**700.46**	**27,651.66**	**37,603.90**

Note 5/Capital work in progress (Contd.)

(Details of Construction stores) (At Cost)

(₹ in Crore)

Particulars	As at 31st March, 2019	As at 31st March, 2018
Construction Stores		
Towers	**1,581.26**	1781.73
Conductors	**2,793.60**	2999.57
Other Line Materials	**571.39**	655.26
Sub-Station Equipments	**2,503.63**	2015.15
High Voltage Direct Current (HVDC) Equipments	**3,473.09**	704.51
Unified Load Despatch & Communication(ULDC) Materials	**222.94**	401.21
Telecom Materials	**87.55**	37.54
Others	**166.47**	126.58
	11399.93	8721.55
Less: Provision for shortages and obsolete material	**-**	-
Total	**11399.93**	8721.55
Construction Stores include:		
i)Material in transit		
Towers	**0.35**	3.84
Other Line Materials	**18.18**	12.48
Sub-Station Equipments	**183.99**	158.41
High Voltage Direct Current (HVDC) Equipments	**723.53**	45.22
Others	**2.22**	2.35
Total	**928.27**	222.30
ii) Material with Contractors		
Towers	**1580.91**	1775.76
Conductors	**2793.60**	2999.46
Other Line Materials	**553.21**	642.45
Sub-Station Equipments	**2319.64**	1856.73
High Voltage Direct Current (HVDC) Equipments	**2749.56**	659.29
Unified Load Despatch & Communication (ULDC) Materials	**222.94**	401.22
Telecom Materials	**87.55**	37.54
Others	**164.25**	124.24
Total	**10471.66**	8496.69
Grand total	**11399.93**	8718.99

Further Notes:
Materials with Contractors amounting to ₹342.68 crore (Previous Year ₹488.14 crore) in respect of commissioned lines is pending for reconciliation. However reconciliation are carried out on ongoing basis.

Note 6/Investment Property

(₹ in Crore)

Particulars	Cost					Accumulated Amortisation					Net Book Value	
	As at 1st April, 2018	Additions during the year	Disposal	Adjustment during the year	As at 31st March, 2019	As at 1st April, 2018	Additions during the year	Disposal	Adjustment during the year	As at 31st March, 2019	As at 31st March, 2019	As at 31st March, 2018
Land (Freehold)	0.02	-	-	-	**0.02**	-	-	-	-	**-**	**0.02**	0.02
Buildings	0.01	-	-	-	**0.01**	-	-	-		**-**	**0.01**	0.01
Total	**0.03**	**-**	**-**	**-**	**0.03**	**-**	**-**	**-**	**-**	**-**	**0.03**	**0.03**

(₹ in Crore)

Particulars	Cost					Accumulated Amortisation					Net Book Value	
	As at 1st April, 2017	Additions during the year	Disposal	Adjustment during the year	As at 31st March, 2018	As at 1st April, 2017	Additions during the year	Disposal	Adjustment during the year	As at 31st March, 2018	As at 31st March, 2018	As at 31st March, 2017
Land (Freehold)	0.02	-	-	-	0.02	-	-	-	-	-	0.02	0.02
Buildings	0.01	-	-	-	0.01	-		-		-	0.01	0.01
Total	**0.03**	**-**	**-**	**-**	**0.03**	**-**	**-**	**-**	**-**	**-**	**0.03**	**0.03**

Note 6/Investment Property (Contd.)

(i) Amount recognised in profit and loss for investment property

(₹ in Crore)

	For the year ended 31st March, 2019	For the year ended 31st March, 2018
Rental income	-	0.80
Direct operating expenses from property that generated rental income	-	-
Direct operating expenses from property that did not generate rental income	-	-
Profit from investment property before depreciation	-	0.80
Depreciation	-	-
Profit from investment property	-	0.80

(ii) Contractual obligations

(₹ in Crore)

	31st March, 2019	31st March, 2018
Contractual obligation for future repairs and maintenance not recognised as a liability	**NIL**	0.80

(iii) Leasing arrangements

Minimum lease payments receivable under non-cancellable operating leases of investment property are as follows:-

(₹ in Crore)

	31st March, 2019	31st March, 2018*
Within one year	-	-
Later than one year but not later than 5 years	-	-
Later than 5 years	-	-

* Lease agreement ended with mutual consent during the year w.e.f 15th March 2018 and no new lease agreement has been entered.

(iv) Fair value

(₹ in Crore)

	31st March, 2019	31st March, 2018
Investment property	**2.83**	2.98

Estimation of fair value

The fair values of investment property has been determined by independent valuer. The main inputs used are the rental growth rates, expected vacancy rates, terminal yields and discount rates based on comparable transactions and industry data. All resulting fair value estimates for investment property are included in level 2.

Note 7/Other Intangible assets

(₹ in Crore)

Particulars	Cost					Accumulated Amortisation					Net Book Value	
	As at 1st April, 2018	Additions during the year	Disposal	Adjustment during the year	As at 31st March, 2019	As at 1st April, 2018	Additions during the year	Disposal	Adjustment during the year	As at 31st March, 2019	As at 31st March, 2019	As at 31st March, 2018
Electronic Data Processing Software	46.98	7.77	-	(0.12)	**54.87**	42.17	4.81	-	(0.12)	**47.10**	**7.77**	4.81
Right of Way-Afforestation Expenses	1,503.22	365.02	-	(51.61)	**1,919.85**	200.40	99.76	-	-	**300.16**	**1,619.69**	1,302.82
Telecom Licenses	2.80	-	-	-	**2.80**	0.13	0.14	-	-	**0.27**	**2.53**	2.67
Development of 1200 KV TS*	69.57	2.29	-	-	**71.86**	13.01	7.24	-	-	**20.25**	**51.61**	56.56
Total	**1,622.57**	**375.08**	**-**	**(51.73)**	**2,049.38**	**255.71**	**111.95**	**-**	**(0.12)**	**367.78**	**1,681.60**	**1,366.86**

*Internally generated intangible asset

(₹ in Crore)

Particulars	Cost					Accumulated Amortisation					Net Book Value	
	As at 1st April, 2017	Additions during the year	Disposal	Adjustment during the year	As at 31st March, 2018	As at 1st April, 2017	Additions during the year	Disposal	Adjustment during the year	As at 31st March, 2018	As at 31st March, 2018	As at 31st March, 2017
Electronic Data Processing Software	42.21	4.68	-	(0.09)	46.98	30.21	11.96	-	-	42.17	4.81	12.00
Right of Way-Afforestation Expenses	1,297.34	211.73	-	5.85	1,503.22	118.44	81.96	-	-	200.40	1,302.82	1,178.90
Telecom Licenses	2.50	2.80	2.50	-	2.80	1.37	0.13	1.37	-	0.13	2.67	1.13
Development of 1200 KV TS*	69.41	-	-	(0.16)	69.57	6.05	6.96	-	-	13.01	56.56	63.36
Total	**1,411.46**	**219.21**	**2.50**	**5.60**	**1,622.57**	**156.07**	**101.01**	**1.37**	**-**	**255.71**	**1,366.86**	**1,255.39**

*Internally generated intangible asset

Note 8/Intangible assets under development

(₹ in Crore)

Particulars	As at 1st April, 2018	Additions	Adjustments	Capitalised during the year	As at 31st March, 2019
Electronic Data Processing Software	-	4.47	-	4.47	-
Right of Way-Afforestation expenses	64.67	357.49	-	179.57	242.59
Development of 1200 KV TS	-	5.68	3.39	2.29	-
Total	**64.67**	**367.64**	**3.39**	**186.33**	**242.59**

(₹ in Crore)

Particulars	As at 1st April, 2017	Additions	Adjustments	Capitalised during the year	As at 31st March, 2018
Electronic Data Processing Software	0.07	1.77	-	1.84	-
Right of Way-Afforestation expenses	61.39	90.70	-	87.42	64.67
Development of 1200 KV TS	15.88	-	15.88	-	-
Total	**77.34**	**92.47**	**15.88**	**89.26**	**64.67**

Note 9A/Investments in Joint Ventures accounted for using the equity method

(₹ in Crore)

Particulars	As at 31st March, 2019	As at 31st March, 2018
Investments in Equity Instruments (fully paid up)		
Unquoted		
Joint Venture Companies		
Torrent Power Grid Limited		
23400000 (Previous Year 23400000) Equity Shares of ₹10/- each.	**35.56**	34.00
Jaypee Powergrid Limited		
78000000 (Previous Year 78000000) Equity Shares of ₹10/- each.	**105.45**	103.64
Parbati Koldam Transmission Company Limited		
70937620 (Previous Year 70937620) Equity Shares of ₹10/- each.	**95.30**	96.32
Teestavalley Power Transmission Limited		
105560000 (Previous Year 94277820) Equity Shares of ₹10/- each.	**101.47**	93.82
Powerlinks Transmission Limited		
229320000 (Previous Year 229320000) Equity Shares of ₹10/- each.	**447.58**	422.86
North East Transmission Company Limited		
106964000 (Previous Year 106964000) Equity Shares of ₹10/- each.	**125.71**	115.10
National High Power Test Laboratory Private Limited		
30400000 (Previous Year 30400000) Equity Shares of ₹10/- each.	**26.08**	27.83
Cross Border Power Transmission Company Limited		
12612473 (Previous Year 12612473) Equity Shares of ₹10/- each.	**23.03**	20.57
Kalinga Bidyut Prasaran Nigam Private Limited		
5000 (Previous Year 5000) Equity Shares of ₹10/- each. (Refer further note 3 below)	**-**	0.01
Less: Provision for diminution in the value of Investment	**-**	0.01
	-	-
Bihar Grid Company Limited		
171685600 (Previous Year 156240000) Equity Shares of ₹10/- each.	**195.94**	168.16
Power Transmission Company Nepal Limited		
1170000 (Previous Year 1040000) Equity Shares of Nepali ₹100/- each.	**10.46**	9.50
RINL POWERGRID TLT Private Limited		
4000000 (Previous Year 3400000) Equity Shares of ₹10/- each. (Refer further note 4 below)	**3.97**	3.39
Less: Provision for diminution in the value of Investment	**3.97**	-
	-	3.39
TOTAL	**1166.58**	**1095.19**

Further notes:

1) 229319997 Equity Shares (Previous Year 229319997 Equity Shares) of Powerlinks Transmission Limited held by the Company have been pledged as security with consortium of financial institutions against financial assistance obtained by Powerlinks Transmission Limited.

2) Investments have been valued as per accounting policy no. 2.2 & 2.14.

3) POWERGRID's Board of Directors in its meeting held on 16th August, 2017 accorded approval for initiating procedure for winding up/removal of the name of Kalinga Bidyut Prasaran Nigam Private Ltd under fast track Exit mode of Registrar of Companies (ROC). Provision for diminution in the value of Investment of ₹0.01 crore had been made in the previous year.

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

Note 9/Investments

(₹ in Crore)

Particulars	As at 31st March, 2019	As at 31st March, 2018
Investments in Equity Instruments (fully paid up)		
Investments at Fair Value through Other Comprehensive Income (OCI)		
Quoted		
PTC India Limited		
12000006 (Previous Year 12000006) Equity Shares of ₹10/- each	**88.14**	104.88
Unquoted		
Energy Efficiency Services Limited		
37704350 (Previous Year 22500000) Equity Shares of ₹10/- each	**41.70**	23.90
iii) Others		
NIL (Previous Year 500) Equity Shares of ₹10/- each in Employees Co-op Society Limited Rourkela (Previous Year ₹ 5000/-)		
1 (Previous Year 1) share of ₹10/- each in Bharat Broadband Network Limited (₹ 10/-)		
TOTAL	**129.84**	**128.78**

Further notes:

(₹ in Crore)

1) a) Aggregate amount of Quoted Investments		
At Cost	**12.00**	12.00
Market Value	**88.14**	104.88
b) Aggregate amount of Unquoted Investments	**41.70**	23.90

2) Investments have been valued as per accounting policy no. 2.2 & 2.14.

Note 10/Loans (considered good unless otherwise stated)

(₹ in Crore)

Particulars	As at 31st March, 2019	As at 31st March, 2018
Loans to Related Parties **		
Loans to JVs-Unsecured	**6.00**	-
Loan to Directors & Key Managerial Personnel (KMP)		
Secured #	**0.01**	-
Unsecured	**0.09**	0.07
	6.10	0.07
Loans to Employees (including interest accrued)		
Secured #	**143.15**	111.02
Unsecured	**38.88**	28.90
	182.03	139.92
Total	**188.13**	**139.99**

Further notes:

** Details of loans to related parties is provided in Note 60.

House building loans and conveyance advance to Directors, KMP and Employees are secured against the mortgage of the house properties or hypothecation of vehicles for which such loans have been given in line with the policies of the Company.

Note 11/Other Non-current Financial Assets

(Unsecured considered good unless otherwise stated) (₹ in Crore)

Particulars	As at 31st March, 2019	As at 31st March, 2018
Lease receivables	**589.82**	602.88
Unbilled Revenue $		
i) Considered good	**307.33**	77.62
ii) Considered doubtful	**105.71**	-
	413.04	77.62
Less: Provision	**105.71**	-
	307.33	77.62
Bank deposits with more than 12 months maturity #	**163.47**	185.85
Recoverable for GOI fully serviced bonds ##	**3487.75**	-
TOTAL	**4548.37**	**866.35**

Note 11/Other Non-current Financial Assets (Contd.)

Further notes:

$ Refer Note 47 for disclosure as per Ind AS 115 'Revenue from Contracts with Customers'.

Bank deposits against designated accounts for consultancy work.

The Company issued 'GoI fully serviced bonds' for an amount of ₹3487.50 crore for raising of Extra Budgetary Resources (EBR) for GoI scheme of Power System Development Fund (PSDF) in terms of letter No: 7/1/2018-OM dated 21st January, 2019 of Ministry of Power, Govt. of India (GoI) for meeting accrued liabilities for creation of Capital Assets. The repayment of principal and the interest payment on such bonds shall be met by GoI. Out of the proceeds of bond issue, an amount of ₹ 3424.63 Crore has been recognised as Grant in aid and balance of ₹62.87 crore pending utilization has been shown in Note No 15.

Note 12/Other non-current Assets

(Unsecured considered good unless otherwise stated) (₹ in Crore)

Particulars	As at 31st March, 2019	As at 31st March, 2018
Advances for Capital Expenditure		
Unsecured		
a. Against bank guarantees	**1160.62**	2726.25
b. Others	**35.05**	36.96
Unsecured considered doubtful	**1.25**	1.67
	1196.92	2764.88
Less: Provision for bad & doubtful Advances	**1.25**	1.67
	1195.67	2763.21
Advances other than for Capital Expenditure		
Security Deposits	**15.14**	8.92
Advances to Related Parties*	**-**	0.43
Deferred Employee Cost	**52.66**	50.59
Deferred Foreign currency Fluctuation Asset	**3675.22**	2734.16
Advances recoverable in kind or for value to be received		
Employees	**6.76**	-
Balance with Customs Port Trust and other authorities	**27.56**	23.16
Advance tax and Tax deducted at source #	**81.07**	7.18
Others**	**154.75**	160.03
	270.14	190.37
Considered doubtful	**2.90**	2.90
	273.04	193.27
Less: Provision for doubtful Advances	**2.90**	2.90
	270.14	190.37
TOTAL	**5208.83**	**5747.68**

Further notes:

*Details of advances to related parties are provided in Note 60.

**Others include amount recoverable from Customers & State Governments, insurance claims etc.

Net of Current Tax Liabilities - Note 33.

Note 13/Inventories

(₹ in Crore)

Particulars	As at 31st March, 2019	As at 31st March, 2018
(For mode of valuation refer Note 2.10)		
Components,Spares & other spare parts	**1237.40**	1057.90
Loose tools	**20.06**	21.61
Consumable stores	**12.50**	8.15
	1269.96	1087.66
Less Provision for Shortages/damages etc	**22.71**	38.31
TOTAL	**1247.25**	**1049.35**
Inventories includes material in transit		
Components, Spares & other spare parts	**10.34**	3.75

Note 14/Trade receivables

(₹ in Crore)

Particulars	As at 31st March, 2019	As at 31st March, 2018
Trade receivables - Unsecured		
Considered good	**4698.97**	3626.13
Considered Doubtful	**339.32**	48.15
	5038.29	3674.28
Receivable from related parties - Unsecured *		
Considered good	**29.17**	13.89
	5067.46	3688.17
Less: Provision for doubtful trade receivables	**339.36**	48.15
TOTAL	**4728.10**	**3640.02**

Further notes:
*Details of trade receivables from related parties are provided in Note 60.
Refer Note 47 for disclosure as per Ind AS 115 'Revenue from Contracts with Customers'.

Note 15/Cash and Cash Equivalents

(₹ in Crore)

Particulars	As at 31st March, 2019	As at 31st March, 2018
Balance with banks-		
-In Current accounts	**146.91**	137.58
-In designated Current accounts (For Consultancy clients and others)	**205.61**	360.19
In term deposits (with maturity less than 3 months)*	**3265.40**	1013.73
Drafts/Cheques in hand/Remittances in transit	**29.80**	23.30
Others (Stamps and Imprest)	**0.01**	-
Total	**3647.73**	**1534.80**

Further notes:
*Term deposit includes ₹ 3265.40 crore (Previous Year ₹ 1013.73 crore) for Consultancy clients and others.

Note 16/ Bank Balances other than Cash & cash equivalents

(₹ in Crore)

Particulars	As at 31st March, 2019	As at 31st March, 2018
Earmarked balance with banks*	**20.18**	12.61
In Term Deposits having maturity over 3 months but upto 12 months (For Consultancy clients and others)	**668.74**	641.61
Total	**688.92**	**654.22**

Further notes:
*Earmarked balance with Bank includes unpaid dividend and refund of FPO proceeds

Note 17/Loans

(₹ in Crore)

Particulars	As at 31st March, 2019	As at 31st March, 2018
Loans to Related Parties**		
Loans to Joint Venture - Unsecured	**77.12**	6.00
Loan to Directors & Key Managerial Personnel (KMP)		
Secured #	**-**	-
Unsecured Considered good	**0.08**	0.04
	77.20	6.04
Loans to Employees (including interest accrued)		
Secured #	**23.60**	21.63
Unsecured Considered good	**30.19**	19.21
	53.79	40.84
TOTAL	**130.99**	**46.88**

Further notes:
** Details of loans to related parties is provided in Note No 60.
# House building loans and conveyance advance to Directors, KMP and Employees are secured against the mortgage of the house properties or hypothecation of vehicles for which such loans have been given in line with the policies of the Company.

Note 18/Other Current Financial Assets

(Unsecured considered good unless otherwise stated) (₹ in Crore)

Particulars	As at 31st March, 2019	As at 31st March, 2018
Lease Receivables	**46.33**	43.48
Unbilled Revenue*	**6307.82**	4064.42
Less: Provision for Unbilled revenue	**18.92**	18.92
	6288.90	4045.50
Interest accrued but not due		
Interest accrued on Investments (Bonds)	**-**	0.42
Interest accrued on Term/Fixed Deposits	**2.62**	2.23
Interest accrued on Loan to JVs	**1.62**	0.01
Interest accrued on Others **	**38.57**	4.05
	42.81	6.71
Advances to Related Parties #	**33.83**	5.64
Others ##		
Considered Good	**469.17**	635.90
Total	**6881.04**	**4737.23**

Further notes:

* Unbilled revenue includes transmission charges for the month of March in the financial year amounting to ₹ 2580.58 crore (Previous Year ₹ 2277.02 crore) billed to beneficiaries in the month of April of subsequent financial year. Further refer note no 47 for disclosure as per Ind AS 115 'Revenue from Contracts with Customers'.

** Interest accrued on Others includes accrued interest on recoverable for GOI fully serviced bonds, advance to contractors.

Details of advances to related parties are provided in Note 60.

Others include:-

(a) an amount of ₹ 30.85 crore recoverable from M/s Delhi Transco Limited towards transfer of 1.167 hectare land at Tughlaqabad Sub-station pending completion of legal formalities for tranfer of title.

(b) amount recoverable from Customers, Advance rent for Residential and Office accommodation, Advance to PF Trust and Gratuity Trust, Other advance etc.

Note 19/Other Current Assets

(Unsecured considered good unless otherwise stated) (₹ in Crore)

Particulars	As at 31st March, 2019	As at 31st March, 2018
Advances other than for Capital Expenditure		
Advances recoverable in kind or for value to be received		
Contractors & Suppliers	**14.22**	153.94
Employees	**15.18**	6.20
Balance with Customs Port Trust and other authorities	**125.77**	221.19
Claims recoverable	**0.54**	0.54
	155.71	381.87
Advances to related parties #		
Joint Ventures	**-**	0.77
Others*		
Considered Good	**182.15**	121.86
Considered Doubtful	**0.01**	0.03
	182.16	121.89
Less:Provision for Doubtful Advances	**0.01**	0.03
	182.15	121.86
Total	**337.86**	**504.50**

Further notes:

Details of advances to related parties are provided in Note 60.

*Others include advance given for CSR activities, prepaid expenses and input tax credit - GST.

Note 20/Regulatory Deferral Account Balances

(₹ in Crore)

Particulars	As at 31st March, 2019	As at 31st March, 2018
Assets		
Deferred assets for deferred tax liability *	**7516.5**	10989.39
Foreign Currency Fluctuation	**432.61**	200.34
Employee Benefits Expense	**134.16**	114.49
Total	**8083.27**	**11304.22**

Further Note:
* Refer to note no 55 for reclassification of prior year presentation.
Refer to note no 54 for detailed disclosure on Regulatory Deferral Account Balances.

Note 21/Equity Share capital

(₹ in Crore)

Particulars	As at 31st March, 2019	As at 31st March, 2018
Equity Share Capital		
Authorised		
10,00,00,00,000 (Previous Year 10,00,00,00,000) equity shares of ₹10/- each at par	**10000.00**	10000.00
Issued, subscribed and paid up		
5,23,15,89,648 (Previous Year 5,23,15,89,648) equity shares of ₹10/-each at par fully paid up	**5231.59**	5231.59

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

Particulars	For the year ended 31st March, 2019		For the year ended 31st March, 2018	
	No. of Shares	Amount (₹ in crore)	No.of Shares	Amount (₹ in crore)
Shares outstanding at the beginning of the year	**5231589648**	**5231.59**	5231589648	5231.59
Additions during the year	**-**	**-**	-	-
Deduction during the year	**-**	**-**	-	-
Shares outstanding at the end of the year	**5231589648**	**5231.59**	5231589648	5231.59

2) The Company has only one class of equity shares having a par value of ₹10/- per share.
3) The holders of equity shares are entitled to receive dividends as declared from time to time and to voting rights proportionate to their shareholding at meetings of the Shareholders.
4) Shareholders holding more than 5% equity shares of the Company.

Particulars	As at 31st March, 2019		As at 31st March, 2018	
	No.of Shares	% of holding	No.of Shares	% of holding
Government of India	**2896495942**	**55.37**	2977314759	56.91
Life Insurance Corporation of India	**335385684**	**6.41**	254719223	4.87

Note 22/Other Equity

(₹ in Crore)

Particulars	As at 31st March, 2019	As at 31st March, 2018
Reserves and Surplus		
Securities Premium	**9578.29**	9578.29
Bonds Redemption Reserve	**9942.79**	9187.58
Self Insurance Reserve	**893.37**	737.60
Corporate Social Responsibility (CSR) Activity Reserve	**114.54**	123.33
General Reserve	**31454.07**	26988.99
Retained Earnings	**1797.05**	2487.77
Other Reserves		
Other Comprehensive Income Reserve	**76.69**	90.84
Total	**53856.80**	**49194.40**

Note 22/Other Equity (Contd.)

22.1 Securities Premium

(₹ in Crore)

Particulars	As at 31st March, 2019	As at 31st March, 2018
Balance at the beginning of the year	**9578.29**	9578.29
Addition during the year	**-**	-
Deduction during the year	**-**	-
Balance at the end of the year	**9578.29**	**9578.29**

Securities premium is used to record the premium on issue of shares/securities. This amount is utilised in accodance with the provision of the Companies Act, 2013.

22.2 Bonds Redemption Reserve

(₹ in Crore)

Particulars	As at 31st March, 2019	As at 31st March, 2018
Balance at the beginning of the year	**9187.58**	8095.83
Addition during the year	**2058.20**	2104.08
Deduction during the year	**1302.99**	1012.33
Balance at the end of the year	**9942.79**	**9187.58**

Bonds Redemption Reserve is created for the purpose of redemption of debentures in term of the Companies Act, 2013.

22.3 Self Insurance Reserve

(₹ in Crore)

Particulars	As at 31st March, 2019	As at 31st March, 2018
Balance at the beginning of the year	**737.60**	677.79
Addition during the year	**257.69**	228.63
Deduction during the year	**101.92**	168.82
Balance at the end of the year	**893.37**	**737.60**

Self-Insurance Reserve is created @ 0.12% p.a. (0.12% p.a. in previous year) on the Gross Block of Property, Plant & Equipments not covered under insurance as at the end of the year to meet future losses which may arise from un-insured risks and for procurement of towers and other transmission line materials including strengthening of towers and equipments of AC sub-station to take care of future contingencies.

22.4 Corporate Social Responsibility (CSR) Activity Reserve

(₹ in Crore)

Particulars	As at 31st March, 2019	As at 31st March, 2018
Balance at the beginning of the year	**123.33**	123.38
Addition during the year	**-**	-
Deduction during the year	**8.79**	0.05
Balance at the end of the year	**114.54**	**123.33**

Corporate Social Responsibility Reserve is created to the extent of shortfall in the actual expenditure in any year vis-à-vis the amount stipulated as per the Companies Act, 2013.

22.5 General Reserve

(₹ in Crore)

Particulars	As at 31st March, 2019	As at 31st March, 2018
Balance at the beginning of the year	**26988.99**	23312.01
Add/(Less): Ind AS 115 Adjustments *	**104.37**	9.07
	27093.36	23321.08
Addition during the year	**4360.71**	3667.91
Deduction during the year	**-**	-
Balance at the end of the year	**31454.07**	**26988.99**

General Reserve is retained earnings of the company which are kept aside out of company's profits. It is a free reserve which can be utilized to meet any unknown future contingencies and to pay dividends to shareholders.
* Refer note no 47 for details.

Note 22/Other Equity (Contd.)

22.6 Retained Earnings

(₹ in Crore)

Particulars	As at 31st March, 2019	As at 31st March, 2018
Balance at the beginning of the year	**2487.77**	2742.85
Add: Additions		
Net Profit for the period	**10033.52**	8204.00
Items of other comprehensive income recognised directly in surplus balance		
- Remeasurements of post employment benefit obligations	**(2.19)**	20.85
Transfer from Bond Redemption Reserve	**1302.99**	1012.33
Other Adjustments	**(3.78)**	0.23
Less: Appropriations		
General Reserve	**4,250.00**	3,500.00
Bonds Redemption Reserve	**2058.20**	2,104.08
Self Insurance Reserve	**257.69**	228.63
Interim dividend paid	**3050.02**	1,281.74
Tax on Interim dividend	**627.58**	259.87
Final Dividend (refer note 64(b))	**1464.85**	1,752.59
Tax on Final Dividend	**312.92**	365.58
Balance at the end of the year	**1797.05**	**2487.77**

22.7 Other Comprehensive Income Reserve

(₹ in Crore)

Particulars	As at 31st March, 2019	As at 31st March, 2018
Balance at the beginning of the year	**90.84**	103.76
Addition during the year	**(14.15)**	(12.92)
Balance at the end of the year	**76.69**	**90.84**

Other Comprehensive Income Reserve is created from increase/decrease in valuation of Non Current Investments in Equity instruments classified as fair valued through Other Comprehensive Income (FVOCI).

Note 23/ Borrowings

(₹ in Crore)

Description	As at 31st March, 2019	As at 31st March, 2018
A) BONDS		
A1) Secured (Taxable, Redeemable, Non-Cumulative, Non-Convertible)		
A1.1 i) Bonds of ₹ 10 Lakh each		
LV Issue-7.55% Redeemable at par on 21.09.2031	**1,238.92**	1,238.91
LX Issue-7.20% Redeemable at par on 09.08.2027	**3,059.78**	3,059.76
LIX Issue-7.30% Redeemable at par on 19.06.2027	**3,069.78**	3,069.76
XXXIX Issue-9.40% redeemable at par on 29.03.2027	**1,799.86**	1,799.86
LVIII Issue-7.89% redeemable at par on 09.03.2027	**2,059.44**	2,059.41
XXXVIII Issue-9.25% redeemable at par on 09.03.2027	**854.72**	854.72
LVI Issue-7.36% redeemable at par on 18.10.2026	**1,064.10**	1,064.08
LXII Issue-8.36% Redeemable at par in 05(five) equal installments w.e.f. 07.01.2025	**1,999.75**	-
XLII Issue-8.80% redeemable at par on 13.03.2023	**1,989.52**	1,989.49
LVII Issue-7.20% redeemable at par on 21.12.2021	**2,118.79**	2,118.75
ii) Bonds of ₹ 30 Lakh each consisting of 3 STRPPs of ₹ 10 lakh each redeemable at par in 3 (Three) equal installments on 15.07.2021, 15.07.2026 and 15.07.2031		
LIV Issue-7.97% Redeemable w.e.f 15.07.2021	**2,997.93**	2,997.89
iii) Bonds of ₹ 30 Lakh each consisting of 3 STRPPs of ₹ 10 lakh each redeemable at par in 3 (Three) equal installments on 23.12.2020,23.12.2025 and 23.12.2030		
LII Issue-8.32% redeemable w.e.f. 23.12.2020	**1,396.95**	1,396.94
iv) Bonds of ₹ 1.20 crore each consisting of 12 STRPPs of ₹ 10 lakh each redeemable at par in 12 (twelve) equal installments		
LIII Issue-8.13% Redeemable w.e.f 25.04.2020	**3,995.76**	3,995.46

Note 23/ Borrowings (Contd.)

(₹ in Crore)

	Description	As at 31st March, 2019	As at 31st March, 2018
v)	Bonds of ₹ 30 Lakh each consisting of 3 STRPPs of ₹ 10 lakh each redeemable at par in 3 (Three) equal installments on 09.03.2020,09.03.2025 and 09.03.2030		
	XLIX Issue-8.15% redeemable w.e.f. 09.03.2020	**869.63**	1,304.60
vi)	Bonds of ₹ 0.10 crore each redeemable at par at the end of 5th year		
	2900 Bonds-8.90% redeemable on 10.06.2020	**290.00**	290.00
vii)	Bonds of ₹40 Lakh each consisting of 4 STRPPs of ₹10 lakh each redeemable at par in 4 (Four) equal installments on 23.01.2020,23.01.2022,23.01.2025 and 23.01.2030		
	XLVIII Issue-8.20% redeemable w.e.f. 23.01.2020	**1,933.70**	2,578.64
viii)	Bonds of ₹ 1.20 crore each consisting of 12 STRPPs of ₹ 10 lakh each redeemable at par in 12 (twelve) equal installments		
	LI Issue-8.40% redeemable w.e.f. 14.09.2019	**2,747.80**	2,997.62
ix)	Bonds of ₹ 30 Lakh each consisting of 3 STRPPs of ₹ 10 lakh each redeemable at par in 3 (Three) equal installments on 04.09.2019, 4.09.2024 and 04.09.2029		
	XLVI Issue-9.30% redeemable w.e.f. 04.09.2019	**2,903.53**	4,357.52
x)	Bonds of Rs 1.20 crore each consisting of 12 STRPPs of Rs 10 lakh each redeemable at par in 12(twelve) equal installments		
	L Issue-8.40% redeemable w.e.f. 27.05.2019	**2,682.75**	2,926.70
xi)	Bonds of ₹ 1.20 crore each consisting of 12 STRPPs of ₹10 lakh each redeemable at par in 12(Twelve) equal installments		
	XLVII Issue-8.93% redeemable w.e.f 20.10.2018	**2,197.98**	2,417.64
xii)	Bonds of ₹ 30 Lakh each redeemable at par in 3 equal instalments on 15.07.2018,15.07.2023 and 15.07.2028		
	XLIV Issue-8.70% redeemable w.e.f. 15.07.2018	**2,641.89**	2,640.88
xiii)	Bonds of ₹1.2 crores each consisting of 12 STRPPs of ₹ 10 lakhs each redeemable at par in 12 (twelve) equal annual instalments		
	XLV Issue-9.65% redeemable w.e.f. 28.02.2018	**1,499.14**	1,665.55
	XLIII Issue-7.93% redeemable w.e.f. 20.05.2017	**2,343.46**	2,603.84
xiv)	Bonds of ₹ 1.5 crores each consisting of 12 STRPPs of ₹12.50 Lakhs each redeemable at par in 12 (twelve) equal annual instalments.		
	XLI Issue-8.85% redeemable w.e.f. 19.10.2016	**1,892.95**	2,129.59
xv)	Bonds of ₹ 1.50 crores each, consisting of 15 STRPPs of ₹ 10.00 Lakhs each redeemable at par in 15 (fifteen) equal annual instalments		
	XXXVI Issue- 9.35% redeemable w.e.f. 29.08.2016	**2,263.49**	2,469.27
xvi)	Bonds of ₹ 1.5 crores each consisting of 12 STRPPs of ₹ 12.50 Lakhs each redeemable at par in 12 (twelve) equal annual instalments.		
	XL Issue-9.30% redeemable w.e.f. 28.06.2016	**2,662.67**	2,995.53
	XXXVII Issue- 9.25% redeemable w.e.f 26.12.2015	**1,162.66**	1,328.77
	XXXV Issue- 9.64% redeemable w.e.f 31.05.2015	**1,141.04**	1,304.05
	XXXIV Issue- 8.84% redeemable w.e.f 21.10.2014	**1,741.84**	2,032.19
	XXXIII Issue- 8.64% redeemable w.e.f 08.07.2014	**1,438.78**	1,678.61
	XXXII Issue- 8.84% redeemable w.e.f 29.03.2014	**431.21**	517.45
	XXXI Issue- 8.90% redeemable w.e.f 25.02.2014	**852.77**	1,023.33
	XXX Issue- 8.80% redeemable w.e.f 29.09.2013	**970.77**	1,164.96
	XXIX Issue- 9.20% redeemable w.e.f 12.03.2013	**432.37**	540.47
	XXVIII Issue- 9.33% redeemable w.e.f 15.12.2012	**799.13**	998.95
	XXVII Issue- 9.47% redeemable w.e.f 31.03.2012	**176.18**	234.92
	XXVI Issue- 9.30% redeemable w.e.f 07.03.2012	**249.66**	332.88
	XXV Issue- 10.10% redeemable w.e.f 12.06.2011	**265.97**	354.65
	XXIV Issue- 9.95% redeemable w.e.f 26.03.2011	**133.23**	199.85
	XXIII Issue- 9.25% redeemable w.e.f 09.02.2011	**51.21**	76.82
	XXII Issue- 8.68% redeemable w.e.f 07.12.2010	**114.86**	172.32
	XXI Issue- 8.73% redeemable w.e.f 11.10.2010	**84.88**	127.34

Note 23/ Borrowings (Contd.)

(₹ in Crore)

Description			As at 31st March, 2019	As at 31st March, 2018
	XX Issue- 8.93% redeemable w.e.f 07.09.2010		**249.65**	374.53
	XIX Issue- 9.25% redeemable w.e.f 24.07.2010		**82.39**	123.60
	XVIII Issue- 8.15% redeemable w.e.f 09.03.2010		**83.22**	166.45
			65036.11	69,774.55
A2) Unsecured				
A2.1	**Redeemable Domestic Bonds**			
	Bonds of ₹ 50 Lakhs each consisting of 05 STRPPs of ₹ 10.00 Lakhs each redeemable at par in 05 (Five) equal annual instalments.			
	LXI Issue-7.74% redeemable w.e.f. 12.12.2028		**2,999.77**	2,999.75
A2.2	**Redeemable Foreign Currency Bonds**			
	3.875% Foreign Currency Bonds to be redeemed at par on 17.01.2023		**3,470.63**	3,253.88
			6,470.40	6,253.63
	Total (A)		**71506.51**	76,028.18
B) Term loans from Banks				
	Secured			
	Foreign Currency Loans (Guaranteed by Government of India (GOI)		**24,891.44**	21,294.39
	Other Foreign Currency Loans		**3,401.76**	2,548.77
	Rupee Loans		**12,184.00**	13,638.00
			40,477.20	37,481.16
	Unsecured			
	Foreign Currency Loans (Guaranteed by GOI)		**3,657.84**	3,738.32
	Other Foreign Currency Loans		**3,135.96**	2,022.66
	Rupee Loans		**12,552.00**	3,440.00
			19,345.80	9,200.98
	Total B		**59,823.00**	46,682.14
	TOTAL (A TO B)		**131,329.51**	122,710.32

Further notes:

Details of terms of repayment and rate of interest

1 Secured Foreign Currency Loans (Guaranteed by GoI) carry floating rate of interest linked to 6M LIBOR. These loans are repayable in semi annual installment, as per terms of the respective loan agreement, commencing after moratorium period of 3 to 5 years except for one loan ₹ 342.93 Crore (Previous year ₹ 199.69 Crore) which carry fixed rate of interest of 0.25% p.a.

2 Secured other Foreign Currency Loans carry floating rate of interest linked to 6M (LIBOR /EURIBOR/STIBOR) .These loans are repayable in semi annual installment,as per terms of the respective loan agreements, commencing after moratorium period of 3 to 5 years.

3 Secured Rupee loan from banks carry floating rate of interest linked to 3M MCLR. These loans are repayable in semi annual installments, as per terms of the respective loan agreements, commencing after moratorium period of 5 years.

4 Unsecured Foreign Currency Loans (Guaranteed by GoI) carry fixed rate of interest ranging from 1.63%p.a. to 2.30%p.a.These loans are repayable in semi annual installments as per terms of the respective loan agreements.

5 Unsecured Foreign Currency Loans carry floating rate of interest linked to 6M STIBOR/EURIBOR/JPYLIBOR.These loans are repayable in semi annual installments as per terms of the respective loan agreements, commencing after moratorium period as per terms of the respective loan agreements.

6 Unsecured Rupee loans from banks carry floating rate of interest linked to 3 months MCLR. These loans are repayable in semi annual installments, commencing after moratorium period as per terms of the respective loan agreements.

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

Note 23/ Borrowings (Contd.)

Details of Securities

1 Domestic Bonds are Secured by way of Registered Bond Trust Deed ranking pari passu on immovable property situated at Mouje Ambheti Taluka Kaparada in district Valsad Gujarat and floating charge on the assets of the company.

2 Secured Foreign Currency Loans (Guaranteed by GoI) are secured by pari passu interest in the lien created on the assets as security for the debts.

3 Secured Other Foreign Currency Loans and Rupee Loans are secured by the way of

(i) pari passu charge on the assets of the company except investments,land and building, roads and bridges, water supply, drainage and sewerage and current assets or

(ii) pari passu charge on the assets of the company except investments and current assets or

(iii) floating charge on the immovable properties of the company.

as per the terms of respective loan agreements.

Note 24/Other Non-current financial liabilities

(₹ in Crore)

Particulars	As at 31st March, 2019	As at 31st March, 2018
Deposits/Retention money from contractors and others.	**507.03**	456.95
Govt. of India fully serviced bonds *	**3487.50**	
Dues for Capital Expenditure	**-**	2.65
Total	**3994.53**	**459.60**

Further Notes:

Disclosure with regard to Micro and Small enterprises as required under "The Micro, Small and Medium Enterprises Development Act, 2006" is given in Note No 51.

* Govt of India fully serviced bonds issued @ 8.24% redeemable at par on 14.02.2029. Refer Note 11 for details.

Note 25/ Provisions

(₹ in Crore)

Particulars	As at 31st March, 2019	As at 31st March, 2018
Employee Benefits		
As per last balance sheet	**716.87**	789.56
Additions/(adjustments) during the year	**(348.72)**	(72.69)
Closing Balance	**368.15**	**716.87**

Further Notes:

Provision is created for the purpose of leave encashment, Settlement Allowance, Long Service Award and other benefits. Refer Note 68 for detailed disclosure related to Employee Benefit Obligations.

Note 26/ Deferred tax liabilities (Net)

(₹ in Crore)

Particulars	As at 31st March, 2019	As at 31st March, 2018
A. Deferred Tax Liability		
Difference in book depreciation and tax depreciation	**17606.33**	14398.61
Finance lease assets	**83.23**	88.37
Others	**37.60**	48.27
Share of undistributed dividends in Joint Ventures	**69.79**	58.82
Deferred Tax Liability (A)	**17796.95**	**14594.07**
B. Deferred Tax Assets		
Income during Construction Period	**20.95**	16.78
Self Insurance Reserve	**-**	8.11
Provisions allowable on payment basis	**481.93**	215.92
Advance Against Depreciation	**462.47**	525.59
Unused Tax Losses	**668.65**	221.16
MAT Credit Entitlement	**6043.80**	30.15
Others	**100.67**	103.51
Deferred Tax Assets (B)	**7778.47**	**1121.22**
Deferred Tax Liability (Net) (A-B)	**10018.48**	**13472.85**

Note 26/ Deferred tax liabilities (Net) (Contd.)

Further Notes:

Movement in Deferred Tax Liabilities

(₹ in Crore)

Particulars	Difference in book depreciation and tax depreciation	Finance Leased Assets	Others	Undistributed Dividend in JVs	Total
At 1st April, 2017	**11257.94**	**90.83**	**66.30**	**46.55**	**11461.62**
Charged/(credited)					
- to profit or loss	3140.67	(2.46)	(18.03)	12.27	3132.45
At 31st March, 2018	**14398.61**	**88.37**	**48.27**	**58.82**	**14594.07**
Charged/(credited)					
- to profit or loss	3207.72	(5.14)	(10.67)	10.97	3202.88
At 31st March, 2019	**17606.33**	**83.23**	**37.60**	**69.79**	**17796.95**

a) Credit of ₹3454.37 crore has been made in the Statement of Profit & Loss (Previous year charged to Statement of Profit & Loss ₹ 3068.77 crore).

b) Matter regarding presentation of 'Deferred Assets against Deferred Tax Liability' in Balance Sheet and Statement of Profit and loss was referred to Expert Advisory Committee (EAC) of Institute of Chartered Accountants of India. As per opinion received during the year 'Deferred Assets against Deferred Tax Liability which was hitherto netted with Deferred Tax Liability, is classified as 'Regulatory Deferral Account Balance" in Balance Sheet and Statement Profit and Loss Account'. Further refer to note no 55 'Reclassification of Prior Year Presentation'.

Movement in Deferred Tax Assets

(₹ in Crore)

Particulars	Income during construction Period	Self-insurance reserve	Provisions allowable on payment basis	Advance against depreciation	MAT Credit	Others	Total
At 1st April, 2017	**18.69**	**11.26**	**236.77**	**562.31**	**-**	**228.41**	**1057.44**
(Charged)/credited							
- to profit or loss	(1.91)	(3.15)	(20.85)	(36.72)	30.15	96.26	63.78
At 31st March, 2018	**16.78**	**8.11**	**215.92**	**525.59**	**30.15**	**324.67**	**1121.22**
(Charged)/credited							
- to profit or loss	4.17	(8.11)	266.01	(63.12)	6013.65	444.65	6657.25
At 31st March, 2019	**20.95**	**-**	**481.93**	**462.47**	**6043.80**	**769.32**	**7778.47**

Amount taken to Statement of Profit and Loss

(₹ in Crore)

Particulars	For the year ended 31st March, 2019	For the year ended 31st March, 2018
Increase in Deferred Tax Liabilities	**3202.88**	3132.45
Decrease/(Increase) in Deferred Tax Assets	**(6657.25)**	(63.78)
Add: Adjustment of PY deferred tax Liability	**-**	0.10
Total	**(3454.37)**	**3068.77**

c) In the opinion of the management, it is probable that future economic benefits will flow to the company in the form of availability of set off against future income tax liability by recognizing MAT credit as follows:

Future taxable profits will be adjusted against (a) tax holiday u/s 80-IA of Income Tax Act, 1961 for the projects commissioned upto 31st March, 2017 (b) initial depreciation on the assets to be commissioned in future and (c) regular income tax depreciation u/s 32 of Income Tax Act, 1961 and thereafter tax amount will be set off against MAT credit to the extent of ₹ 2003.24 Cr (FY 2016-17), ₹ 2203.64 Cr (FY 2017-18) and ₹1728.82 Cr (FY 2018-19). Hence, the same has been recognised as Deferred Tax Assets during the year.

Note 26/ Deferred tax liabilities (Net) (Contd.)

d) MAT credit available to the group in future but not recognised in the books:

(₹ in Crore)

For the Financial Year	As at 31st March 2019	Expiry Date	As at 31st March 2018	Expiry Date
2017-18	**-**	31st March 2033	2203.64	31st March 2033
2016-17	**-**	31st March 2027	2003.24	31st March 2027
2015-16	**1421.20**	31st March 2026	1421.20	31st March 2026
2014-15	**1281.23**	31st March 2025	1281.23	31st March 2025
2013-14	**1085.14**	31st March 2024	1085.14	31st March 2024
2012-13	**1071.31**	31st March 2023	1071.31	31st March 2023
2011-12	**239.01**	31st March 2022	239.01	31st March 2022
2010-11	**9.36**	31st March 2021	9.36	31st March 2021
2009-10	**-**	31st March 2020	-	31st March 2020
2008-09	**277.91**	31st March 2019	277.91	31st March 2019
2007-08	**-**	31st March 2018	250.01	31st March 2018

e) Tax losses brought forward:

(₹ in Crore)

Particulars	As at 31st March 2019	Expiry Date	As at 31st March 2018	Expiry Date*
Unused tax losses for which no deferred tax asset has been recognised	**-**	-	2761.43	-

Deferred tax asset has not been recognised in respect of the tax losses incurred by the company that is not likely to generate taxable income in the foreseeable future due to the availability of deduction of tax holiday to the company under the Income Tax Act, 1961.
*Under the provisions of the Income Tax Act, 1961, unabsorbed depreciation can be carried forward for an unlimited period.

Note 27/Other non-current liabilities

(₹ in Crore)

Particulars	As at 31st March, 2019	As at 31st March, 2018
Advance from customers (Consultancy/Telecom services) $	**359.04**	328.84
Others*	**127.53**	128.32
Total	**486.57**	**457.16**

Further Notes:
$ Refer Note 47 for disclosure as per Ind AS 115 'Revenue from Contracts with Customers'.
*Others includes amount payable to Customers upon recovery.

Note 28/Borrowings

(₹ in Crore)

Particulars	As at 31st March, 2019	As at 31st March, 2018
Short Term - Unsecured		
From Others		
From Banks	**1300.00**	-
Commercial Paper	**3000.00**	1000.00
Total	**4300.00**	**1000.00**

Further Notes:
1. Commercial Papers/short term loan are unsecured in nature, with rate of interest ranging form 6.63% to 8.20% and repayable with in 30 days to 90 days from the date of drawal.
2. There has been no default in repayment of loans or payment of interest thereon as at the end of the year.

Note 29/Trade payables

(₹ in Crore)

Particulars	As at 31st March, 2019	As at 31st March, 2018
For goods and services		
(A) total outstanding dues of micro enterprises and small enterprises	**33.27**	2.33
(B) total outstanding dues of creditors other than micro enterprises and small enterprises	**331.86**	238.11
Total	**365.13**	**240.44**

Further Notes:
Disclosure with regard to Micro and Small enterprises as required under "Division II of Schedule III of The Companies Act, 2013" and "The Micro, Small and Medium Enterprises Development Act, 2006" is given in Note No 51.

Note 30/Other Current Financial Liabilities

(₹ in Crore)

Particulars	As at 31st March, 2019	As at 31st March, 2018
Current maturities of long term borrowings		
Secured		
Bonds	**6742.98**	5211.89
Rupee Term Loans	**1454.00**	454.00
Foreign Currency Loans	**2098.85**	1849.71
	10295.83	7515.60
Un-secured		
Foreign Currency Loans	**451.02**	277.04
	10746.85	7792.64
Interest accrued but not due on borrowings from		
Foreign Banks & Financial Institutions	**251.70**	144.90
Secured/Unsecured redeemable Bonds ##	**3160.52**	3323.48
	3412.22	3468.38
Others		
Dues for capital expenditure	**2597.66**	4618.88
Employee related liabilities	**158.03**	170.31
Unclaimed dividends & FPO*	**13.37**	12.61
Deposits/Retention money from contractors and others.	**4723.65**	5355.24
Related parties**	**2.69**	51.91
Dividend Payable	**6.81**	-
Others #	**1698.40**	1210.03
	9200.61	11418.98
Total	**23359.68**	**22680.00**

Further notes:
Disclosure with regard to Micro and Small enterprises as required under "The Micro, Small and Medium Enterprises Development Act, 2006" is given in Note No 51.
* No amount is due for payment to Investor Education and Protection Fund.
**Details of amount payable to related parties are provided in Note 60.
#Others include liability for payment against Long Term Access (LTA), Short Term Open Access (STOA), ISTS License recovery, dead cheques, Price variation etc.
includes ₹ 36.22 Crore interest accurred but not due on GoI fully serviced bonds.

Note 31/Other current liabilities

(₹ in Crore)

Particulars	As at 31st March, 2019	As at 31st March, 2018
Advances from customers *	**3500.58**	2569.87
Advances from customers - related parties #	**80.42**	-
Statutory dues	**307.98**	148.68
Total	**3888.98**	**2718.55**

Further notes:
* Refer Note 47 for disclosure as per Ind AS 115 'Revenue from Contracts with Customers'.
#Details of amount payable to related party are provided in Note 60.

Note 32/Provisions

(₹ in Crore)

Particulars	As at 31st March, 2019	As at 31st March, 2018
A) Employee Benefits		
i) Performance related pay /special incentive		
As per last balance sheet	**163.33**	109.83
Addition during the year	**444.50**	163.46
Amount paid/adjusted during the year	**163.33**	109.96
Closing Balance	**444.50**	163.33
ii) Wage revision		
As per last balance sheet	**725.36**	265.43
Additions/(adjustments) during the year	**(725.36)**	459.93
Closing Balance	**-**	725.36
iii) Other Employee Benefits		
(Leave Encashment, Settlement Allowance and Long Service Award etc.)		
As per last balance sheet	**66.52**	73.86
Additions/(adjustments) during the year	**1.59**	(7.34)
Closing Balance	**68.11**	66.52
Total (A)	**512.61**	**955.21**
B) Others		
i) Downtime Service Credit-Telecom		
As per last balance sheet	**18.20**	14.86
Additions during the year	**5.49**	8.26
Amounts adjusted during the year	**5.74**	4.92
Closing Balance	**17.95**	18.20
ii) Provision Others		
As per last balance sheet	**86.19**	73.24
Additions/(adjustments) during the year	**84.39**	12.95
Closing Balance	**170.58**	86.19
Total (B)	**188.53**	**104.39**
Total (A+B)	**701.14**	**1059.60**

Further Notes:

Employee Benefits

Performance Related Pay/Special Incentive

Provision is created for Performance Related Pay to Executives and Non-Executives

Wage Revision

Pay revision of Executives and Non Executives was implemented during the FY 2018-19 and accordingly provision against wage revision was utilised/adjusted during the year.

Other Employee Benefits

Provision is created for the purpose of meeting out leave encashment, settlement allowance, long service award and POWERGRID Employee Family Rehabilitation Scheme.

Others

Downtime Service Credit -Telecom

Provision is created in case when actual downtime is in excess of the permissible service level agreement, in such cases the necessary credit is passed on to the customer on demand.

However, in some case, the downtime is not claimed by the customer then in such cases necessary provision on account of downtime is made in the books of accounts as per the links availability reports received from National Telecom Control Centre (NTCC) for the period of non-operation of links given to the customers. The calculation of downtime credit is based on the SLA signed with various customers.

Provision Others:

It includes provision for entry tax ₹ 138.39 crore (Previous Year ₹ 71.44 crore) as per demand raised by revenue authorities disputed by the company and are under litigation. An amount of ₹ 8.24 crore (Previous Year Nil) has been paid under court order and shown as "Balance with custom port trust and other authorities" in Note 19.

Note 33/Current Tax Liabilities (Net)

(₹ in Crore)

Particulars	As at 31st March, 2019	As at 31st March, 2018
Taxation (Including interest on tax)		
As per last balance sheet	**5809.21**	4847.15
Additions during the year	**1873.49**	2247.90
Amount adjusted during the year	**1565.28**	1285.84
Total	**6117.42**	5809.21
Net off against Advance tax and TDS	**6117.42**	5401.95
Closing Balance	**-**	**407.26**

Note 34/Deferred Revenue

(₹ in Crore)

Particulars	As at 31st March, 2019	As at 31st March, 2018
Advance against depreciation	**1323.45**	1504.09
Grants in aid (Refer Further Notes)		
As per last Balance Sheet	**559.56**	150.30
Addition during the year	**3684.53**	421.39
Adjustments during the year	**70.77**	12.13
Closing balance	**4173.32**	559.56
Deferred income from foreign currency fluctuation (Net)	**3960.26**	2903.76
TOTAL	**9457.03**	**4967.41**

Further Notes:

1. Grant in Aid of ₹ 2889.00 crore (Previous Year Nil crore) was received from Power System Development Fund (PSDF) towards Transmission system associated with 'North East-Northern/Western Interconnector-I Project' and 'Transmission system for development of pooling station in Northern Part of West Bengal and transfer of power from Bhutan to NR/WR (BNC-Agra HVDC)'.
2. Grant in Aid of ₹ 667.78 crore (Previous Year ₹ 141.15 crore) was received from Power System Development Fund (PSDF) for installation of STATCOM in ER (ERSS-XI) and SR (System Strengthening in SR-XXI).In addition to Grant received, an interest of ₹ 1.24 crore (Previous Year ₹ 0.12 crore) credited to the Grant.
3. Grant in Aid of ₹ 17.85 crore (Previous Year ₹ 115.99 crore) was received from Power System Development Fund (PSDF) for Unified Real Time Dynamic State Measurement (URTDSM). In addition to Grant received, an interest of ₹ 6.95 crore (Previous Year Nil) credited to the Grant.
4. Grant in Aid of ₹ 93.87 crore (Previous Year ₹ 164.13 crore) was received from Ministry of Natural Resources & Environment (MNRE) for establishment of transmission system associated with Ultra Mega Solar Parks in Andhra Pradesh, Karnataka, Madhya Pradesh, Rajasthan and Gujarat. In addition to Grant received, an interest of ₹ 0.83 crore (Previous Year Nil) credited to the Grant.
5. Grant in Aid of ₹ 7.01 crore (Previous Year Nil) receivable from Ministry of New & Renewable Energy for establishing solar roof top plants in various buildings of POWERGRID under achievement linked/incentive award scheme for Government Sector.

Note 35/Revenue from operations

(₹ in Crore)

Particulars	For the year ended 31st March, 2019	For the year ended 31st March, 2018
Sales of services		
Transmission Business		
Transmission Charges	**33485.68**	28686.36
Add: Revenue recognised out of Advance Against Depreciation	**180.64**	120.72
	33666.32	28807.08
Other Operating Revenue		
Interest on differential Provisional and Final Tariff	**145.87**	25.36
Income from lease lines	**11.31**	11.17
Recognised from deferred revenue - Grant in aid	**70.77**	12.13
	227.95	48.66
	33894.27	28855.74
Telecom Business	**663.25**	606.59
Consultancy Project Management and Supervision	**501.60**	491.29
Total	**35059.12**	**29953.62**

Further Notes:

a) In exercise of powers u/s 178 of the Electricity Act 2003, Central Electricity Regulatory Commission (CERC) has notified "CERC (Terms and Conditions of tariff) Regulations 2014" vide order dated 21st February, 2014 for the determination of transmission tariff for the block period 2014-19.

b) The company has recognised transmission income during the year as per the following:-
   i) ₹27278.92 Crore (previous year ₹24572.91 Crore) as per final tariff orders issued by CERC.
   ii) ₹5387.40 Crore (previous year ₹4234.17 Crore) in respect of transmission assets for which final tariff orders are yet to be issued as per CERC Tariff Regulations and other orders in similar cases.

c) Consequent to the final order issued by CERC, transmission income includes ₹285.42 crore (increase) (Previous Year ₹79.33 Crore (decrease)) pertaining to earlier years.

d) Other operating income includes interest on differential between provisional & final tariff and income from finance lease.

e) The CERC order dated 26 March 2018 provides that PNMTL is entitled for tariff for the entire transmission system after the 765 KV Salem- Madhugiri Transmission line is put under commercial operation. The above line was declared in operation from 26th Jan 2019 and accordingly revenue from operation was recognised as per the tariff specified in Transmission Service Agreement (TSA).

f) Refer note no 47 for disclosure as per Ind AS 115 " Revenue from Contracts with Customer".

Note36/Other income

(₹ in Crore)

Particulars	For the year ended 31st March, 2019	For the year ended 31st March, 2018
Interest income from financial assets at amortised cost		
Interest on Govt.securities	**-**	0.07
Indian Banks	**84.22**	110.72
Interest on Loan to Joint Ventures (JVs)	**2.40**	-
Others*	**19.69**	14.62
	106.31	125.41
Interest from advances to contractors	**49.01**	66.32
	155.32	191.73
Dividend income from investment in		
Equity investments designated at fair value through other comprehensive income	**5.42**	5.58
	5.42	5.58
Others		
Profit on sale of Property, Plant and Equipment	**1.26**	0.45
Finance Income from finance lease	**69.66**	73.64
Surcharge	**203.08**	156.61
FERV gain	**0.16**	0.33
Provisions written back	**28.25**	8.36
Fair Value gain on initial recognition of Financial liability/investment	**58.26**	50.95
Miscellaneous income **	**187.72**	111.62
	548.39	401.96
	709.13	599.27
Less: Transferred to expenditure during construction(Net)-Note 43	**106.93**	122.35
TOTAL	**602.20**	**476.92**

Further Notes:

* Others include interest on employee loans & unwinding of finance cost on employee loans.

** Miscellaneous income include Sale of Scrap, Insurance Claim Recovery, UI Charges etc.

Note 37/Employee benefits expense

(₹ in Crore)

Particulars	For the year ended 31st March, 2019	For the year ended 31st March, 2018
Salaries, wages, allowances & benefits	**1838.79**	1844.95
Contribution to provident and other funds	**228.50**	112.24
Staff Welfare expenses (Including Deferred Employee cost)	**233.25**	193.10
	2300.54	2150.29
Less:Transferred to Expenditure during Construction(Net)-Note 43	**509.80**	544.40
Transferred to CSR expenses- Note 40	**7.17**	6.80
Total	**1783.57**	**1599.09**

Further Notes:

a) Refer note 60 for Remuneration to Key Managerial Personnel (KMPs).

b) Pay revision of Executive and Non-executive implemented during the current financial year and an amount of ₹ 18.67 crores (Net of amount transferred to expenditure during construction) was written back against provision for wage revision.

c) Special allowance was settled as per the rates approved by Ministry of Power and Department of Public Enterprises to employees who are posted in the difficult and far flung areas. An amount of ₹ 22.65 crores was recovered form employees during the current year being the excess amount paid in earlier period.

d) Refer note no. 68 for details of Employee Benefit Obligations.

Note 38/Finance costs

(₹ in Crore)

Particulars	For the year ended 31st March, 2019	For the year ended 31st March, 2018
Interest and finance charges on financial liabilities at amortised cost		
Indian Banks & Financial Institutions	**2094.61**	1367.84
Foreign Banks and Financial Institutions	**956.83**	558.71
Secured/Unsecured redeemable Bonds	**6427.66**	6560.03
Foreign Currency Bonds	**147.78**	134.89
Unwinding of discount on financial liabilities	**113.53**	63.11
Interest - Others	**34.53**	15.45
	9774.94	8700.03
Other Finance charges		
Commitment charges	**7.08**	10.13
Guarantee Fee	**449.17**	296.95
Others*	**117.00**	62.06
	573.25	369.14
Exchange differences regarded as adjustment to Borrowing Cost	**(112.00)**	205.10
	461.25	574.24
	10236.19	9274.27
Less: Transferred to Expenditure during Construction(Net)-Note 43	**1499.62**	1950.13
Total	**8736.57**	**7324.14**

Further Notes:

*Others includes management fees, agency fees, trustee fees, front-end fees, interest on land compensation, tree & crop compensation etc.

Note 39/Depreciation and amortization expense

(₹ in Crore)

Particulars	For the year ended 31st March, 2019	For the year ended 31st March, 2018
Depreciation of Property,Plant and Equipment	**10712.55**	9346.43
Amortization of Intangible assets	**111.95**	101.01
	10824.50	9447.44
Less: Transferred to Expenditure During Construction(Net)-Note 43	**10.76**	12.81
	10813.74	**9434.63**
Less:Depreciation amortised due to FERV adjustment	**272.79**	203.64
Charged to Statement of Profit & Loss	**10540.95**	**9230.99**

Note 40/Other expenses

(₹ in Crore)

Particulars	For the year ended 31st March, 2019	For the year ended 31st March, 2018
Repair & Maintenance		
Buildings	86.40	64.69
Plant & Machinery		
Sub-Stations	363.07	333.00
Transmission lines	304.03	149.89
Telecom equipments	35.96	37.25
Others	42.93	38.69
	745.99	558.83
System and Market Operation Charges	10.77	8.42
Power charges	259.39	242.56
Less: Recovery from contractors	3.03	1.14
	256.36	241.42
Expenses of Diesel Generating sets	4.95	5.04
Stores consumed	10.61	8.67
Water charges	9.77	2.70
Right of Way charges-Telecom	8.20	7.57
Patrolling Expenses-Telecom	1.38	2.95
Last Mile connectivity-Telecom	9.01	9.83
Training & Recruitment Expenses	31.67	30.82
Less:Fees for training and application	1.55	2.00
	30.12	28.82

Note 40/Other expenses (Contd.)

(₹ in Crore)

Particulars	For the year ended 31st March, 2019	For the year ended 31st March, 2018
Legal expenses	**26.69**	21.30
Professional charges	**24.99**	75.52
Consultancy expenses	**84.67**	108.95
Communication expenses	**16.39**	16.03
Inland Travelling Expenses	**117.67**	104.67
Foreign travel	**11.09**	11.11
	128.76	115.78
Tender expenses	**13.42**	12.11
Less: Sale of tenders	**1.56**	1.89
	11.86	10.22
Payments to Statutory Auditors		
Audit Fees	**1.31**	1.20
Tax Audit Fees	**0.33**	0.26
In Other Capacity	**1.15**	1.21
Arrears	**0.03**	0.36
Out of pocket Expenses	**1.02**	1.00
	3.84	4.03
Advertisement and publicity	**14.00**	14.07
Printing and stationery	**7.25**	5.73
Books Periodicals and Journals	**1.77**	1.48
EDP hire and other charges	**17.85**	10.71
Entertainment expenses	**2.74**	3.17
Brokerage & Commission	**1.18**	1.12
Research & Development expenses	**12.67**	1.33
Cost Audit and Physical verification Fees	**1.35**	1.27
Rent	**13.95**	14.60
CERC petition & Other charges	**76.51**	63.40
Miscellaneous expenses	**100.59**	96.21
Horticulture Expenses	**28.90**	27.11
Security Expenses	**260.12**	243.42
Hiring of Vehicle	**156.29**	143.66
Insurance	**104.35**	79.31
Rates and taxes	**45.01**	35.28
License Fees to DOT	**59.11**	60.38
Bandwidth charges dark fibre lease charges (Telecom)	**27.71**	30.70
Corporate Social Responsibility (CSR) Expenses*	**196.28**	157.99
Transit Accomodation Expenses	**25.42**	22.28
Less : Income from Transit Accomodation	**1.67**	1.36
	23.75	20.92
Foreign Exchange Rate Variation	**226.02**	162.08
Provisions for		
Doubtful loans, advances, debts, claims etc.	**398.07**	35.31
Obsolescence in Stores	**8.51**	14.86
Shortages in Stores	**-**	0.42
Others**	**4.00**	-
	410.58	50.59
	3258.74	2515.30
Less:Transferred to Expenditure during Construction(Net)-Note 43	**230.57**	288.35
	3028.17	2226.95
Loss on Disposal/Write off of Property, Plant & Equipment	**26.84**	10.75
Total	**3055.01**	**2237.70**

Further Note:

* Includes an amount of ₹ 7.17 crore (Previous Year ₹ 6.80 crore) transferred from Note No 37-' Employee Benefits Expense'

** Provision for diminution in the value of Investment in JV Company (RINL POWERGRID TLT Private Limited)

Note 41/Net Movement in Regulatory Deferral Account Balances-Incomes/ (expenses) (net of tax)

(₹ in Crore)

Particulars	For the year ended 31st March, 2019	For the year ended 31st March, 2018
Deferred assets for deferred tax liability*	**(3472.89)**	3121.19
Foreign Currency Fluctuation	**232.27**	195.92
Employee Benefits Expense	**19.67**	11.31
	(3,220.95)	3,328.42
Tax on net movement in regulatory deferral account balances	**(694.08)**	44.23
TOTAL	**(2526.87)**	**3284.19**

Further Note:
* Refer to note no 55 for reclassification of prior year presentation.
Refer to note no 54 for detailed disclosure on Regulatory Deferral Account Balances.

Note 42/Other Comprehensive Income

(₹ in Crore)

Particulars	For the year ended 31st March, 2019	For the year ended 31st March, 2018
Items that will not be reclassified to Profit or Loss		
Gain/(Loss) on valuation of Investment in Equity	**(14.15)**	(12.92)
Provisions for actuarial valuation	**(0.26)**	37.58
	(14.41)	24.66
Less: Transferred to Expenditure during Construction(Net)-Note 43	**2.34**	10.94
	(16.75)	13.72
Income Tax relating to items that will not be reclassified to Profit or Loss	**(0.45)**	5.69
Items that will not be reclassified to Profit or Loss (net of tax)	**(16.30)**	**8.03**

Note 43/ Expenditure during Construction (Net)

(₹ in Crore)

Particulars	For the year ended 31st March, 2019	For the year ended 31st March, 2018
A. Employees Remuneration & Benefits		
Salaries wages allowances and benefits	**424.68**	486.71
Contribution to provident and other funds	**53.81**	29.97
Welfare expenses	**31.31**	27.72
Total (A)	**509.80**	544.40
B. Other Expenses		
Repair and maintenance	**7.45**	5.67
Power charges	**5.12**	2.65
Less: Recovery from contractors	**1.87**	0.75
	3.25	1.90
Expenses on Diesel Generating sets	**0.29**	0.45
Water charges	**0.34**	-
Training & Recruitment Expenses	**0.11**	0.98
Legal expenses	**5.89**	3.23
Professional charges	**3.79**	58.51
Consultancy expenses	**114.98**	108.76
Communication expenses	**2.65**	2.13
Travelling & Conv.exp. (Including Foreign Travel)	**28.55**	27.16
Tender expenses	**6.31**	10.32
Less: Sale of tenders	**1.44**	1.64
	4.87	8.68
Payment to Auditors	**0.17**	0.13
Advertisement and Publicity	**0.20**	1.03
Printing and stationery	**0.75**	0.71
Books, Periodicals and Journals	**0.04**	0.01
EDP hire and other charges	**0.19**	0.23
Entertainment expenses	**0.35**	0.40
Brokerage and commission	**0.01**	0.03
Rent	**2.68**	3.27

Note 43/ Expenditure during Construction (Net) (Contd.)

(₹ in Crore)

Particulars	For the year ended 31st March, 2019	For the year ended 31st March, 2018
Miscellaneous expenses	**7.30**	13.78
Horticulture Expenses	**0.90**	0.64
Security Expenses	**16.67**	19.28
Hiring of Vehicles	**23.92**	24.03
Insurance	**0.01**	0.03
Rates and taxes	**3.83**	6.25
Bandwidth charges, dark fibre lease charges(Telecom)	**0.08**	0.13
Transit Accomodation Expenses	**1.30**	0.93
Less : Income from Transit Accomodation	**-**	-
	1.30	0.93
Total (B)	**230.57**	288.35
C.Depreciation/Amortisation	**10.76**	12.81
Total (C)	**10.76**	12.81
D. Finance Costs		
a) Interest and finance charges on financial liabilities at amortised cost		
Government of India		
Indian Banks and Financial Institutions	**405.33**	301.55
Foreign Banks and Financial Institutions	**256.27**	131.59
Secured/Unsecured Redeemable Bonds	**744.89**	1176.21
Foreign Currency Bonds	**2.70**	5.17
Others	**55.32**	44.74
	1464.51	1659.26
b) Other finance charges		
Commitment charges	**5.62**	8.33
Guarantee fee	**108.34**	71.61
Others	**46.04**	37.93
	160.00	117.87
c) FERV adjustment to borrowing cost	**(124.89)**	173.00
Total (D)	**1499.62**	1950.13
E. Less: Other Income		
Interest from		
Indian banks	**-**	11.82
Contractors	**48.04**	60.12
Others	**1.35**	-
	49.39	71.94
Miscellaneous income	**57.54**	50.41
Total (E)	**106.93**	122.35
F. Less: Other Comprehensive Income		
Other Comprehensive Income	**2.34**	10.94
Total (F)	**2.34**	10.94
GRAND TOTAL (A+B+C+D-E-F)	**2141.48**	**2662.40**

44. Interest in Other Entities

44.1 Subsidiaries:

The Group's subsidiaries at 31st March,2019 are set out below. Unless otherwise stated, they have share capital consists solely of equity share that are held directly by the Group, and the proportion of ownership interest held equals the voting rights held by the Group:

Name of the Entity		Place of business	Proportion (%) of Shareholding as on		Principle activities
			31st March, 2019	31st March, 2018	
1	Powergrid Jabalpur Transmission Limited	India	**100%**	100%	Transmission
2	Powergrid Kala Amb Transmission Limited	India	**100%**	100%	Transmission
3	Powergrid NM transmission Limited	India	**100%**	100%	Transmission
4	Powergrid Parli Transmission Limited	India	**100%**	100%	Transmission
5	Powergrid Southern Interconnector Transmission System Limited	India	**100%**	100%	Transmission
6	Powergrid Unchahar Transmission Limited	India	**100%**	100%	Transmission
7	Powergrid Vemagiri transmission Limited *	India	**100%**	100%	Transmission
8	Powergrid Vizag Transmission Limited	India	**100%**	100%	Transmission
9	Powergrid Warora Transmission Limited	India	**100%**	100%	Transmission
10	Powergrid Medinipur Jeerat Transmission Limited (erstwhile Medinipur Jeerat Transmission Limited)	India	**100%**	100%	Transmission
11	Powergrid Mithilanchal Transmission Limited (erstwhile ERSS XXI Transmission Limited)	India	**100%**	100%	Transmission
12	Powergrid Varanasi Transmission System Limited (erstwhile WR NR Power Transmission Limited)	India	**100%**	100%	Transmission
13	Powergrid Jawaharpur Firozabad Transmission Limited(erstwhile Jawaharpur Firozabad Transmission Limited)**	India	**100%**	NA	Transmission

(i) All Subsidiary companies are unlisted entities.

(ii) Financial statements used for consolidation are audited.

* The company was formed as SPV for execution of Vemagiri Transmission system allocated on Tariff Based Competitive Bidding (TBCB).CERC vide order dated 09.05.2013 and 27.09.2013 interalia stated that Vemagiri Transmission system cannot be executed in its present form. In this scenario, the company may not be able to do further any activity and may cease to be a going concern in near future.

** 100% equity in Powergrid Jawaharpur Firozabad Transmission Limited acquired from REC Transmission Projects Limited on 21st December, 2018.

44.1.1 The group has made further Investment of ₹ 173.00 crore (Previous Year ₹ Nil crore) in Powergrid Jabalpur Transmission Limited which is wholly owned subsidiary company of the group.

44.1.2 The group has made further Investment of ₹ 5.00 crore (Previous Year ₹ 54.95 crore) in Powergrid Kala Amb Transmission Limited which is wholly owned subsidiary company of the group.

44.1.3 The group has made further Investment of ₹ 52.00 crore (Previous Year ₹ 50.00 crore) in Powergrid NM transmission Limited which is wholly owned subsidiary company of the group.

44.1.4 The group has made further Investment of ₹ 228.40 crore (Previous Year ₹ Nil crore) in Powergrid Parli Transmission Limited which is wholly owned subsidiary company of the group.

44.1.5 The group has made further Investment of ₹ 515.45 crore (Previous Year ₹ Nil crore) in Powergrid Southern Interconnector Transmission System Limited which is wholly owned subsidiary company of the group.

44.1.6 The group has made further Investment of ₹ 150.00 crore (Previous Year ₹ 151.20 crore) in Powergrid Warora Transmission Limited which is wholly owned subsidiary company of the group.

44.1.7 The group has made further Investment of ₹ Nil crore (Previous Year ₹ 0.05 crore) in Powergrid Mithilanchal Transmission Limited (erstwhile ERSS XXI Transmission Limited) which is wholly owned subsidiary company of the group.

44.1.8 The group has made further Investment of ₹ Nil crore (Previous Year ₹ 0.05 crore) in Powergrid Varanasi Transmission System Limited (erstwhile WR NR Power Transmission Limited) which is wholly owned subsidiary company of the group.

44. Interest in Other Entities (Contd.)

44.1.9 During the year group has made investment of ₹ 0.05 crorein Powergrid Jawaharpur Firozabad Transmission Limited (erstwhile Jawaharpur Firozabad Transmission Limited), a wholly owned subsidiary company. The Company was taken over from REC Transmission Projects Company Limited vide share purchase agreement dated 21st December, 2018 to carry over the business awarded under tariff based competitive bidding, after transfer Powergrid Jawaharpur Firozabad Transmission Limited become wholly owned subsidiary of the Group.

44.2 Joint Ventures:

Set out below are joint ventures of the Group as at 31st March 2019, which in the opinion of the management, are material to the Group. The entities listed below have share capital consisting solely of equity shares, which are held directly by ownership interest in the same as the proportion of voting rights held:

(₹ in Crore)

Name of the Entity		Place of business	Proportion (%) of Shareholding as at 31st March		Carrying amount as at 31st March		Nature of activity
			0.01	2018	2019	2018	
1	Powerlinks Transmission Limited	India	49	49	**447.58**	422.86	Transmission system associated with Tala HEP in Bhutan – under successful operation since Aug' 06
2	Torrent Powergrid Limited	India	26	26	**35.56**	34.00	Transmission System associated with 1100 MW Sugen generating project at Surat - progressively commissioned in Mar'11
3	Jaypee Powergrid Limited	India	26	26	**105.45**	103.64	Transmission system associated with 1000 MW Power Project at Karcham-Wangtoo in HP - progressively commissioned in Apr'12
4	Parbati Koldam Transmission Company Limited	India	26	26	**95.30**	96.32	Transmission Lines associated with Parbati-II (800 MW) and Koldam (800 MW) HEPs. - Progressively commissioned in Nov'15
5	Teestavalley Power Transmission Limited#	India	28.23	26	**101.47**	93.82	Transmission System associated with 1200 MW Teesta – III HEP in Sikkim
6	North East Transmission Company Limited	India	26	26	**125.71**	115.10	Transmission system associated with 726.6 MW Gas Based Combined Cycle Power Project at Pallatana in Tripura. - Progressively commissioned in Feb'15
7	National High Power Test Lab Pvt Limited	India	20	20	**26.08**	27.83	To create high power short circuit test facility
8	Bihar Grid Company Limited	India	50	50	**195.94**	168.16	Establishment of Intra-State Transmission system in the State of Bihar
9	Kalinga Bidyut Prasaran Nigam Pvt Limited##	India	50	50	**0.00**	0.01	Establishment of Intra-State Transmission system in the State of Odisha
10	Cross Border Transmission Limited	India	26	26	**23.03**	20.57	Establishment of Indian Portion of Indo-Nepal Cross Border Transmission Line from Muzaffarpur to Sursand
11	RINL POWERGRID TLT Pvt. Limited###	India	50	50	**3.97**	3.39	Establishment of manufacturing of Transmission Line Tower parts plant
12	Power Transmission Company Nepal Ltd	Nepal	26	26	**10.46**	9.50	Establishment of Nepal Portion of Indo-Nepal Cross Border Transmission Line from Dhalkebar to Bittamod

(i) All joint venture companies are unlisted entities.

(ii) Financial statements used for consolidation are unaudited except for Powerlinks Transmission Limited, Jaypee Powergrid Limited, Torrent Powergrid Limited and North East Transmission Company Limited.

44. Interest in Other Entities (Contd.)

POWERGRID & Teesta Urja Ltd are the Joint venture partners in Teestavalley Power Transmission Limited & holds 26% & 74 % equity, respectively as per Shareholding agreement. On call of additional equity by Teestavalley Power Transmission limited, POWERGRID contributed their share amounting Rs 11.28 crore while the other JV partner has not yet contributed their share of money as on 31.03.2019. Consequently, the holding of POWERGRID increased to 28.23% as on 31.03.2019 against 26% provided in shareholding agreement.

POWERGRID's Board of Directors in its meeting held on 16th august 2017 accorded approval for initiating procedure for winding up/removal of the name of Kalinga Bidyut Prasaran Nigam Private Ltd under fast track Exit mode of Registrar of Companies (ROC).

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.

44.2.1 The Group has made further investment of ₹ 11.28 crore (Previous year ₹ Nil crore) in Teestavalley Power Transmission Limited, a joint venture company in which 28.23% share are held by the Group and balance 71.77% share are held by Teesta Urja Limited.

44.2.2 The Group has made further investment of ₹ 15.45 crore (Previous year ₹ 7.74 crore) in Bihar Grid Company Limited, a joint venture company in which 50% share are held by the Group and balance 50% share are held by Bihar State Power Holding Company.

44.2.3 The Group has made further investment of ₹ 0.60 crore (Previous year ₹ Nil crore) in RINL Power Grid TNT Pvt Limited, a joint venture company in which 50% share are held by the Group and balance 50% are held by RashtriyaIspat Nigam Limited.

44.2.4 The Group has made further investment of ₹ Nil crore (Previous year ₹ 1.62 crore) in Power Transmission Company Limited Nepal Ltd, a joint venture company in which 26% share are held by the Group,50% shares are held by Nepal Electricity Authority, 10% shares are held by IL&FS Energy Development Company Limited and 14% shares are held by Hydroelectricity Investment & development company Ltd.

44.2.5 Commitments and contingent liabilities in respect of joint venture:

(₹ in Crore)

Particulars	31st March, 2019	31st March, 2018
Share of Group		
Commitment	**395.33**	519.40
Contingent Liabilities	**69.70**	53.12
Total commitments and contingent liabilities	**465.03**	**572.52**

44.2.6 Summarised financial information for joint ventures

Table below provide summarised financial information for these joint ventures that are material to the Group. The information disclosed reflects the amounts presented in the financial statements of the relevant joint venture.

Summarised Balance Sheet

(₹ in Crore)

Particulars	Powerlinks Transmission Limited		Torrent Powergrid Limited		Jaypee Powergrid Limited		Parbati Koldam Transmission Company Limited	
	31st March, 2019	31st March, 2018	31st March, 2019	31st March, 2018	31st March, 2019	31st March, 2018	31st March, 2019	31st March, 2018
Current Assets								
Cash & Cash Equivalent	**0.02**	15.66	**1.13**	1.87	**24.86**	30.95	**14.10**	28.00
Other Assets	**120.35**	274.50	**48.13**	40.62	**80.95**	57.88	**105.96**	104.65
Total Current Assets	**120.37**	290.16	**49.26**	42.49	**105.81**	88.83	**120.06**	132.65
Total Non-Current Assets	**858.14**	848.20	**172.43**	188.78	**717.55**	757.72	**770.41**	796.32
Current Liabilities								
Financial Liabilities	**12.21**	172.35	**25.26**	21.12	**63.71**	62.16	**73.49**	60.08
Other Liabilities	**50.54**	97.94	**5.79**	0.73	**72.91**	42.30	**2.28**	2.06
Total Current Liabilities	**62.75**	270.29	**31.05**	21.85	**136.62**	104.46	**75.77**	62.14
Non- Current Liabilities								
Financial Liabilities	**-**	-	**40.94**	61.30	**239.58**	301.92	**446.84**	495.30
Other Liabilities	**2.36**	5.10	**12.98**	17.36	**41.60**	41.57	**1.32**	1.07
Total Non-Current Liabilities	**2.36**	5.10	**53.92**	78.66	**281.18**	343.49	**448.16**	496.37
Net Assets	**913.40**	862.97	**136.72**	130.76	**405.56**	398.60	**366.54**	370.46

44. Interest in Other Entities (Contd.)

Summarised Balance Sheet (Contd.)

(₹ in Crore)

Particulars	North East Transmission Company Limited		National High Power Test Lab Pvt Limited		Bihar Grid Company Limited		Cross Border Transmission Limited	
	31st March, 2019	31st March, 2018	31st March, 2019	31st March, 2018	31st March, 2019	31st March, 2018	31st March, 2019	31st March, 2018
Current Assets								
Cash & Cash Equivalent	**84.34**	76.49	**12.77**	6.05	**14.95**	33.74	**19.35**	10.32
Other Assets	**175.45**	182.22	**4.90**	4.44	**190.99**	108.85	**59.43**	57.17
Total Current Assets	**259.79**	258.71	**17.67**	10.49	**205.94**	142.59	**78.78**	67.49
Total Non-Current Assets	**1,607.62**	1,725.21	**336.35**	341.17	**1,808.81**	1,565.18	**190.20**	200.25
Current Liabilities								
Financial Liabilities	**146.32**	185.30	**60.09**	24.00	**109.76**	103.76	**16.08**	16.46
Other Liabilities	**34.21**	39.42	**0.56**	55.57	**114.27**	58.61	**12.80**	7.81
Total Current Liabilities	**180.53**	224.72	**60.65**	79.57	**224.03**	162.37	**28.88**	24.27
Non-Current Liabilities								
Financial Liabilities	**1,187.81**	1,300.93	**162.81**	132.81	**1,270.81**	1,144.34	**147.15**	159.95
Other Liabilities	**15.56**	15.57	**0.18**	0.13	**128.06**	64.74	**4.38**	4.40
Total Non -Current Liabilities	**1,203.37**	1,316.50	**162.99**	132.94	**1,398.87**	1,209.08	**151.53**	164.35
Net Assets	**483.51**	442.70	**130.38**	139.15	**391.85**	336.32	**88.57**	79.12

(₹ in Crore)

Particulars	Power Transmission Company Nepal Ltd		Teestavalley Power Transmission Limited		Kalinga Bidyut Prasaran Nigam Pvt Limited		RINL POWERGRID TLT Private Limited	
	31st March, 2019	31st March, 2018	31st March, 2019	31st March, 2018	31st March, 2019	31st March, 2018	31st March, 2019	31st March, 2018
Current Assets								
Cash & Cash Equivalent	**1.35**	16.06	**10.62**	66.49	**-**	0.01	**0.20**	0.18
Other Assets	**31.18**	5.58	**76.65**	10.39	**-**	-	**-**	-
Total Current Assets	**32.53**	21.64	**87.27**	76.88	**-**	0.01	**0.20**	0.18
Total Non-Current Assets	**79.87**	80.56	**1,616.48**	1,528.45	**-**	-	**8.29**	8.30
Current Liabilities								
Financial Liabilities	**2.14**	3.71	**281.04**	121.91	**-**	-	**0.55**	1.10
Other Liabilities	**0.99**	2.82	**39.30**	40.43	**-**	-	**-**	0.01
Total Current Liabilities	**3.13**	6.53	**320.34**	162.34	**-**	-	**0.55**	1.11
Non-Current Liabilities								
Financial Liabilities	**69.07**	59.14	**1,023.09**	1,081.64	**-**	-	**-**	-
Other Liabilities	**-**	-	**0.89**	0.51	**-**	-	**-**	-
Total Non-Current Liabilities	**69.07**	59.14	**1,023.98**	1,082.15	**-**	-	**-**	-
Net Assets	**40.20**	36.53	**359.43**	360.84	**-**	0.01	**7.94**	7.37

44. Interest in Other Entities (Contd.)

Reconciliation to carrying amounts

(₹ in Crore)

Particulars	Powerlinks Transmission Limited		Torrent Powergrid Limited		JaypeePowergrid Limited		Parbati Koldam Transmission Company Limited	
	31st March, 2019	31st March, 2018	31st March, 2019	31st March, 2018	31st March, 2019	31st March, 2018	31st March, 2019	31st March, 2018
Opening net assets	**862.97**	834.07	**130.76**	101.86	**398.60**	363.18	**370.46**	356.55
Investment by JV Partners	**-**	-	**-**	-	**-**	-	**-**	-
Profit for the year	**112.57**	124.84	**19.14**	39.73	**63.02**	67.17	**48.66**	50.13
Other Comprehensive income	**(0.09)**	(0.18)	**(0.03)**	0.01	**-**	0.04	**0.06**	(0.12)
Dividend Paid	**62.05**	95.76	**10.85**	10.84	**56.06**	30.69	**52.62**	36.12
Other Adjustments	**-**	-	**(2.30)**	-	**-**	(1.10)	**(0.02)**	0.02
Closing net assets	**913.40**	862.97	**136.72**	130.76	**405.56**	398.60	**366.54**	370.46
Group's share in %	**49%**	49%	**26%**	26%	**26%**	26%	**26%**	26%
Group's share in INR	**447.58**	422.86	**35.56**	34.00	**105.45**	103.64	**95.30**	96.32
Carrying Amount	**447.58**	422.86	**35.56**	34.00	**105.45**	103.64	**95.30**	96.32

(₹ in Crore)

Particulars	Bihar Grid Company Limited		Kalinga Bidyut Prasaran Nigam Pvt Limited		Cross Border Transmission Limited		RINL POWERGRID TLT Pvt. Limited	
	31st March, 2019	31st March, 2018	31st March, 2019	31st March, 2018	31st March, 2019	31st March, 2018	31st March, 2019	31st March, 2018
Opening net assets	**336.32**	294.91	**0.01**	0.01	**79.12**	69.97	**7.37**	6.80
Investment by JV Partner	**30.90**	15.48			**-**	-	**0.60**	0.60
Profit for the year	**24.63**	25.93	**-**	-	**15.30**	12.95	**(0.03)**	(0.03)
Other Comprehensive income	**-**	-	**-**	-	**-**	-	**-**	-
Dividend Paid	**-**	-	**-**	-	**5.85**	7.59	**-**	-
Other Adjustments	**-**	-	**(0.01)**	-	**-**	3.79	**-**	-
Closing net assets	**391.85**	336.32	**-**	0.01	**88.57**	79.12	**7.94**	7.37
Group's share in %	**50%**	50%	**50%**	50%	**26%**	26%	**50%**	50%
Group's share in INR	**195.94**	168.16	**-**	0.01	**23.03**	20.57	**3.97**	3.39
Carrying Amount	**195.94**	168.16	**-**	0.01	**23.03**	20.57	**3.97**	3.39

44. Interest in Other Entities (Contd.)

Reconciliation to carrying amounts (Contd.)

(₹ in Crore)

Particulars	North East Transmission Company Limited		National High Power Test Lab Pvt Limited		Teestavalley Power Transmission Limited		Power Transmission Company Nepal Ltd	
	31st March, 2019	**31st March, 2018**	**31st March, 2019**	**31st March, 2018**	**31st March, 2019**	**31st March, 2018**	**31st March, 2019**	**31st March, 2018**
Opening net assets	**442.70**	378.69	**139.15**	149.83	**360.84**	360.19	**36.53**	32.22
Investment by JV Partners	**-**	-	**-**	-	**11.28**	-	**-**	2.25
Profit for the year	**65.56**	83.84	**(8.72)**	(10.72)	**(1.19)**	4.95	**8.56**	8.31
Other Comprehensive income	**0.04**	(0.02)	**(0.05)**	0.04	**(0.01)**	0.01	**-**	-
Dividend Paid	**24.80**	19.81	**-**	-	**-**	-	**5.06**	5.63
Other Adjustments	**0.01**	-	**-**	-	**(11.49)**	(4.31)	**0.17**	(0.62)
Closing net assets	**483.51**	442.70	**130.38**	139.15	**359.43**	360.84	**40.20**	36.53
Group's share in %	**26%**	26%	**20%**	20%	**28.23%**	26%	**26%**	26%
Group's share in INR	**125.71**	115.10	**26.08**	27.83	**101.52**	93.82	**10.46**	9.50
Carrying Amount	**125.71**	115.10	**26.08**	27.83	**101.52**	93.82	**10.46**	9.50

Summarised Statement of Profit and Loss

(₹ in Crore)

Particulars	Powerlinks Transmission Limited		Torrent Powergrid Limited		Jaypee Powergrid Limited		Parbati Koldam Transmission Company Limited	
	31st March, 2019	**31st March, 2018**	**31st March, 2019**	**31st March, 2018**	**31st March, 2019**	**31st March, 2018**	**31st March, 2019**	**31st March, 2018**
Revenue From Operations	**146.14**	161.23	**46.52**	63.22	**159.22**	165.05	**161.14**	167.02
Other Income	**9.43**	12.68	**2.91**	3.52	**5.63**	3.68	**5.74**	7.76
Total Income	**155.57**	173.91	**49.43**	66.74	**164.85**	168.73	**166.88**	174.78
Employee benefits expense	**7.98**	7.55	**1.64**	1.33	**3.54**	2.44	**4.22**	3.58
Finance costs	**9.73**	16.92	**6.37**	8.5	**38.05**	46.66	**47.61**	53.07
Depreciation and amortization expense	**-**	-	**16.44**	16.44	**52.80**	52.94	**49.22**	49.30
Other expenses	**9.68**	10.67	**5.15**	3.35	**6.14**	4.95	**4.00**	3.02
Total Expenses	**27.39**	35.14	**29.6**	29.62	**100.53**	106.99	**105.05**	108.97
Tax Expenses	**15.61**	13.93	**0.69**	(2.61)	**1.30**	(5.43)	**13.17**	15.68
Profit for the year	**112.57**	124.84	**19.14**	39.73	**63.02**	67.17	**48.66**	50.13
Other Comprehensive income	**(0.09)**	(0.18)	**(0.03)**	0.01	**-**	0.04	**0.06**	(0.12)
Total Comprehensive income	**112.48**	124.66	**19.11**	39.74	**63.02**	67.21	**48.72**	50.01
Dividend Received	**25.22**	38.99	**2.34**	2.34	**12.09**	6.63	**11.35**	7.80

44. Interest in Other Entities (Contd.)

Summarised Statement of Profit and Loss (Contd.) (₹ in Crore)

Particulars	Cross Border Transmission Limited		RINL POWERGRID TLT Pvt. Limited		Power Transmission Company Nepal Ltd		Teestavalley Power Transmission Limited	
	31st March, 2019	31st March, 2018	31st March, 2019	31st March, 2018	31st March, 2019	31st March, 2018	31st March, 2019	31st March, 2018
Revenue From Operations	**6.62**	4.47	**-**	-	**16.52**	16.34	**85.33**	30.98
Other Income	**29.68**	31.49	**-**	-	**2.22**	1.26	**0.29**	0.01
Total Income	**36.30**	35.96	**-**	-	**18.74**	17.60	**85.62**	30.99
Employee benefits expense	**1.44**	1.05	**-**	-	**0.63**	0.54	**1.43**	0.47
Finance costs	**16.08**	17.71	**-**	-	**3.65**	2.91	**50.39**	21.56
Depreciation and amortization expense	**0.02**	0.02	**-**	0.01	**4.56**	4.07	**28.25**	10.89
Other expenses	**3.46**	4.23	**0.03**	0.02	**1.25**	1.77	**5.82**	0.88
Total Expenses	**21.00**	23.01	**0.03**	0.03	**10.09**	9.29	**85.89**	33.80
Tax Expenses	**-**	-	**-**	-	**0.09**	-	**0.92**	(7.76)
Profit for the year	**15.30**	12.95	**(0.03)**	(0.03)	**8.56**	8.31	**(1.19)**	4.95
Other Comprehensive income	**-**	-	**-**	-	**-**	-	**(0.01)**	0.01
Total Comprehensive income	**15.30**	12.95	**(0.03)**	(0.03)	**8.56**	8.31	**(1.20)**	4.96
Dividend Received	**-**	4.05	**-**	-	**1.32**	1.46	**-**	-

(₹ in Crore)

Particulars	North East Transmission Company Limited		National High Power Test Lab Pvt Limited		Bihar Grid Company Limited		Kalinga Bidyut Prasaran Nigam Pvt Limited	
	31st March, 2019	31st March, 2018	31st March, 2019	31st March, 2018	31st March, 2019	31st March, 2018	31st March, 2019	31st March, 2018
Revenue From Operations	**329.80**	342.63	**26.03**	20.83	**275.59**	204.36		
Other Income	**11.27**	10.57	**0.41**	1.27	**15.08**	6.37	**-**	1.17
Total Income	**341.07**	353.20	**26.44**	22.10	**290.67**	210.73	**-**	1.17
Employee benefits expense	**3.38**	2.88	**2.36**	1.81	**8.68**	5.08	**-**	-
Finance costs	**124.87**	165.30	**15.83**	14.80	**95.76**	62.96	**-**	-
Depreciation and amortization expense	**113.24**	116.20	**8.37**	6.28	**64.29**	26.73	**-**	-
Other expenses	**16.53**	10.02	**8.60**	9.93	**9.83**	3.70	**-**	1.17
Total Expenses	**258.02**	294.4	**35.16**	32.82	**178.56**	98.47	**-**	1.17
Tax Expenses	**17.49**	(25.04)	**-**	-	**87.48**	86.33	**-**	-
Profit for the year	**65.56**	83.84	**(8.72)**	(10.72)	**24.63**	25.93	**-**	-
Other Comprehensive income	**0.04**	(0.02)	**(0.05)**	0.04	**-**	-	**-**	-
Total Comprehensive income	**65.60**	83.82	**(8.77)**	(10.68)	**24.63**	25.93	**-**	-
Dividend Received	**5.35**	4.28	**-**	-	**-**	-	**-**	-

45. Cash equivalent of deemed export benefits availed of ₹ 209.99 crore in respect of supplies effected for East South Inter Connector-II Transmission Project (ESI) and Sasaram Transmission Project (STP), were paid to the Customs and Central Excise Authorities in accordance with direction from Ministry of Power (GOI) during 2002-03 due to non-availability of World Bank loan for the entire supplies in respect of ESI project and for the supplies prior to March 2000 in respect of STP project and the same was capitalised in the books of accounts. Thereafter, World Bank had financed both the ESI project and STP project as originally envisaged and they became eligible for deemed export benefits. Consequently, the group has lodged claims with the Customs and Excise Authorities.

In this regard the Cumulative amount received and de-capitalized upto 31st March, 2019 is ₹ 12.12 crore (Previous Year ₹ 12.12 crore). The Group continued to show the balance of ₹ 197.87 crore as at 31st March, 2019 (Previous Year ₹ 197.87 crore) in the capital cost of the respective assets / projects pending receipt of the same from Customs and Excise Authorities.

46. 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.

47. a) Impact of application of Ind AS 115 'Revenue from Contracts with Customers'

Effective April 1, 2018, the Group has applied Ind AS 115 which establishes a comprehensive framework for determining whether, how much and when revenue is to be recognised. Ind AS 115 replaces Ind AS 18 Revenue and Ind AS 11 Construction Contracts.The Group has applied Ind AS 115 retrospectively only to contracts that are not completed as at the date of initial application, with the cumulative effect of initial application recognised as an adjustment to the opening balance of General Reserve at April 1, 2018. In accordance with the transition guidance in Ind AS 115 has only been applied to contracts that are incomplete as at April 1, 2018.

The Group's accounting policies for its revenue streams are disclosed in Note 2.18. Apart from effect of significant financing component in telecom contracts, the application of Ind AS 115 does not have any significant impact on the financial position and/or financial performance of the Group. The amount of adjustment for each line item of financial statement affected by the application of Ind AS 115 is as given below.

Impacts on assets, liabilities and equity as at April 1, 2018 (₹ in Crore)

Particulars	As previously reported	Ind AS 115 adjustments	As restated
Contract liabilities	1475.79	(104.37)	1371.42
Other Equity – General Reserve	49194.40	104.37	49298.77

Impacts on Statement of Profit and Loss for the period ended March 31, 2019

Due to Implementation of Ind AS 115, Revenue from Operation increased by ₹ 88.29 Crore, Finance Cost increased by ₹ 37.18 Crore, Other Expenses increase by ₹ 7.06 Crore and Provision for tax increased by ₹ 9.50 Crore. Profit after Tax increased by ₹ 34.55 crores during the year.

b) For milestone based contracts (consultancy contracts), following amount relates to unsatisfied performance obligations- (₹ in Crore)

Particulars	Year ended March 31, 2019	Year ended March 31, 2018
Transaction price related to unsatisfied (or partially satisfied) performance obligation	**2110.24**	2850.96
These performance obligations are expected to be satisfied within	**5 Years**	4 Years

c) The following table discloses the movement in unbilled revenue during the year ended 31 March, 2019 and 31 March, 2018.

(₹ in Crore)

Particulars	Year ended March 31, 2019	Year ended March 31, 2018
Balance at the beginning	**4123.12**	2542.29
Add: Revenue recognised during the period	**5292.99**	3696.30
Less: Invoiced during the period	**2714.17**	2096.55
Less: Impairment/reversal during the period	**105.71**	18.92
Add: Translation gain/(Loss)	**-**	-
Balance at the end	**6596.23**	4123.12

d) The following table discloses the movement in contract liability during the year ended 31 March 2019 and 31 March 2018. (₹ in Crore)

Particulars	Year ended March 31, 2019	Year ended March 31, 2018
Balance at the beginning	**1371.42**	1502.10
Add: Advance billing during the period	**1021.17**	975.43
Less: revenue recognised during the period a) From contract liability as at beginning of the period b) From contract liability recognised during the period	**497.26** **147.62**	870.05 236.13
Add: Translation gain/(Loss)	**0.13**	0.07
Balance at the end	**1747.84**	1371.42

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

(₹ in Crore)

Particulars	Year ended March 31, 2019	Year ended March 31, 2018
Contracted price	**34563.53**	29661.30
Add/ (Less)- Discounts/ rebates provided to customer	**(218.70)**	(214.57)
Add/ (Less)- Performance bonus	**217.41**	337.51
Add/ (Less)- Adjustment for significant financing component	**88.29**	-
Add/ (Less)- Other adjustments	**408.59**	169.38
Revenue recognized in profit or loss statement	**35059.12**	29953.62

f) A provision of ₹ 392.24 crore has been created in the current financial year against trade receivables and unbilled debtors outstanding as on 31.03.2018 from a few customers and revenue from transmission and surcharge thereon amounting to ₹ 319.75 crore has not been recognised during the year due to uncertainty of collection of consideration in line with Ind AS 115 'Revenue from Contracts with Customer'.

48. The group has been entrusted with the responsibility of billing collection and disbursement (BCD) of the transmission charges on behalf of all the ISTS (Interstate transmission System) licensees through the mechanism of the POC (Point of Connection) charges introduced w.e.f. 01st July, 2011 which involves billing based on approved drawl/injection of power in place of old mechanism based on Mega Watt allocation of power by Ministry of Power. By this mechanism, revenue of the group will remain unaffected.

Some of the beneficiaries aggrieved by the POC mechanism have preferred appeal before various High Courts of India. All such appeals have been transferred to Delhi High Court as per order of the Supreme Court on the appeal preferred by the group and group has also requested for directing agitating states to pay full transmission charges as per new methodology pending settlement of the matter. Honourable Delhi High Court has directed all the above beneficiaries to release payments and accordingly the beneficiaries have started making payments as per the said directions.

49. (i) FERV Loss of ₹1441.50 crore (Previous Year Loss of ₹146.36 crore) has been adjusted in the respective carrying amount of Property, Plant and Equipment/Capital work in Progress (CWIP)/Lease Receivables

(ii) FERV Loss of ₹225.86 crore (Previous Year Loss of ₹161.75 crore) has been recognised in the Statement of Profit and Loss.

50. Borrowing cost capitalised during the year is ₹1499.62 crore (previous year ₹1950.13 crore) in the respective carrying amount of Property, Plant and Equipment/Capital work in Progress (CWIP) as per Ind AS 23 'Borrowing Costs'.

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

(₹ in Crore)

Sr. No	Particulars	Trade Payables		Others	
		31st March, 2019	31st March, 2018	**31st March, 2019**	31st March, 2018
1	Principal amount and interest due thereon remaining unpaid to any supplier as at end of each accounting year: Principal Interest	 **33.27** **0.05**	 2.33 Nil	 **22.30** **Nil**	 12.88 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	**0.01**	Nil	**Nil**	Nil
4	The amount of interest accrued and remaining unpaid at the end of each accounting year	**0.04**	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

52. Disclosure as per IND AS 17 'Leases'

a) Finance Leases:-

The Group has classified and accounted for the arrangements for state sector ULDC assets and bilateral assets as finance leases based on the principles enunciated in Appendix C of Ind AS 17, 'Leases'.Agreements for State Sector ULDC are for a period of 15 years and Bilateral Line Assets with the beneficiary are for the period as specified in CERC Regulations

Other Non-Current Financial Assets and Other Current Financial Assets include lease receivables representing the present value of future lease rentals receivable on the finance lease transactions entered into by the group with the constituents in respect of State Sector ULDC and Bilateral Line Assets. Disclosure requirements of Ind AS 17 'Leases' notified under the Companies Act, 2013 are given as under:

(i) The reconciliation of the lease receivables (as per project cost data submitted to / approved by the CERC for tariff fixation) is as under:

(₹ in Crore)

	Particulars	31st March, 2019	31st March, 2018
	Gross value of assets acquired and leased at the beginning of the year	**1627.20**	1581.71
Add	Adjustment for gross value of assets acquired prior to the beginning of the year	**(0.52)**	(23.84)
	Revised Gross value of the assets at the beginning of the year	**1626.68**	1557.87
Less	Capital recovery provided up to the beginning of the year	**1050.19**	970.59
Add	Capital recovery for assets acquired prior to the beginning of the year	**30.86**	19.50
	Revised Capital recovery provided up to the beginning of the year	**1081.05**	990.09
	Capital recovery outstanding as on 31st March of last financial year	**545.64**	567.78
Add	Gross value of assets acquired and leased during current financial year	**43.73**	69.32
Less	Capital recovery for the current year	**44.88**	60.08
	Lease receivables at end of the year	**544.49**	577.02

(ii) Details of gross investment in lease, un-earned finance income and present value of minimum lease payments receivables at the end of financial year is given as under:

(₹ in Crore)

Particulars	31st March, 2019	31st March, 2018
Gross investment in Lease	**1597.41**	1742.24
Un-earned Finance Income	**1052.92**	1165.22
Present value of Minimum Lease Payment (MLP)	**544.49**	577.02

(iii) The value of contractual maturity of such leases is as under

(₹ in Crore)

Particulars	Gross Investment in Lease		Present Value of MLPs	
	As at 31st March, 2019	As at 31st March, 2018	As at 31st March, 2019	As at 31st March, 2018
Not later than one year	**132.39**	130.31	47.50	46.45
Later than one year and not later than five years	**502.22**	492.86	173.54	170.38
Later than five years	**962.80**	1119.07	323.45	360.19
Total	**1597.41**	**1742.24**	**544.49**	**577.02**

(iv) There are differences in balance lease receivable as at year end as per accounts and tariff records on account of:

(a) Undischarged liabilities amounting to ₹ 74.43 crore (Previous Year ₹ 52.19 crore). Such cost become part of project cost only on discharge of such liabilities.

(b) Unamortized FERV on loans included in lease receivable amounting to ₹ 17.23 crore (Previous Year ₹ 17.15 crore). Such FERV are allowed to be recovered as part of tariff on actual payment basis.

b) Operating leases:-

The group's significant leasing arrangements are in respect of operating leases of premises for residential use of employees, offices and guest houses/transit camps which are usually renewable on mutually agreed terms but are not non-cancellable. Employee benefits expense include ₹12.91 crore (previous year ₹26.12 crore) towards lease payments, net of recoveries, in respect of premises for residential use of employees. Lease payments of ₹13.95 crore (previous year ₹ 14.60 crore) in respect of premises for offices and guest house/transit camps are shown under the head Rent in Note 40- Other expenses.

53. Foreign Currency Exposure

Not hedged by a derivative instrument or otherwise

(₹ in Crore)

Particulars		Amount in Foreign Currency		Amount	
		31st March, 2019	31st March, 2018	31st March, 2019	31st March, 2018
Borrowings	USD	**482.67**	437.34	**33676.03**	28632.86
	EURO	**51.73**	49.44	**4078.18**	4037.84
	SEK	**249.45**	280.65	**1883.31**	2245.21
	JPY	**2345.42**	163.59	**1487.70**	101.95
Interest accrued but not due thereon including Agency Fee, Commitment Fee & other Charges	USD	**3.68**	2.36	**256.90**	154.69
	EURO	**0.22**	0.20	**17.22**	15.94
	SEK	**1.09**	1.12	**8.22**	8.97
	JPY	**3.94**	0.41	**2.50**	0.26
Trade Payables/deposits and retention money	USD	**7.29**	11.70	**508.62**	766.00
	EURO	**1.05**	1.53	**82.74**	124.96
	SEK	**-**	17.81	**-**	142.48
	CHF	**0.03**	0.04	**2.36**	2.78
	GBP	**1.83**	1.94	**167.90**	180.67
	JPY	**-**	1.04	**-**	0.65
Trade receivables and Bank balances	USD	**0.17**	0.04	**11.86**	2.62
	NPR	**1.65**	-	**1.03**	-
	EURO	**-**	-	**-**	-
	FJI	**0.002**	-	**0.07**	-
Amount of contracts remaining to be executed	USD	**13.61**	14.25	**949.43**	932.95
	EURO	**7.56**	27.82	**596.03**	2272.06
	SEK	**31.91**	162.92	**240.92**	1303.36
	CHF	**-**	-	**-**	-
	GBP	**2.68**	8.95	**245.89**	833.51
	JPY	**216.16**	744.28	**137.11**	463.84

54. Disclosures relating to Regulatory Deferral Account Balances

i) Nature of rate regulated activities

The Group is mainly engaged in the business of transmission of power. The tariff for transmission of power is determined by the CERC through tariff regulations. The tariff is based on capital costadmitted by CERC and provides for transmission charges recovery of annual fixed cost consisting of Return on equity, Interest on loan capital, Depreciation, interest on working capital and Operation & Maintenance expenses.

ii) Recognition and measurement

FERV arising during the construction period for settlement/translation of monetary items (other than non-current loans) denominated in foreign currency to the extent recoverable/payable to the beneficiaries as capital cost as per CERC Tariff Regulations are accounted as Regulatory Deferral Account Balances. In respect of long term foreign currency loan drawn on or after 1st April, 2016, exchange difference to the extent recoverable as per CERC Tariff Regulations are recognised as Regulatory Deferral Account Balances. The Group expects to recover these amounts through depreciation component of the tariff over the life of the asset or as exchange rate variation on repayment of the loan.

The tariff norms for the block period 2014-2019 notified by the Central Electricity Regulatory Commission (CERC) provide for grossing up of the return on equity based on effective tax rate for the financial year based on the actual tax paid during the year on the transmission income. Accordingly, deferred tax provided during the year ended 31st March, 2019 on the transmission income is accounted as 'Deferred Assets against Deferred Tax Liability'. Deferred Assets against Deferred Tax Liability for the year will be reversed in future years (including tax holiday period) when the related deferred tax liability forms a part of current tax.

54. Disclosures relating to Regulatory Deferral Account Balances (Contd.)

Matter regarding presentation of 'Deferred Assets against Deferred Tax Liability' in Balance Sheet and Statement of Profit and loss was referred to Expert Advisory Committee (EAC) of Institute of Chartered Accountant of India, and as per opinion received during the year 'Deferred Assets against Deferred Tax Liability'is classified as 'Regulatory Deferral Account Balance".

The Group has recognized an amount of ₹ 19.67 crore (Previous Year ₹ 11.31 crore) on account of pay revision as recoverable from the beneficiaries in subsequent periods under Regulatory Deferral Account Balances. These balances are to be adjusted in the year in which they become recoverable from beneficiaries as per CERC. Amount of regulatory deferral account balances is on undiscounted basis.

iii) Risk associated with future recovery/ reversal of regulatory deferral account balances

(a) regulatory risk on account of changes in regulations.

(b) other risks including currency or other market risks, if any.

Any change in the Tariff regulations beyond the current tariff period ending on 31st March, 2019 may have an impact on the recovery of Regulatory Deferral Account Balances.

The Regulatory Deferral Account Balances (assets) recognized in the books to be recovered from the beneficiaries in future periods are as follows:

(₹ in Crore)

Particulars	31st March, 2019	31st March, 2018
A. Opening Balance *	**11304.22**	7975.80
B. Addition/(deduction) during the year	**(3220.95)**	3328.42
C. Amount collected/refunded during the year	**NIL**	NIL
D. Regulated Income/(Expense) recognized in the statement of Profit and Loss	**(3220.95)**	3328.42
E. Closing Balance	**8083.27**	11304.22
F. Tax on Regulated Income/(Expense) recognized in the statement of Profit and Loss	**(694.08)**	44.23

* Refer note 55 for change in Opening balance for regulatory deferral account balances.

55. Reclassification of Prior Year Presentation

As per opinion of EAC received during the year 'Deferred Assets against Deferred Tax Liability' is being classified as 'Regulatory Deferral Account Balance' which was earlier shown as deduction from 'Deferred Tax Liability'. Prior year amounts have also been reclassified for consistency with the current year presentation in consonance with principles of Ind AS 1 ' Presentation of Financial Statements'. In view of above reclassification in Balance Sheet, 'Net Deferred Tax Liability' has increased by ₹ 10989.39 crores as at 31st March 2018 and ₹ 7868.20 crores as at 1st April 2017 respectively. 'Regulatory Deferral Account Balances' has also increased by ₹ 10989.39 crores as at 31st March 2018 and ₹ 7868.20 crores as at 1st April 2017 respectively. In Statement of Profit and Loss for the year ended 31st March 2018 'Deferred Tax Expense' has increased by ₹ 3121.19 crores with a corresponding increase in 'Net Movement in Regulatory Deferral Account Balances' by ₹ 3121.19 crores.Tax on Net Movement in Regulatory Deferral Account Balances and Other Comprehensive Income has also been reclassified from Current Tax.Due to above reclassification reported Profit after Tax (PAT) has increase from ₹ 8198.31 crore to ₹ 8204.00 crore and Other Comprehensive Income decreased from ₹ 13.72 crore to ₹ 8.03 crore for the year ended 31st March 2018. However these reclassifications have no effect on the reported Total Comprehensive Income and Equity of Previous years. A reconciliation of Equity, Profit after tax and Other Comprehensive Income is given below:

Reconciliation of equity as at 31st March, 2018 and 1st April, 2017

(₹ in Crore)

Particulars	31st March, 2018	1st April 2017
Total equity (shareholder's funds) as per previous year Financial Statements	54425.99	49865.50
Adjustments	Nil	Nil
Total equity as per restated Financial Statement	54425.99	49865.50

Reconciliation of Profit after tax for the year ended 31st March, 2018

(₹ in Crore)

Particulars	31st March, 2018
Profit after Tax as per previous year Financial Statements	8198.31
Adjustments	
Less: Increase in Deferred Tax due to reclassification	3121.19
Add: Increase in Net Movement in Regulatory Deferral Account Balances	3121.19
Less: Tax on Net Movement in Regulatory Deferral Account Balances transferred from Current Tax	44.23
Add: Transferred to Tax on Net Movement in Regulatory Deferral Account Balances from Current Tax	44.23
Add: Transferred to Tax on Other Comprehensive Income from Current Tax	5.69
Total adjustments	5.69
Profit after Taxas per restated Financial Statement	8204.00

55. Reclassification of Prior Year Presentation (Contd.)

Reconciliation of Other Comprehensive Incomefor the year ended 31st March, 2018

(₹ in Crore)

Particulars	31st March, 2018
Other Comprehensive Income as per previous year Financial Statements	13.72
Adjustments	
Less: Transferred to Tax on Other Comprehensive Income from Current Tax	5.69
Total adjustments	(5.69)
Other Comprehensive Income as per restated Financial Statement	8.03

56. Disclosure as required by Clause 34 (3) of SEBI (Listing Obligation and Disclosure Requirements) Regulations, 2015:

A. Loans and Advances in nature of Loans:

1. To Joint Ventures

(₹ in Crore)

Name of the Company	Outstanding balance as at		Maximum amount outstanding during	
	31st March, 2019	31st March, 2018	31st March, 2019	31st March, 2018
Joint Ventures				
National High Power Test Laboratory Private Limited	**6.00**	6.00	**6.00**	6.00
Teestavalley Power Transmission Limited	**77.12**	-	**77.12**	-
Total	**83.12**	**6.00**	**83.12**	**6.00**

2. To firms/companies in which directors are interested : NIL

B. Investment by the loanee (as detailed above) in the shares of PowerGrid Corporation of India Ltd : NIL

57. Corporate Social Responsibility Expenses (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 Group is required to spend, in every financial year, at least two per cent of the average net profits of the Group made during the three immediately financial years in accordance with its CSR Policy. Accordingly, the Group has spent ₹ 196.28 crore (Previous Year ₹ 157.99 crore) on CSR activities.

58. Additional Information as required under Schedule III of the Companies Act, 2013 : (₹ in Crore)

Particulars	Net Asset i.e. assets minus total liabilities				Share in profit or loss				Share in Other Comprehensive Income				Share in Total Comprehensive Income			
	31st March, 2019		31st March, 2018		2018-19		2017-18		2018-19		2017-18		2018-19		2017-18	
	As % of consol. net assets	Amount	As % of consol. net assets	Amount	As % of consol. profit or loss	Amount	As % of consol. Profit or loss	Amount	As % of consol. OCI	Amount	As % of consol. OCI	Amount	As % of consol. Total Comp. Income	Amount	As % of consol. Total Comp. Income	Amount
Parent																
Power Grid Corporation of India Limited	**94.92%**	**56085.95**	96.84%	52707.02	**96.86%**	**9718.14**	97.79%	8022.55	**99.76%**	**-16.30**	100.84%	8.03	**96.85%**	**9701.85**	97.79%	8030.58
Subsidiaries																
Indian																
Grid Conductor Limited	**0.00%**	**0.00**	0.00%	-	**0.00%**	**-**	0.00%	-	**0.00%**	**-**	0.00%	-	**0.00%**	**-**	0.00%	-
Powergrid Jabalpur Transmission Limited	**0.31%**	**183.30**	0.00%	0.15	**0.10%**	**10.15**	0.00%	-	**0.00%**	**-**	0.00%	-	**0.10%**	**10.15**	0.00%	-
Powergrid Kala Amb Transmission Ltd	**0.12%**	**70.71**	0.12%	63.52	**0.13%**	**13.08**	0.09%	7.52	**0.00%**	**-**	0.00%	-	**0.13%**	**13.08**	0.09%	7.52
Powergrid NM transmission Ltd	**0.17%**	**98.34**	0.20%	109.91	**(0.63)%**	**(63.57)**	(1.01)%	(83.14)	**0.00%**	**-**	0.00%	-	**(0.63)%**	**(63.57)**	(1.01%)	(83.14)
Powergrid Parli Transmission Limited	**0.46%**	**274.36**	0.00%	0.10	**0.65%**	**65.02**	0.00%	-	**0.00%**	**-**	0.00%	-	**0.65%**	**65.02**	0.00%	-
Powergrid Southern Interconnector Transmission System Limited	**0.87%**	**513.92**	0.00%	0.03	**(0.02)%**	**(1.56)**	0.00%	-	**0.00%**	**-**	0.00%	-	**(0.02)%**	**(1.56)**	0.00%	-
Powergrid Unchahar Transmission Ltd	**0.04%**	**24.58**	0.04%	19.60	**0.10%**	**9.81**	0.11%	9.04	**0.00%**	**-**	0.00%	-	**0.10%**	**9.81**	0.11%	9.04
Powergrid Vemagiri transmission Ltd	**(0.03)%**	**(19.40)**	(0.04)%	(19.39)	**0.00%**	**(0.01)**	0.00%	(0.01)	**0.00%**	**-**	0.00%	-	**0.00%**	**(0.01)**	0.00%	(0.01)
Powergrid Vizag Transmission Ltd	**0.52%**	**307.17**	0.45%	243.17	**1.00%**	**100.15**	0.95%	77.67	**0.00%**	**-**	0.00%	-	**1.00%**	**100.15**	0.95%	77.67
Powergrid Warora Transmission Limited	**0.65%**	**382.76**	0.38%	206.57	**0.59%**	**59.67**	0.35%	28.95	**0.00%**	**-**	0.00%	-	**0.60%**	**59.67**	0.35%	28.95
Powergrid Medinipur Jeerat Transmission Limited	**0.00%**	**0.01**	0.00%	0.01	**0.00%**	**-**	0.00%	-	**0.00%**	**-**	0.00%	-	**0.00%**	**-**	0.00%	-
Powergrid Mithilanchal Transmission Limited	**0.00%**	**0.04**	0.00%	0.05	**0.00%**	**-**	0.00%	-	**0.00%**	**-**	0.00%	-	**0.00%**	**-**	0.00%	-
Powergrid Varanasi Transmission System Limited	**0.00%**	**0.04**	0.00%	0.05	**0.00%**	**-**	0.00%	-	**0.00%**	**-**	0.00%	-	**0.00%**	**-**	0.00%	-
Powergrid Jawaharpur Firozabad Transmission Limited	**0.00%**	**0.05**	N.A	N.A	**0.00%**	**-**	N.A	N.A	**0.00%**	**-**	N.A	N.A	**0.00%**	**-**	N.A	N.A

58. Additional Information as required under Schedule III of the Companies Act, 2013 : (Contd.)

(₹ in Crore)

Particulars	Net Asset i.e. assets minus total liabilities				Share in profit or loss				Share in Other Comprehensive Income				Share in Total Comprehensive Income			
	31st March, 2019		31st March, 2018		2018-19		2017-18		2018-19		2017-18		2018-19		2017-18	
	As % of consol. net assets	Amount	As % of consol. net assets	Amount	As % of consol. profit or loss	Amount	As % of consol. Profit or loss	Amount	As % of consol. OCI	Amount	As % of consol. OCI	Amount	As % of consol. Total Comp. Income	Amount	As % of consol. Total Comp. Income	Amount
Joint Ventures																
Indian																
Powerlinks Transmission Limited	**0.76%**	**447.58**	0.78%	422.86	**0.55%**	**55.16**	0.74%	61.17	**0.27%**	**(0.04)**	(0.65)%	(0.09)	**0.55%**	**55.12**	0.74%	61.08
Torrent Powergrid Limited	**0.06%**	**35.56**	0.06%	34.00	**0.05%**	**4.98**	0.13%	10.33	**0.05%**	**(0.01)**	0.00%	0.00	**0.05%**	**4.97**	0.13%	10.33
Jaypee Powergrid Limited	**0.18%**	**105.45**	0.19%	103.64	**0.16%**	**16.39**	0.21%	17.46	**0.00%**	**0.00**	0.08%	0.01	**0.16%**	**16.39**	0.21%	17.47
ParbatiKoldam Transmission Company Limited	**0.16%**	**95.30**	0.18%	96.32	**0.13%**	**12.65**	0.16%	13.03	**(0.06)%**	**0.01**	(0.23%)	(0.02)	**0.13%**	**12.66**	0.16%	13.01
Teestavalley Power Transmission Limited	**0.17%**	**101.47**	0.17%	93.82	**0.00%**	**(0.34)**	0.02%	1.29	**0.02%**	**0.00**	0.00%	-	**0.00%**	**-0.34**	0.02%	1.29
North East Transmission Company Limited	**0.21%**	**125.71**	0.21%	115.10	**0.17%**	**17.05**	0.27%	21.80	**(0.06)%**	**0.01**	(0.04%)	(0.01)	**0.17%**	**17.06**	0.26%	21.79
National High Power Test Lab Pvt Limited	**0.04%**	**26.08**	0.05%	27.83	**(0.02)%**	**(1.74)**	(0.03)%	(2.14)	**0.06%**	**(0.01)**	0.04%	0.01	**(0.02)%**	**(1.75)**	(0.03)%	(2.13)
Bihar Grid Company Limited	**0.33%**	**195.94**	0.30%	168.16	**0.12%**	**12.32**	0.15%	12.97	**0.00%**	**0.00**	0.00%	-	**0.12%**	**12.32**	0.16%	12.97
Kalinga Bidyut Prasaran Nigam Pvt Limited	**0.00%**	**0.00**	0.00%	0.01	**0.00%**	**0.00**	0.00%	-	**0.00%**	**0.00**	0.00%	-	**0.00%**	**0.00**	0.00%	-
Cross Border Transmission Limited	**0.04%**	**23.03**	0.04%	20.57	**0.04%**	**3.98**	0.04%	3.37	**0.00%**	**0.00**	0.00%	-	**0.04%**	**3.98**	0.04%	3.37
RINL POWERGRID TLT Pvt. Limited	**0.00%**	**0.00**	0.01%	3.39	**0.00%**	**(0.02)**	(0.00)%	(0.02)	**0.00%**	**0.00**	0.00%	-	**0.00%**	**(0.02)**	(0.00)%	(0.02)
Foreign																
Power Transmission Company Nepal Ltd	**0.02%**	**10.46**	0.02%	9.50	**0.02%**	**2.23**	0.03%	2.16	**0.00%**	**0.00**	0.00%	-	**0.02%**	**2.23**	0.03%	2.16
Total	**100.00%**	**59088.39**	**100.00%**	**54425.99**	**100.00%**	**10033.52**	**100.00%**	**8204.00**	**100.00%**	**-16.34**	**100.00%**	**7.93**	**100.00%**	**10017.18**	**100.00%**	**8211.93**

59. Fair Value Measurements

(₹ in Crore)

Financial Instruments by category	31st March, 2019		31st March, 2018	
	FVOCI	Amortised cost	FVOCI	Amortised cost
Financial Assets				
Investments				
Equity Instruments				
-PTC India Limited (12000006 shares of ₹10 each)*	**88.14**	**-**	104.88	-
-Energy Efficiency Services Limited (37704350 shares PY 22500000 shares of ₹ 10 each)**	**41.70**	**-**	23.90	-
Trade Receivables	**-**	**4728.10**	-	3640.02
Loans	**-**	**319.12**	-	186.87
Cash & cash Equivalents	**-**	**3647.73**	-	1534.80
Bank Balance	**-**	**852.39**	-	840.07
Other Financial Assets				
Current	**-**	**6881.04**	-	4737.23
Non-Current	**-**	**4384.90**	-	680.50
Total Financial assets	**129.84**	**20813.28**	**128.78**	**11619.49**
Financial Liabilities				
Borrowings	**-**	**149788.58**	-	134971.34
Trade Payables	**-**	**365.13**	-	240.44
Other Financial Liabilities				
Current	**-**	**9200.61**	-	11418.98
Non-Current	**-**	**3994.53**	-	459.60
Total financial liabilities	**-**	**163348.85**	**-**	**147090.36**

* Investment in PTC Ltd. being a listed equity instrument is a Level 1 fair value hierarchy.

** Investment in Energy Efficiency Services Limited is a Level 2 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 Crore)

Assets and liabilities which are measured at amortised cost for which fair values are disclosed	Level 1	Level 2	Level 3	Total
At 31st March, 2019				
Financial Assets				
Loans				
Loans to Joint Ventures	-	83.48	-	83.48
Loans to employees	-	224.22	-	224.22
Total Financial Assets	**-**	**307.70**	**-**	**307.70**
Financial Liabilities				
Borrowings	-	147993.11	-	147993.11
Deposits/retention money from contractors and others	-	4015.87	-	4015.87
Total financial liabilities	**-**	**152008.98**	**-**	**152008.98**

59. Fair Value Measurements (Contd.)

(₹ in Crore)

Assets and liabilities which are measured at amortised cost for which fair values are disclosed	Level 1	Level 2	Level 3	Total
At 31st March, 2018				
Financial Assets				
Loans				
Loans to Joint Ventures	-	6.00	-	6.00
Loans to employees	-	183.76	-	183.76
Total Financial Assets	**-**	**189.76**	**-**	**189.76**
Financial Liabilities				
Borrowings	-	140219.77	-	140219.77
Deposits/retention money from contractors and others	-	419.04	-	419.04
Total financial liabilities	**-**	**140638.81**	**-**	**140638.81**

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

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

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

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

Valuation technique used to determine fair value

Specific valuation techniques used to value financial instruments include:

- the use of quoted market prices or dealer quotes for similar instruments.
- the fair value of Energy Efficiency Services Limited has been determined by making qualitative adjustment to trading multiples such as P/E, EV/EBITDA of comparable listed prices. The same has been included in Level 2 fair value hierarchy.
- the fair value of the remaining financial instruments is determined using discounted cash flow analysis.

All of the resulting fair value estimates are included in level 2 apart from equity instruments of PTC India Limited which is included in Level 1 fair value hierarchy.

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

Fair Value of financial assets and liabilities measured at amortised cost.

(₹ in Crore)

Particulars	31st March, 2019		31st March, 2018	
	Carrying Amount	Fair value	Carrying Amount	Fair value
Financial Assets				
Loans				
Loan to Joint Venture	**83.12**	**83.48**	6.00	6.00
Loans to employees	**235.99**	**224.22**	180.87	183.76
Total Financial Assets	**319.11**	**307.70**	**186.87**	**189.76**
Financial Liabilities				
Borrowings	**149788.58**	**147993.11**	134971.34	140219.77
Deposits/retention money from contractors and others	**3994.53**	**4015.87**	459.60	419.04
Total financial liabilities	**153783.11**	**152008.98**	**135430.94**	**140638.81**

59. Fair Value Measurements (Contd.)

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

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

60. Related party Transactions

(a) Joint Ventures

Name of entity	Place of business/ country of incorporation	Proportion of Ownership Interest	
		31st March, 2019	31st March, 2018
Powerlinks Transmission Limited	India	**49%**	49%
Torrent Power Grid Limited	India	**26%**	26%
Jaypee Powergrid Limited	India	**26%**	26%
Parbati Koldam Transmission Company Limited	India	**26%**	26%
Teestavalley Power Transmission Limited##	India	**28.23%**	26%
North East Transmission Company Limited	India	**26%**	26%
National High Power Test Laboratory Private Limited	India	**20%**	20%
Bihar Grid Company Limited	India	**50%**	50%
Kalinga Bidyut Prasaran Nigam Private Limited###	India	**50%**	50%
Cross Border Power Transmission Company Limited	India	**26%**	26%
RINL Powergrid TLT Private Limited####	India	**50%**	50%
Power Transmission Company Nepal Ltd	Nepal	**26%**	26%

POWERGRID & Teesta Urja Ltd are the Joint venture partners in Teestavalley Power Transmission Limited & holds 26% & 74 % equity, respectively as per Shareholding agreement. On call of additional equity by Teestavalley Power Transmission limited, POWERGRID contributed their share amounting Rs 11.28 crore while the other JV partner has not yet contributed their share of money as on 31.03.2019. Consequently, the holding of POWERGRID increased to 28.23% as on 31.03.2019 against 26% provided in shareholding agreement.

POWERGRID's Board of Directors in its meeting held on 16th august 2017 accorded approval for initiating procedure for winding up/ removal of the name of Kalinga Bidyut Prasaran Nigam Private Ltd under fast track Exit mode of Registrar of Companies (ROC).

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.

(b) Key Managerial Personnel

Whole Time Directors

Name	Designation
Shri I.S. Jha	Chairman and Managing Director(CMD) ceased to be Chairman & Managing Director w.e.f 21.01.2019
Shri Ravi P. Singh	Director (Personnel) & Additional Charge of Chairman & Managing Director w.e.f 21.01.2019 to 20.04.2019
Shri K. Sreekant	Director (Finance)
Ms. Seema Gupta	Director (Operations)
Shri. Prabhakar Singh	Director (Projects) retired on 30.06.2018
Shri Rajeev Kumar Chauhan	Director (Projects) w.e.f 23.08.2018

Independent Directors

Name	Designation
Shri Jagdish Ishwar Bhai Patel	Independent Director
Shri Tse Ten Dorji	Independent Director
Shri Manoj Kumar Mittal	Independent Director
Shri Sunil Kumar Sharma	Independent Director w.e.f 23.07.2018
Smt. A.R. Mahalakshmi	Independent Director w.e.f 26.07.2018

60. Related party Transactions (Contd.)

Government Nominee Directors

Name	Designation
Ms. Bharati	Government Nominee Director ceased to be Director w.e.f 13.02.2019
Shri Vivek Kumar Dewangan	Government Nominee Director w.e.f 26.04.2018
Shri Ghanshyam Prasad	Government Nominee Director w.e.f 01.03.2019
Smt. Divya Tandon	Company Secretary

(c) List of Other Related Parties

Name of Entity	Place of business/ country of incorporation	Nature of Relationship
Powergrid Employees P.F. Trust	India	Post-employment benefit plan of Powergrid
Powergrid Self Contributory Superannuation Benefit (Pension) Fund Trust	India	Post-employment benefit plan of Powergrid
Powergrid Employees Gratuity Fund Trust	India	Post-employment benefit plan of Powergrid
Powergird Employees Post-Retirement Medical Benefit Trust*	India	Post Retirement Benefit plan of Powergrid

*Trust registered on 1st May 2018.

(d) Government Related Entities

The company is controlled by the Government of India (GOI), being a Central Public Sector Enterprise (CPSE) under the Ministry of Power, with GOI holding 55.37% of equity shares capital issued and paid up (previous year 56.91%).

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

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

(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 Crore)

Particulars	31st March, 2019	31st March, 2018
Advances /Amount Payables		
Joint Ventures		
Cross Border Power Transmission Company Limited	**10.14**	11.12
Teestavalley Power Transmission Limited	**35.32**	30.92
North East Transmission Company Limited	**7.96**	7.86
Powerlinks Transmission Limited	**2.72**	2.01
Bihar Grid Company Limited	**1.52**	-
Total payables to related parties	**57.66**	**51.91**

(₹ in Crore)

Particulars	31st March, 2019	31st March, 2018
Amount Receivables		
Joint Ventures		
Parbati Koldam Transmission Company Limited	**0.38**	0.38
National High Power Test Laboratory Private Limited	**34.02**	10.99
Bihar Grid Company Limited	**-**	7.50
Power Transmission Company Nepal Limited	**3.10**	1.43
Jaypee Powergrid Limited	**0.02**	0.02
Torrent Powergrid Limited	**0.01**	0.41
Total	**37.53**	**20.73**

60. Related party Transactions (Contd.)

(₹ in Crore)

Particulars	31st March, 2019	31st March, 2018
Loans to Joint Ventures		
National High Power Test Laboratory Private Limited	**6.00**	6.00
Teestavalley Power Transmission Limited	**77.12**	-
Total	**83.12**	**6.00**
Interest Accrued on loan to Joint Ventures		
National High Power Test Laboratory Private Limited	**-**	0.01
Teestavalley Power Transmission Limited	**1.62**	-
Total	**1.62**	**0.01**
Loans to Key Managerial Personnel	**0.18**	0.11

(₹ in Crore)

Other Related Parties	31st March, 2019	31st March, 2018
Outstanding balances with Employees Benefit Trust		
Powergrid Employees Gratuity Fund Trust	**Nil**	109.59
Total	**Nil**	**109.59**

(f) Transactions with related parties

The following transactions occurred with related parties:

(₹ in Crore)

Particulars	For the year ended 31st March, 2019	For the year ended 31st March, 2018
Services provided by the Company		
Consultancy Income		
Joint Ventures		
National High Power Test Laboratory Private Limited	**0.54**	-
Jaypee Powergrid Limited	**1.12**	1.01
Cross Border Power Transmission Company Limited	**2.05**	1.60
Bihar Grid Company Limited	**16.26**	13.84
Parbati Koldam Transmission Company Limited	**0.01**	0.05
Teestavalley Power Transmission Limited	**5.80**	0.17
North East Transmission Company Limited	**5.22**	6.53
Torrent Powergrid Ltd	**1.37**	2.85
Power Transmission Company Nepal Limited	**1.66**	-
Total	**34.03**	26.05
Interest on Loan		
Joint Ventures		
National High Power Test Laboratory Private Limited	**0.60**	0.01
Teestavalley Power Transmission Limited	**1.80**	-
Total	**2.40**	0.01
Investments made during the year (Equity)		
Joint Ventures		
Teestavalley Power Transmission Limited	**11.28**	-
Bihar Grid Company Limited	**15.45**	7.74
RINL Powergrid TLT Pvt. Ltd	**0.60**	-
Power Transmission Company Nepal Limited	**-**	1.62
Total	**27.33**	9.36
Other Related Parties		
Contribution made during the year		
Powergrid Employees P.F. Trust	**131.04**	93.07
Powergrid Self Contributory Superannuation Benefit (Pension) Fund Trust	**102.41**	108.67
Powergrid Employees Gratuity Fund Trust	**29.56**	4.05
Total	**263.01**	205.79
Recovery for Deputation of Employees		
Joint Ventures		
Jaypee Powergrid Limited	**0.48**	0.17
Cross Border Power Transmission Company Limited	**1.22**	0.82
North East Transmission Company Limited	**0.13**	0.11
Teestavalley Power Transmission Limited	**0.21**	-
Total	**2.04**	1.10

60. Related party Transactions (Contd.)

Terms and Conditions

The loans to key management personnel are on the same terms and conditions as applicable to all other employees

All other transactions were made on normal commercial terms and conditions and at market rates. All outstanding balances are unsecured and are repayable in cash.

Loans to Subsidiaries are given on cost to cost basis.

g) Transaction in the capacity of Central Transmission Utility (CTU) with the related parties

(₹ in Crore)

Particulars	For the year ended 31st March, 2019	For the year ended 31st March, 2018
Joint Ventures		
Parbati Koldam Transmission Company Limited	**155.75**	178.83
Torrent Power Grid Limited	**46.91**	46.46
Powerlinks Transmission Limited	**207.79**	172.79
Jaypee Powergrid Limited	**180.92**	192.86
North East Transmission Company Limited	**341.86**	357.06
Teestavalley Power Transmission Limited	**32.23**	30.27
Total	**965.46**	**978.27**

h) Remuneration to Key Managerial Personnel

(₹ in Crore)

Particulars	For the year ended 31st March, 2019	For the year ended 31st March, 2018
Short Term Employee Benefits	**5.16**	2.78
Post-Employment Benefits	**0.19**	0.54
Long Term Employee Benefits	**0.44**	0.17
Arrears to KMPs	**0.72**	-
Total	**6.51**	**3.49**

In addition to the above remuneration, the whole time directors have been allowed to use the staff car (including for private journeys) on payment of ₹ 2000/- p.m. as contained in the Department of Public Enterprises (DPE) OM No. 2 (23)/11-DPE (WC)-GL-V/13 dated 21/01/2013.

61. Operating Segments

a) Business Segment

The Board of Directors is the Group's Chief Operating Decision Maker(CODM)who monitors the operating results of its business segments separately for the purpose of making decisions about resource allocation and performance assessment. Three reportable segments have been identified on the basis of services provided.

- **Transmission Services--** Group's principal business is transmission of bulk power across different states of India.
- **Telecom Services--** The company Utilizes the spare Optical fibres available in the Optical Ground Wire (OPGW) laid on the transmission network for providing telecom services. It operates as a neutral carrier in the point to point bandwidth leasing business.
- **Consultancy Services**-- provides Consultancy Services in the Transmission, Distribution and Telecom sectors, including Planning Design, Engineering, Load Dispatch, OPGW on intra state Transmission network, Procurement Management, Operation & Maintenance, Financing and Project Management.

b) The operations of the group are mainly carried out within the country and therefore there is no reportable geographical segment

c) Information about major customer: Revenue from any single customer is not equal to or exceeds 10% of the group's total revenue.

Segment Revenue and Expenses

Revenue directly attributable to the segments is considered as Segment Revenue. Expenses directly attributable to the segments and common expenses allocated on a reasonable basis are considered as segment expenses.

Revenue from external customer in India is ₹ 35610.81 crore (Previous Year ₹ 30445.65 crore) and outside India is ₹ 40.83 crore (Previous Year ₹ 29.96 crore).

Segment Assets and Liabilities

Segment assets include all operating assets comprising of Property, Plant and Equipment, current assets and loan and advances. Construction, Work-in-progress, construction stores and advances and investments are included in unallocated assets. Segment facilities include operating liabilities and provisions.

61. Operating Segments (Contd.)

(₹ in Crore)

Particulars	Transmission Services		Consultancy Services		Telecom Services		Elemination		Total	
	As at 31st March, 2019	As at 31st March, 2018	As at 31st March, 2019	As at 31st March, 2018	As at 31st March, 2019	As at 31st March, 2018	As at 31st March, 2019	As at 31st March, 2018	As at 31st March, 2019	As at 31st March, 2018
Revenue:										
Revenue from Operations (including allocable other income)	**34,476.70**	29,197.02	**506.74**	668.38	**668.20**	610.21	**-**	-	**35,651.64**	30,475.61
Inter Segment Revenue					**73.88**	68.20	**(73.88)**	(68.20)	**-**	-
Net Revenue from Operations	**34,476.70**	29,197.02	**506.74**	668.38	**742.08**	678.41	**(73.88)**	(68.20)	**35,651.64**	30,475.61
Segment results	**16,258.46**	19,819.27	**295.65**	431.68	**393.90**	314.41			**16,948.01**	20,565.36
Unallocated Interest and Other Income									**112.83**	125.82
Unallocated Finance Costs									**8,736.57**	7,324.14
Profit before Tax (Including movement in Regulatory Deferral Account Balances)									**8,324.27**	13,367.04
Add: Share of net profit of Joint ventures accounted for using equit method.									**128.82**	147.94
Profit before Tax									**8,453.09**	13,514.98
Provision for Taxes									**(1,580.43)**	5,310.98
Profit after Tax									**10,033.52**	8,204.00
Other information:										
Segment Assets	**2,00,017.90**	1,78,886.86	**2,586.55**	1,993.02	**999.71**	919.34			**2,03,604.16**	1,81,799.22
Unallocated Assets									**43,753.43**	43,516.83
Total Assets									**2,47,357.59**	**2,25,316.05**
Segment Liabilities:	**13,098.54**	8,668.68	**3,357.64**	2,395.04	**660.41**	541.17			**17,116.59**	11,604.89
Unallocated Other Liabilities (including loans)									**1,71,152.61**	1,59,285.17
Total liabilities									**1,88,269.20**	**1,70,890.06**
Depreciation and Amortisation	**10,446.55**	9,131.41	**1.24**	1.11	**93.16**	98.47			**10,540.95**	9,230.99
Non-cash expenditure other than Depreciation	**437.42**	44.96	**4.75**	0.23	**1.07**	16.15			**443.24**	61.34
Capital Expenditure	**27,235.83**	21,687.20	**4.99**	1.16	**46.57**	104.70			**27,287.39**	21,793.06

62. Capital and other Commitments

(₹ in Crore)

Particulars	As at 31st March, 2019	As at 31st March, 2018
Estimated amount of contracts remaining to be executed on capital account and not provided for (net of advances)	14131.67	29372.73
Group's commitment towards further investment join venture entities	201.22	231.72

63. Contingent Liabilities and contingent assets

Contingent Liabilities

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

(i) Capital Works

Some of the contractors for supply and installation of equipments and execution of works at our projects have lodged claims on the groupseeking enhancement of the contract price, revision of work schedule with price escalation, compensation for the extended period of work, idle charges etc. These claims are being contested by the Group as being not admissible in terms of the provisions of the respective contracts.

The group is pursuing various options under the dispute resolution mechanism available in the contract for settlement of these claims. In such cases, contingent liability of ₹2,838.55 crore (Previous Year ₹1440.68 crore) has been estimated.

(ii) Land compensation cases

In respect of land acquired for the projects, the land losers have claimed higher compensation before various authorities/courts which are yet to be settled. In such cases, contingent liability of ₹1792.19 crore (Previous Year ₹2491.49 crore) has been estimated.

(iii) Other claims

In respect of claims made by various State/Central Government Departments/Authorities towards building permission fees, penalty on diversion of agriculture land to non-agriculture use, Nala tax, water royalty etc. and by others, contingent liability of ₹27.04 crore (Previous Year ₹4.12 crore) has been estimated.

(iv) Disputed Income Tax/Sales Tax/Excise/Municipal Tax Matters

Disputed Income Tax/Sales Tax/Excise/Municipal Tax Matters amounting to ₹485.33 crore (Previous Year ₹442.27 crore) are being contested before various Appellate Authorities. Many of these matters have been disposed of in favour of the group but are disputed before higher authorities by the concerned departments. Against total claim of ₹ 172.83 crore (Previous Year ₹ 80.12 crore), provision of ₹ 138.39 crore (Previous Year ₹ 71.44 crore) is made and balance of ₹ 34.44 crore (Previous Year ₹ 8.68 crore) is shown as contingent liability.

v) Others

a) Other contingent liabilities amounts to ₹717.62 crore (Previous Year ₹405.16 crore) which includes claim of ₹461.50 Crore (Previous Year ₹ 221.81 crore) related to Arbitration cases/Row cases.

b) Some of the beneficiaries have filed appeals against the tariff orders of the CERC. The amount of contingent liability in this regard is not ascertainable.

c) Under the Transmission Service Agreement (TSA) with Powerlinks Transmission Ltd, the group has an obligation to purchase the JV company (Powerlinks Transmission Ltd) at a buyout price determined in accordance with the TSA. Such an obligation may result in case JV company (Powerlinks Transmission Ltd) serves a termination notice either on "POWERGRID event of default" or on "force majeure event" prescribed under TSA. No contingent liability on this account has been considered as the same is not ascertainable.

64. Capital management

a) Risk Management

The group'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 group's capital management, equity capital includes issued equity capital, securities premium Account and all other equity reserves attributable to the equity holders of the group. The group manages its capital structure and makes adjustments in light of changes in economic conditions, regulatory framework and requirements of financial covenants with lenders. To maintain or adjust the capital structure, the group may adjust the dividend payment to shareholders, regulate investments in new projects, return capital to shareholders or issue new shares. The group monitors capital using debt-equity ratio, which is the ratio of long term debt to total net worth. The policy is to keep the debt-equity ratio wherein the debt is less than 75% of total capital employed (i.e. debt to equity ratio less than 75:25). The group includes within long term debt, interest bearing loans and borrowings and current maturities of long term debt.

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

Particulars	31st March, 2019	31st March, 2018
Long term debt (₹ in crore)	**142076.36**	130502.96
Equity (₹ in crore)	**59088.39**	54425.99
Long term debt to Equity ratio	**71:29**	71:29

64. Capital management (Contd.)

Under the terms of the major borrowing facilities, the group is required to comply with the financial covenants. Breaches in meeting the financial covenants would permit the lenders to immediately call loans and borrowings. There have been no breaches in the financial covenants of any interest-bearing loans and borrowing in the current reporting period.

No changes were made in the objectives, policies or processes for managing capital during the years ended 31st March, 2019 and 31st March, 2018.

b) Dividends

(₹ in Crore)

Particulars	31st March, 2019	31st March, 2018
(i) Equity shares		
Final dividend for the year ended 31st March , 2018 of ₹2.80 (31st March, 2017 – ₹ 3.35) per fully paid share	**1464.85**	1752.59
Interim dividend for the year ended 31st March, 2019 of ₹5.83 (31st March, 2018 – ₹ 2.45) per fully paid share	**3050.02**	1281.74

Dividend not recognized at the end of the reporting period

In addition to above dividend, the Board of Directors on 29th May, 2019 recommended the payment of a final dividend of ₹ 2.50 per fully paid equity share. This proposed dividend is subject to the approval of shareholders in the ensuing Annual general meeting.

65. Earnings per share

(Amount in ₹)

(a) Basic and diluted earnings per share attributable to the equity holders of the group	31st March, 2019	31st March, 2018
Including movement in Regulatory deferral balances	**19.18**	15.68#
Excluding movement in Regulatory deferral balances*	**24.01**	9.40#
Total basic and diluted earnings per share attributable to the equity holders of the group	**19.18**	**15.68**

*Restated in the current year consequent to recognition of Minimum Alternate Tax Credit in deferred tax assets during the year. Refer note no 26 (c) and (d)

#Refer note no 55 for reclassification

(₹ in Crore)

(b) Reconciliation of earnings used as numerator in calculating earnings per share	31st March, 2019	31st March, 2018
Earnings attributable to the equity holders of the group including movement in Regulatory deferral balances	**10033.52**	8204.00
Earnings attributable to the equity holders of the group excluding movement in Regulatory deferral balances	**12560.39**	4919.81
Total Earnings attributable to the equity holders of the group	**10033.52**	**8204.00**

(c) Weighted average number of shares used as the denominator	31st March, 2019 No. of shares	31st March, 2018 No. of Shares
Weighted average number of equity shares used as the denominator in calculating basic earnings per share	**5231589648**	5231589648
Adjustments for calculation of diluted earnings per share	**-**	-
Total weighted average number of equity shares used as the denominator in calculating basic earnings per share	**5231589648**	**5231589648**

66. Financial Risk Management

The Group's principal financial liabilities comprise loans and borrowings denominated in Indian rupees or foreign currencies, trade payables and other payables. The Group has also provided financial guarantee in respect of bonds issued by its wholly owned subsidiary, Powergrid Vizag Transmission Limited. The main purpose of these financial liabilities is to finance the Group's capital investments and operations.

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

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

a) Credit risk,

b) Liquidity risk,

c) Market risk.

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

Risk management framework

The Group has a duly constituted Risk Management Committee headed by Director (Projects) with Director (Finance) and Director (Personnel) as members. For the purpose of evaluating and managing the uncertainties the enterprise faces, Enterprise Risk Management

66. Financial Risk Management (Contd.)

framework has been implemented in the Group. The framework is a structured, consistent and continuous process for identification, assessment, monitoring and management of risks. As per this framework, the significant business processes / risks are monitored and controlled through various Key Performance Indicators (KPIs). The Committee meets at regular intervals and reviews KPIs and provides updates to the Audit Committee/Board.

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

A) Credit Risk

Credit risk is the risk that counterparty will not meet its obligations under a financial instrument or customer contract, leading to a financial loss. The Group is exposed to credit risk from its operating activities on account of trade receivables and loans and advances and from its financing activities due to deposits with banks and financial institutions, foreign exchange transactions and other financial instruments.

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

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

(i) Trade Receivables

The Group primarily provides transmission facilities to inter-state transmission service customers (DICs) comprising mainly state utilities owned by State Governments. The Group has a robust payment security mechanism in the form of Letters of Credit (LC) backed by the Tri-Partite Agreements (TPA). The TPA was signed among the GOI, Reserve Bank of India and the individual State Governments subsequent to the issuance of the One Time Settlement Scheme of State Electricity Boards dues during 2001-02 by the GOI, which was valid till October 2016. GOI has approved the extension of these TPAs for a further period of 10 years. Majority of the States have executed the agreements for extension of TPAs and matter is being pursued with the remaining states.

As per the provisions of the TPA, the customers are required to establish LC covering 105% of the average monthly billing of the Group for last 12 months. The TPA also provides that if there is any default in payment of current dues by any State Utility, the outstanding dues can be deducted from the State's RBI account and paid to the concerned CPSU. There is also provision for regulation of power by the Group in case of non-payment of dues and non-establishment of LC.

CERC tariff regulations allow payment against monthly bills towards transmission charges within a period of 60 days from the date of the bill and levy of surcharge on delayed payment beyond 60 days. A graded rebate is provided by the Group for payments made within 60 days.

Trade receivables consist of receivables relating to transmission services of ₹4679.86 crore (Previous Year ₹3309.41 crore), receivables relating to consultancy services of ₹148.02 crore (Previous Year ₹202.81 crore) and receivables relating to telecom business of ₹239.58 crore (Previous Year ₹175.95 crore).

(ii) Other Financial Assets (excluding trade receivables)

• Cash and cash equivalents

The Group held cash and cash equivalents of ₹382.33 crore (Previous Year ₹521.07 crore). The cash and cash equivalents are held with public sector banks and high rated private sector banks and do not have any significant credit risk.

• Deposits with banks and financial institutions

The Group held deposits with banks and financial institutions of ₹4117.79 crore (Previous Year ₹1853.80 crore). Term deposits are placed with public sector banks and have negligible credit risk.

• Loans

The Group has given loans to employees, subsidiaries and other parties. House building loans and conveyance advance to the employees are secured against the mortgage of the house properties or hypothecation of vehicles for which such loans have been given in line with the policies of the Group. The loans provided to group companies are for projects under Tariff Based Competitive Bidding route. The risk of default in respect of these loans is considered negligible.

o Exposure to credit risk

(₹ in Crore)

Particulars	31st March, 2019	31st March, 2018
Financial assets for which loss allowance is measured using 12 months Expected Credit Losses (ECL)		
Non-Current Loans	**188.13**	139.99
Other non-current financial assets	**4,384.90**	680.50
Cash and cash equivalents	**382.33**	521.07
Deposits with banks and financial institutions	**4,117.79**	1853.80
Current loans	**130.99**	46.88
Other current financial assets	**6,881.04**	4737.23
Total	**16,085.18**	**7979.47**
Financial assets for which loss allowance is measured using Life time Expected Credit Losses (ECL)		
Trade receivables	**5067.46**	**3688.17**

66. Financial Risk Management (Contd.)

o Provision for expected credit losses

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

The Group has assets where the counter- parties have sufficient capacity to meet the obligations and where the risk of default is very low. At initial recognition, financial assets (excluding trade receivables) 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 losses

In respect of trade receivables from Telecom and Consultancy, customer credit risk is managed by regular monitoring of the outstanding receivables and follow-up with the consumer for realization.

With regard to transmission segment, the Group has customers most of whom are state government utilities with capacity to meet the obligations and therefore the risk of default is negligible. Further, management believes that the unimpaired amounts that are 30 days past due date are still collectible in full, based on the payment security mechanism in place and historical payment 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

The ageing analysis of the trade receivables is as below:

(₹ in Crore)

Ageing	Not due	0-30 days past due	31-60 days past due	61-90 days past due	91-120 days past due	More than 120 days past due	Total
Gross carrying amount as on 31st March, 2019	22.94	1559.96	1279.83	833.01	136.30	1235.42	**5067.46**
Gross carrying amount as on 31st March, 2018	6.56	1468.86	834.14	278.94	173.46	926.21	**3688.17**

(d) Reconciliation of impairment loss provisions

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

(₹ in Crore)

Particulars	Trade receivables	Investments	Loans	Advances	Unbilled Debtors	Total
Balance as at 31st March, 2017	**32.41**	**-**	**-**	**0.86**	**-**	**33.27**
Impairment loss recognized	15.74	-	-	-	18.92	34.66
Amounts written off	-	-	-	0.86	-	0.86
Balance as at 31st March, 2018	**48.15**	**-**	**-**	**-**	**18.92**	**67.07**
Impairment loss recognized	291.21	3.97	-	-	105.71	400.89
Amounts written off	-	-	-	-	-	-
Balance as at 31st March, 2019	**339.36**	**3.97**	**-**	**-**	**124.63**	**467.96**

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

B) Liquidity risk

Liquidity risk management implies maintaining sufficient cash and marketable securities and the availability of funding through an adequate amount of committed credit facilities to meet obligations when due. The Group monitors its risk of a shortage of funds using a liquidity planning tool. The Group has access to a variety of sources of funding such as commercial paper, bank loans, bonds and external commercial borrowings and retains flexibility in funding by maintaining availability under committed credit lines.

Management monitors rolling forecasts of the Group's liquidity position comprising the undrawn borrowing facilities below and cash and cash equivalents on the basis of expected cash flows.

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

i) Financial Arrangement

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

(₹ in Crore)

Particulars	31st March, 2019	31st March, 2018
Expiring within 1 year (bank overdraft and other facilities)	**582.13**	1676.50
Expiring beyond one year (bank loans)	**12153.70**	15002.74

66. Financial Risk Management (Contd.)

The bank overdraft facilities may be drawn at any time and may be terminated by the bank without notice. Subject to the continuance of satisfactory credit ratings, the bank loan facilities may be drawn at any time and have remaining availability period of 1 to 5 years (Previous Year 1 to 5 years).

ii) Maturities of financial liabilities

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

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

(₹ in Crore)

Contractual maturities of financial liabilities	Within a year	Between 1-5 years	Beyond 5 years	Total
31st March,2019				
Borrowings (including interest outflows)	24759.31	77525.85	108167.14	**210452.30**
Trade payables	365.13			**365.13**
Other financial liabilities	9487.98	1656.51	4924.35	**16068.84**
Total	**34612.42**	**79182.36**	**113091.49**	**226886.27**
31st March, 2018				
Borrowings (including interest outflows)	17598.89	73984.51	99822.32	**191405.72**
Trade payables	240.44	-	-	**240.44**
Other financial liabilities	11418.98	459.60	-	**11878.58**
Total	**29258.31**	**74444.11**	**99822.32**	**203524.74**

C) Market risk

Market risk is the risk that the fair value of future cash flows of a financial instrument will fluctuate because of changes in market prices. Market risk comprises three types of risk:

i. Currency risk
ii. Interest rate risk
iii. Other price risk, such as equity price risk and commodity risk.

i) Currency risk

The Group is exposed to currency risk mainly in respect of foreign currency denominated loans and borrowings and procurement of goods and services whose purchase consideration is denominated in foreign currency.Transmission tariff are regulated by the CERC. According to the CERC tariff regulations for the block 2014-19 the Group may hedge foreign exchange exposure in respect of the interest on foreign currency loan and repayment of foreign loan acquired for the transmission system, in part or full in its discretion and recover the cost of hedging of foreign exchange rate variation corresponding to the normative foreign debt, in the relevant year.

If hedging of the foreign exchange exposure is not undertaken, the extra rupee liability towards interest payment and loan repayment corresponding to the normative foreign currency loan in the relevant year is permissible to be recovered as part of transmission tariff provided it is not attributable to the generating Group or the transmission licensee or its suppliers or contractors. During the current financial year, no hedging for foreign exchange exposure has been undertaken by the Group. In respect of goods and services procured for Capital Investment, the exchange rate variation is part of the project cost, for determination of transmission tariff. The currency risk in respect of goods and services procured for operation activities is not significant.

The Group's exposure to foreign currency risk at the end of the reporting period expressed in INR is provided in Note No.53.

Sensitivity

Since the impact of strengthening or weakening of Indian rupee against USD, Euro, JPY and other currencies on the statement of profit and loss would not be very significant; therefore, sensitivity analysis for currency risk is not disclosed.

ii) Interest rate risk

The Group is exposed to interest rate risk arising mainly from long term borrowings with floating interest rates. The Group is exposed to interest rate risk because the cash flows associated with floating rate borrowings will fluctuate with changes in interest rates. The Group manages the interest rate risks by maintaining a debt portfolio comprising a mix of fixed and floating rate borrowings in domestic and foreign currencies.

At the reporting date, the interest rate profile of the Group's variable interest rate-bearing financial instruments is as follows:

(₹ in Crore)

Particulars	31st March, 2019	31st March, 2018
Long Term Debt with floating rate of interest		
-Domestic	**26190.00**	17532.00
-Foreign	**33427.30**	27771.63
Sub Total	**59617.30**	**45303.63**
Long Term Debt with fixed rate of interest		
-Domestic	**74778.86**	77986.21
-Foreign	**7680.20**	7213.12
Sub Total	**82459.06**	**85199.33**
Total Long Term Debt	**142076.36**	**130502.96**
% of Floating Interest Rate Debt to Total Long Term Debt	**41.96%**	34.71%

66. Financial Risk Management (Contd.)

Fair value sensitivity analysis for interest-rate risk

As per CERC Regulations, interest on loan during construction forms part of project cost for the purpose of tariff and after the date of commercial operation, interest on loans is recoverable through tariff calculated on the normative average loan of the year by applying the weighted average rate of interest of the actual loan portfolio.

Accordingly, the Group's interest rate risk is not considered significant; hence sensitivity analysis for the risk is not disclosed.

iii) Other price risk

The Group's exposure to equity securities price risk arises from investments held by the Group and classified in the balance sheet as fair value through OCI.

Considering the magnitude of equity investments, no significant risk is expected to arise.

67. Income Tax expense

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

(a) Income tax expense

(₹ in Crore)

Particulars	31st March, 2019	31st March, 2018
Current Tax		
Current tax on profits for the year	**2568.02**	2182.64
Adjustments for current tax of prior periods*	**-**	15.34
Pertaining to regulatory deferral account balances (A)	**(694.08)**	44.23
Total current tax expense (B)	**1873.94**	**2242.21**
Deferred Tax expense		
Origination and reversal of temporary differences	**752.51**	3068.77
Previously unrecognized tax credit recognized as Deferred Tax Asset this year	**(4206.88)**	-
Total deferred tax expense /benefit (C)	**(3454.37)**	**3068.77**
Income tax expense (B+C-A)	**(886.35)**	**5266.75**
Pertaining to regulatory deferral account balances	**(694.08)**	**44.23**
Total tax expense including tax on movement in regulatory deferral account balances	**(1580.43)**	**5310.98#**

* This includes tax on regulatory deferral balance account for the last year.

(b) Income Tax recognized in Regulatory Deferral Account Balances:

(₹ in Crore)

Particulars	31st March, 2019	31st March, 2018
Deferred assets for Deferred tax liability	**(3472.89)**	3121.19#
Foreign Currency Fluctuation	**232.27**	195.92
Employee Benefits Expenses	**19.67**	11.31
Total Regulatory Deferral Account Balances Before Tax - Income / (Expenses)	**(3,220.95)**	3,328.42
Current Tax on Regulatory Deferral Account Balances	**(694.08)**	44.23
Net Movement in Regulatory Deferral Account Balances - Income / (Expenses) (net of Tax)	**(2,526.87)**	**3,284.19**

(c) Income Tax recognized in other comprehensive income:

(₹ in Crore)

Particulars	31st March, 2019			31st March, 2018		
	Before Tax	Tax expense/ (benefit)	Net of Tax	Before Tax	Tax expense/ (benefit)	Net of Tax
Net gains/(losses) on fair valuation of equity instruments	(14.15)	-	(14.15)	(12.92)	-	(12.92)
Net acturial losses on defined benefit plans	(0.26)	0.05	(0.31)	37.58	8.02	29.56
Less: Transferred to expenditure during construction (net)	2.34	0.50	1.84	10.94	2.33	8.61
Other Comprehensive Income (Net of Tax)	**(16.75)**	**(0.45)**	**(16.30)**	**13.72**	**5.69**	**8.03**

67. Income Tax expense (Contd.)

(d) Reconciliation of tax expense and the accounting profit multiplied by India's tax rate: (₹ in Crore)

Particulars	31st March, 2019	31st March, 2018
Profit before income tax expense including movement in regulatory	**8453.09**	13514.98
Tax at the Company's domestic tax rate of 34.944 % (31 March 2018 34.608 %)	**2953.85**	4677.26
Tax effect of:		
Non Deductible tax items	**(2,743.09)**	(4,201.98)
Tax exempt income	**(1,769.51)**	576.15
Deferred Assets for Deferred Tax Liability	**2,654.47**	(1,080.18)
Previous Years tax liability	**-**	15.34
Unabsorbed tax losses	**(1568.19)**	(221.16)
Deferred Tax expense/(income)	**(3454.37)**	3068.77
Minimum alternate tax adjustments**	**2,346.41**	2,476.78
Income tax expense	**(1,580.43)**	**5,310.98**

**Restated in the current year consequent to recognition of Minimum Alternate Tax Credit in deferred tax assets during the year. Refer note no 26 (c) and (d).

Refer note no 55 for reclassification.

(e) Unrecognised Temporary Differences

(₹ in Crore)

Particulars	31st March, 2019	31st March, 2018
Temporary differences relating to investments in subsidiaries for which deferred tax liabilities have not been recognised:		
Undistributed earnings	**231.24**	77.88
Unrecognised deferred tax liabilities relating to the above temporary differences	**47.53**	16.01

68. Employee Benefit Obligations

(₹ in Crore)

Particulars	31st March, 2019			31st March, 2018		
	Current	Non-current	Total	Current	Non-current	Total
Leave Obligations	**39.77**	**331.92**	**371.69**	42.04	312.90	354.94
Post-Retirement Medical Facility(PRMF)	**16.86**	**422.11**	**438.97**	12.30	374.36	386.66
Other Employee benefits /Long Service Award	**1.15**	**13.60**	**14.75**	1.14	13.26	14.40
Gratuity	**111.45**	**514.99**	**626.44**	82.72	548.76	631.48
Other Defined retirement benefits (ODRB)/ Baggage Allowance	**2.06**	**16.67**	**18.74**	2.08	16.35	18.43
Total employee benefit obligations	**171.29**	**1299.29**	**1470.59**	**140.28**	**1265.63**	**1405.91**

(i) Long Term Employee Benefits

A. Leave Obligations

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

B. Other employee benefits – POWERGRID Employee family rehabilitation scheme

The company has introduced POWERGRID Employees Family Economic Rehabilitation Scheme during the year. The Objective of the scheme is to provide monetary assistance and support to an employee in case of his/her permanent total disablement and to his/her family in case of death while in service. The beneficiary would be entitled to monthly payment equivalent to the employee's 50% of one month pay last drawn provided the beneficiary deposits with the company an amount equal to PF (excluding VPF) balance, Gratuity amount and Group Insurance (EDLI) amount, Such monthly payment would continue till the normal notional date on which the employee concerned would have attained the age of superannuation had the employee continued in the service of the company. The scheme is optional. Provision for POWERGRID Employees Family Economic Rehabilitation Scheme amounting to ₹ 0.53 crore (Previous Year ₹ 6.62 crore) for the year has been made during the year based on actuarial valuation.

(ii) Post-employment obligations(Defined Employee Benefit/Contribution Schemes)

A. Post-Retirement Medical Facility (PRMF)

The Company has Post-Retirement Medical Facility (PRMF), under which retired employees and the spouse are provided medical facilities in the empanelled hospitals. They can also avail treatment as Out-Patient subject to a ceiling fixed by the company. The liability for the same is recognized on the basis of actuarial valuation on annual basis on the Balance Sheet date. The scheme is funded by the company and is managed by a separate trust constituted on 1st May 2018.

68. Employee Benefit Obligations (Contd.)

B. Other employee benefits – Long Service Award

This benefit is applicable to all regular employees of the company (except for Directors and CMD) who have superannuated after completing at least 10 years of service.

C. Gratuity

The company has a defined benefit gratuity plan. Every employee who has rendered continuous service of five years or more is entitled to get gratuity at 15 days salary (15/26 x last drawn basic salary plus, dearness allowance) for each completed year of service on superannuation, resignation, termination, disablement or on death subject to a maximum of ₹20 lacs. The scheme is funded by the company and is managed by a separate trust. The liability for the same is recognized on the basis of actuarial valuation on annual basis on the Balance Sheet date. Company has carried out the actuarial valuation of Gratuity benefit considering ceiling of ₹20 Lakhs.

D. Other Defined Retirement Benefits (ODRB)/Baggage Allowance

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

E. Provident Fund

Company pays fixed contribution to Provident Fund at predetermined rate to a separate trust, which invests the funds in permitted securities. Contribution to family pension scheme is paid to the appropriate authorities. The contribution to the fund and EPS scheme for the year amounting to ₹131.04 crore (previous year ₹ 93.07 crore) has been recognized as expense and is charged to Statement of Profit and Loss. The obligation of the company is limited to such fixed contribution and to ensure a minimum rate of interest on contributions to the members as specified by GOI. As per the report of actuary overall interest earning and cumulative surplus is more than statutory interest payment requirement. Hence, no further provision is considered necessary. Since the company does not have unconditional right over the PF corpus, the surplus has not been recognized in the Balance Sheet.

(₹ in Crore)

Particulars	31st March, 2019			31st March, 2018		
	Current	Non-current	Total	Current	Non-current	Total
Provident Fund (PF)	141.68	2615.90	2757.58	427.96	2196.21	2624.17

(₹ in Crore)

Particulars	PF		
	Present value of obligation	Fair value of plan assets	Net amount
1st April, 2018	**2624.17**	**2649.00**	**(24.83)**
Service cost	98.18	-	98.18
Interest expense (income)	199.44	226.44	(27.00)
Total	**297.62**	**226.44**	**71.18**
Re measurements			
Return on plan assets, excluding amount included in interest expense/(income)	-	-	-
(Gain)/Loss from change in demographic assumptions	-	-	-
(Gain)/Loss from change in financial assumptions	(0.10)	-	(0.10)
Experience (Gain)/ Losses	(34.91)		(34.91)
Total	**(35.01)**		**(35.01)**
Employee contributions	111.69	209.88	(98.19)
Benefits payments	(240.89)	(240.89)	-
31st March, 2019	**2757.58**	**2844.43**	**(86.85)**

(₹ in Crore)

Particulars	PF		
	Present value of obligation	Fair value of plan assets	Net amount
1st April, 2017	**2321.95**	**2363.30**	**(41.35)**
Service cost	71.41	-	71.41
Interest expense (income)	174.15	217.78	(43.63)
Total	**245.56**	**217.78**	**27.78**
Re measurements			
Return on plan assets, excluding amount included in interest expense/(income)	-	-	-
(Gain)/Loss from change in demographic assumptions	-	-	-
(Gain)/Loss from change in financial assumptions	(0.06)	-	(0.06)
Experience (Gain)/ Losses	60.21		60.21
Total	**60.15**		**60.15**
Employee contributions	134.22	205.63	(71.41)
Benefits payments	(137.71)	(137.71)	-
31st March, 2018	**2624.17**	**2649.00**	**(24.83)**

68. Employee Benefit Obligations (Contd.)

The net liability disclosed above relates to Provident Fund is as follows:

(₹ in Crore)

Particulars	PF	
	31st March, 2019	31st March, 2018
Present value of funded obligations	**2757.58**	2624.17
Fair value of plan assets	**2844.43**	2649.00
Deficit/(Surplus) of funded plan	**(86.85)**	**(24.83)**

Sensitivity Analysis of Provident Fund:

(₹ in Crore)

Particulars	PF
a) Impact of change in discount rate	2757.58
Present value of Obligation at the end of period	
- Impact due to increase of 0.5%	(0.32)
- Impact due to decrease of 0.5%	0.33

The major categories of plan assets (PF) are as follows

(₹ in Crore)

Particulars	31st March, 2019				31st March, 2018			
	Quoted	Unquoted	Total	In %	Quoted	Unquoted	Total	In %
Equity instruments (ETF)	**38.62**	**-**	**38.62**	**2%**	14.84	-	14.84	1%
Debt instruments								
Govt/State Bonds	**1570.27**	**-**	**1570.27**	**55%**	1395.64	-	1395.64	53%
PSU and Private Bonds	**1135.92**	**-**	**1135.92**	**40%**	1056.47	-	1056.47	40%
Bank Balance	**7.79**	**-**	**7.79**	**0%**	12.11	-	12.11	0%
Other Receivables	**91.83**	**-**	**91.83**	**3%**	169.94	-	169.94	6%
Total	**2844.43**	**-**	**2844.43**		**2649.00**	**-**	**2649.00**	

Fair value of company's own transferable financial instruments held as plan assets is ₹85.50 crore as on 31st March, 2019 (₹94.81 crore as on 31st March, 2018).

The expected maturity analysis of provident fund is as follows:

(₹ in Crore)

Particulars	Less than a year	Between 1-2 year	Between 2-5 years	Over 5 years	Total
31st March, 2019	141.68	125.82	356.78	2133.3	**2757.58**
31st March, 2018	427.96	185.44	584.58	1426.19	2624.17

F. Pension

The Company has scheme of employees defined Pension Contribution. Company contribution is paid to separate trust. Amount of contribution paid/payable for the year is ₹ 102.41 crore (previous year ₹ 108.67 crore) has been recognized as expense and is charged to Statement of Profit & Loss.

68. Employee Benefit Obligations (Contd.)

The summarized position of various employee benefit obligations is as follows:

(₹ in Crore)

Particulars	Gratuity			ODRB			Leaves			PRMF		
	Present value of obligation	Fair value of plan assets	Net amount	Present value of obligation	Fair value of plan assets	Net amount	Present value of obligation	Fair value of plan assets	Net amount	Present value of obligation	Fair value of plan assets	Net amount
1st April, 2018	**631.48**	**579.51**	**51.97**	**18.43**	**-**	**18.43**	**354.94**	**-**	**354.94**	**386.66**	**-**	**386.66**
Service cost	29.64	-	29.64	0.98	-	0.98	40.75	-	40.75	12.84	-	12.84
Interest expense (income)	47.99	44.04	3.95	1.40	-	1.40	26.97	-	26.97	29.38	3.00	26.38
Total amount recognized in profit or loss	**77.63**	**44.04**	**33.59**	**2.38**	**-**	**2.38**	**67.72**	**-**	**67.72**	**42.22**	**3.00**	**39.22**
Re measurements												
Return on plan assets, excluding amount included in interest expense/(income)	-	7.53	(7.53)	-	-	-	-	-	-	-	-	-
(Gain)/Loss from change in demographic assumptions	-	-	-	-	-	-	-	-	-	-	-	-
(Gain)/Loss from change in financial assumptions	(5.95)	-	(5.95)	(0.21)	-	(0.21)	(4.91)	-	(4.91)	(7.60)	-	(7.60)
Experience (Gain)/ Losses	(6.36)	-	(6.36)	(1.63)	-	(1.63)	(2.28)	-	(2.28)	33.66	-	33.66
Total amount recognized in other comprehensive income	**(12.31)**	**-**	**(12.31)**	**(1.84)**	**-**	**(1.84)**	**(7.19)**	**-**	**(7.19)**	**26.06**	**-**	**26.06**
Employer contributions	-	29.56	(29.56)	-	-	-	-	-	-	-	431.64	(431.64)
Benefits payments	(70.36)	(70.36)	-	(0.23)	-	(0.23)	(43.78)	-	(43.78)	(15.96)	(15.96)	-
31st March, 2019	**626.44**	**590.28**	**36.16**	**18.74**	**-**	**18.74**	**371.69**	**-**	**371.69**	**438.98**	**418.68**	**20.30**

68. Employee Benefit Obligations (Contd.)

(₹ in Crore)

Particulars	Gratuity			ODRB			Leaves			PRMF		
	Present value of obligation	Fair value of plan assets	Net amount	Present value of obligation	Fair value of plan assets	Net amount	Present value of obligation	Fair value of plan assets	Net amount	Present value of obligation	Fair value of plan assets	Net amount
1st April, 2017	**625.54**	**551.83**	**73.71**	**17.64**	**-**	**17.64**	**489.97**	**-**	**489.97**	**340.28**	**-**	**340.28**
Service cost	32.32	-	32.32	0.94	-	0.94	33.78	-	33.78	11.16	-	11.16
Interest expense (income)	46.92	41.39	5.53	1.32	-	1.32	36.75	-	36.75	25.52	-	25.52
Total amount recognized in profit or loss	**79.24**	**41.39**	**37.85**	**2.26**	**-**	**2.26**	**70.53**	**-**	**70.53**	**36.68**	**-**	**36.68**
Re measurements												
Return on plan assets, excluding amount included in interest expense/(income)	-	10.95	(10.95)	-	-	-	-	-	-	-	-	-
(Gain)/Loss from change in demographic assumptions	-	-	-	-	-	-	-		-	-	-	-
(Gain)/Loss from change in financial assumptions	(3.97)	-	(3.97)	(0.13)	-	(0.13)	(2.69)	-	(2.69)	(5.07)	-	(5.07)
Experience (Gain)/ Losses	(40.62)		(40.62)	(1.24)	-	(1.24)	6.95	-	6.95	25.30	-	25.30
Total amount recognized in other comprehensive income	**(44.59)**	**-**	**(44.59)**	**(1.37)**	**-**	**(1.37)**	**4.26**	**-**	**4.26**	**20.23**	**-**	**20.23**
Employer contributions	-	4.05	(4.05)	-	-	-	-	-	-	-	-	-
Benefits payments	(28.71)	(28.71)	-	(0.10)	-	(0.10)	(209.82)	-	(209.82)	(10.53)	-	(10.53)
31st March, 2018	**631.48**	**579.51**	**51.97**	**18.43**	**-**	**18.43**	**354.94**	**-**	**354.94**	**386.66**	**-**	**386.66**

The net disclosed above relates to funded and unfunded plans are as follows:-

(₹ in Crore)

	Gratuity		ODRB		Leaves		PRMF	
Particulars	**31st March, 2019**	**31st March, 2018**	**31st March, 2019**	**31st March, 2018**	**31st March, 2019**	**31st March, 2018**	**31st March, 2019**	**31st March, 2018**
Present value of funded obligations	**626.44**	631.48	**-**	-	**-**	-	**438.98**	-
Fair value of plan assets	**590.27**	579.51	**-**	-	**-**	-	**418.68**	-
Deficit/(Surplus) of funded plan	**36.17**	51.97	**-**	**-**	**-**	**-**	**20.30**	**-**
Unfunded plans	**-**	-	**18.74**	18.43	**371.69**	354.94	**-**	386.66

The company expects to contribute ₹33.85 crore to the gratuity trust during the FY 2019-20.

68. Employee Benefit Obligations (Contd.)

(iii) Significant actuarial assumptions for Post-Employment Benefits :

Economic Assumptions

	Gratuity, ODRB, Pension, PRMF,PF	
Particulars	**31st March, 2019**	**31st March, 2018**
Discount rate	**7.75%**	7.60%
Salary growth rate(except for PF)	**6.50%**	6.50%

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

Demographic Assumptions

Particulars	**31st March, 2019**	**31st March, 2018**
i) Retirement Age	**60**	**60**
ii) Mortality rates inclusive of provision for disability	100% of IALM (2006-08)	
iii) Ages		
	Withdrawal rate %	Withdrawal %
Upto 30 years	**3**	3
From 31 to 44 years	**2**	2
Above 44 years	**1**	1

Mortality rates for specimen ages

Age	Mortality rate	Age	Mortality rate	Age	Mortality rate
15	0.000614	45	0.002874	75	0.039637
20	0.000888	50	0.004946	80	0.060558
25	0.000984	55	0.007888	85	0.091982
30	0.001056	60	0.011534	90	0.138895
35	0.001282	65	0.017009	95	0.208585
40	0.001803	70	0.025855	100	0.311628

(iv) Sensitivity Analysis of the defined benefit obligation (₹ in Crore)

Particulars	**Gratuity**	**ODRB**	**Leave**	**PRMF**
a) Impact of change in discount rate				
Present value of Obligation at the end of period	626.44	18.74	371.69	438.98
- Impact due to increase of 0.5%	(18.91)	(0.70)	(14.57)	(24.01)
- Impact due to decrease of 0.5%	20.37	0.71	15.79	24.50
b) Impact of change in salary increase				
Present value of Obligation at the end of period	626.44	18.74	371.69	438.98
- Impact due to increase of 0.5%	6.91	0.71	15.91	24.94
- Impact due to decrease of 0.5%	(7.20)	(0.70)	(14.80)	(24.13)

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

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

68. Employee Benefit Obligations (Contd.)

(v) The major categories of plan assets (Gratuity) are as follows: (₹ in Crore)

Particulars	31st March, 2019				31st March, 2018			
	Quoted	Unquoted	Total	In %	Quoted	Unquoted	Total	In %
Equity instruments (ETF)	**3.35**	**-**	**3.35**	**0.5%**	3.20	-	3.20	1%
Debt instruments								
Govt/State Bonds	**292.45**	**-**	**292.45**	**48.5%**	291.91	-	291.91	49%
PSU and Private Bonds	**307.27**	**-**	**307.27**	**51.0%**	296.26	-	296.26	50%
Total*	**603.07**	**-**	**603.07**		**591.37**	**-**	**591.37**	

*Fair valuation as per actuarial valuation is ₹ 590.27 crore (Previous Year ₹ 579.51 crore).

Fair value of company's own transferable financial instruments held as plan assets is ₹73.83 crore (Previous Year ₹ 87.53 crore).

(vi) The major categories of plan assets (PRMF) are as follows: (₹ in Crore)

Particulars	31st March, 2019				31st March, 2018			
	Quoted	Unquoted	Total	In %	Quoted	Unquoted	Total	In %
Equity instruments (ETF)	**-**	**-**	**-**	**-**	-	-	-	-
Debt instruments								
Govt/State Bonds	**171.85**	**-**	**171.85**	**41%**	-	-	-	-
PSU and Private Bonds	**246.56**	**-**	**246.56**	**59%**	-	-	-	**-**
Total#	**418.41**	**-**	**418.41**		**-**	**-**	**-**	**-**

#Fair valuation as per actuarial valuation is ₹ 418.69 crore (Previous Year ₹ Nil crore)

(vii) Description of Risk exposures

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

A) Salary Increases (except for PF) – Actual salary increase will increase the plan's liability. Increase in salary increase rate assumptions infuture valuation will also increase the liability.

B) Investment risk – If plan is funded then assets liabilities mismatch and actual investment return on assets lower than the discount rate assumed at the last valuation date can impact the liability

C) Discount Rate – Reduction in discount rate in subsequent valuations can increase the plan's liability.

D) Mortality & disability – Actual deaths and disability cases proving lower or higher than assumed in the valuation can impact the liabilities.

E) Withdrawals – Actual withdrawals proving higher or lower than assumed withdrawals and change of withdrawal rates at subsequent valuations can impact Plan's liability.

(viii) Defined benefit liability and employee contribution

The weighted average duration of the defined benefit obligations is 41.39 years (Previous Year 41.89 years). The expected maturity analysis of undiscounted pension, gratuity, other defined retirement benefit and post-employment medical benefits is as follows:

(₹ in Crore)

Particulars	Less than a year	Between 1-2 year	Between 2-5 years	Over 5 years	Total
31st March, 2019					
Defined benefit obligation (Gratuity)	78.80	9.56	172.02	366.07	626.45
Post-employment medical benefits	16.86	18.13	70.80	333.19	438.98
ODRB	2.06	0.20	0.96	15.51	18.73
Other employee benefits(LSA)	1.15	1.00	2.90	9.69	14.74
Total	98.87	28.89	246.68	724.46	1098.90
31st March, 2018					
Defined benefit obligation (Gratuity)	82.71	153.47	153.16	242.14	631.48
Post-employment medical benefits	12.31	12.95	43.26	318.14	386.66
ODRB	2.08	1.72	4.82	9.81	18.43
Other employee benefits(LSA)	1.14	0.97	2.83	9.46	14.40
Total	**98.24**	**169.11**	**204.07**	**579.55**	**1050.97**

69. Recent Accounting Pronouncements effective from 1st April 2019:

Ind AS 116 was notified by Ministry of Corporate Affairs on 30 March 2019 and it is applicable for annual reporting periods beginning on or after 1 April 2019.

Ind AS 116 will affect primarily the accounting by lessees and will result in the recognition of almost all leases on balance sheet. The standard removes the current distinction between operating and finance leases and requires recognition of an asset (the right-of-use the leased item) and a financial liability to pay rentals for virtually all lease contracts. An optional exemption exists for short-term and low-value leases. The accounting by lessors will not significantly change.

The Company is evaluating the requirements of the amendment and the effect on financial statements.

Amendments to Ind AS 19, 'Employee Benefits'

The amendments to Ind AS 19 clarify the accounting for defined benefit plan amendments, curtailments and settlements. They confirm that entities must :

- Calculate the current service cost and net interest for the remainder of the reporting period after a plan amendment, curtailment or settlement by using the updated assumptions from the date of the change;
- Any reduction in a surplus should be recognised immediately in profit or loss either as part of past service cost, or as a gain or loss on settlement. In other words, a reduction in a surplus must be recognised in profit or loss even if that surplus was not previously recognised because of the impact of the asset ceiling; and
- Separately recognise any changes in the asset ceiling through other comprehensive income.

These amendments will apply to any future plan amendments, curtailments, or settlements of the Company on or after 1 April 2019.The Company is evaluating the requirements of the amendment and the effect on financial statements.

Amendment to Ind AS 12, 'Income Taxes'

The amendments clarify that the income tax consequences of dividends on financial instruments classified as equity should be recognised according to where the past transactions or events that generated distributable profits were recognised. These requirements apply to all income tax consequences of dividends. Previously, it was unclear whether the income tax consequences of dividends should be recognised in profit or loss, or in equity, and the scope of the existing guidance was ambiguous.

The Company is evaluating the requirements of the amendment and the effect on financial statements.

Amendments to Ind AS 23, 'Borrowing Costs'

The amendments clarify that if a specific borrowing remains outstanding after the related qualifying asset is ready for its intended use or sale, it becomes part of general borrowings.

The Company is evaluating the requirements of the amendment and the effect on financial statements.

70. a) Figures have been rounded off to nearest rupees in crore up to two decimal.

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

For and on behalf of the Board of Directors

Divya Tandon	**K. Sreekant**	**Ravi P Singh**
Company Secretary	Director (Finance)	Director (Personnel)

As per our report of even date

For S.K. Mittal & Co.	**For R.G.N.Price & Co.**	**For Kothari & Co.**	**For Parakh & Co.**
Chartered Accountants	Chartered Accountants	Chartered Accountants	Chartered Accountants
Firm Regn No. 001135N	Firm Regn No. 002785S	Firm Regn No. 301178E	Firm Regn No. 001475C
(CA S. Murthy)	**(CA Rangarajan Raghavan Iyengar)**	**(CA Manaswy Kothari)**	**(CA Gotam Kumar Bagariya)**
Partner	Partner	Partner	Partner
M.No. 072290	M.No. 041883	M.No. 064601	M.No. 425104

Place: New Delhi
Date: 29th May, 2019

INDEPENDENT AUDITOR'S REPORT
TO THE MEMBERS OF POWER GRID CORPORATION OF INDIA LIMITED
Report on the Audit of the Consolidated Financial Statements
Opinion
We have audited the accompanying consolidated financial statements of Power Grid Corporation of India Limited (hereinafter referred to as the "Holding Company"), and its subsidiaries (The Holding Company and its subsidiaries together referred to as "the Group"), its joint ventures, which comprise the consolidated Balance Sheet as at March 31, 2019, and the Consolidated Statement of Profit and Loss (including Other Comprehensive Income), the Consolidated Statement of Changes in Equity and the Consolidated Statement of Cash Flows for the year ended, and notes to the consolidated financial statement, including a summary of the significant accounting policies and other explanatory information (hereinafter referred to as "the consolidated financial statements").
In our opinion and to the best of our information and according to the explanations given to us, the aforesaid consolidated financial statements give the information required by the Companies Act, 2013 ("the Act") in the manner so required and give a true and fair view in conformity with the Indian Accounting Standards prescribed under section 133 of the Act read with the Companies (Indian Accounting Standards) Rules, 2015, as amended, ("Ind AS") and other accounting principles generally accepted in India, of the state of affairs of the Company as at March 31, 2019, the profit & total comprehensive income, changes in equity and its cash flows for the year ended on that date.
Basis for Opinion
We conducted our audit of the consolidated financial statements in accordance with the Standards on Auditing (SAs) specified under section 143(10) of the Act. Our responsibilities under those Standards are further described in the Auditor's Responsibilities for the Audit of the Consolidated Financial Statements section of our report. We are independent of the Company in accordance with the Code of Ethics issued by the Institute of Chartered Accountants of India (ICAI) together with the independence requirements that are relevant to our audit of the consolidated financial statements under the provisions of the Act and the Rules made there under, and we have fulfilled our other ethical responsibilities in accordance with these requirements and the ICAI's Code of Ethics. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our audit opinion on the consolidated financial statements.
Emphasis of Matter
We draw attention to the following matters in the notes to the Consolidated Financial Statements
(a) In respect of recognition of revenue from transmission assets for which final tariff orders are yet to be issued by the CERC [Refer Note No. 35(b)(ii)]; and
(b) In respect of balance confirmation, reconciliation and consequential adjustments, if any, of Trade Receivable and Recoverable and Trade and Other payables which is carried out on an ongoing basis[Refer Note No. 45(a)].
Our opinion is not modified in respect of these matters.
Key Audit Matters
Key audit matters are those matters that, in our professional judgment, were of most significance in our audit of the consolidated financial statements for the year ended 31st March 2019. These matters were addressed in the context of our audit of the consolidated financial statements as a whole, and in forming our opinion thereon, and we do not provide a separate opinion on these matters. We have determined the matters described below to be the key audit matters pertaining to Power Grid Corporation of India Limited, the Listed "Holding Company" to be communicated in our report.

Sr. No.	Key Audit Matters#	Auditors' approach to address the Key Audit Matters
1	**Recognition of Revenue** The Company has revenue from three business segments viz. Transmission, Telecom and Consultancy. Transmission Income is accounted for based on tariff orders notified by the CERC. In case of transmission projects where final tariff orders are yet to be notified, transmission income is accounted for on provisional basis as per tariff regulations and orders of the CERC in similar cases. Difference, if any, is accounted on issuance of final tariff orders by the CERC. 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 Company implemented Ind AS 115 in the current financial year and applied the available exemption provided therein, to not restate the comparative periods. This is considered as Key Audit Matter due to the nature and extent of estimates made as per CERC tariff Regulations and contracts with customers for recognition of revenue. (Refer Note No. 35(b)(ii) of Consolidated Financial Statement)	Our audit approach was a combination of test of internal controls and substantive procedures which includes the following: ➢ We assessed the Company's process to identify the impact of adoption of the new revenue accounting standard. ➢ Evaluated the detailed analysis performed by management on revenue streams by selecting samples for the existing contracts with customers and considered revenue recognition policy in the current period in respect of those revenue streams; ➢ Evaluated and tested the effectiveness of the design of Internal controls relating to recognition and measurement of revenue from Transmission, Telecom and Consultancy. ➢ Verified the transmission revenue based on the CERC tariff Regulation, orders, circulars, guidelines and the company's internal circulars. ➢ Verified the revenue from Transmission based on the tariff orders notified by CERC during the year on test basis. ➢ Verified on test basis the income recognised on provisional basis (Unbilled Revenue) consistently as per the regulatory guidelines for the assets whose final orders are yet to be notified by CERC, based on the date of commercial operation (DOCO) letters issued by Regional technical heads, and capital cost, as certified by the Management. ➢ Verified the Consultancy and Telecom revenue based on the contracts with customers. ➢ Evaluated the appropriateness of the disclosures provided under the new revenue standard and assessed the adequacy of the relevant disclosures. ➢ Verified on test basis the incentive/disincentive recognized as per the company's policy.

Sr. No.	Key Audit Matters#	Auditors' approach to address the Key Audit Matters
2	**Deferred Tax Assets relating to MAT credit entitlement** The Company has considered MAT credit of ₹5935.70 Crore in anticipation of set off against the tax payable in future years and created Deferred Tax Asset for the same during the year. The same has been recognized as liability of the Regulatory Deferral Account corresponding to the said MAT credit entitlement. We identified this as a key audit matter because of the importance of this matter intended uses of the financial statements and its materiality and requirement of judgement in assessing future taxable profits for recognisition of MAT credit entitlement. (Refer Note No. 26 of Consolidated financial statements.)	Our audit approach involved; ➢ Understanding the current status of availability of MAT credits ➢ Discussed with appropriate senior management and evaluated management's underlying key assumptions for set off of MAT credit against taxable future profits
3	**Assessment of contingent liabilities in respect of certain litigations including land compensation, direct and indirect taxes, various claims filed by other parties not acknowledged as debt.** There is high level of judgement required in estimating the contingent liabilities. The company's assessment of contingent liabilities is supported by the facts of the matter, Company's judgement thereon, past experience and advices from legal and independent tax consultants wherever necessary. We identified the above area as Key Audit Matters in view of associated uncertainty relating to the outcome of these matter. (Note No. 63 of Consolidated financial statements).	Our audit approach involved; a. Understanding the current status of the litigation for land compensations/tax assessments. b. Examining recent orders from competent authorities and/or communication received from various authorities, judicial forums and follow up action thereon. c. Review and analysis of evaluation of the contentions of the company through discussions, collection of details of the subject matter under consideration, the likely outcome and consequent potential outflows on those issues.

#Above referred Key Audit Matters are in respect of the Holding Company only. All the subsidiaries in the group are unlisted entities.

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

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

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

In connection with our audit of the consolidated financial statements, our responsibility is to read the other information identified above when it becomes available and, in doing so, consider whether the other information is materially inconsistent with the consolidated financial statements or our knowledge obtained during the course of our audit or otherwise appears to be materially misstated. We have nothing to report in this regard.

When we read those documents including annexures, if any thereon, if we conclude that there is a material misstatement therein, we shall communicate the matter to those charged with the governance.

Management's Responsibility for the Consolidated Financial Statements

The Holding Company's Board of Directors is responsible for the matters stated in section 134(5) of the Act with respect to the preparation of these consolidated 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 Group in accordance with the Ind AS and other accounting principles generally accepted in India.

This responsibility also includes maintenance of adequate accounting records in accordance with the provisions of the Act for safeguarding the assets of the Group 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 consolidated financial statements that give a true and fair view and are free from material misstatement, whether due to fraud or error.

In preparing the consolidated financial statements, the Holding Company's Management is responsible for assessing the Group's ability to continue as a going concern, disclosing, as applicable, matters related to going concern and using the going concern basis of accounting unless Holding Company's Management either intends to liquidate the Company or to cease operations, or has no realistic alternative but to do so.

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

Auditor's Responsibilities for the Audit of the Consolidated Financial Statements

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

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

- Identify and assess the risks of material misstatement of the consolidated financial statements, whether due to fraud or error, design and perform audit procedures responsive to those risks, and obtain audit evidence that is sufficient and appropriate to provide a basis for our opinion. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control.
- Obtain an understanding of internal financial controls relevant to the audit in order to design audit procedures that are appropriate in the circumstances. Under section 143(3)(i) of the Act, we are also responsible for expressing our opinion on whether the Companies in the Group have adequate internal financial controls system in place and the operating effectiveness of such controls.
- Evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by Holding Company's Management.
- Conclude on the appropriateness of Holding Company's Management use of the going concern basis of accounting and, based on the audit evidence obtained, whether a material uncertainty exists related to events or conditions that may cast significant doubt on the ability of the Group to continue as a going concern. If we conclude that a material uncertainty exists, we are required to draw attention in our auditor's report to the related disclosures in the consolidated financial statements or, if such disclosures are inadequate, to modify our opinion. Our conclusions are based on the audit evidence obtained up to the date of our auditor's report. However, future events or conditions may cause the Company to cease to continue as a going concern.
- Evaluate the overall presentation, structure and content of the consolidated financial statements, including the disclosures, and whether the consolidated financial statements represent the underlying transactions and events in a manner that achieves fair presentation.
- Obtain sufficient appropriate audit evidence regarding the financial information of the entities or business activities within the Group to express an opinion on the consolidated financial statements. We are responsible for the direction, supervision and performance of the audit of the Financial Statements of such entities included in the Consolidated Financial Statements of which we are the Independent Auditors. For the other entities included in the Consolidated Financial Statements, which have been audited by other Auditors, such other Auditors remain responsible for the direction, supervision and performance of the audits carried out by them. We remain solely responsible for our audit opinion.

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

We communicate with those charged with governance of the Holding Company included in the Consolidated Financial Statements, of which we are the Independent Auditors regarding, among other matters, the planned scope and timing of the audit and significant audit findings, including any significant deficiencies in internal control that we identify during our audit.

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

From the matters communicated with those charged with governance, we determine those matters that were of most significance in the audit of the consolidated financial statements of the current period and are therefore the key audit matters. We describe these matters in our auditor's report unless law or regulation precludes public disclosure about the matter or when, in extremely rare circumstances, we determine that a matter should not be communicated in our report because the adverse consequences of doing so would reasonably be expected to outweigh the public interest benefits of such communication.

Other Matters

(a) We did not audit the financial statements/ financial information of the following subsidiaries whose financial statements reflect the details given below for total assets and net assets as at 31st March 2019, total revenues and net cash flows for the year ended on that date to the extent to which they are reflected in the consolidated financial statements:

(₹ in Crore)

S. No.	Name of the Subsidiaries	Total Assets	Net Assets	Total Revenues	Net Cash Inflows/ (Outflows)
1	Powergrid Vemagiri transmission Ltd	-	(19.40)	-	-
2	Powergrid NM transmission Ltd	1,317.51	98.34	16.13	0.71
3	Powergrid Vizag Transmission Ltd	1,236.13	307.17	298.23	(0.90)
4	Powergrid Southern Interconnector Transmission System Limited	3,411.75	513.92	33.14	0.01
5	Powergrid Parli Transmission Limited	1,824.45	274.36	283.91	(6.64)
6	Powergrid Warora Transmission Limited	2,137.51	382.76	280.61	(6.83)
7	Powergrid Jabalpur Transmission Limited	1,512.44	183.30	61.05	0.04
8	Powergrid Kala Amb Transmission Ltd	302.07	70.71	60.30	0.06
9	Powergrid Unchahar Transmission Ltd	70.99	24.58	23.47	(1.05)
10	Powergrid Medinipur Jeerat Transmission Limited	1,519.46	0.01	-	0.02
11	Powergrid Mithilanchal Transmission Limited	240.88	0.04	-	0.07
12	Powergrid Varanasi Transmission System Limited	226.37	0.04	-	0.44
13	Powergrid Jawaharpur Firozabad Transmission Limited	6.38	0.05	-	0.08
	Total	**13,805.94**	**1,835.88**	**1,056.84**	**(13.99)**

The consolidated financial statements also include the Group's share of net profit/loss (including Other Comprehensive Income) for the year ended 31st March 2019 as considered in the consolidated financial statements in respect of following joint ventures whose financial statements/ financial information have not been audited by us.

(₹ in Crore)

S No.	Name of Joint Ventures	Group's share net profit/(loss)
1	Powerlinks Transmission Limited	55.12
2	Torrent Powergrid Limited	4.97
3	Jaypee Powergrid Limited	16.39
4	North East Transmission Company Limited	17.06
	Total	**93.54**

These financial statements/ financial information of subsidiaries and joint ventures have been audited by other auditors whose reports have been furnished to us by the Holding Company's Management upto 25th May, 2019 and our opinion on the consolidated financial statements, in so far as it relates to the amounts and disclosures included in respect of these subsidiaries and joint ventures, and our report in terms of sub-section (3) of Section 143 of the Act, insofar as it relates to the aforesaid subsidiaries and joint ventures is based solely on the reports of the other auditors after considering the requirement of Standard on Auditing (SA 600) on 'Using the work of Another Auditor' including materiality.

(b) The consolidated financial statements include the Group's share of net profit/loss (including Other Comprehensive Income) for the year ended 31st March, 2019 as considered in the consolidated financial statements in respect of following joint ventures whose financial statements/ financial information have not been audited by us.

(₹ in Crore)

SNo.	Name of Joint Ventures	Group's share net profit/(loss)
1	Parbati Koldam Transmission Company Limited	12.67
2	Teestavalley Power Transmission Limited	(0.34)
3	National High Power Test Lab Pvt Limited	(1.75)
4	Bihar Grid Company Limited	12.32
5	Kalinga Bidyut Parasaran Nigam Pvt Limited#	0.00
6	Cross Border Transmission Limited	3.98
7	RINL POWERGRID TLT Pvt. Limited##	(0.02)
8	Power Transmission Company Nepal Ltd *	2.23
	Total	**29.09**

* located outside India.

The Holding company's board of directors has accorded approval for initiating procedure for winding up of the JV company.

The Holding company's board of directors has accorded in-principle approval for closure of the JV company.

These financial statements/ financial information of joint ventures are unaudited and have been furnished to us by the Holding Company's Management and our opinion on the consolidated financial statements, in so far as it relates to the amounts and disclosures included in respect of these subsidiaries and joint ventures, and our report in terms of sub-section (3) of Section 143 of the Act in so far as it relates to the aforesaid joint ventures, is based solely on such unaudited financial statements/ financial information. One of the joint ventures as above is located outside India in respect of which the Holding Company's management has provided us the financial statements prepared in accordance with accounting principles generally accepted in India. In our opinion and according to the information and explanations given to us by the Holding Company's Management, these financial statements / financial information are not material to the Group.

Our opinion on the consolidated financial statements, and our report on Other Legal and Regulatory Requirements given below, is not modified in respect of the above matters with respect to our reliance on the work done and the reports of the other auditors and the financial statements / financial information certified by the Holding Company's Management.

Report on Other Legal and Regulatory Requirements

1. As required by Section 143(3) of the Act, based on our audit and on the consideration of report of the other auditors on separate financial statements and the other financial information of subsidiaries and joint ventures as noted in the other matter paragraph, we report, to the extent applicable, that:

a) We have sought and obtained all the information and explanations which to the best of our knowledge and belief were necessary for the purposes of our audit of the aforesaid consolidated financial statements.

b) In our opinion, proper books of account as required by law relating to preparation of the aforesaid consolidated financial statements have been kept so far as it appears from our examination of those books and the reports of the other auditors.

c) The Consolidated Balance Sheet, the Consolidated Statement of Profit and Loss (including Other Comprehensive Income), the Consolidated Statement of Changes in Equity and the Consolidated Statement of Cash Flows dealt with by this Report are in agreement with the relevant books of account maintained for the purpose of preparation of the Consolidated financial statements.

d) In our opinion, the aforesaid consolidated financial statements comply with the Indian Accounting Standards specified under Section 133 of the Act read with the Companies (Indian Accounting Standards) Rules, 2015 as amended.

e) In view of exemption given vide notification no. G. S. R. 463(E) dated June 5, 2015, issued by Ministry of Corporate Affairs, provisions of Section 164(2) of the Act regarding disqualification of Directors, are not applicable to the Holding Company and its subsidiaries. Further, on the basis of the reports of the auditors of 4 (four) joint ventures incorporated in India, none of the directors of the joint ventures incorporated in India is disqualified as on 31 March, 2019 from being appointed as a director in terms of section 164(2) of the Act.

f) With respect to the adequacy of the internal financial controls over financial reporting of the Holding Company, its subsidiaries and joint ventures incorporated in India and the operating effectiveness of such controls, refer to our separate report in 'Annexure 1'. Our report expresses an unmodified opinion on the adequacy and operating effectiveness of the Group's internal financial controls with reference to consolidated financial statements.

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 Auditor's) Rules, 2014, in our opinion and to the best of our information and according to the explanations given to us and based on the consideration of the report of the other auditors on separate financial statements as also the other financial information of the subsidiaries and joint ventures, as noted in the 'Other Matters' paragraph:

   i. The consolidated financial statements disclose the impact of pending litigations on the consolidated financial position of the Group (Refer Note 48 and 63 to the consolidated financial statements) and the joint venture companies (Refer Note 44.2.5 to the consolidated financial statements).

   ii. Provision has been made in the consolidated financial statements, as required under the applicable law or Indian Accounting Standards, for material foreseeable losses, if any, on long-term contracts including derivative contracts.

   iii. There has been no delay in transferring amounts, required to be transferred, to the Investor Education and Protection Fund by the Group and the joint venture companies incorporated in India.

For S.K. Mittal & Co.	**For R.G.N.Price & Co.**	**For Kothari & Co.**	**For Parakh & Co.**
Chartered Accountants	Chartered Accountants	Chartered Accountants	Chartered Accountants
Firm Regn No. 001135N	Firm Regn No. 002785S	Firm Regn No. 301178E	Firm Regn No. 001475C
(CA S. Murthy)	**(CA Rangarajan Raghavan Iyengar)**	**(CA Manaswy Kothari)**	**(CA Gotam Kumar Bagariya)**
Partner	Partner	Partner	Partner
M.No. 072290	M.No. 041883	M.No. 064601	M.No. 425104

Place: New Delhi
Date: 29th May, 2019

ANNEXURE 1

ATTACHED TO THE INDEPENDENT AUDITOR'S REPORT OF EVEN DATE ON THE CONSOLIDATED IND AS FINANCIAL STATEMENTS OF POWER GRID CORPORATION OF INDIALIMITED FOR THE YEAR ENDED 31stMARCH, 2019.

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

In conjunction with our audit of the Consolidated Financial Statements of the Company as of and for the year ended on 31st March, 2019, we have audited the internal financial controls with reference to Consolidated Financial Statements of Power Grid Corporation of India Limited (hereinafter referred to as "the Holding Company") and its subsidiary companies (the Holding Company and its subsidiaries together referred to as "the Group") and its joint venture companies, which are companies incorporated in India as of 31st March, 2019.

Management's Responsibility for Internal Financial Controls

The respective Board of directors of the Holding company, its subsidiary companies and its joint venture companies, which are companies incorporated in India, are responsible for establishing and maintaining internal financial controls based on the internal controls over financial reporting criteria established by the Company considering the essential components of internal control stated in the Guidance Note on Audit of Internal Financial Controls over Financial Reporting issued by the Institute of Chartered Accountants of India. These responsibilities include the design, implementation and maintenance of adequate internal financial controls that were operating effectively for ensuring the orderly and efficient conduct of its business, including adherence to company's policies, the safeguarding of its assets, the prevention and detection of frauds and errors, the accuracy and completeness of the accounting records, and the timely preparation of reliable financial information, as required under the Companies Act, 2013.

Auditors' Responsibility

Our responsibility is to express an opinion on the Group's internal financial controls with reference to Consolidated Financial Statements based on our audit. We conducted our audit in accordance with the Guidance Note on Audit of Internal Financial Controls Over Financial Reporting (the "Guidance Note") and the Standards on Auditing, issued by ICAI and deemed to be prescribed under section 143(10) of the Companies Act, 2013, to the extent applicable to an audit of Internal Financial Controls, 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 with reference to Consolidated Financial Statements were established and maintained and if such controls operated effectively in all material respects.

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

We believe that the audit evidence we have obtained and the audit evidence obtained by the other auditors of the subsidiaries and joint venture companies incorporated in India, in terms of their reports referred to in the 'Other Matters' paragraph is sufficient and appropriate to provide a basis for our audit opinion on the Group's internal financial controls system with reference to Consolidated Financial Statements.

Meaning of Internal Financial Controls with reference to Consolidated Financial Statements

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

i. pertain to the maintenance of records that, in reasonable detail, accurately and fairly reflect the transactions and dispositions of the assets of the company;

ii. provide reasonable assurance that transactions are recorded as necessary to permit preparation of financial statements in accordance with generally accepted accounting principles, and that receipts and expenditures of the company are being made only in accordance with authorizations of management and directors of the company; and

iii. provide reasonable assurance regarding prevention or timely detection of unauthorized acquisition, use, or disposition of the company's assets that could have a material effect on the financial statements.

Inherent Limitations of Internal Financial Controls with reference to Consolidated Financial Statements

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

Opinion

In our opinion, the Holding Company, its subsidiaries, and joint ventures which are companies incorporated in India have, in all material respects, an adequate internal financial controls system with reference to Consolidated Financial Statements and such internal financial controls with reference to Consolidated Financial Statements were operating effectively as at 31st March, 2019, based on the internal control over financial

reporting criteria established by the Company considering the essential components of internal control stated in the Guidance Note on Audit of Internal Financial Controls Over Financial Reporting issued by the Institute of Chartered Accountants of India.

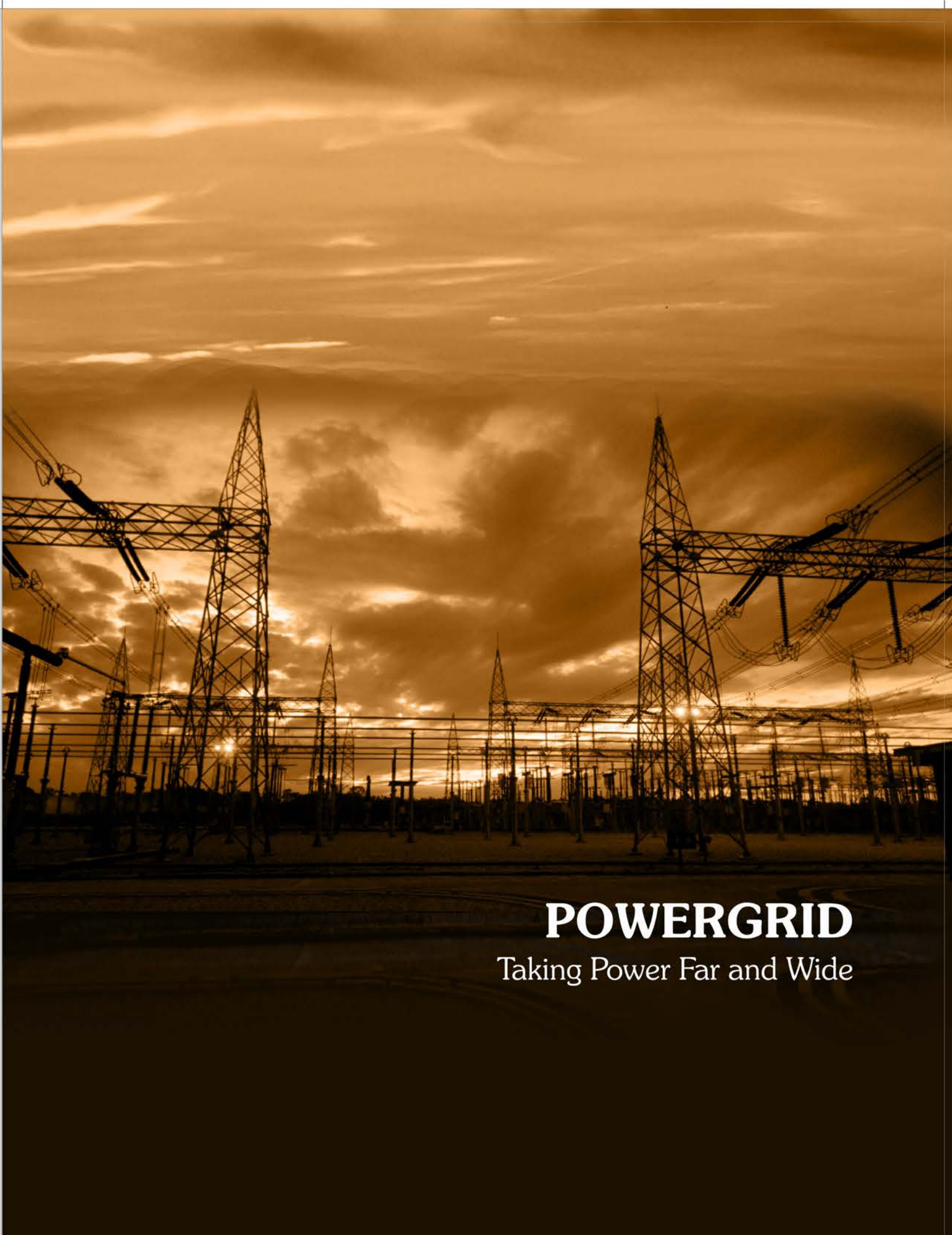
Other Matters

Our aforesaid report under Section 143 (3) (i) of the Act on the adequacy and operating effectiveness of the internal financial controls with reference to Consolidated Financial Statements in so far as it related to 13 (thirteen) subsidiary companies and 4 (four)joint venture Companies incorporated in India, is based on the corresponding report of auditors of such companies.

Our aforesaid report under Section 143 (3) (i) of the Act on the adequacy and operating effectiveness of the internal financial controls with reference to Consolidated Financial Statements of in so far as it related to 7 (seven) Joint venture Companies incorporated in India, and 1 (one) Joint venture company incorporated outside India whose financial statements / financial information are unaudited and we are unable to express our opinion on adequacy and operating effectiveness of internal financial controls with reference to Consolidated Financial Statements, however according to the information and explanations given to us by the Holding Company's Management, these financial statements / financial information are not material.

For S.K. Mittal & Co.	**For R.G.N.Price & Co.**	**For Kothari & Co.**	**For Parakh & Co.**
Chartered Accountants	Chartered Accountants	Chartered Accountants	Chartered Accountants
Firm Regn No. 001135N	Firm Regn No. 002785S	Firm Regn No. 301178E	Firm Regn No. 001475C
(CA S. Murthy)	**(CA Rangarajan Raghavan Iyengar)**	**(CA Manaswy Kothari)**	**(CA Gotam Kumar Bagariya)**
Partner	Partner	Partner	Partner
M.No. 072290	M.No. 041883	M.No. 064601	M.No. 425104

Place: New Delhi
Date: 29th May, 2019



POWERGRID

Taking Power Far and Wide

पावरग्रिड

Power Grid Corporation of India Ltd.

(A Government of India Enterprise)

Registered Office : B-9,Qutab Institutional Area, Katwaria Sarai, New Delhi - 110 016, INDIA
Corporate Office : 'Saudamini', Plot No. 2, Sector 29, Gurgaon- 122 001 (Haryana) , INDIA

CIN : L40101DL1989GOI038121

www.powergridindia.com

DEPARTMENT OF POST

O/o VASHI BPC NAVI MUMBAI-400703

TO,

CGM & Company Secretary,

Power Grid corporation of Indian limited.

This is to certify that dispatch of notice of 30th AGM & Annual report of power Grid corporation of India limited has started from today i.e 29th July 2019

Name.....

Designation.....SUPERVISOR

(VASHI BPC)
VASHI PO-400 703