

**CROSS BORDER POWER TRANSMISSION CO. LTD.**

**CIN: U40102DL2006PLC156738**

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**ANNUAL REPORT**  
**2023-24**

**Registered & Corporate Office: 03<sup>rd</sup> floor, Niryat Bhawan, Rao Tula  
Marg, Opp. Army Hospital Research & Referral, New Delhi-110057**

**Tel.: +91-11-45646389 Website: [www.cptcindia.com](http://www.cptcindia.com)**

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Cross Border Power Transmission Company Limited (CPTC) is a Joint Venture Company of ILFS Energy Development Company Limited, Power Grid Corporation of India Limited, SJVN Limited and Nepal Electricity Authority. The main objective of the Company is to engage in business of constructing, maintaining and operating transmission system between India and Neighboring countries.

The company is registered under the Companies Act and has been granted transmission license by Central Electricity Regulatory Commission.

The Company has constructed 85.55 km long 400 kV D/C Transmission Line from Muzaffarpur to Sursand, which is Indian portion of Indo- Nepal Cross Border 400 kV Muzaffarpur- Dalkebar Transmission Line. Transmission Line was commissioned at 220 kV level on 19.2.2016 and subsequently charged at 400 kV level on 11.11.2020. Nepal Electricity Authority provides transmission charges for this transmission line, as per bilateral Transmission Service Agreement.

## Board of Directors as on 31.03.2024

| S. No. | Name of the Director         | Designation & Organization      |
|--------|------------------------------|---------------------------------|
| 1      | Shri Ravindra Kumar Tyagi    | Chairman (POWERGRID)            |
| 2      | Shri Akhileshwar Singh       | Director (SJVN Ltd.)            |
| 3      | Shri Sushil Sharma           | Director (SJVN Ltd.)            |
| 4      | Shri Hira Lal Tayal          | Director (ILFS)                 |
| 5      | Shri Bibhudutta Biswal       | Director (ILFS)                 |
| 6      | Shri Dirghayu Kumar Shrestha | Director (NEA, Nepal)           |
| 7      | Shri Dilip Nagesh Rozekar    | Additional Director (POWERGRID) |

## Corporate Social Responsibility (CSR) Committee as on 31.03.2024

| S. No. | Name of the Director      | Designation & Organization |
|--------|---------------------------|----------------------------|
| 1      | Shri Ravindra Kumar Tyagi | Chairman (POWERGRID)       |
| 2      | Shri Hira Lal Tayal       | Director (ILFS)            |

## Key Managerial Personnel (KMP) as on 31.03.2024

| S. No. | Name of the Employee  | Hierarchy               |
|--------|-----------------------|-------------------------|
| 1      | Shri Sathish Kumar J. | Chief Executive Officer |
| 2      | Shri Brundaban Dash   | Chief Financial Officer |
| 3      | Ms. Divya Sorayan     | Company Secretary       |

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# Cross Border Power Transmission Company Limited

CIN : U40102DL2006PLC156738

## SHORTER NOTICE

A Shorter Notice is hereby given that the 18<sup>th</sup> Annual General Meeting (AGM) of the members of Cross Border Power Transmission Company Limited (CPTC) will be held on Thursday, September 12, 2024 at 12.30 pm on a shorter notice through Video Conferencing (“VC”)/ Other Audio Visual Means (“OAVM”), to transact the following business:

### **ORDINARY BUSINESS:**

#### **I. Adoption of Audited Accounts**

To receive, consider and adopt the Audited Financial Statements of the Company comprising of the Balance Sheet as at March 31, 2024, Statement of Profit & Loss, Cash Flow Statement and notes forming part of the Financial Statement for the year ended on March 31, 2024 together with the Board’s Report, the Auditors’ Report thereon and comments of Comptroller and Auditor General of India and if thought fit, to pass with or without modification(s) the following as an **Ordinary Resolution**:

“**RESOLVED THAT** the Audited Financial Statements of the Company as on March 31, 2024 as per IND AS, profit and loss account & Cash Flow Statement as on that date including schedules/annexures, notes thereon along with Board’s Report, Auditors’ Report be and are hereby received and adopted by the shareholders of the Company.”

#### **II. Appointment of Director in the place of retiring Director**

To appoint a Director in place of Sh. Ravindra Kumar Tyagi (DIN: 09632316), who retires by rotation and being eligible, offers himself for re-appointment. The following resolution is recommended with or without modification(s) as an **Ordinary Resolution**.

“**RESOLVED THAT** the pursuant to provisions of Section 152 of Companies Act, 2013, and rules made thereunder (including any statutory modification and re-enactment thereof) and other applicable provisions, if any of the Companies Act, 2013, Sh. Ravindra Kumar Tyagi (DIN: 09632316), who retires by rotation and being eligible, offers himself for re-appointment, be and is hereby re-appointed as Director of the Company, liable to retire by rotation.”

#### **III. Appointment of Director in the place of retiring Director**

To appoint a Director in place of Shri Hira Lal Tayal (DIN: 01898200), who retires by rotation and being eligible, offers himself for re- appointment. The following resolution is recommended with or without modification(s) as an **Ordinary Resolution**.

“**RESOLVED THAT** the pursuant to provisions of Section 152 of Companies Act, 2013 and rules made thereunder (including any statutory modification and re-enactment thereof) and other applicable provisions, if any of the Companies Act, 2013, Shri Hira Lal Tayal (DIN: 01898200), who retires by rotation and being eligible, offers himself for re- appointment, be and is hereby re-appointed as Director of the Company, liable to retire by rotation.”



#### IV. Declaration of Final Dividend

To declare the final dividend for the Financial Year 2023-24 @ 25 % recommended by the Board of Directors in their meeting held on May 31, 2024.

In this connection, to consider, and if thought fit, to pass with or without modification(s) the following as an **Ordinary Resolution**:

**"RESOLVED THAT** the final dividend at the rate of 25% of paid up share capital out of the profits of the Company and is hereby declared for the Financial Year ended March 31, 2024 and the same be paid to the shareholders as on the date of AGM as recommended by the Board of Directors of the Company on May 31, 2024."

#### V. Remuneration of the Statutory Auditors

To authorize the Board of Directors of the Company to fix the remuneration of the Statutory Auditors for the Financial Year 2024-25, the following resolution is recommended to pass with or without modification(s).

**"RESOLVED THAT** pursuant to the provisions of Section 142 of the Companies Act, 2013 the Board of Directors of the Company are hereby authorized to fix remuneration of the Statutory Auditors of the Company which are appointed as per the recommendation of Comptroller and Auditor General of India for the financial year 2024-25.

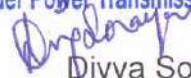
**RESOLVED FURTHER THAT** any Director, Chief Executive Officer and/ or Company Secretary of the Company be and are hereby authorized to do all such acts, deeds and things as may be required or considered necessary or incidental thereto."

#### SPECIAL BUSINESS

VI. To consider and if thought fit, to pass with or without modification(s), the following resolution as an **Ordinary Resolution** for Regularization of Additional Director, Shri Alok Kumar Sharma (DIN-10626455):

**"RESOLVED THAT** Shri Alok Kumar Sharma (DIN-10626455), who was appointed as an Additional Director with effect from May 31, 2024 on the Board of the Company in terms of Section 161 of the Companies Act, 2013 and other applicable provisions and who holds office up to the date of this Annual General Meeting, be and is hereby appointed as a Director of the Company."

By Order of the Board of Directors  
For **Cross Border Power Transmission Company Limited**  
For Cross Border Power Transmission Co. Ltd.

  
Divya Sorayan  
Company Secretary

#### Registered Office:

3<sup>rd</sup> Floor, Niryat Bhawan, Rao Tula Ram Marg,  
Opp Army Research & Referral Hospital,  
New Delhi, 110057

Date: September 12, 2024

## NOTES:

1. In view of the prevailing situation of Covid-19 pandemic, the Ministry of Corporate Affairs ("MCA") has vide its circular dated 5th May, 2020 read with circulars dated 8th April, 2020 and 13th April, 2020 (collectively referred to as "MCA Circulars") permitted holding of the Annual General Meeting ("AGM") through VC / OAVM, without the physical presence of the Members at a common venue. In compliance with the provisions of the Companies Act, 2013 ("Act"), the AGM of the Company is being held through VC / OAVM. The deemed venue for the 33<sup>rd</sup> AGM shall be the Registered Office of the Company.
2. Since, this AGM is being held pursuant to the MCA Circulars through VC / OAVM, physical attendance of Members has been dispensed with, accordingly, the facility for appointment of proxies by the Members will not be available for the AGM and hence the Proxy Form and Attendance Slip have not been sent through this Notice.
3. Corporate Members authorizing their representative to attend and vote at the Meeting are required to send a scanned copy (PDF/JPG Format) of its Board or governing body Resolution/Authorization etc., authorizing its Representative to attend the AGM through VC.
4. Members attending the AGM through VC / OAVM shall be counted for the purpose of reckoning the quorum under Section 103 of the Act.
5. The AGM is being conducted through Microsoft Teams. Kindly make it convenient to attend the meeting through Video Conferencing.



## EXPLANATORY STATEMENT

**The following Explanatory Statement set out the material facts with respect to the Notice as required under Section 102 of the Companies Act, 2013:**

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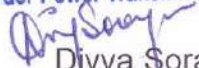
Item No (VI):

Shri Alok Kumar Sharma (DIN-10626455) was appointed as an Additional Director of the Company with effect from May 31, 2024, in accordance with the provisions of Section 161 of the Companies Act, 2013, read with the Articles of Association of the Company. Pursuant to Section 161 of the Companies Act, 2013, the above director holds office only up to the date of the ensuing Annual General Meeting of the Company. In this regard, The Board is of the view that the appointment of Sh. Alok Kumar Sharma (DIN-10626455) on the Company's Board as Director is desirable and would be beneficial to the Company and hence it recommends the said Resolution No. (VI) for the approval by the members of the Company.

None of the Directors/ Key Managerial Personnel of the Company/ their relatives, except Sh. Alok Kumar Sharma himself, is in any way concerned or interested, in the said resolution. The Board recommends the said resolution to be passed as an ordinary resolution.

By Order of the Board of Directors  
For **Cross Border Power Transmission Company Limited**

For Cross Border Power Transmission Co. Ltd.

  
Divya Sorayan  
Company Secretary

Registered Office:

3<sup>rd</sup> Floor, Niryat Bhawan, Rao Tula Ram Marg,  
Opp Army Research & Referral Hospital,  
New Delhi, 110057

Date: September 12, 2024

CC TO:

1. ALL THE DIRECTORS,
2. ALL THE SHAREHOLDERS,
3. THE AUDITORS OF THE COMPANY.



## BRIEF RESUME OF THE DIRECTORS SEEKING RE-ELECTION/REGULARISATION

### 1. Directors seeking re-election at the 18<sup>th</sup> Annual General Meeting:

|  |   |
|--|---|
| <b>Name</b>                                  | Shri Ravindra Kumar Tyagi   |
| <b>DIN</b>                                   | 09632316  |
| <b>Date of Birth and Age</b>                 | March 02, 1966/ 58 years  |
| <b>Date of Appointment</b>                   | July 07, 2022   |
| <b>Qualification</b>                         | B.Tech. (Electrical) and M.Tech (Energy Studies)  |
| <b>Expertise in specific functional Area</b> | Shri R.K. Tyagi is the Chairman of POWERGRID and having work experience of over 32 years in Power Transmission System, out of which over 26 years are in Operation and Maintenance (O&M) of Substations and Transmission lines at various key positions in premier CPSUs in power sector such as POWERGRID and NTPC. Sh. Tyagi is representing India in many International technical committees for preparing various Technical Standards. He is Author of more than 50 technical papers which have been presented in National and International conferences. |
| <b>Directorship held in other Companies</b>  | i. Power Grid Corporation of India Limited<br>ii. Sikkim Power Transmission Limited   |

|  |   |
|--|---|
| <b>Name</b>                                  | Shri Hira Lal Tayal   |
| <b>DIN</b>                                   | 01898200  |
| <b>Date of Birth and Age</b>                 | December 26, 1950/ 73 years   |
| <b>Date of Appointment</b>                   | June 20, 2019   |
| <b>Qualification</b>                         | B.Tech (Mechanical Engineer)  |
| <b>Expertise in specific functional Area</b> | Shri Hira Lal Tayal is the Director in Charge of CPTC and having work experience of more than 38 years in Power Sector and additional 10 years as Consultant in Prime Power Sector Organisations of the country with International Exposure in one of the largest private Transmission Company at a Senior Position. Since January 2011, he is working as a Consultant with IL&FS Energy Development Company Limited (IEDCL). |
| <b>Directorship held in other Companies</b>  | 1. Sipla Wind Energy Limited<br>2. Shendra Green Energy Limited<br>3. Saurya Urja Company of Rajasthan Limited  |

2. Director being appointed at the 18<sup>th</sup> Annual General Meeting:

|   |   |
|---|---|
| <b>Name</b>   | Shri Alok Kumar Sharma  |
| <b>DIN</b>  | 10626455  |
| <b>Date of Birth and Age</b>  | April 28, 1968/56 years   |
| <b>Date of Appointment</b>  | May 31, 2024  |
| <b>Qualification</b>  | Electrical Engineer and PG Diploma in HR  |
| <b>Expertise in specific functional Area</b>  | Shri Alok Kumar Sharma (DIN: 10626455) is presently Head of Business Development Department in POWERGRID. During his career spanning more than 33 years in Power sector, he has worked in various capacities in EHV substations and Transmission lines, both as Asset Management executive as well as construction executive. In POWERGRID he has served as CGM (Asset Management), Southern Region-1, Project in charge of TBCB companies namely POWERGRID Khetri Transmission Limited, POWERGRID Sikar Transmission Limited, POWERGRID Aligarh Sikar Transmission Limited, POWERGRID Southern Interconnector Transmission Limited. Prior to this he has headed regional contracts department, Jaipur group, Roorkee Group, Bareilly Group in Northern Region-I of POWERGRID. He has served as Testing and commissioning engineer in early part of career. Before joining POWERGRID in 1991, he was in NTPC for 2 years. |
| <b>Directorship held in other Companies (Part-time) along with listed entities from which he/she resigned in the past three years</b> | <ul style="list-style-type: none"> <li>i. Sikkim Power Transmission Limited</li> <li>ii. Bihar Grid Company Limited</li> <li>iii. North East Transmission Company Limited</li> <li>iv. Parbati Koldam Transmission Company Limited</li> </ul>   |

# **CROSS BORDER POWER TRANSMISSION COMPANY LIMITED**

**CIN: U40102DL2006PLC156738**

Regd. Office: 3<sup>rd</sup> floor, FIEO, Niryat Bhawan, Rao Tula Ram Marg, New Delhi-110057

## **DIRECTORS' REPORT**

**Dear Members,**

It gives me immense pleasure to present on behalf of the Board of Directors, the 18<sup>th</sup> Annual Report of **Cross Border Power Transmission Company Limited (CPTC)** on the company's business operations, together with Audited Financial Statements and Auditors' Report for the financial year ended March 31, 2024.

The Company would like to thank all the Members for their support, trust and expect their cooperation in future also. The Company (CPTC), where it is today, is all because of the untiring efforts from small team of its employees, continued guidance from its stakeholders, regulatory authority and co-operation from local communities. During the year, the Company continued to perform well and remains in good shape. The management of the Company has effectively collaborated with local communities during construction and operation & maintenance of the transmission system, which is the first high-capacity cross border interconnection between India and Nepal.

### **1. State of the Company's affairs**

**Cross Border Power Transmission Company Limited**, a Joint Venture of ILFS Energy Development Company Limited, Power Grid Corporation of India Limited, SJVN Limited and Nepal Electricity Authority (NEA), has constructed and commissioned 400 kV D/C transmission line of 85.55 kms of length from Muzaffarpur to Sursand (Indian portion of Indo-Nepal Interconnection 400 kV D/C Muzaffarpur-Dalkebar Transmission line). The line was initially commissioned at 220 kV level with two 220 kV line bays at the POWERGRID Muzaffarpur substation in Bihar on 19<sup>th</sup> February, 2016. This established a synchronous interconnection between the Indo-Nepal electrical grids, facilitating the import and export of power between the two countries.

The transmission line has been charged at 400 kV level on 11<sup>th</sup> November, 2020 after construction of 2 Nos. of 400 kV line bays. According to the Transmission Service Agreement, the entire transmission charges of the Company are billed to NEA of Nepal. Subsequently, the spare 2 Nos. 220 kV line bays along with one 400 kV D/C tower has been transferred to Bihar State Power Transmission Company Limited (BSPTCL) for its use after receipt of regulatory approval on book cost during the FY 2023-24.

## 2. Financial Performance

The financial performance for the Financial Year ended March 31, 2024 is as under:

| <b>For the year ended</b>                               | <b>March 31,<br/>2024</b> | <b>March 31,<br/>2023</b> |
|---|---------------------------|---------------------------|
|   | Rs. in Lakhs              | Rs. in Lakhs              |
| Total transmission income invoiced and realized         | 4263.73                   | 4410.42                   |
| Total revenue from operation and finance income         | 3174.65                   | 3265.62                   |
| Other Income  | 28.69                     | 29.71                     |
| <b>Total Income (A+B)</b>                               | <b>3203.34</b>            | <b>3295.33</b>            |
| Total Expenses  | 1589.99                   | 1662.42                   |
| Profit Before Tax                                       | 1613.35                   | 1632.91                   |
| Profit After Tax  | 1613.35                   | 1632.91                   |
| Balance Profit brought forward from Previous Year       | 8258.95                   | 7838.77                   |
| Dividend & Tax (Paid for previous year during the year) | 1212.74                   | 1212.74                   |
| Balance Profit carried forward to Balance Sheet         | 8659.56                   | 8258.95                   |
| Earnings Per Share in Rupee                             | 3.33                      | 3.37                      |
| Return on Capital Employed                              | 11.94%                    | 12.46%                    |

## 3. Performance Highlights

The salient key performance highlights of our Company during the Financial Year 2023-24 are enumerated here under for the benefit of the shareholders.

- (a) During the financial year 2023-24, the 400 kV Muzaffarpur- Sursand D/C transmission line has been maintained at 100% availability.
- (b) During the fiscal year 2023-24, the total energy transmitted (including both imports and exports) through the transmission system amounted to 2,910.30 million units (MU).
- (c) All Transmission Service Charges billed during the year were received on time, with no outstanding trade receivables as of March 31, 2024.
- (d) The Company had recommended a final dividend of 25% on paid up equity share capital for the FY 2023-24.
- (e) The spare assets, consisting of 2 Nos. 220 kV line bays and one 400 kV D/C tower, with a net value of Rs. 696.18 lakh (Gross block Rs. 917.10 lakh), were transferred to BSPTCL after obtaining regulatory approval for their productive utilization.

## 4. Project Cost

### (a) Project Cost of 400 kV D/C Muzaffarpur- Sursand Transmission line and 2 Nos. 220 kV bay extensions

The 400 kV D/C Muzaffarpur- Sursand Transmission line is under commercial operation since 19<sup>th</sup> February, 2016 and the Final Audited Project Cost after transfer of the spare assets, consisting of 2 Nos. 220 kV



line bays and one 400 kV D/C tower to BSPTCL is **Rs.232.1 Crores (original cost 241.27 Crores)**.

The 400 kV D/C Muzaffarpur-Sursand Transmission line has been in commercial operation since February 19, 2016. After transferring spare assets, consisting 2 Nos. 220 kV line bays and one 400 kV D/C tower, to BSPTCL, the final audited project cost is **Rs. 232.1 Crores**, reduced from the original cost of **Rs. 241.27 Crores**.

**(b) Project Cost of 2 Nos. 400 kV bays**

The 2 Nos. 400 kV Bays at Muzaffarpur substation have been in commercial operation since 11<sup>th</sup> November, 2020. The audited project cost is **Rs. 9.89 Crores**, which was entirely financed from internal resources.

**5. Shareholding Structure**

The Company's Authorized Share Capital is Rs.75 Crores as on 31<sup>st</sup> March, 2024 and its issued, subscribed and paid-up Share Capital is Rs.48,50,95,120/- divided into 48,509,512 Nos. of equity shares of Rs.10 each. The shareholding structure of the Company as on 31<sup>st</sup> March, 2024 is as follows. However, shares held by IEDCL are under process of transfer to other existing shareholders, i.e. POWERGRID, SJVN and NEA.

| No. | Shareholder   | Nos. of Shares held | % Holding  |
|-----|---|---------------------|------------|
| 1.  | IL & FS Energy Development Company Limited ("IEDCL")  | 1,84,33,615         | 38         |
| 2.  | Power Grid Corporation of India Limited ("POWERGRID") | 1,26,12,473         | 26         |
| 3.  | SJVN Ltd ("SJVN")                                     | 1,26,12,473         | 26         |
| 4.  | Nepal Electricity Authority ("NEA")                   | 48,50,851           | 10         |
|     | <b>Total</b>  | <b>4,85,09,512</b>  | <b>100</b> |

**6. Dividend**

During the financial year 2023-24, your Company paid final dividends of ₹ 2.50 per share, amounted to ₹1212.74 Lakhs out of profits of the Company for the FY 2022-23.

The Directors of the Company recommended final dividend of ₹ 2.50 per share, amounted of ₹1212.74 lakhs for the financial year 2023-24.

**7. Reserves**

Out of Net profits of ₹1613.35 Lakhs in current Financial Year, the company has transferred an amount of ₹ 48.25 Lakhs to Self-Insurance Reserve. Retained Earnings as on 31<sup>st</sup> March, 2024 stood at ₹ 8,611.30 Lakhs.

## **8. Particulars of Loans, Guarantees or Investments made under section 186 Of the Companies Act, 2013**

The Company has not given any loans, provided any guarantee or security to any other entity under the provisions of Section 186 of the Companies Act, 2013. The details of the guarantee given and loan taken by the Company is given in the notes to the financial statements.

## **9. Particulars of contracts or arrangements with Related Parties**

All Particulars of contracts or arrangements with Related Parties referred to Section 188 of the Companies Act, 2013, in the prescribed Form AOC-2, is given at **Annexure-1** to the Directors' Report. Related party transactions that were entered into during the financial year were on arm's length and were in the ordinary course of business.

## **10. Material changes and commitments**

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

## **11. Deposits**

Your Company has not accepted any deposits within the meaning of Section 73 of the Companies Act, 2013 and the Companies (Acceptance of Deposits) Rules, 2014 for the period under review.

## **12. Subsidiaries, Joint Ventures and Associate Companies**

The Company does not have any Subsidiaries, Joint Ventures and Associate Companies.

## **13. Risk Management**

The company has identified the following external and internal risks and implemented the following steps to mitigate them:

- a) Project implementation and Management: All construction activities of the company have been completed, and there are currently no projects under construction.
- b) Operation Maintenance of the Transmission System: The operation and maintenance of the transmission system entail risks from breakdowns caused by natural calamities and normal operational issues. POWERGRID, a global leader in transmission services, has been entrusted with these responsibilities. They possess substantial spares, expert manpower, and modern equipment. Additionally, the company has established a self-insurance fund to mitigate financial risks associated with these operations.
- c) Revenue Risk: Revenue risk is mitigated by the Transmission Service Agreement entered between the company and its sole user, NEA (Nepal Electricity Authority), which secures the company's assets.

- d) Debt Service Risk: The risk related to debt service is minimized by NEA's prompt payment of all bills well before their due dates since the beginning. As of the balance sheet date, there are no outstanding bills. Additionally, NEA provides robust payment security through measures like a one-year Letter of Credit and Bank Guarantee for transmission charges.
- e) Financing Risk: The project's entire loan is sourced from Power Finance Corporation, a PSU, with over 50% of the total loan already repaid without any defaults.
- f) Foreign Currency Risk: There is no foreign currency risk involved as the company does not engage in any transactions in foreign currencies. All invoices for transmission service charges to NEA are issued solely in Indian Rupees.

#### **14. Vigil Mechanism/ Whistle Blower Policy**

The company has established a vigil mechanism or whistleblower policy for directors and employees to report genuine concerns or grievances regarding unethical behavior, suspected fraud, or violations of the company's Code of Conduct or Ethics Policies, as applicable.

Any actual or potential concerns, grievances, or violations of the code, regardless of their perceived significance, are treated seriously by the Company. The vigil mechanism ensures adequate safeguards against any victimization of directors and employees who utilize it.

#### **15. Internal Financial Control**

The Company has adequate internal financial control with reference to financial transactions considering its size and business.

#### **16. Board and Committee Meetings**

Board and Committee meetings held during the FY 2023-24 is placed in **Annexure - II**.

#### **17. Board of Directors & KMPs appointed/ resigned during the financial year**

As on 31<sup>st</sup> March, 2024 the Board of Directors and KMPs of the companies are as under:

| <b>S. No.</b> | <b>Name</b>                   | <b>Directors/ KMP</b>   |
|---------------|-------------------------------|-------------------------|
| 1.            | Shri Ravindra Kumar Tyagi     | Chairman and Director   |
| 2.            | Shri Akhileshwar Singh        | Director                |
| 3.            | Shri Sushil Sharma            | Director                |
| 4.            | Shri Hira Lal Tayal           | Director                |
| 5.            | Shri Bibhudutta Biswal        | Director                |
| 6.            | Shri Dirghayu Kumar Shreshtha | Director                |
| 7.            | Shri Dilip Nagesh Rozekar     | Director                |
| 8.            | Shri Sathish Kumar J.         | Chief Executive Officer |
| 9.            | Shri Brundaban Dash           | Chief Financial Officer |
| 10.           | Ms. Divya Sorayan             | Company Secretary       |

During the Financial year 2023-24, following changes took place in the Board of Directors and KMPs.

| S. No. | Date       | Directors/ KMP Appointed   | Directors/ KMP Resigned/ Appointed   |
|--------|------------|----------------------------|--|
| 1.     | 19.04.2023 | Shri. P. R. Pati           | Cessation from the position of Chief Executive Officer.  |
| 2.     | 21.05.2023 | Smt. Anjali Singhal        | Resigned from the position of Company Secretary  |
| 3.     | 01.06.2023 | Ms. Divya Sorayan          | Appointed as Company Secretary   |
| 4.     | 31.07.2023 | Shri. Sathish Kumar J.     | Appointed as Chief Executive Officer   |
| 5.     | 31.12.2023 | Shri. K Sreekant           | Ceased to be director and Chairman of the company consequent to his superannuation from POWERGRID (Holding Company). |
| 6.     | 19.03.2024 | Shri. Dilip Nagesh Rozekar | Appointed as Additional Director   |
| 7.     | 29.03.2024 | Dr. R.P. Singh             | Cessation from the position of Independent Director on completion of his tenure.                                     |

#### **18. Prevention of Sexual Harassment of Women at Workplace (Prevention, Prohibition and Redressal)**

The company has internal complaints committee (ICC) in place to redress the complaints of sexual harassment. During the Financial Year 2023-24 the Company has received no complaints of sexual harassment.

#### **19. Holding of Website**

The Company is holding a website in the name of [www.cptcindia.com](http://www.cptcindia.com)

#### **20. Conservation of Energy and Technology Absorption**

The particulars as required under the provisions of Section 134(3) (m) of the Companies Act, 2013 in respect of conservation of energy and technology absorption have not been furnished considering the nature of activities undertaken by the company during the year under review.

#### **21. Foreign exchange earnings and out go**

There are no foreign exchange earnings and outgo during the Financial Year ended March 31, 2024.

#### **22. Change in the nature of business, if any**

There is no addition/ change in the nature of the Company business during the year.

#### **23. Significant and material orders passed by the regulators or courts or tribunals**

There is no significant or material orders passed by any authority which impacts the going concern status and the Company's operation in future.



## **24. Directors' Responsibility Statement**

As required under Section 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 have been followed along with proper explanation relating to material departures.
- (b) The Directors have selected such accounting policies and applied them consistently and made judgements and estimates that were 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 or loss of the Company for the period under review.
- (c) The Directors have 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 have prepared the annual accounts on a going concern basis.
- (e) The Directors have devised proper systems to ensure compliance with the provisions of all applicable laws and that such systems were adequate and operating effectively.

## **25. Statutory Auditors**

Your Company being a Joint Venture Company of IL&FS Energy Development Company Limited, Power Grid Corporation of India Limited, SJVN Limited and Nepal Electricity Authority, wherein fifty-two per cent of the paid-up capital is held by government companies, as such, pursuant Section 139(5) of the Companies Act, 2013, the Company is required to appoint Statutory Auditors of the Company, as recommended by the Comptroller and Auditor General (CAG) of India.

Pursuant to above, M/s Godara & Co., Chartered Accountants was appointed by Comptroller and auditors General of India as the Statutory Auditors of the company for the FY 2024-25.

## **26. Statutory Auditors' Report**

M/s Godara & Co., Chartered Accountants as the Statutory Auditors for the FY 2023-24 have given an unqualified report. The report is self-explanatory and does not require any further comments by the Board of Directors.

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

## **27. Secretarial Audit**

In terms of Section 204 of the Companies Act, 2013 and Rules made there under the requirement of obtaining a Secretarial Audit Report from the practicing company secretary is not applicable to the Company for the financial year ended

31<sup>st</sup> March, 2024 as the borrowing limits of the Company has stand below Rs.100 Crores as on 31<sup>st</sup> March, 2024.

## **28. Compliance with Secretarial Standards**

The Company has generally followed the Secretarial Standards SS-1 & SS-2 issued by the Institute of Company Secretaries of India.

## **29. Cost Auditors & Cost Records.**

Appointment of Cost Auditor under Section 148 of the Companies Act, 2013 is not made as the turnover of the company is less than the threshold limit provided in the Rule, 4 thereunder.

## **30. Comptroller and Auditor General's Comments**

Director General of Audit (Energy) vide their letter dated 11<sup>th</sup> July 2024, communicated that, CAG have decided not to conduct the supplementary audit of the financial statement of your Company for the FY 2023-24 under Section 143(6)(a) of the Act.

The copy of the letter is attached as **Annexure-III**.

## **31. Details in respect of frauds reported by auditors/management/agencies**

None of the Auditors/management of the Company or agencies have reported any frauds to the Board of Directors under Section 143(12) of the Companies Act, 2013, including rules made thereunder.

## **32. Annual Return**

In accordance with Section 92(3) read with Section 134 (3) (a) of the Companies Act, 2013, Annual Return of the Company is available on the website of the Company and can be accessed at <https://www.cptcindia.com/annual-return/>

## **33. Particulars of Employees**

There are no employees drawing remuneration exceeding the limits specified under the provisions of the Companies Act, 2013, and the Rules framed there under.

## **34. Declaration by Independent Director**

As per the provisions of Rule 4 of Companies (Appointment and Qualification of Directors) Rule 2014, your company, being a joint venture company, is exempted from appointment of Independent Directors. However, Dr. Rajendra Prasad Singh was in the Board of Directors of the company as an independent Director till 29<sup>th</sup> March, 2024.

The Company has received the requisite declarations under section 149(7) of the Companies Act, 2013 from the Independent Director in the Financial Year 2023-24 that they meet the criteria of independence as mentioned under section 149 of the Act.

### **35. Audit Committee**

The Company has not framed Audit Committee as the provisions of Section 177 of the Companies Act 2013 are not applicable to the Company, being a joint venture company in terms of notification dated 5<sup>th</sup> July 2017 and 13<sup>th</sup> July, 2017 issued by Ministry of Corporate Affairs (MCA).

### **36. Nomination And Remuneration Committee/Policy**

The provisions of Section 178(1) relating to constitution of Nomination and Remuneration Committee are not applicable to the Company being a joint venture company in terms of notification dated 5<sup>th</sup> July 2017 and 13<sup>th</sup> July, 2017 issued by Ministry of Corporate Affairs( MCA) and hence the Company has not devised any policy relating to appointment of Directors, payment of managerial remuneration, directors qualifications, positive attributes, independence of directors and other related matters as provided under Section 178(3) of the Companies Act, 2013.

### **37. Corporate Social Responsibility Committee (CSR)**

The company has constituted a Corporate Social Responsibility Committee (CSR Committee) in line with the requirements of the Companies Act, 2013, rules made there under. As on 31<sup>st</sup> March, 2024 the CSR committee comprised of Shri. H L Tayal and Shri. R K Tyagi as members. The CSR report is attached as **Annexure-IV**.

### **38. Insolvency and Bankruptcy Code, 2016**

During the Financial Year 2022-23, no application has been made under the Insolvency and Bankruptcy Code; hence, the requirement to disclose the details of application made or any proceeding pending under the Insolvency and Bankruptcy Code, 2016 during the year along with their status as at the end of the financial year is not applicable.

### **39. Acknowledgements**

Your Company and its Directors wish to extend their sincerest thanks to the Members of the Company, Bankers, Auditors, State Government, Local Bodies, Customers, Suppliers, Executives, Staff and workers at all levels for their continuous cooperation and assistance.

**For and on behalf of the Board of Directors,**

**Date: September 12, 2024**

**Place: New Delhi**

Sd/-

**R.K. Tyagi**  
**Chairman & Director**  
**DIN: 09632316**  
**Address: 3<sup>rd</sup> Floor,**  
**Federation of Indian Export Organization (FIEO),**  
**Niryat Bhawan,**  
**Rao Tula Ram Marg, New Delhi 110057**

# Cross Border Power Transmission Company Limited

## Annexure - I

### Form AOC-2

(Pursuant to clause (h) of sub-section (3) of section 134 of the Companies Act, 2013 and Rule 8(2) of the Companies (Accounts) Rules, 2014)

Form for disclosure of particulars of contracts arrangements entered into by the Company with Related Parties referred to in sub- section (1) of Section 188 of the Companies Act, 2013 including certain arm's length transactions under third proviso thereto:

#### 1) Details of contracts or arrangements or transactions not at arm's length basis

CROSS BORDER POWER TRANSMISSION COMPANY LIMITED ("the Company") has not entered into any contract/ arrangements/ transaction with its related parties which are not in ordinary course of business or at arm's length during the Financial Year 2023-24. The Company has laid down policy and processes/ procedures so as to ensure compliance to the subject section in the Companies Act, 2013 ("Act") and the corresponding Rules. In, addition, the process goes through internal and external checking followed by Board of Directors.

- a) Name (s) of the Related Party and nature of relationship: **Not Applicable**
- b) Nature of contracts/ arrangements/ transactions: **Not Applicable**
- c) Duration of the contracts/ arrangements/ transactions: **Not Applicable**
- d) Salient terms of the contracts/ arrangements/ transactions including the value, if any: **Not Applicable**
- e) Justification for entering into such contracts/ arrangements/ transactions: **Not Applicable**
- f) Date (s) of approval by the Board: **Not Applicable**
- g) Amount paid as advances, if any: **Not Applicable**
- h) Date on which the special resolution was passed in General Meeting as required under first proviso to section 188: **Not Applicable**

#### 2) Details of material contracts or arrangements or transactions at arm's length basis:

A.

| Serial No. | Particulars  | Details                                  |
|------------|--|--|
| a)         | Name (s) of the Related Party and nature of relationship | IL&FS Energy Development Company Limited |
| b)         | Nature of contracts/ arrangements/ transactions          | Dividend Paid                            |
| c)         | Duration of the contracts/ arrangements/ transactions    | -  |



|    |  |  |
|----|--|--|
| d) | Salient terms of the contracts/ arrangements/ transactions including the value, if any | ₹ 4,60,84,041/-  |
| e) | Date (s) of approval by the Board  | 22.08.2023 (In AGM final dividend declared for FY 2022-23) |
| f) | Amount paid as advances, if any  | -  |

B.

| Serial No. | Particulars  | Details   |
|------------|--|---|
| a)         | Name (s) of the Related Party and nature of relationship                               | Power Grid Corporation of India Limited (26% shareholder) |
| b)         | Nature of contracts/ arrangements/ transactions  | Operation and Maintenance Agreement                       |
| c)         | Duration of the contracts/ arrangements/ transactions                                  | 1 year  |
| d)         | Salient terms of the contracts/ arrangements/ transactions including the value, if any | ₹1,89,16,936/- (FY 23-24)                                 |
| e)         | Date (s) of approval by the Board  | 05.12.2023  |
| f)         | Amount paid as advances, if any  | N.A.  |

C.

| Serial No. | Particulars  | Details   |
|------------|--|---|
| a)         | Name (s) of the Related Party and nature of relationship                               | Power Grid Corporation of India Limited (26% shareholder) |
| b)         | Nature of contracts/ arrangements/ transactions  | Deputation Expenses                                       |
| c)         | Duration of the contracts/ arrangements/ transactions                                  | -   |
| d)         | Salient terms of the contracts/ arrangements/ transactions including the value, if any | ₹1,62,27,160/-  |
| e)         | Date (s) of approval by the Board  | 22.08.2023  |
| f)         | Amount paid as advances, if any  | N.A.  |

D.

| Serial No. | Particulars  | Details   |
|------------|--|---|
| a)         | Name (s) of the Related Party and nature of relationship | Power Grid Corporation of India Limited (26% shareholder) |
| b)         | Nature of contracts/ arrangements/ transactions          | Business Support Services                                 |
| c)         | Duration of the contracts/ arrangements/ transactions    | -   |

|    |  |            |
|----|--|------------|
| d) | Salient terms of the contracts/ arrangements/ transactions including the value, if any | ₹ 93,583/- |
| e) | Date (s) of approval by the Board  | 20-09-2013 |
| f) | Amount paid as advances, if any  | N.A.       |

E.

| Serial No. | Particulars  | Details  |
|------------|--|--|
| a)         | Name (s) of the Related Party and nature of relationship                               | Power Grid Corporation of India Limited (26% shareholder)  |
| b)         | Nature of contracts/ arrangements/ transactions  | Dividend Paid  |
| c)         | Duration of the contracts/ arrangements/ transactions                                  | -  |
| d)         | Salient terms of the contracts/ arrangements/ transactions including the value, if any | ₹ 3,15,31,183/-  |
| e)         | Date (s) of approval by the Board  | 22-08-2023 (In AGM final dividend declared for FY 2022-23) |
| f)         | Amount paid as advances, if any  | N.A.   |

F.

| Serial No. | Particulars  | Details  |
|------------|--|--|
| a)         | Name (s) of the Related Party and nature of relationship                               | SJVN Ltd.  |
| b)         | Nature of contracts/ arrangements/ transactions  | Dividend Paid  |
| c)         | Duration of the contracts/ arrangements/ transactions                                  | -  |
| d)         | Salient terms of the contracts/ arrangements/ transactions including the value, if any | ₹ 3,15,31,183/-  |
| e)         | Date (s) of approval by the Board  | 22-08-2023 (In AGM final dividend declared for FY 2022-23) |
| f)         | Amount paid as advances, if any  | N.A.   |

G.

| Serial No. | Particulars  | Details                     |
|------------|--|-----------------------------|
| a)         | Name (s) of the Related Party and nature of relationship | Nepal Electricity Authority |
| b)         | Nature of contracts/ arrangements/ transactions          | Dividend Paid               |
| c)         | Duration of the contracts/ arrangements/ transactions    | -                           |

|    |  |  |
|----|--|--|
| d) | Salient terms of the contracts/ arrangements/ transactions including the value, if any | ₹ 1,21,27,378/-  |
| e) | Date (s) of approval by the Board  | 22-08-2023 (In AGM final dividend declared for FY 2022-23) |
| f) | Amount paid as advances, if any  | N.A.   |

**For and on behalf of the Board of Directors**

**Date: September 12, 2024**

**Place: New Delhi**

Sd/-  
**R.K. Tyagi**  
**Chairman & Director**  
**DIN: 09632316**  
**Address: 3<sup>rd</sup> Floor,**  
**Federation of Indian Export Organization (FIEO),**  
**Niryat Bhawan,**  
**Rao Tula Ram Marg, New Delhi 110057**

## Cross Border Power Transmission Company Limited

### Annexure - II

| <b><u>Number of Board Meetings held during the FY 2023-24</u></b>  |   |                                 |
|--|---|---------------------------------|
| <b>The details of meetings held during the Financial Year 2023-24 are as follows:</b>                            |   |                                 |
| <b>Date</b>  | <b>Total number of Directors</b>  | <b>No. of Directors Present</b> |
| June 23, 2023  | 8   | 7                               |
| August 22, 2023  | 8   | 7                               |
| December 05, 2023  | 8   | 8                               |
| March 19, 2024   | 8   | 8                               |
| <b><u>Details of the Board Meetings and Attendance of the Directors during the FY 2023-24 is as follows:</u></b> |   |                                 |
| <b>Date of the Meeting</b>   | <b>Attended by</b>  |                                 |
| June 23, 2023  | <ol style="list-style-type: none"> <li>1. Sh. K. Sreekant</li> <li>2. Sh. R.K. Tyagi</li> <li>3. Sh. H.L. Tayal</li> <li>4. Sh. Bibhudutta Biswal</li> <li>5. Sh. A.K. Singh</li> <li>6. Sh. Sushil Sharma</li> <li>7. Dr. R.P. Singh</li> </ol>  |                                 |
| August 22, 2023  | <ol style="list-style-type: none"> <li>1. Sh. K. Sreekant</li> <li>2. Sh. R.K. Tyagi</li> <li>3. Sh. H.L. Tayal</li> <li>4. Sh. Bibhudutta Biswal</li> <li>5. Sh. A.K. Singh</li> <li>6. Sh. Sushil Sharma</li> <li>7. Dr. R.P. Singh</li> </ol>  |                                 |
| December 05, 2023  | <ol style="list-style-type: none"> <li>1. Sh. K. Sreekant</li> <li>2. Sh. R.K. Tyagi</li> <li>3. Sh. H.L. Tayal</li> <li>4. Sh. Bibhudutta Biswal</li> <li>5. Sh. A.K. Singh</li> <li>6. Sh. Sushil Sharma</li> <li>7. Dr. R.P. Singh</li> <li>8. Sh. Dirghayu Kumar Shrestha</li> </ol>          |                                 |
| March 19, 2024   | <ol style="list-style-type: none"> <li>1. Sh. R.K. Tyagi</li> <li>2. Sh. H.L. Tayal</li> <li>3. Sh. Bibhudutta Biswal</li> <li>4. Sh. A.K. Singh</li> <li>5. Sh. Sushil Sharma</li> <li>6. Dr. R.P. Singh</li> <li>7. Sh. Dirghayu Kumar Shrestha</li> <li>8. Sh. Dilip Nagesh Rozekar</li> </ol> |                                 |

## **Cross Border Power Transmission Company Limited**

### **Number of Committee Meetings held during the FY 2023-24 Corporate Social Responsibility Committee:**

**There were two meetings of Corporate Social Responsibility (CSR) Committee held during the year:**

| <b>Date of the Meeting</b>    | <b>Attended by</b>  |
|-------------------------------|---|
| December 05, 2023 at 02.30 pm | 1. Dr. R.P. Singh<br>2. Sh. H.L. Tayal                      |
| March 19, 2024 at 02.45 pm    | 1. Sh. H.L. Tayal<br>2. Sh. R.K. Tyagi<br>3. Dr. R.P. Singh |

No. DGA(E)/R/01-149{Ac-EBPTCL/2024-25}/DIS-1838737



**भारतीय लेखापरीक्षा और लेखा विभाग**  
कार्यालय महा निदेशक लेखापरीक्षा (ऊर्जा)  
नई दिल्ली

**INDIAN AUDIT & ACCOUNTS DEPARTMENT**  
Office of the Director General of Audit (Energy)  
New Delhi



Dated: 17/07/2024

सेवा में

अध्यक्ष,  
क्रॉस बॉर्डर पावर ट्रांसमिशन कंपनी लिमिटेड,  
नई दिल्ली ।

विषय: 31 मार्च 2024 को समाप्त वर्ष के लिए क्रॉस बॉर्डर पावर ट्रांसमिशन कंपनी लिमिटेड, नई दिल्ली के 2023-24 वार्षिक लेखाओं पर कम्पनी अधिनियम, 2013 की धारा 143(6)(b) के अन्तर्गत भारत के नियंत्रक-महालेखापरीक्षक की टिप्पणियाँ।

महोदय,

मैं, क्रॉस बॉर्डर पावर ट्रांसमिशन कंपनी लिमिटेड, नई दिल्ली के 31 मार्च 2024 को समाप्त वर्ष के लेखाओं पर कम्पनी अधिनियम, 2013 की धारा 143(6)(b) के अन्तर्गत भारत के नियंत्रक-महालेखापरीक्षक की टिप्पणियाँ अग्रेषित कर रही हूँ।

कृपया इस पत्र की संलग्नकों सहित प्रामि की पावती भेजी जाए।

भवदीया,

संलग्नक:- यथोपरि।

**एस. र. पंडा**  
(एस. आह्लादिनी पंडा)  
महानिदेशक



**COMMENTS OF THE COMPTROLLER AND AUDITOR GENERAL OF INDIA UNDER SECTION 143(6)(B) OF THE COMPANIES ACT, 2013 ON THE FINANCIAL STATEMENTS OF CROSS BORDER POWER TRANSMISSION COMPANY LIMITED FOR THE YEAR ENDED 31 MARCH 2024**

..

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

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

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

Place: New Delhi

Date: 11/07/2024

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

# Cross Border Power Transmission Company Limited

## Annexure-IV

### ANNUAL REPORT ON CSR ACTIVITIES TO BE INCLUDED IN THE BOARD'S REPORT FOR FINANCIAL YEAR COMMENCING ON OR AFTER 1ST DAY OF APRIL, 2020

**1. Brief outline on CSR Policy of the Company:** The CSR Policy is a reflection of the Company's commitment to engage and work closely with the Community and Society.

The programs and projects under the policy are designed to contribute towards social development and will be implemented meticulously to make a positive contribution and impact.

The CSR Vision, Policy and programs are overseen by the Board of the Company through its CSR Committee and supported by a team of professionals with a deep passion towards societal development.

The Company believes in designing its CSR initiatives in line with the priorities of the government and needs of the local community. CSR Projects will be aligned with the requirements of Schedule VII of Section 135 of the Companies Act 2013 as applicable from time to time.

#### 2. Composition of CSR Committee

| S No. | Name of Director | Designation / Nature of Directorship | Number of meetings of CSR Committee held during the year | Number of meetings of CSR Committee attended during the year |
|-------|------------------|--------------------------------------|--|--|
| 1.    | Sh. H.L. Tayal   | Director                             | 2  | 2  |
| 2.    | Sh. R.K. Tyagi   | Director                             | 2  | 1  |
| 3.    | Dr. R.P.Singh*   | Independent Director                 | 2  | 2  |

\* Ceased to be Director w.e.f. 29<sup>th</sup> March 2024 on completion of tenure.

|    |  |   |
|----|--|---|
| 3. | Provide the web link where Composition of CSR committee, CSR Policy and CSR projects approved by the board are disclosed on the website of the company.  | <a href="https://www.cptcindia.com/csr/">https://www.cptcindia.com/csr/</a> |
| 4. | Provide the details of Impact assessment of CSR projects carried out in pursuance of sub-rule (3) of rule 8 of the Companies (Corporate Social responsibility Policy) Rules, 2014, if applicable (attach the report) | --  |
| 5. | Details of the amount available for set off in pursuance of sub-rule (3) of rule 7 of the Companies (Corporate Social  | NIL   |

|   |  |
|---|--|
| responsibility Policy) Rules, 2014 and amount required for set off for the financial year, if any |  |
|---|--|

| Sl. No. | Financial Year | Amount available for set-off from preceding financial years (in Rs.) | Amount required to be setoff for the financial year, if any (in Rs.) |
|---------|----------------|--|--|
| 1.      | N.A.           | NIL  | NIL  |

|    |  |                  |
|----|--|------------------|
| 6. | Average net profit of the company as per section 135(5).   | ₹ 16,25,94,661/- |
| 7. | (a) Two percent of average net profit of the company as per section 135(5)                               | ₹ 32,51,893/-    |
|    | (b) Surplus arising out of the CSR projects or programmes or activities of the previous financial years. | NIL              |
|    | (c) Amount required to be set off for the financial year, if any   | NIL              |
|    | (d) Total CSR obligation for the financial year (7a+7b-7c).  | ₹ 32,51,893/-    |

**8. (a) CSR amount spent or unspent for the financial year:**

| Total Amount Spent for the Financial Year. (in Rs.) | Amount Unspent (in Rs.)  |                   |  |                 |                   |
|---|--|-------------------|--|-----------------|-------------------|
|   | Total Amount transferred to Unspent CSR Account as per section 135(6). |                   | Amount transferred to any fund specified under Schedule VII as per second proviso to section 135(5). |                 |                   |
|   | Amount.  | Date of transfer. | Name of the Fund   | Amount (in INR) | Date of transfer. |
| 32,76,941   | NIL  | NIL               | NIL  | NIL             | NIL               |

**(b) Details of CSR amount spent against ongoing projects for the financial year:**

| 1       | 2                   | 3  | 4                   | 5                       | 7        | 8                | 9   | 10   | 11   | 12                            |  |                         |
|---------|---------------------|--|---------------------|-------------------------|----------|------------------|---|--|--|-------------------------------|--|-------------------------|
| Sl. No. | Name of the Project | Item from the list of activities in schedule VII to the Act. | Local area (Yes/No) | Location of the project |          | Project duration | Amount allocated for the project (in Rs.) | Amount spent in the current financial Year (in Rs) | Amount transferred to Unspent CSR Account for the project as per | Mode of Implementation-Direct | Mode of Implementation-Through Implementing Agency |                         |
|         |                     |  |                     | State                   | District |                  |   |  |  |                               | Name   | CSR Registration number |

|    |   |  |     |       |                       |                |                  |     |     |     |     |     |
|----|---|--|-----|-------|-----------------------|----------------|------------------|-----|-----|-----|-----|-----|
| 1. | Artificial Limbs Supply to general public in Muzzafarpur/Sitamarhi    |  | Yes | Bihar | Muzzafarpur/Sitamarhi | (6 - 8 months) | 10,74,000        | NIL | NIL | Yes | N.A | N.A |
| 2. | Furniture Supply to Govt. School in Muzzafarpur/Sitamarhi             |  | Yes | Bihar | Muzzafarpur/Sitamarhi | (6 - 8 months) | 6,59,761         | NIL | NIL | Yes | N.A | N.A |
| 3. | Medical Accessories Supply to Govt. Hospital in Muzaffarpur/Sitamarhi |  | Yes | Bihar | Muzzafarpur/Sitamarhi | (6 - 8 months) | 10,29,158        | NIL | NIL | Yes | N.A | N.A |
| 4. | Electrical Equipment Supply to Govt. School in Muzaffarpur/Sitamarhi  |  | Yes | Bihar | Muzzafarpur/Sitamarhi | (6 - 8 months) | 4,59,700         | NIL | NIL | Yes | N.A | N.A |
|    | <b>Total Amount Spent on CSR Activities</b>                           |  | -   | -     | -                     | -              | <b>32,22,619</b> | -   | -   | -   | -   | -   |

(c) Details of CSR amount spent against **other than ongoing projects** for the financial year: **NIL**

| 1     | 2   | 3   | 4                   | 5                       |          | 6                                     | 7                                      | 8                              |                      |  |
|-------|---|---|---------------------|-------------------------|----------|---------------------------------------|--|--------------------------------|----------------------|--|
| S No. | Name of the Project                                     | Item from the list of Activities in schedule VII to the Act | Local area (Yes/No) | Location of the Project |          | Amount spent for the project (In Rs.) | Mode of implementation-Direct (Yes/No) | Mode of implementation-Through |                      |  |
|       |   |   |                     | State                   | District |                                       |  | Name                           | CSR Registration No. |  |
| -     | NIL   | -   | -                   | -                       | -        | -                                     | -                                      | NIL                            | NIL                  |  |
| (d)   | Amount spent in Administrative Overheads                |   |                     |                         |          |                                       | ₹ 54,322/-                             |                                |                      |  |
| (e)   | Amount spent on Impact Assessment, if applicable        |   |                     |                         |          |                                       | NIL                                    |                                |                      |  |
| (f)   | Total amount spent for the Financial Year (8b+8c+8d+8e) |   |                     |                         |          |                                       | ₹ 32,76,941/-                          |                                |                      |  |

**(g) Excess amount for set off, if any**

| <b>S No.</b> | <b>Particular</b>   | <b>Amount (In ₹)</b> |
|--------------|---|----------------------|
| (i)          | Two percent of average net profit of the company as per section 135(5)                                      | <b>32,51,893/-</b>   |
| (ii)         | Total amount spent for the Financial Year   | <b>32,76,941/-</b>   |
| (iii)        | Excess amount spent for the financial year [(ii)-(i)]   | 25,048/-             |
| (iv)         | Surplus arising out of the CSR projects or programmes or activities of the previous financial years, if any | <b>NIL</b>           |
| (v)          | Amount available for set off in succeeding financial years [(iii)-(iv)]                                     | <b>NIL</b>           |

**9. (a) Details of Unspent CSR amount for the preceding three financial years:**

| <b>S No.</b> | <b>Preceding Financial Year</b> | <b>Amount transferred to unspent CSR Account under section 135(6) (In Rs.)</b> | <b>Amount spent in the reporting Financial Year (in Rs.)</b> | <b>Amount transferred to any fund specified under Schedule VII as per section 135(6), if any</b> |                        |                         | <b>Amount remaining to be spent in succeeding financial years (in Rs.)</b> |
|--------------|---------------------------------|--|--|--|------------------------|-------------------------|--|
|              |                                 |  |  | <b>Name of the Fund</b>  | <b>Amount (in Rs.)</b> | <b>Date of Transfer</b> |  |
| 1.           | 2022-23                         | <b>NIL</b>   | <b>NIL</b>   | <b>NIL</b>   | <b>NIL</b>             | <b>NIL</b>              | <b>NIL</b>   |
| 2.           | 2021-22                         | <b>NIL</b>   | <b>NIL</b>   | <b>NIL</b>   | <b>NIL</b>             | <b>NIL</b>              | <b>NIL</b>   |
| 3.           | 2020-21                         | <b>NIL</b>   | <b>NIL</b>   | <b>NIL</b>   | <b>NIL</b>             | <b>NIL</b>              | <b>NIL</b>   |
|              | <b>Total</b>                    |  |  |  |                        |                         |  |

**(b) Details of CSR amount spent in the financial year for ongoing projects of the preceding financial year(s):**

| <b>1</b>    | <b>2</b>          | <b>3</b>                   | <b>4</b>   | <b>5</b>                | <b>6</b>   | <b>7</b>  | <b>8</b>   | <b>9</b>  |
|-------------|-------------------|----------------------------|--|-------------------------|--|---|--|---|
| <b>S No</b> | <b>Project Id</b> | <b>Name of the Project</b> | <b>Financial Year in which the project was commenced</b> | <b>Project duration</b> | <b>Total amount allocated for the project (In Rs.)</b> | <b>Amount spent on the project in the reporting Financial year (In Rs.)</b> | <b>Cumulative amount spent at the end of reporting Financial Year (In Rs.)</b> | <b>Status of the project - Completed/ ongoing</b> |
| 1.          | <b>NIL</b>        | <b>NIL</b>                 | <b>NIL</b>   | <b>NIL</b>              | <b>NIL</b>   | <b>NIL</b>  | <b>NIL</b>   | <b>NIL</b>  |
|             | <b>Total</b>      |                            |  |                         |  |   |  |   |

|            |   |      |
|------------|---|------|
| <b>10.</b> | In case of creation or acquisition of capital asset, furnish the details relating to the asset so created or acquired through CSR spent in the financial year <b>(asset wise details)</b> | N.A. |
|            | (a) Date of creation or acquisition of the capital asset(s)   | -    |
|            | (b) Amount of CSR spent for creation or acquisition of capital asset  | -    |
|            | (c) Details of the entity or public authority or beneficiary under whose name such capital asset is registered, their address etc.  | -    |
|            | (d) Provide details of the capital asset(s) created or acquired (including complete address and location of the capital asset)  | -    |
| <b>11.</b> | Specify the reason(s), if the company has failed to spend two per cent of the average net profit as per section 135(5)  | N.A. |

Sd/-  
**Hira Lal Tayal**  
**Director**

Sd/-  
**Ravindra Kumar Tyagi**  
**Chairman CSR Committee**





## INDEPENDENT AUDITOR'S REPORT

To the Members of  
Cross Border Power Transmission Company Limited

Report on the Ind AS Standalone Financial Statements

### Opinion

We have audited the accompanying Ind AS Standalone Financial Statements of **Cross Border Power Transmission Company Limited** ("the Company"), which comprise the Balance Sheet as at March 31, 2024, the Statement of Profit and Loss (including other comprehensive income), the Statement of Cash Flows and the Statement of Changes in Equity for the year ended on that date, and a summary of 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, 2024, the profit and total comprehensive income, changes in equity and its cash flows for the year ended on that date.

### Basis for Opinion

We conducted our audit of the Standalone Financial Statements in accordance with the Standards on Auditing ("SA's") specified under section 143(10) of the Act. Our responsibilities under those Standards are further described in the Auditor's Responsibilities for the Audit of the Standalone Financial Statements section of our report. We are independent of the Company in accordance with the Code of Ethics issued by the Institute of Chartered Accountants of India ("ICAI") together with the ethical requirements that are relevant to our audit of the Standalone Financial Statements under the provisions of the Act and the Rules made thereunder, and we have fulfilled our other ethical responsibilities in accordance with these requirements and the ICAI's Code of Ethics. We believe that the audit evidence obtained by us is sufficient and appropriate to provide a basis for our audit opinion on the Standalone Financial Statements.

### Key Audit Matters

Key audit matters are those matters that, in our professional judgment, were of most significance in our audit of the Standalone Financial Statements of the current period. 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.



| S. No. | Key Audit Matter  | Auditor's response   |
|--------|---|--|
| 1.     | <p><b>Revenue recognition</b></p> <p>An AGREEMENT (implementation and transmission service agreement i.e. referred as ITSA) is entered into on <b>13<sup>th</sup> of December, 2011</b> at New Delhi, India between <b>Nepal Electricity Authority, an undertaking of GON, established under the Nepal Electricity Authority Act, 2041</b> having its head office at Durbar Marg, Kathmandu, Nepal</p> <p style="text-align: center;"><b>And</b></p> <p><b>Cross Border Power Transmission Company of India (CPTC)</b>, a joint venture company of Power Grid Corporation of India, SJVN Limited and IL&amp;FS Energy Development Company Limited, incorporated in India under the Company Act 1956, having its registered office at 10, Community Center, 2nd Floor, East of Kailash, New Delhi – 110065 (India),</p> <p style="text-align: center;"><b>And</b></p> <p><b>Power Transmission Company Nepal Limited (PTCN)</b>, a joint venture company of NEA and IL&amp;FS Energy Development Company Limited, incorporated in Nepal under the Company Act 2006 of Nepal, having its registered office at C/o Nepal Electricity Authority, Durbar Marg, Kathmandu, Nepal <b>For exchange of electricity between Nepal and India, a 400 kV D/C transmission line of approximately 145 km in length, running from Dhalkebar (in Nepal) to Muzaffarpur (in India), to be initially charged at 220 kV, and associated bay extension work at Muzaffarpur and Dhalkebar substations as stated hereunder:</b></p> <p>I. Approximately 100 km of transmission line from Muzaffarpur (in India) to the TLP-Nepal Connection Point, and a bay extension at Muzaffarpur substation is being implemented by CPTC, and</p> <p>II. Approximately 45 km of transmission line from Dhalkebar (in Nepal) to the TLP-Nepal Connection Point, and a bay extension at Dhalkebar substation,</p> | <p><b>Our audit procedures included and were not limited to the following:</b></p> <p><b><u>Transmission service charges.</u></b></p> <ul style="list-style-type: none"> <li>➤ Obtain and read agreement document for identification of distinct performance obligations under agreement and identified significant terms and condition in agreement to assess management conclusion regarding the identification of distinct performance obligations.</li> <li>➤ Performed walk-through of the calculation process associated with the annual transmission service charges.</li> <li>➤ Tested the design, implementation and operating effectiveness of the controls established by the Company in the process of calculation of transmission service charges and check compliance with Basis for computation of Annual TSC prescribed in stated <b>ITSA agreement-Schedule 6.2)</b></li> <li>➤ Reviewed the disclosures made by the Company in the Standalone Financial Statements for compliance with the applicable authoritative pronouncements.</li> </ul> <p><b><u>Finance income &amp; "Receivable against Service Concession Arrangements".</u></b></p> <p>Company has practice to calculate Finance income and receivable against SCA using amortisation table prepared by management expert as per provisions of ITSA. (amortisation table is based on assumptions and estimations).</p> <p><b>Our audit procedures included and were not limited to the following:</b></p> <ul style="list-style-type: none"> <li>➤ Assess the qualifications, experience, and independence of the management expert before relying on their expertise.</li> <li>➤ Exercise due professional care in evaluating the qualifications and objectivity of the management expert. This includes reviewing their credentials, experience, and any potential conflicts of interest that may affect their impartiality.</li> <li>➤ Performed walk-through of the calculation process associated with the finance income &amp;</li> </ul> |





|   |   |
|---|---|
| <p>is being implemented by PTCN;<br/> <u>Performance obligations of parties under ITSA agreement</u></p> <p>CPTC has agreed to make available the entire transmission capacity of TLP India to NEA on a commercial basis subject to the conditions of this Agreement for transmitting electric power of NEA. NEA can use this line for their own requirement or make available to the other users in Nepal and/or India for using this line for transmittal of power, <b>based on a separate transmission service agreement with NEA</b> and pay CPTC the <b>Transmission Service Charges</b> as determined in accordance with the terms of this Agreement.</p> <p>We have identified following Key audit matter on the basis of their effect on the audit of significant event or transactions that occurred during the period and assumptions and estimation used by management expert in amortisation table preparation.</p> <p><b>TSC Determination</b><br/> TSC for TLP India shall be determined for the whole of the 400 kV D/C Muzaffarpur to Border Point Transmission line including Bay equipment at Muzaffarpur Substation TSC shall be determined based on Capital cost of TLP India, which shall include the expenditure incurred or projected to be incurred up to the <b>commercial operation date, including interest during construction and financing charges etc. as certified by Auditor.</b>( Basis for computation of Annual TSC prescribed in above stated agreement-Schedule 6.2).</p> <p><u>Service Concession Arrangement as per Appendix A of Ind-AS 11.</u></p> <p>➤ Arrangement to Build, Operate and Transfer (BOT) has been classified as <b>Service Concession Arrangement</b> as per Appendix A of Ind-As 11.</p> | <p>SCA.</p> <p>➤ Tested the design, implementation and operating effectiveness of the controls established by the Company in the process computation of finance income &amp; SCA.</p> <p>➤ Reviewed the disclosures made by the Company in the Standalone Financial Statements for compliance with the applicable authoritative pronouncements.</p> |
|---|---|



|           |   |   |
|-----------|---|---|
|           | <p>➤ <b>Receivable Under SCA</b></p> <p>Under a SCA, where the Company has acquired contractual rights to receive specified determinable amounts (Annuity) for use of an asset, such amounts are recognised as “Financial Assets” and are disclosed as “Receivable against Service Concession Arrangements”. The value of a Financial Asset covered under a SCA includes the fair value <b>estimate</b> of the construction services which is estimated at the inception of the contract and is based on the fair value of the constructed asset and comprises of the actual construction cost, a margin as per the SCA, estimates of the future operating and maintenance costs, including overlay / renewal costs. The cash flow from a Financial Asset commences from the Provisional / Final Commercial Operation Date as certified by the granting authority for the SCA. The cash flow from a Financial Asset is accounted using the <b>effective interest rate method</b>. The intrinsic interest element in each Annuity receipt is <b>accounted as finance income</b> and the balance amount (excluding the amount received for operation and maintenance of the cost of asset) <b>accounted towards recovery of dues from the “Receivable against Service Concession Arrangements”</b>.</p> |   |
| <p>2.</p> | <p><b><u>Transfer of asset to BSPTCL by CPTC at book value.</u></b></p> <p><b><u>Agreement</u></b> for use of CPTC’s 02 no. of 220 kV AIS Line Bays &amp; 1 no. 400kV DD tower near gantry at 400/220 kV Muzaffarpur (POWERGRID) Substation by BSPTCL till sale/ transfer.</p> <p>This agreement made on this <b>10th day of March 2023, at Patna</b> by and among</p> <p><b>Cross Boarder Power Transmission Company Ltd, (hear in after referred to as “CPTC or Seller” )</b></p> <p style="text-align: center;"><b>And</b></p>   | <p><b><u>Our audit procedures included and were not limited to the following:</u></b></p> <ul style="list-style-type: none"> <li>➤ Obtain and read agreement document and other documents that were part of the agreement. for identification of distinct performance obligations under agreement and identified significant terms and condition in agreement to assess management conclusion regarding the identification of distinct performance obligations.</li> <li>➤ Performed walk-through of the adjustment made for transfer of asset.</li> <li>➤ Tested the design, implementation and operating effectiveness of the controls</li> </ul> |



**Bihar State Power Transmission Company Ltd,** (here in after referred to as "BSPTCL or Buyer")

**Whereas**

- BSPTCL needed the aforesaid spare 2 No line bays and one no tower near Gantry to terminate its, 200 KV Muzaffarpur-Chhapra (New), Amnour transmission line at POWERGRID Muzaffarpur Substation.
- CPTC board of directors (**At 75th meeting of board of directors of CPTC held on Tuesday, January 17, 2023 through video conferencing**) and BSPTCL board of directors approved the transfer of the subject asset **at book cost** plus GST as on the date of transfer or use whichever is earlier after all regulatory and statutory clearances.
- Keeping in the view of urgency of charging 220 KV Muzaffarpur-Chhapra (New), Amnour transmission line at POWERGRID Muzaffarpur Substation, BSPTCL has requested for permitting use of CPTC's 02 no. of 220 kV AIS Line Bays & 1 no. 400kV DD tower near gantry at 400/220 kV Muzaffarpur (POWERGRID) Substation, till actual sale/ transfer proceeding are completed.

**CPTC agrees to allow use of the above referred assets by BSPTCL on the following terms & conditions:**

- BSPTCL has to deposit entire estimated **book value** of the assets plus applicable GST amount as on 31.1.2023 amounted to **Rs. 8,28,07,689.00** in advance as a security deposit till actual sale/transfer of assets.
- Actual sale/ transfer of the subject assets shall take place only after getting Regulatory approval from CERC, to do so under relevant Electricity Act.
- Only after receipt of regulatory approval from CERC, formal sale-purchase agreement between CPTC and BSPTCL shall be signed.

established by the Company in the process transfer of asset.

- Reviewed the disclosures made by the Company in the Standalone Financial Statements for compliance with the applicable authoritative pronouncements.





|   |  |
|---|--|
| <p>➤ It is the <b>responsibility of BSPTCL</b> to take any permission/ approval from any authority/institute including POWERGRID before use of the assets where ever it is required at their risk and cost.</p> <p>Above sale completed in the month of October, 2023 after getting required approval for transfer of asset as per above agreement (CERC in its order 96/MT/2023 dated 05.10.2023 accorded approval for transfer of stated asset to BSPTCL and CPTC BOD took note of the same in 79<sup>th</sup> meeting of BOD held on Tuesday, December 05, 2023 via video conferencing.).</p> <p><b>The management of company (CPTC) has obtained certificates of cost for above mentioned asset.</b></p> <p>The above certified cost less depreciation i.e. book value is adjusted by company (CPTC) from projected capital cost which used by company in its Amortisation table for computation of finance income. (Refer key audit matter No.1 above).</p> <p>The above adjustment of cost from projected cost of capital under Amortisation table Results, reduce in the financial assets of the Company and annual revenue for remaining life of the assets. (Refer key audit matter No.1 above).</p> <p>Since above certification of cost involve professional judgment of certificate issuer and involvement of CERC, (ministry of power, Govt. of India) in approval of above transfer of asset, We reported this transfer of asset as key audit matter.</p> |  |
|---|--|

**Information Other than the Financial Statements and Auditor’s Report Thereon**

Information Other than the Financial Statements and Auditor’s Report Thereon The Company’s Board of Directors is responsible for the other information. The other information comprises the information included in the Board’s Report including Annexures to Board’s Report but does not include the Standalone Financial Statements and our auditor’s report thereon.





Our opinion on the Standalone Financial Statements does not cover the other information and we do 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 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.

If, based on the work we have performed, we conclude that there is a material misstatement of this other information, we are required to report that fact. We have nothing to report in this regard.

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

The Company's Board of Directors is responsible for the matters stated in Section 134(5) of the Companies Act, 2013 ("the Act") with respect to the preparation of these Ind AS Standalone Financial Statements that give a true and fair view of the financial position, financial performance including other comprehensive income, cash flows and changes in equity of the Company in accordance with the accounting principles generally accepted in India, including the Indian Accounting Standards (Ind AS) prescribed under Section 133 of the Act, read with the Companies (Indian Accounting Standards) Rules, 2015, as amended, 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 Ind AS 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, Standalone Financial Statements.

As part of an audit in accordance with SAs, we exercise professional judgment and maintain professional scepticism 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 control relevant to the audit in order to design audit procedures that are appropriate in the circumstances.
- Evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by the management.
- Conclude on the appropriateness of management's use of the going concern basis of accounting and, based on the audit evidence obtained, whether a material uncertainty exists related to events or conditions that may cast significant doubt on the Company's ability to continue as a going concern. If we conclude that a material uncertainty exists, we are required to draw attention in our auditor's report to the related disclosures in the Standalone Financial Statements or, if such disclosures are inadequate, to modify our opinion. Our conclusions are based on the audit evidence obtained up to the date of our auditor's report. However, future events or conditions may cause the Company to cease to continue as a going concern.
- Evaluate the overall presentation, structure and content of the Standalone Financial Statements, including the disclosures, and whether the Standalone Financial Statements represent the underlying transactions and events in a manner that achieves fair presentation.

Materiality is the magnitude of misstatements in the Standalone Financial Statements that, individually or in aggregate, makes it probable that the economic decisions of a reasonably knowledgeable user of the Standalone Financial Statements may be influenced. We consider quantitative materiality and qualitative factors in (i) planning the scope of our audit work and in evaluating the results of our work; and (ii) to evaluate the effect of any identified misstatements in the Standalone Financial Statements.

We communicate with those charged with governance regarding, among other matters, the planned scope and timing of the audit and significant audit findings, including any significant deficiencies in internal financial controls 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

#### **Report on Other Legal and Regulatory Requirements**

1. As required by the Companies (Auditor's Report) Order, 2020 ("the Order"), issued by the Central Government of India in terms of sub-section (11) of section 143 of the Act, we give in the Annexure -A, which forms a part of this report, a statement on the matters specified in paragraph 3 and 4 of the Order, to the extent applicable.
2. As required by Section 143 (3) of the Act, we report that:
  - (a) We have sought and obtained all the information and explanations which to the best of our knowledge and belief were necessary for the purpose of our audit.



- (b) in our opinion, proper books of account, as required by law have been kept by the Company so far, as appears from our examination of such books.
- (c) The Balance Sheet, Statement of Profit and Loss (including Other Comprehensive Income), the Statement of Cash Flows and the Statement of Changes in Equity dealt with by this Report are in agreement with the books of account and returns.
- (d) in our opinion, the aforesaid Standalone Financial Statements comply with the Ind AS specified under Section 133 of the Act, read with relevant rules issued thereunder.
- (e) on the basis of written representations received from the Directors and taken on record by the Board of Directors, we report that none of the Directors is disqualified as on 31<sup>st</sup> March, 2024 from being appointed as a Director in terms of Section 164(2) of the Companies Act, 2013.
- (f) With respect to the adequacy of the internal financial controls over financial reporting of the company and the operating effectiveness of such controls, refer to our separate report in "Annexure- B". 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 the requirements of section 197(16) of the Act, as amended, We report that section 197 is not applicable to Private company. Hence reporting as per Section 197(16) is not required.
- (h) As required by Rule 11 of the Companies (Audit and Auditors) Rules, 2014 issued by the Central Government of India in terms of clause (j) of sub-section (3) of section 143 of the Act, in our opinion and to the best of our information and according to the explanation given to us:
  - I. The Company has disclosed the impact of pending litigations on its financial position in its Ind AS Standalone Financial Statements – Refer Note 25 to the Ind AS financial statement.
  - II. The Company did not have any long-term contracts including derivative contracts for which there were any material foreseeable losses.
  - III. There has been no delay in transferring the amounts required to be transferred to the Investor Education and Protection Fund by the Company.
  - IV. (a) The management has represented that, to the best of it's knowledge and belief, other than as disclosed in the notes to the accounts, no funds have been advanced or loaned or invested (either from borrowed funds or share premium or any other sources or kind of funds) by the company to or in any other person(s) or entity(ies), including foreign entities ("Intermediaries"), with the understanding, whether recorded in writing or otherwise, that the Intermediary shall, whether, directly or indirectly lend or invest in other persons or entities identified in any manner whatsoever by or on behalf of the





company ("Ultimate Beneficiaries") or provide any guarantee, security or the like on behalf of the Ultimate Beneficiaries;

(b) The management has represented, that, to the best of it's knowledge and belief, other than as disclosed in the notes to the accounts, no funds have been received by the company from any person(s) or entity(ies), including foreign entities ("Funding Parties"), with the understanding, whether recorded in writing or otherwise, that the company shall, whether, directly or indirectly, lend or invest in other persons or entities identified in any manner whatsoever by or on behalf of the Funding Party ("Ultimate Beneficiaries") or provide any guarantee, security or the like on behalf of the Ultimate Beneficiaries; and

(c) Based on such audit procedures that have been considered reasonable and appropriate **in the circumstances, nothing has come to our notice that has caused us to believe that the** representations under sub-clause (i) and (ii) of Rule 11(e), as provided under (i) and (ii) above, contain any material misstatement.

- V. The dividend declared or paid during the year by the company is in compliance with section 123 of the Companies Act, 2013.
- Vi. Directions u/s 143(5) of Companies Act 2013 Applicable from the FY 2018-19 onwards, refer to our separate report in "Annexure C"
- Viii. Company had used such accounting software for maintaining its books of account for the financial year ended on March, 2024. **However the accounting software used by the company is not having a feature of recording audit trail (edit log) facility.**

For M/s Godara & Company

Chartered accountants

ICAI firm registration number: 016517N



C.A. Alok Bishnoi

Partner

Membership No: 504281

UDIN: 24504281BKAMEG8656

Date: 31-05-2024

Place: New Delhi

## ANNEXURE - A TO THE INDEPENDENT AUDITOR'S REPORT

The Annexure referred to in Independent Auditors' Report to the members of the Company on the Ind AS Standalone Financial Statements for the year ended 31<sup>st</sup> March 2024, we report that:

- i. (a) The Company has maintained proper records showing full particulars including quantitative details and situation of its Property, Plant and Equipments.  
(b) According to the information and explanations given to us, the fixed assets of the Company have been physically verified by the management at reasonable intervals. No material discrepancies were noticed on such verification as compared to the book records.  
(c) The Company does not have any immovable properties. Accordingly, clause 3(i)(c) of the Order is not applicable.  
(d) According to the information and explanations given to us and on the basis of our examination of the records of the Company, the company has not revalued its Property, Plant and Equipment (including Right of Use assets) or intangible assets during the year. Accordingly, the reporting under Clause 3(i)(d) of the Order is not applicable to the Company.  
(e) According to the information and explanations given to us and on the basis of our examination of the records of the Company, there are no proceedings have been initiated or are pending against the company for holding any benami property under the Benami Transactions (Prohibition) Act, 1988 (45 of 1988) and rules made thereunder.
- ii. (a) The company does not have any inventory and no working capital limit in excess of Rs. 5 crore (at any point of time during the year), in aggregate from banks or financial institutions on the basis of security of current asset, accordingly, the provision of clause 3 (2) of order are not applicable.
- iii. According to the information and explanations given to us and based on such tests which we considered necessary, we report that the company has not granted any loans, secured or unsecured to companies, firms, limited liability partnerships or other parties covered in the register maintained under section 189 of the Companies Act, 2013. Therefore the provisions of paragraph (iii) (a), (b) and (c) of the above order are not applicable to the Company.
- iv. According to the information and explanations given to us, the Company has not made any loans, investments, or given any guarantees or provided any security pursuant to the provisions of section 185 and 186 of the Companies Act, 2013. Therefore, the provisions of paragraph (iv) of the above order are not applicable to the Company.
- v. In our opinion and according to the information and explanations given to us, the Company has not accepted any deposits from the public during the year under audit. Therefore, directives issued by Reserve





Bank of India and the provisions of Sections 73 to 76 or any other relevant provisions of the Companies Act and the rules framed there under are not applicable to the company.

- vi. We have broadly reviewed the cost records maintained by the Company pursuant to the sub-section (1) of section 148 of the Companies Act, specified by the Central Government and are of the opinion that, prima facie, the prescribed cost records have been maintained. We have, however, not made a detailed examination of the cost records with a view to determine whether they are accurate or complete.
- vii. (a) According to the information and explanations given to us and records of the Company examined by us, in our opinion, the company is generally regular in depositing undisputed statutory dues including Provident Fund, Employees' State Insurance, Income-tax, Sales-tax, Service tax, Duty of Customs, Goods and Service Tax, cess and any other statutory dues with the appropriate authorities. We are informed that the provisions of Excise Duty are not applicable to the company. According to the information and explanation given to us, no undisputed amounts payable were outstanding as at March 31, 2024 for a period of more than six months from the date they became payable.
- (b) According to the information and explanations given to us, there are no dues of income tax, Goods and service tax.
- viii. According to the information and explanations given to us and on the basis of our examination of the records of the company, the Company has not surrendered or disclosed any transactions, previously unrecorded as income in the books of account, in the tax assessments under the Income Tax Act, 1961 as income during the year.
- ix. (a) In our opinion and according to the information and explanations given to us, the Company has not defaulted in repayment of loans or borrowing to any financial institution, bank or Government. The Company does not have any debenture holders.
- (b) According to the information and explanations given to us and on an overall examination of the balance sheet of the Company, we report that no funds raised on short term basis have been used for long term purposes by the company
- (c) In our opinion and according to the information and explanations given by the management, the company has not raised loans during the year on the pledge of securities held in its subsidiaries, joint ventures, or associate companies. Accordingly, clause 3(ix)(f) is not applicable.
- x. (a) In our opinion and according to the information and explanations given to us, the company has not raised moneys by way of initial public offer or further public offer (including debt instruments) and term loans during the year.





- (b) According to the information and explanations given to us and on the basis of our examination of the records of the Company, the company has not made any preferential allotment or private placement of shares or convertible debentures (fully, partially or optionally convertible) during the year. Accordingly, clause 3(x)(b) of the Order is not applicable.
- xi. (a) According to the information and explanations given to us, no fraud by the company or any fraud on the company by its officers or employees has been noticed or reported during the year under review.
- (b) According to the information and explanations given to us, no report under sub-section (12) of section 143 of the Companies Act has been filed by the auditors in Form ADT-4 as prescribed under rule 13 of Companies (Audit and Auditors) Rules, 2014 with the Central Government.
- (c) According to the information and explanations given to us by the management, no whistle-blower complaints had been received by the company.
- xii. According to the information and explanation given to us, the company is not a Nidhi Company. Therefore the provisions of paragraph 3(xii) of the Order are not applicable.
- xiii. According to the information and explanations given to us, and based on our examination of the records of the company, transactions with the related parties are in compliance with section 177 and 188 of the Companies Act, 2013. Further the details of the transactions have been disclosed in the Ind AS Standalone Financial Statements as required by the applicable accounting standards.
- xiv. (a) Based on information and explanations provided to us and our audit procedures, the company has an internal audit system commensurate with the size and nature of its business.
- (b) We have considered the internal audit reports of the Company issued till date for the period under audit.
- xv. According to information and explanations given to us, and based on our examination of the records of the company, the company has not entered into any non-cash transactions with directors or person connected with him. Accordingly, provisions of paragraph 3 (xv) of the Order are not applicable.
- 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.
- xvii. Based on our examination, the company has not incurred cash losses in the financial year and in the immediately preceding financial year
- xviii. There has been no resignation of the statutory auditors during the year. Accordingly, clause 3(xviii) of the Order is not applicable.



- xix. According to the information and explanations given to us and on the basis of the financial ratios, ageing and expected dates of realisation of financial assets and payment of financial liabilities, our knowledge of the Board of Directors and management plans and based on our examination of the evidence supporting the assumptions, nothing has come to our attention, which causes us to believe that any material uncertainty exists as on the date of the audit report that company is not capable of meeting its liabilities existing at the date of balance sheet as and when they fall due within a period of one year from the balance sheet date. We, however, state that this is not an assurance as to the future viability of the company. We further state that our reporting is based on the facts up to the date of the audit report and we neither give any guarantee nor any assurance that all liabilities falling due within a period of one year from the balance sheet date, will get discharged by the company as and when they fall due.
- xx. In our opinion and according to the information and explanations given to us, there is no upsent amount under sub-section (5) of section 135 of the Act pursuant to any project. Accordingly, clauses 3(xx)(a) and 3(xx)(b) of the Order are not applicable.

For M/s Godara & Company  
Chartered accountants  
ICAI firm registration number: 016517N



C.A. Alok Bishnoi

Partner

Membership No: 504281

UDIN: 24504281BKAMEG8656

Date: 31-05-2024

Place: New Delhi



## ANNEXURE - B TO THE INDEPENDENT AUDITOR'S REPORT

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

We have audited the internal financial controls over financial reporting of **Cross Border Power Transmission Company Limited** ("the Company") as of 31<sup>st</sup> March, 2024 in conjunction with our audit of the Ind AS Standalone Financial Statements of the Company for the year ended on that date.

#### Management's Responsibility for Internal Financial Controls

The Company's management is responsible for establishing and maintaining internal financial controls based on the internal 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 (the "Guidance Note") issued by the Institute of Chartered Accountants of India ('ICAI'). These responsibilities include the design, implementation and maintenance of adequate internal financial controls that were operating effectively for ensuring the orderly and efficient conduct of its business, 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 Company's internal financial controls over financial reporting based on our audit. We conducted our audit in accordance with the Guidance Note and the Standards on Auditing, issued by ICAI and deemed to be prescribed under section 143(10) of the Companies Act, 2013, to the extent applicable to an audit of internal financial controls, both applicable to an audit of Internal Financial Controls and, both issued by the Institute of Chartered Accountants of India. Those Standards and the Guidance Note require that we comply with ethical requirements and plan and perform the audit to obtain reasonable assurance about whether adequate internal financial controls over financial reporting was established and maintained and if such controls operated effectively in all material respects.

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

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



### Meaning of Internal Financial Controls over Financial Reporting

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

- a. pertain to the maintenance of records that, in reasonable detail, accurately and fairly reflect the transactions and dispositions of the assets of the company.
- b. provide reasonable assurance that transactions are recorded as necessary to permit preparation of Standalone Financial Statements in accordance with generally accepted accounting principles, and that receipts and expenditures of the company are being made only in accordance with authorisations of management and directors of the company; and
- c. provide reasonable assurance regarding prevention or timely detection of unauthorised acquisition, use, or disposition of the company's assets that could have a material effect on the Standalone Financial Statements.

### Inherent Limitations of Internal Financial Controls over Financial Reporting

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

#### Opinion

In our opinion, to the best of our information and according to the explanations given to us, the Company has, in all material respects, an adequate internal financial controls system over financial reporting and such internal financial controls over financial reporting were operating effectively as at 31<sup>st</sup> March 2024, based on the internal control over financial reporting criteria established by the Company considering the essential components of internal control stated in the Guidance Note on Audit of Internal Financial Controls Over Financial Reporting issued by the Institute of Chartered Accountants of India.

**For M/s Godara & Company**

**Chartered accountants**

**ICAI firm registration number: 016517N**

  
C.A. Alok Bishnoi

**Partner**

**Membership No: 504281**

**UDIN: 24504281BKAMEG8656**

**Date: 31-05-2024**

**Place: New Delhi**





**ANNEXURE -C TO THE INDEPENDENT AUDITOR'S REPORT**

Annexure-C referred to in our Independent Auditor's report to the members of the Cross-Border Power Transmission Company Limited on the Ind AS Financial Statement for the year ended 31st March 2024, we report that:

In the directions issued by the Comptroller and Auditor General of India under sub section (5) of the section 143 of the Companies Act 2013, based on the verification of records of the company and the information and explanation given to us, we report that:

| <b>Directions</b>  | <b>Report</b>   |
|--|---|
| 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. | Not Applicable for the company  |
| 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.  | No, there is no 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. Hence, there is no financial impact of this clause. |
| 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.   | There was no funds received from Central or State agencies.   |

For M/s Godara & Company

Chartered accountants

ICAI firm registration number: 016517N

  
C.A. Alok Bishnoi

Partner

Membership No: 504281

UDIN: 24504281BKAMEG8656

Date: 31-05-2024

Place: New Delhi





**CROSS BORDER POWER TRANSMISSION COMPANY LIMITED**  
**3rd FLOOR, NIRYAT BHAWAN, OPPOSITE R&R HOSPITAL**  
**RAO TULA RAM MARG, NEW DELHI - 110057**

**STATEMENT OF PROFIT & LOSS FOR THE YEAR ENDED MARCH 31, 2024**

| Notes  | Year Ended<br>31-Mar-24                              | In Lakhs<br>Year Ended<br>31-Mar-23                                 |
|--|--|---|
| <b>Continuing operations</b>   |  |   |
| Revenue from operations  | 16<br>773.72   | 741.67  |
| Other income   | 17<br>28.69  | 29.71   |
| Finance income   | 18<br>2,400.93                                       | 2,523.96  |
| <b>Total income</b>  | <b>3,203.34</b>                                      | <b>3,295.33</b>   |
| <b>Expenses</b>  |  |   |
| Employee benefits expense  | 19<br>251.62   | 199.30  |
| Depreciation and amortisation expense  | 3A & 3B<br>1.93                                      | 1.55  |
| Finance cost   | 20<br>986.30   | 1,131.50  |
| Transmission, administration and other expenses  | 21<br>350.14   | 330.07  |
| <b>Total expenses</b>  | <b>1,589.99</b>                                      | <b>1,662.42</b>   |
| <b>Profit/ loss before tax &amp; regulatory deferral account balances</b>  | <b>1,613.35</b>                                      | <b>1,632.91</b>   |
| Current tax : Current year   | 22<br>281.89   | 285.30  |
| Current tax : Previous year  |  | -   |
| Mat credit entitlement   | -281.89  | -285.30   |
| <b>Profit/loss for the year before regulatory deferral account balances</b>  | <b>-</b>   | <b>-</b>  |
| Net movment in regulatory deferral account balances -<br>income/(expenses) (net of Tax)  | -  | -   |
| <b>Profit/ (loss) for the year</b>   | <b>1,613.35</b>                                      | <b>1,632.91</b>   |
| <b>Other comprehensive income</b>  |  |   |
| Exchange differences on translation of foreign operations  |  | -   |
| <b>Total comprehensive income/ (loss) for the year, net of tax</b>   | <b>1,613.35</b>                                      | <b>1,632.91</b>   |
| <b>Earnings per share</b>  |  |   |
| Earning per equity share Incl. movement in regulatory deferral<br>account balances (par value Rs. 10/- each):<br>basic & diluted (Rs.)                           | 28<br>3.33   | 3.37  |
| Earning per equity share excl. movement in regulatory deferral<br>account balances (par value Rs. 10/- each):<br>basic & diluted (Rs.)                           | 3.33   | 3.37  |
| The accompanying notes forms the integral part of financial<br>statement grouping / regrouping of previous amounts / figures<br>has been done wherever required. | 1-35   |   |
| <b>For Godara &amp; Co.</b><br>ICAI firm registration number: 016517N<br>Chartered accountants   | <b>For on behalf of the Board</b>                    |   |
| CA<br>Partner : Alok Bishnoi<br>Membership No. 504281  | Sd/-<br>Hira Lal Tayal<br>Director<br>DIN : 01898200 | Sd/-<br>Bibhu Biswal<br>Director<br>DIN : 05150657                  |
| Sd/-<br>Brundaban Dash<br>Chief Financial Officer<br>Membership No. F8999  | Sd/-<br>Sathish Kumar J.<br>Chief Executive Officer  | Sd/-<br>Divya Sorayan<br>Company Secretary<br>Membership No.: 29362 |

Place : New Delhi  
Date : 31.05.2024

**CROSS BORDER POWER TRANSMISSION COMPANY LIMITED**  
**3rd FLOOR, NIRYAT BHAWAN, OPPOSITE R&R HOSPITAL**  
**RAO TULA RAM MARG, NEW DELHI - 110057**

**CASH FLOW STATEMENT FOR THE YEAR ENDED MARCH 31, 2024**

|   | Year Ended<br>31 March 2024 | In Lakhs<br>Year Ended<br>31 March 2023 |
|---|-----------------------------|---|
| <b>A. Cash flow from operating activities</b>                     |                             |   |
| <b>Profit before taxation</b>                                     | <b>1,613.35</b>             | <b>1,632.91</b>                         |
| <b>Adjustments for:</b>   | -                           | -                                       |
| Opening Adjustment  | -                           | -                                       |
| Depreciation expense  | 1.93                        | 1.68                                    |
| Interest income   | (2,400.93)                  | (2,523.96)                              |
| Interest expense  | 986.30                      | 1,131.50                                |
| <b>Operating profit before change in Assets and Liabilities</b>   | <b>200.65</b>               | <b>242.13</b>                           |
| <b>Movement in change in Assets and Liabilities</b>               |                             |   |
| Decrease/(Increase) in SCA Non current                            | 2,080.59                    | 1,281.69                                |
| Decrease/(Increase) in SCA Current                                | (101.62)                    | (15.37)                                 |
| Decrease/ (Increase) in loans and advances-assets                 | (246.96)                    | 236.14                                  |
| Decrease/ (Increase) in other current financial assets            | (15.32)                     | (8.37)                                  |
| Decrease/ (Increase) in other current assets                      | -                           | 0.44                                    |
| Increase/ (Decrease) in other financial liabilities               | 3.51                        | (432.20)                                |
| Increase/ (Decrease) in other current liabilities & provisions    | (956.24)                    | 679.86                                  |
| <b>Cash flow from/ used in operations</b>                         | <b>964.61</b>               | <b>1,984.31</b>                         |
| <b>Net cash flow from/ used in operating activities</b>           | <b>964.61</b>               | <b>1,984.31</b>                         |
| <b>B. Cash flow from investing activities</b>                     |                             |   |
| Purchase of property, plant and equipment                         | (3.60)                      | (1.69)                                  |
| Interest received   | 2,400.93                    | 2,523.96                                |
| <b>Net cash flow from investing activities</b>                    | <b>2,397.33</b>             | <b>2,522.27</b>                         |
| <b>C. Cash flow from financing activities</b>                     |                             |   |
| Proceeds/(Payment)/ borrowings                                    | (1,760.24)                  | (1,279.57)                              |
| Dividend paid   | (1,212.74)                  | (1,212.74)                              |
| Interest paid   | (986.30)                    | (1,131.48)                              |
| <b>Net cash flow from financing activities</b>                    | <b>(3,959.27)</b>           | <b>(3,623.78)</b>                       |
| Net increase/ (decrease) in cash and cash equivalents (A + B + C) | (597.33)                    | 882.79                                  |
| Cash and cash equivalents at the beginning of the year            | 3,499.88                    | 2,617.08                                |
| <b>Cash and cash equivalents at the end of the year</b>           | <b>2,902.55</b>             | <b>3,499.88</b>                         |
| <b>Components of cash and cash equivalents</b>                    |                             |   |
| Cash in hand  |                             |   |
| Balances with scheduled banks:                                    |                             |   |
| On current accounts   | 20.17                       | 40.85                                   |
| On deposit accounts   | 2,882.38                    | 3,459.03                                |
| <b>Cash and cash equivalents in cash flow statement:</b>          | <b>2,902.55</b>             | <b>3,499.88</b>                         |

Cash flow statement has been prepared under indirect method set out in Ind AS-7

See accompanying notes to the financial statements

In terms of our report attached

**For and on behalf of the Board**

**For Godara & Co.**

**ICAI firm registration number: 016517N**

**Chartered Accountants**

Sd/-

**Hira Lal Tayal**

**Director**

**DIN : 01898200**

Sd/-

**Bibhu Biswal**

**Director**

**DIN : 05150657**

**CA**

**Partner : Alok Bishnoi**

**Membership No. 504281**

Sd/-

**Brundaban Dash**  
**Chief Financial Officer**  
**Membership No. : F8999**

Sd/-

**Sathish Kumar J.**  
**Chief Executive Officer**

Sd/-

**Divya Sorayan**  
**Company Secretary**  
**Membership No.: 29362**

**Place : New Delhi**

**Date : 31.05.2024**



**Statement of Changes in Equity for the Year ended 31st March 2024**

**A. Equity Share Capital**

(₹ in lakhs)

|   |          |
|---|----------|
| As at beginning of the year (01 April 2023) | 4,850.95 |
| Changes during the year                     | -        |
| As at end of the year (31 March 2024)       | 4,850.95 |
| <b>Previous year</b>                        |          |
| As at beginning of the year (01 April 2022) | 4,850.95 |
| Changes during the year                     | -        |
| As at end of the year (31 March 2023)       | 4,850.95 |

**B. Other Equity**

(₹ in lakhs)

| Particulars                               | Reserve and Surplus |                         |                        |                 |                   | Other comprehensive income                            | Total           |
|---|---------------------|-------------------------|------------------------|-----------------|-------------------|---|-----------------|
|   | Securities Premium  | Bond Redemption Reserve | Self Insurance Reserve | General Reserve | Retained Earnings | Equity instruments through other comprehensive income |                 |
| As at 01 April 2023                       | -                   | -                       | -                      | -               | 8,258.94          | -   | 8,258.94        |
| Profit for the year                       | -                   | -                       | -                      | -               | 1,613.35          | -   | 1,613.35        |
| <b>Other Comprehensive Income</b>         | -                   | -                       | -                      | -               | -                 | -   | -               |
| <b>Adjustments during the year</b>        | -                   | -                       | -                      | -               | -                 | -   | -               |
| Transfer to General Reserve               | -                   | -                       | -                      | -               | -                 | -   | -               |
| Transfer to Bond redemption reserve       | -                   | -                       | -                      | -               | -                 | -   | -               |
| Transfer from Bond Redemption Reserve     | -                   | -                       | -                      | -               | -                 | -   | -               |
| Utilised for issue of bonus equity shares | -                   | -                       | -                      | -               | -                 | -   | -               |
| Transfer to Self Insurance Reserve        | -                   | -                       | 48.25                  | -               | (48.25)           | -   | -               |
| Transfer from Self Insurance Reserve      | -                   | -                       | -                      | -               | -                 | -   | -               |
| Final Dividend F.Y. 2022-23               | -                   | -                       | -                      | -               | 1,212.74          | -   | 1,212.74        |
| Interim Dividend F.Y. 2022-23             | -                   | -                       | -                      | -               | -                 | -   | -               |
| <b>As at 31 March 2024</b>                | -                   | -                       | <b>48.25</b>           | -               | <b>8,611.30</b>   | -   | <b>8,659.55</b> |
| <b>Previous Year</b>                      |                     |                         |                        |                 |                   |   |                 |
| As at 01 April 2022                       | -                   | -                       | -                      | -               | 7,838.77          | -   | 7,838.77        |
| Profit for the year                       | -                   | -                       | -                      | -               | 1,632.91          | -   | 1,632.91        |
| <b>Other Comprehensive Income</b>         | -                   | -                       | -                      | -               | -                 | -   | -               |
| <b>Adjustments during the year</b>        | -                   | -                       | -                      | -               | -                 | -   | -               |
| Transfer to General Reserve               | -                   | -                       | -                      | -               | -                 | -   | -               |
| Transfer to Bond redemption reserve       | -                   | -                       | -                      | -               | -                 | -   | -               |
| Transfer from Bond Redemption Reserve     | -                   | -                       | -                      | -               | -                 | -   | -               |
| Utilised for issue of bonus equity shares | -                   | -                       | -                      | -               | -                 | -   | -               |
| Transfer to Self Insurance Reserve        | -                   | -                       | -                      | -               | -                 | -   | -               |
| Transfer from Self Insurance Reserve      | -                   | -                       | -                      | -               | -                 | -   | -               |
| Final Dividend F.Y. 2021-22               | -                   | -                       | -                      | -               | 1,212.74          | -   | 1,212.74        |
| Interim Dividend F.Y. 2022-23             | -                   | -                       | -                      | -               | -                 | -   | -               |
| <b>As at 31 March 2023</b>                | -                   | -                       | -                      | -               | <b>8,258.94</b>   | -   | <b>8,258.94</b> |

## **1. Corporate information**

The Company is a public limited company domiciled in India and is incorporated under the provisions of the Companies Act applicable in India. The registered office of the Company is located at 3<sup>rd</sup> Floor, Niryat Bhawan, Opposite Army Hospital Research and Referral Hospital, Rao Tula Ram Marg, New Delhi - 110057.

The Company is principally engaged in establishment, operation & maintenance and transfer of Indian Portion of Indo-Nepal Cross Border Transmission Line from Muzaffarpur to Dhalkebar.

## **2. Significant accounting policies**

### **2.1 Basis of preparation**

#### **i) Compliance with Ind AS**

The financial statements of the Company have been prepared in accordance with Indian Accounting Standards (Ind AS) notified under section 133 of the Companies Act, 2013 (the Act), the Companies (Indian Accounting Standards) Rules, 2015 and relevant provisions of the Act.

For all the periods upto and including the year ended March 31, 2015, the Company prepared its financial statements in accordance with accounting standards notified under the section 133 of the Companies Act 2013, read together with paragraph 7 of the Companies (Accounts) Rules, 2014 (Indian GAAP). These financial statements for the year ended March 31, 2016 are the first which the Company has prepared in accordance with Ind AS.

#### **ii) Historical cost convention**

The financial statements have been prepared on a historical cost basis, except for the following assets and liabilities which have been measured at fair value or revalued amount:

- Certain financial assets and liabilities measured at fair value (refer accounting policy regarding financial instruments)

#### **iii) Functional and presentation currency**

The financial statements are presented in Indian Rupees which is Company's functional currency and all the values are rounded to the nearest rupee except when otherwise indicated.

#### **iv) Use of estimates**

The preparation of financial statements requires estimates and assumptions that affect the reported amount of assets, liabilities, revenue, expenses & cash flows 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 affects only that period or in the period of the revision and future periods if the revision affects both current and future years.

## **2.2 Summary of significant accounting policies**

### **a. Current versus non-current classification**

The Company presents assets and liabilities in the balance sheet based on current/ non-current classification. An asset is treated as current when it is:

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

All other assets are classified as non-current.

A liability is current when:

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

All other liabilities are classified as Non-current.

Deferred Tax Assets and Liabilities are classified as non-current assets and liabilities.

The operating cycle is the time between the acquisition of assets for processing and their realisation in cash and cash equivalents. The Company has identified twelve months as its operating cycle.

### **b. Foreign Currencies**

The Company's financial statements are presented in Indian Rupees.

#### **Transactions and balances**

Transactions in foreign currencies are initially recorded by the Company's entities at their respective functional currency spot rates at the date the transaction first qualifies for recognition. However, for practical reasons, the Company uses an average rate if the average approximates the actual rate at the date of the transaction.

Monetary assets and liabilities denominated in foreign currencies are translated at the functional currency spot rates of exchange at the reporting date.

Exchange differences arising on settlement or translation of monetary items are recognised in profit or loss with the exception of the following:

- Tax charges and credits attributable to exchange differences on those monetary items are also recorded in OCI.

Non-monetary items that are measured in terms of historical cost in a foreign currency are translated using the exchange rates at the dates of the initial transactions. Non-monetary items measured at fair value in a foreign currency are translated using the exchange rates at the date when the fair value is determined. The gain or loss arising on translation of non-monetary items measured at fair value is treated in line with the recognition of the gain or loss on the change in fair value of the item (i.e., translation differences on items whose fair value gain or loss is recognised in OCI or profit or loss are also recognised in OCI or profit or loss, respectively).

**c. Fair value measurement**

The fair value of an asset or a liability is measured using the assumptions that market participants would use when pricing the asset or liability, assuming that market participants act in their economic best interest.

A fair value measurement of a non-financial asset takes into account a market participant's ability to generate economic benefits by using the asset in its highest and best use or by selling it to another market participant that would use the asset in its highest and best use.

**d. Revenue recognition**

Revenue is recognised to the extent that it is probable that the economic benefits will flow to the Company and the revenue can be reliably measured, regardless of when the payment is being made. Revenue is measured at the fair value of the consideration received or receivable, taking into account contractually defined terms of payment and excluding taxes or duties collected on behalf of the government.

Revenue relating to construction services under a service concession arrangement is recognised based on stage of completion of the work performed. Operation or service revenue is recognised in the period in which the services are provided by the Company. When the Company provides more than one service in a service concession arrangement, the consideration received is allocated by reference to the relative fair values of the services delivered.

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.

Surcharge recoverable from trade receivable are recognised when no significant uncertainty as to measurability and collectability exists.

Scraps are accounted for as and when sold

Dividend income is recognised when right to receive payment is established.

**e. Service Concession Arrangements (SCA)**

The Company has entered into concession agreement under public-to-private Service Concession Arrangements (SCA) to construct, operate and maintain infrastructural facilities. Under SCA, the Company recognises Intangible Assets and Financial Assets depending on the terms of Concession granted by the Concessionaire. Further, revenue recognition also requires estimation of construction margin, overlay expenses and operations & maintenance costs. Under SCA, where the Company has received the right to charge users of the public service, such rights are recognised and classified as Intangible Assets. Where the Company has acquired contractual rights to receive specified determinable amounts, such rights are recognised and classified as Financial Assets. Such financial assets are measured at fair value upon initial recognition. Subsequent to initial recognition, the financial assets are measured at amortised cost.

If the Company is paid for construction services partly by a financial asset and partly by an intangible asset, then each component of the consideration is accounted for separately and is recognised initially at the fair value of the consideration.

**f. Receivable Under SCA**

Under a SCA, where the Company has acquired contractual rights to receive specified determinable amounts (Annuity) for use of an asset, such amounts are recognised as “Financial Assets” and are disclosed as “Receivable against Service Concession Arrangements”. The value of a Financial Asset covered under a SCA includes the fair value estimate of the construction services which is estimated at the inception of the contract and is based on the fair value of the constructed asset and comprises of the actual construction cost, a margin as per the SCA, estimates of the future operating and maintenance costs, including overlay / renewal costs. The cash flow from a Financial Asset commences from the Provisional / Final Commercial Operation Date as certified by the granting authority for the SCA. The cash flow from a Financial Asset is accounted using the effective interest rate method. The intrinsic interest element in each Annuity receipt is accounted as finance income and the balance amount is accounted towards recovery of dues from the “Receivable against Service Concession Arrangements”.

**g. Taxes**

**Current Income Tax**

Current income tax assets and liabilities are measured at the amount expected to be recovered from or paid to the taxation authorities. The tax rates and tax laws used to compute the amount are those that are enacted or substantively enacted, at the reporting date.

Current income tax relating to items recognised outside profit or loss is recognised outside profit or loss (either in other comprehensive income or in equity). Current tax items are recognised in correlation to the underlying transaction either in OCI or directly in equity. Management periodically evaluates positions taken in the tax returns with respect to situations in which applicable tax regulations are subject to interpretation and establishes provisions where appropriate.

**Deferred tax**

Deferred tax is provided using the balance sheet liability method on temporary differences between the tax bases of assets and liabilities and their carrying amounts for financial reporting purposes at the reporting date.

Deferred tax liabilities are recognised for all taxable temporary differences, except, when the deferred tax liability arises from the initial recognition of goodwill or an asset or liability in a transaction that is not a business combination and, at the time of the transaction, affects neither the accounting profit nor taxable profit or loss.

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 realized, based on tax rates (and tax laws) that have been enacted or substantively enacted by the balance sheet date.

**h. Property, plant and equipment**

On the date of transition to Ind AS, the Company has considered the carrying value of Property, Plant and Equipment as per previous GAAP to be the deemed cost as per Ind AS 101.

Property, Plant and Equipment are 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.

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.

**CROSS BORDER POWER TRANSMISSION COMPANY LIMITED**  
**Notes to the financial statements**

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After initial recognition, Property, Plant and Equipment are carried at cost less accumulated depreciation / amortization and accumulated impairment losses, if any.

An item of property, plant and equipment and any significant part initially recognised is derecognised upon disposal or when no future economic benefits are expected from its use or disposal. Any gain or loss arising on de-recognition of the asset is included in the income statement when the asset is derecognised.

Spare parts whose cost is ₹.5,000/- and above, standby equipment and servicing equipment which meets the recognition criteria of Property, Plant and Equipment are capitalized.

**i. Depreciation/Amortization**

Mobile phones & iphone /tablets are charged off in the year of purchase

All assets provided to employees are amortized over a period of 3 years, except mobile phones &iphone/tablets.

Fixed Assets costing ₹. 5,000/- or less, are fully depreciated in the year of acquisition.

Cost of software capitalized as intangible assets is amortized over the period of legal right to use or 4 years, whichever is less with nil residual value.

Depreciation is recognised based on the cost of assets less their residual value over their useful life, using the straight line method

**j. Intangible assets**

On the date of transition to Ind AS, the Company has considered the carrying value of Intangible Assets as per previous GAAP to be the deemed cost as per Ind AS 101. Intangible assets acquired separately are measured on initial recognition at cost. Following initial recognition, intangible assets are carried at cost less any accumulated amortisation and accumulated impairment losses.

Internally generated intangibles, excluding capitalized development costs, are not capitalized and the related expenditure is reflected in profit or loss in the period in which the expenditure is incurred.

Intangible assets with finite lives are amortised over the useful economic life and assessed for impairment whenever there is an indication that the intangible asset may be impaired. The amortisation expense on intangible assets is recognised in the statement of profit and loss unless such expenditure forms part of carrying value of another asset.

Gains or losses arising from de-recognition of an intangible asset are measured as the difference between the net disposal proceeds and the carrying amount of the asset and are recognised in the statement of profit or loss when the asset is derecognised.

**k. Borrowing costs**

Borrowing costs directly attributable to the acquisition, construction or production of an asset that necessarily takes a substantial period of time to get ready for its intended use or sale are capitalized as part of the cost of the asset. All other borrowing costs are expensed in the period in which they occur. Borrowing costs consist of interest and other costs that an entity incurs in connection with the borrowing of funds. Borrowing cost also includes exchange differences to the extent regarded as an adjustment to the borrowing costs.

**l. Leases**

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 fulfilment 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.

**m. Provisions and contingencies**

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. When the Company expects some or all of a provision to be reimbursed, for example, under an insurance contract, the reimbursement is recognised as a separate asset, but only when the reimbursement is virtually certain. The expense relating to a provision is presented in the statement of profit and loss net of any reimbursement.

If the effect of the time value of money is material, provisions are discounted using a current pre-tax rate that reflects, when appropriate, the risks specific to the liability. When discounting is used, the increase in the provision due to the passage of time is recognised as a finance cost.

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.

**n. Retirement and other employee benefits**

Company contribution paid/payable during the year to defined pension contribution scheme and provident fund scheme is recognized in the Statement of Profit and Loss.

The liabilities for compensated absences, leave encashment, post -retirement medical benefits, settlement allowance and long service awards to employees are ascertained annually on actuarial valuation at the year end and provided for.

Short term employee benefits are recognized at the undiscounted amount in the Statement of Profit and Loss in the year in which the related services are rendered.

Re-measurements pertaining to defined benefit obligations are recognised immediately in the other comprehensive income (OCI) in the period in which they occur. Re-measurements are not reclassified to profit or loss in subsequent periods.

**o. 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**

### ***Initial recognition and measurement***

All financial assets are recognised initially at fair value, in the case of financial assets not recorded at fair value through profit or loss, transaction costs that are attributable to the acquisition of the financial asset. Purchases or sales of financial assets that require delivery of assets within a time frame established by regulation or convention in the market place (regular way trades) are recognised on the trade date, i.e., the date that the Company commits to purchase or sell the asset.

### ***Subsequent measurement***

For purposes of subsequent measurement, financial assets are classified in four categories:

- Debt instruments at amortized cost
- Debt instruments at fair value through other comprehensive income (FVTOCI)
- Debt instruments, derivatives and equity instruments at fair value through profit or loss (FVTPL)
- Equity instruments measured at fair value through other comprehensive income (FVTOCI)

### ***Debt instruments at amortized cost***

A 'debt instrument' is measured at the amortised cost if both the following conditions are met:

- The asset is held within a business model whose objective is to hold assets for collecting contractual cash flows, and
- Contractual terms of the asset give rise on specified dates to cash flows that are solely payments of principal and interest (SPPI) on the principal amount outstanding.

This category is the most relevant to the Company. After initial measurement, such financial assets are subsequently measured at amortized cost using the effective interest rate (EIR) method. Amortized cost is calculated by taking into account any discount or premium on acquisition and fees or costs that are an integral part of the EIR. The EIR amortisation is included in finance income in the profit or loss. The losses arising from impairment are recognised in the profit or loss. This category generally applies to trade and other receivables.

### ***Debt instrument at FVTOCI***

A 'debt instrument' is classified as at the FVTOCI if both of the following criteria are met:

- The objective of the business model is achieved both by collecting contractual cash flows and selling the financial assets, and
- The asset's contractual cash flows represent SPPI.

Debt instruments included within the FVTOCI category are measured initially as well as at each reporting date at fair value. Fair value movements are recognized in the other comprehensive income (OCI). However, the Company recognizes interest income, impairment losses & reversals and foreign exchange gain or loss in the P&L. On de-recognition of the asset, cumulative gain or loss previously recognised in OCI is reclassified from the equity to P&L. Interest earned whilst holding FVTOCI debt instrument is reported as interest income using the EIR method.



***Debt instrument at FVTPL***

FVTPL is a residual category for debt instruments. Any debt instrument, which does not meet the criteria for categorization as at amortized cost or as FVTOCI, is classified as at FVTPL.

In addition, the Company may elect to designate a debt instrument, which otherwise meets amortized cost or FVTOCI criteria, as at FVTPL. However, such election is allowed only if doing so reduces or eliminates a measurement or recognition inconsistency (referred to as 'accounting mismatch'). The Company has not designated any debt instrument as at FVTPL.

Debt instruments included within the FVTPL category are measured at fair value with all changes recognized in the P&L.

***Equity investments***

All equity investments in scope of Ind AS 109 are measured at fair value. Equity investments which are held for trading and contingent consideration recognised by an acquirer in a business combination to which Ind AS103 applies are classified as at FVTPL. For all other equity instruments, the Company may make an irrevocable election to present in other comprehensive income subsequent changes in the fair value. The Company makes such election on an instrument- by-instrument basis. The classification is made on initial recognition and is irrevocable.

If the Company decides to classify an equity instrument as at FVTOCI, then all fair value changes on the instrument, excluding dividends, are recognized in the OCI. There is no recycling of the amounts from OCI to P&L, even on sale of investment. However, the Company may transfer the cumulative gain or loss within equity.

Equity instruments included within the FVTPL category are measured at fair value with all changes recognized in the P&L.

***Derecognition***

A financial asset (or, where applicable, a part of a financial asset or part of a Company of similar financial assets) is primarily derecognised (i.e. removed from the Company's consolidated balance sheet) when:

- The rights to receive cash flows from the asset have expired, or
- The Company has transferred its rights to receive cash flows from the asset or has assumed an obligation to pay the received cash flows in full without material delay to a third party under a 'pass-through' arrangement; and either the Company has transferred substantially all the risks and rewards of the asset, or the Company has neither transferred nor retained substantially all the risks and rewards of the asset, but has transferred control of the asset.

When the Company has transferred its rights to receive cash flows from an asset or has entered into a pass-through arrangement, it evaluates if and to what extent it has retained the risks and rewards of ownership. When it has neither transferred nor retained substantially all of the risks and rewards of the asset, nor transferred control of the asset, the Company continues to recognise the transferred asset to the extent of the Company's continuing involvement. In that case, the Company also recognises an associated liability. The transferred asset and the associated liability are measured on a basis that reflects the rights and obligations that the Company has retained.

Continuing involvement that takes the form of a guarantee over the transferred asset is measured at the lower of the original carrying amount of the asset and the maximum amount of consideration that the Company could be required to repay.

## **Financial Liabilities**

### ***Initial recognition and measurement***

Financial liabilities are classified, at initial recognition, as financial liabilities at fair value through profit or loss, loans and borrowings, payables, or as derivatives designated as hedging instruments in an effective hedge, as appropriate.

All financial liabilities are recognised initially at fair value and, in the case of loans and borrowings and payables, net of directly attributable transaction costs.

The Company's financial liabilities include trade and other payables, loans and borrowings including bank overdrafts, financial guarantee contracts and derivative financial instruments.

### ***Subsequent measurement***

The measurement of financial liabilities depends on their classification, as described below:

#### ***Financial liabilities at fair value through profit or loss***

Financial liabilities at fair value through profit or loss include financial liabilities held for trading and financial liabilities designated upon initial recognition as at fair value through profit or loss. Financial liabilities are classified as held for trading if they are incurred for the purpose of repurchasing in the near term. This category also includes derivative financial instruments entered into by the Company that are not designated as hedging instruments in hedge relationships as defined by Ind AS 109. Separated embedded derivatives are also classified as held for trading unless they are designated as effective hedging instruments.

Gains or losses on liabilities held for trading are recognised in the profit or loss.

Financial liabilities designated upon initial recognition at fair value through profit or loss are designated as such at the initial date of recognition, and only if the criteria in Ind AS 109 are satisfied. For liabilities designated as FVTPL, fair value gains/ losses attributable to changes in own credit risk are recognized in OCI. These gains/ loss are not subsequently transferred to P&L. However, the Company may transfer the cumulative gain or loss within equity. All other changes in fair value of such liability are recognised in the statement of profit or loss. The Company has not designated any financial liability as at fair value through profit and loss statement.

#### ***Loans and borrowings***

This is the category most relevant to the Company. After initial recognition, interest-bearing loans and borrowings are subsequently measured at amortized cost using the EIR method. Gains and losses are recognised in profit or loss when the liabilities are derecognised as well as through the EIR amortisation process.

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 EIR. The EIR amortization is included as finance costs in the statement of profit and loss.

#### ***Derecognition***

A financial liability is derecognised when the obligation under the liability is discharged or cancelled or expires. When an existing financial 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 in the respective carrying amounts is recognised in the statement of profit or loss.

***Offsetting of financial instruments***

Financial assets and financial liabilities are offset and the net amount is reported in the consolidated 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.

**p. Impairment of non-financial assets, other than inventories**

Cash generating units as defined in Ind AS 36 'Impairment of Assets' are identified at the Balance Sheet date. At the date of Balance Sheet, if there are indications of impairment and the carrying amount of the cash generating unit exceeds its recoverable amount (i.e. the higher of the fair value less costs of disposal and value in use), an impairment loss is recognized. The carrying amount is reduced to the recoverable amount and the reduction is recognized as an impairment loss in the Statement of Profit and Loss. The impairment loss recognized in the prior accounting period is reversed to the extent of increase in the estimate of recoverable amount. Post impairment, depreciation is provided on the revised carrying value of the impaired asset over its remaining useful life.

**q. Cash and cash equivalents**

Cash and cash equivalent in the balance sheet comprise cash at banks and in hand and short-term deposits with an original maturity of three months or less, which are subject to an insignificant risk of changes in value

**r. Earnings per Share**

Basic earnings per share is computed using the net profit 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.

**s. Cash Flow statement**

Cash flow statement is prepared as per indirect method prescribed in the relevant accounting standard.

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**CROSS BORDER POWER TRANSMISSION COMPANY LIMITED**  
**3rd FLOOR, NIRYAT BHAWAN, OPPOSITE R&R HOSPITAL**  
**RAO TULA RAM MARG, NEW DELHI - 110057**

**NOTES FORMING PART OF THE FINANCIAL STATEMENTS**

**Note 3A**

**(i) TANGIBLE ASSETS**

| Particular   | GROSS BLOCK            |             |           |                        | ACCUMULATED DEPRECIATION |   |  |                      | NET BLOCK              |                        |
|--|------------------------|-------------|-----------|------------------------|--------------------------|---|--|----------------------|------------------------|------------------------|
|  | As at<br>01-April-2023 | Additions   | Disposals | As at<br>31-March-2024 | As at<br>01-Apr-2023     | Depreciation<br>expense for the<br>year | Eliminated or<br>disposal of<br>assets | As at<br>31-Mar-2024 | As at<br>31-March 2024 | As at<br>31-March 2023 |
| Data processing Equipment (Computers)                | 12.19                  | 2.13        | -         | 14.31                  | 10.63                    | 1.33                                    | -                                      | 11.96                | 2.36                   | 1.55                   |
| Office equipment                                     |                        |             |           |                        |                          |   |  |                      |                        |                        |
| Office equipment depreciated at the year of purchase | 2.53                   | 0.44        | -         | 2.97                   | 2.53                     | 0.44                                    | -                                      | 2.97                 | -                      | -                      |
| Office equipment depreciated @ 20%                   | 0.47                   | 0.69        | -         | 1.16                   | 0.47                     | 0.07                                    | -                                      | 0.54                 | 0.61                   | -                      |
| Furniture & Fixtures                                 | -                      | 0.34        | -         | 0.34                   | -                        | 0.02                                    | -                                      | 0.02                 | 0.32                   |                        |
| <b>Total</b>   | <b>15.18</b>           | <b>3.60</b> | <b>-</b>  | <b>18.78</b>           | <b>13.63</b>             | <b>1.87</b>                             | <b>-</b>                               | <b>15.48</b>         | <b>3.29</b>            | <b>1.55</b>            |

**Note 3B**

**(ii) INTANGIBLE ASSETS**

| Particular        | GROSS BLOCK          |           |           |                        | ACCUMULATED DEPRECIATION |   |  |                      | NET BLOCK              |                        |
|-------------------|----------------------|-----------|-----------|------------------------|--------------------------|---|--|----------------------|------------------------|------------------------|
|                   | As at<br>01-Apr-2023 | Additions | Disposals | As at<br>31-March-2024 | As at<br>01-Apr-2023     | Depreciation<br>expense for the<br>year | Eliminated or<br>disposal of<br>assets | As at<br>31-Mar-2024 | As at<br>31-March 2024 | As at<br>31-March 2023 |
| Licensed software | 1.75                 | -         | -         | 1.75                   | 1.61                     | 0.06                                    | -                                      | 1.68                 | 0.07                   | 0.13                   |
| <b>Total</b>      | <b>1.75</b>          | <b>-</b>  | <b>-</b>  | <b>1.75</b>            | <b>1.61</b>              | <b>0.06</b>                             | <b>-</b>                               | <b>1.68</b>          | <b>0.07</b>            | <b>0.13</b>            |

**CROSS BORDER POWER TRANSMISSION COMPANY LIMITED**  
3rd FLOOR, NIRYAT BHAWAN, OPPOSITE R&R HOSPITAL  
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**NOTES FORMING PART OF FINANCIAL STATEMENT**

|  | As at<br>31 March 2024 | In Lakhs<br>As at<br>31 March 2023 |
|--|------------------------|------------------------------------|
| <b>Note 4 A : Service concession agreement - Transmission Line</b>   |                        |                                    |
| <b>Non-current</b>   |                        |                                    |
| Service concession agreement   | 15,000.63              | 17,031.41                          |
| <b>Total</b>   | <b>15,000.63</b>       | <b>17,031.41</b>                   |
| <b>Current</b>   |                        |                                    |
| Service concession agreement   | 1,334.60               | 1,233.47                           |
| <b>Total</b>   | <b>1,334.60</b>        | <b>1,233.47</b>                    |
| <b>Note</b>  |                        |                                    |
| Calculation of service concession agreement (SCA) receivable as at 31.03.2024                                    |                        |                                    |
| Opening SCA receivable   |                        |                                    |
| Current (receivable in one year)   | 1,233.47               | 1,218.44                           |
| Non current (cumulative receivable after one year)   | 17,031.41              | 18,264.88                          |
| <b>Total opening SCA receivable</b>  | <b>18,264.88</b>       | <b>19,483.31</b>                   |
| Add: finance income on SCA receivable  | 2,098.86               | 2,280.80                           |
| Less: received from NEA against SCA receivable during the year 2023-24   | 3,332.33               | 3,499.24                           |
| Less: Assets transferred   | 696.18                 | -                                  |
| <b>Total closing SCA receivable</b>  | <b>16,335.23</b>       | <b>18,264.88</b>                   |
| Current (receivable in one year)   | 1,334.60               | 1,233.47                           |
| Non current (cumulative receivable after one year)   | 15,000.63              | 17,031.41                          |
| The fair value of other non-current financial assets is not materially different from the carrying value present |                        |                                    |
| <b>Note 4 B : Service concession agreement - 2 Bays</b>  |                        |                                    |
| <b>Non-current</b>   |                        |                                    |
| Service concession agreement   | 816.30                 | 866.11                             |
| <b>Total</b>   | <b>816.30</b>          | <b>866.11</b>                      |
| <b>Current</b>   |                        |                                    |
| Service concession agreement   | 49.81                  | 49.32                              |
| <b>Total</b>   | <b>49.81</b>           | <b>49.32</b>                       |
| <b>Note</b>  |                        |                                    |
| Calculation of service concession agreement (SCA) receivable as at 31.03.2024                                    |                        |                                    |
| Opening SCA receivable   |                        |                                    |
| Current (receivable in one year)   | 49.32                  | 48.98                              |
| Non current (cumulative receivable after one year)   | 866.11                 | 914.33                             |
| <b>Total opening SCA receivable</b>  | <b>915.43</b>          | <b>963.31</b>                      |
| Add: finance income on SCA receivable  | 117.62                 | 124.54                             |
| Less: received from NEA against SCA receivable during the year 2023-24   | 166.94                 | 172.41                             |
| <b>Total closing SCA receivable</b>  | <b>866.11</b>          | <b>915.43</b>                      |
| Current (receivable in one year)   | 49.81                  | 49.32                              |
| Non current (cumulative receivable after one year)   | 816.30                 | 866.11                             |
| The fair value of other non-current financial assets is not materially different from the carrying value present |                        |                                    |
| <b>Note 5 : Other non current assets</b>   |                        |                                    |
| <b>Loans and advances</b>  |                        |                                    |
| <b>Unsecured, considered good</b>  |                        |                                    |
| (i) Security and other deposits  | 5.73                   | 8.61                               |
| <b>Total</b>   | <b>5.73</b>            | <b>8.61</b>                        |

|   | As at<br>31 March 2024 | As at<br>31 March 2023 |
|---|------------------------|------------------------|
| <b>Note 6 A : Cash and cash equivalents</b>   |                        |                        |
| <b>Balance with banks</b>   |                        |                        |
| In current account  | 20.17                  | 40.85                  |
| In term deposit account   | 2,874.39               | 3,451.04               |
| <b>Total</b>  | <b>2,894.56</b>        | <b>3,491.89</b>        |
| <b>Note 6 B : Bank balances other than cash &amp; cash equivalents</b>              |                        |                        |
| Bank FD more than 3 months  | 7.99                   | 7.99                   |
| <b>Total</b>  | <b>7.99</b>            | <b>7.99</b>            |
| <b>Note 7: Other current financial assets</b>                                       |                        |                        |
| Unbilled transmission service revenue   | 359.45                 | 391.50                 |
| <b>Total</b>  | <b>359.45</b>          | <b>391.50</b>          |
| <b>Note 8: Loans / Advances to related parties</b>                                  |                        |                        |
| <b>Unsecured, considered good</b>   |                        |                        |
| Deposit powergrid under O&M of transmission system                                  | 50.00                  | 50.00                  |
| Less: provision for doubtful loans and advances to related parties                  | -                      | -                      |
| <b>Total</b>  | <b>50.00</b>           | <b>50.00</b>           |
| <b>Unsecured, considered good</b>   |                        |                        |
| Prepaid expenses  | -                      | -                      |
| <b>Total</b>  | <b>50.00</b>           | <b>50.00</b>           |
| <b>Note 9: Other current assets</b>   |                        |                        |
| <b>B: Unsecured, considered good</b>  |                        |                        |
| (i) Advance tax, including taxes deducted at source (net of provision for taxation) | 23.10                  | 7.78                   |
| (ii) Prepaid expenses (insurance)   | 0.59                   | 0.59                   |
| <b>Total</b>  | <b>23.69</b>           | <b>8.37</b>            |
| <b>Note 10: Regulatory deferral accounts balance</b>                                |                        |                        |
| Unsecured, considered good / Doubtful   |                        |                        |
| (i) Deferred tax receivables( MAT Credit)   | 2,747.52               | 2,465.64               |
| (ii) Less: Deferred tax liability   | (435.23)               | (435.23)               |
| <b>Total</b>  | <b>2,312.29</b>        | <b>2,030.41</b>        |

Amount in bracket shows the negative figure.

**NOTES FORMING PART OF FINANCIAL STATEMENT**

|  | As at<br>31 March 2024 | In Lakhs<br>As at<br>31 March 2023 |
|--|------------------------|------------------------------------|
| <b>Note 11A: Equity share capital</b>  |                        |                                    |
| <b>Authorised shares</b>               |                        |                                    |
| Equity shares of Rs.10 each            | 7,500.00               | 7,500.00                           |
| <b>Total</b>                           | <b>7,500.00</b>        | <b>7,500.00</b>                    |
| Issued, subscribed and fully paid up   |                        |                                    |
| Equity shares of Rs.10 each fully paid | 4,850.95               | 4,850.95                           |
| <b>Total</b>                           | <b>4,850.95</b>        | <b>4,850.95</b>                    |

**Reconciliation of shares outstanding at the beginning and at the end for the reporting year**

**Equity shares**

|   | 31-Mar-24         |                 | 31-Mar-23         |                 |
|---|-------------------|-----------------|-------------------|-----------------|
|   | No.               | (In Lakhs)      | No.               | (In Lakhs)      |
| At the beginning of the year              | 48,509,512        | 4,850.95        | 48,509,512        | 4,850.95        |
| Issued during the year                    | -                 | -               | -                 | -               |
| <b>Outstanding at the end of the year</b> | <b>48,509,512</b> | <b>4,850.95</b> | <b>48,509,512</b> | <b>4,850.95</b> |

**Terms/ rights attached to Equity shares:**

The Company has only one class of equity shares having par value of Rs. 10 per share. Each holder of equity shares is entitled to one vote per share. The Company declares and pays dividends in Indian rupees.

In the event of liquidation of the Company, the holders of equity shares will be entitled to receive remaining assets of the Company, after distribution of all preferential amounts. The distribution will be in proportion to the number of equity shares held by the shareholders.

**Details of shareholders holding more than 5% shares in the Company**

|  | 31-Mar-24  |                        | 31-Mar-23  |                        |
|--|------------|------------------------|------------|------------------------|
|  | No.        | % holding in the class | No.        | % holding in the class |
| <b>Equity shares of Rs. 10 each fully paid</b> |            |                        |            |                        |
| IL&FS Energy Development Company Limitec       | 18,433,609 | 38%                    | 18,433,609 | 38%                    |
| Power Grid Corporation of India Limitec        | 12,612,473 | 26%                    | 12,612,473 | 26%                    |
| SJVN Limited                                   | 12,612,473 | 26%                    | 12,612,473 | 26%                    |
| Nepal Electricity Authority                    | 4,850,951  | 10%                    | 4,850,951  | 10%                    |

Note: as per records of the Company, the above shareholding represents legal ownership of shares.

**Note 11B: Other equity**

**Reserves and surplus**

|   |                 |  |                 |
|---|-----------------|--|-----------------|
| (Deficit) in the statement of profit and loss     |                 |  |                 |
| Balance as per last financial statements          | 8,258.95        |  | 7,838.77        |
| Profit/(Loss) for the year                        | 1,613.35        |  | 1,632.91        |
| <b>Total appropriations</b>                       | <b>9,872.30</b> |  | <b>9,471.68</b> |
| Less:   |                 |  |                 |
| Dividend payment                                  | 1,212.74        |  | 1,212.74        |
| Net (deficit) in the statement of profit and loss | 8,659.56        |  | 8,258.95        |
| <b>Total other equity</b>                         | <b>8,659.56</b> |  | <b>8,258.95</b> |
|   |                 |  |                 |
| Company Self Insurance Reserve                    | 48.25           |  | -               |
|   |                 |  |                 |
| <b>Note 12: Long term borrowings</b>              |                 |  |                 |
| (a) Long term loan from financial institution     | 7,836.53        |  | 9,596.77        |
|   | 7,836.53        |  | 9,596.77        |
| <b>The above amount includes</b>                  |                 |  |                 |
| Secured borrowings                                | 7,836.53        |  | 9,596.77        |
| <b>Total</b>                                      | <b>7,836.53</b> |  | <b>9,596.77</b> |

**Note**

- i. All long term borrowings are sanctioned through Power Finance Corporation of India Ltd. (PFC) for amount of Rs. 2,07,09,00,000/-, and disbursed Rs. 1,91,37,73,105/- as at 31st March, 2018.
- ii. Long term borrowings are secured by first pari passu charge on all fixed assets of the Company including lease hold rights of the Land, hypothecation of all movable assets, first charge on current assets of the Company including book debts and stock.
- iii. Interest rate applicable as notified by PFC i.e. 12% to 11.25% and with 25 bps rebate (on timely payments), From 17th November 2016, the effective rate of interest toward term loan is 9.95% p.a ( net of 0.25% rebate). Wef 15th April 2018 the effective rate of interest toward term loan is 9.75% p.a ( net of 0.25% rebate)
- iv. The loan shall be repayable in 60 equal quarterly installments, the first repayment started from 01st Sept 2016 and repayment of Rs. 69,81,81,646/- (Rs.2,91,98,333\*2 Qtr and Rs.3,19,89,248\*28 Qtrs) has been repayed to PFC till date against the term loan.
- v. Rs.12,05,62,076/- is payable as repayment for the FY 2024-25 and therefore reclassified at short term borrowing.

**CROSS BORDER POWER TRANSMISSION COMPANY LIMITED**  
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**NOTES FORMING PART OF FINANCIAL STATEMENT**

|  | <b>As at<br/>31 March 2024</b> | <b>In Lakhs<br/>As at<br/>31 March 2023</b> |
|--|--------------------------------|---|
| <b>Note 13: Other financial liabilities</b>    |                                |   |
| (a) Current maturities of long term borrowings | 1,205.62                       | 1,279.57                                    |
| (b) Interest accrued but not due on borrowings | 185.09                         | 219.83                                      |
| <b>Total</b>                                   | <b>1,390.71</b>                | <b>1,499.40</b>                             |
| <b>Note 14: Other current liabilities</b>      |                                |   |
| (a) Advance Income Received                    |                                | -   |
| (i) Advance deposit from BSPTCL                | 6.59                           | 813.34                                      |
| (ii) Prepaid income                            | 2.11                           | 5.04  |
| (b) Statutory dues payable (TDS, PF, DDT etc)  | 2.64                           | 10.99                                       |
| (c) Payable against capital expenditure        | 22.53                          | 22.97                                       |
| (d) Employee Salary Payable                    | -                              | -   |
| (e) Sundry Creditors (within 12 Months)        | 76.40                          | -   |
| <b>Total</b>                                   | <b>110.27</b>                  | <b>852.34</b>                               |
| <b>Note 15 A: Provisions</b>                   |                                |   |
| <b>Non Current</b>                             |                                |   |
| Provision for employee benefit                 |                                |   |
| - Compensated absences                         | 9.51                           | 6.00  |
| - Gratuity                                     |                                |   |
| <b>Total</b>                                   | <b>9.51</b>                    | <b>6.00</b>                                 |
| <b>Current</b>                                 |                                |   |
| (a) Operating expense payable                  | -                              | 105.76                                      |
| (b) Provision for employee benefit             |                                |   |
| - Compensated absences                         | 0.87                           | 0.59  |
| <b>Total</b>                                   | <b>0.87</b>                    | <b>106.35</b>                               |
| Provision for tax (net of advance tax)         |                                | -   |
|  | -                              | -   |
| <b>Total</b>                                   | <b>0.87</b>                    | <b>106.35</b>                               |



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**NOTES FORMING PART OF FINANCIAL STATEMENT**

|  | Year Ended<br>31 March 2024 | In Lakhs<br>Year Ended<br>31 March 2023 |
|--|-----------------------------|---|
| <b>Note 16: Revenue from operations</b>  |                             |   |
| Transmission service charges   | 764.46                      | 738.76                                  |
| Other operating income   | 9.26                        | 2.91                                    |
| <b>Total</b>   | <b>773.72</b>               | <b>741.67</b>                           |
| <b>Note:</b>   |                             |   |
| <b>Total amount received from NEA during the current year 2023-24</b>            |                             |   |
| Annual TSC on normative basis  | 3,943.80                    | 4,081.83                                |
| Incentive  | 207.57                      | 214.83                                  |
| <b>Gross amount</b>  | <b>4,151.36</b>             | <b>4,296.66</b>                         |
| Less: rebate @ 2%  | 83.03                       | 85.93                                   |
| <b>Net amount</b>  | <b>4,068.34</b>             | <b>4,210.73</b>                         |
| <b>Net amount received after adjustment</b>                                      | <b>4,068.34</b>             | <b>4,210.73</b>                         |
| <b>Net amount received from NEA</b>  |                             |   |
| Less: amount received for construction activity and adjusted with SCA receivable |                             |   |
| Return on equity (post tax)  | 773.35                      | 751.90                                  |
| Transmission majoration factor (Post tax)  | 124.73                      | 121.27                                  |
| MAT  | 190.13                      | 184.86                                  |
| Interest on loan capital   | 1,018.63                    | 1,167.30                                |
| Depreciation   | 1,225.49                    | 1,273.91                                |
| <b>Sub total</b>   | <b>3,332.33</b>             | <b>3,499.24</b>                         |
| <b>Transmission service income</b>   | <b>736.01</b>               | <b>711.49</b>                           |
|  | <b>736.01</b>               | <b>711.49</b>                           |
| <b>Total amount received from NEA during the current year 2023-24</b>            |                             |   |
| 2 Bays Normative   | 189.41                      | 193.58                                  |
| 2 Bays Incentive   | 9.97                        | 10.19                                   |
| <b>Gross amount</b>  | <b>199.38</b>               | <b>203.76</b>                           |
| Less: rebate @ 2%  | 3.99                        | 4.08                                    |
| <b>Net amount</b>  | <b>195.39</b>               | <b>199.69</b>                           |
| <b>Net amount received from NEA</b>  | <b>195.39</b>               | <b>199.69</b>                           |
| Less: amount received for construction activity and adjusted with SCA receivable |                             |   |
| Return on equity (post tax)  | 30.69                       | 30.68                                   |
| Transmission majoration factor (Post tax)  | 4.95                        | 4.95                                    |
| MAT  | 7.55                        | 7.54                                    |
| Interest on loan capital   | 71.48                       | 76.97                                   |
| Depreciation   | 52.27                       | 52.26                                   |
| <b>Sub total</b>   | <b>166.94</b>               | <b>172.41</b>                           |
| <b>Transmission service income</b>   | <b>28.46</b>                | <b>27.27</b>                            |
|  | <b>28.46</b>                | <b>27.27</b>                            |
| <b>Note 17: Other income</b>   |                             |   |
| Interest on Revolving Fund   | 2.15                        | -                                       |
| Interest on Compensation advance   | 0.21                        | -                                       |
| Misc Income - Others   | 26.32                       | 29.71                                   |
| Interest on Income Tax Refund  | 0.01                        | -                                       |
| <b>Total</b>   | <b>28.69</b>                | <b>29.71</b>                            |
| <b>Note 18: Finance income</b>   |                             |   |
| Interest income on service concession agreement Transmission Line                | 2,098.86                    | 2,280.80                                |
| Interest income on service concession agreement 2 Bays                           | 117.62                      | 124.54                                  |
| Interest on bank deposits  | 184.45                      | 118.61                                  |
| <b>Total</b>   | <b>2,400.93</b>             | <b>2,523.96</b>                         |

\* Refer note no 4- service concession agreement for detail calculation

**Note 19: Employee benefits expenses**

|   |               |               |
|---|---------------|---------------|
| Deputation cost                           | 162.27        | 117.03        |
| Salary                                    | 81.98         | 76.27         |
| Contribution to provident and other funds | 3.37          | 2.98          |
| Staff welfare expenses                    | 4.00          | 3.02          |
| <b>Total</b>                              | <b>251.62</b> | <b>199.30</b> |

**Note 20: Finance cost**

|                               |               |                 |
|-------------------------------|---------------|-----------------|
| Interest expense on term loan | 986.30        | 1,131.50        |
| <b>Total</b>                  | <b>986.30</b> | <b>1,131.50</b> |

**Note 21: Transmission, administration and other expenses**

|  |               |               |
|--|---------------|---------------|
| Audit fee  | 1.49          | 0.47          |
| Amount written off                                   | -             | -             |
| Advertisement & publicity expenses                   | 2.36          | 0.90          |
| Interest & other charges                             | 0.18          | 6.97          |
| Business promotion expenses / participation expenses | 18.88         | 10.03         |
| Corporate social responsibility expenses             | 32.77         | 35.72         |
| License & filling fees                               | 6.28          | 8.09          |
| Insurance expenses director / employees              | 0.94          | 0.71          |
| Legal and professional expenses                      | 14.41         | 7.20          |
| Office maintenance expenses                          | 14.78         | 37.55         |
| Operation and maintenance of transmission system     | 189.17        | 182.79        |
| Printing and stationery                              | 7.15          | 11.57         |
| Rent, rates and taxes                                | 26.17         | 0.13          |
| Repair & maintenance office system                   | 0.95          | -             |
| Travel and conveyance                                | 4.68          | 6.24          |
| Tree and crop compensation after construction        | 2.41          | -             |
| Miscellaneous expenses                               | 3.77          | 3.06          |
| Vehicle hiring expenses                              | 19.96         | 15.27         |
| Leave & Actutrial Expenses                           | 3.80          | 3.36          |
| <b>Total</b>   | <b>350.14</b> | <b>330.07</b> |

**CROSS BORDER POWER TRANSMISSION COMPANY LIMITED**

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**COMPUTATION FOR THE YEAR ENDED MARCH 31, 2024**

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| <b>Note no 22:</b> | <b>Calculation of current tax for the FY 2023-24</b>  |                 | <b>In Lakhs</b> |
|--------------------|---|-----------------|-----------------|
|                    | There is business loss as per income tax act, therefore tax has to paid as per provisions of MAT u/c 115JB  |                 |                 |
|                    | <b>Calculation of MAT for the FY 2023-24</b>  | <b>31-03-24</b> | <b>31-03-23</b> |
|                    | Book profit for the assessment year 2023-24   | 1,613.35        | 1,632.91        |
|                    | Add: book profit due to adoption of IND AS (please note amendment in section 115JB of income tax act, 1961) |                 |                 |
|                    | <b>Total book profit for calculation of MAT for the FY 2023-24</b>  | <b>1,613.35</b> | <b>1,632.91</b> |
|                    | MAT @ 15%   | 242.00          | 244.94          |
|                    | Surcharge @ 12 %  | 29.04           | 29.39           |
|                    | HEC @ 4 %   | 10.84           | 10.97           |
|                    | <b>Total tax for the FY 2023-24</b>   | <b>281.89</b>   | <b>285.30</b>   |

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**NOTES FORMING PART OF FINANCIAL STATEMENT**

**Note 23**

There are no micro, small and medium enterprise, to whom the Company owes dues, which are outstanding for more than 45 days as at the date of the financial statements. This information is required to be disclosed under the micro, small and medium enterprise development act, 2006, has been determined to the extent such parties have been identified on the basis of information available with the Company.

**Note 24**

In the opinion of the Directors of the Company and to the best of their knowledge and belief, the value on realisation of current assets, loans & advances in the ordinary course of business would not be less than the amount at which they are stated in the financial statement.

**Note 25 :Contingent liabilities and commitments**

There is NIL contingent liabilities and NIL Capital commitments. However, there are some court cases for which monetary estimation is not possible, details mentioned below:

| S.No | Name of petitioner/ nature of case/location of court/ case no  | Status as on 31.03.2024   |
|------|--|---|
| 1    | Surendra Sah, Patna High Court, CWJC 957/2017, Year 2017, location no. 66/4-66/5, Petitioner has received compensation of Rs. 88,589/-.<br><br>The petitioner is now seeking compensation amount Rs.40,60,000/- based on the girth of trees stating that the trees were mature. The claim is for Mahogani (200) & Mango(10).   | At present, hearing is pending in this case. The date of hearing has not been fixed as on date. |
| 2    | The petitioners have received their cheques on 02.02.2016 and made their signature and total amount of Rs. 35,40,180/- as per the rate of Rs. 1,50,000/- per decimal. This rate is given by circle officer, Mushahari in the case No. CWJC19374/2014 at High Court Patna.<br><br>The petitioners are not satisfied the above rate so they are filed a new case in Civil Court, Muzaffarpur in 2017.<br><br>The Claim of the petitioners is that the circle rate of the land should be Rs. 3,00,000/- per decimal.<br><br>Based on the petition, the petitioners are seeking Rs. 35,40,180/-. | Pending for hearing. Date of next hearing is 15.04.2024 .                                       |

**Note 26 : Auditor's remuneration**

|                                | Year ended<br>31-Mar-2024<br>(Lakhs) | Year ended<br>31-Mar-2023<br>(Lakhs) |
|--------------------------------|--------------------------------------|--------------------------------------|
| <b>Auditors remuneration</b>   |                                      |                                      |
| For Audit Fees (excluding tax) | 0.40                                 | 0.40                                 |

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**NOTES FORMING PART OF FINANCIAL STATEMENT**

**27 Related Party Disclosures**

**I** As per the Accounting Standard on 'Related Party Disclosures' issued by the Institute of Chartered Accountants of India, the related parties with whom the companies has made the transactions during the period are as follows :

**a Holding Company**

IL&FS Energy Development Company Limited (upto August 10, 2012)

**b Joint Venture Companies having significant influence**

Power Grid Corporation of India Limited

SJVN Limited

IL&FS Energy Development Company Ltd. (from August 11, 2012)

Nepal Electricity Authority

**c Affiliates**

Power Transmission Company Nepal Limited upto August 10, 2012

Infrastructure Leasing and Financial Service Limited

**II** The nature and volume of transactions during the year with the above related parties were as follows:

| Particulars   | Affiliates | JV & significant influence |
|---|------------|----------------------------|
| <b>A Transactions during the year</b>               |            | <b>In Lakhs</b>            |
| <b>Share capital</b>                                |            |                            |
| IL&FS Energy Development Company Limited            | -          | (-)                        |
| SJVN Limited  | -          | -                          |
| Power Grid Corporation of India Limited             | -          | -                          |
| Nepal Electricity Authority                         | -          | -                          |
|   | (-)        | (-)                        |
| <b>Expenses/Income</b>                              |            |                            |
| <b>IL&amp;FS Energy Development Company Limited</b> |            |                            |
| Dividend Paid                                       | -          | 460.84                     |
| (Including taxes)                                   | (-)        | (460.84)                   |
| <b>Power Grid Corporation of India Limited</b>      |            |                            |
| Deputation Cost                                     | -          | 162.27                     |
| (Including taxes)                                   | (-)        | (99.18)                    |
| Dividend Paid                                       | -          | 315.31                     |
| (Including taxes)                                   | (-)        | (315.13)                   |
| Business Support Service                            | -          | 0.94                       |
| (Including taxes)                                   | (-)        | (0.94)                     |
| Operation and Maintenance Expenses                  | -          | 189.17                     |
| (Including taxes)                                   | (-)        | (182.79)                   |



**SJVN Limited**

|                   |     |          |
|-------------------|-----|----------|
| Dividend Paid     | -   | 315.31   |
| (Including taxes) | (-) | (315.13) |

**Nepal Electricity Authority**

|                   |     |          |
|-------------------|-----|----------|
| Dividend Paid     | -   | 121.27   |
| (Including taxes) | (-) | (121.27) |

**B Outstanding balances\*****Other current liabilities**

|   |     |         |
|---|-----|---------|
| Power Grid Corporation of India Limited | -   | 70.61   |
|   | (-) | (95.77) |

Not Amount in brackets represents previous year

**III Key managerial personnel (KMP) and their remuneration during the year**

| Name                | Designation | Employee/<br>Deputation | Period                   | Current year | Previous year |
|---------------------|-------------|-------------------------|--------------------------|--------------|---------------|
| Mr. P R Pati        | CEO         | Deputation              | 1-04-23 to 30-04-2023    | 9.13         | 99.18         |
| Mr. Sathish Kumar J | CEO         | Deputation              | 31-07-2023 to till date  | 74.80        | -             |
| Ms Anjali Singhal   | CS          | Employee                | 01-04-2023 to 20-05-2023 | 2.26         | 6.44          |
| Ms Divya Sorayan    | CS          | Employee                | 01-06-2023 to till date  | 5.05         | -             |
| Mr. Brundaban Dash  | CFO         | Employee                | 01-04-2023 to till date  | 14.66        | 13.22         |

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**NOTES FORMING PART OF FINANCIAL STATEMENT**

**28 Earnings per equity share**

Basic earnings per equity share have been computed by dividing net profit after tax by the weighted average number of equity

| Particulars   | Unit      | Year ended<br>31-Mar-2024 | Year ended<br>31-Mar-2023 |
|---|-----------|---------------------------|---------------------------|
| a Net profit for the year   | Lakhs     | 1,613.35                  | 1,632.91                  |
| b Weighted average of number of equity shares of Rs. 10 each  | Nos.      | 48,509,512                | 48,509,512                |
| c Basic earnings per share  |           | 3.33                      | 3.37                      |
| d Weighted average number of shares outstanding during the period for calculation of diluted earnings per share | Nos.      | 48,509,512                | 48,509,512                |
| e Diluted earnings/(loss) per share   | In Rupees | 3.33                      | 3.37                      |

\*In case the effect of potential equity shares is anti-dilutive, these have not been considered for calculation of diluted earnings per share.

**29 Employee Benefits**

The Company participated in defined contribution scheme, no asset has been separately funded for the benefits. For contribution scheme, the amount charged to the profit and loss is the total contribution payable in the year.

**a. Defined Contribution Plan**

The Company makes contribution towards provident fund to a defined contribution retirement benefit plan for qualifying employees. The Company's contribution to the employees provident fund is deposited with the regional provident fund commissioner. Under the scheme, the company is required to contribute a specified percentage of payroll cost to the retirement benefit scheme to fund the benefits.

The Company recognised Rs. 3.79/- (PY Rs.2.19/-) lakhs for provident fund contribution in the statement of profit and loss account. The Contribution payable to the plan by the Company is at the rate specified in the rules to the scheme.

**b. Actuarial assumptions for long-term compensated absences**

**Principal actuarial assumptions:**

| S.No | Particulars                  | Year ended<br>31.03.2024 | Year ended<br>31.03.2023 |
|------|------------------------------|--------------------------|--------------------------|
| 1    | Discount rate (p.a)          | 7.23%                    | 7.54%                    |
| 2    | Salary escalation rate (p.a) | 6.00%                    | 6.00%                    |
| 3    | Attrition rate               | 2.00%                    | 2.00%                    |

**Note**

- 1 The discount rate is based on the prevailing market yields of indian government securities as at the balance sheet date for the estimated term of
- 2 The estimates of future increases considered takes into account the inflation, seniority, promotion and other relevant factors.

**NOTES FORMING PART OF FINANCIAL STATEMENT**

**30 - Financial instruments**

**30 (i) Capital management**

The Company manages its capital to ensure that the Company will be able to continue as a going concern while maximising the return to stakeholders through optimisation of debt and equity balance. The capital structure of the Company consists of net debt of Rs. 90,42,15,496 (borrowing as detailed in notes 12 and 13) offset by cash and bank balances of Rs.29,02,54,496 as detailed in note 7).

**30 (ii) Gearing ratio**

The gearing ratio at the end of the reporting period was as follows:

|  | As at<br>31.03.2024 | In Lakhs<br>As at<br>31.03.2023 |
|--|---------------------|---------------------------------|
| Long Term Debt (see note 12 )                | 7,836.53            | 9,596.77                        |
| Short Term Debt (see note 13)                | 1,205.62            | 1,279.57                        |
| Cash and bank balances (see note (ii) below) | 2,894.56            | 3,491.89                        |
| <b>Net debt</b>                              | <b>11,936.72</b>    | <b>14,368.23</b>                |
| <b>Total equity</b>                          | <b>13,510.51</b>    | <b>13,109.90</b>                |
| Net debt to equity ratio                     | 88%                 | 110%                            |

**Note**

(i) Debt is defined as long term and short term borrowings (including current maturity of long term borrowings) as described in note 12 and 13.

(ii) Cash and bank balance includes cash and cash equivalent and bank balance held as margin money with lenders as described in note 7.

|  | As at<br>31.03.2024 | In Lakhs<br>As at<br>31.03.2023 |
|--|---------------------|---------------------------------|
| <b>30 (iii) Categories of financial instruments</b>                                |                     |                                 |
| <b>Financial assets (at amortised cost)</b>  |                     |                                 |
| Service concession agreement (non current)   | 15,816.93           | 17,897.52                       |
| Service concession agreement (current)   | 1,384.41            | 1,282.79                        |
| Trade receivables  | -                   | -                               |
| Cash and cash equivalents  | 2,894.56            | 3,491.89                        |
| Bank balances (other than above)   | 7.99                | 7.99                            |
| Others financial assets  | 359.45              | 391.50                          |
| <b>Financial liabilities (at amortised cost)</b>                                   |                     |                                 |
| Borrowings (including current maturities of long term borrowings)                  | 7,836.53            | 9,596.77                        |
| Other financial liabilities (excluding current maturities of long term borrowings) | 185.09              | 219.83                          |

**30 (iv) Interest rate risk management**

Interest rate risk can be either fair value interest rate risk or cash flow interest rate risk. Fair value interest rate risk is the risk of changes in fair values of fixed interest bearing investments because fluctuations in the interest rates. Cash flow interest rate risk is the risk that the future cash flows of floating interest bearing investments will fluctuate because of fluctuations in the interest rates.

The Company's interest rate risk arises from borrowings in the form of term loans taken from the banks. The Company does not account for any fixed rate financial assets or liabilities at fair value through profit or loss.

The Company has borrowing on account of term facility from banks. The borrowings are based on applicable floating rates as stated in Note 12. The sensitivity analysis is based on a reasonably possible change in the market interest rates computed from historical data.

**30 (v) Credit risk management**

Credit risk refers to the risk that a counterparty will default on its contractual obligations resulting in financial loss to the Company. The Company's exposure and the credit worthiness of its counterparties are continuously monitored.

The Company has entered into Implementation and Transmission Service Agreement (ITSA) with the NEA (Nepal Electricity Authority). There is no substantial evidence of default from NEA.

|                                      | In Lakhs          |                   |
|--------------------------------------|-------------------|-------------------|
|                                      | Carrying amount   | Carrying amount   |
| The maximum exposure to NEA is :     |                   |                   |
|                                      | <b>31.03.2024</b> | <b>31.03.2023</b> |
| Financial assets (at amortised cost) | 15,816.93         | 17,897.52         |
| Service concession agreement         | 1,384.41          | 1,282.79          |
| <b>Total</b>                         | <b>17,201.34</b>  | <b>19,180.31</b>  |

**30 (vi) Liquidity risk management**

The responsibility for liquidity risk management rests with the Corporate Finance department which functions under the guidance of Board of Directors. The Company manages liquidity risk by maintaining adequate reserves, banking facilities and reserve borrowing facilities, by continuously monitoring forecast and actual cash flows.

**Liabilities**

The following table details the Company's remaining contractual maturity for its non-derivative financial liabilities with agreed repayment periods. The table has been drawn up based on undiscounted cash flows of financial liabilities based on earlier date on which the Company can be required to pay.

| Particulars  | 0-1 year        | 1-5 years       | More than 5 years |          | Contractual amount | Carrying amount at amortised cost |
|--|-----------------|-----------------|-------------------|----------|--------------------|-----------------------------------|
| <b>As at 31.03.2024</b>  |                 |                 |                   |          |                    | <b>In Lakhs</b>                   |
| Borrowings (including current maturities of long term borrowings)                  | 1,205.62        | 6,028.10        | 1,083.48          | -        | 19,137.73          | 8,317.20                          |
| Other financial liabilities (excluding current maturities of long term borrowings) | 185.09          | -               | -                 |          | -                  | -                                 |
| <b>Total</b>   | <b>1,390.71</b> | <b>6,028.10</b> | <b>1,083.48</b>   | <b>-</b> | <b>19,137.73</b>   | <b>8,317.20</b>                   |
| <b>As at 31.03.2023</b>  |                 |                 |                   |          |                    |                                   |
| Borrowings (including current maturities of long term borrowings)                  | 1,279.57        | 6,397.85        | 1,919.35          | -        | 19,137.73          | 9,596.77                          |
| Other financial liabilities (excluding current maturities of long term borrowings) | 219.83          | -               | -                 | -        | -                  | -                                 |
| <b>Total</b>   | <b>1,499.40</b> | <b>6,397.85</b> | <b>1,919.35</b>   | <b>-</b> | <b>19,137.73</b>   | <b>9,596.77</b>                   |

**Assets**

The following table details the Company's expected maturity for its non-derivative financial assets. The table has been drawn up based on the undiscounted contractual maturities of the financial assets including interest that will be earned on those assets. The inclusion of information on non-derivative financial asset is necessary in order to understand the Company's liquidity risk management as the liquidity is managed on a net asset and liability basis.

| Particulars                             | 0-1 year         | 1-5 years | More than 5 years | Contractual amount | Carrying amount at amortised cost |
|---|------------------|-----------|-------------------|--------------------|-----------------------------------|
| <b>As at 31.03.2024</b>                 |                  |           |                   |                    |                                   |
| Trade receivables                       | -                | -         | -                 | -                  | -                                 |
| Cash and cash equivalents               | 2,895            | -         | -                 | 2,895              | 2,895                             |
| Other balances with banks               | -                | -         | -                 | -                  | -                                 |
| Service concession receivable (current) | 1,384            | -         | -                 | 1,384              | 1,384                             |
| Other financial assets                  | 359              | -         | -                 | -                  | 359                               |
| <b>Total</b>                            | <b>4,638</b>     | <b>-</b>  | <b>-</b>          | <b>4,638</b>       | <b>4,638</b>                      |
| <b>As at 31-03-2023</b>                 |                  |           |                   |                    |                                   |
| Trade receivables                       | -                | -         | -                 | -                  | -                                 |
| Cash and cash equivalents               | 3,491.89         | -         | -                 | 3,491.89           | 3,491.89                          |
| Other balances with banks               | -                | -         | -                 | -                  | -                                 |
| Service concession receivable (current) | 19,180.31        | -         | -                 | 19,180.31          | 19,180.31                         |
| Other financial assets                  | 391.50           | -         | -                 | -                  | 391.50                            |
| <b>Total</b>                            | <b>23,063.70</b> | <b>-</b>  | <b>-</b>          | <b>23,063.70</b>   | <b>23,063.70</b>                  |

**31 Corporate Social Responsibility (CSR Expenses)**

The Board is informed that the Board in the meeting dated 05-12-2023 the Board was presented the proposal for the CSR Activity for the FY 2022-23 with a budget of Rs. 32,51,893/- (based on 2% of the last three average net profit) in Furniture Fittings & Equipment to schools & hospitals, Conducting Science experiments in schools in Bihar and to undertake CSR activity for providing Artificial Intelligent Limbs to the Divyangs with in the excess budget of Rs. 25,048/- with net amount of Rs. 32,76,941/- during the year. .

**32 Dividend Paid to the Shareholders**

The Company has declared the final dividend For FY 2022-23. i.e. 25% of the share money, in the Annual General Meeting held in the month of 22 August 2023. Further to which the amount of Rs. 12,12,73,785/- paid to the share holders of the Company.

33 Accounting Standard 17 (AS-17) on 'Segment Reporting' is not applicable on the Company presently.

34 Previous year's figures have been regrouped / reclassified wherever necessary, to confirm to the current year presentation.

35 The financial statement for the year ended 31st March, 2023 were approved by the Board of Directors and authorised for issue on .

**In terms of our report attached**

**For Godara & Co.**

**ICAI firm registration number: 016517N**

**Chartered Accountants**

**CA**

**Partner : Alok Bishnoi**

**Membership No. 504281**

Sd/-  
**Brundaban Dash**  
Chief Financial Officer  
Membership No.: F8999

**For and on behalf of the Board**

Sd/-  
**Hira Lal Tayal**  
Director  
DIN : 01898200

Sd/-  
**Bibhu Biswal**  
Director  
DIN : 05150657

Sd/-  
**Divya Sorayan**  
Company Secretary  
Membership No.: 29362

**Place : New Delhi**

**Date : 31.05.2024**