



**ANNUAL REPORT  
OF  
CROSS BORDER POWER TRANSMISSION COMPANY LIMITED  
FOR THE  
FINANCIAL YEAR 2018-19**



# Cross Border Power Transmission Company Limited

CIN : U40102DL2006PLC156738

## NOTICE

Notice is hereby given that the 13th Annual General Meeting (AGM) of Cross Border Power Transmission Company Limited (CPTC) will be held on Monday, 30th September, 2019, at 10.00 am on a shorter notice at the office of Power Grid Corporation of India Limited (PGCIL) at B-9, Qutab Institutional Area, Katwaria Sarai, New Delhi – 110016, at to transact the following business:

### **ORDINARY BUSINESS**

- I. To receive, consider and adopt the Audited Financial Statement of the Company comprising of the Balance Sheet as at March 31, 2019, Statement of Profit & Loss, Cash Flow Statement and notes forming part of the Financial Statement for the year ended on March 31, 2019 along with the Directors' and Auditors' Report thereon.
- II. To appoint a Director in place of Mr. Rakesh Kumar (DIN: 06395552), who retires by rotation and being eligible offers himself for re-appointment.
- III. To appoint a Director in place of Ms. Seema Gupta (DIN: 06636330), who retires by rotation and being eligible offers herself for re-appointment.
- IV. To take note of payment of interim Dividend and declare final dividend for the Financial Year 2018-19.
- V. To consider and approve the appointment and fix the payment of remuneration of the Statutory Auditors of the Company, appointed by the Comptroller and Auditor-General of India for the financial year 2019-20.

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

**"RESOLVED THAT** pursuant to the provisions of Section 142 of the Companies Act, 2013 and on the recommendation of the Board of Directors of the Company, M/s H K JOON AND COMPANY, Chartered Accountants, Firm Registration No. NR2667 be and are hereby appointed as Statutory Auditors of the Company as per the recommendation of Comptroller and Auditor General of India for the financial year 2019-20.

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

## SPECIAL BUSINESS

- VI. To consider and if thought fit, to pass with or without modification(s), the following resolution as an **Ordinary Resolution** for Regularization of Additional Director, Dr. R.P Singh (DIN-00004812) :-

**“RESOLVED THAT** Dr. R.P. Singh (DIN: 00004812), who was appointed as an Additional Director with effect from March 29, 2019 on the Board of the Company in terms of Section 161 of the Companies Act, 2013 and other applicable provisions and who holds office up to the date of this Annual General Meeting, be and is hereby appointed as a Director of the Company.”

- VII. To consider and if thought fit, to pass with or without modification(s), the following resolution as an **Ordinary Resolution** for Regularization of Additional Director, Mr. Keshav Prasad (DIN: 07051302) :-

**“RESOLVED THAT** Mr. Keshav Prasad (DIN- 07051302), who was appointed as an Additional Director with effect from March 29, 2019 on the Board of the Company in terms of Section 161 of the Companies Act, 2013 and other applicable provisions and who holds office up to the date of this Annual General Meeting, be and is hereby appointed as a Director of the Company.”

- VIII. To consider and if thought fit, to pass with or without modification(s), the following resolution as an **Ordinary Resolution** for Regularization of Additional Director, Mr. H.L. Tayal (DIN-01898200) :-

**“RESOLVED THAT** Mr. H.L. Tayal (DIN-01898200), who was appointed as an Additional Director with effect from June 20, 2019 on the Board of the Company in terms of Section 161 of the Companies Act, 2013 and other applicable provisions and who holds office up to the date of this Annual General Meeting, be and is hereby appointed as a Director of the Company.”

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

  
Anjali Singhal  
Company Secretary

Registered Office:  
10, Community Center,  
East of Kailash, New Delhi – 110065  
Date: 19<sup>th</sup> September, 2019  
Place: New Delhi

**NOTES:**

1. A MEMBER ENTITLED TO ATTEND AND VOTE AT THE MEETING IS ENTITLED TO APPOINT A PROXY TO ATTEND AND VOTE, INSTEAD OF HIMSELF AND SUCH PROXY NEED NOT BE A MEMBER OF THE COMPANY. THE INSTRUMENT APPOINTING A PROXY SHOULD, HOWEVER, BE DEPOSITED AT THE REGISTERED OFFICE OF THE COMPANY BEFORE THE COMMENCEMENT OF THE MEETING.
2. The relevant explanatory statement in respect of Special Business, as required under Section 102 of the Companies Act, 2013, is enclosed as item no VI and VIII.
3. Since the meeting is being called at Shorter Notice, the format of shorter notice consent is enclosed herewith.
4. Corporate Members intending to send their Authorized Representative to attend the Meeting are requested to send a duly certified copy of the Board Resolution authorizing their representative to attend and vote at the Meeting.
5. Members/ Proxies should bring the attendance slips duly filled in and signed for attending the Meeting.
6. The Register of Directors Shareholding shall be available for inspection at the Meeting.



## EXPLANATORY STATEMENT

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

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### Item No (VI):

Dr. Rajendra Prasad was appointed as an Additional Director of the Company with effect from March 29, 2019, in accordance with the provisions of Section 161 of the Companies Act, 2013, read with the Articles of Association of the Company. Pursuant to Section 161 of the Companies Act, 2013, the above director holds office only up to the date of the ensuing Annual General Meeting of the Company. In this regard, The Board is of the view that the appointment of Dr. Rajendra Prasad on the Company's Board as Director is desirable and would be beneficial to the Company and hence it recommends the said Resolution No. (VI) for approval by the members of the Company.

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

### Item No (VII):

Mr. Keshav Prasad was appointed as an Additional Director of the Company with effect from March 29, 2019, in accordance with the provisions of Section 161 of the Companies Act, 2013, read with the Articles of Association of the Company. Pursuant to Section 161 of the Companies Act, 2013, the above director holds office only up to the date of the ensuing Annual General Meeting of the Company. In this regard, The Board is of the view that the appointment of Mr. Keshav Prasad on the Company's Board as Director is desirable and would be beneficial to the Company and hence it recommends the said Resolution No. (VII) for approval by the members of the Company.

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

### Item No (VIII):

Mr. H.L Tayal was appointed as an Additional Director of the Company with effect from June 20, 2019, in accordance with the provisions of Section 161 of the Companies Act, 2013, read with the Articles of Association of the Company. Pursuant to Section 161 of the Companies Act, 2013, the

above director holds office only up to the date of the ensuing Annual General Meeting of the Company. In this regard, The Board is of the view that the appointment of Mr. H.L. Tayal on the Company's Board as Director is desirable and would be beneficial to the Company and hence it recommends the said Resolution No. (VIII) for approval by the members of the Company.

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

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



*Anjali*  
Anjali Singhal  
Company Secretary

Registered Office:  
10, Community Center,  
East of Kailash, New Delhi – 110065  
Date: 19<sup>th</sup> September, 2019  
Place: New Delhi

**CROSS BORDER POWER TRANSMISSION COMPANY LIMITED**

CIN: U40102DL2006PLC156738

Registered Office: 10, Community Center, East of Kailash, New Delhi-110065

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**Attendance Slip**

(To be handed over at the entrance of the Meeting Hall)

Annual General Meeting- September 30, 2019

I hereby record my presence at the Annual General Meeting of the Company held at the Monday, 30th September, 2019, at 10.00 am on a shorter notice at the office of Power Grid Corporation of India Limited (PGCIL) at B-9, Qutab Institutional Area, Katwaria Sarai, New Delhi – 110016

Full name of the Member (in BLOCK LETTERS) \_\_\_\_\_

Full name of the Proxy (in BLOCK LETTERS) \_\_\_\_\_

Member's/ Proxy's Signature \_\_\_\_\_

**Form No. MGT-11**  
**CROSS BORDER POWER TRANSMISSION COMPANY LIMITED**

CIN: U40102DL2006PLC156738

10, Community Center, 2nd Floor, East of Kailash, New Delhi - 110065

**PROXY FORM**

(Pursuant to Section 105(6) of the Companies Act, 2013 and rules 19(3) of the Companies (Management and Administration) Rules, 2014)

Name of the member (s): .....  
Registered Address: .....  
E-mail Id: ..... Folio No./Client Id:.....  
I/We, being the member(s) holding .....shares of the above named Company,  
hereby appoint

1. Name: ..... Address: .....  
.....E-mail ID: .....Signature: ..... or failing him  
2. Name: ..... Address: .....  
.....E-mail ID: .....Signature: ..... or failing him  
3. Name: ..... Address: .....  
.....E-mail ID: .....Signature: ..... as my/our

proxy to attend and vote (on a poll) for me/ us and on my/ our behalf at the 13<sup>th</sup> Annual General Meeting of the Company, to be held on Monday, 30th September, 2019, at 10.00 am on a shorter notice at the office of Power Grid Corporation of India Limited (PGCIL) at B-9, Qutab Institutional Area, Katwaria Sarai, New Delhi – 110016and at any adjournment thereof in respect of such resolutions as are indicated below:

Resolution No. 1: .....2: .....3: .....

Signed this .....day of .....2019  
Signature

shareholder  
Signature of Proxy holder(s)

Affix  
One Rupee  
Revenue  
Stamp

**Note:** This form duly filled up, stamped and signed by the appointer or his attorney duly authorized in writing or if the appointer is a Body Corporate, under the seal or signed by an attorney duly authorized by it shall be deposited at the Registered Office of the Company along with the power of Attorney, if any under which the Proxy Form is signed, before the time for holding the meeting.

**The Companies Act, 2013**  
**Consent by shareholder for shorter notice**  
**{Pursuant to section 101(1)}**

To,  
The Board of Directors  
Cross Border Power Transmission Limited  
10, Community Center, 2<sup>nd</sup> Floor, East of Kailash  
New Delhi-110065

Date :

We, .....(Name of the Company), having our registered office at ....., holding.....(no of share holding both in no and words) equity shares of Rs.10/- each in Cross Border Power Transmission Company Limited in our own Name ,hereby give consent of section 101 (1) of Companies Act 2013 to hold Annual General Meeting of Members of Cross Border Power Transmission Company Limited on Monday, 30th September, 2019, at 10.00 am on a shorter notice at the office of Power Grid Corporation of India Limited (PGCIL) at B-9, Qutab Institutional Area, Katwaria Sarai, New Delhi – 110016 at shorter Notice.

**For.....(Name of the company)**

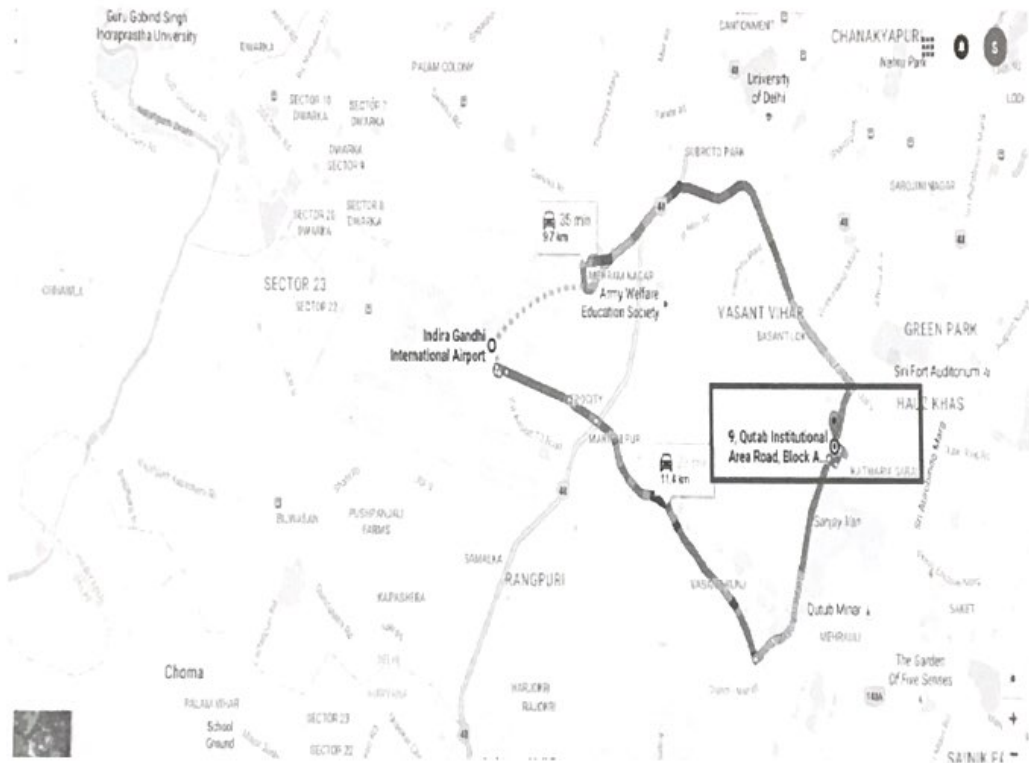
**Signature:**

**Name :**

**Designation:**



**Route Map from Delhi Airport to Power Grid Corporation of India Limited (PGCIL) at B-9, Qutab Institutional Area, Katwaria Sarai, New Delhi – 110016**



# CROSS BORDER POWER TRANSMISSION COMPANY LIMITED

## DIRECTORS' REPORT

Dear Members,

The Board of Directors of your Company are pleased to present 13<sup>th</sup> Annual Report on the performance of the Company together with Audited Financial Statements for the Financial Year ended **March 31, 2019**.

### 1. Overview of Achievement

Your Company commenced its commercial operation on 19<sup>th</sup> February, 2016. In the Financial Year 2018-19, the Company has earned a total income of Rs. 3,629.91 Lakhs and net profit of Rs. 1522.82 Lakhs.

### 2. Performance Highlights

The salient key performance highlights of our Company during the Financial Year 2018-19 are as under:

- a) The Muzaffarpur- Sursand Transmission Line, has been maintained 100% availability for FY 2018-19. As the substation of NEA at Dhalkebar was delayed, the line operated at 132 kV level transferring around 145 MW power up to August 15, 2018.

The line was commissioned at 220 kV voltage level on August 16, 2018 after Dhalkebar substation was ready and is now transferring around 250 MW power.

- b) The financial summary for the FY 2018-19 and FY 2017-18 of the Company is as under:

(In Rupees)

For the year ended	March 31, 2019	March 31, 2018
Total Income	36,29,90,956	35,95,87,422
Total Expenses	21,07,09,566	23,00,84,636
Profit/ (Loss) Before Tax	15,22,82,390	12,95,02,786
Profit/ (Loss) After Tax	15,22,82,390	12,95,02,786
Balance Profit/ (Loss) brought forward from Previous Year	30,61,30,341	25,25,27,932
Dividend & Dividend Tax Payout	5,84,80,784	7,59,00,377
Balance Profit/ (Loss) carried forward to Balance Sheet	39,99,31,947	3,06,13,0341



## CROSS BORDER POWER TRANSMISSION COMPANY LIMITED

### 3. Project Cost:

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

The 400 kV D/C Muzaffarpur- Sursand Transmission line is under commercial operation since 19th February, 2016 and the Final Audited Project Cost is Rs 241.27 crores.

**b) Estimated Project Cost of 2 Nos. 400 kV bays under implementation:**

The 2 Nos. 400 kV Bays at Muzaffarpur substation is under implementation for operation of 400 kV D/C Muzaffarpur- Sursand Transmission line at its rated voltage of 400 kV. The estimated project cost is Rs. 8.98 cr.

### 4. Shareholding Structure:

The Company's Authorized Share Capital is Rs. 75 crores as on 31st March, 2019 and its issued, subscribed and paid up Share Capital is Rs. 48,50,95,120/- divided into 48,509,512 no of equity shares of Rs.10 each. The shareholding structure as on 31st March, 2019 of the Company is as follows:

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

### 5. Dividend

During the FY 2018-19, the Company has declared an interim dividend of 10% to its shareholders. No final dividend has been declared for the FY 2018-19. The total dividend payout for the year amounted to Rs. 485.10 crores and Dividend Distribution Tax of Rs. 99.71 lakhs.

### 6. Risk Management

The Company has devised and implemented a mechanism for risk management and has developed a risk management policy. The policy provides for constitution of a risk committee, which will work towards creating a risk register, identifying internal and external risks and implementing risk mitigation steps. The Audit Committee will, on a half yearly basis, provide status updates to the Board of Directors of the Company.



## CROSS BORDER POWER TRANSMISSION COMPANY LIMITED

### 7. Vigil Mechanism/ Whistle Blower Policy

The Company has established a vigil mechanism/ whistle blower policy for the directors and employees to report genuine concerns or grievances about unethical behavior, actual or suspected fraud or violation of the company's Code of Conduct or Ethics Policies. Any actual or potential concerns, grievances or violation of the code if any in place, howsoever insignificant or perceived as such, would be a matter of serious concern for the Company. Such a vigil mechanism provide for adequate safeguards against victimization of directors and employees who avail such mechanism.

### 8. Internal Financial Control

The Company has in place adequate internal financial control with reference to financial statements. During the year, such controls were tested and no reportable material weakness in the design or operation was noticed.

### 9. Board & Committee Meetings

Board and Committee meetings held during the FY 2018-19 is Placed in “Annexure – I”

### 10. Details of Directors/ KMP appointed/ resigned during the year:

S.No	Date	Directors/ KMP Appointed	Directors/ KMP Resigned/ Vacated
1.	May 23, 2018	Mr. Brij Bhushan Chaudhary (Appointed as Additional Director)	Mr. Rajeev Sharma (Vacation of office as Director)
2.	December 26, 2018	-	Mr. Sribatsa Chandra Misra (Resigned as Director)
3.	January 14, 2019	-	Mr. Sandip Rai (Resigned as Company Secretary and CFO)
4.	January 21, 2019	-	Mr. Indu Shekhar Jha (Resigned as Chairman, Non-Executive Director)
5.	March 29, 2019	a) Mr. Ravi Prakash Singh (Appointed as Additional Non-Executive Director and Chairman) b) Mr. Rajendra Prasad Singh (Appointed as Independent Director)	Mr. Haziq Beg (Resigned as Director)

## CROSS BORDER POWER TRANSMISSION COMPANY LIMITED

		c) Mr. Keshav Prasad (Appointed as Additional Director) d) Mr. Sachin Jain (Appointed as a Chief Financial Officer) e) Ms. Anjali Singhal (Appointed as a Company Secretary)	
6.	March 31, 2019	-	Mr. Kanwar Singh (Vacation of office as Director)

### 11. Disclosure as per the Sexual Harassment of Women at Workplace (Prevention, Prohibition and Redressal) Act, 2013

During the Financial Year 2018-19, the Company has not received any complaint of sexual harassment.

### 12. Fixed Deposits

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

### 13. Conservation of Energy and Technology Absorption

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

### 14. Foreign exchange earnings and out go

There are no foreign exchange earnings and outgo during the Financial Year ended March 31, 2019.

### 15. Particulars of Loans, Guarantees or Investments

The Company has not given any loans under the provisions of Section 186 of the Companies Act, 2013.

The details of the guarantee given and loan taken by the Company is given in the notes to the financial statements.

### 16. Change in the nature of business, if any

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

### 17. Material changes and commitments

There was no material changes and commitments affecting the financial position of the Company occurred during the year.



## **CROSS BORDER POWER TRANSMISSION COMPANY LIMITED**

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

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

### **19. Joint Venture**

Your Company is a Joint Venture of IL&FS Energy Development Company Limited, Power Grid Corporation of India Limited, SJVN Limited and Nepal Electricity Authority (NEA) as at March 31, 2019.

### **20. Directors' Responsibility Statement**

As required under section 134 (3)(c) and 134 (5) of the Companies Act, 2013, your Directors confirm that:

- a) In the preparation of the annual accounts, the applicable accounting standards have been followed.
- b) The Directors have selected such accounting policies and applied them consistently and made judgements and estimates that were reasonable and prudent so as to give a true and fair view of the state of affairs of the Company at the end of the financial year and of the profit of the Company for the period under review.
- c) The Directors have taken proper and sufficient care for the maintenance of adequate accounting records in accordance with the provisions of this Act for safeguarding the assets of the Company and for preventing and detecting fraud and other irregularities.
- d) The Directors have prepared the annual accounts on a going concern basis.
- e) The Directors have laid down internal financial controls to be followed by the Company and that such internal financials controls are adequate and were operating effectively.
- f) The Directors have devised proper systems to ensure compliance with the provisions of all applicable laws and that such systems were adequate and operating effectively.

### **21. Subsidiary Companies**

The Company does not have any subsidiary.

### **22. Statutory Auditors**

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

Pursuant to above, CAG had appointed M/s H K Joon & Co., Chartered Accountants as the Statutory Auditors for the FY 2018-19.



## **CROSS BORDER POWER TRANSMISSION COMPANY LIMITED**

### **23. Auditors' Report**

There is no observation made in the Independent Auditor's Report read together with relevant notes thereon which call for further comments under Section 134 of the Companies Act, 2013.

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

The comments of Comptroller and Auditor General along with management reply on the same are annexed herewith as **"Annexure - II"**

### **25. Extract of Annual Return**

The details forming part of the extract of the annual return in form MGT-9 is annexed herewith as **"Annexure - III"**

### **26. Particulars of Employees**

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

### **27. Declaration of independence of Independent Director and their meeting:**

The Company has received the requisite declarations under section 149(7) of the Companies Act, 2013 from the Independent Director in the Financial Year 2018-19 that they meet the criteria of independence as mentioned under section 149 of the Act.

### **28. Corporate Social Responsibility (CSR)**

The Corporate Social Responsibility Committee (CSR Committee) of the Company consists of Mr. Keshav Prasad, Ms. Seema Gupta and Mr. I.N. Jha. The amount of Rs. 22,65,473 was spent on CSR activities (Installation of hand pumps and providing necessary items in Community Health Centre in Sitamarhi District) for the Financial Year 2018-19 against Rs. 22,15,737 (which is 2% of the average net profit of last three financial years). The CSR report is attached as **"Annexure-IV"**.

### **29. Related Party Transactions**

Particulars of contracts or arrangements with related parties referred to in Section 188 (1) of the Companies Act, 2013, in the prescribed Form AOC-2, are given as **"Annexure-V"** of the Directors' Report.

## **CROSS BORDER POWER TRANSMISSION COMPANY LIMITED**

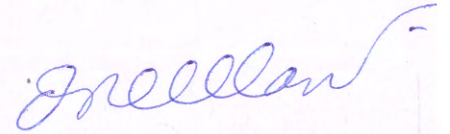
### **30. Acknowledgements**

The Board extends its sincere thanks to the Members of the Company, Ministry of Power, the Central Electricity Regulatory Commission, POWERGRID, the Comptroller & Auditor General of India, the Auditors of the Company for their continuous cooperation. CPTC, where it is today, is all because of the untiring efforts from dedicated team of staff, continued guidance from Members, Regulatory Authorities and co-operation from local people.

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

**Date: 20-09-2019**

**Place: Gurgaon**



**K. Sreekant**  
**Chairman & Director**

**DIN: 06615674**

**Address: CPTC, 3<sup>rd</sup> Floor, Ambience  
Corporate Tower, Ambience Island,  
NH-8, Gurgaon, Haryana**



## CROSS BORDER POWER TRANSMISSION COMPANY LIMITED

### *Annexure - I*

#### **Number of Board Meetings held during the FY 2018-19**

In respect of the Board Meetings, proper notices were given and the proceedings were properly recorded. The intervening gap between any two meetings of the Board of Directors was within the period prescribed by the Companies Act, 2013. The details of 4 meetings held during the Financial Year 2018-19 are as follows:

Date	Total number of Directors	No. of Directors Present
May 28, 2018	8	6
September 20, 2018	8	5
December 26, 2018	7	6
March 29, 2019	8	6

**Details of the Board Meetings and Attendance of the Directors during the FY 2018-19 is as follows:**

Date of the Meeting	Attended by
May 28, 2018	1. Mr. I.S Jha 2. Mr. Haziq Beg 3. Mr. S.C. Misra 4. Ms. Seema Gupta 5. Mr. R.K. Bansal 6. Mr. Kanwar Singh
September 20, 2018	1. Mr. I.S Jha 2. Mr. Haziq Beg 3. Mr. S.C. Misra 4. Ms. Seema Gupta 5. Mr. B.B. Chaudhary
December 26, 2018	1. Mr. I.S Jha 2. Mr. Haziq Beg 3. Mr. Kanwar Singh 4. Mr. R.K. Bansal 5. Ms. Seema Gupta 6. Mr. B.B. Chaudhary

## CROSS BORDER POWER TRANSMISSION COMPANY LIMITED

March 29, 2019

1. Mr. Ravi P. Singh
2. Dr. R.P. Singh
3. Mr. Keshav Prasad
4. Mr. Haziq Beg
5. Mr. R.K. Bansal
6. Ms. Seema Gupta



## **CROSS BORDER POWER TRANSMISSION COMPANY LIMITED**

### **Number of Committee Meetings held during the FY 2018-19**

#### **Corporate Social Responsibility Committee:**

There was one meeting of Corporate Social Responsibility (CSR Committee) held on November 01, 2018 in which all the members, Mr. Haziq Beg, Mr. S. C. Misra and Ms. Seema Gupta were present.

**Note:** There are no committees except the CSR Committee.

गोपनीय

संख्या/ No MAB-III/Rep./01- 101/A/cs-Cross Border/2019-20/592

भारतीय लेखापरीक्षा और लेखा विभाग

कार्यालय

प्रधान निदेशक, वाणिज्यिक लेखा परीक्षा

एवं पदेन सदस्य लेखा परीक्षा बोर्ड-III

नई दिल्ली

Indian Audit &amp; Accounts Department

OFFICE OF THE

PRINCIPAL DIRECTOR OF COMMERCIAL AUDIT

&amp; EX-OFFICIO MEMBER, AUDIT BOARD-III

NEW DELHI

दिनांक/Dated: 20/09/2019



सत्यमेव जयते

सेवा में,

अध्यक्ष,

क्रॉस बॉर्डर पावर ट्रांसमिशन कंपनी लिमिटेड

नई दिल्ली

महोदय,

विषय: 31 मार्च 2019 को समाप्त वर्ष के लिये क्रॉस बॉर्डर पावर ट्रांसमिशन कंपनी लिमिटेड, नई दिल्ली, के वार्षिक लेखाओं पर कम्पनी अधिनियम, 2013 की धारा 143(6)(b) के अन्तर्गत भारत के नियंत्रक-महालेखापरीक्षक की टिप्पणियाँ।

मैं, क्रॉस बॉर्डर पावर ट्रांसमिशन कंपनी लिमिटेड, नई दिल्ली, के 31 मार्च 2019 को समाप्त वर्ष के लेखाओं पर कम्पनी अधिनियम 2013 की धारा 143(6)(b) के अंतर्गत भारत के नियंत्रक एवं महालेखापरीक्षक की टिप्पणियाँ अग्रेषित कर रहा हूँ। कृपया इस पत्र की संलग्नकों सहित प्राप्ति की पावती भेजी जाए।

संलग्न: यथोपरि

भवदीय,

(राजदीप सिंह)  
प्रधान निदेशक



**COMMENTS OF THE COMPTROLLER AND AUDITOR GENERAL OF INDIA  
UNDER SECTION 143(6) (b) OF THE COMPANIES ACT, 2013 ON THE FINANCIAL  
STATEMENTS OF CROSS BORDER POWER TRANSMISSION COMPANY LIMITED  
FOR THE YEAR ENDED 31 MARCH 2019**

The preparation of financial statements of Cross Border Power Transmission Company Limited for the year ended 31 March 2019 in accordance with the financial reporting framework prescribed under the Companies Act, 2013 (Act) is the responsibility of the management of the company. The statutory auditor appointed by the Comptroller and Auditor General of India under section 139 (5) of the Act is responsible for expressing opinion on the financial statements under section 143 of the Act based on independent audit in accordance with the standards on auditing prescribed under section 143(10) of the Act. This is stated to have been done by them vide their Audit Report dated 20.06.2019.

I, on behalf of the Comptroller and Auditor General of India, have conducted a supplementary audit of the financial statements of Cross Border Power Transmission Company Limited for the year ended 31 March 2019 under section 143(6)(a) of the Act. This supplementary audit has been carried out independently without access to the working papers of the statutory auditor and is limited primarily to inquiries of the statutory auditor and company personnel and a selective examination of some of the accounting records.

Based on my supplementary audit, I would like to highlight the following significant matters under section 143(6)(b) of the Act which have come to my attention and which in my view are necessary for enabling a better understanding of the financial statements and the related audit report.

**Balance Sheet**

**Notes forming part of financial statements**

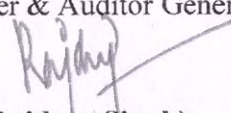
**Contingent Liabilities and Commitments (Note 25)**

As per Schedule III of the Companies Act, 2013, the Commitments (to the extent not provide for) shall be disclosed as 'Estimated amount of contracts remaining to be executed on capital account and not provide for.

The company has not disclosed the capital commitment of ₹5.71 crore towards the amount of contracts for supply of goods and service contracts for AIS substation package for extension of 400kV Muzaffarpur - Sursand D/C Transmission Line.

Thus, Notes forming part of financial statement is deficient to that extent.

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

  
(Rajdeep Singh)

Principal Director of Commercial Audit &  
Ex-officio Member, Audit Board – III,  
New Delhi

Place: New Delhi

Date: 20/09/2019



## **CROSS BORDER POWER TRANSMISSION COMPANY LIMITED**

Dated: September 20, 2019

### **Replies on the Issue for Management Letter on the financial statements of Cross Border Power Transmission Company Limited for the year 2018-19**

S.No	C&AG Comments	Management Reply
1	<p><b><u>Note forming part of Financial Statement Contingent Liabilities and Commitments (Note 25)</u></b></p> <p>As per Schedule III of Companies Act, 2013, the Commitments ( to the extent not provide for) shall be disclosed as ' Estimated amount of contracts remaining to be executed on capital account and not provide for .</p> <p>The Company has not disclosed the capital commitment of Rs. 5.71/- crores towards the amount of contracts of supply of goods and service contract for AIS substation package for extension of 400kV Muzaffarpur - Sursand D/C Transmission Line.</p>	<p>It is assured that necessary corrective action will be carried out while finalization the accounts for FY 2019-20 (if required).</p>

**CROSS BORDER POWER TRANSMISSION COMPANY LIMITED***Annexure – III*

**FORM NO. MGT 9**  
**EXTRACT OF ANNUAL RETURN**  
**As on financial year ended on 31.03.2019**

Pursuant to Section 92 (3) of the Companies Act, 2013 and rule 12(1) of the Company  
(Management & Administration) Rules, 2014.

**I. REGISTRATION & OTHER DETAILS:**

1	CIN	U40102DL2006PLC156738
2	Registration Date	19/12/2006
3	Name of the Company	Cross Border Power Transmission Company Limited
4	Category/ Sub-category of the Company	Company Limited by Shares Indian Non-Government Company
5	Address of the Registered office & contact details	10, Community Center, 2 <sup>nd</sup> Floor, East of Kailash, New Delhi-110065 Phone: +91 124 471 6100, Fax +91 124 471 6120
6	Whether listed company	No
7	Name, Address & contact details of the Registrar & Transfer Agent, if any.	Karvy Fintech Private Limited Karvy Selenium Tower B, Plot 31-32, Gochibowli, Financial District, Nanakramguda, Hyderabad- 500032

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

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

S. No.	Name and Description of main products / services	NIC Code of the Product/services	% to total turnover of the company
1	Transmission of Electric Energy	35107	NA

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

SN	Name and address of the Company	CIN/ GLN	Holding/ Subsidiary/ Associate	% of shares held	Applicable Section
1	IL&FS Energy Development Company Limited	U40300DL2007 PLC163679	JV Company having significant influence	38%	2(6)
2	Power Grid Corporation of India Limited	L40101DL1989 GOI038121	JV Company having significant influence	26%	2(6)



## CROSS BORDER POWER TRANSMISSION COMPANY LIMITED

3	SJVN Limited	L40101HP1988 GOI008409	JV Company having significant influence	26%	2(6)
4	Nepal Electricity Authority, Nepal	NA	JV Company having significant influence	10%	2(6)

### IV. SHARE HOLDING PATTERN

(Equity share capital breakup as percentage of total equity)

#### (i) Category-wise Share Holding

Category of Shareholders	No. of Shares held at the beginning of the year [As on 31-March-2018]				No. of Shares held at the end of the year [As on 31-March-2019]				% Change during the year
	De mat	Physical	Total	% of Total Shares	Dem at	Physical	Total	% of Total Shares	
<b>A. Promoters</b>									
<b>(1) Indian</b>									
a) Individual/ HUF	-	-	-	0.00%	-	-	-	0.00%	0.00%
b) Central Govt	-	-	-	0.00%	-	-	-	0.00%	0.00%
c) State Govt(s)	-	-	-	0.00%	-	-	-	0.00%	0.00%
d) Bodies Corp.		4,36,58,555	4,36,58,555	90.00%		4,36,58,555	4,36,58,555	90.00%	0.00%
e) Banks / FI	-	-	-	0.00%	-	-	-	0.00%	0.00%
f) Any other	-	-	-	0.00%	-	-	-	0.00%	0.00%
<b>Sub Total (A) (1)</b>	-	4,36,58,555	4,36,58,555	90.00%	-	4,36,58,555	4,36,58,555	90.00%	0.00%
<b>(2) Foreign</b>									
a) NRI Individuals	-	-	-	0.00%	-	-	-	0.00%	0.00%
b) Other Individuals	-	-	-	0.00%	-	-	-	0.00%	0.00%
c) Bodies Corp.	-	-	-	0.00%	-	-	-	0.00%	0.00%
d) Any other	-	48,50,951	48,50,951	10.00%	-	48,50,951	48,50,951	10.00%	0.00%
<b>Sub Total (A) (2)</b>	-	48,50,951	48,50,951	10.00%	-	48,50,951	48,50,951	10.00%	0.00%
<b>TOTAL (A)</b>		4,85,09,506	4,85,09,506	100.00%		4,85,09,506	4,85,09,506	100.00%	0.00%

**CROSS BORDER POWER TRANSMISSION COMPANY LIMITED**

	-	506	9,506		-	06	9,506	%	
<b>B. Public Shareholding</b>									
<b>1. Institutions</b>									
a) Mutual Funds				0.00%				0.00%	0.00%
	-	-	-		-	-	-		
b) Banks / FI				0.00%				0.00%	0.00%
	-	-	-		-	-	-		
c) Central Govt				0.00%				0.00%	0.00%
	-	-	-		-	-	-		
d) State Govt(s)				0.00%				0.00%	0.00%
	-	-	-		-	-	-		
e) Venture Capital Funds				0.00%				0.00%	0.00%
	-	-	-		-	-	-		
f) Insurance Companies				0.00%				0.00%	0.00%
	-	-	-		-	-	-		
g) FIIs				0.00%				0.00%	0.00%
	-	-	-		-	-	-		
h) Foreign Venture Capital Funds				0.00%				0.00%	0.00%
	-	-	-		-	-	-		
i) Others (specify)				0.00%				0.00%	0.00%
	-	-	-		-	-	-		
<b>Sub-total (B)(1):-</b>				0.00%				0.00%	0.00%
	-	-	-		-	-	-		
<b>2. Non-Institutions</b>									
a) Bodies Corp.									
i) Indian				0.00%				0.00%	0.00%
	-	-	-		-	-	-		
ii) Overseas				0.00%				0.00%	0.00%
	-	-	-		-	-	-		
b) Individuals				0.00%				0.00%	0.00%
	-	-	-		-	-	-		
i) Individual shareholders holding nominal share capital upto Rs. 1 lakh				0.00%				0.00%	0.00%
	-	-	-		-	-	-		
ii) Individual shareholders holding nominal share capital in				0.00%				0.00%	0.00%
	-	-	-		-	-	-		



## CROSS BORDER POWER TRANSMISSION COMPANY LIMITED

excess of Rs 1 lakh									
c) Others (specify)									
Non Resident Indians	-	-	-	0.00%	-	-	-	0.00%	0.00%
Overseas Corporate Bodies	-	-	-	0.00%	-	-	-	0.00%	0.00%
Foreign Nationals	-	-	-	0.00%	-	-	-	0.00%	0.00%
Clearing Members	-	-	-	0.00%	-	-	-	0.00%	0.00%
Trusts	-	-	-	0.00%	-	-	-	0.00%	0.00%
Foreign Bodies - D R	-	-	-	0.00%	-	-	-	0.00%	0.00%
Sub-total (B)(2):-	-	-	-	0.00%	-	-	-	0.00%	0.00%
Total Public (B)	-	-	-	0.00%	-	-	-	0.00%	0.00%
C. Shares held by Custodian for GDRs & ADRs	-	-	-	0.00%	-	-	-	0.00%	0.00%
Grand Total (A+B+C)	-	4,85,09,506	4,85,09,506	100.00%	-	4,85,09,506	4,85,09,506	100.00%	0.00%

### ii) Shareholding of Promoter

SN	Shareholder's Name	Shareholding at the beginning of the year			Shareholding at the end of the year			% change in shareholding during the year
		No. of Shares	% of total Shares of the company	% of Shares Pledged/encumbered to total shares	No. of Shares	% of total Shares of the company	% of Shares Pledged / encumbered to total shares	
1	IL&FS Energy Development Company Limited	1,84,33,609	38.00%	-	1,84,33,609	38.00%	-	0.00%
2	Power Grid	1,26,12,473	26.0		1,26,12,473	26.00		0.00%



### CROSS BORDER POWER TRANSMISSION COMPANY LIMITED

	Corporation of India Limited		0%	-		%	-	
3	SJVN Limited	1,26,12,473	26.00%	-	1,26,12,473	26.00%	-	0.00%
4	Nepal Electricity Authority, Nepal	48,50,951	10.00%	-	48,50,951	10.00%	-	0.00%

**(iii) Change in Promoters' Shareholding (please specify, if there is no change)- No Change**

SN	Particulars	Date	Reason	Shareholding at the beginning of the year		Cumulative Shareholding during the year	
				No. of shares	% of total shares	No. of shares	% of total shares
	At the beginning of the year				0.00%		0.00%
	Changes during the year				0.00%		0.00%
					0.00%		0.00%
					0.00%		0.00%
	At the end of the year				0.00%		0.00%

**(iv) Shareholding Pattern of top ten Shareholders- N.A**

*(Other than Directors, Promoters and Holders of GDRs and ADRs):*

SN	For each of the Top 10 shareholders	Date	Reason	Shareholding at the beginning of the year		Cumulative Shareholding during the year	
				No. of shares	% of total shares	No. of shares	% of total shares
1	Name						
	At the beginning of the year				0.00%		0.00%
	Changes during the year				0.00%		0.00%
	At the end of the year				0.00%		0.00%
2	Name						
	At the beginning of				0.00%		0.00%



## CROSS BORDER POWER TRANSMISSION COMPANY LIMITED

	the year					
	Changes during the year				0.00%	0.00%
	At the end of the year				0.00%	0.00%

### (v) Shareholding of Directors and Key Managerial Personnel: N.A

SN	Shareholding of each Directors and each Key Managerial Personnel	Date	Reason	Shareholding at the beginning of the year		Cumulative Shareholding during the year	
				No. of shares	% of total shares	No. of shares	% of total shares
1	Name						
	At the beginning of the year				0.00%		0.00%
	Changes during the year				0.00%		0.00%
	At the end of the year				0.00%		0.00%
2	Name						
	At the beginning of the year				0.00%		0.00%
	Changes during the year				0.00%		0.00%
	At the end of the year				0.00%		0.00%

### V. INDEBTEDNESS

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

				(Amt. Rs./Lakhs)
Particulars	Secured Loans excluding deposits	Unsecured Loans	Deposits	Total Indebtedness
Indebtedness at the beginning of the financial year				
i) Principal Amount	15,994.62	-	-	15,994.62
ii) Interest due but not paid	-	-	-	-
iii) Interest accrued but not due	366.87	-	-	366.87
<b>Total (i+ii+iii)</b>	16,361.49			16,361.49



## CROSS BORDER POWER TRANSMISSION COMPANY LIMITED

		-	-	
<b>Change in Indebtedness during the financial year</b>				
* Addition	1,279.57	-	-	1,279.57
* Reduction	-	-	-	-
Net Change	1,279.57	-	-	1,279.57
<b>Indebtedness at the end of the financial year</b>				
i) Principal Amount	14,715.05	-	-	14,715.05
ii) Interest due but not paid	-	-	-	-
iii) Interest accrued but not due	305.55	-	-	305.55
Total (i+ii+iii)	15,020.60	-	-	15,020.60

### VI. REMUNERATION OF DIRECTORS AND KEY MANAGERIAL PERSONNEL

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

SN.	Particulars of Remuneration	Name of MD/WTD/ Manager		Total Amount
	Name			(Rs/Lakhs)
	Designation			
1	Gross salary	-	-	-
	(a) Salary as per provisions contained in section 17(1) of the Income-tax Act, 1961	-	-	-
	(b) Value of perquisites u/s 17(2) Income-tax Act, 1961	-	-	-
	(c) Profits in lieu of salary under section 17(3) Income- tax Act, 1961	-	-	-
2	Stock Option	-	-	-
3	Sweat Equity	-	-	-
	Commission	-	-	-
4	- as % of profit	-	-	-
	- others, specify	-	-	-
5	Others, please specify	-	-	-
	Total (A)	-	-	-
	Ceiling as per the Act			

## CROSS BORDER POWER TRANSMISSION COMPANY LIMITED

### B. Remuneration to other Directors:

SN.	Particulars of Remuneration	Name of Directors			Total Amount
					(In Rs.)
1	Independent Directors	Dr. R. P. Singh	-	-	
	Fee for attending board /committee meetings	20,000/-	-	-	20,000/-
	Commission	-	-	-	-
	Others, please specify	-	-	-	-
	Total (1)	-	-	-	-
2	Other Non-Executive Directors	-	-	-	-
	Fee for attending board/ committee meetings	-	-	-	-
	Commission	-	-	-	-
	Others, please specify	-	-	-	-
	Total (2)	-	-	-	-
	Total (B)=(1+2)	-	-	-	-
	Total Managerial Remuneration	-	-	-	-
	Overall Ceiling as per the Act	-	-	-	-

### C. Remuneration to Key Managerial Personnel other than MD/Manager/WTD

SN.	Particulars of Remuneration	Name of Key Managerial Personnel		Total Amount
	Name			(In Rs)
	Designation	CEO	CFO cum CS	
1	Gross salary	In Rs.	In Rs.	
	(a) Salary as per provisions contained in section 17 (1) of the Income-tax Act, 1961	79,18,455/-	12,12,733/-	91,31,188/-



# CROSS BORDER POWER TRANSMISSION COMPANY LIMITED

	(b) Value of perquisites u/s 17 (2) Income-tax Act, 1961	45,246/-	-	45,246/-
	(c) Profits in lieu of salary under section 17(3) Income- tax Act, 1961	-	-	-
2	Stock Option	NA	NA	NA
3	Sweat Equity	NA	NA	NA
4	Commission - as % of profit	NA	NA	NA
	- others, specify	NA	NA	NA
		NA	NA	NA
5	Others, allowance	9,38,537	NA	NA
	Total	89,02,238/-	12,12,733/-	91,76,434/-
<b>Note:</b>				
i.	Mr. I.N. Jha, CEO has been deputed from PowerGrid (Promoter) and his salaries & all other entitlements are being paid by the PowerGrid and reimbursed by the Company. For FY 2018-19, the Company has paid Rs. 89,02,238/-			
ii.	Mr. Sandip Rai was a CFO & CS till February, 2019; his salaries & all other entitlements are being paid by the company. For FY 2018-19, the Company has paid Rs. 12,12,733/-  Mr. Sachin Jain was appointed as a CFO and Ms. Anjali Singhal was appointed as a Company Secretary under the category of KMP with effect from March 29, 2019 and their remuneration for three days is not reflected in this Director's Report as the report pertains to FY 2018-19.			

# CROSS BORDER POWER TRANSMISSION COMPANY LIMITED

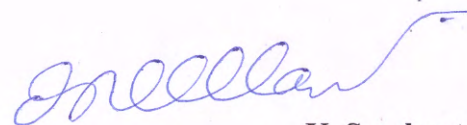
## VII. PENALTIES / PUNISHMENT/ COMPOUNDING OF OFFENCES: NIL

Type	Section of the Companies Act	Brief Description	Details of Penalty/ Punishment/ Compounding fees imposed	Authority [RD/ NCLT/ COURT]	Appeal made, if any (give Details)
A. COMPANY					
Penalty			NIL		
Punishment					
Compounding					
B. DIRECTORS					
Penalty			NIL		
Punishment					
Compounding					
C. OTHER OFFICERS IN DEFAULT					
Penalty			NIL		
Punishment					
Compounding					

For and on behalf of the Board of Directors

Date: 20-09-2019

Place: Gurgaon



**K. Sreekant**

Chairman & Director

DIN: 06615674

Address: CPTC, 3<sup>rd</sup> Floor, Ambience  
Corporate Tower, Ambience Island,  
NH-8, Gurgaon, Haryana



## CROSS BORDER POWER TRANSMISSION COMPANY LIMITED

*Annexure-IV*

### ANNUAL REPORT ON CSR ACTIVITIES TO BE INCLUDED IN THE BOARD'S REPORT FOR THE FY 2018-19

1. **Brief outline:** The main focus of Company would be on the activities that benefit persons directly impacted by such activities of Company' transmission line business as well as activities that help to reverse any adverse impact on the environment and ecology in the local areas and neighbourhood areas of its operations such as along the transmission line corridor.
2. **Composition of CSR Committee:** The CSR Committee consists, of Mr. Keshav Prasad, Ms. Seema Gupta and Mr. IN Jha.
3. **Average Net Profit of the Company for the last three financial years:** Rs. 11,07,86,852
4. **Prescribed CSR Expenditure:** Rs. 22,15,737
5. **Details of CSR spent during the financial year.**
  - a) Total amount spent for the FY 2018-19: Rs. 22,65,473/-
  - b) Amount unspent, if any: N.A.
  - c) Manner in which the amount spent during the financial year is detailed below:

Sr. No.	CSR project or activity identified	Sector in which the project is covered	Projects or programs 1) Local area or other 2) Specify the state and district where projects or programs were undertaken	Amount outlay (budget) project or programs wise	Amount spent on the projects or programs Sub-heads: 1) Direct expenditure on projects or programs 2) Overheads	Cumulative expenditure upto to the reporting period	Amount spent: Direct or through implementing agency
1.	Procurement & Installation of 35 nos. handpumps	Sanitation	Local: In villages of Sitamarhi district, Bihar	Rs. 17,62,432	Rs. 18,12,168	Rs. 18,12,168	Directly: Rs. 9,04,698 Impleme-nting Agency (Govt. of Bihar) Rs. 9,07,470

## CROSS BORDER POWER TRANSMISSION COMPANY LIMITED

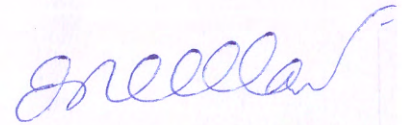
2.	Supply of materials to Community Health Centre	Health Care	Local: villages Sitamarhi district, Bihar	In of	Rs. 4,53,305	Rs. 4,53,305	Rs. 4,53,305	Directly: Rs. 4,53,305
Total amount spent							Rs. 22,65,473	

6. Reason for not spending the amount: N.A.

For and on behalf of the Board of Directors

Date: 20-09-2019

Place: Gurgaon



K. Sreekant

Chairman & Director

DIN: 06615674

Address: CPTC, 3<sup>rd</sup> Floor, Ambience  
Corporate Tower, Ambience Island,  
NH-8, Gurgaon, Haryana



## CROSS BORDER POWER TRANSMISSION COMPANY LIMITED

Annexure-V

### Form AOC-2

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

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

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

CROSS BORDER POWER TRANSMISSION COMPANY LIMITED ("the Company") has not entered into any contract/ arrangements/ transaction with its related parties which are not in ordinary course of business or at arm's length during the Financial Year 2018-19. The Company has laid down policy and processes/ procedures so as to ensure compliance to the subject section in the Companies Act, 2013 ("Act") and the corresponding Rules. In, addition, the process goes through internal and external checking followed by Board of Directors.

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

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

A.

Serial No.	Particulars	Details
a)	Name (s) of the Related Party and nature of relationship	IL&FS Energy Development Company Limited
b)	Nature of contracts/ arrangements/ transactions	Deputation Expenses
c)	Duration of the contracts/ arrangements/ transactions	-
d)	Salient terms of the contracts/ arrangements/	3,14,543/-



## CROSS BORDER POWER TRANSMISSION COMPANY LIMITED

	transactions including the value, if any	
e)	Date (s) of approval by the Board	29-03-2019
f)	Amount paid as advances, if any	-

B.

Serial No.	Particulars	Details
a)	Name (s) of the Related Party and nature of relationship	Power Grid Corporation of India Limited (26% shareholder)
b)	Nature of contracts/ arrangements/ transactions	Operation and Maintenance Agreement
c)	Duration of the contracts/ arrangements/ transactions	3 years
d)	Salient terms of the contracts/ arrangements/ transactions including the value, if any	Rs. 1,65,15,000
e)	Date (s) of approval by the Board	16-06-2016
f)	Amount paid as advances, if any	N.A.

C.

Serial No.	Particulars	Details
a)	Name (s) of the Related Party and nature of relationship	Power Grid Corporation of India Limited (26% shareholder)
b)	Nature of contracts/ arrangements/ transactions	Deputation Expenses
c)	Duration of the contracts/ arrangements/ transactions	-
d)	Salient terms of the contracts/ arrangements/ transactions including the value, if any	Rs. 89,02,238
e)	Date (s) of approval by the Board	26-03-2018
f)	Amount paid as advances, if any	N.A.

**CROSS BORDER POWER TRANSMISSION COMPANY LIMITED**

D.

Serial No.	Particulars	Details
a)	Name (s) of the Related Party and nature of relationship	Power Grid Corporation of India Limited (26% shareholder)
b)	Nature of contracts/ arrangements/ transactions	Business Support Services
c)	Duration of the contracts/ arrangements/ transactions	-
d)	Salient terms of the contracts/ arrangements/ transactions including the value, if any	Rs. 79,308/-
e)	Date (s) of approval by the Board	30-09-2013
f)	Amount paid as advances, if any	N.A.

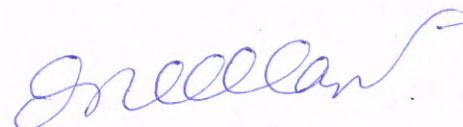
E.

Serial No.	Particulars	Details
a)	Name (s) of the Related Party and nature of relationship	Infrastructure Leasing & Financial Services Ltd
b)	Nature of contracts/ arrangements/ transactions	Business Support Services
c)	Duration of the contracts/ arrangements/ transactions	-
d)	Salient terms of the contracts/ arrangements/ transactions including the value, if any	Rs. 29,46,000
e)	Date (s) of approval by the Board	30-09-2013
f)	Amount paid as advances, if any	N.A.

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

**Date: 20-09-2019**

**Place: Gurgaon**



**K. Sreekant**

**Chairman & Director**

**DIN: 06615674**

**Address: CPTC, 3<sup>rd</sup> Floor, Ambience  
Corporate Tower, Ambience Island,  
NH-8, Gurgaon, Haryana**





## INDEPENDENT AUDITOR'S REPORT

To the Members of  
Cross Border Power Transmission Company Limited

### Report on the Ind AS Standalone Financial Statements

We have audited the accompanying Ind AS Standalone Financial Statements of **Cross Border Power Transmission Company Limited** ("the Company"), which comprise the Balance Sheet as at March 31, 2019, the Statement of Profit and Loss (including other comprehensive income), the Statement of Cash Flows and the Statement of Changes in Equity for the year then ended, and a summary of significant accounting policies and other explanatory information.

### Management's Responsibility for the Ind AS Standalone Financial Statements

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

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

### Auditor's responsibility

Our responsibility is to express an opinion on these Ind AS Standalone Financial Statements based on our audit. In conducting our audit, We have taken into account the provisions of the Act, the accounting and auditing standards and matters which are required to be included in the audit report under the provisions of the Act and the Rules made there under.





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

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

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

## **Opinion**

In our opinion and to the best of our information and according to the explanations given to us, the aforesaid Ind AS Standalone Financial Statements give the information required by the Act in the manner so required and give a true and fair view in conformity with the accounting principles generally accepted in India including the Ind AS, of the financial position of the Company as at 31st March, 2019, its financial performance including other comprehensive income, its cash flows and the changes in equity for the year ended on that date.

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

1. As required by the Companies (Auditor's Report) Order, 2016 ("the Order"), issued by the Central Government of India in terms of sub-section (11) of section 143 of the Act, we give in the Annexure -A, which forms a part of this report, a statement on the matters specified in paragraph 3 and 4 of the Order, to the extent applicable.
2. As required by Section 143 (3) of the Act, we report that:
  - (a) we have sought and obtained all the information and explanations which to the best of our knowledge and belief were necessary for the purpose of our audit;
  - (b) in our opinion, proper books of account, as required by law have been kept by the Company so far, as appears from our examination of such books.
  - (c) the Balance Sheet, Statement of Profit and Loss (including Other Comprehensive Income), the Statement of Cash Flows and the Statement of Changes in Equity dealt with by this Report are in agreement with the books of account and returns;



- (d) in our opinion, the aforesaid Ind AS Standalone Financial Statements comply with the Accounting Standards specified under Section 133 of the Act, read with relevant rules issued thereunder.
- (e) on the basis of written representations received from the Directors and taken on record by the Board of Directors, we report that none of the Directors is disqualified as on 31<sup>st</sup> March, 2019 from being appointed as a Director in terms of Section 164(2) of the Companies Act, 2013.
- (f) with respect to the adequacy of the internal financial controls over financial reporting of the company and the operating effectiveness of such controls, refer to our separate report in "Annexure- B".
3. As required by Rule 11 of the Companies (Audit and Auditors) Rules, 2014 issued by the Central Government of India in terms of clause (j) of sub-section (3) of section 143 of the Act, in our opinion and to the best of our information and according to the explanation given to us:
- (a) the Company has disclosed the impact of pending litigations on its financial position in its Ind AS Standalone Financial Statements – Refer Note 21 to the Ind AS financial statement.
- (b) the Company did not have any long term contracts including derivative contracts for which there were any material foreseeable losses.
- (c) there has been no delay in transferring amounts, required to be transferred, to the Investor Education and Protection Fund by the Company.

**For H K Joon & Company**

**Chartered accountants**

**ICAI firm registration number: 0022932N**

*S K Singh*

**C.A. Sudhir Kumar Singh**

**Partner**

**Membership No: 067280**

**Date: 20/06/2019**

**Place: New Delhi**





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

The Annexure referred to in Independent Auditors' Report to the members of the Company on the Ind AS Standalone Financial Statements for the year ended 31<sup>st</sup> March 2019, we report that:

- i. (a) The Company has maintained proper records showing full particulars including quantitative details and situation of its fixed assets.
- (b) According to the information and explanations given to us, the fixed assets of the Company have been physically verified by the management at reasonable intervals. No material discrepancies were noticed on such verification as compared to the book records.
- (c) According to information and explanations given to us and on the basis of our examination of the records of the company, the title deeds of immovable properties are held in the name of the company.
- ii. (a) Physical verification has been carried out by the Management in respect of inventory at reasonable intervals including as on March 31, 2019. In our opinion the frequency of verification is reasonable.
- (b) The Company is maintaining proper records of inventory. As per the information and explanations provided to us by the Management, the discrepancies observed on physical verification of inventory were not material and the same has been properly dealt with in the books of account.
- iii. According to the information and explanations given to us and based on such tests which we considered necessary, we report that the company has not granted any loans, secured or unsecured to companies, firms, limited liability partnerships or other parties covered in the register maintained under section 189 of the Companies Act, 2013. Therefore the provisions of paragraph (iii) (a), (b) and (c) of the above order are not applicable to the Company.
- iv. According to the information and explanations given to us, the Company has not made any loans, investments, or given any guarantees or provided any security pursuant to the provisions of section 185 and 186 of the Companies Act, 2013. Therefore, the provisions of paragraph (iv) of the above order are not applicable to the Company.
- v. In our opinion and according to the information and explanations given to us, the Company has not accepted any deposits from the public during the year under audit. Therefore, directives issued by Reserve Bank of India and the provisions of Sections 73 to 76 or any other relevant provisions of the Companies Act and the rules framed there under are not applicable to the company.



- vi. We have broadly reviewed the cost records maintained by the Company pursuant to the sub-section (1) of section 148 of the Companies Act, specified by the Central Government and are of the opinion that, prima facie, the prescribed cost records have been maintained. We have, however, not made a detailed examination of the cost records with a view to determine whether they are accurate or complete.
- vii. (a) According to the information and explanations given to us and records of the Company examined by us, in our opinion, the company is generally regular in depositing undisputed statutory dues including Provident Fund, Employees' State Insurance, Income-tax, Sales-tax, Service tax, Duty of Customs, Value Added Tax, cess and any other statutory dues with the appropriate authorities. We are informed that the provisions of Excise Duty are not applicable to the company. According to the information and explanation given to us, no undisputed amounts payable were outstanding as at March 31, 2019 for a period of more than six months from the date they became payable.
- (b) According to the information and explanations given to us, there are no dues of income tax, sales tax, service tax, duty of customs or value added tax
- viii. In our opinion and according to the information and explanations given to us, the Company has not defaulted in repayment of loans or borrowing to any financial institution, bank or Government. The Company does not have any debenture holders.
- ix. In our opinion and according to the information and explanations given to us, the company has not raised moneys by way of initial public offer or further public offer (including debt instruments) and term loans during the year.
- x. According to the information and explanations given to us, no fraud by the company or any fraud on the company by its officers or employees has been noticed or reported during the year under review.
- xi. According to the information and explanations given to us and based on our examination of records of company, the company has paid / provided for the managerial remuneration in accordance with the requisite approvals mandated by the provisions of section 197 read with Schedule V to the Companies Act, 2013.
- xii. According to the information and explanation given to us, the company is not a Nidhi Company. Therefore the provisions of paragraph 3(xii) of the Order are not applicable.
- xiii. According to the information and explanations given to us, and based on our examination of the records of the company, transactions with the related parties are in compliance with section 177 and 188 of the Companies Act, 2013. Further the details of the transactions have been disclosed in the Ind AS Standalone Financial Statements as required by the applicable accounting standards.





- xiv. According to the information and explanations given to us, the company has not made preferential allotment or private placement of shares or fully or partly convertible debentures during the year under review . Therefore the provisions of paragraph 3(xiv) of the Order are not applicable.
- xv. According to information and explanations given to us, and based on our examination of the records of the company, the company has not entered into any non-cash transactions with directors or person connected with him. Accordingly, provisions of paragraph 3 (xv) of the Order are not applicable.
- xvi. According to the information and explanations given to us, the company is not required to be registered under section 45-IA of the Reserve Bank of India Act, 1934.

**For H K Joon & Company**

**Chartered accountants**

**ICAI firm registration number: 0022932N**

*S K Singh*

**C.A. Sudhir Kumar Singh**

**Partner**

**Membership No: 067280**



**Date: 20/06/2019**

**Place: New Delhi**

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

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

We have audited the internal financial controls over financial reporting of **Cross Border Power Transmission Company Limited** ("the Company") as of 31<sup>st</sup> March, 2019 in conjunction with our audit of the Ind AS Standalone Financial Statements of the Company for the year ended on that date.

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

The Company's management is responsible for establishing and maintaining internal financial controls based on the internal control over financial reporting criteria established by the Company considering the essential components of internal control stated in the Guidance Note on Audit of Internal Financial Controls over Financial Reporting (the "Guidance Note") issued by the Institute of Chartered Accountants of India ('ICAI'). These responsibilities include the design, implementation and maintenance of adequate internal financial controls that were operating effectively for ensuring the orderly and efficient conduct of its business, including adherence to company's policies, the safeguarding of its assets, the prevention and detection of frauds and errors, the accuracy and completeness of the accounting records, and the timely preparation of reliable financial information, as required under the Companies Act, 2013.

#### **Auditors' Responsibility**

Our responsibility is to express an opinion on the Company's internal financial controls over financial reporting based on our audit. We conducted our audit in accordance with the Guidance Note and the Standards on Auditing, issued by ICAI and deemed to be prescribed under section 143(10) of the Companies Act, 2013, to the extent applicable to an audit of internal financial controls, both applicable to an audit of Internal Financial Controls and, both issued by the Institute of Chartered Accountants of India. Those Standards and the Guidance Note require that we comply with ethical requirements and plan and perform the audit to obtain reasonable assurance about whether adequate internal financial controls over financial reporting was established and maintained and if such controls operated effectively in all material respects.

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

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





## **Meaning of Internal Financial Controls over Financial Reporting**

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

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

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

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



## Opinion

In our opinion, to the best of our information and according to the explanations given to us, the Company has, in all material respects, an adequate internal financial controls system over financial reporting and such internal financial controls over financial reporting were operating effectively as at 31<sup>st</sup> March 2019, based on the internal control over financial reporting criteria established by the Company considering the essential components of internal control stated in the Guidance Note on Audit of Internal Financial Controls Over Financial Reporting issued by the Institute of Chartered Accountants of India.

**For H K Joon & Company**

**Chartered accountants**

**ICAI firm registration number: 0022932N**



*S K Singh*

**C.A. Sudhir Kumar Singh**

**Partner**

**Membership No: 067280**

**Date: 20/06/2019**

**Place: New Delhi**



**CROSS BORDER POWER TRANSMISSION COMPANY LIMITED**  
**10, COMMUNITY CENTER, 2ND FLOOR**  
**EAST OF KAILASH, NEW DELHI - 110065**

**BALANCE SHEET AS AT MARCH 31, 2019**

		( In Lakhs)
	As at	As at
Note No.	31 March 2019	31 March 2018
<b>ASSETS</b>		
<b>(1) Non-current assets</b>		
(a) Property, plant and equipment	3A 3.66	2.56
(b) Capital work-in-progress	51.92	-
(c) Other intangible assets	3B 0.04	0.38
(d) Financial assets		
Service concession agreement	4 18,964.63	20,022.12
(d) Other non-current assets	5 -	-
	<b>19,020.25</b>	<b>20,025.06</b>
<b>(2) Current assets</b>		
(a) Financial assets		
(i) Trade receivables	6 -	-
(ii) Cash and cash equivalents	7 1,935.01	1,032.08
(ii) Other bank balances	5.00	5.00
(iii) Loans and advances	8 1,215.42	813.95
(iv) Service concession agreement	4 4,155.01	4,300.78
(v) Other financial assets	9 421.05	449.92
(b) Other current assets	10 139.95	147.59
	<b>7,871.44</b>	<b>6,749.32</b>
<b>TOTAL ASSETS</b>	<b>26,891.69</b>	<b>26,774.38</b>
<b>EQUITY AND LIABILITIES</b>		
<b>Equity</b>		
(a) Equity share capital	11A 4,850.95	4,850.95
(b) Other equity	11B	
(i) Retained earnings	3,999.32	3,061.30
(ii) Share application money	-	-
<b>Total equity</b>	<b>8,850.27</b>	<b>7,912.25</b>
<b>LIABILITIES</b>		
<b>(1) Non-current liabilities</b>		
(a) Financial liabilities		
(i) Borrowings	12 14,715.05	15,994.62
(b) Provisions	15 2.31	4.53
(c) Deferred tax liabilities (net)	22 435.23	435.23
<b>(2) Current liabilities</b>		
(a) Financial liabilities		
(i) Other financial liabilities	13 1,608.23	1,646.45
(b) Other current liabilities	14 1,280.38	781.09
(c) Provisions	15 0.22	0.21
<b>Total liabilities</b>	<b>18,041.42</b>	<b>18,862.13</b>
<b>TOTAL EQUITY AND LIABILITIES</b>	<b>26,891.69</b>	<b>26,774.38</b>

See accompanying notes to the financial statement

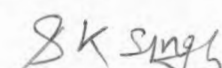
1-33

In terms of our report attached

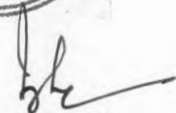
**For H K Joon & Co.**

ICAI firm registration number: 0022932N

Chartered accountants


  
**CA Sudhir Kumar Singh**  
 Partner  
 Membership No. 067280



  
**Indra Nand Jha**  
 Chief Executive Officer

**For and on behalf of the Board**

  
**Ravi P Singh**  
 Chairman  
 DIN: 05240974

  
**Saehin Jain**  
 Chief Financial Officer

  
**Keshav Prasad**  
 Director  
 DIN: 07051302  
  
**Anjali Singhal**  
 Company Secretary  
 Membership No. A52858

Place : New Delhi

Date : 20 June 2019

**CROSS BORDER POWER TRANSMISSION COMPANY LIMITED**  
10, COMMUNITY CENTER, 2ND FLOOR  
EAST OF KAILASH, NEW DELHI - 110065

**STATEMENT OF PROFIT & LOSS FOR THE YEAR ENDED MARCH 31, 2019**

		Year Ended	(In Lakhs)
	Notes	31-Mar-19	Year Ended 31-Mar-18
<b>Continuing operations</b>			
Revenue from operations	16	661.98	446.67
Other income	17	2.41	7.46
Finance income	18	2,965.52	3,141.74
<b>Total income</b>		<b>3,629.91</b>	<b>3,595.87</b>
<b>Expenses</b>			
Employee benefits expense	19	138.95	104.66
Depreciation and amortisation expense	3A & 3B	2.26	1.61
Finance cost	20	1,607.62	1,771.41
Transmission, administration and other expenses	21	358.27	423.16
<b>Total expenses</b>		<b>2,107.09</b>	<b>2,300.84</b>
<b>Profit/ loss before tax from continuing operations</b>		<b>1,522.82</b>	<b>1,295.03</b>
Current tax	22	401.39	348.92
Mat credit entitlement		-401.39	-348.92
Deferred tax		-	-
Income tax expense		-	-
<b>Profit/ (loss) for the year</b>		<b>1,522.82</b>	<b>1,295.03</b>
<b>Other comprehensive income</b>			
Exchange differences on translation of foreign operations		-	-
<b>Total comprehensive income/ (loss) for the year, net of tax</b>		<b>1,522.82</b>	<b>1,295.03</b>
<b>Attributable to:</b>			
Equity holders of the parent			
Non-controlling interests			
<b>Earnings per share</b>			
Basic, profit/(loss) for the year attributable to ordinary equity holders of the parent	28	3.14	2.67
Diluted, profit/(loss) for the year attributable to ordinary equity holders of the parent		3.14	2.67

See accompanying notes to the financial statement  
In terms of our report attached

1-33

**For H K Joon & Co.**

ICAI firm registration number: 0022932N

Chartered accountants

*S K Singh*  
CA Sudhir Kumar Singh  
Partner  
Membership No. 067280



**For and on behalf of the Board**

*R P Singh*  
Ravi P Singh  
Chairman  
DIN: 05240974

*Keshav Prasad*  
Keshav Prasad  
Director  
DIN: 07051302

*Indra Nand Jha*  
Indra Nand Jha  
Chief Executive Officer

*Sachin Jain*  
Sachin Jain  
Chief Financial Officer

*Anjali Singhal*  
Anjali Singhal  
Company Secretary  
Membership No. A52858

Place : New Delhi

Date : 20 June 2019



**CROSS BORDER POWER TRANSMISSION COMPANY LIMITED**  
10, COMMUNITY CENTER, 2ND FLOOR  
EAST OF KAILASH, NEW DELHI - 110065

**CASH FLOW STATEMENT FOR THE YEAR ENDED MARCH 31, 2019**

	Year Ended 31 March 2019	( In Lakhs) Year Ended 31 March 2018
<b>A. Cash flow from operating activities</b>		
Profit before taxation	1,522.82	1,295.03
Adjustments for:		
Depreciation expense	2.26	1.61
Interest income	(2,965.52)	(3,141.74)
Interest expense	1,607.62	1,771.41
<b>Operating loss/ profit before working capital changes</b>	<b>167.18</b>	<b>(73.69)</b>
Movement in working capital:-		
Increase/ (Decrease) in receivable against service concession agreement		
Non current	1,057.49	975.38
Current	145.77	145.77
Decrease/ (Increase) in other non current assets	-	-
Decrease/ (Increase) in trade receivables	-	-
Decrease/ (Increase) in loans and advances	(401.48)	(320.30)
Decrease/ (Increase) in other current financial assets	28.87	83.29
Decrease/ (Increase) in other current assets	7.63	(94.90)
Increase/ (Decrease) in other financial liabilities	(38.22)	(197.59)
Increase/ (Decrease) in other current liabilities & provisions	497.09	(1,071.36)
<b>Cash flow from/ used in operations</b>	<b>1,464.35</b>	<b>(553.41)</b>
<b>Net cash flow from/ used in operating activities</b>	<b>1,464.35</b>	<b>(553.41)</b>
<b>B. Cash flow from investing activities</b>		
Purchase of property, plant and equipment	(3.06)	(1.81)
Capital work-in-progress	(51.92)	-
Interest received	2,965.52	3,141.74
Sale of asset	0.04	-
<b>Net cash flow from investing activities</b>	<b>2,910.59</b>	<b>3,139.93</b>
<b>C. Cash flow from financing activities</b>		
Proceeds/(Payment)/ borrowings	(1,279.58)	(1,279.58)
Issue of equity share capital	-	-
Dividend paid	(485.10)	(630.62)
Tax on dividend	(99.71)	(128.38)
Interest paid	(1,607.62)	(1,771.41)
<b>Net cash flow from financing activities</b>	<b>(3,472.01)</b>	<b>(3,809.99)</b>
Net increase/ (decrease) in cash and cash equivalents (A + B + C)	902.93	(1,223.47)
Cash and cash equivalents at the beginning of the year	1,037.08	2,260.52
<b>Cash and cash equivalents at the end of the year</b>	<b>1,940.01</b>	<b>1,037.08</b>
<b>Components of cash and cash equivalents</b>		
Cash in hand		
Balances with scheduled banks:		
On current accounts	980.40	1,030.47
On deposit accounts	959.61	6.61
<b>Cash and cash equivalents in cash flow statement:</b>	<b>1,940.01</b>	<b>1,037.08</b>

**Note:** Cash and cash equivalents at the beginning of the year on 01 April 2017 includes Rs. 5,00,000/- i.e. fixed deposit kept with axis bank ltd. against bank guarantee.

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

See accompanying notes to the financial statements

In terms of our report attached

For H K Joon & Co.

ICAI firm registration number: 0022932N

Chartered Accountants

*S K Singh*  
CA Sudhir Kumar Singh

Partner

Membership No. 067280

*Indra Nand Jha*  
Indra Nand Jha  
Chief Executive Officer

For and on behalf of the Board

*RPS*  
Ravi P Singh  
Chairman  
DIN: 05240974

*Sachin Jain*  
Sachin Jain  
Chief Financial Officer

*Keshav Prasad*  
Keshav Prasad  
Director  
DIN: 07051302

*Anjali Singhal*  
Anjali Singhal  
Company Secretary  
Membership No. A52858

Place : New Delhi

Date : 20 June 2019

CROSS BORDER POWER TRANSMISSION COMPANY LIMITED  
10, COMMUNITY CENTER, 2ND FLOOR  
EAST OF KAILASH, NEW DELHI - 110065

STATEMENT OF CHANGE IN EQUITY

Statement of changes in equity for the year ended March 31, 2019

( In Lakhs)

	Share capital (A)	Share application money (B)	Retained earnings (C)	Dividend & tax on dividend (D)	Total shareholders equity (A+B+C-D)
	In Lakhs	In Lakhs	In Lakhs	In Lakhs	In Lakhs
Opening balance as at April 01, 2017	4,850.95	-	2,525.28	-	7,376.23
Share application money received during the year	-	-	-	-	-
Issue of share capital	-	-	-	-	-
Profit/ (loss) for the year	-	-	1,295.03	-	1,295.03
Dividend and tax on dividend	-	-	-	759.00	-759.00
<b>Balance as at March 31, 2018</b>	<b>4,850.95</b>	<b>-</b>	<b>3,820.31</b>	<b>759.00</b>	<b>7,912.25</b>
Share application money received during the year	-	-	-	-	-
Issue of share capital	-	-	-	-	-
Profit/ (loss) for the year	-	-	1,522.82	-	1,522.82
Dividend and tax on dividend	-	-	-	584.81	-584.81
<b>Balance as at March 31, 2019</b>	<b>4,850.95</b>	<b>-</b>	<b>5,343.13</b>	<b>584.81</b>	<b>8,850.27</b>

For H K Joon & Co.

ICAI firm registration number: 0022932N

Chartered accountants

*SK Singh*

CA Sudhir Kumar Singh  
Partner  
Membership No. 067280



For and on behalf of the Board

*RPS*  
Ravi P Singh  
Chairman  
DIN: 05240974

*Keshav Prasad*

Keshav Prasad  
Director  
DIN: 07051302

*Indra Nand Jha*

Indra Nand Jha  
Chief Executive Officer

*Sachin Jain*

Sachin Jain  
Chief Financial Officer

*Anjali Singhal*

Anjali Singhal  
Company Secretary  
Membership No. A52858

Place : Gurgaon

Date : 20 June 2019

# CROSS BORDER POWER TRANSMISSION COMPANY LIMITED

## Notes to the financial statements

### 1. Corporate information

The Company is a public limited company domiciled in India and is incorporated under the provisions of the Companies Act applicable in India. The registered office of the Company is located at 10, Community Center, 2nd Floor, East of Kailash, New Delhi-110065.

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

### 2. Significant accounting policies

#### 2.1 Basis of preparation

##### i) Compliance with Ind AS

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

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

##### ii) Historical cost convention

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

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

##### iii) Functional and presentation currency

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

##### iv) Use of estimates

The preparation of financial statements requires estimates and assumptions that affect the reported amount of assets, liabilities, revenue, expenses & cash flows during the reporting period. Although, such estimates and assumptions are made on a reasonable and prudent basis taking into account all available information, actual results could differ from these estimates. The estimates and underlying assumptions are reviewed on an ongoing basis. Revisions to accounting estimates are recognised in the period in which the estimate is revised if the revision affects only that period or in the period of the revision and future periods if the revision affects both current and future years.





## CROSS BORDER POWER TRANSMISSION COMPANY LIMITED

### Notes to the financial statements

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#### 2.2 Summary of significant accounting policies

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

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

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

All other assets are classified as non-current.

A liability is current when:

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

All other assets are classified as Non-current.

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

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

##### b. Foreign Currencies

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

##### Transactions and balances

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

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

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

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

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



## CROSS BORDER POWER TRANSMISSION COMPANY LIMITED

### Notes to the financial statements

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#### c. Fair value measurement

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

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

#### d. Revenue recognition

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

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

The transmission system incentive / disincentive is accounted for based on certification of availability by the respective Regional Power Committees and in accordance with the CERC tariff regulations.

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

Scraps are accounted for as and when sold

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

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

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

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



## CROSS BORDER POWER TRANSMISSION COMPANY LIMITED

### Notes to the financial statements

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#### f. Receivable Under SCA

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

#### g. Taxes

##### Current Income Tax

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

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

##### Deferred tax

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

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

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

#### h. Property, plant and equipment

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

Property, Plant and Equipment are initially measured at cost of acquisition/construction including any costs directly attributable to bringing the asset to the location and condition necessary for it to be capable of operating in the manner intended by management.

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





## CROSS BORDER POWER TRANSMISSION COMPANY LIMITED

### Notes to the financial statements

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

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

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

#### i. Depreciation/Amortization

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

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

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

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

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

#### j. Intangible assets

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

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

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

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

#### k. Borrowing costs

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



## CROSS BORDER POWER TRANSMISSION COMPANY LIMITED

### Notes to the financial statements

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connection with the borrowing of funds. Borrowing cost also includes exchange differences to the extent regarded as an adjustment to the borrowing costs.

#### **l. Leases**

The determination of whether an arrangement is (or contains) a lease is based on the substance of the arrangement at the inception of the lease. The arrangement is, or contains, a lease if fulfilment of the arrangement is dependent on the use of a specific asset or assets and the arrangement conveys a right to use the asset or assets, even if that right is not explicitly specified in an arrangement.

#### **m. Provisions and contingencies**

Provisions are recognised when the Company has a present obligation (legal or constructive) as a result of a past event, it is probable that an outflow of resources embodying economic benefits will be required to settle the obligation and a reliable estimate can be made of the amount of the obligation. When the Company expects some or all of a provision to be reimbursed, for example, under an insurance contract, the reimbursement is recognised as a separate asset, but only when the reimbursement is virtually certain. The expense relating to a provision is presented in the statement of profit and loss net of any reimbursement.

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

Contingent liabilities are disclosed when there is a possible obligation arising from past events, the existence of which will be confirmed only by the occurrence or non-occurrence of one or more uncertain future events not wholly within the control of the Company or a present obligation that arises from past events where it is either not probable that an outflow of resources will be required to settle or a reliable estimate of the amount cannot be made. Information on contingent liability is disclosed in the Notes to the Financial Statements. Contingent assets are not recognised.

#### **n. Retirement and other employee benefits**

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

The liability for Gratuity, ascertained annually on actuarial valuation at the year end

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

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

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

#### **o. Financial instruments**



## CROSS BORDER POWER TRANSMISSION COMPANY LIMITED

### Notes to the financial statements

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

#### **Financial assets**

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

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

##### ***Subsequent measurement***

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

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

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

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

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

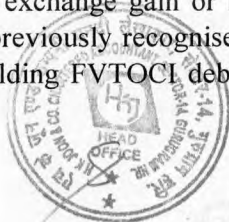
This category is the most relevant to the Company. After initial measurement, such financial assets are subsequently measured at amortized cost using the effective interest rate (EIR) method. Amortized cost is calculated by taking into account any discount or premium on acquisition and fees or costs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

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

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

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

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





## CROSS BORDER POWER TRANSMISSION COMPANY LIMITED

### Notes to the financial statements

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using the EIR method.

#### ***Debt instrument at FVTPL***

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

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

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

#### ***Equity investments***

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

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

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

#### ***Derecognition***

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

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

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

Continuing involvement that takes the form of a guarantee over the transferred asset is



## **CROSS BORDER POWER TRANSMISSION COMPANY LIMITED**

### **Notes to the financial statements**

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measured at the lower of the original carrying amount of the asset and the maximum amount of consideration that the Company could be required to repay.

#### **Financial Liabilities**

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

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

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

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

##### ***Subsequent measurement***

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

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

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

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

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

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

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

Amortised cost is calculated by taking into account any discount or premium on acquisition and fees or costs that are an integral part of the EIR. The EIR amortization is included as finance costs in the statement of profit and loss.

##### ***Derecognition***



## CROSS BORDER POWER TRANSMISSION COMPANY LIMITED

### Notes to the financial statements

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A financial liability is derecognised when the obligation under the liability is discharged or cancelled or expires. When an existing financial liability is replaced by another from the same lender on substantially different terms, or the terms of an existing liability are substantially modified, such an exchange or modification is treated as the derecognition of the original liability and the recognition of a new liability. The difference in the respective carrying amounts is recognised in the statement of profit or loss.

#### ***Offsetting of financial instruments***

Financial assets and financial liabilities are offset and the net amount is reported in the consolidated balance sheet if there is a currently enforceable legal right to offset the recognised amounts and there is an intention to settle on a net basis, to realise the assets and settle the liabilities simultaneously.

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

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

#### **q. Cash and cash equivalents**

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

#### **r. Earnings per Share**

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

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

#### **s. Cash Flow statement**

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



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**CROSS BORDER POWER TRANSMISSION COMPANY LIMITED**  
10, COMMUNITY CENTER, 2ND FLOOR  
EAST OF KAILASH, NEW DELHI-110 065

**NOTES FORMING PART OF THE FINANCIAL STATEMENTS**

Note: 3A  
(i) TANGIBLE ASSETS

Particular	Gross Block		As at 01-April-2018	As at 31-March-2019	As at 01-Apr-2018	Accumulated Depreciation		As at 31-Mar-2019	NET BLOCK	
	Additions	Disposals				Depreciation expense for the year	Eliminated or disposal of assets		As at 31-March 2019	As at 31-March 2018
Data processing Equipment (Computers)	6.51	2.76	1.13	8.14	4.28	1.51	1.07	4.72	3.42	2.23
Office equipment										
Office equipment depreciated at the year of purchase	1.00	0.30		1.30	0.90	0.30		1.20	0.10	0.10
Office equipment depreciated @ 20%	0.47			0.47	0.23	0.09		0.32	0.14	0.24
<b>Total</b>	<b>7.98</b>	<b>3.06</b>	<b>1.13</b>	<b>9.91</b>	<b>5.42</b>	<b>1.91</b>	<b>1.07</b>	<b>6.25</b>	<b>3.66</b>	<b>2.56</b>
	2.26		(0.80)	0.05	(0.75)					

Note: 3B  
(ii) Intangible assets

Particular	Gross Block		As at 01-April-2018	As at 31-March-2019	As at 01-Apr-2018	Accumulated Depreciation		As at 31-Mar-2019	NET BLOCK	
	Additions	Disposals				Depreciation expense for the year	Eliminated or disposal of assets		As at 31-March 2019	As at 31-March 2018
Licensed software	1.38			1.38	1.00	0.35		1.35	0.04	0.38
<b>Total</b>	<b>1.38</b>	<b>-</b>	<b>-</b>	<b>1.38</b>	<b>1.00</b>	<b>0.35</b>	<b>-</b>	<b>1.35</b>	<b>0.04</b>	<b>0.38</b>



CROSS BORDER POWER TRANSMISSION COMPANY LIMITED  
10, COMMUNITY CENTER, 2ND FLOOR  
EAST OF KAILASH, NEW DELHI - 110065

NOTES FORMING PART OF FINANCIAL STATEMENT

	As at 31 March 2019	In Lakhs As at 31 March 2018
<b>Note 4: Service concession agreement</b>		
<b>Non-current</b>		
Service concession agreement	18,964.63	20,022.12
<b>Total</b>	<b>18,964.63</b>	<b>20,022.12</b>
<b>Current</b>		
Service concession agreement	4,155.01	4,300.78
<b>Total</b>	<b>4,155.01</b>	<b>4,300.78</b>
<b>Note</b>		
Calculation of service concession agreement (SCA) receivable as at 31.03.2019	Rs.	
Opening SCA receivable		
Current (receivable in one year)	4,300.78	
Non current (cumulative receivable after one year)	20,022.12	
Total opening SCA receivable	24,322.90	
Add: finance income on SCA receivable	2,878.06	
Less: received from NEA against SCA receivable during the year 2018-19	4,081.31	
Total closing SCA receivable	23,119.65	
Current (receivable in one year)	4,155.01	
Non current (cumulative receivable after one year)	18,964.63	
The fair value of other non-current financial assets is not materially different from the carrying value present		
<b>Note 5 : Other non current assets</b>		
(i) Capital advances	-	-
Unsecured, considered good	-	-
Doubtful		
Less: provision for doubtful capital advances	-	-
<b>Total</b>	<b>-</b>	<b>-</b>
(ii) Deferred receivables		
Unsecured, considered good		
Doubtful		
Less: provision for doubtful receivables	-	-
<b>Total</b>	<b>-</b>	<b>-</b>
<b>Note 6 : Trade receivables</b>		
Outstanding for a period exceeding six months from the date they are due for payment		
Unsecured, considered good	-	-
Doubtful	-	-
Less: provision for doubtful receivables	-	-
Other receivables	-	-
Unsecured, considered good	-	-
<b>Total</b>	<b>-</b>	<b>-</b>



	As at 31 March 2019	As at 31 March 2018
<b>Note 7: Cash and cash equivalents</b>		
<b>Balance with banks</b>		
In current account	980.40	1,030.47
In deposit account	954.61	1.61
Cheques in hand		
	1,935.01	1,032.08
<b>Other bank balances</b>		
Margin money deposit (under lien)	5.00	5.00
<b>Total</b>	<b>1,940.01</b>	<b>1,037.08</b>
Note: fixed deposit of Rs. 5,00,000/- is kept with axis bank ltd. for issuance of bank guarantee which has expired		
<b>Note 8: Loans and advances</b>		
(a) Loan and advances to related parties		
Unsecured, considered good	15.85	15.85
Mat credit entitlement	1,199.57	798.10
<b>Total</b>	<b>1,215.42</b>	<b>813.95</b>
<b>Note 9: Other financial assets</b>		
Unbilled revenue	421.05	449.92
<b>Total</b>	<b>421.05</b>	<b>449.92</b>
<b>Note 10: Other current assets</b>		
<b>Loans to related parties</b>		
Unsecured, considered good	50.00	50.00
(advance to powergrid under an agreement of O&M- as revolving fund)		
Doubtful		
	50.00	50.00
Less: provision for doubtful loans and advances to related parties	-	-
<b>Total</b>	<b>50.00</b>	<b>50.00</b>
<b>Advances recoverable in cash or kind</b>		
Unsecured, considered good	-	0.55
Doubtful		
	-	0.55
Less: provision for doubtful advances recoverable in cash or kind	-	-
<b>Total</b>	<b>-</b>	<b>0.55</b>
<b>Other loans and advances</b>		
(Unsecured, considered good)		
Advance tax, including taxes deducted at source (net of provision for taxation)	89.55	96.33
Prepaid expenses	0.41	0.71
	89.95	97.04
<b>Total</b>	<b>139.95</b>	<b>147.59</b>





## CROSS BORDER POWER TRANSMISSION COMPANY LIMITED

10, COMMUNITY CENTER, 2ND FLOOR

EAST OF KAILASH, NEW DELHI - 110065

## NOTES FORMING PART OF FINANCIAL STATEMENT

	As at 31 March 2019	In Lakhs As at 31 March 2018
<b>Note 11A: Equity share capital</b>		
<b>Authorised shares</b>		
Equity shares of Rs.10 each	7,500.00	7,500.00
<b>Total</b>	<b>7,500.00</b>	<b>7,500.00</b>
<b>Issued, subscribed and fully paid up</b>		
Equity shares of Rs.10 each fully paid	4,850.95	4,850.95
<b>Total</b>	<b>4,850.95</b>	<b>4,850.95</b>

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

	31-Mar-19		31-Mar-18	
	No.	(In Lakhs)	No.	(In Lakhs)
At the beginning of the year	4,85,09,512	4,850.95	4,85,09,512	4,850.95
Issued during the year	-	-	-	-
<b>Outstanding at the end of the year</b>	<b>4,85,09,512</b>	<b>4,850.95</b>	<b>4,85,09,512</b>	<b>4,850.95</b>

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

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

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

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

	31-Mar-19		31-Mar-18	
	No.	% holding in the class	No.	% holding in the class
Equity shares of Rs. 10 each fully paid				
IL&FS Energy Development Company Limited	1,84,33,609	38%	1,84,33,609	38%
Power Grid Corporation of India Limited	1,26,12,473	26%	1,26,12,473	26%
SJVN Limited	1,26,12,473	26%	1,26,12,473	26%
Nepal Electricity Authority	48,50,951	10%	48,50,951	10%

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

**Note 11B: Other equity****Reserves and surplus**

(Deficit) in the statement of profit and loss	-	-
Balance as per last financial statements	3,061.30	2,525.28
Profit/(Loss) for the year	1,522.82	1,295.03
<b>Total appropriations</b>	<b>4,584.13</b>	<b>3,820.31</b>
<b>Less:</b>		
Dividend payment	485.10	630.62
Tax on dividend	99.71	128.38
<b>Net (deficit) in the statement of profit and loss</b>	<b>3,999.32</b>	<b>3,061.30</b>
<b>Total other equity</b>	<b>3,999.32</b>	<b>3,061.30</b>

**Note 12: Long term borrowings**

(a) Long term loan from financial institution	14,715.05	15,994.62
<b>The above amount includes</b>	<b>14,715.05</b>	<b>15,994.62</b>
Secured borrowings	14,715.05	15,994.62
<b>Total</b>	<b>14,715.05</b>	<b>15,994.62</b>

**Note**

i. All long term borrowings are sanctioned through Power Finance Corporation of India Ltd. (PFC) for amount of Rs. 2,07,09,00,000/-, and disbursed Rs. 1,91,37,73,105/- as at 31st March, 2018.

ii. Long term borrowings are secured by first pari passu charge on all fixed assets of the Company including lease hold rights of the Land, hypothecation of all movable assets, first charge on current assets of the Company including book debts and stock.

iii. Interest rate applicable as notified by PFC i.e. 12% to 11.25% and with 25 bps rebate (on timely payments), From 17th November 2016, the effective rate of interest toward term loan is 9.95% p.a (net of 0.25% rebate). Wef 15th April 2018 the effective rate of interest toward term loan is 9.75% p.a (net of 0.25% rebate).

iv. The loan shall be repayable in 60 equal quarterly installments, the first repayment started from 01st Sept 2016 and repayment of Rs. 18,63,53,660/- (Rs.2,91,98,333\*2 Qtr and Rs.3,19,89,248\*8 Qtr) has been repaid to PFC till date against the term loan.

v. Rs.12,79,56,996/- is payable as repayment for the FY 2018-19 and therefore reclassified at short term borrowing

	As at 31 March 2019	As at 31 March 2018
<b>Note 13: Other financial liabilities</b>		<b>In Lakhs</b>
(a) Current maturities of long term debt	1,279.57	1,279.57
(b) Current maturities of finance lease obligations	-	-
(c) Interest accrued but not due on borrowings	328.66	366.88
<b>Total</b>	<b>1,608.23</b>	<b>1,646.45</b>

**Note:**

The Company has declared interim dividend at 62th board meeting held on 29th march 2019

The Company declared interim dividend of Rs. 4,85,09,512 /-(Rs. 1.00/equity share) to equity shareholder holding 4,85,09,512 equity shares

<b>Particulars</b>	<b>In Lakhs</b>
Distributable amount of dividend	584.81
Dividend distribution tax @ 15% on net dividend	86
Surcharge @ 12%	10
Health & education Cess @ 4%	4
<b>Total tax on dividend</b>	<b>99.71</b>
<b>Dividend payable</b>	<b>485.10</b>

**Note 14: Other current liabilities**

(a) Unpaid dividend	485.10	63.06
(b) Statutory dues payable (TDS, PF, DDT etc)	102.51	0.06
(c) Payable against operating expenses	52.36	62.61
(d) Payable against capital expenditure	640.41	655.36
<b>Total</b>	<b>1,280.38</b>	<b>781.09</b>

**Note 15: Provisions**

**Non Current**

Provision for employee benefit		
- Compensated absences	1.50	1.84
- Gratuity	0.81	2.69
	<b>2.31</b>	<b>4.53</b>
Provision for tax (net of advance tax)	-	-
	<b>2.31</b>	<b>4.53</b>

**Current**

Provision for employee benefit		
- Compensated absences	0.22	0.20
- Gratuity	0.002	0.002
	<b>0.22</b>	<b>0.21</b>
<b>Total</b>	<b>2.53</b>	<b>4.74</b>



**CROSS BORDER POWER TRANSMISSION COMPANY LIMITED**  
**10, COMMUNITY CENTER, 2ND FLOOR**  
**EAST OF KAILASH, NEW DELHI - 110065**

**NOTES FORMING PART OF FINANCIAL STATEMENT**

	Year Ended 31 March 2019	( In Lakhs) Year Ended 31 March 2018
<b>Note 16: Revenue from operations</b>		
Transmission service charges	661.98	446.67
Income from construction contract	-	-
<b>Total</b>	<b>661.98</b>	<b>446.67</b>
<b>Note:</b>		
<b>Total amount received from NEA during the year 2018-19</b>		<b>Lakhs</b>
Annual TSC on normative basis		4,598.09
Incentive		242.00
<b>Gross amount</b>		<b>4,840.09</b>
Less: rebate @ 2% (including rebate for the month of March 2019 of Rs.8,22,152)		96.80
<b>Net amount</b>		<b>4,743.29</b>
<b>Net amount received after adjustment</b>		<b>4,743.29</b>
Less: amount recived for construction activity and adjusted with SCA receivable		
Return on equity (post tax)	751.90	
Transmission majoration factor (Post tax)	121.27	
MAT	239.84	
Interest on loan capital	1,687.65	
Depreciation	1,280.65	
<b>Sub total</b>		<b>4,081.31</b>
<b>Transmission service income</b>		<b>661.98</b>
<b>Note 17: Other income</b>		
Profit on sale of assets	0.20	0.03
Acturial gain of leave salary and gratuity	2.21	7.43
<b>Total</b>	<b>2.41</b>	<b>7.46</b>
<b>Note 18: Finance income</b>		
Interest income on service concession agreement*	2,878.06	3,065.29
Interest on bank deposits	87.46	74.12
Interest income - others	-	2.33
<b>Total</b>	<b>2,965.52</b>	<b>3,141.74</b>
* Refer note no 4- service concession agreeent for detail calculation		
<b>Note 19: Employee benefits expenses</b>		
Deputation cost	87.42	57.77
Salary	48.74	44.08
Contribution to provident and other funds	1.75	1.56
Staff welfare expenses	1.04	1.25
Leave Salary & Gratuity Expenses	-	-
<b>Total</b>	<b>138.95</b>	<b>104.66</b>
<b>Note 20: Finance cost</b>		
Interest expense on term loan	1,607.62	1,771.41
<b>Total</b>	<b>1,607.62</b>	<b>1,771.41</b>
<b>Note 21: Transmission, administration and other expenses</b>		
Rates and taxes	5.10	22.92
Compensation	-	-
Operation and maintenance	194.88	187.40
Filling Fees	0.14	0.11
Legal and professional expenses	8.96	7.65
Business promotion expenses	21.23	20.45
Office maintenance expenses	42.18	37.26
Travel and conveyance	23.23	21.93
Audit fee	0.47	0.48
Insurance expenses	1.97	1.55
Management advisory services	-	112.10
Corporate social responsibility expenses	36.26	-
Miscellaneous expenses	23.85	11.30
<b>Total</b>	<b>358.27</b>	<b>423.16</b>





**CROSS BORDER POWER TRANSMISSION COMPANY LIMITED**  
10, COMMUNITY CENTER, 2ND FLOOR  
EAST OF KAILASH, NEW DELHI - 110065

**COMPUTATION FOR THE YEAR ENDED MARCH 31, 2019**

Note no 22:

**Calculation of current tax for the FY 2018-19**

There is business loss as per income tax act, therefore tax has to paid as per provisions of MAT u/c 115JB

**In Lakhs**

**Calculation of MAT for the FY 2018-19**

Book profit for the assessment year 2018-19

1,522.82

Add: book profit due to adoption of IND AS (please note amendment in section 115JB of income tax act, 1961)

339.89

**Total book profit for calculation of MAT for the FY 2018-19**

**1,862.71**

MAT @ 18.5 %

344.60

Surcharge @ 12 %

41.35

HEC @ 4 %

15.44

**Total tax for the FY 2018-19**

**401.39**

**Note:**

In the first year of adoption of Ind AS, the companies would prepare Ind AS financial statement for reporting year with a comparative financial statement for immediately preceding year. As per Ind AS 101, companies would make all Ind AS adjustments on the opening date of the comparative financial year. The entity is also required to present an equity reconciliation between previous Indian GAAP and Ind AS amounts, both on the opening date of preceding year as well as on the closing date of the preceding year. It is proposed that for the purposes of computation of book profit of the year of adoption and the proposed adjustments, the amounts adjusted as of the opening date of the first year of adoption shall be considered. For example, companies which adopt Ind AS with effect from 1 April 2016 are required to prepare their financial statements for the financial year 2016-17 as per requirements of Ind AS. Such companies are also required to prepare an opening balance sheet as of 01-04-2015 and restate the financial statements for the comparative period 2015-16. In such a case, the first time adoption adjustments as of 31 March 2016 shall be considered for computation of MAT liability for previous year 2016-17 (Assessment year 2017-18) and thereafter. Further, in this case, the period of five years proposed above shall be previous years 2016-17, 2017-18, 2018-19, 2019-20 and 2020-21. As the Ind-AS is required to be adopted by certain companies for financial year 2016-17 mandatorily, these amendments will take effect from 1st April, 2017 and will, accordingly, apply in relation to the assessment year 2017-18 and subsequent assessment years.

Impact at retained earning due to first time adoption of IND AS	As per IGAAP (2006)	As per IND AS	Change in Retained Earning
	In Lakhs	In Lakhs	In Lakhs
Retained earning as on March 31, 2016	176.71	1,876.14	1,699.43

As per finance bill, 2017, all other adjustments in reserve and surplus (excluding capital reserve and securities premium reserve) as referred to in division II of schedule III of companies act, 2013 and which would otherwise never subsequently be reclassified to the profit and loss account, shall be included in the book profit, equally over a period of five years starting from the year of first time adoption of Ind AS.

Therefore, Rs. 16,99,43,118 will be added to book profit in five years i.e Rs. 339,88,624/- will be added to the book profit of the FY 2016-17, 2017-18, 2018-19, 2019-20 & 2020-21.

Date of Completion of Project is 16.02.2016.

**Calculation of deferred tax liabilities**

**In Lakhs**

Particulars	Change in retained earning	Mat @ 18.5%	Surcharge @ 7%	Edu Cess @ 3%	Total deferred tax liability
Change in retained earning as on 01st April 2015 due to change in law	599.96	110.99	7.77	3.56	122.32
Re- measurement of Income and Expenses due to change in law during the FY 2015-16	1,534.71	283.92	19.87	9.11	312.91
Deferred tax liabilities					435.23

No deferred tax assets has been recognised on the unutilized tax credit as there is no evidence that sufficient taxable profit will be available in the future against which they can be utilized by the Company.



**CROSS BORDER POWER TRANSMISSION COMPANY LIMITED**  
**10, COMMUNITY CENTER, 2ND FLOOR**  
**EAST OF KAILASH, NEW DELHI - 110065**

**NOTES FORMING PART OF FINANCIAL STATEMENT**

**Note 23**

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

**Note 24**

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

**Note 25 :Contingent liabilities and commitments**

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

S.No	Name of petitioner/ nature of case/location of court/ case no	Status as on 31.03.2019
1	Gopal Prasad sahi/Patna HC/CWJC 6046/2015	Case disposed of with certain direction. Compensation paid. MJC (contempt) is pending for hearing. New WRIT application filed against DM order.
2	Ganesh Kumar/Civil/Patna High Court/CWJC21504/2014	Counter affidavit filed & hearing pending.
3	Manju Singh/Civil/CWJC19686/2015	Counter affidavit filed & hearing pending.
4	Md. Salamat & others/Civil/Patna High Court/CWJC12234/2015	Counter affidavit filed & hearing pending.
5	Krishna Kanti Sah/Criminal/Patna High Court/904/2015	As per instruction given to the lower court from high court, case has been transferred and next hearing date is given on dated 07.05.18.
6	Munshi Prasad Gupta/civil/muzafarpur court/47/2017/	Hearing pending

**Note 26 : Auditor's remuneration**

	Year ended 31-Mar-2019 (Lakhs)	Year ended 31-Mar-2018 (Lakhs)
<b>Auditors remuneration</b>		
For audit fees (excluding tax)	0.40	0.40



**CROSS BORDER POWER TRANSMISSION COMPANY LIMITED**  
10, COMMUNITY CENTER, 2ND FLOOR  
EAST OF KAILASH, NEW DELHI-110 065

**NOTES FORMING PART OF FINANCIAL STATEMENT**

**27 Related Party Disclosures**

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

- a Holding Company**  
IL&FS Energy Development Company Limited (upto August 10, 2012)
- b Joint Venture Companies having significant influence**  
Power Grid Corporation of India Limited  
SJVN Limited  
IL&FS Energy Development Company Ltd. (from August 11, 2012)  
Nepal Electricity Authority
- c Affiliates**  
Power Transmission Company Nepal Limited upto August 10, 2012  
Infrastructure Leasing and Financial Service Limited
- d Key Managerial Personnel**  
-Mr. P N Prasad (CEO), Mr I N Jha, Mr. Sandip Rai/Sachin Jain (CFO)

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

		In Lakhs	
	Particulars	Affiliates	JV & significant influence
<b>A</b>	<b>Transactions during the year</b>		
	<b>Expenses/Income</b>		
	<b>IL&amp;FS Energy Development Company Limited</b>		
	Deputation Cost	-	3.15
	(Excluding taxes)	(-)	(8.71)
	Management Advisory Services	-	-
	(Excluding taxes)	(-)	(95.00)
	<b>Power Grid Corporation of India Limited</b>		
	Deputation Cost	-	89.02
	(Excluding taxes)	(-)	(51.64)
	Business Support Service	-	0.79
	(Excluding taxes)	(-)	(0.59)
	Operation and Maintenance Expenses	-	165.15
	(Excluding taxes)	(-)	(159.83)
	<b>Infrastructure Leasing and Financial Service Limited</b>		
	Business Support Service	29.46	-
	(Excluding taxes)	(29.46)	(-)
	<b>Short term advance given</b>		
	Power Grid Corporation of India Limited (Tree Crop and Hut Compensation Advance)	-	-
		(-)	(-)
	<b>Deputation Cost and Salary of KMP</b>	<b>CEO</b>	<b>CFO</b>
	Deputation cost of KMP- Mr. P N Prasad (CEO)	-	-
		(51.64)	(-)
	Deputation cost of KMP- Mr. IN Jha (CEO)	89.02	-
		(-)	(-)
	Salary of KMP- Mr. Sandip Rai (CFO)	-	12.13
		(-)	12.96
	Deputation cost of KMP- Mr. Sachin Jain (CFO)	-	3.15
		(-)	(-)
<b>B</b>	<b>Outstanding balances*</b>		
	<b>Other current liabilities</b>		
	IL&FS Energy Development Company Limited	-	4.02
		(-)	(0.68)
	SJVN Limited	-	-
		(-)	(-)
	Power Grid Corporation of India Limited	-	35.43
		(-)	(-)
	<b>Short term loans and advances (asset)</b>		
	Power Grid Corporation of India Limited	-	21
		(-)	(15.85)

**Note:** Amount in brackets represents previous year





**CROSS BORDER POWER TRANSMISSION COMPANY LIMITED**  
**10, COMMUNITY CENTER, 2ND FLOOR**  
**EAST OF KAILASH, NEW DELHI-110 063**

**NOTES FORMING PART OF FINANCIAL STATEMENT**

**28 Earnings per equity share**

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

Particulars	Unit	Year ended 31-Mar-2019	Year ended 31-Mar-2018
a Net profit for the year	Lakhs	1,522.82	1,295.03
b Weighted average of number of equity shares of Rs. 10 each	Nos.	4,85,09,512	4,85,09,512
c Basic earnings per share		3.14	2.67
d Weighted average number of shares outstanding during the period for calculation of diluted earnings per share	Nos.	4,85,09,512	4,85,09,512
e Diluted earnings/(loss) per share * In Rupees		3.14	2.67

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

**29 Employee Benefits**

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

**a. Defined Contribution Plan**

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

The Company recognised Rs.177,779/- for provident fund contribution in the statement of profit and loss account. The Contribution payable to the plan by the Company is at the rate specified in the rules to the scheme.

**b. Defined benefit Plan- Gratuity Plan**

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

**c. Principal actuarial assumptions:**

Principal actuarial assumption used to determine the present value of benefit obligation are as follows:

S.No	Particulars	Year ended 31.03.2019	Year ended 31.03.2018
i	Discount rate (p.a)	7.79%	7.55%
ii	Rate of return on assets (p.a)	0%	0%
iii	Salary escalation rate (p.a)	6%	10%
iv	Attrition Rate	2%	2%
v	Leave accounting & consumption technique	LIFO	LIFO
vi	Proportion of leave availment	5%	5%
vii	Proportion of encashment on separation	95%	95%

**Note**

- 1 The discount rate is based on the prevailing market yields of indian government securities as at the balance sheet date for the estimated term of obligations.
- 2 The Company has not made any assets, therefore NIL rate of return has been taken for consideration.
- 3 The estimates of future increases considered takes into account the inflation, seniority, promotion and other relevant factors.



**CROSS BORDER POWER TRANSMISSION COMPANY LIMITED**  
**10, COMMUNITY CENTER, 2ND FLOOR**  
**EAST OF KAILASH, NEW DELHI-110 065**

**NOTES FORMING PART OF FINANCIAL STATEMENT**

- d. The following tables set out funded status of the gratuity plan and amounts recognised in the Company's financial statements as at 31st March 2019.

(In Lakhs)			
S.No	Particulars	Year ended 31.03.2019	Year ended 31.03.2018
<b>Changes in benefit obligations:</b>			
i.	Present value of obligations at the beginning of the year	2.69	4.55
ii.	Current service cost	0.37	0.92
iii.	Past service cost	-	-
iv.	Interest cost	0.21	0.34
v.	Actuarial gain/(loss) on obligation	(2.45)	(3.12)
vi.	Benefits paid	-	-
vii.	Acquisition adjustment	-	-
viii.	Present value of obligation at the end of the year	0.82	2.69

- e. Expenses recognised in the statement of profit and loss account

(In Lakhs)			
S.No	Particulars	Year ended 31.03.2019	Year ended 31.03.2018
Expenses recognised in the statement of profit and loss account			
	Current service cost	0.37	0.92
	Interest cost	0.21	0.34
	Immediate recognition of (Gain)/Losses-other long term benefits	-	-
	<b>Net charges/(credit)</b>	<b>0.58</b>	<b>1.26</b>

- f. Actuarial assumptions for long- term compensated absences

**Principal actuarial assumptions:**

S.No	Particulars	Year ended 31.03.2019	Year ended 31.03.2018
1	Discount rate (p.a)	7.79%	7.55%
2	Salary escalation rate (p.a)	6.00%	10.00%
3	Attrition rate	2.00%	2.00%

**Note**

1 The discount rate is based on the prevailing market yields of indian government securities as at the balance sheet date for the estimated term of obligations.

2 The estimates of future increases considered takes into account the inflation, seniority, promotion and other relevant factors.



**CROSS BORDER POWER TRANSMISSION COMPANY LIMITED**  
10, COMMUNITY CENTER, 2ND FLOOR  
EAST OF KAILASH, NEW DELHI-110 065

**NOTES FORMING PART OF FINANCIAL STATEMENT**

**30 - Financial instruments**

**30 (i) Capital management**

The Company manages its capital to ensure that the Company will be able to continue as a going concern while maximising the return to stakeholders through optimisation of debt and equity balance.

The capital structure of the Company consists of net debt of Rs. 1,599,462,444 (borrowing as detailed in notes 12 and 13) offset by cash and bank balances of Rs.194,001,324 as detailed in note 7) and total equity of Rs. 885,738,815.

**30 (ii) Gearing ratio**

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

	As at 31.03.2019	In Lakhs As at 31.03.2018
Debt (see note i below)	15,994.62	17,274.20
Cash and bank balances (see note (ii) below)	1,935.01	1,032.08
<b>Net debt</b>	<b>14,059.60</b>	<b>16,242.12</b>
<b>Total equity</b>	<b>8,850.27</b>	<b>7,912.25</b>
Net debt to equity ratio	159%	205%

**Note**

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

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

**30 (iii) Categories of financial instruments**

	As at 31.03.2019	In Lakhs As at 31.03.2018
<b>Financial assets (at amortised cost)</b>		
Service concession agreement (non current)	18,964.63	20,022.12
Service concession agreement (current)	4,155.01	4,300.78
Trade receivables	-	-
Cash and cash equivalents	1,935.01	1,032.08
Bank balances (other than above)	-	-
Others financial assets	421.05	449.92
<b>Financial liabilities (at amortised cost)</b>		
Borrowings		
(including current maturities of long term borrowings)	15,994.62	17,274.20
Other financial liabilities		
(excluding current maturities of long term borrowings)	328.66	366.88

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

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

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

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

**30 (v) Credit risk management**

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

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

	Carrying amount 31.03.2019	Carrying amount 31.03.2018
The maximum exposure to NEA is :		
Financial assets (at amortised cost)	18,964.63	20,022.12
Service concession agreement (current)	4,155.01	4,300.78
<b>Total</b>	<b>23,119.64</b>	<b>24,322.90</b>

**30 (vi) Liquidity risk management**

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

**Liabilities**

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

Particulars	0-1 year	1-5 years	More than 5 years	Contractual amount	Carrying amount at amortised cost
<b>As at 31.03.2019</b>					In Lakhs
Borrowings	1,279.57	6,397.85	8,317.20	19,137.73	15,994.62
(including current maturities of long term borrowings)					
Other financial liabilities	328.66	-	-	-	-
(excluding current maturities of long term borrowings)					
<b>Total</b>	<b>1,608.23</b>	<b>6,397.85</b>	<b>8,317.20</b>	<b>19,137.73</b>	<b>15,994.62</b>
<b>As at 31.03.2018</b>					
Borrowings	1,279.57	6,397.85	9,596.77	19,137.73	17,274.19
(including current maturities of long term borrowings)					
Other financial liabilities	366.88	-	-	-	-
(excluding current maturities of long term borrowings)					
<b>Total</b>	<b>1,646.45</b>	<b>6,397.85</b>	<b>9,596.77</b>	<b>19,137.73</b>	<b>17,274.19</b>



## Assets

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

Particulars	0-1 year	1-5 years	More than 5 years	Contractual amount	Carrying amount at amortised cost
<b>As at 31.03.2019</b>	-	-	-	-	-
Trade receivables	-	-	-	-	-
Cash and cash equivalents	1,935.01	-	-	1,935.01	1,935.01
Other balances with banks	-	-	-	-	-
Service concession receivable (current and non current)	23,119.64	-	-	23,119.64	23,119.64
Other financial assets	421.05	-	-	421.05	421.05
<b>Total</b>	<b>25,475.71</b>	<b>-</b>	<b>-</b>	<b>25,475.71</b>	<b>25,475.71</b>
<b>As at 31.03.2018</b>	-	-	-	-	-
Trade receivables	-	-	-	-	-
Cash and cash equivalents	1,032.08	-	-	1,032.08	1,032.08
Other balances with banks	-	-	-	-	-
Service concession receivable (current and non current)	24,322.90	-	-	24,322.90	24,322.90
Other financial assets	449.92	-	-	449.92	449.92
<b>Total</b>	<b>25,804.89</b>	<b>-</b>	<b>-</b>	<b>25,804.89</b>	<b>25,804.89</b>

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

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

33 The financial statement for the year ended 31st March, 2019 were approved by the Board of Directors and authorised for issue on 20-06-2019

For H K Joon & Co.

ICAI firm registration number: 0022932N

Chartered : For and on behalf of the Board

CA Sudhir Kumar Singh  
Partner  
Membership No. 067280



For and on behalf of the Board

RPS-72  
Ravi P Singh  
Chairman  
DIN: 05240974

Keshav Prasad  
Director  
DIN: 07051302

Indra Nand Jha  
Chief Executive Officer

Sachin Jain  
Chief Financial Officer

Anjali Singh  
Company Secretary  
Membership No. A52858

Place : New Delhi  
Date : 20 June 2019