

JAIGAD POWERTRANSCO LIMITED
BALANCE SHEET AS AT 31ST MARCH, 2021

(In ₹)

Particulars	Note	As at	As at
		31st March, 2021	31st March, 2020
I ASSETS			
(1) Non-current assets:			
(a) Property, plant and equipment			
(i) Tangible assets	5	2,68,34,33,924	2,96,35,25,219
(b) Capital work in progress		94,82,989	15,46,565
(c) Financial assets			
(i) Investments	6	13,74,29,844	12,32,67,268
(ii) Other financial assets	7	14,96,390	13,92,410
(d) Income tax assets (net)		21,83,856	21,83,856
(e) Other non-current assets	11	6,702	3,24,536
		2,83,40,33,705	3,09,22,39,854
(2) Current assets:			
(a) Inventories	8	61,65,848	43,48,062
(b) Financial assets			
(i) Investments	6	9,06,84,380	15,79,50,926
(ii) Trade receivables	9	9,07,27,398	5,48,69,803
(iii) Unbilled revenue		5,41,68,558	7,02,75,144
(iv) Cash and cash equivalents	10	1,74,79,947	9,46,726
(v) Other financial assets	7	17,99,425	15,03,045
(c) Other current assets	11	19,22,884	17,61,525
		26,29,48,440	29,16,55,231
TOTAL ASSETS		3,09,69,82,145	3,38,38,95,085
II EQUITY AND LIABILITIES			
Equity			
(a) Equity share capital	12A	1,37,50,00,000	1,37,50,00,000
(b) Other equity	12B	1,03,17,02,618	77,99,60,803
		2,40,67,02,618	2,15,49,60,803
Liabilities			
(1) Non-current liabilities:			
(a) Financial liabilities			
- Borrowings	13	56,48,08,840	93,43,73,044
(b) Provisions	14	18,64,629	21,71,690
		56,66,73,469	93,65,44,734
(2) Current liabilities:			
(a) Financial liabilities			
(i) Borrowings	13	10,61,30,284	-
(ii) Trade payables due to	15		
- Micro & Small Enterprise		2,79,767	-
- Other Than Micro & Small Enterprise		47,44,036	86,66,693
(iii) Other financial liabilities	16	1,04,11,599	23,38,23,251
(b) Other current liabilities	17	8,56,955	4,77,72,011
(c) Provisions	14	3,08,118	2,58,665
(d) Current tax liabilities (net)		8,75,299	18,68,928
		12,36,06,058	29,23,89,548
TOTAL EQUITY AND LIABILITIES		3,09,69,82,145	3,38,38,95,085

See Accompanying Notes To The Financial Statements

As per our attached report of even date

For Lodha & Co.
Chartered Accountants
Firm Registration No:301051E

For and on behalf of the Board of Directors

A. M. Hariharan
Partner
Membership No.38323

Ravindra Chavan
Director
DIN: 06537224

Peddana Ramayanam
Managing Director
DIN: 08923138

Narendra Rahalkar
Company Secretary

Krishnaraj Nair
Chief Financial Officer

Place: Mumbai
Date: June 24, 2021

Place: Mumbai
Date: June 24, 2021

JAIGAD POWERTRANSCO LIMITED

STATEMENT OF PROFIT AND LOSS FOR THE YEAR ENDED 31ST MARCH 2021

(In ₹)

Particulars	Note	For the Year ended 31st March, 2021	For the Year ended 31st March, 2020
I Revenue from operations	18	71,71,73,011	80,38,29,606
II Other income	19	1,40,77,820	1,56,36,698
Total income (I+II)		73,12,50,831	81,94,66,304
III Expenses:			
Employee benefits expense	20	1,05,74,268	1,44,40,951
Finance costs	21	8,32,31,163	13,36,03,168
Depreciation and amortisation expense	22	29,13,40,150	29,12,37,271
Other expenses	23	4,07,36,157	3,87,27,700
Total Expenses (III)		42,58,81,738	47,80,09,090
IV Profit before tax (I+II-III)		30,53,69,093	34,14,57,214
V Tax Expenses:	24		
Current tax		5,37,78,525	6,00,83,841
Deferred tax		(4,96,79,063)	(5,55,30,435)
Deferred tax payable in future tariff		4,96,79,063	5,55,30,435
		5,37,78,525	6,00,83,841
VI Profit after tax for the Period (IV - V)		25,15,90,568	28,13,73,373
VII Other comprehensive income			
Items that will not be reclassified to profit or loss			
- Remeasurements of the defined benefit liabilities / (asset)		1,83,267	1,91,734
- Income tax relating to item that will not be reclassified to profit and loss		(32,020)	(33,500)
VIII Total comprehensive income for the Period (VI - VII)		25,17,41,815	28,15,31,607
IX Earnings per share of ₹ 10 each	28		
Basic		1.83	2.05
Diluted		1.83	2.05
See Accompanying Notes To The Financial Statements			

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JAIGAD POWERTRANSCO LIMITED
STATEMENT OF CHANGES IN EQUITY FOR THE YEAR ENDED 31ST MARCH, 2021

A: EQUITY SHARE CAPITAL

Balance as at 1st April, 2019	1,37,50,00,000
Changes in equity share capital during the year	-
Balance as at 31st March 2020	1,37,50,00,000
Changes in equity share capital during the year	-
Balance as at 31st March 2021	1,37,50,00,000

B: OTHER EQUITY

Particulars	Retained Earnings	Contingency Reserve#	Other comprehensive income	Total Other Equity
Balance as at 1st April, 2019	38,29,57,219	11,56,29,122	(1,57,145)	49,84,29,196
Profit for the year	28,13,73,373	-	-	28,13,73,373
Transferred to Contingency Reserve as per MERC MYT Regulation 2015 #	(1,37,97,077)	1,37,97,077	-	-
Remeasurements of the defined benefit liabilities / (asset)	-	-	1,58,234	1,58,234
Balance as at 31st March, 2020	65,05,33,515	12,94,26,199	1,089	77,99,60,803
Balance as at 1st April, 2020	65,05,33,515	12,94,26,199	1,089	77,99,60,803
Profit for the year	25,15,90,568	-	-	25,15,90,568
Transferred to Contingency Reserve as per MERC MYT Regulation 2015 #	(1,37,97,070)	1,37,97,070	-	-
Remeasurements of the defined benefit liabilities / (asset)	-	-	1,51,247	1,51,247
Balance as at 31st March, 2021	88,83,27,013	14,32,23,269	1,52,336	1,03,17,02,618

Refer note 36

As per our attached report of even date

For Lodha & Co.

Chartered Accountants

Firm Registration No.301051E

For and on behalf of the Board of Directors

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Partner

Membership No.38323

Ravindra Chavan

Director

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Peddana Ramayanam

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DIN: 08923138

Narendra Rahalkar

Company Secretary

Krishnaraj Nair

Chief Financial Officer

Place: Mumbai

Date: June 24, 2021

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JAIGAD POWERTRANSCO LIMITED

STATEMENT OF CASH FLOWS FOR THE YEAR ENDED 31ST MARCH, 2021

(In ₹)

Particulars	For the Year ended 31st March, 2021	For the Year ended 31st March, 2020
A. CASH FLOW FROM OPERATING ACTIVITIES		
Net profit before tax	30,53,69,093	34,14,57,214
Adjustment for		
Depreciation and amortisation expense	29,13,40,150	29,12,37,271
Interest income & gain on sale of current investments	(1,39,55,555)	(1,56,36,698)
Provision no longer required written back	(1,22,265)	-
Loss on write off of property, plant and equipment	54,59,373	-
Net loss arising on financial assets designated as at FVTPL	22,608	-
Provision for doubtful debts	81,874	-
Finance costs	8,32,31,163	13,36,03,168
Operating profit before working capital changes	67,14,26,441	75,06,60,955
Adjustment for		
(Increase) / Decrease Trade & other receivables	(2,00,98,222)	3,48,23,370
(Decrease) / Increase in Trade payables & other liabilities	(6,69,99,645)	23,89,759
Decrease in Inventories	(18,17,786)	(2,96,814)
Direct Taxes paid	(5,48,04,175)	(5,87,13,950)
NET CASH FLOW FROM OPERATING ACTIVITIES	52,77,06,613	72,88,63,320
B. CASH FLOW FROM INVESTING ACTIVITIES		
Property, plant and equipment, CWIP (net of capital expenditure)	(1,56,19,366)	(7,87,127)
Interest income & gain on sale of current investments	1,36,36,567	1,56,36,698
Long term investments	(1,41,62,576)	(1,47,01,748)
Current investments	6,72,66,547	(43,65,950)
Other assets	-	(3,06,623)
NET CASH FLOW FROM/(USED IN) INVESTING ACTIVITIES	5,11,21,172	(45,24,750)
C. CASH FLOW FROM FINANCING ACTIVITIES		
Borrowings (Repayments) (net)	(47,05,18,588)	(60,23,87,426)
Finance costs paid	(9,17,75,976)	(12,50,58,355)
Dividend (includes tax on dividend)	-	-
NET CASH FLOW USED IN FINANCING ACTIVITIES	(56,22,94,564)	(72,74,45,781)
NET INCREASE / (DECREASE) IN CASH AND CASH EQUIVALENTS (A+B+C)	1,65,33,221	(31,07,211)
CASH AND CASH EQUIVALENTS - AT BEGINNING OF THE YEAR	9,46,726	40,53,937
CASH AND CASH EQUIVALENTS - AT END OF THE PERIOD	1,74,79,947	9,46,726
See Accompanying Notes To The Financial Statements		

Notes :

- 1) The above cash flow statement has been prepared by using the indirect method as per IND AS 7- " Statement of Cash Flows"
- 2) Previous year's figures have been regrouped/rearranged wherever necessary to confirm to current year classification.

As per our attached report of even date

For Lodha & Co.

Chartered Accountants
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For and on behalf of the Board of Directors

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Chief Financial Officer

Place: Mumbai
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JAIGAD POWERTRANSCO LIMITED

NOTES FORMING PART OF THE FINANCIAL STATEMENTS

1 General information

Jaigad PowerTransco Limited (the Company), which is the joint venture of JSW Energy Limited and Maharashtra State Electricity Transmission Company Limited with 74% and 26% share holding respectively has been set up to construct, operate and maintain 55 Kilo meters of one Jaigad–New Koyna 400 KV double circuit (Quad) transmission line and 110 kilo meters of one Jaigad-karad 400 KV double circuit (Quad) transmission line.

The construction of 55 Kilo meters Jaigad-New –New Koyna & 110 kilo meters of Jaigad-karad 400 KV double circuit (Quad) transmission line has been completed and has been declared for commercial operations with effect from 7th July, 2010 & 2nd December 2011 respectively. The registered office of the Company is located at JSW Centre, Bandra Kurla Complex, Bandra (East), Mumbai, Maharashtra.

2.1 Applicability of new Indian Accounting Standards ('Ind AS'), amendments and interpretations:

The Ministry of Corporate Affairs ("MCA") through Companies (Indian Accounting Standards) Amendment Rules, 2020, has notified the following major amendments, which became applicable with effect from 1st April, 2020.

Amendments to Ind AS 116 – Leases

The Company has adopted the amendments to Ind AS 116 for the first time in the current year. The amendments provide practical relief, subject to certain conditions, to lessees in accounting for rent concessions occurring as a direct consequence of COVID-19, by introducing a practical expedient to Ind AS 116. The practical expedient permits a lessee to elect not to assess whether a COVID-19-related rent concession is a lease modification. A lessee that makes this election shall account for any change in lease payments resulting from the COVID-19-related rent concession the same way it would account for the change applying Ind AS 116 if the change were not a lease modification.

The adoption of this amendments has not had any impact on the disclosures or reported amounts in these financial statements.

Amendment to Ind AS 109 and Ind AS 107 – Interest Rate Benchmark Reform

These amendments modify specific hedge accounting requirements to allow hedge accounting to continue for affected hedges during the period of uncertainty before the hedged items or hedging instruments affected by the current interest rate benchmarks are amended as a result of the on-going interest rate benchmark reforms.

The adoption of these amendments has not had material impact on the disclosures or reported amounts in these financial statements.

Amendments to Ind AS 103- Business combinations

The Company has adopted the amendments to Ind AS 103 for the first time in the current year. The amendments clarify that while businesses usually have outputs, outputs are not required for an integrated set of activities and assets to qualify as a business. To be considered a business, an acquired set of activities and assets must include, at a minimum, an input and a substantive process that together significantly contribute to the ability to create outputs.

The amendments remove the assessment of whether market participants are capable of replacing any missing inputs or processes and continuing to produce outputs. The amendments also introduce additional guidance that helps to determine whether a substantive process has been acquired.

The amendments introduce an optional concentration test that permits a simplified assessment of whether an acquired set of activities and assets is not a business. Under the optional concentration test, the acquired set of activities and assets is not a business if substantially all of the fair value of the gross assets acquired is concentrated in a single identifiable asset or group of similar assets. The amendments are applied prospectively to all business combinations and asset acquisitions for which the acquisition date is on or after 1st April, 2020.

The adoption of these amendments has not had any impact on the disclosures or reported amounts in these financial statements.

Amendment to Ind AS 1 and Ind AS 8 – Definition of "Material"

The Company has adopted the amendments to Ind AS 1 and Ind AS 8 for the first time in the current year. The amendments make the definition of material in Ind AS 1 easier to understand and are not intended to alter the underlying concept of materiality in Ind ASs. The concept of 'obscuring' material information with immaterial information has been included as part of the new definition.

The threshold for materiality influencing users has been changed from 'could influence' to 'could reasonably be expected to influence'. The definition of material in Ind AS 8 has been replaced by a reference to the definition of material in Ind AS 1. In addition, the MCA amended other Standards that contain the definition of 'material' or refer to the term 'material' to ensure consistency.

The adoption of these amendments did not have any material impact on its evaluation of materiality in relation to the financial statements.

JAIGAD POWERTRANSCO LIMITED

NOTES FORMING PART OF THE FINANCIAL STATEMENTS

New and revised Ind ASs in issue but not yet effective:

At the date of approval of these financial statements, the Company has not applied the following new and revised Ind ASs that have been issued but are not yet effective.

I. Amendment to Ind AS:

The Ministry of Corporate Affairs (MCA) vide Notification dated 18th June, 2021 has issued new Companies (Indian Accounting Standard) Amendment Rules, 2021. These rules are applicable with immediate effect from the date of the said notification. Major amendments notified in the notification are provided below:

(a) Ind AS 116 | Leases – The amendment extends the benefits of the COVID 19 related rent concession that were introduced in the previous year (which allowed lessees to recognize COVID 19 related rent concessions as income rather than as lease modification) from 30th June, 2021 to 30th June, 2022.

(b) Ind AS 109 | Financial Instruments – The amendment provides a practical expedient for assessment of contractual cash flow test, which is one of the criteria for being eligible to measure a financial asset at amortized cost, for the changes in the financial assets that may arise as a result of Interest Rate Benchmark Reform. An additional temporary exception from applying hedge accounting is also added for Interest Rate Benchmark Reform.

(c) Ind AS 101 | Presentation of Financial Statements – The amendment substitutes the item (d) mentioned in paragraph B1 as 'Classification and measurement of financial instruments'. The term 'financial asset' has been replaced with 'financial instruments'.

(d) Ind AS 102 | Share-Based Payment – The amendments to this standard are made in reference to the Conceptual Framework of Financial Reporting under Ind AS in terms of defining the term 'Equity Instrument' which shall be applicable for the annual reporting periods beginning on or after 1st April, 2021.

(e) Ind AS 103 | Business Combinations – The amendment substitutes the definition of 'assets' and 'liabilities' in accordance with the definition given in the framework for the Preparation and Presentation of Financial Statements in accordance with Ind AS for qualifying the recognition criteria as per acquisition method.

(f) Ind AS 104 | Insurance Contracts – The amendment covers the insertion of certain paragraphs in the standard in order to maintain consistency with IFRS 4 and also incorporates the guidance on accounting treatment for amendments due to Interest Rate Benchmark Reform.

(g) Ind AS 105 | Non-current assets held for sale and discontinued operations – The amendment substitutes the definition of — "fair value less costs to sell" with "fair value less costs of disposal".

(h) Ind AS 106 | Exploration for and evaluation of mineral resources – The amendment has been made in reference to the Conceptual Framework for Financial Reporting under Indian Accounting Standards in respect of expenditures that shall not be recognized as exploration and evaluation assets.

(i) Ind AS 107 | Financial Instruments: Recognition, Presentation and Disclosure – The amendment clarifies the certain additional disclosures to be made on account of Interest Rate Benchmark Reform like the nature and extent of risks to which the entity is exposed arising from financial instruments subject to interest rate benchmark reform; the entity's progress in completing the transition to alternative benchmark rates, and how the entity is managing the transition.

(j) Ind AS 111 | Joint Arrangements – In order to maintain consistency with the amendments made in Ind AS 103, respective changes have been made in Ind AS 111.

(k) Ind AS 114 | Regulatory Deferral Accounts – The amendment clarifies that an entity may only change its accounting policies for the recognition, measurement, and impairment & derecognition of regulatory deferral account balances if the change makes the financial statements more relevant to the economic decision-making needs of users and no less reliable.

(l) Ind AS 115 | Revenue from Contracts with Customers – Certain amendments have been made in order to maintain consistency with number of paragraphs of IFRS 15.

(m) Ind AS 8 | Accounting Policies, Changes in Accounting Estimates and Errors – In order to maintain consistency with the amendments made in Ind AS 114 and to substitute the word 'Framework' with the 'Conceptual Framework of Financial Reporting in Ind AS', respective changes have been made in the standard.

(n) Ind AS 16 | Property, Plant and Equipment – The amendment has been made by substituting the words "Recoverable amount is the higher of an asset's fair value less costs to sell and its value in use" with "Recoverable amount is the higher of an asset's fair value less costs of disposal and its value in use".

(o) Ind AS 34 | Interim Financial Reporting – The amendments to this standard are made in reference to the conceptual framework of Financial Reporting in Ind AS.

(p) Ind AS 37 | Provisions, Contingent Liabilities and Contingent Assets – The amendment substitutes the definition of the term 'Liability' as provided in the Conceptual Framework for Financial Reporting under Indian Accounting Standards.

(q) Ind AS 38 | Intangible Assets – The amendment substitutes the definition of the term 'Asset' as provided in the Conceptual Framework for Financial Reporting under Indian Accounting Standards.

The Company is evaluating the impact of these amendments.

JAIGAD POWERTRANSCO LIMITED

NOTES FORMING PART OF THE FINANCIAL STATEMENTS

II. Amendment to Schedule III of the Companies Act, 2013:

On 24th March, 2021, MCA through a notification, amended Schedule III of the Companies Act, 2013, with effect from 1st April, 2021. Key amendments relevant for the Company are:

- (a) Lease liabilities should be separately disclosed under the head 'financial liabilities', duly distinguished as current or non-current.
- (b) Current maturities of long-term borrowings should be disclosed separately within borrowings instead of earlier disclosure requirement under Other Financial Liabilities.
- (c) Certain additional disclosures in the statement of changes in equity due to prior period errors and restated balances at the beginning of the current reporting period.
- (d) Specified format for disclosure of shareholding of promoters.
- (e) Specified format for ageing schedule of trade receivables, trade payables, capital work-in progress and intangible asset under development.
- (f) Additional disclosures relating to Corporate Social Responsibility, undisclosed income and crypto or virtual currency.
- (g) Disclosure of specified ratios along with explanation for items included in numerator and denominator and explanation for change in any ratio is excess of 25% compared to preceding year.
- (h) If a company has not used funds for the specific purpose for which it was borrowed from banks and financial institutions, then disclosure of details of where it has been used.
- (i) Specific disclosure under 'additional regulatory requirement' such as compliance with approved schemes of arrangements, compliance with number of layers of companies, title deeds of immovable property not held in name of company, loans and advances to promoters, directors, key managerial personnel and related parties and details of benami property held.

The Company is evaluating the impact of these amendments.

2.2 Statement of compliance

The Financial Statements of the Company which comprise the Balance Sheet as at 31st March, 2021, the Statement of Profit and Loss, the Statement of Cash Flows and the Statement of Changes in Equity for the year ended 31st March, 2021, and a summary of the significant accounting policies and other explanatory information (together hereinafter referred to as "Financial Statements") have been prepared in accordance with Indian Accounting Standards notified under Section 133 of the Companies Act, 2013 read with the Companies (Indian Accounting Standards) Rules as amended from time to time. The Financial Statements have been approved by the Board of Directors in its meeting held on June 24, 2021.

3 Significant accounting policies

3.1 Basis of preparation of financial statements:

The Financial Statements are prepared on the historical cost basis except for certain financial instruments that are measured at fair values at the end of each reporting period, as explained in the accounting policies below. Presentation requirements of Division II of Schedule III to the Companies Act, 2013, as applicable to the Financial Statements have been followed. The Financial Statements are presented in Indian Rupees ('INR') which is functional currency of the Company, and all values are rounded to the nearest crore, except otherwise indicated.

3.2 Use of estimates & Judgements:

The preparation of the financial statements requires that the Management to make estimates and assumptions that affect the reported amounts of assets and liabilities, disclosure of contingent liabilities as at the date of the financial statements and the reported amounts of revenue and expenses during the reporting period. The recognition, measurement, classification or disclosure of an item or information in the financial statements is made relying on these estimates.

The estimates and judgements used in the preparation of the financial statements are continuously evaluated by the Company and are based on historical experience and various other assumptions and factors (including expectations of future events) that the Company believes to be reasonable under the existing circumstances. Actual results could differ from those estimates. Any revision to accounting estimates is recognised prospectively in current and future periods.

The critical accounting judgements and key estimates followed by the Company for preparation of financial statements is described in note 4.

JAIGAD POWERTRANSCO LIMITED

NOTES FORMING PART OF THE FINANCIAL STATEMENTS

3.3 Property, plant and equipment

Land and buildings held for use in the production or supply of goods or services, or for administrative purposes, are stated in the balance sheet at cost less accumulated depreciation and accumulated impairment losses. Freehold or Leasehold land is stated at historical cost. Freehold land is not depreciated.

Properties in the course of construction for production, supply or administrative purposes are carried at cost, less any recognised impairment loss. Cost includes professional fees and, for qualifying assets, borrowing costs capitalised in accordance with the Company's accounting policy. Such properties are classified to the appropriate categories of property, plant and equipment when completed and ready for intended use.

Transmission system assets are considered "ready for their intended use", for the purpose of capitalization, after test charging/ successful commissioning of the system/ assets and on completion of stabilization period wherever technically required.

The cost of an addition or extension to an existing asset which is of a capital nature and which becomes an integral part of the existing asset is usually added to its gross book value. Any addition or extension, which has a separate identity and is capable of being used after the existing asset is disposed of, is accounted for separately.

Fixtures and equipment are stated at cost less accumulated depreciation and accumulated impairment losses.

In case of commissioned assets, work against deposits/works contracts where final settlement of bills with contractors is yet to be effected; capitalization is done on provisional basis subject to necessary adjustments in the year of final settlements.

An item of property, plant and equipment is derecognised upon disposal or when no future economic benefits are expected to arise from the continued use of the asset. Any gain or loss arising on the disposal or retirement of an item of property, plant and equipment is determined as the difference between the sales proceeds and the carrying amount of the asset and is recognised in profit or loss.

Where an obligation (legal or constructive) exists to dismantle or remove an asset or restore a site to its former condition at the end of its useful life, the present value of the estimate cost of dismantling, removing or restoring the site is capitalized along with the cost of acquisition or construction upon completion and a corresponding liability is recognized.

Cost of regular comprehensive maintenance work (such as major overhaul) are capitalized as a separate component if they satisfy the recognition criteria.

3.4 Other Intangible assets :-

Intangible assets with finite useful lives that are acquired separately are carried at cost less accumulated amortisation and accumulated impairment losses. Intangible assets with indefinite useful lives are carried at cost less accumulated impairment losses. Certain computer software costs are capitalized and recognized as Intangible assets based on materiality, accounting prudence and significant benefits expected to flow therefrom for a period longer than one year.

Derecognition of intangible assets

An intangible asset is derecognised on disposal, or when no future economic benefits are expected from use or disposal. Gains or losses arising from derecognition of an intangible asset, measured as the difference between the net disposal proceeds and the carrying amount of the asset, are recognised in profit or loss when the asset is derecognised.

3.5 Depreciation & amortisation:

Depreciation on tangible assets is provided, pro-rata for the period of use, by the Straight Line Method (SLM) as per the provisions of Part B of Schedule II of the Companies Act, 2013.

Leasehold land is amortized over the period of the lease.

Software is depreciated over an estimated useful life of 3 years.

When the historical cost of an asset has undergone a change due to price adjustment, exchange fluctuation or similar factors the depreciation on the revised unamortised depreciable amount is provided prospectively over the residual useful life of the asset.

"Useful Life" in relation to a transmission system is 35 Years as defined in Maharashtra Electricity Regulatory Commission (Multi Year Tariff) Regulation 2019

JAIGAD POWERTRANSCO LIMITED

NOTES FORMING PART OF THE FINANCIAL STATEMENTS

Capital Work-in-progress and Pre-operative Expenses during Construction Period

Capital Work-in-Progress includes expenditure during construction period incurred on projects under implementation treated as pre-operative expenses pending allocation to the assets. These expenses are apportioned to the respective fixed assets on their completion / commencement of commercial production.

3.6 Impairment of tangible and intangible assets other than goodwill:

At the end of each reporting period, the Company reviews the carrying amounts of its tangible and intangible assets to determine whether there is any indication that those assets have suffered an impairment loss. If any such indication exists, the recoverable amount of the asset is estimated in order to determine the extent of the impairment loss (if any). When it is not possible to estimate the recoverable amount of an individual asset, the Company estimates the recoverable amount of the cash-generating unit to which the asset belongs.

Intangible assets with indefinite useful lives and intangible assets not yet available for use are tested for impairment at least annually, and whenever there is an indication that the asset may be impaired.

Recoverable amount is the higher of fair value less costs of disposal and value in use. In assessing value in use, the estimated future cash flows are discounted to their present value using a pre-tax discount rate that reflects current market assessments of the time value of money and the risks specific to the asset for which the estimates of future cash flows have not been adjusted.

If the recoverable amount of an asset (or cash-generating unit) is estimated to be less than its carrying amount, the carrying amount of the asset (or cash-generating unit) is reduced to its recoverable amount. An impairment loss is recognised immediately in profit or loss.

When an impairment loss subsequently reverses, the carrying amount of the asset (or a cash-generating unit) is increased to the revised estimate of its recoverable amount, but so that the increased carrying amount does not exceed the carrying amount that would have been determined had no impairment loss been recognised for the asset (or cash-generating unit) in prior years. A reversal of an impairment loss is recognised immediately in profit or loss.

3.7 Borrowing costs:

Borrowing costs directly attributable to the acquisition, construction or production of qualifying assets, which are assets that necessarily take a substantial period of time to get ready for their intended use or sale, are added to the cost of those assets, until such time as the assets are substantially ready for their intended use or sale.

Interest income earned on the temporary investment of specific borrowings pending their expenditure on qualifying assets is deducted from the borrowing costs eligible for capitalisation.

All other borrowing costs are recognised in profit or loss in the period in which they are incurred.

3.8 Cash and cash equivalents:

Cash and cash equivalent in the balance sheet comprise cash at banks and on hand and demand deposits which are short term and highly liquid investments that are readily convertible into known amounts of cash and which are subject to an insignificant risk of changes in value net of outstanding bank overdrafts as they are considered an integral part of the Company's cash management.

3.9 Inventories:

Cost of inventories includes cost of purchase price, costs of conversion and other costs incurred in bringing the inventories to their present location and condition.

Inventories of stores, spare parts and loose tools are stated at the lower of weighted average cost or net realizable value. Net realisable value represents the estimated selling price for inventories less all estimated cost of completion and costs necessary to make the sale.

3.10 Revenue recognition:

Transmission Income is accounted for on accrual basis for the period of operation of the transmission line computed based on the approved Annual Revenue Requirement (ARR) or where the ARR is not approved, on the basis of the tariff order.

Where neither the ARR nor the tariff order are approved, transmission income is accounted as per Maharashtra Electricity Regulatory Commission (Multi Year Tariff) Regulations 2015(MERC Regulations) where under, transmission income is computed by taking the total costs, contingency provision and Return on Equity (ROE) @ 15.5% on post-tax basis and after grossing up with the applicable income taxes for the purpose of revenue.

Any difference between the total annual revenue recognised as aforesaid and the annual revenue as approved by MERC in respect of ARR / Truing up Petition filed is adjusted / recognised during the accounting period in which approval of the ARR / Truing up Petition, as the case may be, is received from MERC.

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Interest income:

Surcharge receivable towards delayed receipt of payment for Transmission services rendered by the company is accounted in the period during which such surcharge is approved by MERC.

Interest income from a financial asset is recognised when it is probable that the economic benefits will flow to the Company and the amount of income can be measured reliably. Interest income is accrued on a time basis, by reference to the principal outstanding and at the effective interest rate applicable, which is the rate that exactly discounts estimated future cash receipts through the expected life of the financial asset to that asset's net carrying amount on initial recognition.

3.11 Foreign currency transactions:

In preparing the financial statements of Company, transactions in currencies other than the entity's functional currency (foreign currencies) are recognised at the rates of exchange prevailing at the dates of the transactions. At the end of each reporting period, monetary items denominated in foreign currencies are retranslated at the rates prevailing at that date. Non-monetary items carried at fair value that are denominated in foreign currencies are retranslated at the rates prevailing at the date when the fair value was determined. Non-monetary items that are measured in terms of historical cost in a foreign currency are not retranslated.

Exchange differences on monetary items are recognised in profit or loss in the period in which they arise except for exchange differences on foreign currency borrowings relating to assets under construction for future productive use, which are included in the cost of those assets when they are regarded as an adjustment to interest costs on those foreign currency borrowings.

3.12 Employee benefits:

a. 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 as an expense during the period when the employees render the services.

b. Long term employee benefits:

Compensated absences which are not expected to be availed or encashed within twelve months after the end of the period in which the employee renders the related service are recognised as a liability as at the Balance Sheet date on the basis of actuarial valuation using projected unit credit method.

c. Retirement benefit costs and termination benefits

Defined contribution plans:

Payments to defined contribution retirement benefit plans are recognised as an expense when employees have rendered service entitling them to the contributions.

Defined benefit plans:

For defined benefit retirement benefits plans, the cost of providing benefits is determined using the projected unit credit method, and spread over the period during which the benefit is expected to be derived from employees' services. Re-measurement of defined benefit plans in respect of post-employment and other long term benefits are charged to the Other Comprehensive Income. Actuarial valuations being carried out at the end of each annual reporting period for defined benefit plans.

The Company pays gratuity to the employees whoever has completed five years of service with the Company at the time of resignation/ superannuation. The gratuity is paid @ 15 days salary for the every completed year of service as per the Payment of Gratuity Act, 1972.

The Company makes monthly contributions to provident fund managed by trust for qualifying employees. Under the scheme, the Company is required to contribute a specified percentage of the payroll costs to fund the benefits.

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Share-based payment arrangements:

Equity-settled share-based payments to employees and others providing similar services are measured at the fair value of the equity instruments at the grant date.

The fair value determined at the grant date of the equity-settled share-based payments is expensed on a straight-line basis over the vesting period, based on the Company's estimate of equity instruments that will eventually vest, with a corresponding increase in equity. At the end of each reporting period, the Company revises its estimate of the number of equity instruments expected to vest. The impact of the revision of the original estimates, if any, is recognised in the Statement of Profit and Loss such that the cumulative expense reflects the revised estimate, with a corresponding adjustment to the equity-settled employee benefits reserve.

The Company has created an Employee Benefit Trust for providing share-based payment to its employees. The Trust is used as a vehicle for distributing shares to employees under the employee remuneration schemes. The Trust buys shares of the Parent Company from the market, for giving shares to employees. The Company treats the Trust as its extension and shares held by the Trust are treated as treasury shares

3.13 Taxation:

Income tax comprises current and deferred tax. Income tax expense is recognized in the statement of profit and loss except to the extent it relates to items directly recognized in equity or in other comprehensive income.

Current tax

The tax currently payable is based on taxable profit for the year. Taxable profit differs from 'profit before tax' as reported in the statement of profit and loss because of items of income or expense that are taxable or deductible in other years and items that are never taxable or deductible. The Company's current tax is calculated using tax rates that have been enacted or substantively enacted by the end of the reporting period.

Deferred tax

Deferred tax is recognised on temporary differences between the carrying amounts of assets and liabilities in the financial statements and the corresponding tax bases used in the computation of taxable profit. Deferred tax liabilities are generally recognised for all taxable temporary differences. Deferred tax assets are generally recognised for all deductible temporary differences to the extent that it is probable that taxable profits will be available against which those deductible temporary differences can be utilised. Such deferred tax assets and liabilities are not recognised if the temporary difference arises from the initial recognition (other than in a business combination) of assets and liabilities in a transaction that affects neither the taxable profit nor the accounting profit.

The carrying amount of deferred tax assets is reviewed at the end of each reporting period and reduced to the extent that it is no longer probable that sufficient taxable profits will be available to allow all or part of the asset to be recovered.

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

The measurement of deferred tax liabilities and assets reflects the tax consequences that would follow from the manner in which the Company expects, at the end of the reporting period, to recover or settle the carrying amount of its assets and liabilities.

Minimum Alternative Tax ('MAT') credit is recognised as an asset only when and to the extent there is convincing evidence that the Company will pay normal income-tax during the specified period. In the year in which the MAT credit becomes eligible to be recognised as an asset, the said asset is created by way of a credit to the statement of profit and loss. The Company reviews the same at each balance sheet date and writes down the carrying amount of MAT credit entitlement to the extent there is no longer convincing evidence to the effect that Company will pay normal income-tax during the specified period.

Deferred tax assets and liabilities are offset if a legally enforceable right exists to set off current tax assets against current tax liabilities and the deferred tax assets relate to the same taxable entity and same taxation authority.

Current and deferred tax for the year

Current and deferred tax are recognised in profit or loss, except when they relate to items that are recognised in other comprehensive income or directly in equity, in which case, the current and deferred tax are also recognised in other comprehensive income or directly in equity respectively. Where current tax or deferred tax arises from the initial accounting for a business combination, the tax effect is included in the accounting for the business combination.

The income tax consequences of dividends in profit or loss, other comprehensive income or equity according to where the entity originally recognised those past transactions or events.

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3.14 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 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.

3.15 Provisions , Contingencies and commitments:

Provisions are recognised when the Company has a present obligation (legal or constructive) as a result of a past event, and it is probable that the Company will be required to settle the obligation, and a reliable estimate can be made of the amount of the obligation.

The amount recognised as a provision is the best estimate of the consideration required to settle the present obligation at the end of the reporting period, taking into account the risks and uncertainties surrounding the obligation. When a provision is measured using the cash flows estimated to settle the present obligation, its carrying amount is the present value of those cash flows (when the effect of the time value of money is material).

When some or all of the economic benefits required to settle a provision are expected to be recovered from a third party, a receivable is recognised as asset if it is virtually certain that reimbursement will be received and the amount of the receivable can be measured reliably.

A disclosure for contingent liabilities is made where there is a possible obligation or a present obligation that may probably not require an outflow of resources or an obligation for which the future outcome cannot be ascertained with reasonable certainty. When there is a possible or a present obligation where the likelihood of outflow of resources is remote, no provision or disclosure is made.

Commitments include the amount of purchase order (net of advances) issued to parties for completion of assets.

Provisions, contingent liabilities, contingent assets and commitments are reviewed at each reporting period.

Provisions for onerous contracts are recognized when the expected benefits to be derived by the Company from a contract are lower than the unavoidable costs of meeting the future obligations under the contract.

3.16 Financial instruments:

Financial assets and financial liabilities are recognised when a Company becomes a party to the contractual provisions of the instruments.

Financial assets and financial liabilities are initially measured at fair value. Transaction costs that are directly attributable to the acquisition or issue of financial assets and financial liabilities (other than financial assets and financial liabilities recognised at fair value through profit or loss) are added to or deducted from the fair value of the financial assets or financial liabilities, as appropriate, on initial recognition. Transaction costs directly attributable to the acquisition of financial assets or financial liabilities at fair value through profit or loss are recognised immediately in profit or loss.

Financial assets

Financial assets are recognised when the Company becomes a party to the contractual provisions of the instruments. Financial assets other than trade receivables are initially recognised at fair value plus transaction costs for all financial assets not carried at fair value through profit or loss. Financial assets carried at fair value through profit or loss are initially recognised at fair value, and transaction costs are expensed in the Statement of Profit and Loss.

Subsequent measurement

Financial assets, other than equity instruments, are subsequently measured at amortised cost, fair value through other comprehensive income or fair value through profit or loss on the basis of both:

- (a) the entity's business model for managing the financial assets and
- (b) the contractual cash flow characteristics of the financial asset.

Classification of financial assets

Debt instruments that meet the following conditions are subsequently measured at amortised cost (except for debt instruments that are designated as at fair value through profit or loss on initial recognition):

- the asset is held within a business model whose objective is to hold assets in order to collect contractual cash flows; and
- the contractual terms of the instrument give rise on specified dates to cash flows that are solely payments of principal and interest on the principal amount outstanding.

Debt instruments that meet the following conditions are subsequently measured at fair value through other comprehensive income (except for debt instruments that are designated as at fair value through profit or loss on initial recognition):

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- the asset is held within a business model whose objective is achieved both by collecting contractual cash flows and selling financial assets; and
- the contractual terms of the instrument give rise on specified dates to cash flows that are solely payments of principal and interest on the principal amount outstanding.

Interest income is recognised in profit or loss for FVTOCI debt instruments. For the purposes of recognising foreign exchange gains and losses, FVTOCI debt instruments are treated as financial assets measured at amortised cost. Thus, the exchange differences on the amortised cost are recognised in profit or loss and other changes in the fair value of FVTOCI financial assets are recognised in other comprehensive income and accumulated under the heading of 'Reserve for debt instruments through other comprehensive income'. When the investment is disposed of, the cumulative gain or loss previously accumulated in this reserve is reclassified to profit or loss.

All other financial assets are subsequently measured at fair value.

Effective interest method

The effective interest method is a method of calculating the amortised cost of a debt instrument and of allocating interest income over the relevant period. The effective interest rate is the rate that exactly discounts estimated future cash receipts (including all fees and points paid or received that form an integral part of the effective interest rate, transaction costs and other premiums or discounts) through the expected life of the debt instrument, or, where appropriate, a shorter period, to the net carrying amount on initial recognition.

Income is recognised on an effective interest basis for debt instruments other than those financial assets classified as at FVTPL. Interest income is recognised in profit or loss and is included in the "Other income" line item.

Investments in equity instruments at FVTOCI

On initial recognition, the Company can make an irrevocable election (on an instrument-by-instrument basis) to present the subsequent changes in fair value in other comprehensive income pertaining to investments in equity instruments. This election is not permitted if the equity investment is held for trading. These elected investments are initially measured at fair value plus transaction costs. Subsequently, they are measured at fair value with gains and losses arising from changes in fair value recognised in other comprehensive income and accumulated in the 'Reserve for equity instruments through other comprehensive income'. The cumulative gain or loss is not reclassified to profit or loss on disposal of the investments.

A financial asset is held for trading if:

- it has been acquired principally for the purpose of selling it in the near term; or
- on initial recognition it is part of a portfolio of identified financial instruments that the Company manages together and has a recent actual pattern of short-term profit-taking; or
- it is a derivative that is not designated and effective as a hedging instrument or a financial guarantee.

Dividends on these investments in equity instruments are recognised in profit or loss when the Company's right to receive the dividends is established, it is probable that the economic benefits associated with the dividend will flow to the entity, the dividend does not represent a recovery of part of cost of the investment and the amount of dividend can be measured reliably. Dividends recognised in profit or loss are included in the 'Other income' line item.

Financial assets at fair value through profit or loss (FVTPL)

Investments in equity instruments are classified as at FVTPL, unless the Company irrevocably elects on initial recognition to present subsequent changes in fair value in other comprehensive income for investments in equity instruments which are not held for trading.

Debt instruments that do not meet the amortised cost criteria or FVTOCI criteria (see above) are measured at FVTPL. In addition, debt instruments that meet the amortised cost criteria or the FVTOCI criteria but are designated as at FVTPL are measured at FVTPL.

A financial asset that meets the amortised cost criteria or debt instruments that meet the FVTOCI criteria may be designated as at FVTPL upon initial recognition if such designation eliminates or significantly reduces a measurement or recognition inconsistency that would arise from measuring assets or liabilities or recognising the gains and losses on them on different bases. The Company has not designated any debt instrument as at FVTPL.

Financial assets at FVTPL are measured at fair value at the end of each reporting period, with any gains or losses arising on remeasurement recognised in profit or loss. The net gain or loss recognised in profit or loss incorporates any dividend or interest earned on the financial asset and is included in the 'Other income' line item. Dividend on financial assets at FVTPL is recognised when the Company's right to receive the dividends is established, it is probable that the economic benefits associated with the dividend will flow to the entity, the dividend does not represent a recovery of part of cost of the investment and the amount of dividend can be measured reliably.

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Impairment of financial assets

The Company recognises a loss allowance for Expected Credit Losses (ECL) on financial assets that are measured at amortised cost and at FVOCI. The credit loss is difference between all contractual cash flows that are due to an entity in accordance with the contract and all the cash flows that the entity expects to receive (i.e. all cash shortfalls), discounted at the original effective interest rate. This is assessed on an individual or collective basis after considering all reasonable and supportable including that which is forward-looking.

The Company's trade receivables or contract revenue receivables do not contain significant financing component and loss allowance on trade receivables is measured at an amount equal to life time expected losses i.e. expected cash shortfall, being simplified approach for recognition of impairment loss allowance.

Under simplified approach, the Company does not track changes in credit risk. Rather it recognizes impairment loss allowance based on the lifetime ECL at each reporting date right from its initial recognition. The Company uses a provision matrix to determine impairment loss allowance on the portfolio of trade receivables.

The provision matrix is based on its historically observed default rates over the expected life of the trade receivable and is adjusted for forward looking estimates. At every reporting date, the historical observed default rates are updated and changes in the forward-looking estimates are analysed.

For financial assets other than trade receivables, the Company recognises 12-month expected credit losses for all originated or acquired financial assets if at the reporting date the credit risk of the financial asset has not increased significantly since its initial recognition. The expected credit losses are measured as lifetime expected credit losses if the credit risk on financial asset increases significantly since its initial recognition. If, in a subsequent period, credit quality of the instrument improves such that there is no longer significant increase in credit risks since initial recognition, then the Company reverts to recognizing impairment loss allowance based on 12 months ECL.

The impairment losses and reversals are recognised in Statement of Profit and Loss. For equity instruments and financial assets measured at FVTPL, there is no requirement for impairment testing.

Derecognition of financial assets

The Company derecognises a financial asset when the contractual rights to the cash flows from the asset expire, or when it transfers the financial asset and substantially all the risks and rewards of ownership of the asset to another party. If the Company neither transfers nor retains substantially all the risks and rewards of ownership and continues to control the transferred asset, the Company recognises its retained interest in the asset and an associated liability for amounts it may have to pay. If the Company retains substantially all the risks and rewards of ownership of a transferred financial asset, the Company continues to recognise the financial asset and also recognises a collateralised borrowing for the proceeds received.

On derecognition of a financial asset in its entirety, the difference between the asset's carrying amount and the sum of the consideration received and receivable and the cumulative gain or loss that had been recognised in other comprehensive income and accumulated in equity is recognised in profit or loss if such gain or loss would have otherwise been recognised in profit or loss on disposal of that financial asset.

On derecognition of a financial asset other than in its entirety (e.g. when the Company retains an option to repurchase part of a transferred asset), the Company allocates the previous carrying amount of the financial asset between the part it continues to recognise under continuing involvement, and the part it no longer recognises on the basis of the relative fair values of those parts on the date of the transfer. The difference between the carrying amount allocated to the part that is no longer recognised and the sum of the consideration received for the part no longer recognised and any cumulative gain or loss allocated to it that had been recognised in other comprehensive income is recognised in profit or loss if such gain or loss would have otherwise been recognised in profit or loss on disposal of that financial asset. A cumulative gain or loss that had been recognised in other comprehensive income is allocated between the part that continues to be recognised and the part that is no longer recognised on the basis of the relative fair values of those parts.

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3.17 Financial liabilities and equity instruments

Classification as debt or equity

Debt and equity instruments issued by a Company entity are classified as either financial liabilities or as equity in accordance with the substance of the contractual arrangements and the definitions of a financial liability and an equity instrument.

Equity instruments

An equity instrument is any contract that evidences a residual interest in the assets of an entity after deducting all of its liabilities. Equity instruments issued by a Company entity are recognised at the proceeds received, net of direct issue costs.

Repurchase of the Company's own equity instruments is recognised and deducted directly in equity. No gain or loss is recognised in profit or loss on the purchase, sale, issue or cancellation of the Company's own equity instruments.

Financial liabilities

All financial liabilities are subsequently measured at amortised cost using effective interest method or at fair value.

However, financial liabilities that arise when a transfer of a financial asset does not qualify for derecognition or when the continuing involvement approach applies, financial guarantee contracts issued by the Company, and commitments issued by the Company to provide a loan at below-market interest rate are measured in accordance with the specific accounting policies set out below.

Financial liabilities at FVTPL

Financial liabilities are classified as at FVTPL when the financial liability is either contingent consideration recognised by the Company as an acquirer in a business combination to which Ind AS 103 applies or is held for trading or it is designated as at FVTPL.

A financial liability is classified as held for trading if:

- it has been incurred principally for the purpose of repurchasing it in the near term; or
- on initial recognition it is part of a portfolio of identified financial instruments that the Company manages together and has a recent actual pattern of short-term profit-taking; or
- it is a derivative that is not designated and effective as a hedging instrument.

A financial liability other than a financial liability held for trading or contingent consideration recognised by the Company as an acquirer in a business combination to which Ind AS 103 applies, may be designated as at FVTPL upon initial recognition if:

- such designation eliminates or significantly reduces a measurement or recognition inconsistency that would otherwise arise;
- the financial liability forms part of a Company of financial assets or financial liabilities or both, which is managed and its performance is evaluated on a fair value basis, in accordance with the Company's documented risk management or investment strategy, and information about the Companying is provided internally on that basis; or
- it forms part of a contract containing one or more embedded derivatives, and Ind AS 109 permits the entire combined contract to be designated as at FVTPL in accordance with Ind AS 109.

Financial liabilities at FVTPL are stated at fair value, with any gains or losses arising on remeasurement recognised in profit or loss. The net gain or loss recognised in profit or loss incorporates any interest paid on the financial liability and is included in the 'Other income' line item.

However, for non-held-for-trading financial liabilities that are designated as at FVTPL, the amount of change in the fair value of the financial liability that is attributable to changes in the credit risk of that liability is recognised in other comprehensive income, unless the recognition of the effects of changes in the liability's credit risk in other comprehensive income would create or enlarge an accounting mismatch in profit or loss, in which case these effects of changes in credit risk are recognised in profit or loss. The remaining amount of change in the fair value of liability is always recognised in profit or loss. Changes in fair value attributable to a financial liability's credit risk that are recognised in other comprehensive income are reflected immediately in retained earnings and are not subsequently reclassified to profit or loss.

Gains or losses on financial guarantee contracts and loan commitments issued by the Company that are designated by the Company as at fair value through profit or loss are recognised in profit or loss.

Financial liabilities subsequently measured at amortised cost

Financial liabilities that are not held-for-trading and are not designated as at FVTPL are measured at amortised cost at the end of subsequent accounting periods. The carrying amounts of financial liabilities that are subsequently measured at amortised cost are determined based on the effective interest method. Interest expense that is not capitalised as part of costs of an asset is included in the 'Finance costs' line item.

The effective interest method is a method of calculating the amortised cost of a financial liability and of allocating interest expense over the relevant period. The effective interest rate is the rate that exactly discounts estimated future cash payments (including all fees and points paid or received that form an integral part of the effective interest rate, transaction costs and other premiums or discounts) through the expected life of the financial liability, or (where appropriate) a shorter period, to the net carrying amount on initial recognition.

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Derecognition of financial liabilities

The Company derecognises financial liabilities when, and only when, the Company's obligations are discharged, cancelled or have expired. An exchange between with a lender of debt instruments with substantially different terms is accounted for as an extinguishment of the original financial liability and the recognition of a new financial liability. Similarly, a substantial modification of the terms of an existing financial liability (whether or not attributable to the financial difficulty of the debtor) is accounted for as an extinguishment of the original financial liability and the recognition of a new financial liability. The difference between the carrying amount of the financial liability derecognised and the consideration paid and payable is recognised in profit or loss.

3.18 Reclassification of financial assets and liabilities

The Company determines classification of financial assets and liabilities on initial recognition. After initial recognition, no reclassification is made for financial assets which are equity instruments and financial liabilities. For financial assets which are debt instruments, a reclassification is made only if there is a change in the business model for managing those assets. Changes to the business model are expected to be infrequent. The Company's senior management determines change in the business model as a result of external or internal changes which are significant to the Company's operations. Such change are evident to external parties. A change in the business model occurs when the Company either begins or ceases to perform an activity that is significant to its operations. If the Company reclassifies financial assets, it applies the reclassification prospectively from the reclassification date which is the first day of the immediately next reporting period following the change in the business model. The Company does not restate any previously recognised gains, losses (including impairment gains or losses) or interest.

The following table shows various reclassification and how they are accounted for:

Original Classification	Revised Classification	Accounting treatment
Amortised cost	FVTPL	Fair value is measured at reclassification date. Difference between previous amortised cost and fair value is recognised in statement of profit and loss.
FVPTL	Amortised cost	Fair value at reclassification date becomes its new gross carrying amount. EIR is calculated based on new gross carrying amount.
Amortised cost	FVTOCI	Fair value is measured at reclassification date. Difference between previous amortised cost and fair value is recognised in OCI. No change in EIR due to reclassification.
FVTOCI	Amortised cost	Fair value at reclassification date becomes its new gross carrying amount. However, cumulative gain or loss in OCI is adjusted against fair value. Consequently, the asset is measured as if it had always been measured at amortised cost.
FVTPL	FVTOCI	Fair value at reclassification date becomes its new gross carrying amount. No other adjustment is required.
FVTOCI	FVTPL	Assets continue to be measured at fair value. Cumulative gain or loss previously recognised in OCI is reclassified to statement of profit and loss at the reclassification date.

For assets and liabilities that are recognised in the financial statements on a recurring basis, the Company determines whether transfers have occurred between levels in the hierarchy by re-assessing categorisation (based on the lowest level input that is significant to the fair value measurement as a whole) at the end of each reporting period.

For the purpose of fair value disclosures, the Company has determined classes of assets and liabilities on the basis of the nature, characteristics and risks of the asset or liability and the level of the fair value hierarchy as explained above.

3.19 Leases :

The Company as lessor:

Leases for which the Company is a lessor are classified as finance or operating leases. Whenever the terms of the lease transfer substantially all the risks and rewards of ownership to the lessee, the contract is classified as a finance lease. All other leases are classified as operating leases.

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Lease classification is made at the inception date and is reassessed only if there is a lease modification. Changes in estimates (for example, changes in estimates of the economic life or of the residual value of the underlying asset), or changes in circumstances (for example, default by the lessee), do not give rise to a new classification of a lease for accounting purposes. For a modification to a finance lease, if the lease would have been classified as an operating lease had the modification been in effect at the inception date, lease modification is accounted as a new lease from the effective date of modification and carrying amount of underlying asset is measured as the net investment in the lease immediately before the effective date of the lease modification.

Rental income from operating leases is recognised on a straight-line basis over the term of the relevant lease. Initial direct costs incurred in negotiating and arranging an operating lease are added to the carrying amount of the leased asset and recognised on a straight-line basis over the lease term.

Amounts due from lessees under finance leases are recognised as receivables at the amount of the Company's net investment in the leases. Finance lease income is allocated to accounting periods so as to reflect a constant periodic rate of return on the Company's net investment outstanding in respect of the leases.

The Company as lessee:

The Company assesses whether a contract is or contains a lease, at inception of the contract. A contract is, or contains, a lease if the contract conveys the right to control the use of an identified asset for a period of time in exchange for consideration. To assess whether a contract conveys the right to control the use of an identified asset, the Company assesses whether : (i) the contract involves the use of an identified asset; (ii) the Company has substantially all of the economic benefits from use of the asset through the period of the lease, and (iii) the Company has the right to direct the use of the asset.

At the date of commencement of the lease, the Company recognises a right-of-use asset and a corresponding lease liability with respect to all lease arrangements in which it is the lessee, except for short-term leases (i.e. leases with a lease term of 12 months or less) and leases of low value assets (i.e. below Rupees five lac). For these short term and low value leases, the Company recognizes the lease payments as an operating expense on a straight-line basis over the term of the lease unless another systematic basis is more representative of the time pattern in which economic benefits from the leased assets are consumed.

The lease liability is initially measured at the present value of the lease payments that are not paid at the commencement date, discounted by using the rate implicit in the lease. If this rate cannot be readily determined, the Company uses its incremental borrowing rate.

The lease liability is subsequently measured by increasing the carrying amount to reflect interest on the lease liability (using the effective interest method) and by reducing the carrying amount to reflect the lease payments made. The Company remeasures the lease liability (and makes a corresponding adjustment to the related right-of-use asset) whenever a lease contract is modified and the lease modification is not accounted for as a separate lease, in which case the lease liability is remeasured based on the lease term of the modified lease by discounting the revised lease payments using a revised discount rate at the effective date of the modification.

Right-of-use assets are depreciated on a straight-line basis over the shorter of the lease term and useful life of the underlying asset. If a lease transfers ownership of the underlying asset or the cost of the right-of-use asset reflects that the Company expects to exercise a purchase option, the related right-of-use asset is depreciated over the useful life of the underlying asset. The depreciation starts at the commencement date of the lease.

For a contract that contain a lease component and one or more additional lease or non-lease components, the Company allocates the consideration in the contract to each lease component on the basis of the relative stand-alone price of the lease component and the aggregate stand-alone price of the non-lease components.

3.20 Change in accounting estimates

The effect of change in an accounting estimate shall be recognised prospectively by including it in profit or loss accounts except where estimates relates to assets and liabilities or an equity it shall be recognised by adjusting the carrying amount of the related asset, liability or equity.

4 Critical accounting judgements and key sources of estimation uncertainty:

In the course of applying the policies outlined in all notes under section 3 above, the Company is required to make judgements, estimates and assumptions about the carrying amount of assets and liabilities that are not readily apparent from other sources. The estimates and associated assumptions are based on historical experience and other factors that are considered to be relevant. Actual results may differ from these estimates

The estimates and underlying assumptions are reviewed on an ongoing basis. Revisions to accounting estimates are recognised in the period in which the estimate is revised if the revision affects only that period, or in the period of the revision and future period, if the revision affects current and future periods.

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Critical judgements in applying accounting policies

Service concession arrangements

The management have assessed applicability of Annexure D of Ind AS 115: 'Service Concession Arrangements' with respect to transmission assets. In assessing the applicability, they have exercised significant judgment in relation to the underlying ownership of the assets, terms of Licence, ability to determine prices, useful lives of the assets. Based on detailed evaluation, transmission assets do not meet the criterion for recognition as service concession arrangements.

Regulatory deferral accounts

The Company has not adopted Ind as 114 'Regulatory deferral accounts' since in previous GAAP, Guidance Note on Accounting for the Rate Regulated Activities, issued by the Institute of Chartered Accountants of India (ICAI) was not adopted.

Key sources of estimation uncertainties

Useful lives and residual value of property, plant and equipment

Management reviews the useful lives and residual values of property, plant and equipment at least once a year. Such lives are dependent upon an assessment of both the technical lives of the assets and also their likely economic lives based on various internal and external factors including relative efficiency and operating costs. Accordingly depreciable lives are reviewed annually using the best information available to the Management.

Impairment of property plant and equipment

At the end of each reporting period, the Company reviews the carrying amounts of its property, plant and equipment to determine whether there is any indication that those assets have suffered an impairment loss. If any such indication exists, the recoverable amount of the asset is estimated in order to determine the extent of the impairment loss (if any).

Recoverable amount is the higher of fair value less costs to sell and value in use. Value in use is usually determined on the basis of discounted estimated future cash flows. This involves management estimates on anticipated commodity prices, market demand and supply, economic and regulatory environment, discount rates and other factors. Any subsequent changes to cash flow due to changes in the above mentioned factors could impact the carrying value of assets.

Contingencies

In the normal course of business, contingent liabilities may arise from litigation and other claims against the Company. Potential liabilities that are possible but not probable of crystallizing or are very difficult to quantify reliably are treated as contingent liabilities. Such liabilities are disclosed in the notes but are not recognised.

Fair value measurements

Some of the Company's assets and liabilities are measured at fair value for financial reporting purposes. The management determines the appropriate valuation techniques and inputs for fair value measurements. All assets and liabilities for which fair value measured or disclosed in financial statements are categorized with in the fair value hierarchy described as Level 1, Level 2 and Level 3 as below:

- Level 1 inputs are quoted prices (unadjusted) in active markets for identical assets or liabilities that the entity can access at the measurement date;
- Level 2 inputs are inputs, other than quoted prices included within Level 1, that are observable for the asset or liability, either directly or indirectly; and
- Level 3 inputs are unobservable inputs for the asset or liability.

for the purpose of fair value disclosure, the company determined classes of assets and liabilities on the basis of the nature, characteristics and risks of the assets and liabilities and the level of fair value hierarchy as explained above.

Defined benefit plans

The cost of defined benefit plan and other post-employment benefits and the present value of such obligations are determined using actuarial valuations. An actuarial valuation involves making various assumptions that may differ from actual development in the future. These include the determination of the discount rate, future salary escalations and mortality rates etc. Due to the complexities involved in the valuation and its long term nature, a defined benefit obligation is highly sensitive to changes in these assumptions. All assumptions are reviewed at each reporting date.

Tax

The Company is subject to tax, principally in India. The amount of tax payable in respect of any period is dependent upon the interpretation of the relevant tax rules. Whilst an assessment must be made of deferred tax position of each entity within the Company, these matters are inherently uncertain until the position of each entity is agreed with the relevant tax authorities.

JAIGAD POWERTRANSCO LIMITED
NOTES FORMING PART OF THE FINANCIAL STATEMENTS

NOTE: 5 - Property, plant and equipment

Description of assets#	Land-freehold	Plant and equipment	Furniture and fixtures	Computers	Office equipment	Right of Use asset	Total
I. Gross carrying value ##							
Balance as at 1st April, 2020	69,78,131	4,41,08,34,714	10,93,814	3,26,202	4,09,700	31,81,817	4,42,28,24,378
Additions	-	1,65,86,684	0	0	11,88,984	-	1,77,75,668
Adjustments / Deductions		(1,21,82,936)	(11,610)	(1,16,720)	(36,700)	-	(1,23,47,966)
Balance as at 31st March 2021	69,78,131	4,41,52,38,462	10,82,204	2,09,482	15,61,984	31,81,817	4,42,82,52,080
II. Accumulated depreciation							
Balance as at 1st April, 2020	-	1,45,84,30,861	3,59,908	1,94,893	1,37,815	1,75,683	1,45,92,99,159
Depreciation and amortisation expense for the year	-	29,10,21,612	74,691	34,669	33,494	1,75,684	29,13,40,150
Adjustments / Deductions							-
Eliminated on disposal of assets		(56,86,975)	(11,610)	(1,05,048)	(17,520)	-	(58,21,153)
Balance as at 31st March 2021	-	1,74,37,65,498	4,22,989	1,24,514	1,53,789	3,51,367	1,74,48,18,156
Net carrying value (I-II)							
Balance as at 31st March 2021	69,78,131	2,67,14,72,964	6,59,215	84,968	14,08,195	28,30,450	2,68,34,33,924
I. Gross carrying value ##							
Balance as at 1st April, 2019	69,78,131	4,41,08,34,714	10,93,814	3,26,202	4,09,700	-	4,41,96,42,561
Additions	-	-	-	-	-	31,81,817	31,81,817
Adjustments / Deductions	-	-	-	-	-	-	-
Balance as at 31st March 2020	69,78,131	4,41,08,34,714	10,93,814	3,26,202	4,09,700	31,81,817	4,42,28,24,378
II. Accumulated depreciation							
Balance as at 1st April, 2019	-	1,16,75,22,616	2,85,217	1,48,470	1,05,585	-	1,16,80,61,888
Depreciation and amortisation expense for the year	-	29,09,08,245	74,691	46,422	32,230	1,75,683	29,12,37,271
Eliminated on disposal of assets	-	-	-	-	-	-	-
Balance as at 31st March 2020	-	1,45,84,30,861	3,59,908	1,94,893	1,37,815	1,75,683	1,45,92,99,159
Net carrying value (I-II)							
Balance as at 31st March 2020	69,78,131	2,95,24,03,853	7,33,906	1,31,309	2,71,885	30,06,133	2,96,35,25,219
<p># Assets pledged as security : Plant and Machinery, Furniture and Fixture, Computer, Office Equipment with a carrying amount as mentioned above have been pledged to secure borrowings of the Company (refer note 13).</p> <p>## Gross Block is after netting off accumulated depreciation as on 1st April, 2015. Accumulated depreciation amount as on 1st April, 2015 is as under:</p>							
Description of Assets	Land-Freehold	Plant and Equipment	Furniture and Fixtures	Computers	Office Equipment	Right of Use asset	Total
Accumulated depreciation till 1st April, 2015	-	1,09,87,45,206	2,01,745	1,66,109	72,399	-	1,09,91,85,459

JAIGAD POWERTRANSCO LIMITED

NOTES FORMING PART OF THE FINANCIAL STATEMENTS

NOTE: 6 - Investments	As at 31st March, 2021		As at 31st March, 2020	
	Current	Non Current	Current	Non Current
Investments carried at:				
A. Designated as fair value through profit and loss				
I. Quoted Investments				
(a) Investments in Mutual Funds	9,06,84,380	-	15,79,50,926	-
Mutual Fund Name				
SBI Mutual Fund	9,06,84,380			
B. Investments carried at amortised cost				
I. Unquoted Investments				
(a) Investments in government securities	-	13,74,29,844	-	12,32,67,268
	9,06,84,380	13,74,29,844	15,79,50,926	12,32,67,268
Note				
Quoted Investments				
Book value	9,06,84,380	-	15,79,50,926	-
Market value	9,06,84,380	-	15,79,50,926	-
Unquoted Investments				
Book value	-	13,74,29,844	-	12,32,67,268
NOTE: 7 - Other financial assets				
Carried at amortised cost				
(a) Security deposits with others				
- Unsecured, considered good				
Deposits	-	14,96,390	-	13,92,410
b) Interest receivable				
Interest accrued on investments	17,99,425	-	15,03,045	-
	17,99,425	14,96,390	15,03,045	13,92,410
NOTE: 8 - Inventories				
Stores and spares (valued at cost and certified by the management)	61,65,848	-	43,48,062	-
	61,65,848	-	43,48,062	-
NOTE: 9 - Trade receivables				
b) considered good - Unsecured;	9,07,27,398	-	5,48,69,803	-
	9,07,27,398	-	5,48,69,803	-
NOTE: 10 - Cash and cash equivalents				
Balance with banks				
In current accounts	1,74,79,947	-	9,46,726	-
	1,74,79,947	-	9,46,726	-
NOTE: 11 - Other assets				
Capital Advances	-	6,702	-	3,24,536
Prepayments	19,22,884	-	17,61,525	-
	19,22,884	6,702	17,61,525	3,24,536

JAIGAD POWERTRANSCO LIMITED
NOTES ACCOMPANYING TO THE FINANCIAL STATEMENTS

NOTE: 12A	As at 31st March, 2021	As at 31st March,2020
Equity share capital		
Authorised: 150,000,000 Equity Shares of ` 10 each (Previous year 150,000,000 equity shares of ` 10 each)	1,50,00,00,000	1,50,00,00,000
Issued, subscribed and paid-up: 137,500,000 Equity Shares of ` 10 each (Previous year 137,500,000 equity shares of ` 10 each)	1,37,50,00,000	1,37,50,00,000
	1,37,50,00,000	1,37,50,00,000

Details of shareholding	As at 31st March, 2021	As at 31st March,2020
a) Details of shareholding by Holding, Subsidiary or Associate Company	No. of Shares	No. of Shares
JSW Energy Limited (Holding Company)	10,17,50,000	10,17,50,000
b) Details of shareholding more than 5%		
JSW Energy Limited (Holding Company)	10,17,50,000	10,17,50,000
	74%	74%
Maharashtra State Electricity Transmission Company Limited	3,57,50,000	3,57,50,000
	26%	26%

c) Terms & Rights attached to equity shares

(i) The Company has only one class of equity shares having a par value of ` 10 each. Each holder of equity shares is entitled to one vote per share. The Company declares and pay dividend in Indian rupees. The dividend proposed by the Board of Directors is subject to approval of the Shareholders in the ensuing Annual General Meeting.

(ii) In the event of liquidation, the equity shareholders are eligible to receive the remaining assets of the Company after distribution of all preferential amount, in proportion to the shareholding.

d) The reconciliation of the number of shares outstanding and the amount of share capital is set out below:

Particulars	As at 31st March, 2021	As at 31st March,2020
	No. of Shares	No. of Shares
Balance as at the beginning of the year	13,75,00,000	13,75,00,000
Issued during the year	-	-
Balance as at the end of the year	13,75,00,000	13,75,00,000

NOTE: 12B - Other equity

Particulars	Retained Earnings	Contingency Reserve#	Other comprehensive income	Total Other Equity
Balance as at 1st April, 2019	38,29,57,219	11,56,29,122	(1,57,145)	49,84,29,196
Profit for the year	28,13,73,373	-	-	28,13,73,373
Transferred to Contingency Reserve as per MERC MYT Regulation 2015	(1,37,97,077)	1,37,97,077	-	-
Remeasurements of the defined benefit liabilities / (asset)	-	-	1,58,234	1,58,234
Balance as at 31st March, 2020	65,05,33,515	12,94,26,199	1,089	77,99,60,803
Profit for the year	25,15,90,568	-	-	25,15,90,568
Transferred to Contingency Reserve as per MERC MYT Regulation 2015	(1,37,97,070)	1,37,97,070	-	-
Remeasurements of the defined benefit liabilities / (asset)	-	-	1,51,247	1,51,247
Balance as at 31st March, 2021	88,83,27,013	14,32,23,269	1,52,336	1,03,17,02,618

JAIGAD POWERTRANSCO LIMITED
NOTES FORMING PART OF THE FINANCIAL STATEMENTS

NOTE: 13	As at 31st March, 2021		As at 31st March, 2020	
Financial liabilities - Borrowings	Current	Non Current	Current	Non Current
Secured Borrowing				
Term Loans:				
From Banks	-	27,67,39,377	11,07,71,256	49,74,10,630
From financial institutions	-	29,17,48,739	9,82,28,744	44,10,89,370
	-	56,84,88,116	-	-
Less : Unamortised borrowing cost	-	36,79,276	20,90,00,000	93,85,00,000
Less : Current maturities of long term debt (Included in note no 16)	-	-	19,15,333	41,26,956
	-	-	20,70,84,667	-
	-	56,48,08,840	-	93,43,73,044
From Banks:				
Working Capital Demand Loan	10,61,30,284	-	-	-
	10,61,30,284	-	-	-
	10,61,30,284	56,48,08,840	-	93,43,73,044

Details of Security for Term Loans:

First ranking charge on

(a) moveable assets

(b) on operating cash flows, commissions, revenue, receivables and interest in all the bank accounts including the trust and retention accounts and intangible assets.

(c) all rights, title, interest benefits, claims, demands etc., in the Company's project documents, insurance contracts, letter of credit etc.

Terms of Repayment: ₹ 220 Crore Term loan repayable in 52 structured quarterly instalment commencing from 30th Sept, 2017

Period of Repayment	As at 31st March, 2021	As at 31st March, 2020
2-3 Years	25,70,00,000	41,80,00,000
4-5 Years	28,60,00,000	41,80,00,000
> 5 years	2,54,88,116	31,15,00,000

JAIGAD POWERTRANSCO LIMITED
NOTES FORMING PART OF THE FINANCIAL STATEMENTS

NOTE: 14 - Provisions	As at 31st March, 2021		As at 31st March, 2020	
	Current	Non Current	Current	Non Current
Provisions for employee benefits	3,08,118	18,64,629	2,58,665	21,71,690
	3,08,118	18,64,629	2,58,665	21,71,690
NOTE: 15 - Trade Payables	As at 31st March, 2021		As at 31st March, 2020	
	Current	Non Current	Current	Non Current
Total outstanding dues of Micro, small and medium enterprises #	2,79,767	-	-	-
Total outstanding dues of creditors other than Micro, small and medium enterprises	47,44,036	-	86,66,693	-
	50,23,803	-	86,66,693	-
# Refer Note 35 for dues to Micro, small and medium enterprises				
NOTE: 16 - Other financial liabilities	As at 31st March, 2021		As at 31st March, 2020	
	Current	Non Current	Current	Non Current
Measured at amortised cost				
Current maturities of long term borrowings	-	-	20,70,84,667	-
Interest accrued but not due on borrowings	-	-	85,44,813	-
Creditors for capital supplies/services	87,07,452	-	-	-
Revenue adjustments towards true-up	17,04,147	-	1,81,93,769	-
	1,04,11,599	-	23,38,23,251	-
NOTE:17 - Other liabilities	As at 31st March, 2021		As at 31st March, 2020	
	Current	Non Current	Current	Non Current
Advance received from customers	-	-	4,68,19,425	-
Statutory dues	8,31,623	-	9,52,586	-
Other liabilities	25,332	-	-	-
	8,56,955	-	4,77,72,011	-

JAIGAD POWERTRANSCO LIMITED

NOTES FORMING PART OF THE FINANCIAL STATEMENTS

NOTE: 18 - Revenue from Operations	For the Year ended 31st March, 2021	For the year ended 31st March,2020
Revenue from transmission operations	70,06,83,389	80,52,39,831
Less: Impact due to Truing up provisions	(1,64,89,622)	14,10,225
	71,71,73,011	80,38,29,606
NOTE: 19 - Other Income	For the Year ended 31st March, 2021	For the year ended 31st March,2020
1. Interest income		
Interest on bank deposits	12,673	-
Delayed payment surcharge	33	59,226
Financial assets	1,02,49,042	92,52,093
2. Others		
Other Misc.Income	-	39,768
Gain on sale of current investments	36,93,807	60,61,215
Net gain arising on financial assets designated as at FVTPL	-	2,24,396
Provision no longer required written back	1,22,265	-
	1,40,77,820	1,56,36,698
NOTE: 20 - Employee Benefits Expense	For the Year ended 31st March, 2021	For the year ended 31st March,2020
Salaries and wages	97,26,283	1,28,39,896
Contribution to provident and other funds	6,83,308	13,38,866
Staff welfare expenses	1,64,677	2,62,189
	1,05,74,268	1,44,40,951
NOTE: 21 - Finance Costs	For the Year ended 31st March, 2021	For the year ended 31st March,2020
Interest expenses		
i) Term loan	8,09,88,822	13,33,64,584
ii) Other interest expense	22,42,341	2,38,584
	8,32,31,163	13,36,03,168
NOTE: 22 - Depreciation on Property, Plant and Equipment	For the Year ended 31st March, 2021	For the year ended 31st March,2020
Depreciation	29,13,40,150	29,12,37,271
	29,13,40,150	29,12,37,271
NOTE: 23 - Other Expenses	For the Year ended 31st March, 2021	For the year ended 31st March,2020
Rent	7,30,084	6,63,629
Repairs and maintenance	1,77,67,794	1,70,10,347
Rates & taxes	13,65,204	26,05,664
Insurance charges	6,78,725	4,31,396
Legal & other professional charges	18,78,435	42,76,272
Auditors remuneration	9,48,997	9,27,171
Travelling expenses	26,17,414	20,67,118
Corporate social responsibility expenses	67,00,000	67,14,999
Loss on property, plant and equipment written off	54,59,373	-
Net loss arising on financial assets designated as at FVTPL	22,608	-
Safety & security expense	9,45,413	8,93,569
Shared Service Cost	6,37,497	9,33,665
Provision for Doubtful Debts	81,874	-
Other general expenses	9,02,739	22,03,870
	4,07,36,157	3,87,27,700
NOTE: 24 - Tax Expense	For the Year ended 31st March, 2021	For the year ended 31st March,2020
Current Tax	5,37,78,525	6,00,83,841
Deferred Tax	(4,96,79,063)	(5,55,30,435)
Deferred tax (recoverable)/ payable in future tariff	4,96,79,063	5,55,30,435
	5,37,78,525	6,00,83,841

JAIGAD POWERTRANSCO LIMITED

NOTES FORMING PART OF FINANCIAL STATEMENTS

25 Financial Instruments:

The Fair Values of the financial assets and liabilities are included at the amount at which the instruments could be exchanged in a current transaction between willing parties, other than in a forced or liquidation sale.

Fair value of cash and short-term deposits, trade and other short term receivables, trade payables, other current liabilities approximate their carrying amounts largely due to short term maturities of these instruments.

Fair value measurements are categorised into Level 1, 2, or 3 based on the degree to which the inputs to the fair value measurements are observable and the significance of the inputs to the fair value measurement in its entirety, which are described as follows:

- Level 1 inputs are quoted prices (unadjusted) in active markets for identical assets or liabilities that the entity can access at the measurement date;
- Level 2 inputs are inputs, other than quoted prices included within Level 1, that are observable for the asset or liability, either directly or indirectly; and
- Level 3 inputs are unobservable inputs for the asset or liability.

₹

As at 31st March, 2021	Carrying Amount	Fair Value	Level 1	Level 2	Level 3
Financial assets at amortised cost::					
Investment in Government Securities	13,74,29,844	14,76,43,863	-	14,76,43,863	-
Security Deposit	14,96,390	14,96,390	-	-	14,96,390
Trade receivables	9,07,27,398	9,07,27,398	-	-	-
Unbilled Revenue	5,41,68,558	5,41,68,558	-	-	-
Cash and cash equivalents	1,74,79,947	1,74,79,947	-	-	-
Interest Accrued on Investment	17,99,425	17,99,425	-	-	-
Total	30,31,01,562	31,33,15,581	-	14,76,43,863	14,96,390
Financial assets at Fair Value through P&L					
Investment in Mutual Fund	9,06,84,380	9,06,84,380	-	9,06,84,380	-
Total	9,06,84,380	9,06,84,380	-	9,06,84,380	-
Financial liabilities held at amortised cost:					
Borrowings	67,09,39,124	67,09,39,124	-	-	-
Current maturities of long-term debt	-	-	-	-	-
Creditors for capital supplies/services	87,07,452	87,07,452	-	-	-
Revenue adjustments towards true-up	17,04,147	17,04,147	-	-	-
Trade Payable	50,23,803	50,23,803	-	-	-
Total	68,63,74,526	68,63,74,526	-	-	-

As at 31st March, 2020	Carrying Amount	Fair Value	Level 1	Level 2	Level 3
Financial assets at amortised cost::					
Investment in Government Securities	12,32,67,268	13,36,28,932	-	13,36,28,932	-
Security Deposit	13,92,410	13,92,410	-	-	13,92,410
Trade receivables	12,02,81,619	12,02,81,619	-	-	-
Unbilled Revenue	48,63,328	48,63,328	-	-	-
Cash and cash equivalents	9,46,726	9,46,726	-	-	-
Interest Accrue on Investment	15,03,045	15,03,045	-	-	-
Total	25,22,54,396	26,26,16,060	-	13,36,28,932	13,92,410
Financial assets at Fair Value through P&L					
Investment in Mutual Fund	15,79,50,926	15,79,50,926	-	15,79,50,926	-
Total	15,79,50,926	15,79,50,926	-	15,79,50,926	-
Financial liabilities held at amortised cost:					
Borrowings	93,43,73,044	93,43,73,044	-	-	-
Current maturities of long-term debt	20,70,84,667	20,70,84,667	-	-	-
Interest accrued but not due on borrowings	85,44,813	85,44,813	-	-	-
Revenue adjustments towards true-up	1,81,93,769	1,81,93,769	-	-	-
Trade Payable	86,66,693	86,66,693	-	-	-
Total	1,17,68,62,986	1,17,68,62,986	-	-	-

JAIGAD POWERTRANSCO LIMITED

NOTES FORMING PART OF FINANCIAL STATEMENTS

26 Financial Risk Management Objectives & Policies

Capital management

The Company manages its capital with the primary objective of maximising the return to stakeholders. The Company operates in a regulated environment, the capital gearing/structuring in relation to the Company's electricity transmission business has been approved under MERC regulations. Following commencement of the Company's transmission business and generation of revenues determined as per approved MERC tariff regulations (the said revenues inclusive of debt servicing), the net debt of the Company has been reducing following repayment of debt.

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

Particulars	As at	As at
	31st March, 2021	31st March, 2020
Debt (i)	67,09,39,124	1,14,14,57,711
Cash and cash equivalents	1,74,79,947	9,46,726
Net debt	65,34,59,177	1,14,05,10,985
Total equity	2,40,67,02,618	2,15,49,60,803
Net debt to equity ratio	0.27	0.53

(i) Debt is defined as long-term and short-term borrowings (excluding derivative and contingent consideration).

Financial risk management objectives

The Company's Corporate Treasury function provides services to the business, co-ordinates access to domestic and international financial markets, monitors and manages the financial risks relating to the operations of the Company through internal risk reports which analyse exposures by degree and magnitude of risks. These risks include market risk (including currency risk, interest rate risk and other price risk), credit risk and liquidity risk.

Market risk

Market risk is the risk of loss of future earnings, fair values or future cash flows that may result from a change in the price of financial instrument as a result of change in interest rates, exchange rates and other market changes that affect market risk sensitive instruments. As regards the future earnings from the Company's business of providing transmission services, the same is as determined pursuant to the MERC tariff regulations based on the cost of providing the transmission services plus a fixed post tax return on equity of 15.5% upon the Company maintaining the contracted availability of transmission line services. The Company is not exposed to significant market risks as regards the risk of loss of future earnings from its business of transmission services. As regards market risks attributable to all market risks sensitive financial instruments, the same is closely monitored by the Risk Management Committee to determine appropriate mitigation plan as appropriate from time to time.

JAIGAD POWERTRANSCO LIMITED

NOTES FORMING PART OF FINANCIAL STATEMENTS

Interest rate risk management

Interest rate risk is the risk that the fair value or future cash flows of a financial instrument will fluctuate because of changes in market interest rates. The Company's exposure to the risk of changes in market interest rates relates primarily to the Company's long-term debt obligations with floating interest rates.

Company revenue is regulated by MERC Regulation where in company's revenue includes Interest on loan. The rate of interest considered by regulation is the weighted average rate of interest computed on the basis of the actual loan portfolio.

The following table provides a break-up of the Company's fixed and floating rate loan portfolio:

Particulars	As at 31st March, 2021	As at 31st March, 2020
Fixed rate borrowings	-	-
Floating rate borrowings	67,09,39,124	1,14,14,57,711
Total borrowings	67,09,39,124	1,14,14,57,711

Credit risk management:

Credit risk refers to the risk that a counterparty will default on its contractual obligations resulting in financial loss to the Company. Credit risk is minimal due to the fact that the customer base largely consists of Distribution companies, the amount recoverable from whom are as determined as per MERC order.

Liquidity risk management

Ultimate responsibility for liquidity risk management rests with senior management, which has established an appropriate liquidity risk management framework for the management of the Company's short-term, medium-term and long-term funding and liquidity management requirements. The Company manages liquidity risk by maintaining adequate reserves, banking facilities and reserve borrowing facilities, by continuously monitoring forecast and actual cash flows, and by matching the maturity profiles of financial assets and liabilities.

The table below provides detail regarding the remaining contractual maturities of financial liabilities at the reporting date

Particulars	< 1 year	1-5 years	> 5 years	Total Amount in ₹
Financial liabilities				
Long term borrowings	-	53,93,32,978	2,54,75,862	56,48,08,840
Short term borrowings	10,61,30,284	-	-	10,61,30,284
Creditors for capital suppliers/services	87,07,452	-	-	87,07,452
Revenue adjustments towards true-up	17,04,147	-	-	17,04,147
Trade Payable	50,23,803	-	-	50,23,803
Total Financial Liabilities	12,15,65,686	53,93,32,978	2,54,75,862	68,63,74,526

JAIGAD POWERTRANSCO LIMITED

NOTES FORMING PART OF FINANCIAL STATEMENTS

27 Trade Receivables

The average credit period of Transmission Income is 30 days. Surcharge receivable towards delayed receipt of payment for Transmission services rendered by the company is accounted in the period during which such surcharge is approved by MERC.

Trade receivables include amounts (see below for aged analysis) that are past due at the end of the reporting period for which the Company has not recognised an allowance for doubtful debts because there has not been a significant change in credit quality and the amounts are still considered recoverable. The Company does not generally hold any collateral or other credit enhancements over these balances nor does it have a legal right of offset against any amounts owed by the Company to the counterparty.

Age of receivables:

(Amount in ₹)

Particulars	As at 31st March, 2021	As at 31st March, 2020
Within the credit period	4,52,66,902	5,48,40,617
1-30 days past due	4,52,66,985	29,186
31-60 days past due	1,90,595	-
61-90 days past due	972	-
91-180 days past due	1,944	-
181-365 days past due	-	-
More than one year	-	-
Total	9,07,27,398	5,48,69,803

28 Earnings per share:

Basic EPS amounts are calculated by dividing the profit for the year attributable to equity holders of the Company by the weighted average number of Equity shares outstanding during the year.

Diluted EPS amounts are calculated by dividing the profit attributable to equity holders of the Company by the weighted average number of Equity shares outstanding during the year plus the weighted average number of Equity shares that would be issued on conversion of all the dilutive potential Equity shares into Equity shares.

The following reflects the income and share data used in the basic and diluted EPS computations:

Particulars	31st March, 2021	31st March, 2020
Profit attributable to equity holders of the Company (₹)	25,15,90,568	28,13,73,373
Weighted average number of Equity shares for basic & diluted EPS	13,75,00,000	13,75,00,000
Earning per share-Basic	1.83	2.05
Earning per share-Diluted	1.83	2.05

29 Remuneration to Auditors (inclusive of tax):

(Amount in ₹)

Particulars	31st March, 2021	31st March, 2020
As Auditor	6,19,500	6,19,500
For Taxation Matters	1,18,000	1,18,000
For Certification Service	1,77,000	1,77,000
For Out of pocket expenses	34,497	12,671
Total	9,48,997	9,27,171

JAIGAD POWERTRANSCO LIMITED

NOTES FORMING PART OF FINANCIAL STATEMENTS

30A Deferred tax balances:

The following is the analysis of deferred tax assets/(liabilities) presented in the balance sheet:

Amount in ₹

Particulars	As at 31st March, 2021	As at 31st March, 2020
Deferred tax liabilities net of recoverable in future tariff	-	-
Deferred tax assets net of recoverable in future tariff	-	-
Total	-	-

Particulars	As at 1st April, 2020	Recognised in profit or loss	As at 31st March, 2021
Deferred tax (liabilities)/assets in relation to:			
Property, plant and equipment	(29,35,26,236)	1,10,65,163	(28,24,61,073)
FVTPL financial assets	-	-	-
MAT Credit Entitlement	61,69,91,635	4,97,18,358	66,67,09,993
Recoverable in Future Tariff	(32,34,65,400)	(6,07,83,521)	(38,42,48,920)
Total	-	-	-

Particulars	As at 1st April, 2019	Recognised in profit or loss	As at 31st March, 2020
Deferred tax (liabilities)/assets in relation to:			
Property, plant and equipment	(29,05,42,868)	(29,83,367)	(29,35,26,236)
FVTPL financial assets	2,02,975	(2,02,975)	-
MAT Credit Entitlement	56,13,84,276	5,56,07,359	61,69,91,635
Recoverable in Future Tariff	(27,10,44,383)	(5,24,21,016)	(32,34,65,400)
Total	-	-	-

30B Income tax:

The income tax expense for the year can be reconciled to the accounting profit as follows:

Particulars	Year ended 31st March, 2021	Year ended 31st March, 2020
Profit before tax	30,53,69,093	34,14,57,214
Enacted tax rate	29.120%	29.120%
Income tax expense	8,89,23,480	9,94,32,341
Tax effect due to exempt income		
Effect of non deductible expenses	19,51,040	19,55,408
Tax effect due to tax holiday	(8,67,75,059)	(9,68,34,342)
Recoverable in Future Tariff	4,96,79,063	5,55,30,435
	(3,51,44,956)	(3,93,48,500)
Income tax expenses recognised in profit & loss account	5,37,78,524	6,00,83,841

The Company have, basis the impact assessment of the option given under section 115BAA of the Income Tax Act, 1961 to pay income tax at 22% plus applicable surcharge and cess subject to certain conditions, decided to continue with the existing tax structure until utilization of their respective accumulated minimum alternative tax (MAT) credit.

31 Details of Corporate Social Responsibility (CSR) Expenditure:

Particulars	Year ended 31st March, 2021	Year ended 31st March, 2020
Amount required to be spent as per Section 135 of the Companies Act, 2013	67,00,000	67,14,999
Amount spent during the year on :		
(i) Construction / acquisition of an asset	-	16,70,669
(ii) On purchase other than (i) above	67,00,000	50,44,330
Total	67,00,000	67,14,999

JAIGAD POWERTRANSCO LIMITED

NOTES FORMING PART OF FINANCIAL STATEMENTS

32 Employee benefit plans:

Defined contribution plans:

A. Provident fund:

The employer's contribution for the period from 1st Apr 2020 to 31st December 2020, were deposited with the employer established provident fund trust maintained by the Company. Further, the said trust was surrendered to the provident fund authorities w.e.f 1st January 2021 and correspondingly, the employees provident fund balances lying with the provident fund trust were transferred to the respective employee's accounts with provident fund authorities. The monthly employer's contributions from January 21 onwards are being deposited with regional provident fund authorities.

The Company's contribution to provident fund recognized in the Statement of Profit and Loss of ₹ 3,49,040 (for the year ended 31st March 2020: ₹ 4,72,682) (included in note no. 20)

B. National pension scheme :

The Company's contribution to National Pension Scheme (NPS) recognized in Statement of Profit and Loss of ₹ 1,13,936 (Year ended 31st March, 2020 : ₹ 1,22,880) (included in note 20)

Defined benefit plans:

The Company provides for gratuity for employees as per the Payment of Gratuity Act, 1972. The amount of gratuity shall be payable to an employee on the termination of his employment after he has rendered continuous service for not less than five years, or on their superannuation or resignation. However, in case of death of an employee, the minimum period of five years shall not be required. The amount of gratuity payable on retirement / termination is the employee's last drawn basic salary per month computed proportionately for 15 days salary multiplied by the number of years of service completed. The gratuity plan is a funded plan administered by a separate fund that is legally separated from the entity and the group makes contributions to the insurer (LIC). The group does not fully fund the liability and maintains a target level of funding to be maintained over period of time based on estimations of expected gratuity payments.

Under the compensated absences plan, leave encashment upto a maximum accumulation of 120 days is payable to all eligible employees on separation of the Group due to death, retirement, superannuation or resignation, at the rate of daily salary.

The plans in India typically expose the Company to actuarial risks such as: investment risk, interest rate risk, longevity risk and salary risk.

Investment risk	The present value of the defined benefit plan liability is calculated using a discount rate determined by reference to market yields at the end of the reporting period on government bond yields; if the return on plan asset is below this rate, it will create a plan deficit. Currently the plan has a relatively balanced investment in equity securities and debt instruments.
Interest risk	A decrease in the bond interest rate will increase the plan liability; however, this will be partially offset by an increase in the return on the plan's debt investments.
Longevity risk	The present value of the defined benefit plan liability is calculated by reference to the best estimate of the mortality of plan participants both during and after their employment. An increase in the life expectancy of the plan participants will increase the plan's liability.
Salary risk	The present value of the defined benefit plan liability is calculated by reference to the future salaries of plan participants. As such, an increase in the salary of the plan participants will increase the plan's liability.

The most recent actuarial valuation of the plan assets and the present value of the defined benefit obligation were carried out at March 31, 2021 by M/S K. A. Pandit Consultants & Actuaries. The present value of the defined benefit obligation, and the related current service cost and past service cost, were measured using the projected unit credit method.

JAIGAD POWERTRANSCO LIMITED

NOTES FORMING PART OF FINANCIAL STATEMENTS

A. Gratuity :

Changes in the present value of the defined benefit obligation are, as follows:

Particulars	(Amount in ₹)
Defined benefit obligation at 1 April 2019	11,85,061
Interest cost	80,011
Current service cost	92,316
Benefits paid/Transferred Net	7,76,527
Actuarial (Gains)/Loss	(1,94,630)
Defined benefit obligation at 31st March, 2020	19,39,285
Interest cost	1,33,617
Current service cost	99,688
Benefits paid/Transferred Net	(8,40,343)
Actuarial (Gains)/Loss	(2,01,039)
Defined benefit obligation at 31st March, 2021	11,31,208

Changes in the defined benefit obligation and fair value of plan assets as at 31st March, 2021: (Amount in ₹)

Particulars	Defined Benefit Obligation	Fair Value of Plan assets	Benefit Liability
Gratuity cost charged to profit or loss			
Opening Balance as on 01st April 2020	19,39,285	1,88,281	17,51,004
Service cost	99,688		99,688
Net interest expense	1,33,617	12,973	1,20,644
Sub-total included in profit or loss	2,33,305	12,973	2,20,332
Remeasurement (gains)/losses in other comprehensive income			
Benefits paid/Transferred	(8,40,343)		(8,40,343)
Return on plan assets (excluding amounts included in net interest expense)	-	(17,772)	17,772
Actuarial changes arising from changes in financial assumptions	(1,475)	-	(1,475)
Experience adjustments	(1,99,564)		(1,99,564)
Sub-total included in OCI	(2,01,039)	(17,772)	(1,83,267)
Contributions by employer			-
Closing Balance as on 31st March 2021	11,31,208	1,83,482	9,47,726

Changes in the defined benefit obligation and fair value of plan assets as at 31st March, 2020:

Particulars	Defined Benefit Obligation	Fair Value of Plan assets	Benefit Liability
Gratuity cost charged to profit or loss			
Opening Balance as on 1st April 2019	11,85,061	1,77,361	10,07,700
Service cost	92,316	-	92,316
Net interest expense	80,011	13,816	66,195
Sub-total included in profit or loss	1,72,327	13,816	1,58,511
Remeasurement gains/(losses) in other comprehensive income			
Benefits paid	7,76,527		7,76,527
Return on plan assets (excluding amounts included in net interest expense)	-	(2,896)	2,896
Actuarial changes arising from changes in demographic assumptions	15,479	-	15,479
Actuarial changes arising from changes in financial assumptions	77,757	-	77,757
Experience adjustments	(2,87,866)		(2,87,866)
Sub-total included in OCI	(1,94,630)	(2,896)	(1,91,734)
Contributions by employer			-
Closing Balance as on 31st March 2020	19,39,285	1,88,281	17,51,004

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NOTES FORMING PART OF FINANCIAL STATEMENTS

The principal assumptions used in determining gratuity for the Company's plans are shown below:

Particulars	31st March, 2021	31st March, 2020
	%	%
Discount rate	6.90	6.89
Future salary increases:	6.00	6.00
Rate of Employee Turnover	3.00	3.00
Mortality rate during Employment	Indian Assured Lives Mortality (2006-08) Ultimate	Indian Assured Lives Mortality (2006-08) Ultimate
Life expectation for:	Years	Years
Post-employment health care benefit plan		
Male	NA	NA
Female	NA	NA

A quantitative sensitivity analysis for significant assumption is as shown below:

Assumptions Sensitivity Level	31st March, 2021	31st March, 2021	31st March, 2021	31st March, 2021
	Discount rate		Future salary increases	
	1% increase	1% decrease	1% increase	1% decrease
Impact on defined benefit obligation	(1,35,299)	1,61,293	1,61,128	(1,37,537)

B. Compensated absences:

The Company has a policy on compensated absences with provisions on accumulation and encashment by the employees during employment or on separation from the group due to death, retirement or resignation. The expected cost of compensated absences is determined by actuarial valuation performed by an independent actuary at the balance sheet date using projected unit credit method.

JAIGAD POWERTRANSCO LIMITED

NOTES FORMING PART OF FINANCIAL STATEMENTS

33 Related party disclosure:

A) List of Related Parties :

Related parties with whom the Company has entered into transactions during the year:

I Holding Company:

1 JSW Energy Limited (Holding Company)

II Other related parties with whom the Group has entered into transactions during the year:

1 Maharashtra State Electricity Transmission Company Limited

2 JSW Energy (Barmer) Limited

3 JSW Global Business Solutions Limited

4 JSW Foundation

III Key Managerial Personnel:

1 Mr. Ravindra Dinkarrao Chavan – Chairman

2 Mr. Peddanna Ramayanam - Managing Director (w.e.f. 1st November 2020)

3 Mr Sanjay Krishnarao Taksande - Director

4 Mr. Aditya Agarwal - Director (w.e.f 15th June 2020)

5 Mr. Ashesh Kumar Padhy - Director (w.e.f. 2nd September, 2020)

6 Mr. Ashok Phalnikar - Director (w.e.f. 29th October, 2020)

7 Ms. Rupa Devi Singh - Independent Director (w.e.f 3rd April, 2020)

8 Mr. Krishnaraj Nair - Chief Financial Officer (w.e.f. 3rd February 2020)

9 Mr Narendra Rahalkar- Company Secretary

10 Mr. Sharad Mahendra - Director (Upto 9th June 2020)

11 Mr. Jyoti Kumar Agarwal – Director (Upto 15th September 2020)

12 Mr Yatish Kumar Chhabra -Managing Director (Upto 31st October 2020)

13 Mr Jaykishan Birla - Chief Financial Officer (Upto 14th December 2019)

Amount in ₹

B)	Transaction during the year	Year ended 31st March, 2021	Year ended 31st March, 2020
1	Services Paid/(Received)		
	Maharashtra State Electricity Transmission Company Limited	52,54,164	47,90,108
	JSW Global Business Solutions Limited	6,37,497	9,33,666
	JSW Energy (Barmer) Limited	(1,61,719)	-
2	Sale of materials		
	JSW Energy Limited	12,59,580	-
3	Rent Paid/(received)		
	JSW Energy Limited	1,180	1,000
4	Reimbursement received from / (paid to)		
	JSW Energy Limited	(15,10,843)	45,797
5	Donations/CSR Expenses		
	JSW Foundation	67,00,000	22,51,261

Amount in ₹

C)	Closing Balances	31st March, 2021	31st March, 2020
1	Trade (Payables) / Receivables		
	Maharashtra State Electricity Transmission Company Limited	(13,26,416)	(12,16,818)
	JSW Energy Limited	34,00,613	22,17,009
	JSW Global Business Solution Limited	7,168	(2,81,311)
2	Deposit With		
	JSW Energy Limited	50,00,000	50,00,000

Note:

i) No amounts in respect of related parties have been written off / written back during the year, nor has any provision been made for doubtful debts / receivables during the year, except as discussed above

ii) Related party relationships have been identified by the management and relied upon by the Auditors,

iii) Related party transactions have been disclosed on basis of value of transactions in terms of the respective contracts.

iv) Terms and conditions of sales and purchases: the sales and purchases transactions among the related parties are in the ordinary course of business based on normal commercial terms, conditions, market rates and memorandum of understanding signed with the related parties. For the year ended 31st March, 2021, the Company has not recorded any loss allowances for transactions between the related parties.

JAIGAD POWERTRANSCO LIMITED

NOTES FORMING PART OF FINANCIAL STATEMENTS

34 Disclosure under Micro, Small and Medium Enterprises Development Act:

The details of amounts outstanding to Micro, Small and Medium Enterprises under the Micro, Small and Medium Enterprises Development Act, 2006 (MSMED Act), based on the available information with the Company are as under:

Amount in ₹		
Particulars	31st March, 2021	31st March, 2020
Principal amount outstanding	2,79,767	-
Principal amount due and remaining unpaid	-	-
Interest due on (2) above and the unpaid interest	-	-
Interest paid on all delayed payments under the MSMED Act.	-	-
Payment made beyond the appointed day during the year	-	-
Interest due and payable for the period of delay other than (4) above	-	-
Interest accrued and remaining unpaid	-	-
Amount of further interest remaining due and payable in succeeding years	-	-

35 Operating segment:

The managing director of the Company has been identified as the Chief Operating Decision Maker (CODM) as defined by Ind AS 108, Operating Segments. The CODM evaluates the Company's performance and allocates resources based on an analysis of various performance indicators, however only for one segment viz. "Transmission Services". Hence the Company does not have any reportable Segments as per Indian Accounting Standard 108 "Operating Segments".

36 Contingency Reserve:

The Company has set aside an amount of ₹ 13,797,077 (Previous year ₹ 13,797,070) as 'Contingency Reserve' to be used for the purpose of future losses, which may arise from uninsured risks, or as determined by the board as per Clause 50.7 of MERC (Terms and Conditions of Tariff) Regulations, 2005.

37 Disclosure of COVID-19 on operations:

The Company has considered the possible effects that may result from the pandemic relating to COVID-19 in the preparation of these financial statements. The Company's transmission capacities are tied up under long term transmission agreements, which insulates revenue of the Company under such contracts. Based on the present assessment, the management does not expect any medium to long-term impact on the business of the Company. The Company has evaluated the possible effects on the carrying amounts of property, plant and equipment, inventory, loans and receivables basis the internal and external sources of information and concluded, exercising reasonable estimates and judgements, that the carrying amounts of these assets are recoverable. Having regard to the above, and the Company's liquidity position, there is no uncertainty in meeting financial obligations in the foreseeable future.

38 Contingent liabilities & Commitments:

There are no contingent liabilities & commitments to be disclosed by the Company.

39 The Company is yet to receive balance confirmations in respect of certain financial assets & financial liabilities. The Management does not expect any material difference affecting the current year's financial statements due to the same.

40 Previous year's figure has been re-grouped/ re-arranged, wherever necessary to conform to current year's classification.

For and on behalf of the Board of Directors

Ravindra Chavan
Director
DIN: 06537224

Peddanna Ramayanam
Managing Director
DIN: 08923138

Place : Mumbai
Date: June 24, 2021

Narendra Rahalkar
Company Secretary

Krishnaraj Nair
Chief Financial Officer