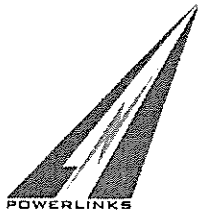


# POWERLINKS TRANSMISSION LIMITED.

(A Joint Venture of **TATA POWER & POWERGRID**)  
An ISO-9001; ISO-14001 and OHSMS-18001 Certified Company



## NOTICE

Notice is hereby given that the Fourteenth Annual General Meeting of the Powerlinks Transmission Limited will be held at shorter notice on Monday, the 21<sup>st</sup> day of September 2015 at 11.00 a.m. at 4<sup>th</sup> Floor, Conference Room, Power Grid Corporation of India Ltd, B-9, Qutab Institutional Area, Katwaria Sarai, New Delhi- 110016 to transact the following business:

### **Ordinary Business**

1. To receive, consider and adopt the Audited Annual Accounts for the year ended 31<sup>st</sup> March, 2015 together with the report of Directors and Auditors thereon.
2. To declare Dividend for the financial year 2014-15.
3. To appoint a Director in place of Mr. I S Jha (DIN 15615), who retires by rotation and being eligible, offers himself for re-appointment.
4. To appoint a Director in place of Mr. R T Agarwal (DIN 1937329), who retires by rotation and being eligible, offers himself for re-appointment.
5. To appoint a Director in place of Mr. Ajay Kapoor (DIN 466631), who retires by rotation and being eligible, offers himself for re-appointment
6. To appoint Auditors and for this purpose to consider and if thought fit, to pass with or without modification(s), the following resolution as an Ordinary Resolution:

**“RESOLVED THAT** pursuant to Section 139 and other applicable provisions, if any, of the Companies Act, 2013, the appointment of M/s Deloitte Haskins & Sells, LLP, Chartered Accountants (Registration No. 015125N), as the Statutory Auditors of the Company, to hold office from the conclusion of this Annual General Meeting till the conclusion of Fifteenth Annual General Meeting to conduct audit of the Company for FY2015-16 be and is hereby ratified.

**RESOLVED FURTHER THAT** the Auditors be paid Rs 11.00 Lakh plus service tax and out of pocket expenses at actuals as remuneration for the financial year 2015-16 as has been recommended and mutually agreed upon between the Board of Directors and the Auditors.”

### **Special Business**

#### **7. Appointment of Mrs. Rita Sinha (DIN 5169220) as Independent Director**

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

### **Registered & Corporate Office :**

10<sup>th</sup> Floor, DLF Tower A, District Centre Jasola, New Delhi 110025 Tel. : 91 11 45159500  
Fax : 91 11 45159555 Email : [powerlinks@powerlinks.co.in](mailto:powerlinks@powerlinks.co.in) CIN U40105DL2001PLC110714

**RESOLVED THAT** pursuant to the provisions of Sections 149 and Section 152 read with Schedule IV and other applicable provisions, if any, of the Companies Act, 2013 (the Act) and the Companies (Appointment and Qualification of Directors) Rules, 2014 (including any statutory modifications) or re-enactments thereof, Mrs. Rita Sinha (DIN 5169220), who qualifies for being appointed as an Independent Director and in respect of whom the Company has received a notice in writing under Section 160 of the Act from a member proposing her candidature for the office of Director, be and is hereby appointed as an Independent Director of the Company w.e.f 30<sup>th</sup> March 2015, not liable to retire by rotation and to hold office for three (3) consecutive years for a term upto 29<sup>th</sup> March 2018."

**Appointment of Mr Nawshir H Mirza (DIN 44816) as Independent Director**

8. To consider and if thought fit, to pass the following resolution with or without modification as an Ordinary Resolution:

**RESOLVED THAT** pursuant to the provisions of Sections 149 and Section 152 read with Schedule IV and other applicable provisions, if any, of the Companies Act, 2013 (the Act) and the Companies (Appointment and Qualification of Directors) Rules, 2014 (including any statutory modifications) or re-enactments thereof, Mr Nawshir H Mirza (DIN 44816), who qualifies for being appointed as an Independent Director and in respect of whom the Company has received a notice in writing under Section 160 of the Act from a member proposing his candidature for the office of Director, be and is hereby appointed as an Independent Director of the Company w.e.f 30<sup>th</sup> March 2015, not liable to retire by rotation and to hold office for three (3) consecutive years for a term upto 29<sup>th</sup> March 2018."

**Appointment of Mr. Ashok S Sethi (DIN 1741911) as the Director of the Company**

9. To consider and if thought fit, to pass the following resolution with or without modification as an Ordinary Resolution:

**RESOLVED THAT** Mr. Ashok S Sethi (DIN 1741911), who was appointed as an Additional Director under Section 161 of the Companies Act, 2013 (the Act), by the Board of Directors of the Company on 19<sup>th</sup> November 2014 and who holds office up to the date of the Fourteenth Annual General Meeting and in respect of whom Notice under Section 160 of the Act has been received from a member, signifying its intention to propose Mr. Sethi as a candidate for the office of Director of the Company, be and is hereby appointed as a Director of the Company.

**RESOLVED FURTHER THAT** Mr. Ashok S Sethi be and is hereby appointed in a non-executive capacity and he will not be responsible for the day- to- day affairs of the Company."

10. **Appointment of Mr. Jayant Tikku (DIN 07085449) as a Director**

**To consider and if thought fit to pass with or without modification(s) the following Resolution as an Ordinary Resolution.**

**"RESOLVED THAT** Mr. Jayant Tikku (DIN 07085449), who was appointed as an Additional Director under Section 161 of the Companies Act, 2013, in the Meeting of the Board of Directors of the Company held on 23<sup>rd</sup> January 2015 and who holds

office up to the date of the Fourteenth Annual General Meeting and in respect of whom Notice under Section 160 of the Companies Act, 2013 has been received from a member, signifying his intention to propose Mr. Jayant Tiku as a candidate for the office of Director of the Company, be and is hereby appointed as a Director of the Company."

**11 Appointment of Mr. Jayant Tiku (DIN 07085449) as the Chief Executive Officer & Executive Director of the Company**

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

**"RESOLVED THAT** in accordance with the applicable provisions of Companies Act, 2013, the Company hereby approves of the appointment and terms of remuneration of Mr. **Jayant Tiku** (DIN 07085449), who has been appointed by the Board of Directors as the Chief Executive Officer & Executive Director of the Company for a period of three years w.e.f. 1<sup>st</sup> February, 2015, upon the terms and conditions laid down in the Agreement submitted to this meeting, which Agreement is hereby specifically sanctioned with liberty to the Board of Directors to alter and vary the terms and conditions of the said appointment and/or Agreement in such manner as may be agreed to between the Board of Directors and Mr. Jayant Tiku".

**12 Remuneration of Cost Auditor as per Section 148 of the Companies Act, 2013**

To determine remuneration of Cost Auditor and for this purpose to consider and if thought fit, to pass with or without modification(s), the following resolution as an Ordinary Resolution:

**"RESOLVED THAT** pursuant to Section 148 of the Companies Act 2013 and all other applicable provisions of the Companies Act 2013 and the Companies (Audit and Auditors) Rules, 2014 (including any statutory modification(s) or re-enactment thereof, for the time being in force), M/s JUP & Associates. Cost Accountant, appointed by the Board, as Cost Auditor of the Company, at a remuneration of Rs 1.00 lakh plus service tax, to conduct audit of the cost records of the Company for the financial year ending 31<sup>st</sup> March 2016.

**FURTHER RESOLVED THAT** the Board of Directors of the Company be and is hereby authorized to do all acts and take all such steps as may be necessary and or expedient to give effect to this resolution."

**Date: 16<sup>th</sup> September 2015**

**By Order of the Board**

**Place: New Delhi**

**Registered Office:  
10<sup>th</sup> Floor, DLF Tower A,  
District Centre Jasola  
New Delhi-110 025**

sd/-  
**(Monica Mehra)**  
**Company Secretary**  
**ACS 15293**

## NOTES:

- 1 A MEMBER ENTITLED TO ATTEND AND VOTE AT THE MEETING IS ENTITLED TO APPOINT A PROXY TO ATTEND AND VOTE INSTEAD OF HIMSELF AND SUCH PROXY NEED NOT BE A MEMBER.
- 2 The explanatory statement, pursuant to Section 102(1) of the Companies Act, 1956 with regards to the business set above is enclosed.
- 3 The instrument appointing proxy must be deposited with the Company at its Registered Office not less than 48 hours before the time for holding the Meeting.
- 4 A Proxy form is sent herewith. Proxies submitted on behalf of the companies, societies etc., must be supported by an appropriate resolution/authority, as applicable. A person can act as proxy on behalf of members not exceeding fifty (50) and holding in the aggregate not more than ten percent (10%) of the total share capital of the Company. Provided a member holding more than ten percent (10%) of the total share capital of the Company, carrying voting rights may appoint a single person as proxy and such person shall not act as proxy for any other person or shareholder. A Proxy holder needs to show his identity at the time of attending the meeting.
- 5 During the period beginning 24 hours before the time fixed for the commencement of the meeting and ending with the conclusion of the meeting, a member would be entitled to inspect the proxies lodged for this meeting, at any time during the business hours of the Company, provided that not less than three days of notice in writing is given to the Company for the said purpose.
- 6 Corporate Members are requested to send a duly certified copy of the board of director's resolution authorising their representative to attend and vote at the annual general meeting.
- 7 The Register of Directors and Key Managerial Personnel and their shareholding maintained u/s 170 of the Companies Act, 2013, and Register of Contracts or Arrangements in which Directors are interested maintained u/s 189 of the Companies Act, 2013, are open for inspection at the Registered Office of the Company on all working days (Monday to Friday) between 11.00 a.m. and 1.00 p.m. up to the date of Annual General Meeting and will also be available for inspection at the meeting.
- 8 Dividend, if approved, shall be paid on or after 21<sup>st</sup> September 2015 and to those members whose names will appear on the Register of Members of the Company and, in respect of those members who hold shares in the electronic form, as per the list of beneficial ownership furnished by National Securities Depository Limited (NSDL) and Central Depository Securities Limited (CDSL) or to their mandate as of the close of business hours on 19<sup>th</sup> September 2015.

## **ANNEXURE TO THE NOTICE**

As required by Section 102(1) of the Companies Act, 2013, (the "Act") the following Explanatory Statement sets out all material facts relating to the business mentioned under item Nos. 7 to 11 of the accompanying Notice dated 14<sup>th</sup> September 2015 under the provisions of the Act relating to business set out therein.

### **Item No. 7**

In accordance with the provisions of Section 149 read with Schedule IV to the Act, appointment of an Independent Director requires approval of members. Based on the recommendation of Nomination & Remuneration Committee, Mrs. Rita Sinha was appointed as Additional Director in independent capacity with effect from 30<sup>th</sup> March 2015 subject to the approval of members of the Company. The Company has received a notice in writing from a member along with the deposit of requisite amount under Section 160 of the Act proposing the candidature of Mrs. Rita Sinha for the office of Director of the Company.

Mrs. Sinha is not disqualified from being appointed as a Director in terms of Section 164 of the Act and had given her consent to act as a Director.

#### ***Brief resume of Mrs. Rita Sinha***

Mrs. Rita Sinha, is an M.A. in Geography from Punjab University, Chandigarh. She retired from the I.A.S. in July 2010 from the post of Secretary to the Government of India, Department of Land Resources, Ministry of Rural Development. She has held several assignments both in the Central and State Governments in a career spanning almost 38 years. Mrs. Sinha has been a Director on the Power Grid Corporation of India Ltd. from 2011 till 2014.

Mrs. Rita Sinha does not hold any shares of the Company in her name.

Keeping in view her vast experience and knowledge, it will be in the interest of the Company that Mrs. Rita Sinha is appointed as an Independent Director of the Company.

Copy of the draft letter for appointment of Mrs. Rita Sinha as an Independent Director setting out the terms and conditions is available for inspection by members at the registered office of the Company.

In the opinion of the Board, Mrs. Sinha fulfills the conditions specified in the Act and rules made thereunder for appointment as Independent Director and she is independent of the management.

Save and except Mrs. Rita Sinha and her relatives, none of the other Directors/ key Managerial Personnel of the Company/ their relatives are, in any way, concerned or interested, financially or otherwise, in the resolution set out at Item No. 7 of the Notice.

The Board commends the Ordinary Resolution set out at item No. 7 of the Notice for approval by the members.

### **Item No. 8**

In accordance with the provisions of Section 149 read with Schedule IV to the Act, appointment of an Independent Director requires approval of members. Based on the

recommendation of Nomination & Remuneration Committee, Mr Nawshir H Mirza was appointed as Additional Director in independent capacity with effect from 30<sup>th</sup> March 2015 subject to the approval of members of the Company. The Company has received a notice in writing from a member along with the deposit of requisite amount under Section 160 of the Act proposing the candidature of Mr Nawshir H Mirza for the office of Director of the Company.

Mr Mirza is not disqualified from being appointed as a Director in terms of Section 164 of the Act and had given his consent to act as a Director.

***Brief resume of Mr Nawshir H Mirza***

Mr Nawshir H Mirza, is a Fellow of the Institute of Chartered Accountants of India and was a Partner of S. R. Batliboi & Co., Calcutta. He was an Advisor to Jardine Matheson Limited, Hong Kong. He is also a Director on the Boards of The Tata Power Company Ltd., Coastal Gujarat Power Ltd., Tata Power Delhi Distribution Ltd., Thermax Ltd.

Mr Nawshir H Mirza does not hold any shares of the Company in his name.

Keeping in view his vast experience and knowledge, it will be in the interest of the Company that Mr Nawshir H Mirza is appointed as an Independent Director of the Company.

Copy of the draft letter for appointment of Mr Mirza as an Independent Director setting out the terms and conditions is available for inspection by members at the registered office of the Company.

In the opinion of the Board, Mr. Mirza fulfills the conditions specified in the Act and rules made thereunder for appointment as Independent Director and he is independent of the management.

Save and except Mr Nawshir H Mirza and his relatives, none of the other Directors/ Key Managerial Personnel of the Company/ their relatives are, in any way, concerned or interested, financially or otherwise, in the resolution set out at Item No. 8 of the Notice.

The Board commends the Ordinary Resolution set out at item No. 8 of the Notice for approval by the members.

***Terms and conditions of Appointment of Independent Directors (for Item Nos. 7 & 8)***

The Board of Directors at their meeting held on 30<sup>th</sup> March 2015 appointed the following Independent Directors of the Company:

I. Mrs. Rita Sinha

II. Mr. Nawshir Mirza

In accordance with the requirements of Schedule IV of the Companies Act, 2013, the broad terms and conditions of their appointments as Independent Directors are reproduced hereunder:

## **1. Appointment**

Their appointment will be for the period from 30th March 2015 to 29<sup>th</sup> March 2018 to be approved by the shareholders at the forthcoming Annual General Meeting ("Term"). The Company may disengage Independent Directors prior to completion of the Term subject to compliance of relevant provisions of the Companies Act, 2013 (2013 Act).

As Independent Directors, they will not be liable to retire by rotation.

## **2. Role, duties and responsibilities**

A. As members of the Board, they along with the other Directors will be collectively responsible for meeting the objectives of the Board which include:

- ☐ Requirements under the Companies Act, 2013,
- ☐ Accountability under the Director's Responsibility Statement.

B. They shall abide by the 'Code For Independent Directors' as outlined in Schedule IV to section 149(8) of the 2013 Act, and duties of directors as provided in the 2013 Act (including Section 166).

C. They are particularly requested to provide guidance in their area of expertise.

## **3. Time Commitment**

They agree to devote such time as is prudent and necessary for the proper performance of their role, duties and responsibilities as Independent Directors.

## **4. Remuneration**

As Independent Directors, they shall be paid sitting fees for attending the meetings of the Board and the Committees of which they are members. The sitting fees for attending each meeting of the Board and its Committees would be as determined by the Board from time to time.

Further, the Company may pay or reimburse to the Director such expenditure, as may have been incurred by them while performing their role as an Independent Director of the Company. This could include reimbursement of expenditure incurred by them for accommodation, travel and any out of pocket expenses for attending Board/ Committee meetings, General Meetings, court convened meetings, meetings with shareholders/ creditors/ management, site visits, induction and training (organized by the Company for Directors) and in obtaining, subject to the expense being reasonable, professional advice from independent advisors in the furtherance of their duties as Independent Directors.

## **5. Tata Code of Conduct**

Unless specifically authorised by the Company, they shall not disclose company and business information to constituencies such as the media, the financial community, employees, shareholders, agents, franchisees, dealers, distributors and importers. Their obligation of confidentiality shall survive cessation of their respective directorships with the Company.

Additionally, they shall not participate in any business activity which might impede the application of their independent judgment in the best interest of the Company.

As an Independent Director of the Company, they agree to report concerns about unethical behavior, actual or suspected fraud or violation of the Tata Code of conduct.

## **6. Training and Development**

The Company may, if required, conduct formal training program for its Independent Directors.

The Company may, as may be required, support Directors to continually update their skills and knowledge and improve their familiarity with the company and its business. The Company will fund/arrange for training on all matters which are common to the whole Board.

## **7. Performance Appraisal / Evaluation Process**

As members of the Board, their performance as well as the performance of the entire Board and its Committees will be evaluated annually. Evaluation of each director shall be done by all the other directors. The criteria for evaluation shall be disclosed in the Company's Annual Report. However, the actual evaluation process shall remain confidential and shall be a constructive mechanism to improve the effectiveness of the Board / Committee.

## **8. Disclosures, other directorships and business interests**

During the Term, they agree to promptly notify the Company of any change in their directorships, and provide such other disclosures and information as may be required under the applicable laws. They also agree that upon becoming aware of any potential conflict of interest with their position as Independent Directors of the Company, they shall promptly disclose the same to the Chairman and the Company Secretary.

During their Term, they agree to promptly provide a declaration under Section 149(7) of the 2013 Act, upon any change in circumstances which may affect their status as an Independent Director.

## **9. Changes of personal details**

During the Term, they shall promptly intimate the Company Secretary and the Registrar of Companies in the prescribed manner, of any change in address or other contact and personal details provided to the Company.

## **10. Disengagement**

They may resign from the directorship of the Company by giving a notice in writing to the Company stating the reasons for resignation. The resignation shall take effect from the date on which the notice is received by the Company or the date, if any, specified by them in the notice, whichever is later.

Their directorship on the Board of the Company shall cease in accordance with law. The Company may disengage Independent Directors prior to completion of Term (subject to compliance to relevant provisions of the 2013 Act) upon

☐ Violation of any provision of the Tata Code of Conduct,

☐ Upon the director failing to meet the criteria for independence as envisaged in Section 149(6) of the 2013 Act.



#### **Item No. 9**

Mr. Ashok S Sethi was appointed as an Additional Director of the Company w.e.f. 19<sup>th</sup> November 2014, by the Board of Directors under Section 161 of the Act and as per the Article of Association of the Company. In terms of Section 161 of the Act, Mr. Sethi holds office only up to the date of forthcoming Annual General Meeting but is eligible for appointment as Director.

Mr Ashok S Sethi is currently COO & Executive Director of The Tata Power Company Ltd. Mr. Sethi is a B. Tech from IIT, Kharagpur. He has wide experience in power sector ranging from Thermal & Hydro Generation, Transmission & Distribution, Commercial, Regulatory and Advocacy. He has been with Tata Power for the last 39 years. Before taking up his current responsibilities, he was Chief - Corporate Operations Management at Tata Power. He has also been an Executive Director of Maithon Power Limited, a subsidiary of Tata Power.

The Company has received a notice in writing from a member along with the deposit of requisite amount under Section 160 of the Act proposing the candidature of Mr Ashok S Sethi for the office of Director of the Company.

Save and except Mr Ashok S Sethi and his relatives, none of the other Directors/ Key Managerial Personnel of the Company/ their relatives are, in any way, concerned or interested, financially or otherwise, in the resolution set out at Item No. 9 of the Notice.

The Board commends the Ordinary Resolution set out at item No. 9 of the Notice for approval by the members.

#### **Item Nos. 10 & 11**

Mr. Jayant Tiku was appointed as an Additional Director of the Company w.e.f. 1<sup>st</sup> February 2015 by the Board of Directors under Section 161 of the Act and as per the Article of Association of the Company. In terms of Section 161 of the Act, Mr. Tiku holds office only upto the date of forthcoming Annual General Meeting but is eligible for appointment as Director.

Mr. Jayant Tiku, aged 58 years, is B. Tech in Electrical Engineering from Delhi College of Engineering and M. Tech in Power Apparatus and Systems from IIT Delhi. He has vast experience of 32 years in various areas of Power Plant Engineering and Maintenance. Before taking up his current responsibilities, he was Head-Technology and Diagnostics at Tata Power. In this role, he was responsible for introduction of new technologies in the organization, providing support to operating divisions of TATA Power, to eventually lead to improvement in availability and reliability of power generation and network. Prior to that he was Head- Engineering, CGPL, Mundra, He has been responsible for Engineering Function of Electrical discipline for all major and critical projects across TATA Power. He has worked as Engineering Project Coordinator for Maithon Power Project (1000 MW) and Power projects in Tata Steel areas. He has written and presented many technical subjects.

Mr. Jayant Tiku has been appointed as Chief Executive Officer & Executive Director of the Company for a period of three years w.e.f. 1<sup>st</sup> February 2015.

The Directors are of the view that the appointment of Mr. Jayant Tiku as the Executive Director & CEO will be in the interest of the Company and the remuneration payable to him is commensurate with his ability and experience.

The agreement entered into between the Company and Mr. Jayant Tiku as Executive Director & CEO contains the following terms and conditions:

### **1. Tenure of the Agreement**

Subject as hereinafter provided, this Agreement shall remain in force for three years up to 31<sup>st</sup> January, 2018 unless terminated earlier or extended. This Agreement may be terminated earlier by either Party by giving to the other Party six months' notice of such termination or the Company paying six months' remuneration in lieu of such notice.

### **2. Nature of duties**

The Executive Director & Chief Executive Officer shall devote his whole time and attention to the business of the Company and carry out such duties as may be entrusted to him by the Board from time to time and separately communicated to him and exercise such powers as may be assigned to him, subject to superintendence, control and directions of the Board in connection with and in the best interests of the business of the Company and the business of any one or more of its associated companies and / or subsidiaries, including performing duties as assigned by the Board from time to time by serving on the boards of such associated companies and / or subsidiaries or any other executive body or any committee of such a company.

The Executive Director & Chief Executive Officer shall not exceed the powers so delegated by the Board pursuant to clause above.

The Executive Director & Chief Executive Officer undertakes to employ the best of his skill and ability to make his utmost endeavours to promote the interests and welfare of the Company and to conform to and comply with the directions and regulations of the Company and all such orders and directions as may be given to him from time to time by the Board.

### **3. Remuneration**

So long as the Executive Director & Chief Executive Officer performs his duties and conforms to the terms and conditions contained in this Agreement, he shall, subject to such approvals as may be required, be entitled to the following remuneration subject to deduction at source of all applicable taxes in accordance with the laws for the time being in force.

The Agreement between the Company and the ED & CEO also contains the following terms and conditions:

#### **Salary:**

Basic salary of Rs 1, 93,170/- per month in the scale of Rs 1,90,000- Rs. 3,90,000 with per month upto a maximum of Rs. 3,90,000 per month-. The annual increments will be effective 1<sup>st</sup> April each year.

#### **Benefits, Perquisites, Allowances**

In addition to the basic salary as referred above, the Chief Executive Officer & Executive Director shall be entitled to:

- a. Flexi Allowances of 80% of the Annual Salary will be paid, which will include expenses towards Medical reimbursement, Leave Travel Allowance, Education Allowance, Uniform Maintenance Allowance and balance cash.
- b. Accommodation:
  - Furnished residential accommodation at Powerlinks' owned flat
  - The amount for furnishing the accommodation for Chief Executive Officer & Executive Director shall not exceed Rs 2.00 Lakh and the assets will remain in the name of the Company.
  - For the provision of furnished residential accommodation as above , deductions from salary will be as per Company's policy and perquisite value will be calculated as per Income Tax Act, 1961 and rules thereunder
- c. Medical reimbursement / allowance and leave travel concession / allowance, medical & accident insurance and such other perquisites and allowances in accordance with the Rules of the Company as are applicable to Company's employees under Grade I.
- d. Other than the above, Fixed allowance towards the Car will be Rs 22420 and for fuel, maintenance and driver's salary will be Rs 31000/- p.m. The amount towards Additional HRA and Hard Furnishing Allowance will be Rs. 900 and Rs. 3,750 per month respectively.
- e. Provision of motor car. The expenses related to car namely, fuel, maintenance and driver will be reimbursed on actual basis. However, the expenditure for fuel, maintenance and driver will have an upper ceiling of Rs. 31000/-

The terms and conditions of appointment of ED & CEO also include Clauses pertaining to adherence with the Tata Code of Conduct, Intellectual Property, Non Competition Clause, no conflict of interest with the Company and maintenance of confidentiality.

### **Selling Agency**

The Executive Director & Chief Executive Officer, so long as he functions as such, undertakes not to become interested or otherwise concerned, directly or through his spouse and / or children, in any selling agency of the Company.

### **Tata Code of Conduct**

The provisions of the Tata Code of Conduct shall be deemed to have been incorporated into the Agreement by reference. The Executive Director & Chief Executive Officer shall during his term, abide by the provisions of the Tata Code of Conduct in spirit and in letter and commit to assure its implementation.

### **Personnel Policies**

All Personnel Policies of the Company and the related Rules which are applicable to other employees of the Company shall also be applicable to the Executive Director & Chief Executive Officer, unless specifically provided otherwise.

### **Summary termination of employment**

The employment of the Executive Director & Chief Executive Officer may be terminated by the Company without notice or payment in lieu of notice:

- a. if the Executive Director & Chief Executive Officer is found guilty of any gross negligence, default or misconduct in connection with or affecting the business of the Company or any subsidiary or associated company to which he is required by the Agreement to render services; or
- b. in the event of any serious or repeated or continuing breach (after prior warning) or non-observance by the Executive Director & Chief Executive Officer of any of the stipulations contained in the Agreement; or
- c. in the event the Board expresses its loss of confidence in the Executive Director & Chief Executive Officer.

#### **Termination due to physical / mental incapacity**

In the event the Executive Director & Chief Executive Officer is not in a position to discharge his official duties due to any physical or mental incapacity, the Board shall be entitled to terminate this contract on such terms as the Board may consider appropriate in the circumstances.

#### **Resignation from Directorships**

Upon the termination by whatever means of his employment under the Agreement:

- a. the Executive Director & Chief Executive Officer shall immediately tender his resignation from office as a Director of the Company and from such other offices held by him in any subsidiaries and associated companies without claim for compensation for loss of office and in the event of his failure to do so the Company is hereby irrevocably authorised to appoint some person in his name and on his behalf to sign and deliver such resignation or resignations to the Company and to each of the subsidiaries and associated companies of which the Executive Director & Chief Executive Officer is at the material time a Director or other officer.
- b. the Executive Director & Chief Executive Officer shall not without the consent of the Company at any time thereafter represent himself as connected with the Company or any of the subsidiaries and associated companies.

#### **Agreement co-terminus with employment / Directorship**

The Executive Director & Chief Executive Officer is being appointed by virtue of his employment in the Company and his appointment shall be subject to the provisions of the Act.

If and when this Agreement expires or is terminated for any reason whatsoever, Mr Jayant Tiku will cease to be the Executive Director & Chief Executive Officer and also cease to be a Director. If at any time, the Executive Director & Chief Executive Officer ceases to be a Director of the Company for any reason whatsoever, he shall cease to be the Executive Director & Chief Executive Officer and this Agreement shall forthwith terminate. If at any time, the Executive Director & Chief Executive Officer ceases to be in the employment of the Company for any reason whatsoever, he shall cease to be a Director and Executive Director & Chief Executive Officer of the Company.

#### **Notices**

Notices may be given by either Party by letter addressed to the other Party at, in the case of the Company, its registered office for the time being and in the case of the Executive Director & Chief Executive Officer his last known address and any notice given by letter shall be deemed to have been given at the time at which the letter would be delivered in the ordinary course of post or if delivered by hand upon delivery and in proving service by post it shall be sufficient to prove that the notice was properly addressed and posted.

In compliance with the provisions of the Companies Act 2013, the terms and conditions of appointment specified above are now being placed before the members for approval.

Mr Jayant Tiku is not related to any other Director of the Company.

The Board commends the resolution as proposed in the Notice for Members' approval. None of the Directors or the key managerial person of the Company or their relatives, other than Mr Jayant Tiku and his relatives, is deemed to be concerned or interested in the resolution.

**Item No. 12**

In terms of Section 148 of the Companies Act 2013, the remuneration of the Cost Auditor is to be fixed by the Shareholders of the Company.

M/s JUP & Associates have been appointed Cost Auditor of the Company for FY 2015-16 at a remuneration of Rs 1.00 Lakh plus service tax. The Shareholders may recommend the remuneration of the Cost Auditor on similar lines.

Your Directors recommend passing the resolution accordingly.

None of the Directors or the key managerial person of the Company or their relatives is concerned or interested in the said resolution.

**Date: 16<sup>th</sup> September 2015**

**By Order of the Board**

**Place: New Delhi**

**Registered Office:  
10<sup>th</sup> Floor, DLF Tower A,  
District Centre Jasola  
New Delhi-110 025**

sd/-  
**(Monica Mehra)**  
**Company Secretary**  
**ACS 15293**

Details of the Directors, seeking appointment/re-appointment at the forthcoming Annual General Meeting

Name of Director	Mr. I S JHA	Mr. R T Agarwal	Mr Ajay Kapoor
Date of Birth / Age	30-Jun-59/56 years	12-Aug -56/59 years	19-Jun-64/51 years
Date of Appointment	27-Oct-09	24- Jul-09	20-Mar-13
Expertise in functional areas	Mr. I S Jha is Director (Projects) of Power Grid Corporation of India Ltd. (Powergrid). He is a well-known Electrical Power system Professional. Prior to his current assignment, he has worked as Executive Director (Engineering) and also as Executive Director -Corporate Monitoring Group in Powergrid. He also held the position of Executive Director of North Eastern Region of Powergrid. Apart from these functions, he was a lead member in Planning, Engineering and Execution of APDRP and RGGVY schemes in Powergrid. He has published numerous articles and technical papers in the field of power system in various national and international conferences/ symposia.	Mr. R T Agarwal is Director (Finance) of Power Grid Corporation of India Ltd. (Powergrid). He has more than 34 years of experience in multifarious Finance & Accounts functions like finalization of Accounts, coordination with Auditors, Taxation, Treasury functions, Internal Audit, Budgeting, Pay Roll, Concurrence, MIS and Commercial aspects, both at Corporate center and at Regional Headquarters of Powergrid. He has played pivotal role in the two successful Follow-on Public Offers of Powergrid in 2010 and then in 2013. Before joining Powergrid in 1991, he had worked in power major NTPC Ltd project sites for around 10 years.	Mr. Ajay Kapoor is the CFO & Chief-Legal & Regulatory of Tata Power Delhi Distribution Ltd. (TPDDL).He has vast experience of 28 years in all areas of finance, ERP implementations, and has handled matters relating to foreign collaborations, joint ventures in India and abroad, financial restructuring, policy advocacy, capital raising, and acquisition besides handling legal advisory. He handles electricity litigation matters at all levels/forums for TPDDL.
Qualifications	An Electrical Engineer from NIT, Jamshedpur	Chartered Accountant	Chartered Accountant, MBA and LL.B
Terms & Conditions of appointment	Re-appointed as Director.	Re-appointed as Director	Re-appointed as Director
Remuneration	-	-	Nil from FY 2016. Earlier only

Name of Director	Mr. I S JHA	Mr. R T Agarwal	Mr Ajay Kapoor
			sitting fees was paid.
Directorships held in other companies	<p>Director of the following Companies</p> <ol style="list-style-type: none"> <li>1. Power Grid Corporation of India Ltd.</li> <li>2. Power System Operation Corporation Ltd.</li> <li>3. MP Power Transmission Ltd</li> <li>4. Haryana Vidyut Prasaran Nigam Ltd.</li> <li>5. Bihar Grid Company Ltd.</li> <li>6. Kalinga Bidyut Prasaran Nigam (Pvt) Ltd</li> <li>7. Powergrid Vemagiri Transmission Ltd</li> <li>8. Powergrid NM Transmission Ltd</li> <li>9. Powergrid Vizag Transmission Ltd.</li> <li>10. Powergrid Jabalpur Transmission Ltd.</li> </ol>	<p>Director of the following Companies</p> <ol style="list-style-type: none"> <li>1. Power Grid Corporation of India Ltd.</li> <li>2. Parbati Koldam Transmission Company Ltd.</li> <li>3. Power System Operation Corporation Ltd.</li> <li>4. Power Grid NM Transmission Ltd</li> </ol>	<p>Director of the following Companies:</p> <ol style="list-style-type: none"> <li>1. NDPL Infra</li> </ol>
Committee positions held in other companies	<p>Member of Audit Committee of MP Power Transmission Company Ltd.</p> <p>Member of Audit Committee in Power System Operation Corporation Ltd.</p>	<p>Chairman of Audit Committee of Parbati Koldam Transmission Company Ltd.</p> <p>Member of Audit Committee in Power System Operation Corporation Ltd.</p> <p>Member of Stakeholders' Relationship Committee of Power Grid Corporation of India Ltd.</p>	

Name of Director	Mr. I S JHA	Mr. R T Agarwal	Mr Ajay Kapoor
Number of Shares held	One equity share of Rupees Ten	Nil	Nil

Name of Director	Mrs. Rita Sinha	Mr. Nawshir H Mirza	Mr Ashok Sethi
Date of Birth / Age	30- Jul- 50/65 years	4-Apr-50/65 years	3-Apr-54/61 years
Date of Appointment	30-Mar-15	30-Mar-15	19-Nov-14
Expertise in functional areas	<p>Mrs. Rita Sinha retired from the I.A.S. in July 2010 from the post of Secretary to the Government of India, Department of Land Resources, Ministry of Rural Development. She has held several assignments both in the Central and State Governments in a career spanning almost 38 years. Mrs. Sinha was a Director on the Board of Power Grid Corporation of India Ltd. from 2011 till 2014</p>	<p>Mr. Mirza is a Fellow of the Institute of Chartered Accountants of India, qualifying in 1973. Most of his career was with Messrs S.R.Batliboi &amp; Co. / Ernst &amp; Young. He joined them in 1967 as a trainee and was with them till his retirement in April 2003.</p> <p>During his career in the firm Mr. Mirza held various positions. He was in the Calcutta office till 1988, when he moved to the Mumbai office. He also worked in the London office.</p> <p>Mr. Mirza has contributed to the accounting profession, being a speaker or the chair at conferences in India and abroad and authoring a number of professional publications. He has chaired and served on the boards of various professional bodies and chambers of commerce.</p> <p>In 2003 Mr. Mirza decided</p>	<p>Mr. Ashok Sethi started his career as a mechanical maintenance engineer at Tata Power's Trombay Thermal Power plant. He was associated with the erection &amp; commissioning of India's first 500 MW thermal unit with multi-fuel firing facility and Quality Assurance &amp; commissioning of second 500MW unit. Mr. Sethi subsequently headed Mechanical Maintenance, Planning and Coal handling plant O &amp; M for 1330 MW Trombay station. He assumed charge of three Hydro power stations of Tata Power in 2004. In 2007, as Sr. General Manager, he headed Commercial Operations covering Regulatory, Corporate Sourcing, Fuel procurement and Customer relations for the License Area- Mumbai. He assumed the charge of Vice President, License Area Operations, Mumbai from 2008 and was responsible for Thermal &amp; Hydro Stations, Load Control Center, Revenue collection, Customer relations, Demand Side Management and Fuel logistic for its thermal plants.</p> <p>During the above tenure, Mr</p>



Name of Director	Mrs. Rita Sinha	Mr. Nawshir H Mirza	Mr Ashok Sethi
		<p>to devote time to philanthropic causes and to his own interests. He is Honorary Treasurer of the Indian Red Cross, Maharashtra and a trustee of the Narielvala Fire Temple in Mumbai.</p> <p>Since 2003 Mr. Mirza has been involved in the movement for improved governance in the corporate sector. He is also involved in propagating knowledge of the threat to humankind from climate change and an appropriate response to it.</p> <p>Mr. Mirza is an independent director on the boards of various companies.</p>	<p>Sethi has presented number of papers at conferences organized by NITIE, IIPE, NTPC, CII etc.</p> <p>He is now the COO &amp; Executive Director of The TATA Power Company Ltd.</p>
Qualifications	An M.A. in Geography from Punjab University, Chandigarh	A Fellow member of the Institute of Chartered Accountants of India	A Metallurgical engineer from IIT Kharagpur
Terms & Conditions of appointment	Given in explanatory statement after Item Nos. 7 & 8	Given in explanatory statement after Item No. Item Nos. 7 & 8	Appointed as Non-executive Director
Remuneration	Only Sitting Fee is paid	Only Sitting Fee is paid	NIL
Directorships held in other companies	Director of the following Companies: NIL	Director of the following Companies- 1. The Tata Power Company Ltd- Independent Director 2. Coastal Gujarat Power Ltd.- Independent Director 3. Tata Power Delhi Distribution Ltd.- Independent Director 4. Thermax Ltd. 5. New Gen Saurashtra Windfarms Ltd. 6. Tata Power Renewable	Director of the following Companies: 1. The Tata Power Company Ltd 2. Yashmun Engg Ltd. (YEL) 3. Industrial Energy Ltd 4. Maithon Power Ltd 5. Tata Power Trading Company Ltd.

Name of Director	Mrs. Rita Sinha	Mr. Nawshir H Mirza	Mr Ashok Sethi
		Energy Ltd- Additional Director	
Committee positions held in other companies	NIL	<p>Chairman of the following Committees:</p> <ol style="list-style-type: none"> <li>1. Nomination &amp; Remuneration Committee, The Tata Power Company Ltd</li> <li>2. Nomination &amp; Remuneration Committee, Coastal Gujarat Power Ltd.</li> <li>3. Audit Committee Coastal Gujarat Power Ltd.</li> <li>4. Nomination &amp; Remuneration Committee, Tata Power Delhi Distribution Ltd.</li> <li>5. Nomination &amp; Remuneration Committee, New Gen Saurashtra Windfarms Ltd.</li> <li>6. Nomination &amp; Remuneration Committee, Tata Power Renewable Energy Ltd</li> <li>7. Audit Committee Tata Power Renewable Energy Ltd</li> <li>8. Audit Committee, Thermax Ltd.</li> </ol> <p>Member of the following committees:</p> <ol style="list-style-type: none"> <li>1. Audit Committee, Tata Power Delhi Distribution Ltd.</li> <li>2. Audit Committee, New Gen Saurashtra Windfarms Ltd.</li> <li>3. CSR Committee, Thermax Ltd.</li> <li>4. CSR Committee, Coastal</li> </ol>	<p>Chairman of the following Committees:</p> <ol style="list-style-type: none"> <li>1. CSR Committee, Tata Power Trading Company Ltd.</li> </ol> <p>Member of the following Committees:</p> <ol style="list-style-type: none"> <li>1. Audit Committee, The Tata Power Company Ltd.</li> <li>2. CSR Committee, The Tata Power Company Ltd.</li> <li>3. Nomination &amp; Remuneration Committee, Tata Power Trading Company Ltd.</li> <li>4. CSR Committee, Maithon Power Ltd.</li> <li>5. Nomination &amp; Remuneration Committee, Yashmun Engg. Ltd.</li> <li>6. Nomination &amp; Remuneration Committee, Industrial Energy Ltd.</li> </ol>

<b>Name of Director</b>	<b>Mrs. Rita Sinha</b>	<b>Mr. Nawshir H Mirza</b>	<b>Mr Ashok Sethi</b>
		Gujarat Power Ltd.	
<b>Number of Shares held</b>	Nil	Nil	Nil

<b>Name of Director</b>	<b>Mr. Jayant Tiku</b>
<b>Date of Birth / Age</b>	1 -Mar-57/ 58 years
<b>Date of Appointment</b>	1-Feb-15
<b>Expertise in functional areas</b>	Mr Jayant Tiku has vast experience of 32 years in various areas of Power Plant Engineering and Maintenance. Before taking up his current responsibilities, he was Head-Technology and Diagnostics at Tata Power. In this role, he was responsible for introduction of new technologies in the organization, providing support to operating divisions of TATA Power, to eventually lead to improvement in availability and reliability of power generation and network. Prior to that he was Head- Engineering, CGPL, Mundra, He has been responsible for Engineering Function of Electrical discipline for all major and critical projects across TATA Power. He has worked as Engineering Project Coordinator for Maithon Power Project (1000 MW) and Power projects in Tata Steel areas. He has written and presented many technical papers in various domestic and international forums.
<b>Qualifications</b>	B. Tech in Electrical Engineering from Delhi College of Engineering and M. Tech in Power Apparatus and Systems from IIT Delhi
<b>Terms &amp; Conditions of appointment</b>	Appointed as Chief Executive Officer & Executive Director.
<b>Remuneration</b>	As given separately in explanatory statement for Nos. 10 & 11
<b>Last Remuneration drawn</b>	Same as present.
<b>Directorships held in other companies</b>	NIL
<b>Committee positions held in other companies</b>	NIL

<b>Name of Director</b>	<b>Mr. Jayant Tiku</b>
<b>Number of Shares held</b>	<b>NIL</b>

## ATTENDANCE SLIP

### POWERLINKS TRANSMISSION LIMITED

Registered Office : 10<sup>TH</sup> FLOOR, DLF TOWER-A, DISTRICT CENTRE JASOLA,  
NEW DELHI 110025  
CIN: U40105DL2001PLC110714

PLEASE FILL ATTENDANCE SLIP AND HAND IT OVER AT THE ENTRANCE OF THE MEETING  
HALL

(Joint shareholders may obtain additional slip at the venue of the meeting)

Dp id*		Folio No	
Client id*		No of Shares	

### NAME AND ADDRESS OF THE SHAREHOLDER

I have recorded my presence at the 14th Annual General Meeting of the Company held on Monday, the 21<sup>st</sup> September, 2015 at 11:00 a.m. at B-9, Qutab Institutional Area, Katwaria Sarai, New Delhi- 110016

\*Applicable for investors holding shares in electronics form

### PROXY FORM

[Pursuant to section 105(6) of the Companies Act, 2013 and rule 19(3) of the  
Companies

(Management and Administration) Rules, 2014]

### POWERLINKS TRANSMISSION LIMITED

Registered Office : 10<sup>TH</sup> FLOOR, DLF TOWER-A, DISTRICT CENTRE JASOLA,  
NEW DELHI 110025  
CIN: U40105DL2001PLC110714

Name of the member(s)		e-mail Id :	
Registered address		Folio No/*Client Id :	
		*DP Id :	

I/We, being the member(s) of \_\_\_\_\_ shares of POWERLINKS  
TRANSMISSION LIMITED, hereby appoint:

1) \_\_\_\_\_ of \_\_\_\_\_ having e-mail id -----or  
failing him

2) \_\_\_\_\_ of \_\_\_\_\_ having e-mail id -----or  
failing him

3) \_\_\_\_\_ of \_\_\_\_\_ having e-mail id -----  
-----

and whose signature(s) are appended below as my/our proxy to attend and vote (on  
a poll) for me/us and on my/our behalf at the 14<sup>th</sup> Annual General Meeting of the

Company, to be held on Monday, the 21<sup>st</sup> September, 2015 at 11:00 a.m. at B-9, Qutab Institutional Area, Katwaria Sarai, New Delhi- 110016, and at any adjournment thereof in respect of such resolutions as are indicated below:

\*\* I wish my above Proxy to vote in the manner as indicated in the box below:

Sl Resolution No	Description of Resolutions	FOR	AGAINST
<b>Ordinary Business</b>			
1.	Consider and adopt a) Audited Financial Statements, Reports of Board of Directors and Auditors for the Financial Year ended on 31st March, 2015.		
2.	Declaration of Dividend on Equity Shares for the financial year 2014-15.		
3.	Reappointment of Mr. I S Jha, Director who retires by rotation & being eligible offer himself for reappointment		
4.	Reappointment of Mr. R T Agarwal, Director who retires by rotation & being eligible offer himself for reappointment		
5	Reappointment of Mr. Ajay Kapoor, Director who retires by rotation & being eligible offer himself for reappointment		
6.	Ratification of appointment of Statutory Auditors		
<b>Special Business</b>			
7.	Appointment of Mrs. Rita Sinha as Independent Director		
8.	Appointment of Mr. Nawshir Mirza as Independent Director		
9.	Appointment of Mr. Ashok Sethi as Director		
10.	Appointment of Mr. Jayant Tiku as Director		
11	Appointment of Mr. Jayant Tiku as Chief Executive Officer & Executive Director		
12.	Ratification of remuneration payable to M/s. JUP & Associates, Cost Accountants		

Signed this..... day of.....2015

Affix  
revenue  
stamp

(Signature of shareholder)  
(Signature of first proxy holder)  
(Signature of second proxy holder)  
(Signature of third proxy holder)

Notes:

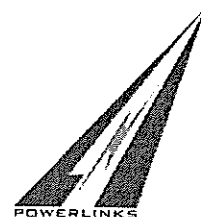
- (1) This form of proxy in order to be elective should be duly completed and deposited at the Registered Office of the Company not less than 48 hours before the commencement of the meeting.
- (2) A Proxy need not be a member of the Company.
- (3) A person can act as a proxy on behalf of members not exceeding fifty and holding in the aggregate not more than 10% of the total share capital of the Company carrying voting rights. A member holding more than 10% of the total share capital of the Company carrying voting rights may appoint a single person as proxy and such person shall not act as a proxy for any other person or shareholder.
- (4) \*\* This is only optional. Please put a 'X' in the appropriate column against the resolutions indicated in the Box. If you leave the 'For' or 'Against' column blank against any or all the resolutions, your Proxy will be entitled to vote in the manner as he/she thinks appropriate.
- (5) Appointing a proxy does not prevent a member from attending the meeting in person if he so wishes.
- (6) In the case of joint holders, the signature of any one holder will be sufficient, but names of all the joint holders should be stated.





# POWERLINKS TRANSMISSION LIMITED.

(A Joint Venture of **TATA** POWER & POWERGRID)  
An ISO-9001; ISO-14001 and OHSMS-18001 Certified Company



## BOARD'S REPORT

To The Members,

The Directors are pleased to present the Fourteenth Annual Report on the business and operations of your Company and the Statements of Account for the year ended 31st March, 2015.

### 1. FINANCIAL RESULTS

Figures in Rs crore

	FY15	FY14
(a) Net Sales / Income from Other Operations	241.91	254.21
(b) Operating Expenditure	16.85	15.91
(c) <b>Operating Profit</b>	<b>225.06</b>	238.30
(d) Less: Forex Loss	0	0
(e) Add: Other Income	16.08	14.76
(f) Less: Finance Cost	40.81	49.73
(g) Profit before Depreciation and Tax	200.33	203.33
(h) Less: Depreciation / Amortisation / Impairment	81.63	81.56
(i) <b>Profit before Tax</b>	<b>118.70</b>	121.77
(j) Tax Expenses	6.59	8.87
(k) <b>Net Profit/(Loss) after Tax</b>	<b>112.11</b>	112.90

### 2. FINANCIAL AND OPERATIONAL PERFORMANCE

- Financial

#### *Operating Revenue*

The Operating Revenue was at Rs 241.91 crore in FY15 as against Rs 254.21 crore in FY14, a decrease of 4.84%. The decrease is mainly due to change in the tariff norms by the Central Electricity Regulatory Commission for computation of transmission service charges. The revenue is further affected by annual reduction in interest cost recoverable through tariff due to repayment of debts.

#### *Other Income*



Other income was higher at Rs 16.08 crore in FY15 as against Rs 14.76 crore in FY14, an increase of 8.94%. The increase in other income is mainly due to higher return on treasury investments.

*Earnings per share*

During FY15, Earning per share was at Rs 2.40 as against Rs 2.41 in the previous year.

- Operations

The average availability of transmission line was maintained at 99.55% for Eastern Region and 99.87% for Northern Region as against minimum stipulated availability of 98% during FY15.

3. DIVIDEND

The Directors are pleased to recommend final dividend of 2.50% amounting to Rs 11.70 crore for FY15 subject to approval of Members. The Board has declared an interim dividend @17% amounting to Rs. 79.56 crore in March 2015. Thus, the aggregate dividend is 19.50% amounting to Rs 91.26 crore for FY15 (Rs. 90.09 crore for FY14).

4. NATURE OF BUSINESS

The Company is an inter-state transmission company evacuating power from Tala- Hydro Power Project in Bhutan to parts of Eastern and Northern India. There has been no change in the nature of business of the Company during the period under review.

5. SUBSIDIARIES/JOINT VENTURES/ASSOCIATES

The Company does not have any subsidiaries/JV/Associates and there have been no additions or removal thereof during FY15.

6. SHARE CAPITAL

The paid-up share capital of the Company as on 31st March 2015 was Rs.468 crore (Rupees Four hundred sixty eight crore). There has been no change in the paid-up share capital during the year.

7. RESERVES

During the current financial year a sum of NIL has been transferred to General Reserves and Surplus after appropriating dividend, dividend tax and self-insurance reserve as compared to Rs 8.47 crore transferred during the previous year.

8. FOREIGN EXCHANGE EARNINGS AND OUTGO

Rs crore		
Particulars	FY15	FY14
Foreign Exchange Outflow mainly on account of:		
<i>Other miscl. borrowing cost</i>	0.06	0.06

## 9. FIXED DEPOSITS

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

## 10. REGULATORY AND LEGAL MATTERS

The business of your Company is governed primarily under the Electricity Act, 2003 (EA, 2003) and Central Electricity Regulatory Commission is the Regulatory body (CERC).

No orders have been passed during the period under review by the regulators or by the courts impacting the going concern status and company's operations in future.

## 11. RISK MANAGEMENT FRAMEWORK

Based on Risk Management Policy, a standardized Risk Management Process and System is being used by the Company. All risk plans qualifying as per laid down criteria are uploaded in the system with mitigation action, target dates and responsibility. This enables continuous tracking of status of mitigation action and monitoring of Risk Mitigation Completion Index (RMCI). The Risk Register contains the mitigation plans for six risks. Risk Management Review Committee (RMRC) chaired by the Chief Executive Officer & Executive Director meets every quarter to review major risks and identify new risks.

### Internal controls and systems:

The Internal Audit process includes review and evaluation of process robustness, effectiveness of controls and compliances. It also ensures adherence to policies and systems and mitigation of the operational risks perceived for each area under audit. Internal Audit Process Document has been framed based on which process audits have been conducted. All processes of the Company have been classified under vital, essential and desirable, based on the analysis of risk and process impact on Company's Operations. During the year, the Company has engaged PricewaterhouseCoopers as Internal Auditors.

## 12. SUSTAINABILITY

The Company has adopted Integrated Management System, Quality Management System, Environment Management System and Occupational Health and Safety Assessment System and has been re-certified for ISO 9001:2008 (Quality Management System Q.M.S.); ISO 14001:2004 (Environment Management System EMS) and OHSAS 18001:2007 (Occupational Health and Safety Assessment Series) by BSI Management Systems.

### 13. SAFETY – CARE FOR OUR PEOPLE

Safety is a core value of our organization and over it no business objective has a higher priority. Appropriate Personal Protection Equipment (PPE) is provided to all employees relevant to the job. Safety audits and fire audits are conducted at all sites. Inspection of all tools and PPEs is done regularly. Medical check-up of the technicians is carried on annual basis to assess their fitness for the job. Safety week celebrations are done during which employees are rewarded suitably. There has been no fatality, Lost Time Injuries Frequency Rate per million man hours) or first aid cases in the year under review.

### 14. CARE FOR OUR COMMUNITY

Your Company has been actively working on the following thrust areas in CSR- Education, Health & Sanitation and Livelihood and Employability.

In FY 15, the CSR Policy was aligned to the thrust Areas and programs in line with Schedule –VII of the Act with timelines and outcome indicators. The same was approved by the Board as recommended by the CSR Committee of the Company.

- Details of CSR Policy are provided in Annexure I, Part A.
- Details of CSR spend are provided in Annexure I Part B

### 15. CARE FOR OUR ENVIRONMENT

Impact of Powerlinks' business on environment is minimal. The Company ensures, by taking assistance of the law enforcement authorities, that no habitation is constructed below its transmission lines. The Company has adopted the Environmental and Social Policy & Procedures (ESPP) in business activities viz. O&M and Project Management.

The Company organizes programmes from time to time on "Safety, Health and Environment Awareness" for the employees of the Company.

### 16. HUMAN RESOURCES

The Company recognizes the contribution of its human capital. The Company secured highest score in terms of Employee Engagement and Satisfaction survey i.e., 85% conducted by Aon Hewitt amongst Tata Power group companies for FY15.

Based on the training requirements, the Company has provided 7.13 mandays of training per employee during the year as against the target of 7.0 mandays.

Your Company is an equal employment opportunity company and is committed to creating a healthy work environment that enables employees to work without fear of prejudice, gender bias and sexual harassment.

The Company has a Policy on Prevention of Sexual Harassment of Employees. The management has also constituted a committee to consider and redress complaints under the policy. There was NIL complaint received during the year.

The Industrial relations continue to be cordial.

## 17. DIRECTORS AND KEY MANAGERIAL PERSONNEL

During the period under review, Mr Ashok S Sethi was appointed as Additional Director w.e.f 19<sup>th</sup> November 2014. Mr Sethi holds office up to the date of the forthcoming Annual General Meeting. Mr Jayant Tiku has been appointed as Additional Director w.e.f 1<sup>st</sup> February 2015 and also as Chief Executive Officer & Executive Director and designated as Key Managerial Personnel from the same date. Notice under Section 160(1) of the Act has been received from a member proposing their appointment as Directors. The Board now recommends their appointment.

Subject to the approval of shareholders, Mrs. Rita Sinha and Mr Nawshir H Mirza were appointed as Additional Directors in independent capacity by the Board for a period of three years effective from March 30, 2015. Notice under Section 160(1) of the Act has been received from members proposing their appointment as Independent Directors. The Board now recommends the appointment of Mrs Rita Sinha and Mr Nawshir H Mirza as independent directors under Section 149 of the Act in ensuing annual general meeting to hold office for 3 (three) consecutive years with effect from March 30, 2015.

The independent directors have given declarations that they meet the criteria of independence as laid down under Section 149(6) of the Act.

Mr. S Padmanabhan, Director and Mr Arvind Singh, Executive Director & Chief Executive Officer and Key Managerial Personnel resigned from the Company due to group transfers as per group policy w.e.f 1<sup>st</sup> July 2014 and 1<sup>st</sup> February 2015 respectively.

Mr I S Jha, Mr R T Agarwal and Mr Ajay Kapoor, being longest in office are liable to retire by rotation and being eligible offer themselves for reappointment.

In terms of Section 203 of the Act, the following were designated as Key Managerial Personnel of your Company by the Board:

Mr Arvind Singh, Executive Director & Chief Executive Officer (till 31<sup>st</sup> January 2015)

Mr Jayant Tiku, Chief Executive Officer & Executive Director (from 1<sup>st</sup> February 2015)

Mr Suranjit Mishra, Chief Financial Officer

Ms Monica Mehra, Company Secretary

The Policy on appointment of directors- Policy on Board Diversity and Directors' Attributes is reproduced in Annexure-II.

Six Board Meetings were held during the year and the gap between two meetings did not exceed four months. The dates on which the said meetings were held were as follows:

8<sup>th</sup> May 2014, 23<sup>rd</sup> July 2014, 24<sup>th</sup> September 2014, 28<sup>th</sup> October 2014, 23<sup>rd</sup> January 2015 and 30<sup>th</sup> March 2015.

Details of meeting attended by the Directors are given below:

Name of the Director	Designation	No. of Board Meetings attended during the year 2014-15
Mr. R N Nayak	Chairman	6
Mr. S. Padmanabhan*	Director	0
Mr. I S Jha	Director	4
Mr. R T Agarwal	Director	6
Mr. Sanjeev Mehra	Director	5
Mr. Arun Kr. Srivastava	Director	5
Mr. Ravi P Singh	Director	3
Mr Ajay Kapoor	Director	6
Mr Ashok Sethi**	Additional Director	2
Mr Arvind Singh <sup>&amp;</sup>	Executive Director & CEO	5
Mr Jayant Tiku <sup>\$</sup>	CEO & Executive Director	1
Mrs Rita Sinha <sup>#</sup>	Additional Director in Independent Capacity	-
Mr Nawshir H Mirza <sup>#</sup>	Additional Director in Independent Capacity	-

\*Upto 30th June 2014. Resigned w.e.f 1<sup>st</sup> July 2014.

\*\*Appointed w.e.f 19<sup>th</sup> November 2014 and attended both meetings that took place after his appointment.

& Resigned w.e.f 1<sup>st</sup> February 2015 and attended all 5 meetings during his tenure in the financial year.

§ Appointed w.e.f 1<sup>st</sup> February 2015 and attended all meetings that took place after his appointment.

# Appointed w.e.f 30<sup>th</sup> March 2015.

## 18. REMUNERATION POLICY FOR THE DIRECTORS, KEY MANAGERIAL PERSONNEL AND OTHER EMPLOYEES

In terms of the provisions of Section 178(3) of the Act, the Nomination & Remuneration Committee is responsible for recommending to the Board a policy relating to the remuneration of the directors, key managerial personnel and other employees. In line with this requirement, the Board has adopted the Remuneration Policy for Non-Executive Directors, Key Managerial Personnel and other employees of the Company which is reproduced in Annexure III.

## 19. COMMITTEES OF THE BOARD

The Committees of the Board focus on certain specific areas and make informed decisions in line with the delegated authority. Each Committee of the Board functions according to its role and defined scope.

- Audit Committee (AC)
- Nomination and Remuneration Committee (NRC)
- Corporate Social Responsibility Committee (CSR Committee)

### ***Audit Committee of Directors***

The functions of the committee can be grouped under the following three broad heads –

- To oversee the issue of reliable financial reports by the company.
- To oversee the control processes for the management of risk and for compliance with the laws.
- Other matters required by the laws, such as overseeing independent valuations and approving related party transactions.

Composition of the Audit Committee of Directors (Audit Committee) is as under:

Sl. No.	Name of the Director	Category
1.	Mr. Nawshir H Mirza, Chairman	Non-Executive Independent Director
2.	Mrs Rita Sinha	
3.	Mr. Ajay Kapoor	Non-Executive Director



Six Audit Committee Meetings were held during the year. The dates on which the said meetings were held are as follows:

8<sup>th</sup> May 2014, 23<sup>rd</sup> July 2014, 24<sup>th</sup> September 2014, 28<sup>th</sup> October 2014, 23<sup>rd</sup> January 2015 and 30<sup>th</sup> March 2015.

Details of Audit Committee meeting attended by the Directors are given below:

<b>Name of the Director</b>	<b>No. of Meetings attended during the year 2014-15</b>
Mr. S Padmanabhan*	0
Mr. R T Agarwal	2
Mr. Arun Kr. Srivastava	5
Mr. Ravi P Singh	3
Mr Ajay Kapoor	6
Mrs. Rita Sinha <sup>#</sup>	-
Mr Nawshir H Mirza <sup>#</sup>	-

\*Resigned w.e.f 1<sup>st</sup> July 2014.

<sup>#</sup> Appointed w.e.f 30<sup>th</sup> March 2015.

### ***Nomination and Remuneration Committee***

The Company has adopted Charter for the Nomination and Remuneration Committee which specifies the principles and objectives, composition, meetings, authority and power, responsibilities, Reporting, Evaluation etc. of the Committee.

The Board has delegated the following powers to the NRC:

- Investigate any matter within the scope of this Charter or as referred to it by the Board.
- Seek any information or explanation from any employee or director of the Company.
- Ask for any records or documents of the Company.

The roles and responsibilities of the NRC include the following:

- Board Composition and Succession, Evaluation, Remuneration and Development related
- Review of HR Strategy, Philosophy and Practices
- Other functions as may be prescribed by the Board

Composition of the Nomination and Remuneration Committee (NRC) is as under:

<b>Sl. No.</b>	<b>Name of the Director</b>	<b>Category</b>
1	Mr Arun Srivastava, Chairman	Non-Executive Director

2	Mr R N Nayak	Non-Executive Director
3	Mrs Rita Sinha	Non-Executive Independent Director
4	Mr. Nawshir H. Mirza	

Four Meetings of Nomination & Remuneration Committee were held during the year. The dates on which the said meetings were held are as follows:  
23<sup>rd</sup> July 2014, 19<sup>th</sup> August 2014, 23<sup>rd</sup> January 2015 and 30<sup>th</sup> March 2015.

Details of Nomination & Remuneration Committee meeting attended by the Directors are given below:

Name of the Director	No. of Meetings attended during 2014-15
Mr. Arun Srivastava	3
Mr. R N Nayak	4
Mr Ajay Kapoor	3
Mrs. Rita Sinha <sup>#</sup>	-
Mr Nawshir H Mirza <sup>#</sup>	-

<sup>#</sup> Appointed w.e.f 30<sup>th</sup> March 2015.

### **Corporate Social Responsibility Committee**

The CSR Committee is responsible for-

- Formulation and recommendation to the Board, a Corporate Social Responsibility Policy which indicates the activities to be undertaken by the Company as specified in Schedule VII to the Act or as may be prescribed by the rules thereto;
- Recommendation of the amount of expenditure to be incurred on the activities referred to in above clause and
- Monitoring the Corporate Social Responsibility Policy of the Company from time to time.

Composition of the Corporate Social Responsibility Committee (CSR) is as under:

Sl. No.	Name of the Director	Category
1	Mrs Rita Sinha, Chairperson	Non-Executive Independent Director
2	Mr Arun Srivastava	Non-Executive Director
3	Mr Sanjeev Mehra	Non-Executive Director
4	Mr. Jayant Tiku	Chief Executive Officer & Executive Director

Two Meetings of CSR Committee were held during the year. The dates on which the said meetings were held are as follows:  
23<sup>rd</sup> July 2014 and 30<sup>th</sup> March 2015.

Details of Corporate Social Responsibility Committee meeting attended by the Directors are given below:

<b>Name of the Director</b>	<b>No. of Meetings attended during the year 2013-14</b>
Mr. Arun Kr. Srivastava	2
Mr. R T Agarwal	1
Mr Sanjeev Mehra	1
Mrs. Rita Sinha <sup>#</sup>	-

<sup>#</sup> Appointed w.e.f 30<sup>th</sup> March 2015

## 20. ANNUAL EVALUATION OF BOARD PERFORMANCE AND PERFORMANCE OF ITS COMMITTEES AND INDIVIDUAL DIRECTORS

The Board has instituted a process for the evaluation of the performance of the Board, individual Directors and of each of the statutorily required committees of the Board. Feedback is sought from each Director about their views on the performance of the Board and other Directors. The Chairman of the NRC summarizes the observations received from his colleagues. Only Directors who have attended at least three meetings are expected to submit feedback and individual evaluations are sought only for those Directors.

The performance of the Board as a whole is then required to be reviewed at a meeting of Independent Directors. At this meeting the performance of the non-independent Non-executive Directors and Board Chairman is also reviewed. The NRC chairman is expected to present the summary of the evaluation of the board's performance and of individual directors to the NRC and to the full board.

Each statutorily required committee of the Board is required to conduct a self-evaluation and to submit a summary report to the Board of the result of such evaluation.

## 21. CREDIT RATING

The Company has achieved CRISIL AA+/Stable (Reaffirmed) on its Long term loans and CRISIL A1+/Stable (Reaffirmed) for its Short term loans and Working Capital facilities. Total Bank loan Facilities rated are Rs 269 crore.

## 22. DISCLOSURE OF PARTICULARS REGARDING CONSERVATION OF ENERGY & TECHNOLOGY ABSORPTION

Particulars required by Section 134(3)(m) of the Act read with Companies (Accounts) Rules, 2014 on Conservation of Energy and Technology Absorption are given in the prescribed format as Annexure- IV.

## 23. RELATED PARTY TRANSACTIONS

All contracts/ arrangements/ transactions entered by the Company during the financial year with related parties were in the ordinary course of business and on arm's length basis. Details of Related Party Transactions as per AOC-2 are provided in Annexure V.

## 24. LOANS, GUARANTEES OR INVESTMENTS

The Company has not granted any loans or provided any guarantees and securities under Section 186 of the Act. The details of investments are provided in the schedules to the financial statements.

## 25. EXTRACT OF ANNUAL RETURN

Extract of Annual Return is provided in Annexure VI.

## 26. AUDITORS

Messrs. Deloitte Haskins & Sells, (Registration No.: 015125N) who are the statutory auditors of your Company, hold office until the conclusion of the Sixteenth AGM of the Company to be held in the year 2017, subject to ratification of their appointment and remuneration at every AGM. In this connection, the attention of the Members is invited to Item No. 6 of the Notice

## 27. AUDITORS' REPORT

Messrs. Deloitte Haskins & Sells, who are the statutory auditors of your Company, have given their Audit Report. There have been no qualifications in the Audit Report.

## 28. COST AUDITOR AND COST AUDIT REPORT

Pursuant to the provisions of the Act, Mr. Krishan Singh Berk (Fellow Membership No 2724), practicing Cost Accountant, had been appointed as Cost Auditor of the Company for the financial year ended 31<sup>st</sup> March 2015. The Cost Audit Report would be submitted with appropriate authorities within the prescribed time for FY15.

## 29. SECRETARIAL AUDIT REPORT

M/s. Nirbhay Kumar & Associates, Company Secretaries, were appointed as Secretarial Auditors to conduct Secretarial Audit of records and documents of

the Company for FY15. The Secretarial Audit Report confirms that the Company has complied with the applicable provisions of the Act except as provided therein.

Secretarial Audit Report is given as Annexure VII.

### 30. VIGIL MECHANISM

Pursuant to Section 177(9) of the Act, a vigil mechanism was established in the Whistle Blower Policy for directors and employees to report to the management instances of unethical behavior, actual or suspected, fraud or violation of the Company's code of conduct or ethics policy. The Vigil Mechanism provides a mechanism for employees of the Company to approach the Chief Ethics Counsellor (CEC)/ Chairman of the Audit Committee of the Company.

### 31. DIRECTORS' RESPONSIBILITY STATEMENT

Pursuant to Section 134(5) of the Act, the Directors, having relied on internal control systems, work done by auditors and representations received from the operating management, confirm that:

- a) In the preparation of the annual accounts, the applicable accounting standards have been followed and that there are no material departures therefrom;
- b) They have, in the selection of the accounting policies, consulted the Statutory Auditors and have applied them consistently and made judgments and estimates that are reasonable and prudent so as to give a true and fair view of the state of affairs of the Company at the end of the financial year and of the profit of the Company for that period;
- c) They have taken proper and sufficient care to the best of their knowledge and ability for the maintenance of adequate accounting records in accordance with the provisions of the Act, for safeguarding the assets of the Company and for preventing and detecting fraud and other irregularities;
- d) They have prepared the annual accounts on a going concern basis;
- e) They have devised proper systems to ensure compliance with the provisions of all applicable laws and that such systems were adequate and operating effectively.

### 32. ACKNOWLEDGEMENTS

The Directors place on record their grateful thanks for the guidance and co-operation extended all through by the Ministry of Power, Ministry of Finance, Central Electricity Authority, Central Electricity Regulatory Commission, Appellate Tribunal for Electricity, Power System Operation Corporation

(POSOCO), and other concerned Government departments / agencies at the Central and State Level who are constantly providing us their active support.

The Board of Directors also extends its sincere thanks to Power Grid Corporation of India Ltd. (POWERGRID), and The Tata Power Company Ltd. for the support extended by them to the Company. The Board also extends its gratitude to POWERGRID for facilitating revenue collection for the Company.

The Directors further wish to place on record their sincere thanks to the various national/ international Financial Institutions and Banks for the continued trust and confidence reposed by them by rendering continuous timely assistance and patronage for operation and maintenance of the project.

The Board of Directors also takes this opportunity to place on record its gratitude for the valuable contribution and the cooperation extended by each member of the POWERLINKS family.

On behalf of the Board of Directors,

Gurgaon 29/07/2015

sd/-  
R N Nayak  
Chairman  
DIN:02658070

## Annexure-I, Part A: CSR Activities (Ref.: Board's Report, Section 14)

The Corporate Social Responsibility (CSR) Committee has formulated and recommended to the Board, a Corporate Social Responsibility (CSR) Policy indicating the activities to be undertaken by the Company, which has been approved by the Board.

The CSR Policy may be accessed on the Company's website at the link: <http://www.powerlinks.co.in/pdf/csrapolicy.pdf>

The following are the thrust areas:

Education, Health care, Sanitation and availability of Safe drinking Water, Sustainable livelihood, Rural development and Environmental Sustainability:

- Average net profit of the company for last three financial years: Rs 122.22 crore (as per Section 198 of Companies Act 2013).
- Prescribed CSR Expenditure for FY 2014-15 : Rs 2.44 crore
- Details of CSR spent during the financial year:
  - Total amount spent for the financial year: Rs 1.12 crore
  - Amount unspent, if any: Rs 1.32 crore
  - Manner in which the amount spent during the financial year is detailed in Annexure to this part.
- Total amount of orders which were not executed in FY 2014-15 was Rs 120 lakh but were completed in Q1 of FY 2015-16. The balance amount was committed for multi-year projects and administrative expenses pertaining to CSR which, though spent, was not allocated to CSR budget. This amount will be added to next financial year's CSR Budget
- Implementation and monitoring of CSR Policy is in compliance with CSR objectives and Policy of the company

Sd/-	Sd/-
Mr Jayant Tiku Chief Executive Officer & Executive Director (DIN 07085449) DLF Tower A, District Centre Jasola New Delhi- 110025 Date: 30.3.2015	Mr Arun Srivastava Chairman of CSR Committee DIN: 3547779 C-43, Sector-62, Noida U.P. -201301

Annexure-I, Part B: CSR Activities (Ref.: Board's Report, Section 14)

CSR spend FY 2014-15

(1)	(2)	(3)	(4)	(5)	(6)	(7)	(8)
S No.	CSR Project or activity identified	Sector in which the Project is covered (clause no. of Schedule VII to the Companies Act 2013, as amended)	Projects or programs (1) Local area or other (2) Specify the State and district where projects or programs was undertaken	Amount outlay in Rs. lakh (budget) project or programs wise	Amount in Rs lakh spent on the projects or programs Subheads (1)Direct expenditure on projects or programs (2) Overheads	Cumulative expenditure in Rs lakh upto the Reporting period	Amount spent in Rs. Lakhs:- Direct or through implementing agency
1	Trauma Van	Cl (i) promoting health care including preventive health care	Lucknow and Gorakhpur Uttar Pradesh and Siliguri, West Bengal	120.51	0	0	0
2	Vocational Centres	Cl (ii) promoting education, including special education and	Local area, New Delhi	8.99	8.99	Direct: 8.99	TPDDL & Nielson : 8.99



		employment enhancing skills							
3	Scholarship	CI (ii) promoting education, including special education and employment enhancing skills	Local area, New Delhi	8.54	Direct expense: 8.51 Overheads .09 (DD making charges)	Direct: 8.60	TPDDL : 8.60		
4	Medical equipment	CI (i) promoting health care including preventive health care	Lucknow and Gorakhpur, Uttar Pradesh and Muzaffarpur, Bihar	40.78	40.78	Direct: 40.78	Direct: 40.78		
5	Tata Power Community Development Trust	Trust	Corpus of Trust, Mumbai	53.00	Direct 53.00 Overheads .15 (DD making charges)	Direct: 53.15	TPCDT : 53.15		
6	Overheads (5% of total budget)			12.20	0	0			
	<b>Total</b>			<b>244.02</b>	<b>111.52</b>	<b>111.52</b>	<b>Direct : 40.78 Through Agency: 70.74</b>		

Unspent Amount: Rs 132.50 lakh

## Annexure-II: Policy on Board Diversity and Directors' Attributes (Ref.: Board's Report, Section 17)

### 1. Objective

1.1 The Policy on Board Diversity ('the Policy') sets out the approach to diversity on the board of directors ('the Board') of Powerlinks Transmission Limited (the company).

1.2 The company recognises that diversity at board level is a necessary requirement in ensuring an effective board. A mix of executive, independent and other non-executive directors is one important facet of diverse attributes that the company desires. Further, a diverse board representing differences in the educational qualifications, knowledge, experience, gender, age, thought and perspective results in delivering a competitive advantage and a better appreciation of the interests of stakeholders. These differences should be balanced against the need for a cohesive, effective board. All board appointments shall be made on merit having regard to this policy.

### 2. Attributes of directors

The following attributes need to be considered in considering optimum board composition:

i) Gender diversity:

Having at least one woman director on the Board.

ii) Age

The average age of board members should be in the range of 45 - 60 years.

iii) Competency

The board should have a mix of members with different educational qualifications, knowledge and with adequate experience in finance, accounting, economics, legal and regulatory matters, the environment, operations of the company's business and other disciplines related to the company's business.

iv) Independence

The independent directors should satisfy the requirements of the Companies Act, 2013 (the Act).

#### Additional Attributes

- The directors should not have any other pecuniary relationship with the company, its subsidiaries, associates or joint ventures and the company's promoters, besides sitting fees and commission.
- The directors should not have any of their relatives (as defined in the Act and Rules made thereunder) as directors or employees or other stakeholders (other than with immaterial dealings) of the company, its subsidiaries, associates or joint ventures.

### Annexure-III: Remuneration Policy for Directors, Key Managerial Personnel and other employees (Ref.: Board's Report, Section 18)

The philosophy for remuneration of directors, Key Managerial Personnel ("KMP") and all other employees of Powerlinks Transmission Ltd. ("company") is based on the commitment of fostering a culture of leadership with trust. The remuneration policy is aligned to this philosophy.

This remuneration policy has been prepared pursuant to the provisions of Section 178(3) of the Companies Act, 2013 ("Act"). In case of any inconsistency between the provisions of law and this remuneration policy, the provisions of the law shall prevail and the company shall abide by the applicable law. While formulating this policy, the Nomination and Remuneration Committee ("NRC") has considered the factors laid down under Section 178(4) of the Act, which are as under:

- "(a) the level and composition of remuneration is reasonable and sufficient to attract, retain and motivate directors of the quality required to run the company successfully;*
- (b) relationship of remuneration to performance is clear and meets appropriate performance benchmarks; and*
- (c) remuneration to directors, key managerial personnel and senior management involves a balance between fixed and incentive pay reflecting short and long-term performance objectives appropriate to the working of the company and its goals"*

Key principles governing this remuneration policy are as follows:

#### **Remuneration for independent directors and non-independent non-executive directors**

- Independent directors ("ID") and non-independent non-executive directors ("NED") may be paid sitting fees (for attending the meetings of the Board and of committees of which they may be members) and commission within regulatory limits.
- Within the parameters prescribed by law, the payment of sitting fees and commission will be recommended by the NRC and approved by the Board.
- Overall remuneration (sitting fees and commission) should be reasonable and sufficient to attract, retain and motivate directors aligned to the requirements of the company (taking into consideration the challenges faced by the company and its future growth imperatives).
- Overall remuneration should be reflective of size of the company, complexity of the sector/ industry/ company's operations and the company's capacity to pay the remuneration.
- Overall remuneration practices should be consistent with recognized best practices.
- Quantum of sitting fees may be subject to review on a periodic basis, as required.
- The aggregate commission payable to all the NEDs and IDs will be recommended by the NRC to the Board based on company performance, profits, return to investors, shareholder value creation and any other significant qualitative parameters as may be decided by the Board.

- The directors should maintain an arm's length relationship between themselves and the employees of the company, as also with the directors and employees of its holding, associates, joint ventures, promoters and stakeholders for whom the relationship with these entities is material.
- The directors should not be the subject of allegations of illegal or unethical behaviour, in their private or professional lives.
- The directors should have ability to devote sufficient time to the affairs of the Company.

3. **Role of the Nomination and Remuneration Committee**

3.1 The Nomination and Remuneration Committee ('the NRC') shall review and assess board composition whilst recommending the appointment or reappointment of independent directors.

4. **Review of the Policy**

4.1 The NRC will review the policy periodically and recommend revisions to the board for consideration.

- The NRC will recommend to the Board the quantum of commission for each director based upon the outcome of the evaluation process which is driven by various factors including attendance and time spent in the Board and committee meetings, individual contributions at the meetings and contributions made by directors other than in meetings.
- In addition to the sitting fees and commission, the company may pay to any director such fair and reasonable expenditure, as may have been incurred by the director while performing his/ her role as a director of the company. This could include reasonable expenditure incurred by the director for attending Board/ Board committee meetings, general meetings, court convened meetings, meetings with shareholders/ creditors/ management, site visits, induction and training (organized by the company for directors) and in obtaining professional advice from independent advisors in the furtherance of his/ her duties as a director.

#### **Remuneration for managing director (“MD”)/ executive directors (“ED”)/ KMP/ rest of the employees<sup>1</sup>**

- The extent of overall remuneration should be sufficient to attract and retain talented and qualified individuals suitable for every role. Hence remuneration should be
  - ❖ Market competitive (market for every role is defined as companies from which the company attracts talent or companies to which the company loses talent)
  - ❖ Driven by the role played by the individual,
  - ❖ Reflective of size of the company, complexity of the sector/ industry/ company's operations and the company's capacity to pay,
  - ❖ Consistent with recognized best practices and
  - ❖ Aligned to any regulatory requirements.
- In terms of remuneration mix or composition,
  - ❖ The remuneration mix for the MD/ EDs is as per the contract approved by the shareholders. In case of any change, the same would require the approval of the shareholders.
  - ❖ Basic/ fixed salary is provided to all employees to ensure that there is a steady income in line with their skills and experience.

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<sup>1</sup> Excludes employees covered by any long term settlements or specific term contracts. The remuneration for these employees would be driven by the respective long term settlements or contracts.

- ❖ In addition to the basic/ fixed salary, the company provides employees with certain perquisites, allowances and benefits to enable a certain level of lifestyle and to offer scope for savings and tax optimization, where possible. The company also provides all employees with a social security net (subject to limits) by covering medical expenses and hospitalization through re-imbursements or insurance cover and accidental death and dismemberment through personal accident insurance.
- ❖ The company provides retirement benefits as applicable.
- ❖ In addition to the basic/ fixed salary, benefits, perquisites and allowances as provided above, the company provides MD/ EDs such remuneration by way of an annual incentive remuneration/ performance linked bonus subject to the achievement of certain performance criteria and such other parameters as may be considered appropriate from time to time by the Board. An indicative list of factors that may be considered for determination of the extent of this component are:
  - Company performance on certain defined qualitative and quantitative parameters as may be decided by the Board from time to time,
  - Industry benchmarks of remuneration,
  - Performance of the individual.
- ❖ The company provides the rest of the employees a performance linked bonus. The performance linked bonus would be driven by the outcome of the performance appraisal process and the performance of the company.

#### **Remuneration payable to Director for services rendered in other capacity**

The remuneration payable to the Directors shall be inclusive of any remuneration payable for services rendered by such director in any other capacity unless:

- a) The services rendered are of a professional nature; and
- b) The NRC is of the opinion that the director possesses requisite qualification for the practice of the profession.

#### **Policy implementation**

The NRC is responsible for recommending the remuneration policy to the Board. The Board is responsible for approving and overseeing implementation of the remuneration policy.

## Annexure IV: Conservation of Energy and Technology Absorption (Ref.: Board's Report, Section 22)

### A. Conservation of Energy

- (i) the steps taken or impact on conservation of energy
  - Energy consumption at all locations is being monitored on monthly basis
  - All defective lights are being replaced by LED based fixtures in a phased manner
- (ii) the steps taken by the company for utilising alternate sources of energy
  - Street lights near Muzaffarpur site office have been replaced by solar panel driven lights
- (iii) the capital investment on energy conservation equipment  
NIL

### B. Technology Absorption

Efforts, in brief, made towards Technology Absorption,  
Benefits derived as a result of the above efforts like product improvement,  
cost reduction, product development or import substitution

In case of imported technology (imported during the last five years reckoned from the beginning of the financial year), following information may be furnished:

- a) Technology Imported NIL
- b) Year of Import NA
- c) Has technology been fully absorbed NA  
If not fully absorbed, areas where this has not taken place, reasons thereof and future plans of action
- d) Expenditure on R & D (in Rs crore)
  - (i) Capital NIL
  - (ii) Recurring NIL
  - Total NIL

## Annexure- V: Related Party Transactions (Ref.: Board Report, Section 23)

Disclosure of particulars of contracts/arrangements entered into by the company with related parties referred to in section 188(1) 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:

Name(s) of the related party and nature of relationship	Nature of contracts/ arrangements/ transactions	Duration of contracts/ arrangements/ transactions	Salient terms of contracts or arrangements or transactions including value, if any	Justification for entering into such contracts or arrangements or transactions	Date (s) of approval by the Board	Amount paid as advances, if any	Date on which the special resolution was passed in general meeting as required under first proviso to section 188
NIL							

### 2. Details of material contracts or arrangement or transactions at arm's length basis:

Name(s) of the related party and nature of relationship	Nature of contracts/ arrangements/ transactions	Duration of contracts/ arrangements/ transactions	Salient terms of the contracts or arrangements or transactions including value, if any	Date (s) of approval by the Board, if any	Amount paid as advances, if any
The Tata Power Company Ltd (Holding Company)	Deputation of Manpower	3 months- one year	As per agreed framework Rs 35.44 lakh	Ratification done by Audit Committee	NIL
Power Grid Corporation of India Ltd. (we are its associate company)	Transmission Service Charges including incentive, rebate and surcharge.	25 years till 2028	As per CERC Regulations Rs 24455.75 lakh	Ratification done by Audit Committee	NIL
Power Grid Corporation of India Ltd. (we are its associate company)	Reimbursements by the Company / Leasing of premises	25 years	As per contractual terms and agreed framework Rs 77.22 lakh	Ratification done by Audit Committee	NIL
The Tata Power Company Ltd (Holding Company)	Reimbursements by the Company	As and when basis	At Actuals Rs 0.23 lakh	Ratification done by Audit Committee	NIL
Power Grid Corporation of India Ltd. (we are its associate company)	Reimbursements of expenses to the Company for System Operation	Continuous	As per CERC Regulations Rs 90.16 lakh	Ratification done by Audit Committee	NIL



company)	Charges					
The Tata Power Company Ltd (Holding Company)	Reimbursements of expenses to the Company	As and when basis	At Actuals Rs 0.82 lakh	Ratification done by Audit Committee	NIL	
The Tata Power Company Ltd (Holding Company)	Sharing of expenses (Computer Software)	One-time	At Actuals Rs 110.13 lakh	Ratification done by Audit Committee	NIL	

**Annexure- VI: Extract of Annual Return (Ref.: Board Report, Section 25)**

**Form No. MGT-9**  
**EXTRACT OF ANNUAL RETURN**  
as on the financial year ended on 31<sup>st</sup> March 2015  
[Pursuant to section 92(3) of the Companies Act, 2013 and rule 12(1) of the  
Companies  
(Management and Administration) Rules, 2014]

**I. REGISTRATION AND OTHER DETAILS:**

- i) CIN:- U40105DL2001PLC110714
- ii) Registration Date: 04/05/2001
- iii) Name of the Company: Powerlinks Transmission Limited
- iv) Category / Sub-Category of the Company: Public Company
- v) Address of the Registered office and contact details: 10<sup>th</sup> Floor, DLF Tower A,  
District Centre Jasola,  
New Delhi- 110025
- vi) Whether listed company: ~~Yes~~/ No
- vii) Name, Address and Contact details of Registrar and Transfer Agent, if any:

TSR Darashaw Private Limited  
6/10, Haji Moosa Patrawala Indu, 20 Dr E Moses Road,  
Mahalaxmi, Mumbai - 400011 Maharashtra

**II. PRINCIPAL BUSINESS ACTIVITIES OF THE COMPANY**

All the business activities contributing 10 % or more of the total turnover of the company shall be stated:-

Sl. No.	Name and Description of main products / services	NIC Code of the Product/ service	% to total turnover of the company
1	Power Transmission	5406	93.76%

**III. PARTICULARS OF HOLDING, SUBSIDIARY AND ASSOCIATE COMPANIES -**

	Name & Address of the Company	CIN/GLN	Holding/ Subsidiary/ Associate	% of shares held	Applicable Section
1	The Tata Power Company Ltd. Bombay House 24, Homi Mody Street Mumbai-400001	L28920MH1919PLC000567	Holding	51%	2(46)

#### IV Share Holding Pattern (Equity Share Capital Break-up as percentage of Total Equity)

##### i) Category - wise Share holding

Category of Shareholders	No. of shares held at the beginning of the year				No. of shares held at the end of the year				% Change during the year
	Demat	Physical	Total	% of Total Shares	Demat	Physical	Total	% of Total Shares	
<b>A. Promoters</b>									
(1) Indian									
a) Individual/ HUF	0	3	3	0%	0	3	3	0%	0%
b) Central Govt	0	0	0	0%	0	0	0	0	0%
c) State Govt	0	0	0	0%	0	0	0	0	0%
d) Bodies Corp.	238679997	3	238680000	51%	238679997	3	238680000	51%	0%
e) Banks/ FI	0	0	0	0%	0	0	0	0	0%
f) Any other - Govt Company	229319997	0	229319997	49%	229319997	0	229319997	49%	0%
Sub-total (A) (1) :-	467999994	6	468000000	100%	467999994	6	468000000	100%	0%
(2) Foreign									
a) NRIs- Individuals	0	0	0	0	0	0	0	0	0%
b) Other-Individuals	0	0	0	0	0	0	0	0	0%
c) Bodies Corp.	0	0	0	0	0	0	0	0	0%
d) Banks/ FI	0	0	0	0	0	0	0	0	0%
e) Any other	0	0	0	0	0	0	0	0	0%
Sub-total (A) (2) :-	0	0	0	0	0	0	0	0	0%
<b>Total Shareholding of Promoter (A)= (A)(1) + (A)(2)</b>	467999994	6	468000000	100%	467999994	6	468000000	100%	0%
<b>B Public Shareholding</b>									
(1) Institutions	0	0	0	0%	0	0	0	0%	0%
a) Mutual Funds	0	0	0	0%	0	0	0	0%	0%
b) Banks/ FI	0	0	0	0%	0	0	0	0%	0%
c) Central Govt	0	0	0	0%	0	0	0	0%	0%
d) State Govt (s)	0	0	0	0%	0	0	0	0%	0%
e) Venture Capital Funds.	0	0	0	0%	0	0	0	0%	0%
f) Insurance Companies	0	0	0	0%	0	0	0	0%	0%
g) FIs	0	0	0	0%	0	0	0	0%	0%
h) Foreign Venture Capital Funds	0	0	0	0%	0	0	0	0%	0%
i) Others (specify)	0	0	0	0%	0	0	0	0%	0%
Sub-total (B) (1) :-	0	0	0	0%	0	0	0	0%	0%
(2) Non-Institutions	0	0	0	0%	0	0	0	0%	0%
a) Bodies Corp. ---									
(i) Indian									
(ii) Overseas	0	0	0	0%	0	0	0	0%	0%
b) Individuals									
(i) Individual shareholders holding nominal share capital upto Rs 1 Lakh	0	0	0	0%	0	0	0	0%	0%
(ii) Individual shareholders holding nominal share capital in excess of Rs 1 Lakh	0	0	0	0%	0	0	0	0%	0%
c) Others (specify)	0	0	0	0%	0	0	0	0%	0%
Sub-total (B) (2) :-	0	0	0	0%	0	0	0	0%	0%
<b>Total Public Shareholding (B)= (B)(1) + (B)(2)</b>	0	0	0	0%	0	0	0	0%	0%
<b>C. shares held by Custodian for GDRs &amp; ADRs</b>	0	0	0	0%	0	0	0	0%	0%
<b>Grand Total (A+B+C)</b>	467999994	6	468000000	100%	467999994	6	468000000	100%	0%

ii) Shareholding of Promoters

Sl No.	Shareholders' Name	Shareholding at the beginning of the year			Shareholding at the end of the year			% Change during the year
		No of Shares	% of Total Shares of the Company	% of Shares Pledged / encumbered to total shares	No of Shares	% of Total Shares of the Company	% of Shares Pledged / encumbered to total shares	
1	The Tata Power Company Ltd	238680000	51%	51%	238680000	51%	51%	0%
2	Power Grid Corporation of India Ltd	229319997	49%	49%	229319997	49%	49%	0%
3	Mr Ravi P Singh	1	0%	0%	1	0%	0%	0%
4	Mr I S Jha	1	0%	0%	1	0%	0%	0%
5	Mr Arun Kumar	1	0%	0%	1	0%	0%	0%
	Total	468000000	100%	100%	468000000	100%	100%	0%

iii) Change in Promoter' Shareholding (please specify, if there is no change)

Sl No.	Shareholding at the beginning of the year		Reason	Increase/ decrease in promoters' Shareholding during the year		Cumulative Shareholding during the year	
	No of Shares	% of Total Shares of the Company		No of Shares	% of Total Shares of the Company	No of Shares	% of Total Shares of the Company
The Tata Power Company Ltd	238680000	51%	No Change	0	0%	238680000	51%
Power Grid Corporation of India Ltd	229319997	49%	No Change	0	0%	229319997	49%
Mr Ravi P Singh	1	0%	No Change	0	0%	1	0%
Mr I S Jha	1	0%	No Change	0	0%	1	0%
Mr Arun Kumar	1	0%	No Change	0	0%	1	0%

iv) Shareholding pattern of top ten shareholders other than Directors, Promoters and Holders of GDRs and ADRs):

Sl No.	Shareholding at the beginning of the year		Reason	Increase or decrease in Shareholding during the year		Cumulative Shareholding during the year	
	No of Shares	% of Total Shares of the Company				No of Shares	% of Total Shares of the Company
	NIL*	NA				NIL	NA

\* All shareholders are in the category of Promoters/ Directors

## v) Shareholding of Directors and key Managerial Personnel

### v) Shareholding of Directors and Key Managerial Personnel

Sl No.	Name of Shareholder	Shareholding at the beginning of the year		Reason	Increase/ decrease in promoters' Shareholding during the year		Cumulative Shareholding during the year	
		No of Shares	% of Total Shares of the Company		No of Shares	% of Total Shares of the Company	No of Shares	% of Total Shares of the Company
1	Mr Arun Srivastava (Second Joint Holder)	1	0%	No Change			1	0%
2	Mr I S Jha	1	0%	No Change			1	0%
3	Mr Ravi P Singh	1	0%	No Change			1	0%

## V. INDEBTEDNESS

### Indebtedness of the Company including interest outstanding/accrued but not due for payment

	Secured Loans excluding deposits	Unsecured Loans	Deposits	Total Indebtedness
<b>Indebtedness at the beginning of the financial year</b>				
i) Principal Amount	45,040.11			45,040.11
ii) Interest due but not paid	0.00			0.00
iii) Interest accrued but not due	533.57			533.57
<b>Total (i+ii+iii)</b>	<b>45,573.68</b>	<b>0</b>	<b>0</b>	<b>45,573.68</b>
<b>Change in Indebtedness during the financial year</b>				
□ Addition				
□ Reduction	9,100.00			9,100.00
<b>Net Change</b>	<b>9,100.00</b>	<b>0</b>	<b>0</b>	<b>9,100.00</b>
<b>Indebtedness at the end of the financial year</b>				
i) Principal Amount	35,940.11			35,940.11
ii) Interest due but not paid	0.00			0.00
iii) Interest accrued but not due	426.85			426.85
<b>Total (i+ii+iii)</b>	<b>36,366.96</b>	<b>0</b>	<b>0</b>	<b>36,366.96</b>

## VI. REMUNERATION OF DIRECTORS AND KEY MANAGERIAL PERSONNEL

### A. Remuneration to Managing Director, Whole-time Directors and/or Manager:

(Rs)				
Sl No.	Particulars of remuneration	Name of MD/WTM/ Manager		Total Amount
		Mr Arvind Singh ED& CEO*	Mr Jayant Tikku, CEO& ED**	
1	Gross salary			
	(a) Salary as per provisions contained in section 17(1) of the Income-tax Act, 1961	5541905	784008	6325913
	(b) Value of perquisites u/s 17(2) of the Income-tax Act, 1961	626306	162118	788424
	(c) Profits in lieu of salary u/s 17(3) of the Income-tax Act, 1961	NIL	NIL	NIL
2	Stock Option	NIL	NIL	NIL
3	Sweat Equity	NIL	NIL	NIL
4	Commission - as % of profit - others, specify	NIL	NIL	NIL
5	Others, please specify	NIL	NIL	NIL
	Total (A)	6168211	946126	7114337
	Ceiling as per the Act	Rs 5.98 crore i.e. 5% of the Net Profits computed as per Section 198 of the Companies Act, 2013		

\* Mr Arvind Singh, ED & CEO till 31st January 2015

\*\* Mr Jayant Tikku, CEO & ED appointed from 1st February 2015

*B. Remuneration to other directors:*

(Rs)					
Sl.	Name of Directors	Particulars of Remuneration			Total
		Fee for attending board / committee Meetings*	Commission	Others, please specify	
I.	Independent				
1.	Mr. N. H. Mirza@	Nil	Nil	Nil	Nil
2.	Mrs Rita Sinha@	Nil	Nil	Nil	Nil
	Total (A)	Nil	Nil	Nil	Nil
II.	Other Non-Executive				Nil
1.	Mr R N Nayak*	Nil	Nil	Nil	Nil
2.	Mr Ashok Sethi&	Nil	Nil	Nil	Nil
3.	Mr I S Jha*	Nil	Nil	Nil	Nil
4.	Mr R T Agarwal*	Nil	Nil	Nil	Nil
5.	Mr Sanjeev Mehra	1,10,000	Nil	Nil	1,10,000
6.	Mr Ravi P Singh*	Nil	Nil	Nil	Nil
7.	Mr Arun Srivastava	2,00,000	Nil	Nil	2,00,000
8.	Mr Ajay Kapoor	2,10,000	Nil	Nil	2,10,000
	Mr S Padmanabhan§	Nil	Nil	Nil	Nil
	Total (B)	5,20,000	Nil	Nil	5,20,000
	Total Managerial Remuneration	5,20,000	Nil	Nil	5,20,000
	Overall Ceiling as per the Act	N.A. The Remuneration is only by way of Sitting Fees. As per section 197(2) of the Act, ceiling of 1% of Net Profits does not include sitting fees.			

@ Mr Nawshir Mirza and Mrs Rita Sinha have been appointed on 30th March 2015 and have not attended any meeting during the year. Hence no sitting fees has been paid.

\*No payment of sitting fee is being made to the Directors nominated on the Board of the Company from Power Grid Corporation of India Ltd., being a Central Public Sector Undertaking.

&No sitting fee is being paid to Mr Ashok Sethi as per Tata Group policy as he is a whole-time Director of The Tata Power Company Ltd. (Holding Company).

§ Mr Padmanabhan was Director for part of the year. No sitting fee was being paid to Mr. S Padmanabhan as per Tata Group policy as he was a whole-time Director of The Tata Power Company Ltd. (Holding Company).

*C. Remuneration to Key Managerial Personnel\* Other than Managing Director/ Manager /Whole Time Director*

Sl No.	Particulars of remuneration (Rs)			
		Chief Financial Officer Mr Suranjit	Company Secretary Ms Monica Mehra	Total Amount

		Mishra		
1	Gross salary			
	(a) Salary as per provisions contained in section 17(1) of the Income-tax Act, 1961	3343026	1562232	4905258
	(b) Value of perquisites u/s 17(2) of the Income-tax Act, 1961	156703	NIL	156703
	(c) Profits in lieu of salary u/s 17(3) of the Income-tax Act, 1961	NIL	NIL	NIL
2	Stock Option	NIL	NIL	NIL
3	Sweat Equity	NIL	NIL	NIL
4	Commission - as % of profit - others, specify	NIL	NIL	NIL
5	Others, please specify	NIL	NIL	NIL
	Total	3499729	1562232	5061961

\* Mr Arvind Singh, ED & CEO and KMP till 31st January 2015. Hence his details are provided in the WTD section

\* Mr Jayant Tikku, CEO & ED & KMP appointed from 1st February 2015. Hence his details are provided in the WTD section

## VII. PENALTIES / PUNISHMENT/ COMPOUNDING OF OFFENCES:

Type	Section of the Companies Act	Brief Description	Details of Penalty / Punishment/ Compounding fees imposed	Authority [RD / NCLT/ COURT]	Appeal made, if any (give Details)
Penalty		Nil			
Punishment		Nil			
Compounding		Nil			
<b>OTHER OFFICERS IN DEFAULT</b>					
Penalty		Nil			



Punishment		Nil			
Compounding		Nil			

Annexure- VII: Secretarial Audit Report (Ref.: Board's Report, Section 30)

Form No. MR-3

**SECRETARIAL AUDIT REPORT**

FOR THE FINANCIAL YEAR ENDED ON 31<sup>st</sup> MARCH 2015

*[Pursuant to section 204 (1) of the Companies Act, 2013 and rule No.9 of the Companies (Appointment and Remuneration Personnel) Rules, 2014]*

To,

The Members,

POWERLINKS TRANSMISSION LIMITED

10<sup>th</sup> Floor, DLF Tower A  
District Center, Jasola  
New Delhi - 110025

We have conducted the secretarial audit of the compliance of applicable statutory provisions and the adherence to good corporate practices by **POWERLINKS TRANSMISSION LIMITED** (here in after called the company). Secretarial Audit was conducted in a manner that provided us a reasonable basis for evaluating the corporate conducts/statutory compliances and expressing my opinion thereon.

Based on our verification of the **POWERLINKS TRANSMISSION LIMITED** books, papers, minute books, forms and returns filed and other records maintained by the company and also the information provided by the Company, its officers, agents and authorized representatives during the conduct of secretarial audit, We hereby report that in our opinion, the company has, during the audit period covering the financial year ended on 31<sup>st</sup> March 2015 complied with the statutory provisions listed hereunder and also that the Company has proper Board-processes and compliance-mechanism in place to the extent, in the manner and subject to the reporting made hereinafter:

We have examined the books, papers, minute books, forms and returns filed and other records maintained by **Powerlinks Transmission Limited** ("The Company") for the financial year ended on 31<sup>st</sup> March 2015 according to the provisions of:

- (i) The Companies Act, 2013 (the Act) and the rules made thereunder;
- (ii) The Securities Contracts (Regulation) Act, 1956 ('SCRA') and the rules made thereunder; **NOT APPLICABLE**
- (iii) The Depositories Act, 1996 and the Regulations and Bye-laws framed thereunder; **NOT APPLICABLE**

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

(v) The following Regulations and Guidelines prescribed under the Securities and Exchange Board of India Act, 1992 ('SEBI Act'):- **NOT APPLICABLE**

(a) The Securities and Exchange Board of India (Substantial Acquisition of Shares and Takeovers) Regulations, 2011; **NOT APPLICABLE**

(b) The Securities and Exchange Board of India (Prohibition of Insider Trading) Regulations, 1992; **NOT APPLICABLE**

(c) The Securities and Exchange Board of India (Issue of Capital and Disclosure Requirements) Regulations, 2009; **NOT APPLICABLE**

(d) The Securities and Exchange Board of India (Employee Stock Option Scheme and Employee Stock Purchase Scheme) Guidelines, 1999; **NOT APPLICABLE**

(e) The Securities and Exchange Board of India (Issue and Listing of Debt Securities) Regulations, 2008; **NOT APPLICABLE**

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

(g) The Securities and Exchange Board of India (Delisting of Equity Shares) Regulations, 2009; and **NOT APPLICABLE**

(h) The Securities and Exchange Board of India (Buyback of Securities) Regulations, 1998; **NOT APPLICABLE**

(vi) The Electricity Act, 2003

(vii) CERC Rules & other Regulations issued from time to time, viz, CERC (Sharing of Inter State Transmission Charges and Losses) Regulations, 2010. The Central Electricity Regulatory Commission (Standards of Performance of inter-State transmission licensees) Regulations, 2012, CERC (Procedure for calculating Revenue from Tarff & Charges) Regulations 2010, Fees and charges of Regional Load Despatch Centre and other related matters Regulations

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

(i) Secretarial Standards issued by The Institute of Company Secretaries of India.

(ii) The Listing Agreements entered into by the Company with Stock Exchange(s), if applicable; **NOT APPLICABLE**

**We further report that**

The Board of Directors of the Company is duly constituted with proper balance of Executive Directors, Non-Executive Directors and Independent Directors. The changes in the composition of the Board of Directors that took place during the period under review were carried out in compliance with the provisions of the Act.

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

Majority decision is carried through while the dissenting members' views are captured and recorded as part of the minutes.

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

**We further report that** during the audit period the company has **not** undertaken the following activities.

- (i) Public/Right/Preferential issue of shares / debentures/sweat equity, etc.
- (ii) Redemption / buy-back of securities
- (iii) Major decisions taken by the members in pursuance to section 180 of the Companies Act, 2013
- (iv) Merger / amalgamation / reconstruction, etc.
- (v) Foreign technical collaborations

**For Nirbhay Kumar & Associates**

**Date – 27/07/2015  
Place – New Delhi**

**Sd/-  
Nirbhay Kumar  
C.P. 7887  
M. No. 21093**

# Deloitte Haskins & Sells

Chartered Accountants  
7th Floor, Building 10, Tower B  
DLF Cyber City Complex  
DLF City Phase II  
Gurgaon - 122 002, Haryana,  
India

Tel : + 91 (124) 679 2009  
Fax : + 91 (124) 679 2012

## INDEPENDENT AUDITOR'S REPORT TO THE MEMBERS OF POWERLINKS TRANSMISSION LIMITED

### Report on the Financial Statements

We have audited the accompanying financial statements of **POWERLINKS TRANSMISSION LIMITED** ("the Company"), which comprise the Balance Sheet as at 31 March, 2015, the Statement of Profit and Loss, the Cash Flow Statement for the year then ended, and a summary of the significant accounting policies and other explanatory information.

### Management's Responsibility for the 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 financial statements that give a true and fair view of the financial position, financial performance and cash flows of the Company in accordance with the accounting principles generally accepted in India, including the Accounting Standards specified under Section 133 of the Act, read with Rule 7 of the Companies (Accounts) Rules, 2014. 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 internal financial controls, that were operating effectively for ensuring the accuracy and completeness of the accounting records, relevant to the preparation and presentation of the financial statements that give a true and fair view and are free from material misstatement, whether due to fraud or error.

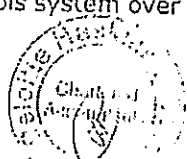
### Auditor's Responsibility

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

We have taken into account the provisions of the Act, the accounting and auditing standards and matters which are required to be included in the audit report under the provisions of the Act and the Rules made thereunder.

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

An audit involves performing procedures to obtain audit evidence about the amounts and the disclosures in the financial statements. The procedures selected depend on the auditor's judgment, including the assessment of the risks of material misstatement of the financial statements, whether due to fraud or error. In making those risk assessments, the auditor considers internal financial control relevant to the Company's preparation of the financial statements that give a true and fair view in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on whether the Company has in place an adequate internal financial controls system over financial reporting and the operating effectiveness of such



controls. An audit also includes evaluating the appropriateness of the accounting policies used and the reasonableness of the accounting estimates made by the Company's Directors, as well as evaluating the overall presentation of the financial statements.

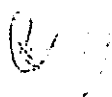
We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our audit opinion on the financial statements.

#### **Opinion**

In our opinion and to the best of our information and according to the explanations given to us, the aforesaid financial statements give the information required by the Act in the manner so required and give a true and fair view in conformity with the accounting principles generally accepted in India, of the state of affairs of the Company as at 31 March, 2015, and its profit and its cash flows for the year ended on that date.

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

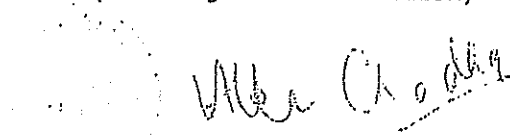
1. As required by the Companies (Auditor's Report) Order, 2015 ("the Order") issued by the Central Government in terms of Section 143(11) of the Act, we give in the Annexure a statement on the matters specified in paragraphs 3 and 4 of the Order.
2. As required by Section 143(3) of the Act, we report 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 purposes of our audit.
  - b. In our opinion, proper books of account as required by law have been kept by the Company so far as it appears from our examination of those books.
  - c. The Balance Sheet, the Statement of Profit and Loss, and the Cash Flow Statement dealt with by this Report are in agreement with the books of account.
  - d. In our opinion, the aforesaid financial statements comply with the Accounting Standards specified under Section 133 of the Act, read with Rule 7 of the Companies (Accounts) Rules, 2014.
  - e. On the basis of the written representations received from the directors as on 31 March, 2015 taken on record by the Board of Directors, none of the directors is disqualified as on 31 March, 2015 from being appointed as a director in terms of Section 164(2) of the Act.
  - f. With respect to the other matters to be included in the Auditor's Report in accordance with Rule 11 of the Companies (Audit and Auditors) Rules, 2014, in our opinion and to the best of our information and according to the explanations given to us:
    - i. The Company has disclosed the impact of pending litigations on its financial position in its financial statements;
    - ii. The Company did not have any long-term contracts including derivative contracts for which there were any material foreseeable losses.



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- iii. There were no amounts which were required to be transferred to the Investor Education and Protection Fund by the Company.

For Deloitte Haskins & Sells  
Chartered Accountants  
(Firm's Registration No. 015125N)



Alka Chadiha  
(Partner)

(Membership No. 93474)

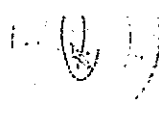
Address: 7<sup>th</sup> Floor, Building No. 10  
Tower B, DLF Cyber City Complex  
DLF City Ph-II, Gurgaon 122002

Gurgaon, 6 May, 2015

**ANNEXURE TO THE INDEPENDENT AUDITORS' REPORT**

(Referred to in paragraph 1 under 'Report on Other Legal and Regulatory Requirements' section of our report of even date)

- i. In respect of its fixed assets:
  - a. The Company has maintained proper records showing full particulars, including quantitative details and situation of fixed assets.
  - b. The fixed assets were physically verified during the previous year by the Management in accordance with a regular programme of verification which, in our opinion, provides for physical verification of all the fixed assets at reasonable intervals. According to the information and explanations given to us, no material discrepancies were noticed on such verification.
- ii. In respect of its inventories:
  - a. As explained to us, the inventories were physically verified during the year by the Management at reasonable intervals.
  - b. In our opinion and according to the information and explanations given to us, the procedures of physical verification of inventories followed by the Management were reasonable and adequate in relation to the size of the Company and the nature of its business.
  - c. In our opinion and according to the information and explanations given to us, the Company has maintained proper records of its inventories and no material discrepancies were noticed on physical verification.
- iii. The Company has not granted any loans, secured or unsecured, to companies, firms or other parties covered in the Register maintained under Section 189 of the Companies Act, 2013.
- iv. In our opinion and according to the information and explanations given to us, there is an adequate internal control system commensurate with the size of the Company and the nature of its business for the purchase of inventory and fixed assets and for the sale of services. The Company's operations did not give rise to sale of goods during the current year and during the course of our audit, we have not observed any major weakness in such internal control system.
- v. According to the information and explanations given to us, the Company has not accepted any deposit during the year.
- vi. We have broadly reviewed the cost records maintained by the Company pursuant to the Companies (Cost Records and Audit) Rules, 2014, as amended and prescribed by the Central Government under sub section (1) of Section 148 of the Companies Act, 2013 and are of the opinion that *prima facie* the prescribed cost records have been made and maintained. We have, however, not made a detailed examination of the cost records with a view to determine whether they are accurate or complete.





**Deloitte**  
**Haskins & Sells**

vii. According to the information and explanations given to us in respect of statutory dues:

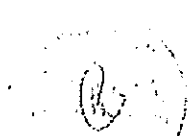
- a. The Company has generally been regular in depositing undisputed statutory dues, including Provident Fund, Employees' State Insurance, Income-tax, Sales Tax, Service Tax, Customs Duty, Value Added Tax, Cess and other material statutory dues applicable to it with the appropriate authorities. We are informed that the Company's operations do not give rise to Wealth Tax and Excise Duty.
- b. There were no undisputed amounts payable in respect of Provident Fund, Employees' State Insurance, Income-tax, Sales Tax, Service Tax, Customs Duty, Value Added Tax, Cess and other material statutory dues in arrears as at 31 March, 2015 for a period of more than six months from the date they became payable. We are informed that the Company's operations do not give rise to Wealth Tax and Excise Duty.

c. Details of dues of Sales Tax which have not been deposited as on 31 March, 2015 on account of disputes are given below:

Name of Statute	Nature of Dues	Forum where Dispute is pending	Period to which the amount relates	Amount involved (Rs. in lacs)
The Central Sales Tax Act, 1956	Disputed demands raised by sales tax authorities	High Court Lucknow	2004-05 to 2007-08	3,321.99
The Central Sales Tax Act, 1956	Disputed demands raised by sales tax authorities	Additional Commissioner (Appeals) Lucknow	2008-09 to 2010-11	173.39

We are informed that there are no dues in respect of Income-tax, Service Tax, Customs Duty, Value Added Tax and Cess which have not been deposited on account of any disputes. We are informed that the Company's operations do not give rise to Wealth Tax and Excise Duty.

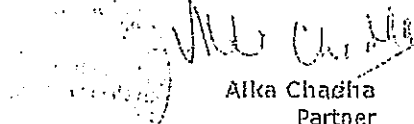
- d. There are no amounts that are due to be transferred to the Investor Education and Protection Fund in accordance with the relevant provisions of the Companies Act, 1956 (1 of 1956) and Rules made thereunder.
- viii. The Company does not have accumulated losses at the end of the financial year and the Company has not incurred cash losses during the financial year covered by our audit and in the immediately preceding financial year.
- ix. In our opinion and according to the information and explanations given to us, the Company has not defaulted in the repayment of dues to financial institutions and banks. The Company has not issued any debentures.
- x. According to the information and explanations given to us, the Company has not given any guarantee for loans taken by others from banks or financial institutions.



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- xi. In our opinion and according to the information and explanations given to us, the term loans have been applied by the Company during the year for the purposes for which they were obtained.
- xii. To the best of our knowledge and according to the information and explanations given to us, no fraud by the Company and no material fraud on the Company has been noticed or reported during the year.

For Deloitte Haskins & Sells  
Chartered Accountants  
(Firm's Registration No. 015125N)

  
Alka Chaudhary  
Partner  
(Membership No. 93474)

GURGAON, 6 May, 2015

7<sup>th</sup> Floor, Building No-10  
Tower B, DLF Cyber City  
Complex, DLF City, Ph-II  
Gurgaon -122002, Haryana

**POWERLINKS TRANSMISSION LIMITED**  
**BALANCE SHEET AS AT 31 MARCH, 2015**

	Note No.	As at 31.03.2015 (Rs. / Lacs)	As at 31.03.2014 (Rs. / Lacs)
<b>A. EQUITY AND LIABILITIES</b>			
<b>1. SHAREHOLDERS' FUND</b>			
a. Share capital	3	46,800.00	46,800.00
b. Reserves and surplus	4	6,599.71	6,311.26
		<u>53,399.71</u>	<u>53,111.26</u>
<b>2. NON-CURRENT LIABILITIES</b>			
a. Long term borrowings	5	26,840.11	35,940.11
b. Deferred tax liabilities (net)	6		
c. Advance against depreciation		9,873.21	9,873.21
d. Other long term liabilities	7	4,837.73	3,347.57
e. Long term provisions	8	115.87	100.78
		<u>41,667.67</u>	<u>49,261.67</u>
<b>3. CURRENT LIABILITIES</b>			
a. Trade payables	9	311.08	220.23
b. Other current liabilities	10	4,107.48	3,187.89
c. Current maturities of long-term debt	11	9,100.00	9,100.00
d. Short term provisions	12	1,440.81	1,252.38
		<u>14,959.37</u>	<u>13,760.50</u>
		<u>1,10,026.95</u>	<u>1,16,165.43</u>
<b>B. ASSETS</b>			
<b>1. NON-CURRENT ASSETS</b>			
a. Fixed assets			
i. Tangible fixed assets	13A	85,389.73	93,382.94
ii. Intangible fixed assets	13B	115.38	6.86
iii. Capital work-in-progress (CWIP)		18.17	
		<u>85,523.28</u>	<u>93,389.80</u>
b. Long term loans and advances	14	8,269.35	6,534.20
		<u>93,792.63</u>	<u>99,924.00</u>
<b>2. CURRENT ASSETS</b>			
a. Current investments	15	2,651.00	5,611.00
b. Inventories	16	191.32	197.27
c. Trade receivables	17	2,487.73	2,081.88
d. Cash and cash equivalents	18	8,204.92	5,730.55
e. Short term loans and advances	19	140.29	239.10
f. Other current assets	20	2,559.06	2,381.63
		<u>16,234.37</u>	<u>16,241.43</u>
		<u>1,10,026.95</u>	<u>1,16,165.43</u>

See accompanying notes forming part of the financial statements

1-36

In terms of our report attached

For Deloitte Haskins & Sells  
Chartered Accountants

*Alka Chadha*  
Alka Chadha  
Partner  
Membership No: 93474  
Building No 16, Tower B  
DLF Cyber City, Phase II  
Gurgaon - 122002

Add:

Place GURGAON  
Date: 6 May, 2015

For and on behalf of the Board of Directors

*R. N. Navak*  
R. N. Navak  
Chairman DIN: 02658070  
G-2, Powerlink Township  
Sector-43, Gurgaon - 122002

*Suranjit Mishra*  
Suranjit Mishra  
Chief Financial Officer PAN: AFIPM8444H  
G-19, Saket, New Delhi  
Place: GURGAON  
Date: 6 May, 2015

*Jayant Tilku*  
Jayant Tilku  
Chief Executive Officer  
Executive Director DIN: 07085449  
DLFTower A, 10<sup>th</sup> Floor, Jasola,  
New Delhi - 25  
Monica Mehra  
Monica Mehra  
Company Secretary  
MNO: A15293  
DLFTower A, 10<sup>th</sup> Floor,  
Jasola, New Delhi - 25

**POWERLINKS TRANSMISSION LIMITED**  
**STATEMENT OF PROFIT AND LOSS FOR THE YEAR ENDED 31 MARCH, 2015**

	Note No.	Year ended 31.03.2015 (Rs. / Lacs)	Year ended 31.03.2014 (Rs. / Lacs)
1. Revenue from operations	21	24,190.56	25,421.02
2. Other Income	22	1,607.85	1,476.51
3. Total revenue (1 + 2)		25,798.41	26,897.53
4. Expenses			
a. Employee benefits expense	23	792.68	755.41
b. Finance costs	24	3,898.33	4,751.42
c. Depreciation and amortisation expense	13	8,162.89	8,155.75
d. Transmission, administration and other expenses	25	1,073.78	1,057.39
5. Total expenses		13,927.68	14,719.97
6. Profit before tax (3 - 5)		11,870.73	12,177.56
7. Tax expense / (benefit):			
a. Current tax expenses		2,488.16	2,556.01
b. (Less): MAT credit		(1,828.80)	(1,668.85)
c. Net current tax expense		659.36	887.16
d. Deferred tax		(16.85)	5,401.78
Less: Adjustable from future tariff income		16.85	(5,401.78)
Net tax expense / (benefit)		659.36	887.16
8. Profit for the year (6-7)		11,211.37	11,290.40
9. Earnings per equity share (Face value Rs. 10 per share) -Basic and diluted (Rupees)	34	2.40	2.41

See accompanying notes forming part of the financial statements

1-36

In terms of our report attached

For Deloitte Haskins & Sells  
Chartered Accountants

Alka Chadha  
Partner

Add: Membership No 93474  
Building No 10, Tower B  
DLF Cyber City Complex,  
DLF City, Phase-II  
Gurgaon - 12002  
Place: GURGAON  
Date: 6 May, 2015

N. N. Nayal  
Chairman DIN: 02658070  
Add: 6-2 Powergrid Township  
Complex, Sector 43, Gurgaon

Suranjit Mishra PAN: AFPM  
Chief Financial Officer 8444H

Place: GURGAON  
Date: 6 May, 2015

Add: 6-19, Sector, Noida-17

Jayant Tilku bin 07065449  
Chief Executive Officer  
& Executive Director Add: DLF Tower A  
10th Floor, Jasola,  
New Delhi-25  
Monica Mehra  
Company Secretary  
Membership No: A15293  
Add: DLF Tower A,  
10th Floor, Jasola, N. Delhi-17

**POWERLINKS TRANSMISSION LIMITED**  
**CASH FLOW STATEMENT FOR THE YEAR ENDED 31 MARCH, 2015**

	Year ended 31.03.2015 (Rs. / Lacs)	Year ended 31.03.2014 (Rs. / Lacs)
<b>A. Cash flow from operating activities</b>		
Net Profit before extraordinary items and tax	11,670.73	12,177.56
Adjustments for:		
Depreciation and amortisation expense	8,162.82	8,155.75
Loss on fixed assets written off	47.68	9.55
Finance costs	3,898.33	4,751.42
Interest from banks on deposits	(658.88)	(405.07)
Net gain on sale of mutual funds	(870.57)	(857.39)
Provision for doubtful trade receivables		16.85
Operating profit before working capital changes	22,445.36	23,768.67
Changes in working capital:		
Adjustments for (increase) / decrease in operating assets		
Inventories	5.95	30.75
Trade receivables	(405.65)	813.30
Short-term loans and advances	98.81	42.70
Long-term loans and advances	0.13	0.02
Other current assets	(52.65)	33.16
Adjustments for increase / (decrease) in operating liabilities		
Trade payables	95.67	(17.52)
Other current liabilities	787.70	1,205.65
Other long-term liabilities	1,450.15	436.99
Short-term provisions	12.20	0.55
Long-term provisions	16.04	6.62
Cash generated from operations	24,493.52	26,321.42
Income tax paid	(2,480.75)	(2,531.43)
<b>NET CASH FROM OPERATING ACTIVITIES</b>	<b>A 22,012.77</b>	<b>23,789.99</b>
<b>B. Cash flow from investing activities</b>		
Capital expenditure on fixed assets	(259.44)	(160.42)
Proceeds from sale of fixed assets	1.50	13.13
Interest received	534.10	1,772.01
Purchase of mutual fund units	(46,949.00)	(63,774.70)
Sale of mutual fund units	52,779.57	51,081.09
Fixed deposit not considered as Cash and cash equivalents		
- Placed	(7,943.80)	(12,262.38)
- Matured	4,959.38	19,380.08
<b>NET CASH FROM INVESTING ACTIVITIES</b>	<b>B 1,192.31</b>	<b>6,028.81</b>
<b>C. Cash flow from financing activities</b>		
Repayment of long-term borrowings	(9,100.00)	(9,100.00)
Repayment of short-term borrowings		(5,364.08)
Finance costs	(4,005.05)	(4,855.87)
Dividend paid	(5,009.00)	(10,530.00)
Dividend distribution tax paid	(1,531.08)	(1,536.31)
<b>NET CASH USED IN FINANCING ACTIVITIES</b>	<b>C (23,615.13)</b>	<b>(31,366.26)</b>
Net decrease in Cash and cash equivalents (A+B+C)	(480.05)	(1,569.46)
Cash and cash equivalents at the beginning of the year	741.17	2,310.63
Cash and cash equivalents at the end of the year	261.12	741.17

In terms of our report attached

For Deloitte Haskins & Sells  
Chartered Accountants

*Alka Chadha*  
Partner M.No: 93474  
Add: Building No 10, Tower B  
DLF Cyber City Complex,  
DLF City Ph-II, Gurgaon 122002  
Place: Gurgaon  
Date: 6 May 2015

For and on behalf of the Board of Directors

*R. N. Nayak*  
Chairman DIN 026070  
Add: G-9-2, Powergrid  
Township, Sector 43,  
Gurgaon 122002  
Surajit Mishra  
Chief Financial Officer  
Place: Gurgaon  
Date: 6 May 2015  
PAN: AFIPM8444H  
Add: G-19 Saket,  
N-Delhi 17

*Jayant Tiku* DIN: 07085449  
Chief Executive Officer DLF Tower A, 10<sup>th</sup> Floor  
& Executive Director Jasola, N-Delhi-25  
*Monica Mehra*  
Company Secretary  
M.No: A15293  
DLF Tower A, 10<sup>th</sup> Floor  
Jasola, N-Delhi-25

**POWERLINKS TRANSMISSION LIMITED**  
**FINANCIAL STATEMENTS**

	As at 31.03.2015		As at 31.03.2014	
	Number of shares	Amount (Rs./Lacs)	Number of shares	Amount (Rs./Lacs)
<b>Note 3 : Share Capital</b>				
(a) Authorised				
Equity shares of Rs. 10 (Previous year Rs. 10) each with voting rights	4836,00,000	48,360.00	4836,00,000	48,360.00
(b) Issued				
Equity shares of Rs. 10 (Previous year Rs. 10) each with voting rights	4680,00,000	46,800.00	4680,00,000	46,800.00
(c) Subscribed and fully paid up				
Equity shares of Rs. 10 (Previous year Rs. 10) each with voting rights	4680,00,000	46,800.00	4680,00,000	46,800.00
	<u>4680,00,000</u>	<u>46,800.00</u>	<u>4680,00,000</u>	<u>46,800.00</u>

See notes (i) to (iv) below

(i) The Company has one class of equity shares having a par value of Rs. 10 each. Each shareholder is eligible for one vote per share held. The dividend proposed by the Board of Directors is subject to the approval of the shareholders in the ensuing Annual General Meeting, except in case of interim dividend. In the event of liquidation, the equity shareholders are eligible to receive the remaining assets of the Company after distribution of all preferential amounts, in proportion to their shareholding.

(ii) Details of shares held by each shareholder holding more than 5% shares:

Class of shares / Name of shareholder	As at 31.03.2015		As at 31.03.2014	
	Number of shares held	% holding	Number of shares held	% holding
Equity shares with voting rights				
The Tata Power Company Limited	2386,79,997	51.00	2386,79,997	51.00
The Tata Power Company Limited and individuals jointly	3		3	
Power Grid Corporation of India Limited	2293,19,997	49.00	2293,19,997	49.00
Individuals of Power Grid Corporation of India Limited				
	<u>4680,00,000</u>	<u>100.00</u>	<u>4680,00,000</u>	<u>100.00</u>

(iii) Reconciliation of the number of shares and amount outstanding at the beginning and at the end of the reporting period

Particulars	Opening Balance	Movement	Closing Balance
Equity shares with voting rights			
As at 31.03.2015			
- Number of shares	4680,00,000		4680,00,000
- Amount (Rs./Lacs)	46,800.00		46,800.00
As at 31.03.2014			
- Number of shares	4680,00,000		4680,00,000
- Amount (Rs./Lacs)	46,800.00		46,800.00

(iv) Details of shares held by The Tata Power Company Limited, the holding Company

Particulars	Aggregate number of shares	
	As at 31.03.2015	As at 31.03.2014
Fully paid up equity shares with voting rights		
The Tata Power Company Limited	2386,79,997	2386,79,997
The Tata Power Company Limited and individuals jointly	3	3

(K)

POWERLINKS TRANSMISSION LIMITED  
NOTES FORMING PART OF FINANCIAL STATEMENTS

	As at 31.03.2015 (Rs. / Lacs)	As at 31.03.2014 (Rs. / Lacs)
<b>Note 4 : Reserves and surplus</b>		
a. General reserve		
i. Opening balance	5,258.00	4,411.00
ii. Add: Transferred from surplus in Statement of Profit and Loss		847.00
iii. Closing balance	5,258.00	5,258.00
b. Self insurance reserve		
i. Opening balance	1,010.61	858.45
ii. Add: Transferred from surplus in Statement of Profit and Loss	152.23	152.16
iii. Closing balance	1,162.84	1,010.61
c. Surplus in Statement of Profit and Loss		
i. Opening balance	74.65	323.49
ii. Add: Profit for the year	11,211.37	11,290.40
iii. Less: Interim dividend distributed to equity shareholders [ Rs 1.70 per share (Previous year Rs. 1.70 per share )]	7,956.00	7,956.00
iv. Final dividend distributed to equity shareholders [Rs 0.25 per share (Previous year Re. 0.225 per share )]	1,170.00	1,053.00
v. Tax on Interim dividend	1,590.73	1,352.12
vi. Tax on final dividend	238.19	178.95
vii. Transferred to general reserve		847.00
viii. Transferred to self insurance reserve	152.23	152.16
Closing balance	178.87	74.65
	6,599.71	6,343.26

POWERLINKS TRANSMISSION LIMITED  
NOTES FORMING PART OF FINANCIAL STATEMENTS

	As at 31.03.2015 (Rs. / Lacs) Non Current	As at 31.03.2014 (Rs. / Lacs) Non Current
<u>Note 5 : Long term borrowings</u>		
Secured loans (see note 'I' below)		
a. From bank - State Bank of India	5,058.85	6,898.44
b. From others		
i. International Finance Corporation	8,249.00	10,998.67
ii. Asian Development Bank	7,334.75	9,779.67
iii. IDFC Limited	6,197.51	8,263.33
	21,781.26	29,041.67
	<u>26,840.11</u>	<u>35,940.11</u>

Note

I. Secured loans

a) Security

The Company has entered into loan agreement with the Financial Institutions and Banks collectively known as "Senior Lenders" for financing the project. The Company has created a first charge ranking pari passu on:

- i. all of its tangible, intangible, movable, fixed and current assets;
- ii. all products of income from and proceeds of sale or other disposition of and any rights, easements, benefits, options, agreements, indemnities, warranties or covenants in respect of all of the foregoing; both present and future, in favour of the Senior Lenders for the purpose of above mentioned loan amounts.

	As at 31.03.2015	As at 31.03.2014
b) Rate of Interest		
a. From bank - State Bank of India	10.29%	10.29%
b. From others		
i. International Finance Corporation	8.80%	8.80%
ii. Asian Development Bank	9.14%	9.14%
iii. IDFC Limited	10.19%	10.19%

c) Details of terms of repayment in respect of the secured other long-term borrowings:

	(Rs. / Lacs)
April 2016 - March 2017	9,100.00
April 2017 - March 2018	9,100.00
April 2018 - January 2019	8,640.11
	<u>26,840.11</u>

(6)



POWERLINKS TRANSMISSION LIMITED  
NOTES FORMING PART OF FINANCIAL STATEMENTS

	As at 31.03.2015 (Rs. / Lacs)	As at 31.03.2014 (Rs. / Lacs)
<b>Note 6 : Deferred tax liabilities</b>		
Deferred tax liabilities (Net)		
a. Deferred tax assets and liabilities are being offset as they relate to taxes on income levied by the same governing taxation laws.		
b. The Company has started availing the tax benefit under section 80IA of the Income Tax Act, 1961, with effect from the financial year 2011-12, whereby the Company will be entitled to a tax holiday for 10 years. Deferred tax liabilities as at 31 March, 2015, as detailed below reflect the quantum of tax liabilities accrued up to 31 March, 2015 but payable after the expiry of tax holiday period.		
<u>Tax effect of items constituting deferred tax liabilities</u>		
On difference between book balance and tax balance of fixed assets	12,705.93	12,722.78
Less: Adjustable from future tariff income	(12,705.93)	(12,722.78)
Tax effect of items constituting deferred tax liabilities (see note below)	<u>                    </u>	<u>                    </u>

**Note:**

Adjustable from future tariff income as per the Central Electricity Regulatory Commission Tariff Regulations

(1)

POWERLINKS TRANSMISSION LIMITED  
NOTES FORMING PART OF FINANCIAL STATEMENTS

	As at 31.03.2015 (Rs. / Lacs)	As at 31.03.2014 (Rs. / Lacs)
<u>Note 7 : Other long term liabilities</u>		
Unearned income - to be utilised in future tariff determination	4,837.73	3,347.57
	<u>4,837.73</u>	<u>3,347.57</u>
<u>Note 9 : Long term provisions</u>		
a. Provision for employee benefits		
i. Provision for compensated absences	104.81	99.73
ii. Provision for gratuity (net)	12.01	1.05
	<u>116.82</u>	<u>100.78</u>

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POWERLINKS TRANSMISSION LIMITED  
NOTES FORMING PART OF FINANCIAL STATEMENTS

	As at 31.03.2015 (Rs. / Lacs)	As at 31.03.2014 (Rs. / Lacs)
<u>Note 9 : Trade payables</u>		
Trade payables-other than acceptances	311.08	220.23
	<u>311.08</u>	<u>220.23</u>
<u>Note 10 : Other current liabilities</u>		
a. Interest accrued but not due on borrowings	426.85	533.57
b. Dividend distribution tax on Interim dividend	1,590.73	1,352.12
c. Other payables		
i. Statutory dues (Contributions to PF, ESIC, withholding taxes and service tax etc.)	46.78	17.17
ii. Payables on purchase of fixed assets	8.38	8.38
iii. Advance from customers	1,072.58	1,276.65
iv. Unearned income - to be utilised in future tariff determination	962.16	
	<u>4,107.48</u>	<u>3,187.89</u>

Note 11 : Current maturities of long-term debt

a. From banks (see note below)		
i. State Bank of India	1,839.58	1,839.58
b. From others (see note below)		
i. International Finance Corporation	2,749.67	2,749.67
ii. Asien Development Bank	2,444.91	2,444.91
iii. IDFC Limited	2,065.84	2,065.84
	<u>7,260.42</u>	<u>7,260.42</u>
	<u>9,100.00</u>	<u>9,100.00</u>

Note:

Security for 'Current maturities of long-term debt' is stated in note 'I' of Note 5 - 'Long term borrowings'

Note 12 : Short term provisions

a. Provision for employee benefits		
i. Provision for compensated absences	32.62	20.42
b. Provision - others		
i. Provision for proposed dividend	1,170.00	1,053.00
ii. Provision for tax on proposed dividend	238.19	178.96
	<u>1,440.81</u>	<u>1,252.38</u>

**POWERLINKS TRANSMISSION LIMITED**  
**NOTES FORMING PART OF FINANCIAL STATEMENTS**

**Table 13: Fixed Assets (At cost)**

CAPITEX IN P&L STATE											
S. No.	Description	GROSS BLOCK			DEPRECIATION/AMORTISATION			As at		As at	
		As at 01.03.2012	Additions	Deletions / Dispositions	For the year ending 31.03.2015	As at 31.03.2015	As at 31.03.2015	As at 31.03.2015	As at 31.03.2015	As at 31.03.2015	
A TANGIBLE ASSETS:											
1	(i) Land	131.39 (131.39)	(-)	(-)	(-)	(-)	(-)	131.39 (131.39)	131.39 (131.39)	131.39 (131.39)	131.39 (131.39)
2	(ii) Plant and machinery	2,801.57 (2,591.17)	4.81 (18.40)	(-)	2,606.38 (2,606.38)	99.66 (99.33)	434.70 (334.94)	2,171.68 (2,266.73)	2,171.68 (2,266.73)	2,286.73 (2,355.05)	2,286.73 (2,355.05)
3	(iii) Plant and equipment	1,52,166.05 (1,52,176.14)	150.06 (12.93)	84.00 (32.22)	1,52,332.03 (1,52,166.85)	8,033.39 (8,027.37)	37.30 (13.20)	92,915.10 (90,850.06)	92,915.10 (90,850.06)	90,850.06 (93,872.92)	90,850.06 (93,872.92)
4	(iv) Computers	9.50 (20.32)	9.20 (5.55)	2.75 (15.99)	16.43 (9.88)	5.23 (2.40)	4.90 (2.26)	11.53 (7.62)	11.53 (7.62)	7.62 (7.71)	7.62 (7.71)
5	(v) Others	101.35 (100.24)	18.50 (1.11)	(-)	120.83 (101.35)	5.90 (5.43)	24.60 (13.27)	93.35 (82.65)	93.35 (82.65)	92.65 (86.92)	92.65 (86.92)
6	(vi) Furniture and fixtures	35.56 (39.52)	9.45 (-)	2.05 (-)	43.07 (36.56)	3.19 (5.05)	20.65 (2.71)	13.42 (7.20)	13.42 (7.20)	7.20 (12.44)	7.20 (12.44)
7	(vii) Vehicles	21.76 (16.23)	(-)	17.63 (-)	4.13 (21.76)	3.30 (9.49)	16.53 (-)	2.10 (6.56)	2.10 (6.56)	6.58 (8.74)	6.58 (8.74)
8	(viii) Office equipment	50.44 (36.28)	24.00 (-)	2.99 (36.28)	71.45 (50.44)	9.36 (7.20)	26.20 (-)	45.16 (-)	45.16 (-)	30.71 (-)	30.71 (-)
Total		1,55,119.80 (1,55,111.59)	216.31 (70.03)	111.20 (61.52)	1,55,224.91 (1,55,119.50)	8,160.31 (8,133.00)	62.02 (9.00)	105,389.73 (95,552.94)	105,389.73 (95,552.94)	93,382.94 (1,01,480.99)	93,382.94 (1,01,480.99)
Previous year		(1,55,111.59)	(70.03)	(61.52)	(1,55,119.50)	(8,133.00)	(9.00)	(95,552.94)	(95,552.94)	(1,01,480.99)	(1,01,480.99)
B INTANGIBLE ASSETS:											
1	(i) Computer software	11.75 (11.75)	11.07 (-)	(-)	121.82 (11.75)	4.89 (2.58)	7.44 (-)	115.38 (6.06)	115.38 (6.06)	6.06 (9.37)	6.06 (9.37)
2	(ii) Other intangible assets	(11.75)	(-)	(-)	(2.58)	(2.58)	(4.89)	(6.06)	(6.06)	(9.37)	(9.37)
Total		11.75 (11.75)	11.07 (-)	(-)	121.82 (11.75)	4.89 (2.58)	7.44 (-)	115.38 (6.06)	115.38 (6.06)	6.06 (9.37)	6.06 (9.37)
Previous year		(11.75)	(-)	(-)	(11.75)	(2.58)	(-)	(6.06)	(6.06)	(9.37)	(9.37)
Grand total		1,55,131.55 (1,55,123.04)	327.38 (70.03)	111.20 (61.52)	1,55,347.73 (1,55,321.55)	8,165.19 (8,135.58)	69.02 (9.00)	105,505.11 (95,559.50)	105,505.11 (95,559.50)	93,392.31 (1,01,490.36)	93,392.31 (1,01,490.36)
Previous year		(1,55,123.04)	(70.03)	(61.52)	(1,55,321.55)	(8,135.58)	(9.00)	(95,559.50)	(95,559.50)	(1,01,490.36)	(1,01,490.36)

Notes: Figures in brackets pertain to the previous year

POWERLINKS TRANSMISSION LIMITED  
NOTES FORMING PART OF FINANCIAL STATEMENTS

	As at 31.03.2015 (Rs. / Lacs)	As at 31.03.2014 (Rs. / Lacs)
<b>Note 14 : Long term loans and advances</b> (Unsecured, considered good)		
a. Capital advances	1,046.41	1,132.52
b. Security deposits	36.93	37.06
c. Advance income tax and tax deducted at source [net of provision for tax Rs. 16,389.46 lacs (Previous Year Rs. 13,901.30 Lacs) and FBT Rs. 16.45 lacs (Previous Year Rs 16.45 lacs)]	697.70	705.11
d. MAT credit entitlement	6,479.86	4,651.08
e. Other loans and advances	8.43	8.43
	<u>8,269.35</u>	<u>6,534.20</u>

**Note 15 : Current investments**

Investments in mutual funds (Unquoted)  
(At lower of cost or fair value)

a. Nil (Previous Year : 25,000,000.00 units each of Rs. 10.00) ICICI Prudential FMP Series 69-369 days -Growth*		2,500.00
b. Nil (Previous Year : 70,095.35 units each of Rs. 1,462.29) Baroda Pioneer Liquid fund - Plan A Growth		1,025.00
c. Nil (Previous Year : 4,400,000.00) units each of Rs. 10.00 Kotak FMP Series 116 -Growth*		440.00
d. Nil (Previous Year : 108,015.28 units each of Rs. 1,419.24) Units each of Rs 1,515.07 Axis Liquid Fund - Growth		1,533.00
e. 1,958,061.75 (Previous Year : 418,696.68 units each of Rs 26.99) units each of Rs. 29.42 Sundaram Money Fund Regular Growth	576.00	113.00
f. 108,008.74 (Previous Year : Nil) units each of Rs. 1,921.14 Religare Invesco Liquid fund - Growth	2,075.00	
	<u>2,651.00</u>	<u>5,611.00</u>
Aggregate amount of unquoted investments	2,651.00	5,611.00

\*Current investments under lien for Debt Service Accrual Account (DSRA) and Debt Service Accrual Account (DSAA)

**POWERLINKS TRANSMISSION LIMITED**  
**NOTES FORMING PART OF FINANCIAL STATEMENTS**

	As at 31.03.2015 (Rs. / Lacs)	As at 31.03.2014 (Rs. / Lacs)
<b>Note 16 : Inventories</b> (At lower of cost and net realisable value)		
Stores and spares	191.32	197.27
<b>Note 17 : Trade receivables (Unsecured, considered good)</b>		
a. Trade receivables outstanding for a period exceeding six months from the date they were due for payment		
- Considered good	16.85	16.85
- Doubtful	16.85	16.85
Less: Provision for doubtful trade receivables	16.85	16.85
b. Other trade receivables	2,497.73	2,081.88
	2,487.73	2,081.88
<b>Note 18 : Cash and cash equivalents</b>		
A Cash and cash equivalents		
a. Cash in hand	0.34	0.77
b. Balance with banks - in current accounts	80.78	115.40
c. Balance with banks - in demand deposit accounts	180.00	625.00
Total - Cash and cash equivalents (as per AS 3 Cash Flow Statements) (A)	261.12	741.17
B Other bank balances		
a. In earmarked accounts		
- in deposit accounts under lien*	7,943.80	4,989.38
Total - Other bank balances (B)	7,943.80	4,989.38
Total Cash and cash equivalents (A+B)	8,204.92	5,730.55
* Deposits under lien for Debt Service Reserve Account (DSRA) Debt Service Accrual Account (DSAA), Self Insurance Reserve and Guarantee	7,943.80	4,989.38
<b>Note 19 : Short term loans and advances (Unsecured, considered good)</b>		
a. Loans and advances to employees	3.16	0.83
b. Prepaid expenses	27.98	30.45
c. System operation charges recoverable	102.07	207.73
d. Other loans and advances	7.08	0.09
	140.29	239.10
<b>Note 20 : Other current assets</b>		
a. Unbilled revenue	2,293.62	2,240.97
b. Accrued interest on deposits	265.44	140.66
	2,559.06	2,381.63

POWERLINKS TRANSMISSION LIMITED  
NOTES FORMING PART OF FINANCIAL STATEMENTS

	Year ended 31.03.2015 (Rs. / Lacs)	Year ended 31.03.2014 (Rs. / Lacs)
<b>Note 21 : Revenue from operations</b>		
Sale of services (see note below)	24,190.56	25,421.02
<b>Note:</b>		
Sale of services comprises		
a. Transmission service charges	23,870.36	24,988.80
b. Incentive on transmission service charges	276.85	368.08
c. Consultancy, project management and supervision fee	43.35	44.14
	<u>24,190.56</u>	<u>25,421.02</u>
<b>Note 22 : Other Income</b>		
a. Interest from banks on deposits	658.88	485.07
b. Surcharge	56.04	92.69
c. Net gain on sale of mutual funds units	870.57	857.39
d. Other non-operating income (see note I below)	22.36	41.36
	<u>1,607.85</u>	<u>1,476.51</u>
<b>Notes</b>		
(i) Other non-operating income comprises:		
a. Excess provision no longer required written back	4.82	4.03
b. Miscellaneous income	17.54	37.33
	<u>22.36</u>	<u>41.36</u>

**POWERLINKS TRANSMISSION LIMITED**  
**NOTES FORMING PART OF FINANCIAL STATEMENTS**

	Year ended 31.03.2015 (Rs. / Lacs)	Year ended 31.03.2014 (Rs. / Lacs)
<b>Note 23 : Employee benefit expenses</b>		
a. Salaries and wages	656.87	632.80
b. Contribution to provident and other funds	84.14	64.22
c. Staff welfare expenses	51.67	58.39
	<u>792.68</u>	<u>755.41</u>
<b>Note 24 : Finance costs</b>		
a. Interest expense on borrowings	3,869.96	4,716.71
b. Other borrowing costs		
i. Other borrowing costs	27.55	34.71
ii. Interest on delayed payment of income tax	0.82	-
	<u>3,898.33</u>	<u>4,751.42</u>
<b>Note 25 : Transmission, administration and other expenses</b>		
a. Rent and hire charges	15.70	11.73
b. Repairs and maintenance		
i. Building	8.91	4.47
ii. Plant and machinery	133.36	322.84
iii. Others	1.93	3.16
c. Insurance charges	9.23	8.57
d. Rates and taxes (see note 'ii' below)	46.06	28.67
e. Communication expenses	21.51	18.81
f. Travelling and conveyance	155.34	158.25
g. Printing, postage and stationery	8.49	8.91
h. Rebate on transmission charges	182.32	221.10
i. Payments to Auditors (see note 'i' below)	30.50	26.29
j. Legal and professional fees	85.30	59.19
k. Office and security expenses	143.55	100.75
l. Director's sitting fees	5.20	3.70
m. Electricity charges	18.13	16.89
n. Fees and subscription	20.60	21.22
o. Training and workshop expenses	11.03	6.61
p. Provision for doubtful trade receivables	-	16.85
q. Loss on fixed assets written off	47.68	9.55
r. System operation charges (see note 'iii' below)	-	-
s. Expenditure on corporate social responsibility	111.47	-
t. Miscellaneous expenses	17.47	9.83
	<u>1,073.78</u>	<u>1,057.39</u>
<b>Note</b>		
i. Payment to auditors comprises		
(a) Statutory audit fee (including quarterly audits)	12.36	12.36
(b) Tax audit fees	1.69	1.69
(c) Certification Fee	3.43	6.65
(d) Other services	4.94	4.94
(e) Out of pocket expenses	0.69	0.65
	<u>23.11</u>	<u>26.29</u>
The remuneration disclosed above excludes fees of Rs. 7.39 lacs (Previous year Rs. Nil) for professional services rendered by firm of accountants in which the partners of the firm of statutory auditors are partners.		
ii. Rates and taxes	102.50	84.13
Less: reimbursements received/receivable for application fee and license fee paid	(56.44)	(55.46)
	<u>46.06</u>	<u>28.67</u>
iii. System operation charges	33.72	175.02
Less: recoverable from beneficiaries	(33.72)	(175.02)
	<u>-</u>	<u>-</u>



**POWERLINKS TRANSMISSION LIMITED**  
**NOTES FORMING PART OF THE FINANCIAL STATEMENTS**

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**Note 1: Background**

Powerlinks Transmission Limited (the Company), has been set up pursuant to an agreement between The Tata Power Company Limited and PowerGrid Corporation of India Limited (Powergrid) with 51% and 49% shareholding respectively, has been set up to construct, operate and maintain 1,166 Kilometers of five 400 KV Double Circuit Transmission Lines and one 220 KV Double Circuit Transmission Line from Siliguri in West Bengal via Bihar to Mandola in Uttar Pradesh under the "Build-Own-Operate-Transfer" (BOOT) basis. Power is being evacuated from the Tala Hydro Electric Power Project in Bhutan, a Project developed by Government of India and Government of Bhutan, and surplus power in Eastern India and is being transferred to Northern India through the Transmission Lines.

The Company has been granted transmission license for 25 years by Central Electricity Regulatory Commission (CERC) for the transmission of electricity effective 13 November, 2003.

The Company has also entered into a Transmission Service Agreement and Implementation Agreement with Powergrid according to which entire transmission capacity of the Transmission Lines is being made available to Powergrid for the transmission of power. The Transmission Lines are in operation since 2006.

**Note 2: Significant accounting policies**

**a. Basis of accounting and preparation of financial statements**

The financial statements of the Company have been prepared in accordance with the Generally Accepted Accounting Principles in India (Indian GAAP) to comply with the Accounting Standards specified under Section 133 of the Companies Act, 2013, read with Rule 7 of the Companies (Accounts) Rules, 2014 and the relevant provisions of the Companies Act, 2013 ("the 2013 Act") / Companies Act, 1956 ("the 1956 Act"), as applicable. The financial statements have been prepared on accrual basis using the historical cost convention. The accounting policies adopted in the preparation of the financial statements are consistent with those followed in the previous year.

**b. Use of estimates**

The preparation of the financial statements in conformity with Indian GAAP requires the Management to make estimates and assumptions considered in the reported amounts of assets and liabilities (including contingent liabilities) and the reported income and expenses during the year. The Management believes that the estimates used in preparation of the financial statements are prudent and reasonable. Future results could differ due to these estimates and the differences between the actual results and the estimates are recognised in the periods in which the results are known / materialise.

**c. Reserves and surplus**

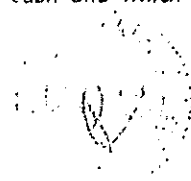
Self Insurance reserve is created at the rate of 0.1% per annum on gross block of Transmission Assets as at the end of the year by appropriating current year profit towards future losses which may arise from un-insured risks.

**d. Inventories**

Inventories are valued at the lower of cost determined on weighted average basis and the net realisable value after providing for obsolescence and other losses, where considered necessary. Cost includes all charges in bringing the goods to the point of sale, including octroi and other levies, transit insurance and receiving charges.

**e. Cash and cash equivalents (for purposes of Cash Flow Statement)**

Cash comprises cash on hand and demand deposits with banks. Cash equivalents are short-term balances (with an original maturity of three months or less from the date of acquisition), highly liquid investments that are readily convertible into known amounts of cash and which are subject to insignificant risk of changes in value.



**POWERLINKS TRANSMISSION LIMITED**  
**NOTES FORMING PART OF THE FINANCIAL STATEMENTS**

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**f. Cash flow statement**

Cash flows are reported using the indirect method, whereby profit / (loss) before extraordinary items and tax is adjusted for the effects of transactions of non-cash nature and any deferrals or accruals of past or future cash receipts or payments. The cash flows from operating, investing and financing activities of the Company are segregated based on the available information.

**g. Depreciation and amortisation**

Depreciable amount for assets is the cost of an asset, or other amount substituted for cost, less its estimated residual value.

Depreciation on tangible fixed assets in respect of electricity business comprising of non-factory building and transmission lines is provided at the rate as well as methodology notified by the Central Electricity Regulatory Commission (Terms and Conditions of Tariff) Regulations, 2014 generally in accordance with the provision of Schedule II of the Companies Act, 2013.

Depreciation on other tangible fixed assets has been provided on the straight-line method as per the useful life prescribed in Schedule II to the Companies Act, 2013 except in respect of the Vehicles whose estimated useful life is estimated as 4 years by the management taking into account the nature of assets, the estimate usage of the asset, the operating conditions of the assets etc.

Assets costing less than Rs. 5,000 individually have been fully depreciated in the year of purchase.

Intangible assets are amortised over their estimated useful life on straight line method or 5 years, whichever is lower.

The estimated useful life of the intangible assets and the amortisation period are reviewed at the end of each financial year and the amortisation period is revised to reflect the changed pattern, if any.

**h. Revenue recognition**

- i. Transmission Service Charges have been computed as per the CERC (Terms & Conditions of Tariff) Regulations, 2009, effective 1 April, 2009, applicable for the Tariff Block 2009-2014. As per CERC Regulations 2009, transmission income is to be computed by taking Return on Equity (ROE) at the rate of 15.50% on post tax basis and after grossing up with applicable MAT tax rate (as applicable for the current financial year) for the purpose of recognition of revenue.
- ii. The transmission system incentive/disincentive is accounted for based on the norms approved by CERC and 'Certificate of Availability' given by the respective Regional Power Committees and respective regional load dispatch centers.
- iii. Revenue on fixed price contracts is recognised according to the 'proportionate completion' method based on work completed.
- iv. Surcharge recoverable from trade receivables and liquidated damages/ interest on advances to suppliers are recognised when no significant uncertainty as to measurability and collectability exists.

**i. Other income**

Interest income is accounted on accrual basis. Dividend income is accounted when the right to receive is established.

POWERLINKS TRANSMISSION LIMITED  
NOTES FORMING PART OF THE FINANCIAL STATEMENTS

j. Tangible assets

Fixed assets are carried at cost less accumulated depreciation and impairment losses, if any. The cost of fixed assets includes interest on borrowings attributable to acquisition of qualifying fixed assets up to the date asset is ready for its intended use and other incidental expenses incurred up to that date. Exchange differences arising on restatement / settlement of long-term foreign currency borrowings relating to acquisition of depreciable fixed assets are adjusted to the cost of the respective assets and depreciated over the remaining useful lives of such assets. Subsequent expenditure relating to fixed assets is capitalised only if such expenditure results in an increase in the future benefits from such assets beyond their previously assessed standards of performance.

Fixed assets retired from active use and held for sale are stated at the lower of their net book value and net realisable value and are disclosed separately in the Balance Sheet.

Capital work-in-progress:

Tangible fixed assets which are not ready for their intended use are carried at cost, comprising direct cost, related incidental expenses and attributable interest.

k. Intangible assets

Intangible assets are carried at cost less accumulated amortisation and impairment losses, if any. The cost of an intangible asset comprises its purchase price, including any import duties and other taxes (other than those subsequently recoverable from the taxing authorities), and any directly attributable expenditure on making the asset ready for its intended use and net of any trade discounts and rebates. Subsequent expenditure on an intangible asset after its purchase / completion is recognised as an expense when incurred unless it is probable that such expenditure will enable the asset to generate future economic benefits in excess of its originally assessed standards of performance and such expenditure can be measured and attributed to the asset reliably, in which case such expenditure is added to the cost of the asset.

l. Foreign exchange transactions and translations

Initial recognition:

Transactions in foreign currencies entered into by the Company are accounted at the exchange rates prevailing on the date of the transaction or at rates that closely approximate the rate at the date of the transaction.

Measurement of foreign currency monetary items at the Balance Sheet date:

Foreign currency monetary items of the Company outstanding at the Balance Sheet date are restated at the year-end rates.

Treatment of exchange differences:

Exchange differences arising on settlement / restatement of short-term foreign currency monetary assets and liabilities of the Company are recognised as income or expense in the Statement of Profit and Loss.

m. Investments

Long-term investments are carried individually at cost less provision for diminution, other than temporary, in the value of such investments. Current investments are carried individually, at the lower of cost and fair value. Cost of investments includes acquisition charges such as brokerage, fees and duties.

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POWERLINKS TRANSMISSION LIMITED  
NOTES FORMING PART OF THE FINANCIAL STATEMENTS

n. Employee benefits

Employee benefits include provident fund, superannuation fund, employee state insurance scheme, gratuity fund and compensated absences

Defined contribution plans

The Company's contribution to provident fund, superannuation fund and employee state insurance scheme are considered as defined contribution plans and are charged as an expense based on the amount of contribution required to be made and when services are rendered by the employees.

Defined benefit plan:

For defined benefit plans in the form of gratuity fund the cost of providing benefits is determined using the Projected Unit Credit method, with actuarial valuations being carried out at each balance sheet date. Actuarial gains and losses are recognised in the Statement of Profit and Loss in the period in which they occur. Past service cost is recognised immediately to the extent that the benefits are already vested and otherwise is amortised on a straight-line basis over the average period until the benefits become vested. The retirement benefit obligation recognised in the Balance Sheet represents the present value of the defined benefit obligation as adjusted for unrecognised past service cost, as reduced by the fair value of scheme assets. Any asset resulting from this calculation is limited to past service cost, plus the present value of available refunds and reductions in future contributions to the schemes.

Short-term employee benefits:

The undiscounted amount of short-term employee benefits expected to be paid in exchange for the services rendered by employees are recognised during the year when the employees render the service. These benefits include performance incentive and compensated absences which are expected to occur within twelve months after the end of the period in which the employee renders the related service.

The cost of such compensated absences is accounted as under:

- i. in case of accumulated compensated absences, when employees render the services that increase their entitlement of future compensated absences; and
- ii. in case of non-accumulating compensated absences, when the absences occur.

Long-term employee benefits:

Compensated absences which are not expected to occur within twelve months after the end of the period in which the employee renders the related service are recognised as a liability at the present value of the defined benefit obligation as at the Balance Sheet date less the fair value of the plan assets out of which the obligations are expected to be settled.

o. Borrowing costs

Borrowing costs include interest, amortisation of ancillary costs incurred and exchange differences arising from foreign currency borrowings to the extent they are regarded as an adjustment to the interest cost. Costs in connection with the borrowing of funds to the extent not directly related to the acquisition of qualifying assets are charged to the Statement of Profit and Loss over the tenure of the loan. Borrowing costs, allocated to and utilised for qualifying assets, pertaining to the period from commencement of activities relating to construction / development of the qualifying asset upto the date of capitalisation of such asset are added to the cost of the assets. Capitalisation of borrowing costs is suspended and charged to the Statement of Profit and Loss during extended periods when active development activity on the qualifying assets is interrupted.

POWERLINKS TRANSMISSION LIMITED  
NOTES FORMING PART OF THE FINANCIAL STATEMENTS

p. Leases

i. Operating lease

Leases where the lessor effectively retains substantially all the risks and benefits of ownership of the leased asset are classified as operating leases. Operating lease charges are recognised as an expense in the profit and loss account on a straight-line basis over the lease term.

ii. Finance lease

Leases under which the Company assumes substantially all the risks and rewards of ownership are classified as finance leases. The lower of fair value of asset and the present value of minimum lease rentals is capitalised as fixed assets with the corresponding amount shown as lease liability. The principal component in the lease rentals is adjusted against the lease liability and the interest component is charged to profit and loss account.

q. Earnings per share

Basic earnings per share is computed by dividing the profit / (loss) after tax by the weighted average number of equity shares outstanding during the year. Diluted earnings per share is computed by dividing the profit / (loss) after tax as adjusted for dividend, interest and other charges to expense or income relating to the dilutive potential equity shares, by the weighted average number of equity shares considered for deriving basic earnings per share and the weighted average number of equity shares which could have been issued on the conversion of all dilutive potential equity shares. Potential equity shares are deemed to be dilutive only if their conversion to equity shares would decrease the net profit per share from continuing ordinary operations. Potential dilutive equity shares are deemed to be converted as at the beginning of the period, unless they have been issued at a later date. The dilutive potential equity shares are adjusted for the proceeds receivable had the shares been actually issued at fair value (i.e. average market value of the outstanding shares). Dilutive potential equity shares are determined independently for each period presented. The number of equity shares and potentially dilutive equity shares are adjusted for share splits / reverse share splits and bonus shares, as appropriate.

r. Taxes on income

Current tax is the amount of tax payable on the taxable income for the year as determined in accordance with the applicable tax rates and the provisions of the Income Tax Act, 1961 and other applicable tax laws.

Minimum Alternate Tax (MAT) paid in accordance with the tax laws, which gives future economic benefits in the form of adjustment to future income tax liability, is considered as an asset if there is convincing evidence that the Company will pay normal income tax. Accordingly, MAT is recognised as an asset in the Balance Sheet when it is probable that future economic benefit associated with it will flow to the Company.

Deferred tax is recognised on timing differences, being the differences between the taxable income and the accounting income that originate in one period and are capable of reversal in one or more subsequent periods. Deferred tax is measured using the tax rates and the tax laws enacted or substantively enacted as at the reporting date. Deferred tax liabilities are recognised for all timing differences. Deferred tax assets are recognised for timing differences of items other than unabsorbed depreciation and carry forward losses only to the extent that reasonable certainty exists that sufficient future taxable income will be available against which these can be realised. However, if there are unabsorbed depreciation and carry forward of losses and items relating to capital losses, deferred tax assets are recognised only if there is virtual certainty supported by convincing evidence that there will be sufficient future taxable income available to realise the assets. Deferred tax assets and liabilities are offset if such items relate to taxes on income levied by the same governing tax laws and the Company has a legally enforceable right for such set off. Deferred tax assets are reviewed at each balance sheet date for their realisability.

Current and deferred tax relating to items directly recognised in reserves are recognised in reserves and not in the Statement of Profit and Loss.

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POWERLINKS TRANSMISSION LIMITED  
NOTES FORMING PART OF THE FINANCIAL STATEMENTS

s. Impairment of assets

The carrying values of assets / cash generating units at each balance sheet date are reviewed for impairment, if any indication of impairment exists.

If the carrying amount of the assets exceed the estimated recoverable amount, an impairment is recognised for such excess amount. The impairment loss is recognised as an expense in the Statement of Profit and Loss, unless the asset is carried at revalued amount, in which case any impairment loss of the revalued asset is treated as a revaluation decrease to the extent a revaluation reserve is available for that asset.

The recoverable amount is the greater of the net selling price and their value in use. Value in use is arrived at by discounting the future cash flows to their present value based on an appropriate discount factor.

When there is indication that an impairment loss recognised for an asset (other than a revalued asset) in earlier accounting periods no longer exists or may have decreased, such reversal of impairment loss is recognised in the Statement of Profit and Loss, to the extent the amount was previously charged to the Statement of Profit and Loss. In case of revalued assets such reversal is not recognised.

t. Provisions and contingencies

A provision is recognised when the Company has a present obligation as a result of past events and it is probable that an outflow of resources will be required to settle the obligation in respect of which a reliable estimate can be made. Provisions (excluding retirement benefits) are not discounted to their present value and are determined based on the best estimate required to settle the obligation at the Balance Sheet date. These are reviewed at each Balance Sheet date and adjusted to reflect the current best estimates. Contingent liabilities are disclosed in the Notes. Contingent assets are not recognised in the financial statements.

u. Advance Against Depreciation (AAD)

Advance against depreciation (AAD), forming part of tariff pertaining upto the block period 2004-09, to facilitate repayment of loans, is to be recognized as transmission income after twelve years from the end of the financial year in which the asset was commissioned to the extent depreciation recovered in the tariff during the year is lower than depreciation charged in the accounts.

v. Insurance claims

Insurance claims are accounted for on the basis of claims admitted / expected to be admitted and to the extent that there is no uncertainty in receiving the claims.

w. Operating Cycle

Based on the nature of products / activities of the Company and the normal time between acquisition of assets and their realisation in cash or cash equivalents, the Company has determined its operating cycle as 12 months for the purpose of classification of its assets and liabilities as current and non-current.

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**POWERLINKS TRANSMISSION LIMITED**  
**NOTES FORMING PART OF THE FINANCIAL STATEMENTS**

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**Note 26: Provision for income tax**

The Company has made a provision of tax of Rs. 2,488.16 Lacs (Previous Year Rs. 2,556.01 Lacs) as follows:

- a. Rs. 2,149.46 Lacs (Previous Year Rs. 2,246.58 Lacs) under section 115JB of Income Tax Act, 1961 on Transmission business.
- b. Rs. 338.70 Lacs (Previous Year Rs. 309.43 Lacs) under section 115JB of Income Tax Act, 1961 on income from consultancy and other sources.

The Company had paid income tax amounting to Rs. 1,249.19 lacs (including interest of Rs. 136.55 lacs due to delayed payments) during the year ended 31 March, 2009 towards income taxable on account of Advance Against Depreciation (AAD) allowed by the CERC for the years ended 31 March, 2008 and 2009 pursuant to an advance ruling given in case of National Hydroelectric Power Corporation Limited (NHPC) by Income Tax Authorities for Advance Rulings which opined that tax was payable on AAD. The Company had recorded transmission service income of Rs. 594.66 lacs and Rs. 654.53 lacs during the year ended 31 March, 2008 and 31 March, 2009 respectively against the aforesaid tax payment.

As per the Supreme Court ruling dated 5 January, 2010 in case of "National Hydroelectric Power Corporation Limited Vs Commissioner of Income Tax", the Supreme Court had opined that AAD cannot be considered as income being income received in advance which would be taxed in the year in which income is accrued. Accordingly, the Company had revised its income tax returns in August 2010 and claimed a refund of Rs. 611.40 lacs and Rs. 636.14 lacs for the years ended 31 March, 2008 and 31 March, 2009 respectively.

The Company had received a refund of Rs. 636.14 lacs (including interest of Rs. 51.19 lacs) pertaining to the year ended 31 March, 2009 during the year ended 31 March, 2013. Accordingly, the Company had made an adjustment to transmission service charges amounting to Rs. 654.53 lacs (including tax adjustment related to the refund amount). The refund of interest of Rs. 51.19 lacs was included under 'other income' and refund of tax amount of Rs. 580.38 lacs was credited to the Statement of Profit and Loss as current tax adjustment relating to prior years.

The accounting for tax paid on Advance Against Depreciation for the year ended 31 March, 2008 would be done on its receipt and will be based on the prevalent tariff regulations.

**Note 27: Accrual of Transmission Service Charges**

Transmission service charge including incentive to be charged to customers is determined by the Central Electricity Regulatory Commission (CERC) in accordance with the tariff regulations/norms notified by CERC.

During the period the Company has raised invoices on customers for transmission charges on the basis of tariff as approved by CERC and applicable upto 31 March, 2014. The Company has filed the Petition for Annual Transmission Charges for the period April 2014 to March 2019 under Regulation 7(3) of Central Electricity Regulatory Commission 'CERC' (Terms & Conditions of Tariff) Regulations 2014. Pending approval of the final tariff, the Company has accrued the transmission service income including incentive on an estimated basis as per CERC regulations dated 21 February, 2014 effective from 1 April, 2014.

**Note 28: Expenditure for consultancy services**

Total expenditure of Rs. 13,745.36 lacs (Previous year Rs. 14,498.87 lacs) for the year includes Rs. 35.30 lacs (Previous year Rs. 61.25 lacs) incurred towards total project management consultancy.

POWERLINKS TRANSMISSION LIMITED  
NOTES FORMING PART OF THE FINANCIAL STATEMENTS

Note 29: Disclosure pursuant to Accounting Standard 15 (revised 2005) on 'Employee Benefits'

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. 76.01 Lacs (Previous Year Rs. 59.73 Lacs) for Superannuation, provident fund and Employees' State Insurance contributions in the Statement of Profit and Loss. The contribution payable to the plan by the Company is at the rate specified in rules to the scheme.

b. Defined benefit plan – Gratuity plan

The gratuity liability arises on retirement, withdrawal, resignation and death of an employee. The aforesaid liability is calculated on the basis of fifteen days salary (i.e. last drawn basic salary) for each completed year of service subject to completion of five years service.

c. Policy for recognising actuarial gains and losses

Actuarial gains and losses arising from experience adjustments and effects of changes in actuarial assumptions are immediately recognised in the Statement of Profit and Loss as income or expense.

d. The following tables set out the funded status of the gratuity plan and amounts recognised in the Company's financial statements as at 31 March, 2015:

		(All amounts in Rs. /Lacs)	
S. No.	Particulars	Year ended 31.03.2015	Year ended 31.03.2014
i. Change in benefit obligations:			
A	Present value of obligations at the beginning of year	77.28	71.43
B	Current service cost	11.69	11.37
C	Interest cost	7.03	5.71
D	Actuarial gain/(loss) on obligation	6.55	(5.65)
E	Benefits paid	(10.38)	(5.58)
	Present value of obligations at the end of the year (F=A+B+C+D+E)	92.17	77.28
ii. Change in plan assets:			
A	Fair value of plan assets at the beginning of year	76.23	58.68
B	Actual return on plan assets	7.05	5.28
C	Employer's contributions	8.13	17.48
D	Benefits paid	(10.38)	(5.59)
E	Actuarial gain / (Loss)	(0.87)	0.38
	Plan assets at the end of the year (F=A+B+C+D-E)	80.16	76.23
iii. Net Liability (i-ii)		12.01	1.05

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**POWERLINKS TRANSMISSION LIMITED**  
**NOTES FORMING PART OF THE FINANCIAL STATEMENTS**

iv. Expenses recognised in the Statement of Profit and Loss:

A	Current service cost	11.69	11.37
B	Interest cost	7.03	5.71
C	Expected return/(loss) on plan assets	(7.05)	(5.28)
D	Actuarial gain recognised during the year	7.42	(6.03)
	Net charge/(credit) (E=A+B+C+D)	19.09	5.77

v. Additional Information:

	2015	2014	2013	2012	2011	2010
Present Value of benefit obligations	92.17	77.28	71.43	58.28	56.84	37.01
Fair Value of Plan Asset	80.16	76.23	58.68	52.97	46.89	27.38
Excess of (obligation over plan asset)/ Plan asset over obligation	12.01	1.05	12.75	5.31	9.96	9.63

vi. Experience Adjustment:

On Plan Liability	0.35	(5.06)	(5.37)	2.42	(20.52)	(5.87)
On Plan Assets	(0.87)	0.38	(0.34)	(0.22)	0.01	(0.16)

vii. Principal actuarial assumptions:

S.No.	Particulars	Refer note below	Year ended 31.03.2015	Year ended 31.03.2014
i.	Discount rate (p.a.)	1	7.80%	9.10%
ii.	Rate of return on assets (p.a.)	2	8.75%	9.25%
iii.	Salary escalation rate (p.a.)	3	10.00%	10.00%

Notes:

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 obligations.
2. The expected return is based on the expectation of the average long term rate of return expected on investments of the fund during the estimated term of the obligations.
3. The estimates of future salary increases considered takes into account the inflation, seniority, promotion and other relevant factors.
- 4.

Demographic assumptions:

1. Retirement age 60 years
2. Mortality rate Indian Assured Lives Mortality (2006-08)

e. Actuarial assumptions for long-term compensated absences

i. Principal actuarial assumptions:

S.No.	Particulars	Refer note below	Year ended 31.03.2015	Year ended 31.03.2014
i.	Discount rate (p.a.)	1	7.80%	9.10%

POWERLINKS TRANSMISSION LIMITED  
NOTES FORMING PART OF THE FINANCIAL STATEMENTS

ii. Salary escalation rate (p.a.)	2	10.00%	10.00%
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Notes:

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 obligations.
2. The estimates of future salary increases considered takes into account the inflation, seniority, promotion and other relevant factors.
3. The planned assets of the Company are managed by the Life Insurance Corporation of India in terms of an insurance policy taken to fund obligations of the Company with respect to its gratuity plan. Information on categories of plan assets is not available with the Company.

Note 30: Contingent liabilities and commitments

Particulars	As at 31.03.2015 Rs./lacs	As at 31.03.2014 Rs./lacs
(a) Contingent Liabilities		
Claims against the Company not acknowledged as debt*		
- Disputed demands raised by sales tax authorities	3,495.38	2,497.74
- others	1,392.05	907.66
* No provision is considered necessary since the Company expects favorable decisions.		
(b) Commitments		
Estimated amount of contracts remaining to be executed on capital account (net of advances) and not provided for	147.37	148.94

Note 31: Expenditure incurred in foreign currency

Particulars	Year ended 31.03.2015 (Rs./Lacs)	Year ended 31.03.2014 (Rs./Lacs)
Other borrowing cost	6.07	5.97

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**Note 32: Related Party Disclosures**

**a. List of related parties**

- i. Holding Company
  - The Tata Power Company Limited (TPCL)
- ii. Company Exercising Significant Influence
  - Powergrid Corporation of India Limited (PGCIL)
- iii. Subsidiary of Company Exercising Significant Influence
  - Power System Operation Corporation Limited (POSOCO)
- iv. Associate of Holding Company
  - Yashmun Engineering Limited (YEL)
- v. Key Management Personnel (KMP)
  - Jayant Tiku- Chief Executive officer & Executive Director (w.e.f. 1 February, 2015)
  - Arvind Singh - Executive Director & CEO (upto 31 January, 2015)

**b. Transactions/balances outstanding with Related Parties**

S. No.	Particulars	(All amounts are in Rs. / Lacs)				
		(TPCL)	(PGCIL)	POSOCO	YEL	KMP
Transactions during the year:						
1	Transmission service charges	-	23,870.36			
		(-)	(24,988.80)	(-)	(-)	(-)
2	Consultancy Fee	35.44		-		
		(44.14)	(-)	(-)	(-)	(-)
3	Incentive on transmission service charges	-	276.85			
		(-)	(388.08)	(-)	(-)	(-)
4	Rebate on transmission charges		182.32			
		(-)	(221.10)	(-)	(-)	(-)
5	Surcharge	-	56.04			
		(-)	(92.69)	(-)	(-)	(-)
6	Computer software	110.13		-		
		(-)	(-)	(-)	(-)	(-)
7	Repairs and maintenance	-			44.85	
	- Plant and machinery	(-)	(84.39)	(-)	(-)	(-)
8	System operation charges			31.72		
		(-)	(0.58)	(175.02)	(-)	(-)

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		(All amounts are in Rs. / Lacs)				
S. No.	Particulars	(TPCL)	(PGCIL)	POSOCO	YEL	KMP
9	Interest expense on borrowings	- (9.10)	- ( )	- (-)	- ( )	- ( )
10	Managerial remuneration	- (-)	- (-)	- (-)	- (-)	79.60 (62.33)
	(a) Arvind Singh	- ( )	- (-)	- (-)	- (-)	54.81 (62.33)
	(b) Jayant Tikku	- (-)	- (-)	- (-)	- ( )	14.79 (-)
11	Reimbursement of expenses by the Company	0.23 (2.07)	77.62 (15.40)	- ( )	- (-)	- (-)
12	Reimbursement of expenses to the Company	0.82 (2.41)	90.16 (230.48)	- (-)	- (-)	- ( )
13	Interim dividend	4,057.56 (4,057.56)	3,898.44 (3,898.44)	- (-)	- ( )	- ( )
14	Final dividend	596.70 (537.03)	573.30 (515.97)	- (-)	- (-)	- (-)
Balances outstanding as at the year end:						
15	Share capital	23,868.00 23,868.00	22,932.00 (22,932.00)	- (-)	- (-)	- (-)
16	Unearned income - to be utilised in future tariff determination - other long term liabilities	- (-)	4,837.73 (3,347.57)	- (-)	- (-)	- (-)
17	Trade payables	- (-)	28.06 (1.11)	2.76 (2.98)	15.96 (-)	- (-)
18	Advance from customers	- (-)	1,072.58 (1,276.65)	- (-)	- (-)	- (-)
19	Unearned income - to be utilised in future tariff determination - other current liabilities	- (-)	962.16 (-)	- (-)	- (-)	- (-)
20	System operation charges recoverable	- (-)	102.10 (207.73)	- (-)	- (-)	- (-)
21	Capital advances	- (-)	277.76 (277.76)	- ( )	- (-)	- ( )

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**POWERLINKS TRANSMISSION LIMITED**  
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S. No.	Particulars	(All amounts are in Rs. / Lacs)				
		(TPCL)	(PGCIL)	POSOCO	YEL	KMP
22	Trade receivables	9.22 (-)	2,475.23 (2,081.88)	.	(-)	(-)
23	Unbilled revenue	2.42 (4.91)	2,291.20 (2,236.06)		(-)	(-)
24	Dividend payable	596.70 (537.03)	573.30 (515.97)			

Notes:

- i. Figures in brackets pertain to the previous year.
- ii. As per Central Electricity Regulatory Commission (Sharing of Inter- State Transmission charges and Losses) Regulation 2010, the Company has entered into Transmission Service Agreement (TSA) and Revenue Sharing Agreements (RSA) with Powergrid Corporation of India Limited 'Powergrid' being the Central Transmission Utility (CTU) under the Regulation. Pursuant to the agreements, the billing, collection and disbursement of transmission charges are being handled by the CTU on behalf of the Company being an Interstate Transmission System (ISTS) licensee. Accordingly, the transactions of the Company with Powergrid, in the capacity of CTU, has been disclosed under Related Party Transactions.

**Note 33: Segmental reporting**

The Company is engaged in the business of operating and maintaining transmission lines and related operations, primarily in India. As the Company operates in a single business and geographical segment, the reporting requirements for primary and secondary segment disclosure prescribed by paragraphs 39 to 51 of Accounting Standard 17-segment reporting have not been provided in these financial statements.

**Note 34: Earnings per share**

Basic earnings per equity share have been computed by dividing net profit after tax after appropriation by the weighted average number of equity shares outstanding for the year.

S. No.	Particulars	Units	Year ended	Year ended
			31.03.2015	31.03.2014
a.	Net profit after tax	Rs. / lacs	11,211.37	11,290.40
b.	Weighted average of number of equity shares used in computing basic earnings per share	No. of shares	468,000,000	468,000,000
c.	Basic earnings per share (a/b)	Rs./share	2.40	2.41

**Note 35: Disclosures as per Micro, Small and Medium Enterprises Development Act, 2006 (MSMED)**

Based on the information available with the Company, the balance due to micro and small enterprises as defined under the Micro, Medium and Small Enterprises Development (MSMED) Act, 2006 is Rs. Nil (Previous year Rs. Nil) and no interest has been paid or is payable during the year under the terms of the MSMED Act, 2006. The information provided by the Company has been relied upon by the auditors.

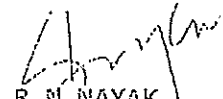
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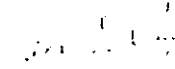
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Note 36: Previous year's figures

Previous year's figures have been regrouped / reclassified wherever necessary to correspond with the current year's classification / disclosures.

For and on behalf of the Board

  
R. M. NAYAK  
Chairman  
DIN: 02658070  
Add: G-2, Powergrid Township complex  
Sector-43, Gurgaon, 122002  
Suranjit Mishra  
Chief Financial Officer  
PAN: AFIPMB444H  
Add: G-19, Saket, N. Delhi  
Place: GURGAON  
Date: 2 May 2015

  
JAYANT TIKU  
Chief Executive Officer & Executive Director  
DIN: 09085449  
Add: DLF Towers  
10<sup>th</sup> Floor, Jasola,  
N. Delhi-25  
Monica Mehra  
Company Secretary  
Memb NO 15293  
Add DLF Tower A, 10<sup>th</sup> Floor,  
Jasola, N. Delhi-25