



TAMILNADU TRANSMISSION CORPORATION LIMITED

**16th
Annual
Report
FY 2024-25**



TAMIL NADU TRANSMISSION CORPORATION LIMITED

**16th ANNUAL REPORT
2024-25**

Regd. Office : IVth Floor, TANTRANSCO Hd. Qrs., 144, Anna Salai, Chennai - 600 002.

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TAMILNADU TRANSMISSION CORPORATION LIMITED

16th Annual Report for the period of 2024-25

CORPORATE DETAILS

BOARD OF DIRECTORS*		
Sl.No.	NAME OF THE DIRECTOR	DESIGNATION
1.	a. Thiru. Rajesh Lakhoni, I.A.S., b. Thiru. K. Nanthakumar, I.A.S., c. Dr. J. Radhakrishnan, I.A.S.,	CHAIRMAN
2.	Thiru. Vishu Mahajan, I.A.S.,	Joint Managing Director
3.	a. Thiru. T. Udhayachandran, I.A.S.	Nominee Director Principal Secretary to Govt./Finance Dept., Ex-Officio Director/TANTRANSCO
	b. Thiru. Prashant M.Wadnere, I.A.S.	Special Secretary to Govt./Finance Dept
4.	Tmt. Pooja Kulkarni, I.A.S.,	Nominee Director Special Secretary to Govt./CEO TNIDB Ex-Officio Director/TANTRANSCO
5.	Dr. Beela Venkatesan, I.A.S.,	Nominee Director Principal Secretary to Govt./Energy Department, Ex-Officio Director/TANTRANSCO
6.	Tmt. Pallavi Baldev. I.A.S.,	Nominee Director Addl. Secretary to Govt./Industries Dept, (Non Exe. Dir)/TANTRANSCO
7.	a. Tmty.K.Indirani, B.E., M.C.A., b. Er. E.Shyamala, B.E., (FAC)	Managing Director
8.	a. Er. E.Shyamala, B.E., b. Thiru.A.R.Mascurnas, B.E., D.Tech., (FAC) c. Thiru.P.Chandrasekaran, B.E.,	Director/Transmission Projects
9.	Thiru.K.Sundaravadhanam, B.Sc., ACA., ACS.,	Director/Finance
10.	Er. S.Lakshmi, B.E.,	Director/Operation
COMPANY SECRETARY Thiru D. Sureshkumar, TANTRANSCO		STATUTORY AUDITORS M/s. Ponraj & Co. Chartered Accountants
REGISTERED OFFICE		
TANTRANSCO Building, (TNEB office), No. 144, Anna Salai, Chennai – 600 002. Website : www.tantransco.gov.in (CIN No. U40109TN2009SGC071948)		

*During the period from 01.04.2024 to 31.03.2025

DIRECTORS' REPORT

Dear Members,

The Board of Directors of Tamil Nadu Transmission Corporation Limited (TANTRANSCO) has immense pleasure in presenting its 16th Annual Report for the Financial Year 2024-25.

2.0 FORMATION OF TANTRANSCO

The company was formed with restructuring of erstwhile Tamil Nadu Electricity Board, and as a subsidiary of TNEB Limited a company owned by the Government of Tamil Nadu. Tamil Nadu Generation and Distribution Corporation (TANGEDCO) is another subsidiary of TNEB Limited.

3.0 TRANSFER SCHEME

The Government of Tamil Nadu has approved the amendment to provisional transfer scheme (G.O. Ms. No. 100 dated 19.10.2010) transferring the assets and liabilities to the company and notified the same vide G.O. (Ms) No.2 (Energy (B2) Department), dated 02.01.2012. The Government of Tamil Nadu notified the Final transfer of assets and liabilities to the company vide G.O. (Ms) No.49 (Energy (B1) Department), dated 13.08.2015. The opening balances of assets and liabilities notified in the final transfer scheme have already been incorporated in the Annual Report for the FY 2015-16.

4.0 TRANSFER OF EMPLOYEES

4.1 At present all the employees of the erstwhile TNEB are considered as the employees of TANGEDCO. Those employees working in the Transmission Corporation are considered to be on deputation from TANGEDCO to TANTRANSCO. All the employees are asked to continue to work on as-is-where basis.

4.2 The information under Section 217 (2) of Companies Act, 1956 read with Company (Particulars of Employees) Rules, 1976 may be taken as nil.

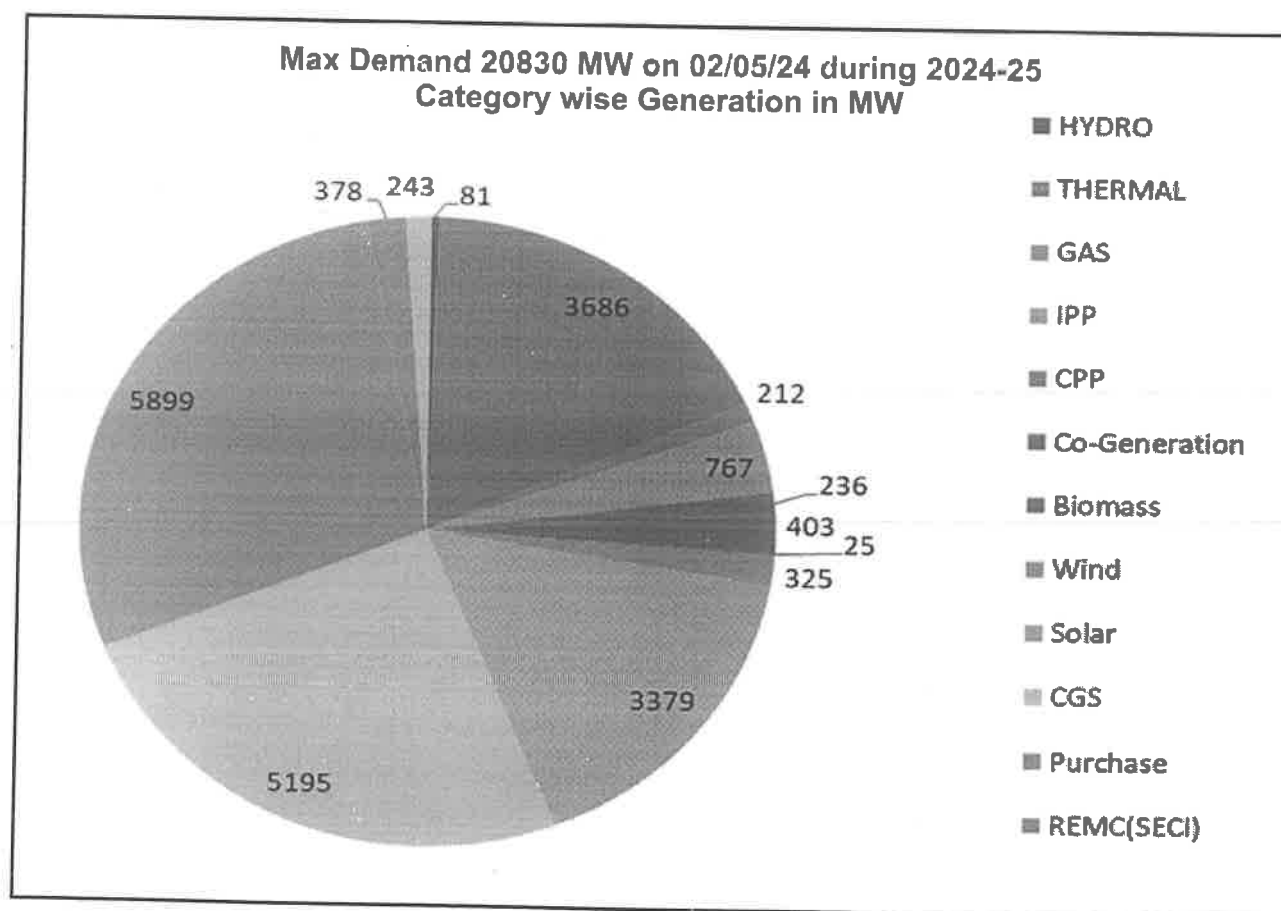
5.0 FINANCIAL PERFORMANCE

5.1 In the 1st AGM of TANTRANSCO held on 07.12.2010, the authorized share capital of the Company was increased to Rs.2500 Crores (250 Crores Equity Shares of Rs.10 each). Subsequently, the authorized share capital of the company was increased to Rs. 5000 Crores (500 Crores Equity shares of Rs.10 each) and to Rs. 10000 Crores (1000 Crores Equity shares of Rs.10 each) in the 3rd AGM and 6th AGM of the company held on 27.09.2012 and 29.12.2015 respectively.

5.2 Shareholding pattern as on 31.03.2025:

S.No.	Name	No. of Shares held	Book Value (Rs. 10 per Share)
1.	TNEB Limited (Holding Company)	6198023478	61980234780
2.	Thiru. Prashant M.Wadnere, I.A.S. Principal Secretary to Government, Finance Department, Ex-officio Director/ TANTRANSO	49940	4,99,440
3.	Dr. J.Radhakrishnan, I.A.S., CH/TR	10	100
4.	Thiru.Vishu Mahajan,, Joint Managing Director	10	100
5.	Tmt.K.Indirani, B.E., M.C.A., MD/TR	10	100
6.	Thiru.K.Sundaravadhanam, B.Sc., ACA., ACS. Dir/Fin/TR	10	100
7.	Er. S.Lakshmi, B.E., Dir/Op	10	100
8.	Thiru.P.Chandrasekaran, B.E., Dir/Trans Project	10	100
	Total	6198073478	61980734780

6.0 State of Company's Affairs and Future Outlook



SOURCE WISE GENERATION	Max Demand on 02/05/2024 during 2024-25
Demand (MW)	20830
HYDRO	81
THERMAL	3686
GAS	212
IPP	767
CPP	236
Co-Generation	403
Biomass	25
Wind	325
Solar	3379
CGS	5195
Purchase	5899
REMC (SECI)	378
Interstate Deviation (UI)	243

6.1 Overview of Journey till March 2025.

We have built and own 1102 number of substation as on 31st March 2025 in comparison to 797 Nos. of substation in 31st March 2012. Each new substation is being added not only to cater the demand but to give reliable & quality power on 24 x 7 basis along with stability of network as well as reducing the losses. With the addition of each new substation, one can understand the growth of transmission utility commensurate with additional generation capacity matching with demand.

Sl.No.	Voltage Class	Substations Commissioned during 2024-25 (Nos.)	Substations as on 31.3.2025 (Nos.)	EHV Network during 2024-25 (Ckm)	EHV Network as on 31.3.2025 (Ckm)
1	66 kV	-	3	0	83.00
2	110kV	10	962	318.47	21281.50
3	230 kV	1	116	65.48	11983.40
4	400 kV	-	19	140.44	5215.58
5	765kV	-	2	-	733.00
	TOTAL	11	1102	524.39	39296.48

Similarly TANTRANSCO owns a vast network of EHV transmission lines ranging from 66 KV to 765 KV. As on March 2012 there were 24497.017 Ckm of transmission lines, which have been expanded to 39296.48Ckm as on 31st March 2025.

Transmission loss:

Transmission Loss		
Sl.No.	Year	Loss in %
1	11/10 - 3/11	4.56
2	2011-12	4.25
3	2012-13	4.15
4	2013-14	4.09
5	2014-15	4.09
6	2015-16	4.11
7	2016-17	4.08
8	2017-18	4.02
9	2018-19	3.97
10	2019-20	3.93
11	2020-21	3.90
12	2021-22	3.85
13	2022-23	3.82
14	2023-24	3.77
15	2024-25	3.75

6.2 MAJOR INITIATIVES BY TANTRANSCO

TANTRANSCO's one of the major initiatives in establishing 765 kV Extra High Voltage transmission network persistently on needy areas for evacuation of power from the Generating stations and Renewable Energy sources to various Load Centres within Tamil Nadu (Intra-State Transmission Networks) and connectivity to Inter State Transmission networks. Transferring power to long distances in Extra High Voltage Transmission Network is to facilitate for reduction of Transmission losses, transfer of bulk power and to enhance the reliability, flexibility, Available Transfer Capability in transmission network.

North Chennai Pooling 765 kV GIS Station & Ariyalur 765 kV Substations were commissioned on 02.02.2024 & 28.12.2023 respectively to evacuate power from the 800 MW North Chennai Thermal Power Station Stage III. Virudhunagar 765 kV Substation was back charged at 400 kV level on 10.09.2024. Another 1 No. 765 kV Substation at Coimbatore is also proposed for establishing 765 kV connectivity from Virudhunagar to North Chennai Pooling Station through Tariff Based Competitive Bidding (TBCB) mode.

Emerging technology of Digital Substation where operation is managed by Distributed Intelligent Electronic Devices (IED) interconnected by communication networks for control & monitoring through Software logics is considered in few substations. Digital Substation has the feature of early troubleshooting, restoration time and also supports interoperability of protection devices such as relays, measuring devices. Selvapuram 230/110 kV substation in Coimbatore district was energized on 05.07.2024 and Thiruvannamiyur in Chennai will be commissioned during 2025-26.

The natural disasters such as flood and cyclone cause extensive damages to transmission networks resulting in wide spread disruption of power supply in many important transmission links and substations for long periods which depends on restoration time. In order to reduce the time taken in restoration of Transmission network, 2 sets of Emergency Restoration System (ERS) suitable up to 765 kV for immediate and Temporary restoration of Transmission network at a cost of Rs.32 Crore has been procured.

6.3 CHALLENGES BEFORE TRANSMISSION LICENSEE:

- i. Apart from establishment of new EHT Substations, EHT lines and repairing & reconditioning of Sick Transformers, Transmission wing also plays a major role in restoration of power supply in EHT networks after natural calamities such as flood and cyclones.
- ii. The progress of EHT Lines and Cable laying works has been delayed due the following:
 - a. Objection by Land Owners for erection of Towers and consequent Court cases.
 - b. Objection by farmers association for erection of EHT Lines in the agricultural Lands.
 - c. Obtaining approvals from other Departments like Railways, Forest, NHAI etc.,
 - d. Obtaining permission from other Departments like Corporation, PWD, NHAI, Police, CMRL etc., for Cable laying works.
 - e. Obtaining necessary details from District Administration for payment of crop compensation.
- iii. Efforts are being taken up for resolving Right of Way (RoW) issues and EHT Lines commissioning by TANTRANSCO:

TANTRANSCO is paying crop compensation based on the rates assessed by Revenue Authorities for various types of crops damaged and various types of trees removed which are essentially required to have adequate vertical and horizontal clearances as prescribed by the Indian Electricity Rules.

Earlier, Land compensation is being paid based on the G.O Ms. No.63, dt. 22.11.2017. Presently, Land compensation is being paid to the affected Land Owners based on the amendment G.O No.86, dt.31.10.2019 issued by the Govt. Of TamilNadu in which the land compensation for tower base area enhanced to 100%, stringing corridor area (RoW) enhanced to 20% and Rs.50,000/- is fixed as minimum payable amount for tower base area for first 3 cents.

6.4 State Grid Operations

State Load Dispatch Centre (SLDC)

The state load dispatch centre is the Apex body to ensure integrated operation of the power system in the State.

Functions of State Load Dispatch Centre are as under:

- (a) Responsible for optimum scheduling and dispatch of electricity within a State, in accordance with the contracts entered into with the licensees or the generating companies operating in that State;
- (b) Grid operations; Monitoring
- (c) Keep accounts of the quantity of electricity transmitted through the State grid;
- (d) Exercise supervision and control over the intra-State transmission system; and
- (e) Responsible for carrying out real time operations for grid control and dispatch of electricity within the State through secure and economic operation of the State grid in accordance with the Grid Standards and the State Grid Code.

SLDC is carrying out real time operation such as monitoring & control of grid parameters, outages, contingency management & disturbance handling in coordination with SRLDC and Intra-state generation companies, transmission licensees, distribution utilities and open access users so as to ensure healthiness of the state grid and ensure economical power transmission to the State of Tamil Nadu. Issuing Energy Injection reports for Renewable Energy Certification to Renewable Energy Generators in the State. SLDC is nodal agency for Short Term Open Access approval for Tamil Nadu.

6.5 Highlights for the FY 2024-25 are as under:

- i. Maximum State Demand catered was 20,830 MW reached on 02.05.2024
- ii. System frequency

Frequency Profile for 2024-25:

Percentage of time when frequency was between

i) < 49.9 Hz	5.14 %
ii) 49.90 Hz to 50.05 Hz	77.94 %
iii) > 50.05 Hz	16.92 %
iv) Average frequency for the year	50.00 Hz.

iii. Energy demand catered: (Maximum during 2024-25)

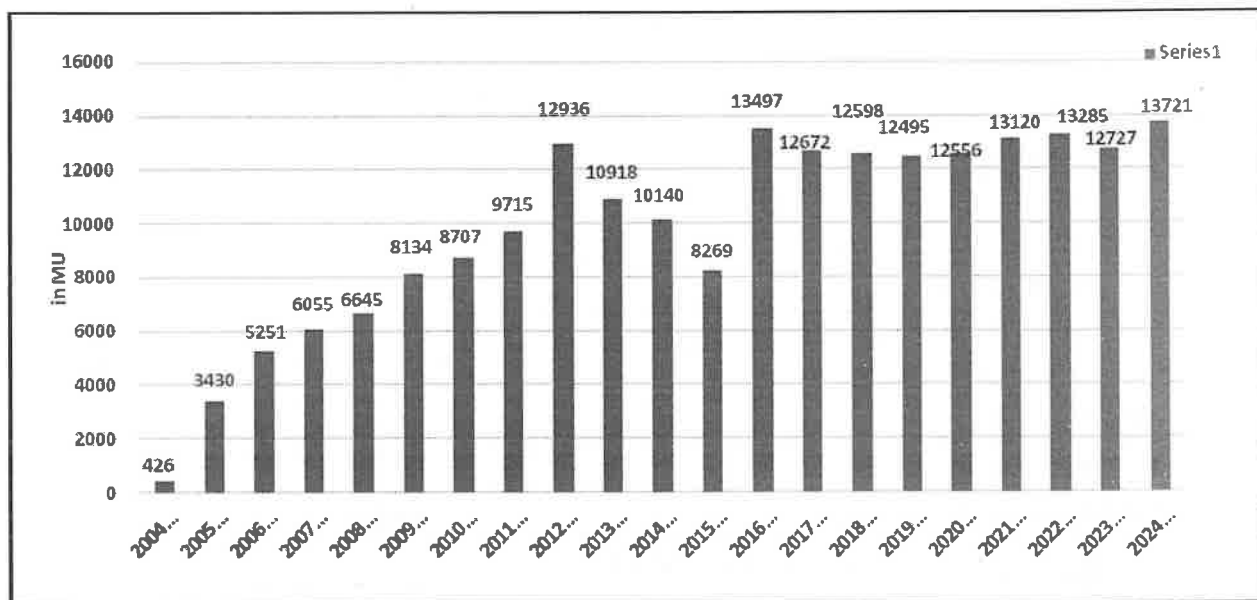
Details	Achieved	Date
Consumption	454.32 MU	30-04-2024
Demand	20,830 MW	02-05-2024
Wind Energy	111 MU	18-07-2024
Wind Generation	5,899 MW	30-07-2024
Solar Energy	48 MU	11-02-2025
Solar Generation	6,579 MW	16-02-2025
Chennai Consumption	101.76 MU	31-05-2024
Chennai Demand	4,769 MW	31-05-2024

6.6 Generation capacity as on 31.03.2025

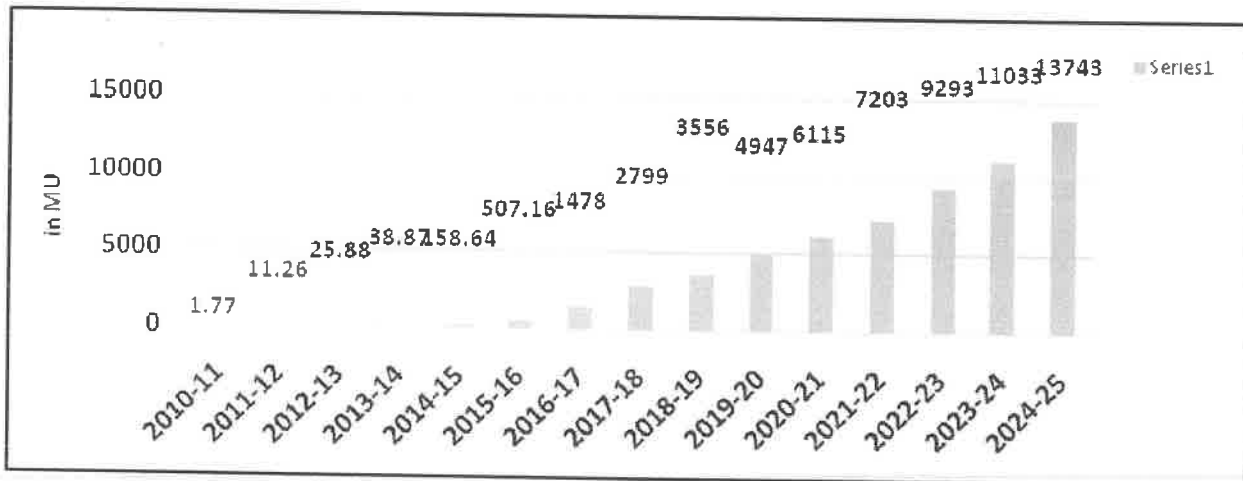
Generator	Installed capacity in MW
TN Hydro	2324
TN Thermal	4320
TN Gas	408
TN IPP	1105
CGS Thermal	5,246
CGS Nuclear	1707
Purchase	2982
CPP	183
Wind	9331
Solar	9006
Co-gen	684
Biomass	207
Solar Roof Top	1003
SECI (REMC)	500
Total	39007 MW

6.7 Renewable Energy Generation

Tamil Nadu - Wind Generation in MU Yearwise



Tamil Nadu - Wind Generation in MU Yearwise



6.8 Demand Forecasting:

- ❖ At present the day ahead Demand Forecasting is done based on the past historical data.
- ❖ The grid demand is managed by the dispatch schedule to the generating stations as per the day ahead generation availability.
- ❖ Present day consumption in MU of the State includes the Auxiliary Consumption of Generators in the Tamilnadu control area and the Transmission losses.
- ❖ TANGEDCO has to provide the Demand for Region wise after deducting the respective losses in block wise.

6.9 Open Access & Grid connectivity related Activities for the year 2024-25

STOA granted during 2024-25			
		MW	Applications
A	Intra/Inter State STOA (Excluding Power Exchange)		
	STOA Intra (Captive + Third party)	625	330
	STOA Inter(Bilateral Purchase)	NIL	NIL
	STOA Intra (Bilateral Sale)	1607	56
	Inter State STOA through Power Exchange		
B	IEX (Purchase)	1513	4551
	PXIL(Purchase)	NIL	NIL
	HPX (Purchase)	NIL	NIL
C	STOA Inter (Collective Sale)	7686	298
	Energy Transaction through STOA Year 2023-24		
	Sale	4492	-----
D	Purchase	4434	-----
1.	Open Access		
2.	Long Term Open Access	-----	-----
	MTOA	20	5

7.0 HRD Initiatives:-

Human Resource Development wing is imparting training to various level of Engineers / Officers (Class-I & II) through the 4 Training Institutes namely;

- a. Staff Training College/Chennai.
- b. Transmission & Distribution Training and Development Institute & Research Centre/ Madurai.
- c. Thermal Training Institute & Research Centre/North Chennai
- d. Hydro Training Institute & Research Centre/Kuthiraikalmedu.

The training is also imparted to all Staff (Class III & IV) through the 10 Technical Training & Development Centres located at different parts of the state. Also, a Cable Jointing Training & Development Centre, Chennai is providing hands on practical training on Cable Jointing & End termination to the Engineers/Staff.

7.1 The details of training provided to the employees of TANTRANSO Engineers / Non - Technical staff during the Year 2024-25 and the cost are furnished below.

Total Number of Training Programmes	Total number of Employees Attended	Total Training cost in Rs.
251	1588	10,69,633/-

7.2 Policy Against workplace harassment:

There has been no case of sexual harassment complaints received company during the Financial Year 2024-25, the committee consist of-

Sl.No.	Name & Designation	Office
1	Tmt. V. Mahalakshmi, CE/Electrical, Hydro Chennai	Chairperson
2	Tmt. A.N.N. Amutha, S.P.O Labour Administrative Branch Chennai	Female Member
3	Tmt. Himani Datar, Hon Secy, Guild of Service (Central), Chennai	NGO (Member Female)
4	Thiru. B. Anandasabesan DCIAO, Internal Audit cell	Male Member
5	Thiru. S. Dilliraj, DS, Personal secretariat branch, Chennai	Male Member

7.3 Right to Information:

In order to promote transparency and accountability, an appropriate mechanism has been up across the company in line with "Right to Information Act,2005". The nominated public information Officer/Assistant public Information Officer/Appellate Authorities as its corporate and circle Officers, to provide information to citizens under the provision of Act.

8.0 Directors And Key Managerial Personnel as at 31.03.2025**8.1 Directors:[For the FY 2024-25]**

Sl.No.	Name	Designation	Date of appointment	Date of Cessation (or) 31.03.2025 whichever is earlier
1.	Dr. J.Radhakrishnan, I.A.S.,	CHAIRMAN	20.02.2025	Till date
2.	Thiru. Prashant M.Wadnere, I.A.S.	Principal Secretary to Government, Finance Department, Ex-officio Director/ TANTRANSCO	23-09-2024	Till date
3.	Tmt.Beela Venkatesan, I.A.S	Nominee Director Principal Secretary to Government Energy Department Ex-officio Director/ TANTRANSCO	30-06-2023	31.03.2025
4.	Tmt.Pallavi Baldev, I.A.S	Nominee Director Additional Secretary to Government Industries Department/ Nominee Director/ TANTRANSCO	18-11-2023	Till date
5.	Tmt.K.Indirani, B.E., M.C.A.,	Managing Director	28-11-2024	31.03.2025
6.	Thiru. Vishu Mahajan, I.A.S	Joint Managing Director	18.11.2023	Till date
7.	Thiru.P.Chandrasekaran, B.E.,	Director / Transmission Projects	01.10.2024	31.03.2025 (Retd)
8.	Thiru.K.Sundaravadhanam, B.Sc., ACA, ACS	Director / Finance	09-09-2023	Till date
9.	Er. S.Lakshmi, B.E.,	Director / Operation.	28-11-2024	31-03-2025 (Retd)

8.2 Key Managerial Personnel

During the Financial year 2024-25, the following are the key Managerial Personnel of the company as per the provisions of the companies Act 2013.

Sl.No.	Name	Designation	Date of appointment	Date of Cessation
1.	Thiru.Rajesh Lakhoni, I.A.S. Thiru.K. Nanthakumar, I.A.S., Dr. J.Radhakrishnan, I.A.S.,	CHAIRMAN	17.05.2021 28.11.2024 20.02.2025	31.03.2024 20.02.2025 Till date
2.	Thiru. T Udhayachandran, I.A.S., Thiru.PrashantM.Wadnere, I.A.S.	Principal Secretary to Government, Finance Department, Ex-officio Director/ TANTRANSCO	25-05-2023 23.09.2024	31.03.2024 Till date
3.	Tmt.Beela Venkatesan, I.A.S	Nominee Director Principal Secretary to Government Energy Department Ex-officio Director/ TANTRANSCO	30-06-2023	Till date
4.	Tmt.Pallavi Baldev, I.A.S	Nominee Director Additional Secretary to Government Industries Department/ Nominee Director/ TANTRANSCO	18-11-2023	Till date
5.	Tmty.K.Indirani, B.E., M.C.A.,	Managing Director,	28.11.2024	31.03.2025
6.	Thiru. Vishu Mahajan, I.A.S	Joint Managing Director	18.11.2023	Till date
7.	Er. E.Shyamala, B.E., (FAC) Thiru.A.R.Mascurnas, B.E., D.Tech., (FAC) Thiru.P.Chandrasekaran, B.E.,	Director / Transmission Projects	09-11-22 01.08.2024 01.10.2024	31-07-2024 (Retd.) 31.03.2025 31.03.2025 (Retd)
8.	Thiru.K.Sundaravadhanam,B.Sc., ACA, ACS	Director / Finance	09-09-2023	Till date
9.	Er. S.Lakshmi, B.E.,	Director / Operation.	28.11.2024	31-03-2025
10.	Tmty.V.Rajeswari,B.Com., ACMA	Chief Financial Controller	01.04.2024	Till date
11.	D Sureshkumar	Company Secretary	01.04.2024	Till date

8.3 Meetings

(i) Board Meetings

During the financial year 2024-25, Four Board (5) Meetings were held on the following dates:

S.No.	Number of Board Meeting	Date of Board Meeting
1	117th Board Meeting	11-07-2024
2	117-A Board Meeting	23-09-2024
3	118th Board Meeting	28-11-2024
4	119th Board Meeting	30-12-2024
5	120th Board Meeting	21-02-2025

(i) Attendance of the Board Meeting - Directors attended during the F.Y. 2024-25

Sl. No.	Name of Directors	Designation	No of Board Meeting	
			Held in their tenure	Attended
1	Thiru.Rajesh Lakhoni, I.A.S. Thiru.K. Nanthakumar, I.A.S., Dr. J.Radhakrishnan, I.A.S.,	CHAIRMAN	2	2
			2	2
			1	1
2	Thiru. T Udhayachandran, I.A.S., Thiru. Prashant M.Wadnere, I.A.S..	Nominee Director Principal. Secretary to Govt., Finance Department. GOTN.	1	1
			4	4
3	Tmt.Beela Venkatesan, I.A.S	Nominee Director Principal Secretary to Government Energy Department Ex-officio Director / TANTRANSCO	5	4
4	Tmt.Pallavi Baldev, I.A.S	Nominee Director Additional Secretary to Government Industries Department/ Nominee Director / TANTRANSCO	5	4
5	Tmt.K.Indirani, B.E., M.C.A.,	Managing Director,	5	4
6	Thiru.Vishu Mahajan, I.A.S	Joint Managing Director	5	4
7	Er. E.Shyamala, B.E., (FAC)	Director / Transmission Projects	1	1
	Thiru.A.R.Mascurnas, B.E., D.Tech., (FAC)	-do-	1	1
	Thiru.P.Chandrasekaran, B.E.,		3	3
8	Thiru.K.Sundaravadhanam, B.Sc., ACA, ACS	Director / Finance	5	5
9	Er. S.Lakshmi, B.E.,	Director / Operation.	3	3

(ii) Annual General Meeting of 2024-25.

	Name of the Directors Attended	
14th Annual General Meeting held on 23-09-2024	Thiru.Rajesh Lakhoni, I.A.S., Thiru.Vishu Mahajan. I.A.S., Tmt. Pooja Kulkarni, I.A.S., Tmt. K.Sundaravadhanam, B.Sc., ACA,ACS Thiru.P.Chandrasekaran, B.E., Er. S.Lakshmi, B.E.,	Present

9.0 Committees of the Board of Directors

The company has the following committees & details of the Committee Members are given below:

I. Audit committee

The Audit committee was reconstituted pursuant to provision of Section 177 of the companies Act 2013. The composition of Audit committee as on the 31.3.2025 is as under.

Sl. No.	Name of the Directors	Title
1	a. Thiru.RajeshLakhoni I.A.S., b. Thiru.K.Nanthakumar, I.A.S., c. Dr. J.Radhakrishnan. I.A.S.,	Chairman
2	Thiru.M.PrashantM.Wadnere,I.A.S	Member
3	Thiru.Beela Venkatesan, I.A.S.	Member
4	Thiru.Pallavi Baldev, I.A.S.,	Member
5	Tmt.Pooja Kulkarni. I.A.S.,	Member

During the financial year 2024-25, Four (4) Audit Committee Meetings were held on the following dates:

Sl. No.	Number of ACM	Date of ACM
1	45th ACM	23-09-2024
2	46st ACM	28-11-2024
3	47th ACM	30-12-2024
4	48th ACM	21-02-2025

Attendance of the Audit Committee Meeting -Members attended during the F.Y. 2024-25

Sl. No.	Name of the Committee Members	Designation	No. of AM held	
			Held in his tenure	Attended
1	a.Thiru.RajeshLakhoni I.A.S., b. Thiru.K.Nanthakumar, I.A.S., c.Dr. J.Radhakrishnan. I.A.S.,	Chairman	1 2 1	1 2 1
2	Thiru.M.PrashantM.Wadnere,I.A.S	Member	4	4
3	Thiru.Beela Venkatesan, I.A.S.	Member	4	4
4	Thiru.Pallavi Baldev, I.A.S.,	Member	4	4
5	Tmt.Pooja Kulkarni. I.A.S.,	Member	4	4

I. Corporate Social Responsibility Committee:

The Corporate Social Responsibility committee was constituted pursuant to provision of Section 135 of the companies Act 2013. The composition of CSR committee as on the 31.3.2025 is as under.

Sl. No.	Name of the Directors	Title
1	Er. K. Indirani, B.E., M.C.A	Chairman
2	Thiru. K. Sundaravadhanam, B.Sc. ACA, ACS,	Member
3	Er. M. Sudarsan, B.E., Hon	Member

During the financial year 2024-25, CSR Meetings held on

Sl. No.	Number of ACM	Date of ACM
1	-	21.07.2025

Attendance of CSR Committee Meeting -Members attended during the F.Y. 2024-25

Sl. No.	Name of the Committee Members	Designation	No. of AM held	
			Held in his tenure	Attended
1	Er. K. Indirani, B.E., M.C.A	Chairman	1	1
2	Thiru.K.Sundaravadhanam, B.Sc. ACA, ACS,	Member	1	1
3	Er.M.Sudarsan, B.E., Hon	Member	1	1

10. STATUTORY AUDITORS:

The C & AG of India have appointed M/s. Ponraj & Co., Chartered Accountants., Chennai as Statutory Auditors for auditing the Accounts of TANTRANSCO for the Financial Year 2024-25 as per this appointment letter no: No./CA.V/ COY/TAMIL NADU,TNTCL-(I)/1087 dated: 21/09/2024.

11. COST AUDITOR:

The Govt. of India, Ministry of Corporate Affairs Cost Audit Branch, New Delhi in exercise of the power conferred u/s.148 of the Companies Act 2013, issued Cost Audit orders to audit the Cost Accounting records and books of Accounts maintained by the company. Accordingly, the Board of Directors appointed M/s STARP & Associates., Cost Accountant as the Cost Auditor for the financial year 2024-25 which has been approved by the Ministry of Corporate Affairs Cost Audit Branch, New Delhi

12. SECRETARIAL AUDITOR:

The Board of TANTRANSCO has appointed M/s.Dhandapani, practicing Company Secretaries as Secretarial Auditor of Tamil Nadu Transmission Corporation Ltd. to conduct the Secretarial Audit for the financial year 2024-25 in compliance with the provisions of Section 204(1) of the Companies Act, 2013.

13. CONSERVATION OF ENERGY: TECHNOLOGY ABSORPTION:

- 13.1 Since the company is not engaged in any of the activities indicated in Schedule-A of the Companies (Disclosure of Particulars in the report of the Board of Directors) Rules, 1988, the details in this regard are to be taken as NIL.
- 13.2 The company is constantly working towards strengthening of the Transmission system so to improve the reliability and quality of power and to further reduce the transmission losses.

14. Tariff Revision:

With respect to TANTRANSCO, the TANTRANSCO related charges were collected as per Tariff order in T.P.No.2 of 2017 dated 11.08.2017 (effective from 11.08.2017) till the date of tariff revision. During the FY 2022-23 the Hon'ble TNERC has revised the tariff vide Order No.08 of 2022 in T.P.No.2 of 2022 dated 09.09.2022 (10.09.2022). Hence, from 10.09.2022 onwards the revised rates were followed.

The SLDC charges were collected as per Tariff Order in T.P.No.3 of 2017 dated 11.08.2017 (effective from 11.08.2017) till the date of tariff revision. During the FY 2022-23 the Hon'ble TNERC has revised the tariff vide Order No.09 of 2022 in T.P.No.1 of 2020 dated 09.09.2022 (effective from 10.09.2022). Hence, from 10.09.2022 onwards the revised rates were followed.

The existing rates and revised rates were as follows:-

Charges related to TANTRANSCO as per Tariff Order	Existing Rated as per Order dt.01.07.2023	Revised Rates as per Order dt.01.07.2024.
1. Transmission Charges	Rs.5,365.63/MW/Day	Rs.5,580.26/MW/Day
2. Reactive Energy Charges	The Reactive Energy charges escalated at 0.5 paise/KVARh and determined at 16.50 paise/kVARh for FY 2023-24.	The Reactive Energy charges escalated at 0.5 paise/KVARh and determined at 17.00 paise/kVARh for FY 2024-25.
3. Scheduling Charges	Rs.172 per day per transaction	Rs.200 per day per transaction
4. System Operation Charges	Rs.75.04 per MW per day for LTOA & MTOA Rs.3.13 per MW per Hour for STOA	Rs.92.46 per MW per day for LTOA & MTOA Rs.3.85 per MW per Hour for STOA

15. Directors' responsibility statement:

In accordance with Section 134(3) (c) of the Companies Act, 2013, the Directors of the Company hereby state that:

- I. The Financial statements have been prepared in accordance with Indian Accounting Standards ("Ind AS") prescribed under section 133 of the companies act,2013 read with companies (Indian Accounting Standards) Rules, 2015 (as amended from time to time) and the provisions of the Electricity Act, 2003 to the extent applicable.
- II. The implementation of ERP through SAP commenced in a phased manner during the FY 2021-22, moving away from the manual records to the extent possible. The Company has proposed to further strengthen the internal control over the financial reporting system duly taking into consideration Sec 138 of the companies Act, 2013 and rules thereon.

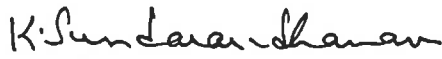
- III. The Directors had selected such accounting policies and made judgements and estimates that are reasonable and prudent so as to give a true and fair view of the state of affairs of the company at the end of the financial year and of the profit or loss of the company for that period.
- IV. The Directors had taken proper and sufficient care for the maintenance of adequate accounting records in accordance with the statutory provisions, for safeguarding the assets of the company and for preventing and detecting fraud and other irregularities; and
- V. The Directors had prepared the annual accounts on a going concern basis.

ACKNOWLEDGEMENTS

The Board of Directors would like to place on record its appreciation for all the support and guidance extended by the Government of Tamil Nadu, Government of India, Tamil Nadu Electricity Regulatory Commission, TNEB Limited, TANGEDCO and other agencies such as Government Treasury, CEA, PFC, REC, NABARD, CERC, Commercial Banks and other Financial Institutions, Ministry of Corporate Affairs, Registrar of Companies and the General Public for their co-operation and active support to TANTRANSCO, in our endeavour to serve them. The Board of Directors would also like to place on record its appreciation for the dedicated and committed service rendered by the employees of the Corporation.

Place : Chennai
Date : 12.11.2025

Sd/-
Dr. J. Radhakrishnan
Chairman


K. SUNDARAVADANAM
Director/Finance
DIN : 10330377


T. Sivakumar
Director
DIN: 113500708



कार्यालय प्रधान महालेखाकार (लेखापरीक्षा-II)

तमिलनाडु एवं पुदुचेरी

OFFICE OF THE PRINCIPAL ACCOUNTANT GENERAL (AUDIT-II)

TAMILNADU & PUDUCHERRY



SUPREME AUDIT INSTITUTION OF INDIA
लेखाधिकार्य समन्विता
Dedicated to Truth in Public Interest

स. प्रमले. (लेखापरीक्षा II)/ शा. का टी एन ई बी /डेटा बैंक /2025-26/32
No. PAG (Audit II)/BO TNEB/DATA BANK/2025-26/

25.02.2026

25.02.2026

सेवा में/10

अध्यक्ष,
टैट्रांस्को
चेन्नई - 600 002

The Chairman,
Tamil Nadu Transmission Corporation Limited,
Chennai - 600 002.

महोदय Sir/ महोदया Madam,

विषय: 31 मार्च, 2025 को समाप्त वर्ष के लिए, टैट्रांस्को चेन्नई के खातों पर कंपनी अधिनियम, 2013 के अधीन धारा 143(6)(बी) के नि.व.म.लेप. की टिप्पणी।

Sub: Comments of the C&AG of India u/s 143(6)(b) of the Companies Act, 2013 on the accounts of TANTRANSCO, Chennai for the year ended 31 March 2025.

31 मार्च, 2025 को समाप्त वर्ष के लिए, टैट्रांस्को चेन्नई के खातों पर कंपनी अधिनियम, 2013 की धारा 143(6)(बी) के अधीन भारत के नियंत्रक एवं महालेखापरीक्षक के टिप्पणियाँ प्रमाण-पत्र में इस के साथ अग्रप्रेषित कर रहा हूँ।

I am to forward herewith the COMMENTS CERTIFICATE of the Comptroller and Auditor General of India under section 143 (6) (b) of the Companies Act, 2013 on the financial statements of Tamil Nadu Transmission Corporation Limited, Chennai for the year ended 31 March 2025.

वार्षिक सामान्य बैठक के कार्यवृत्त की एक प्रति जिसमें कंपनी अधिनियम 2013 की धारा 143 (6)(बी) के तहत भारत के नियंत्रक एवं महालेखापरीक्षक की टिप्पणी प्रस्तुत की जाती है, उरी इस कार्यालय को कृपया यथाशीघ्र भेजी जाए। मुद्रित वार्षिक रिपोर्ट की छः प्रतियाँ जब भी तैयार होती हैं, इस कार्यालय को अग्रप्रेषित की जाएँ। लेखा परीक्षा की सूचना के तहत कंपनी अधिनियम, 2013 की धारा 395 के साथ पठित सीएजी के डीपीसी अधिनियम की धारा 19 ए (3) के तहत विधान सभा के समक्ष सीएजी की टिप्पणियों के साथ वार्षिक खातों को रखने के लिए कार्रवाई की जा सकती है।

A copy of the minutes of Annual General Meeting in which comments of Comptroller and Auditor General of India are to be placed under section 143 (6) (b) of the Companies Act 2013 may please be sent to this office early. Six copies of printed Annual Reports as and when they are ready may be forwarded to this office. Action may be taken to place the annual accounts along with comments of C&AG before the legislative assembly as required under Section 19 A (3) of C&AG's DPC Act read with Section 395 of Companies Act, 2013 under intimation to audit.

भवदीय/Yours sincerely,

संलग्न: यथोपरि
Encl: As above

उप महालेखाकार
Deputy Accountant General

"लेखापरीक्षा भवन" 361, अण्णा सालै, चेन्नई-600 018 "Audit Bhawan", 361, Anna Salai, Chennai - 600 018

दू.भा/Phone : 044 - 24316560 to 6666; फैक्स/Fax : 044 - 2431 1659

ई-मेल/E-mail : agautamilnadu2@cag.gov.in

रा. तिरुपति वेंकटसामी, भा ले ले से
R. THIRUPPATHI VENKATASAMY, IAAS



प्रधान महालेखाकार (लेखापरीक्षा-II)
तमिलनाडु एवं पुदुचेरी
PRINCIPAL ACCOUNTANT GENERAL
(AUDIT- II)
TAMILNADU & PUDUCHERRY

COMMENTS OF THE COMPTROLLER AND AUDITOR GENERAL OF INDIA UNDER SECTION 143(6)(b) OF THE COMPANIES ACT, 2013 ON THE FINANCIAL STATEMENTS OF THE TAMIL NADU TRANSMISSION CORPORATION LIMITED FOR THE YEAR ENDED 31 MARCH 2025.

The preparation of financial statements of the Tamil Nadu Transmission Corporation Limited (TANTRANSCO / Company), Chennai for the year ended 31st March 2025, in accordance with the financial reporting framework prescribed under the Companies Act, 2013 (Act) is the responsibility of the management of the Company. The Statutory Auditors, appointed by the Comptroller and Auditor General of India under Section 139(5) of the Act, are responsible for expressing opinion on the financial statements under Section 143 of the Act based on independent audit in accordance with 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 12 November 2025. The Statutory Auditors have given an Adverse Opinion.

I, on behalf of the Comptroller and Auditor General of India, have conducted a supplementary audit of the financial statements of Tamil Nadu Transmission Corporation Limited for the year ended 31st March 2025 under section 143(6)(a) of the Act. This supplementary audit has been carried out independently without access to the working papers of the Statutory Auditors and is limited primarily to inquiries of the Statutory Auditors and Company personnel and a selective examination of some of the accounting records.

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.

A. Comments on Financial Position

Assets

Current assets

Inventories (Note-7) - ₹ 16.23 crore

1. The above includes ₹ 8.93 crore, being the value of scrap materials auctioned and sold. However, due to technical issues, the sale process was not routed through ERP system and consequently the physical removal of scrap from inventory was not reflected in the ERP system and the sold scrap materials continued to be included in the value of inventory. This has resulted in overstatement of the Current Assets by ₹ 8.93 crore with consequent understatement of loss to the same extent.

"Audit Bhawan", 361, Anna Salai, Teynampet, Chennai – 600 018.

Phone: 044-24316654, Email: agautamilnadu2@cag.gov.in

Cash and Cash Equivalents (Note~8b) ₹ 684.71 crore

2. The above docs not include ₹ 113.87 crorc received from generators deviating from their generation schedule during 2024-25 which was, in turn, payable to the prompt generators. The State Load Despatch Centre (SLDC) maintains and operates State Deviation Pool Accounts (SDPA) as mandated under Tamil Nadu Electricity Regulatory Commission (Forecasting, Scheduling and Deviation Settlement and Related Matters for Wind and Solar Generation) Regulations, 2024 tor Conventional Energy and Renewable Energy. These two Accounts are maintained with State Bank of India in the name of 'TANTRANSCO-SLDC' and had funds to the extent of ₹ 40.06 crorc and ₹ 73.81 crore as on 31 March 2025 as collections towards Deviation Settlement Mechanism for Conventional Energy and Renewable Energy respectively which are liable to be paid to DSM beneficiaries.

Since SLDC is a functional unit of TANTRANSCO, any bank account maintained for SLDC operations belongs to TANTRANSCO and any obligation to pay is a liability of TANTRANSCO. Hence, the bank balances and related liabilities have to be brought into the books of accounts of TANTRANSCO. Not bringing them into the books of accounts of TANTRANSCO has resulted in understatement of Cash and Cash Equivalents and understatement of current liabilities to the extent of ₹113.87 crore each.

Other Current Assets (Note-11) ₹ 209.04 crore

Advances to Suppliers and contractors - ₹ 14.99 crore

3. The above includes ₹ 5.98 crore towards expenditure incurred on purchase of land in Operation Circles at Salem (₹ 4.49 crore) and Coimbatore (₹1.49 crore). Instead of accounting under Property, Plant and Equipment, the same was accounted under Advances to suppliers and contractors. This has resulted in overstatement of the above head and understatement of Freehold land under Property, Plant and Equipment (Note-4a) to the extent of ₹ 5.98 crore each.

EQUITY AND LIABILITIES

Other Current Liabilities (Note-23) ₹170.64 crore

Others - ₹ 151.76 crore

4. The above does not include an amount of ₹ 56.22 crore being the amount refundable to PGCIL on account of excess collection of transmission charges for the period from 2014-15 to 2019-20 over and above the charges approved (16 November 2018) by (Antral Electricity Regulatory Commission. This has resulted in understatement of liabilities to the extent of ₹ 56.22 crore with a consequent understatement of loss by the same amount.

B. Comments on Profitability

Statement of Profit and Loss for the year ended 31 March 2025

Finance Costs (Note-27) ₹ 2,287.11 crore

Processing and Commitment charges - ₹ 5.23 Crore

5. The above includes ₹3.23 crore, being the amount of ₹2.22 crore paid and ₹1.01 crore payable by TANTRANSCO towards commitment charges to Asian Development Bank (ADB) in respect of project-specific loan for infrastructure works under Chennai Kanyakumari Industrial Corridor Project availed during 2019-20. The prior period expenditure incurred towards commitment charges from 2020-21 to 2023-24 amounted to ₹13.37 crore.

As per Ind AS 23, Borrowing Costs that are directly attributable to the acquisition or construction of a qualifying asset shall be capitalized. Hence, the commitment charges should have been capitalised instead of showing the same as expense in the Statement of Profit and Loss. This has resulted in overstatement of 'Finance Costs' and loss for the year by ₹ 3.23 crore, overstatement of prior period expenditure by ₹13.37 crore and consequently, understatement of Capital Work in Progress to the extent of ₹16.60 crore.

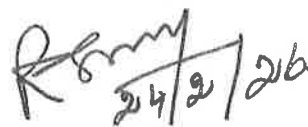
C. Comments on disclosure

**Other Non-Current Liabilities (Note-18)
Government Grants - ₹ 897.44 crore**

6. The above head includes capital grants received by TANTRANSCO to the extent of ₹ 897.44 crore towards construction of various transmission assets.

As per Paragraph 117 of Ind AS 1, An entity shall disclose the significant accounting policies applied in the preparation and presentation of financial statements. Further, as per Ind AS 20, Grants related to capital assets are accounted for either by reducing the cost of the asset or as deferred income amortised over the asset's useful life. Hence, the accounting policy adopted for recognising capital grants, together with detailed information on the nature and purpose of such grants, the extent of grant support received during the year and the outstanding unamortised balance of capital grants as at the reporting date need to be disclosed as per Ind AS 20.

For and on behalf of the C&AG of India



**R.Thirupathi Venkatasamy, IA&AS
Principal Accountant General**

Place: Chennai
Date: 24.02.2026

A. Comments of Profitability
Statement of Profit and Loss

Comment	Reply by management
Inventories (Note-7) - ₹ 16.23 crore	
1. The above includes ₹ 8.93 crore, being the value of scrap materials auctioned and sold. However, due to technical issues, the sale process was not routed through ERP system and consequently the physical removal of scrap from inventory was not reflected in the ERP system and the sold scrap materials continued to be included in the value of inventory. This has resulted in overstatement of the Current Assets by ₹ 8.93 crore with consequent understatement of loss to the same extent.	As there is no process for sale of scrap, the same has been booked through manual Journals. However, in module the movement of material are only through process. In order to capture the scrap movement through process of the physical stock value, process has been provided to regularise the scrap stock movement, to the extent of scrap sale made. The blocked stock has been regularised through the process in respect of all TANTRANSCO circles except CDC and P&C Trichy, which are under progress.
Cash and Cash Equivalents (Note-8b) ₹ 684.71 crore	
2. The above does not include ₹113.87 crore received from generators deviating from their generation schedule during 2024-25 which was, in turn, payable to the prompt generators. The State Load Despatch Centre (SLDC) maintains and operates State Deviation Pool Accounts (SDPA) as mandated under Tamil Nadu Electricity Regulatory Commission (Forecasting, Scheduling and Deviation Settlement and Related Matters for Wind and Solar Generation) Regulations, 2024 for Conventional Energy and Renewable Energy. These two Accounts are maintained with State Bank of India in the name of 'TANTRANSCO-SLDC' and had funds to the extent of ₹40.06 crore and ₹ 73.81 crore as on 31 March 2025 as collections towards Deviation Settlement Mechanism for Conventional Energy and Renewable Energy respectively which are liable to be paid to DSM beneficiaries. Since SLDC is a functional unit of TANTRANSCO, any bank account maintained for SLDC operations belongs to TANTRANSCO and any obligation to pay is a liability of TANTRANSCO. Hence, the bank balances and related liabilities have to be brought into the books of accounts of TANTRANSCO. Not bringing them into the books of accounts of TANTRANSCO has resulted in understatement of Cash and Cash Equivalents and understatement of current liabilities to the extent of ₹113.87 crore each.	As per the order issued by TNERC on 22.01.2024, effective from 01.04.2024, amount is being received from the generators deviating the schedule of generation during the 2024-25, which in turn payable to the prompt generators. As the FY 2024-25 is being the first year in which the order become effective, opening bank account and other modalities to be followed are under progress, the omitted balance will be brought into accounts appropriately.

Comment	Reply by management
Other Current Assets (Note-11) ₹209.04 crore	
Advances to Suppliers and contractors - ₹ 14.99 crore 3. The above includes ₹5.98 crore towards expenditure incurred on purchase of land in Operation Circles at Salem (₹4.49 crore) and Coimbatore (₹1.49 crore). Instead of accounting under Property, Plant and Equipment, the same was accounted under Advances to suppliers and contractors. This has resulted in overstatement of the above head and understatement of Freehold land under Property, Plant and Equipment (Note-4a) to the extent of ₹5.98 crore each.	The balance booked under Advance GL will be transferred to Land appropriately, through process in the FY2025-26.
EQUITY AND LIABILITIES	
Other Current Liabilities (Note-23) ₹170.64 crore Others - ₹ 151.76 crore	
4. The above does not include an amount of ₹56.22 crore being the amount refundable to PGCIL on account of excess collection of transmission charges for the period from 2014-15 to 2019-20 over and above the charges approved (16 November 2018) by Central Electricity Regulatory Commission. This has resulted in understatement of liabilities to the extent of ₹56.22 crore with a consequent understatement of loss by the same amount.	The actual amount to be refunded to M/s. PGCIL is under reconciliation. After reconciliation the amount will be brought in the books of accounts in FY-2025-26.
B. Comments on Profitability	
Statement of Profit and Loss for the year ended 31 March 2025	
Finance Costs (Note-27) ₹2,287.11 crore Processing and Commitment charges - ₹5.23 Crore 5. The above includes ₹3.23 crore, being the amount of ₹2.22 crore paid and ₹1.01 crore payable by TANTRANSCO towards commitment charges to Asian Development Bank (ADB) in respect of project-specific loan for infrastructure works under Chennai Kanyakumari Industrial Corridor Project availed during 2019-20. The prior period expenditure incurred towards commitment charges from 2020-21 to 2023-24 amounted to ₹ 13.37 crore.	Instructions will be issued to the circle to transfer the above commitment charges to Asset under construction. Effective action will be taken to transfer the commitment charges to Asset under construction during the current year.

Comment	Reply by management
As per Ind AS 23, Borrowing Costs that are directly attributable to the acquisition or construction of a qualifying asset shall be capitalized. Hence, the commitment charges should have been capitalised instead of showing the same as expense in the Statement of Profit and Loss. This has resulted in overstatement of 'Finance Costs' and loss for the year by ₹3.23 crore, overstatement of prior period expenditure by ₹13.37 crore and consequently, understatement of Capital Work in Progress to the extent of ₹16.60 crore.	
Comments on disclosure	
Other Non-Current Liabilities (Note-18) Government Grants - ₹ 897.44 crore	
6. The above head includes capital grants received by TANTRANSCO to the extent of ₹897.44 crore towards construction of various transmission assets. As per Paragraph 117 of Ind AS 1, An entity shall disclose the significant accounting policies applied in the preparation and presentation of financial statements. Further, as per Ind AS 20, Grants related to capital assets are accounted for either by reducing the cost of the asset or as deferred income amortised over the asset's useful life. Hence, the accounting policy adopted for recognising capital grants, together with detailed information on the nature and purpose of such grants, the extent of grant support received during the year and the outstanding unamortised balance of capital grants as at the reporting date need to be disclosed as per Ind AS 20.	In Note.No.18, it has been disclosed that the Company is in the process of collating the details of Assets created out of grant. Appropriate treatment of depreciation on the related assets will be carried out in the future years.



**Chief Financial Controller (I/C)
For Tamilnadu Transmission Corpn. Ltd.,
144, Anna Salai, Chennai - 600 002.**

PONRAJ & CO.,

Chartered Accountants,

FIRST FLOOR, NEW NO.18, OLD NO, 24,

NORTH TANK SQUARE STREET, TRIPPLICANE, CHENNAI - 600 005.

Phone : 044 - 25955009 Mobile : 9282110519, E-mail : vivekananthan2001@gmail.com

Independent Auditor's Report

To
The Members of
TAMILNADU TRANSMISSION CORPORATION LIMITED

Report on the Audit of Financial Statements

Adverse Opinion

1. We have Audited the accompanying standalone Financial Statements of **Tamil Nadu Transmission Corporation Limited** (the Company'), which comprise of the Balance Sheet as at 31 March 2025, the Statement of Profit and Loss and the Cash Flow Statement for the year then ended, and a summary of the significant Accounting Policies and other explanatory information.
2. In our Opinion and to the Best of our Information and According to the explanations given to us, except for the effects of the matters described in the Basis for Adverse Opinion section of our Report, the aforesaid standalone Financial Statements give the Information required by the Companies Act, 2013 (Act') in the manner so required. The aforesaid standalone Financial Statements, for the matters described in the Basis for Adverse Opinion section of our Report, do not give a True and Fair view, in conformity with the Accounting Principles generally accepted in India including the Indian Accounting Standards prescribed under section 133 of the Act ("Ind AS"), read with rule 7 of the Companies (Accounts) Rules, 2014 (as amended), of the state of affairs of the Company as at 31 March 2025, its Loss and its cash flows for the year ended on that date.

Basis for Adverse Opinion

3. Attention is drawn to Note 4(a) of the Financial Statements, wherein the company is in the process of a Detailed Review of its Capital Work in progress Balances as on 31.3.2025; Assets capitalised substantially during Financial Year 2024-25 aggregating to Rs.4981.90 crores is observed to include sizeable value of assets commissioned during or before Financial Year 2023-24 as well, which might have a significant impact on Revenue, had Depreciation been retrospectively charged from date(s) of commissioning of the respective Assets; pending completion of the same, we are unable to Assess the appropriateness of Depreciation charged for the year and Capital Work in progress as at the year ended 31st March 2025.



PONRAJ & CO.,

Chartered Accountants,

FIRST FLOOR, NEW NO.18, OLD NO, 24,

NORTH TANK SQUARE STREET, TRIPPLICANE, CHENNAI – 600 005.

Phone : 044 - 25955009 Mobile : 9282110519, E-mail : vivekananthan2001@gmail.com

4. Attention is drawn to Note 21 of the Financial Statements wherein the company has completed the process of reconciling its Book Balance with its fellow subsidiary company, Tamil Nadu Power Distribution and Corporation Limited (TNPDCCL), Tamil Nadu Power Generation Corporation Limited (TNPGL) and Tamil Nadu Green Energy Corporation Limited (TNGECL) (All the 3 companies together formerly known as TANGEDCO) and a difference of Rs.480.69 crores payable is pending for further reconciliation. In the absence of sufficient appropriate evidence, we are unable to comment on the impact in the Balances and corresponding impact in the Loss for the year. Attention is drawn to Note 7 of the Financial Statements wherein the company has completed the process of Identification/Reconciliation of its Book Balance with its fellow subsidiary company TNPDCCL (Formerly known as TANGEDCO) and a difference of Rs.77.50 Crores receivable. In the absence of sufficient appropriate evidence, we are unable to comment on the impact in the Balances and corresponding impact in the Loss for the year.
5. Attention is drawn to Note 11 of the Financial Statements under Other Current Assets which includes unreconciled Inter Unit Balance of Rs.193.91 crores. We are unable to ascertain any possible impact on Revenue and if so, to that extent it may affect / impact the statement of Profit or Loss.
6. Attention is drawn to Notes to the Financial Statements mentioned hereunder, wherein complete Disclosures as required by the respective Ind AS has not been complied by the Company. In the absence of sufficient appropriate evidence, we are unable to comment on the compliance with respective Ind AS.

Note reference	Ind AS reference	Remarks
40	Ind AS 24 - Related Party Disclosures	Post Employment of Key Managerial Persons is not disclosed
18	Ind AS 20 - Accounting for Government Grants and Disclosure of Government Assistance	Disclosure as required by Ind AS 20 is not disclosed

7. Revenue from operations for Financial Year 2024-25 is Rs.6802.50 crores, but as per GSTR-3B return it is Rs.6164.22 crores. Gross revenue including other income of Rs.638.28 crores is understated in GST Returns. Contingent Liability for GST payable @18% on the Taxable portion not provided for. Pending completion of the said process, we are unable to Assess the impact on the Company's Loss for the year ended 31st March 2025 and the corresponding impact on Statutory liabilities as at 31st March 2025.



PONRAJ & CO.,

Chartered Accountants,

FIRST FLOOR, NEW NO.18, OLD NO, 24,

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8. (a) Attention is drawn to Note 8(a) of the Financial Statements, wherein party-wise break-up and confirmation of balances of Trade Receivables are not produced for verification. We are unable to assess the provisioning requirements if any and its impact on the Financials Statement.

(b) Attention is drawn to Note 20 of the Financial Statements, wherein confirmation of party-wise Balances in respect of Trade Payables is not produced for verification.
9. Attention is drawn to Note 18 of the Financial Statements, project-wise Reconciliation/ Outstanding statement for Deferred Revenue on consumer contribution (DCW) is not available for verification. In the absence of sufficient appropriate evidence, we are unable to comment on the impact in the balances and corresponding impact in the loss for the year.
10. Attention is drawn to Note 15 of the Financial Statements, wherein the ageing details of Earnest Money Deposits, Security Deposits and Retention money not produced for verification. In the absence of sufficient appropriate evidence, we are unable to comment on the impact in the balances and corresponding impact in the loss for the year.
11. There are un-reconciled opening Balances aggregating to Rs.75.24 crores (Credit balance) are included in various items of Assets and liabilities. In the absence of sufficient appropriate evidence, we are unable to comment on the impact in the Balances and corresponding Impact in the loss for the year.
12. In Note 47A of the Financial Statements, the Company has stated that the Title Deeds of Land are held in the name of TANGEDCO, TANTRANSCO and TNEB Limited. The company is in the process of collating the entity wise details relating to Title Deeds of property. We are unable to comment on the entity-wise ownership details along with extent of such Lands owned by TANTRANSCO.
13. Attention is drawn to Notes 16 and 22 of the Financial Statements, wherein Provision for Employee Benefits payable based on 18.20% proportionate share of Actuarial valuation is Rs.9518.55crores (non- current) and Rs. 946.83 crores (current) as on 31.03.2025 but the liability as per Books of Account is observed to be Rs.8491.78 crores (non- current) and Rs.640.48 (current) with an unexplained difference of Rs. 1026.77 crores (non- current) and Rs.306.35 crores (current) respectively.
14. Prior period Electricity charges for the period from January 2019 to July 2022 have been raised by TNPDCCL on TANTRANSCO to the extent of Rs. 54.58 crores, which has been paid by



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TANTRANSCO during the Financial Year 2024-25, which has resulted in reduction of Net Profit to the extent of Rs. 54.58 crores for the Financial Year 2024-25.

15. The Actual GST Liability as per the GSTR 3B as on 31st March 2025 was Rs.4.27 crores but as per the Books the Liability is Rs.93 crores and the Company is in the process of reconciling the same. However, no Provision has been made in the accounts for the difference of Contingent Liability.
16. Though the words "we are unable to comment" is used in the relevant para 3 to 15 above does not mean, we do not have any evidence on the said matters but to be understood as the available evidence is insufficient to form an Opinion. However, based on the evidence available, we believe that the misstatement is both material and pervasive and should not be relied upon and hence expressed an adverse opinion.

Adverse opinion is expressed as per Para no.8 of SA-705, having obtained sufficient appropriate Audit evidence and concluded that misstatements, individually or in the aggregate, are both Material & Pervasive to the Financial Statements.

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

Information Other than the Financial Statements and Auditor's Report Thereon

18. The Company's Board of Directors are responsible for the other information. Other information does not include the Financial Statements and our Auditor's Report thereon.

Our opinion on the Financial Statements does not cover the other information and we do not express any form of assurance conclusion thereon.

In connection with our Audit of the Financial Statements, our responsibility is to read the other information and, in doing so, consider whether the other information is materially



inconsistent with the Financial Statements or our knowledge obtained in the Audit or otherwise appears to be materially misstated.

If, based on the work we have performed on the other information obtained prior to the date of this Auditor's Report, we conclude that there is a Material Misstatement of this other information, we are required to Report that fact. The Annual Report is not made available to us at the date of this Auditor's Report. We have nothing to Report in this regard.

Responsibility of Management and Those Charged with Governance for the Financial Statements

19. The Accompanying standalone Financial Statements have been approved by the Company's Board of Directors. The Company's Board of Directors is responsible for the matters stated in section 134(5) of the Act with respect to the preparation of these standalone Financial Statements that give a True and Fair view of the financial position, Financial Performance and cash flows of the Company in accordance with the Accounting Principles generally accepted in India, including the Accounting Standards prescribed under section 133 of the Act, read with rule 7 of the Companies (Accounts) Rules, 2014 (as amended). This responsibility also includes maintenance of adequate accounting records in accordance with the provisions of the Act for safeguarding of 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 Financial Controls, that were operating effectively for ensuring the accuracy and completeness of the Accounting Records, relevant to the preparation and presentation of the Financial Statements that give a True and Fair view and are free from Material Misstatement, whether due to Fraud or Error.
20. In preparing the Financial Statements, Management is responsible for assessing the Company's ability to continue as a Going Concern, disclosing, as applicable, matters related to Going concern and using the Going Concern basis of Accounting unless management either intends to liquidate the Company or to cease operations, or has no realistic alternative but to do so.
21. Those Board of Directors are also responsible for overseeing the company's Financial Reporting Process.



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Auditor's Responsibility for the Audit of the Financial Statements

22. Our objectives are to obtain reasonable assurance about whether the Financial Statements as a whole are free from material misstatement, whether due to fraud or error; and to issue an Auditor's Report that includes our opinion. Reasonable Assurance is a high level of assurance, but is not a guarantee that an Audit conducted in accordance with SAs will always detect a material misstatement when it exists. Misstatements can arise from Fraud or error and are considered material if, individually or in the aggregate, they could reasonably be expected to influence the economic decisions of users taken on the basis of these Financial Statements.
23. As part of an Audit in accordance with SAs, we exercise professional Judgment and maintain professional skepticism throughout the Audit. We also,
- Identify and Assess the risks of material misstatement of the Financial Statements, whether due to Fraud or Error, Design and Perform Audit Procedures responsive to those risks, and obtain Audit Evidence that is sufficient and appropriate to provide a basis for our opinion. The risk of not detecting a material misstatement resulting from Fraud is higher than for one resulting from error, as fraud may involve Collusion, Forgery, Intentional omissions, Misrepresentations, or the override of Internal control;
 - Obtain an understanding of Internal control relevant to the Audit in order to design Audit procedures that are appropriate in the circumstances. Under section 143(3)(i) of the Companies Act, 2013, we are also responsible for expressing our opinion on whether the company has adequate Internal Financial Controls system in place and the operating effectiveness of such controls;
 - Evaluate the appropriateness of Accounting Policies used and the reasonableness of accounting estimates and related disclosures made by management;
 - Conclude on the appropriateness of management's use of the Going Concern basis of Accounting and, based on the Audit evidence obtained, whether a material uncertainty exists related to events or conditions that may cast significant doubt on the Company's ability to continue as a Going Concern. If we conclude that a material uncertainty exists, we are required to draw attention in our Auditor's Report to the related disclosures in the Financial Statements or, if such disclosures are inadequate, to modify our opinion. Our conclusions are based on the Audit evidence obtained up to the date of the Auditor's Report.



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to the date of our Auditor's Report. However, future events or conditions may cause the Company to cease to continue as a Going Concern; and

- Evaluate the overall presentation, structure and content of the Financial Statements, including the disclosures, and whether the Financial Statements represent the underlying transactions and events in a manner that achieves fair presentation.
- Materiality is the magnitude of misstatement in the Financial Statements that, individually or in aggregate, makes it probable that the economic decisions of a reasonably knowledgeable user of the Financial Statements may be influenced. We consider Quantitative materiality and qualitative factors in (i) planning the scope of our Audit Work and in evaluating the Results of our work; and (ii) to evaluate the effect of any identified misstatement in the Financial Statements.

24. We communicate with those charged with Governance regarding, among other matters, the planned scope and timing of the Audit and significant Audit findings, including any significant deficiencies in internal control that we identify during our Audit.
25. We also provide those charged with Governance with a statement that we have complied with relevant ethical requirements regarding Independence, and to communicate with them all relationships and other matters that may reasonably be thought to bear on our Independence, and where applicable, related safeguards.

Report on Other Legal and Regulatory Requirements

26. As required by the Companies (Auditor's Report) Order, 2020 ("the Order") issued by the Central Government of India in terms of sub-section (11) of section 143 of the Act, we give in the Annexure A statement on the matters specified in paragraphs 3 and 4 of the Order.
27. Further to our comments in Annexure A, as required by section 143(3) of the Act, based on our Audit, we Report, to the extent applicable, that:
- a) we have sought and except for the matters described in the Basis for Adverse Opinion section, obtained all the Information and Explanations which to the Best of our knowledge and belief were necessary for the purpose of our Audit of the accompanying Financial Statements;
 - b) except for the effects/possible effects of the matters described in the Basis for Adverse Opinion section, in our opinion, proper Books of Account as required by Law have been kept by the Company so far as it appears from our examination of those Books;



- c) except for the effects of the matters described in the Basis for Adverse Opinion section, in our opinion, the aforesaid standalone Financial Statements comply with the Accounting Standards prescribed under section 133 of the Act, read with Rule 7 of the Companies (Accounts) Rules, 2014 (as amended)
- d) the Financial Statements dealt with by this Report are in agreement with the Books of Accounts;
- e) the matters described in paragraph 3-15 under the Basis for Adverse Opinion paragraph, in our opinion, may have an adverse effect on the functioning of the Company;
- f) the provisions of section 164 (2) of the Companies Act, 2013, on the Disqualification of the Directors are not applicable to the company as per paragraph serial No. 19 chapter 11 notification no, G.S.R 463 (E) dated 5th June 2015 of the Department of Company Affairs, Government of India.
- g) 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".
- h) The Qualification relating to the maintenance of Accounts and other matters connected therewith are as stated in the Basis for Adverse Opinion section;
- i) We have also Audited the Internal Financial Controls with reference to Financial statements of the Company as on 31 March 2025 in conjunction with our Audit of the Financial Statements of the Company for the year ended on that date and our Report as per Annexure B expressed Qualified opinion; and
- j) With respect to the other matters to be included in the Auditor's Report in accordance with Rule 11 of the Companies (Audit and Auditors) Rules, 2014, in our opinion and to the Best of our information and according to the explanations given to us:
 - i. Except for the effects of the matters described in paragraph 3-15 of the Basis for Adverse Opinion section and the below mentioned Legal case, the Financial statements disclose the impact of pending litigations on the financial position of the Company as at 31 March 2025. As Informed by the management the legal cases are as mentioned in Note No.46,50 & 54 of the Financial Statements
 - ii. The company did not have any long-term contracts including derivative contracts for which there were any material foreseeable Losses.



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- iii. There were no Amounts which were required to be transferred to the Investor Education and Protection Fund by the Company during the year ended 31 March 2025.
- iv. (a) The management has represented that, to the Best of its knowledge and belief, as disclosed in the Note 52 to the Financial Statement, No funds have been advanced or loaned or invested (either from borrowed funds or share premium or any other sources or kind of funds) by the Company to or in any other persons or entities, including Foreign entities ("Intermediaries"), with the understanding, whether recorded in writing or otherwise, that the Intermediary shall directly or indirectly lend or invest in other persons or entities identified in any manner whatsoever ("Ultimate Beneficiaries") by or on behalf of the Company, or provide any Guarantee, security or the like on behalf of the Ultimate Beneficiaries.

(b) The management has represented, that, to the Best of it's knowledge and belief, as disclosed in the Note 52 to the Financial Statement, No funds have been received by the Company from any persons or entities, including foreign entities ("Funding Parties"), with the understanding, whether recorded in writing or otherwise, that the company shall, directly or indirectly, iend or invest in other persons or entities identified in any manner whatsoever by or on behalf of the Funding Party ("Ultimate Beneficiaries") or provide any guarantee, security or the like on behalf of the Ultimate Beneficiaries.

(c) Based on Audit Procedures that have been considered reasonable and appropriate in the circumstances, nothing has come to our notice that has caused us to believe that the representations under clause (iv) (a) and (iv) (b) contain any material mis-statement.
- v. The Company has neither declared nor paid any Dividend during the year.
- vi. Based on our examination, which included Test checks, the Company has used SAP Accounting Software for maintaining its Books of Accounts the Financial Year ended March 31, 2025, which has a feature of recording Audit Trail (Edit log) facility in respect of the Application and the same has been operated throughout the year for all relevant Transactions recorded in the software. During the course of our Audit, we did not come across any instance of the Audit Trail feature being tampered with in respect of Accounting Software, and the Audit Trail has been preserved by the company as per the statutory requirements for Record Retention.



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For M/s Ponraj & Co.,
Chartered Accountants
Firm Regn No. 002672S

[Handwritten Signature]

G. Vivekananthan
Partner,
M.No: 021677



Place : Chennai
Date : 12.11.2025
UDIN : 25021677BMINKR6516



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Annexure “A” To Independent Auditor's Report

(Referred to in paragraph 26 under 'Report on Other Legal and Regulatory Requirements' section of our report of even date)

i) a)

(A) The Company is maintaining proper records showing full particulars, including quantitative details and situation of Property, Plant and Equipment.

(B) The Company is maintaining proper records showing full particulars, including quantitative details and situation of Intangible Assets.

b) According to Information and explanations given to us, the management has physically verified these Property, Plant and Equipment at reasonable intervals, the relevant reports are not produced for verification. We are unable to comment on this.

c) In Note 4A of the Financial Statements, the Company has stated that the Title Deeds of Land are held in the name of TANGEDCO, TANTRANSCO and TNEB Limited Collectively as per G.O.No.100 dated 19.10.2010, G.O.No.2 dated 02.01.2012 and G.O.No.49 dated 13.08.2015. The Company is yet to commence the process of collating the entity wise details relating to Title Deeds of Property. Hence, we are unable to comment on the entity wise Ownership details along with extent of such lands owned by TANTRANSCO.

d) The company has not revalued its Property, Plant and Equipment during the year as disclosed by the management in Note 47A of Financial Statements.

e) As Informed by the management, there are no proceedings initiated or pending against the company for holding any Benami Property during the current year.

(ii)

a) Since there is no Inventory as per the Financial Statements, hence Reporting under this clause is not applicable.

b) The company has been sanctioned working Capital limits in excess of RS. 140 crores in aggregate by Banks as on 31-03-2025 on the basis of security of current assets of the company and the Quarterly Returns or statements filed by the company with such Banks are in agreement with Books of Accounts.

(iii) According to the information and Explanation given to us and on the basis of our examination of the records of the company, the company during the year has not made investments in, provided any Guarantee or Security or Granted any Loans or Advances in



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Nature of Loans, Secured or unsecured, to companies, firms, Limited Liability Partnerships or any other parties.

- (iv) According to the Information and Explanation given to us and on the basis of our examination of the records of the company, as disclosed above, there have been no Loans, Investments and Guarantees given by company and hence the provisions of section 185 and 186 of Companies Act, 2013 are not applicable.
- (v) According to the Information and Explanation given to us and on the basis of our examination of the Records of the company, the Company has not accepted any Deposits within the meaning of Sections 73 to 76 of the Companies Act 2013 and the Companies (Acceptance of Deposits) Rules, 2014 (as amended). Accordingly, the provisions of clause 3(v) of the Order is not applicable.
- (vi) According to the information and Explanation given to us, we are of the opinion that, prima facie, the cost records prescribed by the Central Government under Sub Section (1) of section 148 of the Companies Act, 2013 have been made and maintained. However, we are not required to carry out any detailed examination of such records.
- (vii) (a) According to the information and Explanation given to us and on the basis of our examination of the records of the company, the company is regular in depositing undisputed statutory dues including Goods and service Tax, Provident Fund, Employee State Insurance, Income Tax, Sales Tax, Service Taxes, Duty of customs, duty of Excise, value added tax, Cess and any other statutory dues with the appropriate authorities.

Further, there are No outstanding statutory dues existing as on the last day of Financial year which is outstanding for more than 6 months from the day these becomes payable except those mentioned as Duties and taxes in Note 23 - Other Current Liabilities of the Financial statements.

As against provisions made towards retirement benefits payable as per Actuarial valuation, no exclusive Fund Balance is accumulated as Asset every, year which may pose difficulty to arrange funds for payment of Retirement Benefits.

- (b) According to the information and Explanation given to us and on the basis of our examination of the Records of the company, there are no disputed statutory dues that have not been deposited on account of matters pending before appropriate authorities except as those reported as disputes relating to Income Tax and GST under Note 47 -Contingent Liabilities of the Financial statements.



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(viii) According to the information and Explanation given to us and on the basis of our examination of the records of the company, the company has not surrendered or disclosed any transactions, previously unrecorded as Income in the books of accounts in the tax assessments under the Income Tax Act, 1961 (43 of 1961) as Income during the year.

(ix)

(a) According to the information and Explanation given to us and on the basis of our examination of the records of the company, the company has not defaulted in repayment of dues to any financial institutions, bank or debenture holders. Company's repayment of dues are paid by Government of India/Government of Tamil Nadu on due dates as guarantors. The company is only passing entries in the Books of Accounts. Hence, we are unable to comment with regard to these loans.

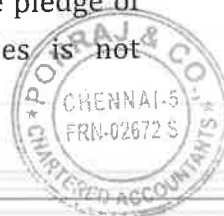
(b) According to the information and Explanation given to us and on the basis of our examination of the Records of the company, we are of the opinion that, the company has not been declared as Willful defaulter by any bank or financial Institution or other lender.

(c) According to the information and Explanation given to us and on the basis of our examination of the records of the company, we are of the opinion that the term loans were applied for the purpose for which the loans were obtained.

(d) According to the information and Explanation given to us and on the basis of our examination of the records of the company, we are of the opinion that the funds raised on Short-Term basis have not been utilized for long term purpose.

(e) According to the information and Explanation given to us and on the basis of our examination of the records of the company, the company has no subsidiaries, associates and joint ventures and hence the reporting of whether the company has taken funds from any entity or person on account of or to meet the obligations of subsidiaries, associates and joint ventures is not applicable. However, the company is fellow subsidiary of M/s Tamil Nadu Generation and Distribution Corporation limited and the corresponding transactions are reflected In financials.

(f) According to the information and Explanation given to us and on the basis of our examination of the records of the company, the company has no subsidiaries, associates and joint ventures and hence the reporting of loans raised during the year on the pledge of securities held in its subsidiaries, joint ventures or associate companies is not applicable.



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(x)

- (a) The company has not raised funds by way of initial public offer or further public offer (including debt Instruments) during the year. However, the Company has raised its Paid Up Share capital to the tune of Rs.350 Crores during the Financial Year 2024-25 by way of Rights issue.
- (b) The company has not raised funds by way of any preferential allotment or private placement of shares or convertible debentures (fully, partially or optionally convertible) during the year.

(xi)

- (a) According to the Information and Explanations given by the management and based upon the Audit Procedures performed for the purpose of Reporting on the True and Fair view of the Financial Statements, we Report that there is No Fraud by the company or any Fraud on the company has been Noticed or Reported during the year.
- (b) According to the information and Explanations given to us, there is no Report under sub-section (12) of section 143 of the Companies Act that has been filed by the auditors in Form ADT-4 as prescribed under rule 13 of Companies (Audit and Auditors) Rules, 2014 with the Central Government.
- (c) Based on our Audit Procedures and according to the Information and Explanation given to us, we Report that, the company has not received any whistle-blower complaints during the year.
- (xii) The company is not a Nidhi Company, hence the Reporting of required Information of this clause and rules of Nidhi Rules, 2014 are not applicable.

(xiii)

- (a) Section 177 of the Companies Act 2013 in respect of constitution of Audit Committee is not applicable to the company.
- (b) According to the Information and explanations given to us, that all transactions with related parties are in compliance with section 188 of Companies Act 2013 wherever applicable and the details have been disclosed (Note 21) in the financial statements in terms of Ind AS 24 - Related Party Disclosures.



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- (xiv) According to the Information and explanation given to us, the company have Internal Audit system, Internal Auditors have been appointed by the Corporation vide order dated 07th August 2025 for the FY 2024-25 and they are yet to submit their report
- (xv) In our opinion, the company has not entered into any non-cash transactions with the Directors or persons connected with them covered under Section 192 of the Act.
- (xvi) The Company is not required to Register under the section 45-IA of The Reserve Bank Act, 1934 and the other matters that are required to be reported under this clause are not applicable, since the company is owned by the Government.
- (xvii) According to the Information and explanation given to us and an overall examination of Financial Statements of the company, the company has earned cash profit of Rs1372.23 crores in the Current Financial year.
- (xviii) There has been No Resignation of the Statutory Auditors during the year. Accordingly, Reporting under clause 3 (xviii) of the Order is not applicable to the Company.
- (xix) According to the Information and explanation given to us and on/the basis of the Financial Ratios, ageing and expected dates of realization of Financial Liabilities, other information accompanying the Financial statements, our knowledge of the Board of Directors and management plans and based on our examination of the evidence supporting the assumptions, nothing has come to our attention, which causes us to believe that any material uncertainty exists as on the date of the Audit Report that the company is not capable of meeting its liabilities existing at the date of Balance Sheet as and when they fall due within a period of one year from the Balance Sheet date.

The above clause is not applicable to the company as it is owned by the Government of Tamilnadu and the loans arc Guaranteed by the Government of India/Tamilnadu.

- (xx) As per section 135 of the Companies Act 2013, the company does not have to make provision for corporate social responsibility as it does not meet the criteria as laid down in the section. Hence, Reporting under this clause is not applicable.
- (xxi) The company is not required to prepare the Consolidated Financial Statements as per criteria mentioned in Ind AS 110 and hence the reporting of matters mentioned under this clause regarding qualifications or adverse remarks by the respective auditors in Companies (Auditor's Report) Order (CARO), 2020 is not applicable.



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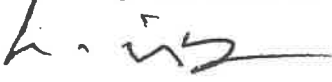
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For M/s Ponraj & Co.,
Chartered Accountants
Firm Regn No. 002672S



G. Vivekananthan
Partner,
M.No: 021677



Place : Chennai
Date : 12.11.2025
UDIN : 25021677BMINKR6516

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ANNEXURE "B" TO THE INDEPENDENT AUDITOR'S REPORT

Report on the Internal Financial Controls over Financial Reporting under clause (I) of Sub-section 3 of the Section 143 of the Companies Act, 2013 ("the Act") (Referred to paragraph 45(f) under 'Report on Other Legal and Regulatory Requirements' of our report of even date)

1. We have audited the Internal Financial Controls over Financial Reporting of **TAMIL NADU TRANSMISSION CORPORATION LIMITED** ("the Company") as of March 31st, 2025 in conjunction with our Audit of the Financial Statements of the company for the year ended on that date.

Management's Responsibility for Internal Financial Controls:

2. 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 issued by The Institute of Chartered Accountants of India. These responsibilities include the design, implementation and maintenance of adequate 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.

Auditor's Responsibility:

3. 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 on Audit of Internal Financial Control over Financial Reporting (the "Guidance Note") issued by The Institute of Chartered Accountants of India and the Standards on Auditing prescribed under Sec 143(10) of the Companies Act, 2013 to the extent applicable to an audit of Internal Financial Controls Those standards and the 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 efficiently in all material aspects.



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4. Our Audit involves procedures to obtain Audit evidence about adequacy of the Internal Financial Controls systems 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 Financial Statements, whether due to Fraud or Error.
5. 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 over Financial Reporting.

Meaning of Internal Financial Controls over Financial Reporting:

6. A company's Internal Financial Controls over Financial Reporting is a process designed to provide a reasonable assurance regarding the reliability of Financial Reporting and the preparation of Financial Statements for external purposes in accordance with generally accepted Accounting Principles. A company's Internal Financial Controls over Financial Reporting includes those policies and procedures that (1) pertain to the Maintenance of Record that, in reasonable detail, Accurately and Fairly reflect the transactions and dispositions of the Assets of the company; (2) provide reasonable assurance that transactions are recorded as necessary to permit preparation of Financial Statements in accordance with generally accepted Accounting Principles, and that Receipts and Expenditures of the company are being made only in accordance with the authorization of Management and Directors of the company; and (3) provide reasonable Assurance regarding prevention or timely deduction of unauthorized acquisition, use, or disposition of the company's Assets that could have a material effect on the Financial Statements.

Inherent limitations of Internal Financial Controls over Financial Reporting:

7. Due to inherent limitations of Internal Financial Controls over Financial Reporting, including the possibility of collusion or improper management override of controls, material mismanagements due to error or fraud may occur and not be deducted. 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 Controls over Financial Reporting may become inadequate because of changes in conditions, or that the degree of compliance with the policies and procedures may deteriorate.



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Basis for Qualified Opinion:

8. According to the information and explanations given to us and based on our Audit, the following Material Weaknesses have been identified as at 31 March 2025:
- a. Ineffective oversight over the Company's Internal Financial Controls over Financial Reporting by those charged with Governance.
 - b. The Company does not have an Internal Audit System commensurate with the nature and size of its operations.
 - c. The Company's Internal Control System with regard to its Capital Work in progress and Property, Plant and equipment is deficient in areas of capitalization, physical verification and consequent impairment.
 - d. Lack of Integrated process between various functions such as Revenue Invoicing, payroll processing and material accounting for which material internal controls weaknesses were identified.
 - e. Refer Note 4 and 5 in our Basis of Adverse opinion Section under Main report supra, where timely Inter-Company and Inter-Unit reconciliation process is not made.
 - f. Attention is drawn to Note 20 & Note 42 to Financial Statements, no amount is disclosed as dues pending to Micro, Small & Medium Enterprises ("MSME") due to the fact that the company does not have proper mechanism and system updation in place to capture the required information.

A 'Material Weakness' is a deficiency, or a combination of deficiencies, in Internal Financial control over Financial Reporting, such that there is a reasonable possibility that a Material misstatement of the company's Annual or Interim Financial Statements will not be prevented or detected on a timely basis.

In our opinion, because of the effects of the Material weaknesses described above on the achievement of the objectives of the control criteria, the Company did not have adequate Internal Financial Controls over Financial Reporting and such Internal Financial Controls over Financial Reporting were not operating effectively as at 31st March 2025, based on Internal Control over Financial Reporting criteria established by the Company considering the essential components of Internal Control stated in the Guidance Note issued by The Institute of Chartered Accountants of India.



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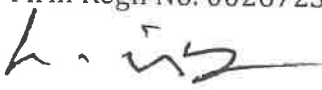
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9. We have considered the material weaknesses identified and Reported above in determining the nature, timing, and extent of Audit tests applied in our Audit of the Financial Statements of the Company as at and for the year ended 31st March 2025, and these material weaknesses have also affected our opinion on the Financial Statements of the Company and hence, we have issued a Qualified opinion.

For M/s Ponraj & Co.,
Chartered Accountants
Firm Regn No. 002672S


G. Vivekananthan
Partner,
M.No: 021677



Place : Chennai
Date : 12.11.2025
UDIN : 25021677BMINKR6516

ANNEXURE “C” TO THE INDEPENDENT AUDITOR’S REPORT

Directions/sub-directions indicating the areas to be examined by the Statutory Auditors during the course of audit of annual accounts of Tamil Nadu Transmission Corporation Ltd. for the year 2024-25 issued by the Comptroller & Auditor General of India under Section 143(5) of the Companies Act, 2013.

Sl. No.	Areas Examined	Response
1.	Assess the fair valuation of all the investments, both quoted and unquoted, made directly by Tamil Nadu Transmission Corporation Limited (the Company) or through Trusts, for Postretirement benefits of the employees. This includes verifying valuation methodologies, ensuring consistency with Ind AS and reviewing supporting documentation. The Auditor shall provide a brief note on the valuation approach, its reasonability, and compliance with applicable Regulations, Reporting any material deviations or misstatements.	The company had not invested any amounts for the post-retirement benefits during this financial year.
2.	Whether the Company has a system in place to process all the accounting transactions through IT system? If yes, whether review of this system and controls that are significant to the Companies' financial reporting process as well as cyber security has been done and material discrepancies found, if any, have been suitably reported? The implications of processing of accounting transactions outside IT system on the integrity of the accounts along with the financial implications, if any, may be stated.	The company had not invested any amounts for the post-retirement benefits during this financial year.



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3.	Whether funds (grants/ subsidy etc.) received/ receivable for specific schemes from Central/State Government or its agencies were properly accounted for as per the applicable accounting standards or norms and whether the funds received were utilized as per its Terms and Conditions? Whether Accounting of interest earned on grants received has been done as per Terms and Conditions of the Grant. List the cases of deviation.	Yes. Funds (grants/subsidy etc.) received for specific schemes from Central /State agencies were properly accounted as per the norms and utilized as per its Terms and Conditions. The Accounting of Interest earned on grants received has been done as per Terms and Conditions of the Grant.
4.	Whether the Company has identified the key Risk areas? If yes, whether the Company has formulated any Risk Management Policy to mitigate these risks? If yes, (a) whether the Risk Management Policy has been formulated considering global best practices? (b) whether the Company has identified its data assets and whether it has been valued appropriately?	Formulation of Risk Management Policy is not applicable as TANTRANSO is an unlisted State Govt Company and a wholly owned subsidiary of TNEB Ltd. The Company has an integrated ERP system in place as part of which, the Company has identified and maintains key data assets including master, transactional, and financial data within the ERP environment. Appropriate access and data security controls are in place to ensure data integrity and availability. While such data assets are functionally critical, they are not recognized or valued separately as intangible assets in the financial statements. The related ERP and data management costs are capitalized or expensed in accordance with the Company's accounting policy and the principles of Ind AS 38 - Intangible Assets.
5.	Whether the Company is complying with the Securities and Exchange Board of India (SEBI) (Listing Obligation and Disclosure Requirements) Regulations, 2015, and other applicable rules and regulations of SEBI, Department of Investment and Public Asset Management, Ministry of Corporate Affairs, Department of Public	The Company being an unlisted Government owned power transmission entity, SEBI (LODR) Regulation 2015 and other SEBI-related regulations. It complies with applicable provisions of the Companies Act, 2013, and relevant guidelines issued by DIPAM and DPE. The Company has got in place, ERP software which is informed to ensure adherence to applicable CERT-IN and MeitY advisories to ensure IT security and data integrity.



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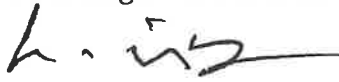
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	Enterprises, Reserve Bank of India, Telecom Regulatory Authority of India, CERT-IN, Ministry of Electronics and Information Technology and National Payments Corporation of India wherever applicable? If not, the cases of deviation may be highlighted.	
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For M/s Ponraj & Co.,
Chartered Accountants
Firm Regn No. 002672S



G. Vivekananthan
Partner,
M.No: 021677



Place : Chennai
Date : 12.11.2025
UDIN : 25021677BMINKR6516

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Sub-directions issued under Section 143(5) of the Companies Act, 2013

3.	It may be verified and stated whether the Company has complied with the provisions of National Financial Reporting Authority (NFRA) Rules, 2018.	As per the provisions of NFRA Rules, 2018, the company is yet to file Form NFRA-1 regarding coverage under NFRA and appointment of the Auditors.
2.	It may be stated whether any report vide Form ADT-4 to the Central Government u/s 143(12) of the Companies Act, 2013 as per the NFRA Circular No. NF25013/2/2023 dated 26.06.2023 has been given by the Statutory Auditors. If yes, a detailed write-up on the issues reported may be furnished. If not, justification for not furnishing such a report may be expressly furnished.	During the audit, we have not come across any instance of frauds. Hence filing of ADT-4 does not arise.
3.	It may be verified and stated whether the Company has complied with the provisions of Companies Act, 2013 and adopted the applicable accounting framework and Ind AS	The company is following Ind AS and it is in compliance of Companies Act 2013 subject to our Audit comments.
4.	It may be verified and stated whether the fixed Assets Registers were maintained properly and updated as on date. Further, it may also be Reported whether the physical verification of Assets was carried out as on 31.03.2025 or at regular Intervals.	The company is maintaining Fixed Assets Register and it is being updated. As Informed by the management the physical cross verification is done by the corresponding SE's at the Circle level.
5.	It may be verified and stated whether the title of lands shown in the books of accounts are Registered in the Name of the Company. In case, if the lands are not in the name of the Company, the details of such lands may be stated.	The title of land are held in the name of TANGEDCO, TANTRANSCO and TNEB Ltd., The company is yet to provide the details of such land.



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6.	It may be verified whether all the Capital works completed were transferred to Fixed Assets head. If not so transferred, please state the impact of the same.	CWIP Balance as on 31.03.2025 includes value of work completed, but pending to be capitalized. The company is in the process of reconciliation of the details of work order wise/Project wise break up details in respect of entire CWIP Balance of Rs. 12506.25 Crores as on 31.3.2025; Hence we are unable to comment on the impact of the same.
7.	Whether the expenses for Long term employee benefits have been properly allocated among the employees deployed in the Company, TNPDC, TNPGL & TNGEL.	Allocation basis is disclosed in the Accounting Policy point (g). However, the discrepancy in the allocation is pointed in our Audit Report under point No.13.
8.	It may be verified and stated whether the Company has a proper system for Accounting of General Provident Fund and Contributory Pension Scheme in respect of Employee Benefits and Reconciliation of Balances as per Records for the Schemes and the Accounts have been made	Proper system for accounting of General Provident Fund and Contributory Pension Scheme is followed. However, the company is in the process of reconciliation of the staff wise balances of GPF and CPS as maintained in the Physical register and HR module in SAP. No exclusive Fund Balance is accumulated as Asset every year, based on Actuarial valuation report estimating the retirement benefits payable.
9.	It may be verified and Reported whether the reconciliation of Receivables and payables between the Company, TNPDC, TNPGL & TNGEL has been completed. The reasons for differences, if any, may be examined and stated	After reconciliation, there is an unreconciled balance of Rs.403.19 crores with other subsidiaries viz., TNPDC, TNPGL and TNGEL. The same has been reported in our Main Audit report under Point (4).
10.	Confirmation of Balances from Debtors/ Creditors may be obtained and verified. In case of nonverification of the same, specific reasons may be stated.	The Methodology of Confirmation of Balances from Debtors/ Creditors has not been initiated by TANTRANSCO and Hence, could not be verified.



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11.	It may be verified and stated whether there is a proper system of Accounting in respect of Legal and Statutory payments. Instances of delayed filing/Non-filing of Statutory returns may be reported	There is a system of accounting with respect of Legal and Statutory payments but the system should be improved. As informed by TANTRASCO, there are no instances of delayed filing / Nonfiling of Statutory returns.
12.	Impact of GST on the assets transferred between the Company, TNPDCCL, TNPGL & TNGECL may be analyzed and reported	There is no transfer of Assets between the inter-companies.
13.	Correctness of Transmission charges claimed by the Company may be reviewed and reported.	The company is claiming transmission charges from TANGEDCO, as per the Transmission Tariff Order No.08 of 2022 in TP2 of 2022 Dt.09.09.2022, From 01.07.2024 to 30.06.2025 @Rs.5580.26/Per MW/Per day and From 01.07.2025 @Rs.5803.47/Per MW/Per day
14.	It may be verified and stated whether the Transmission losses were within the prescribed norms and whether the same was properly accounted for in the books of accounts.	There is no impact of transmission loss in the Books of Accounts since transmission charges billed as per the Approved capacity of TNERC.
15.	Whether any unreconciled balances are included in the financial statements and if so, those balances have been properly disclosed by the Company.	The unreconciled Inter unit and Inter-Company balances are reported in the Audit Report.
16.	Whether the Accounting of Transmission Charges is as per the Significant Accounting Policies.	Yes. Transmission charges claimed by TANTRASCO and paid by TNPDCCL were reviewed and found it was done as per applicable TNERC orders.



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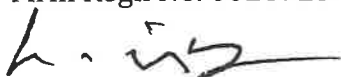
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17.	Whether the Accounting of Foreign Currency Loans from agencies like JICA, KFW, ADB are properly disclosed in the Significant Accounting Policies.	Disclosed in the financials under Note No.14
18.	Whether all Bank balances are supported by Bank Reconciliation Statements, Bank Statements, Bank Confirmations and whether Fixed Deposits are supported by the Depository Receipts and Bank Confirmations	Yes

For M/s Ponraj & Co.,
Chartered Accountants
Firm Regn No. 002672S



G. Vivekananthan
Partner,
M.No: 021677



Place : Chennai
Date : 12.11.2025
UDIN : 25021677BMINKR6516

**FOLLOWING REMARKS ARE OFFERED ON THE OBSERVATION/COMMENTS OF
THE STATUTORY AUDITOR ON THE ACCOUNTS FOR 2024-25**

S.No.	OBSERVATION OF STATUTORY AUDITOR	MANAGEMENT REPLY
BASIS FOR ADVERSE OPINION:		
3	Attention is drawn to Note 4(a) of the Financial Statements, wherein the company is in the process of a Detailed Review of its Capital Work in progress Balances as on 31.3.2025; Assets capitalised substantially during Financial Year 2024-25 aggregating to Rs.4981.90 crores is observed to include sizeable value of assets commissioned during or before Financial Year 2023-24 as well, which might have a significant impact on revenue, had Depreciation been retrospectively charged from date(s) of commissioning of the respective Assets; pending completion of the same, we are unable to Assess the appropriateness of Depreciation charged for the year and Capital Work in progress as at the year ended 31st March 2025.	The company is in the process of reconciling of Capital work in progress balances. Further, even though few assets were commissioned in the previous year, due to pending works pertaining to the assets were completed only during the FY 2023-24, the project was capitalised in FY 2024-25 in complete shape. However, detailed guidelines has been issued during the FY 2024-25, to capitalise the assets as and when they are commissioned and put into beneficial use.
4	Attention is drawn to note 21 of the Financial Statements wherein the company has completed the process of reconciling its Book Balance with its fellow subsidiary company, Tamil Nadu Power Distribution and Corporation Limited (TNPDCCL) , Tamilnadu Power Generation Corporation Limited (TNPGL) and Tamil Nadu Green Energy Corporation Limited (TNGECL))(All the 3 companies together formerly known as TANGEDCO) and a difference of Rs. 480.69 crores payable is pending for further reconciliation. In the absence of sufficient appropriate evidence, we are unable to comment on the impact in the balances and corresponding impact in the loss for the year. Attention is drawn to note 7 of the financial statements wherein the company has completed the process of identification/reconciliation of its book balance with its fellow subsidiary company TNPDCCL (Formerly known as TANGEDCO) and a difference of Rs.77.50 Crores receivable. In the absence of sufficient appropriate evidence, we are unable to comment on the impact in the balances and corresponding impact in the loss for the year.	TANTRANSCO has brought all the transaction entries in its books of accounts. The reconciliation between the companies have been undertaken. For the balance unreconciled portion, the reconciliation with the fellow-subsidaries viz., TNPDCCL, TNPGL and TNGECL (All the 3 companies together formerly known as TANGEDCO) is under progress.

**FOLLOWING REMARKS ARE OFFERED ON THE OBSERVATION/COMMENTS OF
THE STATUTORY AUDITOR ON THE ACCOUNTS FOR 2024-25**

S.No.	OBSERVATION OF STATUTORY AUDITOR	MANAGEMENT REPLY
5	Attention is drawn to note 11 of the Financial Statements under Other Current Assets which includes unreconciled Inter Unit Balance of Rs.193.91 crores. We are unable to ascertain any possible impact on revenue and if so, to that extent it may affect / impact the statement of profit or loss	Inter-unit balances' reconciliation has been undertaken and the unreconciled balances' value will be further narrowed down in future years.
6	Attention is drawn to notes to the Financial Statements mentioned hereunder, wherein complete disclosures as required by the respective Ind AS has not been complied by the Company. In the absence of sufficient appropriate evidence, we are unable to comment on the compliance with respective Ind AS Note reference and Ind AS reference :	
	Note 40-Ind AS 24-Related Party Disclosures - Post Employment of Key Managerial Persons is not disclosed	The detailed disclosure has been provided under Note 40. However, the disclosure in complete shape disclosing the Post Employment of Key Managerial Person will be arranged to be made available in the FY2025-26.
	Note 18-Ind AS 20- Accounting for Government Grants and Disclosure of Government Assistance - Disclosure as required by Ind AS 20 is not disclosed.	The company is in the process of collating details of Assets commissioned, assets under construction and date of commissioning etc., The same will be disclosed appropriately upon completion.
7	Revenue from operations for Financial Year 2024-25 is Rs.6802.50 crores, but as per GSTR-3B return it is Rs.6164.22 crores. Gross revenue including other income of Rs.638.28 crores is understated in GST Returns. Contingent liability for GST payable @18% on the Taxable portion not provided for. Pending completion of the said process, we are unable to assess the impact on the Company's Loss for the year ended 31st March 2025 and the corresponding impact on Statutory liabilities as at 31st March 2025.	The GSTR 9C return can be filed only after reconciling with the Annual Accounts for the FY 2024-25. The GST liability on taxable heads has already been paid based on the returns received from the circle and the difference in the income between financial statements and GSTR3B will mainly comprise of the income which is not subject to GST or exempt from GST.
8.a)	Attention is drawn to note 8(a) of the Financial Statements, wherein party-wise break-up and confirmation of balances of trade receivables are not produced for verification. We are unable to assess the provisioning requirements if any and its impact on the Financials Statement	In the Trade receivables the major portion is the transmission charges pertaining to TNPDCCL and confirmation of balances were produced from TNPDCCL.

**FOLLOWING REMARKS ARE OFFERED ON THE OBSERVATION/COMMENTS OF
THE STATUTORY AUDITOR ON THE ACCOUNTS FOR 2024-25**

S.No.	OBSERVATION OF STATUTORY AUDITOR	MANAGEMENT REPLY
8 b)	Attention is drawn to Note 20 of the Financial Statements, wherein confirmation of party wise Balances in respect of Trade Payables is not produced for verification.	FY 2021-22 being the first year of ERP migration, ERP has been implemented in phased manner. Hence, the transactions were brought in accounts through process and by posting journal entries and the opening balances are carried forward as legacy. The Confirmation of party-wise balance in respect of trade payables will be arranged to be made available in future years.
9	Attention is drawn to note 18 of the Financial Statements, project-wise reconciliation/outstanding statement for Deferred revenue on consumer contribution (DCW) is not available for verification. In the absence of sufficient appropriate evidence, we are unable to comment on the impact in the balances and corresponding impact in the loss for the year	The company has migrated into ERP in phases during the FY 2021-22, the project wise details in respect of deferred revenue on consumer contribution will be configured in ERP, through process in the future.
10	Attention is drawn to note 15 of the Financial Statements, wherein the ageing details of Earnest Money Deposits, Security Deposits and Retention money are not produced for verification. In the absence of sufficient appropriate evidence, we are unable to comment on the impact in the balances and corresponding impact in the loss for the year.	The company has migrated into ERP in phases from the FY 2021-22, details in respect of ageing details of EMD, SD and Retention money accounted through process, are available in ERP. For the legacy balances of EMD and SD and Retention money will be reconciled and arranged to be made available in future years.
11	There are un-reconciled opening balances aggregating to Rs.75.24 crores (Credit balance) are included in various items of Assets and liabilities. In the absence of sufficient appropriate evidence, we are unable to comment on the impact in the Balances and corresponding impact in the Loss for the year.	Action is being taken to reconcile the long pending, un-reconciled legacy balances lying in the books of Accounts since inception.
12	In Note 47A of the Financial Statements, the Company has stated that the title deeds of Land are held in the name of TANGEDCO, TANTRANSCO and TNEB Limited. The company is in the process of collating the entity wise details relating to title deeds of property. We are unable to comment on the entity-wise ownership details along with extent of such Lands owned by TANTRANSCO	The title deeds of Land are held in the name of TANGEDCO, TANTRANSCO and TNEB Limited. The company is in the process of collating the entity wise details relating to title deeds of property.

**FOLLOWING REMARKS ARE OFFERED ON THE OBSERVATION/COMMENTS OF
THE STATUTORY AUDITOR ON THE ACCOUNTS FOR 2024-25**

S.No.	OBSERVATION OF STATUTORY AUDITOR	MANAGEMENT REPLY
13	Attention is drawn to Notes 16 and 22 of the Financial Statements, wherein Provision for Employee Benefits payable based on 18.20% proportionate share of Actuarial valuation is Rs.9518.55 crores (non-current) and 946.83 crores (current) as on 31.03.2025 but the liability as per Books of Account is observed to be Rs.8491.78 crores (non- current) and Rs.640.48 (current) with an unexplained difference of Rs.1026.77 crores (non- current) and Rs.306.35 crores (current) respectively.	In the business re-organization of TNEB, all the employees of TNEB were transferred to TANGEDCO and subsequently some employees were deputed to TANTRANSCO (All employees belong to TANGEDCO until finalisation of Employee Transfer Scheme). While finalizing the Annual Accounts for the FY 2020-21 and FY 2021-22, Board of TANTRANSCO has approved the liability booked in the FY 2020-21 and FY 2021-22, based on the Actuarial Report available at the time of finalizing the TANTRANSCO Annual Accounts. Subsequently, based on the final Actuarial Report, the balance Actuarial liability has been booked in the Annual Accounts of TANGEDCO, due to time difference in closure of Accounts of the companies. Based on the final actuarial valuation report for FY 2022-23, the Actuarial liability has been booked in the respective books of TANGEDCO and TANTRANSCO books. However, the overall Actuarial liability is brought into accounts as per the Final Actuarial Report for all the previous financial years. Accordingly, closing Actuarial liability balance of TANTRANSCO portion is carried forward in the books of Accounts. The change in accounting policy on the allocation of Actuarial valuation impact between TR and TG, from 1/7th (i.e 14%) to 18%, based on the employee cost effected during 2023-24. For the FY 2024-25, the change in accounting policy on the allocation of Actuarial valuation impact between TNPDC, TNPGL, TNGEL and TANTRANSCO@ 69.29%, 9.44%, 3.07%, and 18.20% respectively, on the incremental movement in the value of employee benefit cost, arrived in the actuarial valuation report, apportioned based on the employee cost effected as per the previous year audited financial statements.

**FOLLOWING REMARKS ARE OFFERED ON THE OBSERVATION/COMMENTS OF
THE STATUTORY AUDITOR ON THE ACCOUNTS FOR 2024-25**

S.No.	OBSERVATION OF STATUTORY AUDITOR	MANAGEMENT REPLY
14	Prior period Electricity charges for the period from January 2019 to July 2022 have been raised by TNPDCCL on TANTRANSCO to the extent of Rs. 54.58 crores, which has been paid by TANTRANSCO during the Financial Year 2024-25, which has resulted in reduction of Net Profit to the extent of Rs. 54.58 crores for the Financial Year 2024-25.	Demand has been raised by TNPDCCL in the FY 2024-25. TNPDCCL will be informed for timely reconciliation of electricity charges, henceforth.
15	The actual GST Liability as per the GSTR 3B as on 31st March 2025 was 4.27 crores but as per the Books the Liability is 1.93 crores and the Company is in the process of reconciling the same. However, no Provision has been made in the accounts for the difference of Contingent Liability.	This is will be reconciled and setright in the future year.
16	Though the words "we are unable to comment" is used in the relevant para 3 to 15 above does not mean, we do not have any evidence on the said matters but to be understood as the available evidence is insufficient to form an opinion. However, based on the evidence available, we believe that the misstatement is both material and pervasive and should not be relied upon and hence expressed an adverse opinion. Adverse opinion is expressed as per Para no.8 of SA-705, having obtained sufficient appropriate Audit evidence and concluded that misstatements, individually or in the aggregate, are both Material & Pervasive to the Financial Statements.	Factual
17	We conducted our audit in accordance with the Standards on Auditing specified under section 143(10) of the Act. Our responsibilities under those standards are further described in the Auditor's Responsibilities for the Audit of the Financial Statements section of our Report. We are independent of the Company in accordance with the Code of Ethics issued by The Institute of Chartered Accountants of India ('ICAI') together with the ethical requirements that are relevant to our audit of the financial statements under the provisions of the Act and the rules	Factual

**FOLLOWING REMARKS ARE OFFERED ON THE OBSERVATION/COMMENTS OF
THE STATUTORY AUDITOR ON THE ACCOUNTS FOR 2024-25**

S.No.	OBSERVATION OF STATUTORY AUDITOR	MANAGEMENT REPLY
	thereunder, and we have fulfilled our other ethical responsibilities in accordance with these requirements and the Code of Ethics. We believe that the audit evidence we have obtained is sufficient and appropriate to provide basis for our Adverse opinion..	
Information Other than the Financial Statements and Auditor's Report Thereon		
18	The Company's Board of Directors are responsible for the other information. Other information does not include the financial statements and our Auditor's Report thereon. Our opinion on the Financial Statements does not cover the other information and we do not express any form of assurance conclusion thereon. In connection with our audit of the financial statements, our responsibility is to read the other information and, in doing so, consider whether the other information is materially inconsistent with the financial statements or our knowledge obtained in the audit or otherwise appears to be materially misstated. If, based on the work we have performed on the other information obtained prior to the date of this Auditor's Report, we conclude that there is a material misstatement of this other information, we are required to Report that fact. The Annual Report is not made available to us at the date of this Auditor's Report. We have nothing to report in this regard.	Factual
Responsibility of Management and Those Charged with Governance for the Financial Statements		
19	The accompanying standalone Financial Statements have been approved by the Company's Factual Board of Directors. The Company's Board of Directors is responsible for the matters stated in section 134(5) of the Act with respect to the preparation of these standalone financial statements that give a True and Fair view of the financial position, Financial Performance and cash flows of the Company in accordance with the Accounting Principles generally accepted in India, including the Accounting	Factual

**FOLLOWING REMARKS ARE OFFERED ON THE OBSERVATION/COMMENTS OF
THE STATUTORY AUDITOR ON THE ACCOUNTS FOR 2024-25**

S.No.	OBSERVATION OF STATUTORY AUDITOR	MANAGEMENT REPLY
	Standards prescribed under section 133 of the Act, read with rule 7 of the Companies (Accounts) Rules, 2014 (as amended). This responsibility also includes maintenance of adequate accounting records in accordance with the provisions of the Act for safeguarding of 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 financial statements that give a True and Fair view and are free from material misstatement, whether due to Fraud or Error.	
20	In preparing the Financial Statements, Management is responsible for assessing the Company's ability to continue as a Going Concern, disclosing, as applicable, matters related to Going concern and using the Going Concern basis of Accounting unless management either intends to liquidate the Company or to cease operations, or has no realistic alternative but to do so.	Factual
21	Those Board of Directors are also responsible for overseeing the company's Financial Reporting Process.	Factual
Auditor's Responsibility for the Audit of the Financial Statements		
22	Our objectives are to obtain reasonable assurance about whether the financial statements as a whole are free from material misstatement, whether due to fraud or error, and to issue an Auditor's report that includes our opinion. Reasonable assurance is a high level of assurance, but is not a guarantee that an Audit conducted in accordance with SAs will always detect a material misstatement	Factual

**FOLLOWING REMARKS ARE OFFERED ON THE OBSERVATION/COMMENTS OF
THE STATUTORY AUDITOR ON THE ACCOUNTS FOR 2024-25**

S.No.	OBSERVATION OF STATUTORY AUDITOR	MANAGEMENT REPLY
	when it exists. Misstatements can arise from fraud or error and are considered material if, individually or in the aggregate, they could reasonably be expected to influence the economic decisions of users taken on the basis of these financial statements.	
23	As part of an Audit in accordance with SAs, we exercise professional judgment and maintain professional skepticism throughout the audit. We also:	Factual
a)	Identify and assess the risks of material misstatement of the Financial Statements, whether due to Fraud or Error, Design and Perform Audit Procedures responsive to those risks, and obtain Audit Evidence that is sufficient and appropriate to provide a basis for our opinion. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, Intentional omissions, misrepresentations, or the override of Internal control;	
b)	Obtain an understanding of Internal control relevant to the Audit in order to design Audit procedures that are appropriate in the circumstances. Under section 143(3)(i) of the Companies Act, 2013, we are also responsible for expressing our opinion on whether the company has adequate Internal Financial Controls system in place and the operating effectiveness of such controls;	
c)	Evaluate the appropriateness of Accounting Policies used and the reasonableness of Accounting estimates and related disclosures made by management;	
d)	Conclude on the appropriateness of managements use of the Going Concern basis of Accounting and, based on the Audit evidence obtained, whether a material uncertainty exists related to events or conditions that may cast significant doubt	Factual

**FOLLOWING REMARKS ARE OFFERED ON THE OBSERVATION/COMMENTS OF
THE STATUTORY AUDITOR ON THE ACCOUNTS FOR 2024-25**

S.No.	OBSERVATION OF STATUTORY AUDITOR	MANAGEMENT REPLY
	on the Company's ability to continue as a Going Concern. If we conclude that a material uncertainty exists, we are required to draw attention in our Auditor's Report to the related disclosures in the Financial Statements or, if such disclosures are inadequate, to modify our opinion. Our conclusions are based on the Audit evidence obtained up to the date of our Auditor's Report. However, Future events or conditions may cause the Company to cease to continue as a Going Concern; and	
e)	Evaluate the overall presentation, structure and content of the Financial Statements, including the disclosures, and whether the Financial Statements represent the underlying transactions and events in a manner that achieves fair presentation.	
f)	Materiality is the magnitude of misstatement in the Financial Statements that, individually or in aggregate, makes it probable that the economic decisions of a reasonably knowledgeable user of the Financial Statements may be influenced. We consider Quantitative materiality and qualitative factors in (i) planning the scope of our Audit Work and in evaluating the Results of our work; and (ii) to evaluate the effect of any identified misstatement in the Financial Statements.	
24	We communicate with those charged with Governance regarding, among other matters, the planned scope and timing of the Audit and significant Audit findings, including any significant deficiencies in internal control that we identify during our audit.	Factual
25	We also provide those charged with Governance with a statement that we have complied with relevant ethical requirements regarding Independence, and to communicate with them all relationships and other matters that may reasonably be thought to bear on our Independence, and where applicable, related safeguards.	Factual

**FOLLOWING REMARKS ARE OFFERED ON THE OBSERVATION/COMMENTS OF
THE STATUTORY AUDITOR ON THE ACCOUNTS FOR 2024-25**

S.No.	OBSERVATION OF STATUTORY AUDITOR	MANAGEMENT REPLY
Report on Other Legal and Regulatory Requirements		
26	As required by the Companies (Auditor's Report) Order, 2020 ("the Order") issued by the Central Government of India in terms of sub-section (11) of section 143 of the Act, we give in the Annexure A statement on the matters specified in paragraphs 3 and 4 of the Order.	Factual
27	Further to our comments in Annexure A, as required by section 143(3) of the Act, based on our Audit, we Report, to the extent applicable, that:	Factual
a)	we have sought and except for the matters described in the Basis for Adverse Opinion section, obtained all the Information and Explanations which to the Best of our knowledge and belief were necessary for the purpose of our Audit of the accompanying Financial Statements;	
b)	except for the effects/possible effects of the matters described in the Basis for Adverse Opinion section, in our opinion, proper books of account as required by law have been kept by the Company so far as it appears from our examination of those books;	Factual
c)	except for the effects of the matters described in the Basis for Adverse Opinion section, in our opinion, the aforesaid standalone Financial Statements comply with the Indian Accounting Standards prescribed under section 133 of the Act, read with rule 7 of the Companies (Accounts) Rules, 2014 (as amended)	Factual
d)	the Financial Statements dealt with by this Report are in agreement with the Books of Accounts;	Factual
e)	the matters described in paragraph 3-15 under the Basis for Adverse Opinion paragraph, in our opinion, may have an adverse effect on the functioning of the Company;	Factual

**FOLLOWING REMARKS ARE OFFERED ON THE OBSERVATION/COMMENTS OF
THE STATUTORY AUDITOR ON THE ACCOUNTS FOR 2024-25**

S.No.	OBSERVATION OF STATUTORY AUDITOR	MANAGEMENT REPLY
f)	the provisions of section 164 (2) of the Companies Act, 2013, on the Disqualification of the Directors are not applicable to the company as per paragraph serial No. 19 chapter 11 notification no. G.S.R 463 (E) dated 5th June 2015 of the Department of Company Affairs, Government of India.	Factual
g)	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"	Factual
h)	The Qualification relating to the maintenance of Accounts and other matters connected there with are as stated in the Basis for Adverse Opinion section;	Factual
i)	We have also Audited the Internal Financial Controls with reference to Financial statements of the Company as on 31 March 2025 in conjunction with our Audit of the Financial Statements of the Company for the year ended on that date and our Report as per Annexure B expressed Qualified opinion; and	Factual
j)	With respect to the other matters to be included in the Auditor's Report in accordance with Rule 11 of the Companies (Audit and Auditors) Rules, 2014, in our opinion and to the Best of our information and according to the explanations given to us:	
	i) Except for the effects of the matters described in paragraph 3-15 of the Basis for Adverse Opinion section and the below mentioned Legal cases, the Financial statements disclose the impact of pending litigations on the financial position of the Company as at 31 March 2025. As Informed by the management the legal cases are as mentioned in Note No.46, 50 and 54 of the Financial Statements.	Refer management reply for Point No.3-17. Legal case- Factual

**FOLLOWING REMARKS ARE OFFERED ON THE OBSERVATION/COMMENTS OF
THE STATUTORY AUDITOR ON THE ACCOUNTS FOR 2024-25**

S.No.	OBSERVATION OF STATUTORY AUDITOR	MANAGEMENT REPLY
	ii) The company did not have any Long-term contracts including Derivative Contracts for which there were any material foreseeable Losses.	Factual
	iii) There were no Amounts which were required to be transferred to the Investor Education and Protection Fund by the Company during the year ended 31 March 2025.	Factual
	iv) (a) The management has represented that, to the Best of its knowledge and belief, as disclosed in the Note 52 to the Financial Statement, No funds have been Advanced or Loaned or Invested (either from borrowed funds or share premium or any other sources or kind of funds) by the Company to or in any other persons or entities, including foreign entities ("Intermediaries"), with the understanding, whether recorded in writing or otherwise, that the Intermediary shall directly or indirectly lend or invest in other persons or entities identified in any manner whatsoever ("Ultimate Beneficiaries") by or on behalf of the Company, or provide any guarantee, security or the like on behalf of the Ultimate Beneficiaries.	Factual
	(b) The management has represented, that, to the Best of it's knowledge and belief, as disclosed in the Note 52 to the Financial Statement, No funds have been received by the Company from any persons or entities, including foreign entities ("Funding Parties"), with the understanding, whether recorded in writing or otherwise, that the company shall, directly or indirectly, Lend or Invest in other persons or entities identified in any manner whatsoever by or on behalf of the Funding Party ("Ultimate Beneficiaries") or provide any Guarantee, security or the like on behalf of the Ultimate Beneficiaries.	Factual

**FOLLOWING REMARKS ARE OFFERED ON THE OBSERVATION/COMMENTS OF
THE STATUTORY AUDITOR ON THE ACCOUNTS FOR 2024-25**

S.No.	OBSERVATION OF STATUTORY AUDITOR	MANAGEMENT REPLY
	(c) Based on Audit Procedures that have been considered reasonable and appropriate in the circumstances, nothing has come to our notice that has caused us to believe that the representations under clause (iv) (a) and (iv) (b) contain any material mis-statement.	Factual
	v) The company has neither declared nor paid any dividend during the year.	Factual
	vi) Based on our examination, which included Test checks, the Company has used SAP Accounting Software for maintaining its Books of Accounts for the Financial Year ended March 31, 2025, which has a feature of recording Audit Trail (Edit log) facility in respect of the Application and the same has been operated throughout the year for all relevant Transactions recorded in the software. During the course of our Audit, we did not come across any instance of the Audit Trail feature being tampered with in respect of Accounting Software, and the Audit Trail has been preserved by the company as per the statutory requirements for Record Retention.	SAP-ERP has been implemented in phases from Fy.2021-22.

**FOLLOWING REMARKS ARE OFFERED ON THE OBSERVATION/COMMENTS OF
THE STATUTORY AUDITOR ON THE ACCOUNTS FOR 2024-25**

S.No.	OBSERVATION OF STATUTORY AUDITOR	MANAGEMENT REPLY
ANNEXURE A TO THE INDEPENDENT AUDITOR'S REPORT		
(Referred to paragraph 26 under 'Report on Other Legal and Regulatory Requirements' section of our report of even date)		
1. (a)	(A) The Company is maintaining Proper Records showing full particulars, including Quantitative details and situation of Property, Plant and Equipment.	Factual
	(B) The Company is maintaining proper records showing full particulars, including Quantitative details and situation of Intangible Assets.	Factual
(b)	According to Information and Explanations given to us, the management has physically verified these Property Plant and Equipment at reasonable intervals, the relevant reports not produced for verification. Hence, we are unable to comment on this.	Factual
(c)	In Note 4A of the Financial Statements, the Company has stated that the Title Deeds of Land are held in the name of TANGEDCO, TANTRANSCO and TNEB Limited Collectively as per G.O.No.100 dated 19.10.2010, G.O.No.2 dated 02.01.2012 and G.O.No.49 dated 13.08.2015. The Company is yet to commence the process of collating the entity wise details relating to Title Deeds of Property. Hence, we are unable to comment on the entity wise Ownership details along with extent of such lands owned by TANTRANSCO.	The title deed of the land is hold in the name of the TNEB Ltd., TANGEDCO AND TANTRANSCO and other immovable properties are held in the name of TANTRANSCO.
(d)	The company has not revalued its Property, Plant and Equipment during the year as disclosed by the management in note 47A of Financial Statements.	Factual
(e)	As Informed by the management, there are no proceedings initiated or pending against the company for holding any Benami Property during the current year.	Factual
(ii)	a. Since there is no Inventory as per the Financial Statements, hence reporting under this clause is not applicable.	Factual

**FOLLOWING REMARKS ARE OFFERED ON THE OBSERVATION/COMMENTS OF
THE STATUTORY AUDITOR ON THE ACCOUNTS FOR 2024-25**

S.No.	OBSERVATION OF STATUTORY AUDITOR	MANAGEMENT REPLY
	b. The company has been sanctioned Working Capital Limit of Rs.140 crores in aggregate by Banks as on 31-03-2025 on the basis of security of Current Assets of the company and the Quarterly Returns or Statements filed by the company with the respective Banks are in agreement with Books of Accounts.	
(iii)	According to the Information and Explanation given to us and on the basis of our examination of the records of the company, the company during the year has not made any Investments in, provided any Guarantee or Security or Granted any Loans or Advances in nature of Loans, Secured or unsecured, to companies, Firms, Limited Liability Partnerships or any other parties.	Factual
(iv)	According to the Information and Explanation given to us and on the basis of our examination of the Records of the company, as disclosed above, there have been no Loans, Investments and Guarantees given by the company and hence the provisions of section 185 and 186 of Companies Act, 2013 are not Applicable.	Factual
(v)	According to the Information and Explanation given to us and on the basis of our examination of the Records of the company, the Company has not accepted any Deposits within the meaning of Sections 73 to 76 of the Companies Act 2013 and the Companies (Acceptance of Deposits) Rules, 2014 (as amended). Accordingly, the provisions of clause 3(v) of the Order is not applicable.	Factual
(vi)	According to the Information and Explanation given to us, we are of the opinion that, prima facie, the Cost Records prescribed by the Central Government under Sub Section (1) of section 148 of the Companies Act, 2013 have been made and maintained. However, we are not required to carry out any detailed examination of such records.	Factual

**FOLLOWING REMARKS ARE OFFERED ON THE OBSERVATION/COMMENTS OF
THE STATUTORY AUDITOR ON THE ACCOUNTS FOR 2024-25**

S.No.	OBSERVATION OF STATUTORY AUDITOR	MANAGEMENT REPLY
(vii).(a)	According to the Information and Explanation given to us and on the basis of our examination of the records of the company, the company is regular in depositing undisputed statutory dues including Goods and Service Tax, Employee State Insurance, Income Tax, Sales Tax, Service Taxes, Duty of customs, Duty of Excise, Value Added Tax, Cess and any other statutory dues with the Appropriate Authorities. Further, there are no outstanding statutory dues existing as on the Last day of Financial Year which is outstanding for more than 6 months from the day these becomes payable except those mentioned as Duties and taxes in Note 23 – Other Current Liabilities of the Financial Statements. As against provisions made towards retirement benefits payable as per Actuarial valuation, no exclusive Fund Balance is accumulated as Asset every year which may pose difficulty to arrange funds for payment of Retirement Benefits.	Factual. In view of the Financial position of the TANTRANSCO, appropriate management decision will be arrived for creating fund in respect of Acturails liability for the post employment benefits as per Actuarial Valuation.
(b)	According to the Information and Explanation given to us and on the basis of our examination of the Records of the company, there are no Disputed Statutory Dues that have not been Deposited on Account of matters pending before Appropriate Authorities except as those reported as disputes relating to Income Tax and GST under Note 47 – Contingent Liabilities of the Financial Statements.	Factual
(viii)	According to the Information and Explanation given to us and on the basis of our examination of the Records of the company, the company has not surrendered or disclosed any transactions, previously unrecorded as income in the books of accounts in the tax assessments under the Income Tax Act, 1961 (43 of 1961) as income during the year.	Factual

**FOLLOWING REMARKS ARE OFFERED ON THE OBSERVATION/COMMENTS OF
THE STATUTORY AUDITOR ON THE ACCOUNTS FOR 2024-25**

S.No.	OBSERVATION OF STATUTORY AUDITOR	MANAGEMENT REPLY
(ix) (a)	According to the Information and Explanation given to us and on the basis of our examination of the Records of the company, the company has not defaulted in repayment of dues to any financial institutions, bank or debenture holders. Company's repayment of dues are paid by Government of India/Government of Tamilnadu on due dates as guarantors. The company is only passing entries in the books of accounts. Hence we are unable to comment with regard to these loans.	Factual
(b)	According to the Information and Explanation given to us and on the basis of our examination of the Records of the company, we are of the opinion that, the company has not been Declared as Willful defaulter by any bank or Financial Institution or other lenders.	Factual
(c)	According to the Information and Explanation given to us and on the basis of our examination of the Records of the company, we are of the opinion that the Term loans were applied for the purpose for which the loans were obtained.	Factual
(d)	According to the Information and Explanation given to us and on the basis of our examination of the records of the company, we are of the opinion that the funds raised on short term basis have not been utilised for long term purposes.	Factual
(e)	According to the Information and Explanation given to us and on the basis of our examination of the Records of the company, the company has No Subsidiaries, Associates and Joint Ventures and hence the Reporting of whether the company has taken funds from any entity or person on account of or to meet the obligations of Subsidiaries, Associates and Joint Ventures is not applicable. However, the company is fellow subsidiary of M/s Tamil Nadu Generation and Distribution Corporation Limited and the corresponding transactions are reflected in Financials.	Factual

**FOLLOWING REMARKS ARE OFFERED ON THE OBSERVATION/COMMENTS OF
THE STATUTORY AUDITOR ON THE ACCOUNTS FOR 2024-25**

S.No.	OBSERVATION OF STATUTORY AUDITOR	MANAGEMENT REPLY
(f)	According to the Information and Explanation given to us and on the basis of our examination of the Records of the company, the company has No Subsidiaries, Associates and Joint Ventures and hence the Reporting of Loans raised during the year on the pledge of securities held in its Subsidiaries, Joint Ventures or Associate companies is not Applicable.	Factual
X (a)	The company has not raised funds by way of Initial public offer or further public offer (including debt instruments) during the year. However the Company has raised its Paid Up Share Capital to the tune of 350 Crores during the Financial Year 2024-25 by way of Rights Issue.	Factual
(b)	The company has not raised funds by way of any preferential allotment or private placement of shares or convertible debentures (fully, partially or optionally convertible) during the year.	Factual
XI (a)	According to the Information and Explanations given by the management and based upon the Audit Procedures performed for the purpose of Reporting on the True and Fair view of the Financial Statements, we Report that there is No Fraud by the company or any Fraud on the company has been Noticed or Reported during the year.	Factual
(b)	According to the Information and Explanations given to us, there is no Report under subsection (12) of section 143 of the Companies Act that has been filed by the auditors in Form ADT-4 as prescribed under rule 13 of Companies (Audit and Auditors) Rules, 2014 with the Central Government.	Factual
(c)	Based on our Audit Procedures and according to the Information and Explanation given to us, we Report that, the company has not received any whistle-blower complaints during the year.	Factual

**FOLLOWING REMARKS ARE OFFERED ON THE OBSERVATION/COMMENTS OF
THE STATUTORY AUDITOR ON THE ACCOUNTS FOR 2024-25**

S.No.	OBSERVATION OF STATUTORY AUDITOR	MANAGEMENT REPLY
(xii)	The company is not a Nidhi Company, hence the Reporting of required Information of this clause and rules of Nidhi Rules, 2014 are not applicable.	Factual
(xiii)	(a) Section 177 of the Companies Act 2013 in respect of constitution of Audit Committee is not applicable to the company.	Audit Committee has been formed and meeting are being convened as per the Companies Act 2013. However, appointment of Independent Director does not arise. As per General Circular issued by MCA vide circular No. 09-2017(1/22/2013/CL-V) dated 05-09-2017 - given exemption from appointment of Ind. Director of the Company registered under Unlisted & wholly owned Subsidiary Company.
	(b) According to the Information and explanations given to us, that all transactions with related parties are in compliance with section 188 of Companies Act 2013 wherever applicable and the details have been disclosed (Note 21) in the Financial Statements in terms of Ind AS 24 - Related Party Disclosures.	Factual
(xiv)	According to the Information and explanation given to us, the company have Internal Audit system, the Internal Auditors have been appointed by the Corporation vide order dated 07th August, 2025 for FY 2024-25 and they are yet to submit their report.	The Internal Audit report under progress. In the FY 2025-26, necessary action will be arranged for compliance as per Companies Act 2013. Further, there is a full-fledged Internal Audit Department functioning under the control of Senior Deputy Chief Internal Audit Officer to conduct internal audit and to check other internal controls over the system.
(xv)	In our opinion, the company has not entered into any Non-cash transactions with the directors or persons connected with them covered under Section 192 of the Act.	Factual
(xvi)	The Company is not required to Register under the section 45-IA of The Reserve Bank Act, 1934 and the other matters that are required to be reported under this clause are not applicable, since the company is owned by the Government.	Factual

**FOLLOWING REMARKS ARE OFFERED ON THE OBSERVATION/COMMENTS OF
THE STATUTORY AUDITOR ON THE ACCOUNTS FOR 2024-25**

S.No.	OBSERVATION OF STATUTORY AUDITOR	MANAGEMENT REPLY
(xvii)	According to the Information and explanation given to us and an overall examination of Financial Statements of the company, the company has earned Cash Profit of Rs.1372.23 crores in the Financial Year.	Factual
(xviii)	There has been No Resignation of the Statutory Auditors during the year. Accordingly, Reporting under clause 3 (xviii) of the Order is not applicable to the Company.	Factual
(xix)	According to the Information and Explanation given to us and on the basis of the Financial ratios, ageing and expected dates of realization of Financial Assets and payment of Financial Liabilities, other information accompanying the Financial Statements, our knowledge of the Board of Directors and management plans and based on our examination of the evidence supporting the assumptions, nothing has come to our attention, which causes us to believe that any material uncertainty exists as on the date of the Audit Report that the company is not capable of meeting its liabilities existing at the date of Balance Sheet as and when they fall due within a period of one year from the Balance Sheet date. The above clause is not applicable to the company as it is owned by the Government of TamilNadu.	Factual
(xx)	As per section 135 of the Companies Act 2013, the company does not have to make provision for corporate social responsibility as it does not meet the criteria as laid down in the section. Hence, Reporting under this clause is not applicable.	Factual
(xxi)	The company is not required to prepare the Consolidated Financial Statements as per criteria mentioned in Ind AS 110 and hence the reporting of matters mentioned under this clause regarding qualifications or adverse remarks by the respective auditors in Companies (Auditor's Report) Order (CARO), 2020 is not applicable.	Factual

**FOLLOWING REMARKS ARE OFFERED ON THE OBSERVATION/COMMENTS OF
THE STATUTORY AUDITOR ON THE ACCOUNTS FOR 2024-25**

S.No.	OBSERVATION OF STATUTORY AUDITOR	MANAGEMENT REPLY
ANNEXURE "B" TO THE INDEPENDENT AUDITOR'S REPORT		
Report on the Internal Financial Controls over Financial Reporting under clause (i) of Sub-section 3 of the Section 143 of the Companies Act, 2013 ("the (Referred to paragraph 45(f) under 'Report on Other Legal and Regulatory Requirements' of our report of even date)		
1. (a)	We have audited the Internal Financial Controls over Financial Reporting of TAMIL NADU TRANSMISSION CORPORATION LIMITED ("the Company") as of March 31st 2025 in conjunction with our Audit of the Financial Statements of the company for the year ended on that date.	
Management's Responsibility for Internal Financial Controls:		
2	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 issued by The Institute of Chartered Accountants of India. These responsibilities include the design, implementation and maintenance of adequate 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.	Factual
Auditor's Responsibility:		
3	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 on Audit of Internal Financial Control over Financial Reporting (the "Guidance Note") issued by the Institute of Chartered	Factual

**FOLLOWING REMARKS ARE OFFERED ON THE OBSERVATION/COMMENTS OF
THE STATUTORY AUDITOR ON THE ACCOUNTS FOR 2024-25**

S.No.	OBSERVATION OF STATUTORY AUDITOR	MANAGEMENT REPLY
	Accountants of India and the Standards on Auditing prescribed under Sec 143(10) of the Companies Act, 2013 to the extent applicable to an audit of Internal Financial Controls. 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 efficiently in all material aspects.	
4	Our Audit involves procedures to obtain Audit evidence about adequacy of the Internal Financial Controls systems 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 Financial Statements, whether due to Fraud or Error.	Factual
5	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 over Financial Reporting.	Factual
Meaning of Internal Financial Controls over Financial Reporting:		
6	A company's Internal Financial Controls over Financial Reporting is a process designed to provide a reasonable assurance regarding the reliability of Financial Reporting and the preparation of Financial Statements for external purposes in accordance with generally accepted Accounting Principles. A company's Internal Financial Controls over Financial Reporting includes those policies and	Factual

**FOLLOWING REMARKS ARE OFFERED ON THE OBSERVATION/COMMENTS OF
THE STATUTORY AUDITOR ON THE ACCOUNTS FOR 2024-25**

S.No.	OBSERVATION OF STATUTORY AUDITOR	MANAGEMENT REPLY
	procedures that (1) Pertain to the Maintenance of Record that, in reasonable detail, Accurately and Fairly reflect the transactions and Dispositions of the Assets of the company; (2) Provide Reasonable Assurance that transactions are recorded as necessary to permit preparation of Financial Statements in accordance with generally accepted Accounting Principles, and that Receipts and Expenditures of the company are being made only in accordance with the Authorization of Management and Directors of the company; and (3) Provide Reasonable Assurance regarding prevention or Timely Deduction of unauthorized Acquisition, use, or disposition of the company's Assets that could have a Material effect on the Financial Statements.	
Inherent limitations of Internal Financial Controls over Financial Reporting:		
7	Due to Inherent Limitations of Internal Financial Controls over Financial Reporting, including the possibility of collusion or Improper Management override of controls, Material Mismanagements due to Error or Fraud may occur and not be deducted. 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 Controls over Financial Reporting may become Inadequate because of changes in conditions, or that the Degree of compliance with the policies and procedures may deteriorate.	Factual
Basis for Qualified Opinion:		
8	According to the information and explanations given to us and based on our Audit, the following Material Weaknesses have been identified as at 31 March 2025:	Factual
a	Ineffective oversight over the Company's Internal Financial Controls over Financial Reporting by those charged with Governance.	The financial control framework have been well defined and documented. There are accounting and other manuals, proper delegation of power based on which the

**FOLLOWING REMARKS ARE OFFERED ON THE OBSERVATION/COMMENTS OF
THE STATUTORY AUDITOR ON THE ACCOUNTS FOR 2024-25**

S.No.	OBSERVATION OF STATUTORY AUDITOR	MANAGEMENT REPLY
		entire control framework including financial control frame work is regulated. The Company has implemented ERP, in phases, from FY 2021-22. The company is in the process of arranging to further strengthen its internal control for financial reporting.
b	The Company does not have an Internal Audit System commensurate with the nature and size of its operations.	The Internal Auditor has been appointed vide order dated 07.08.2025 for the FY 2024-25 and Internal Audit report under progress. In the FY 2025-26, necessary action will be arranged for compliance as per Companies Act 2013. Further, there is a full-fledged Internal Audit Department functioning under the control of Senior Deputy Chief Internal Audit Officer to conduct internal audit and to check other internal controls over the system.
c	The Company's Internal Control System with regard to its Capital Work in progress and Property, Plant and equipment is deficient in areas of capitalization, physical verification and consequent impairment.	There are well defined accounting manuals regarding capitalization of Property, Plant and Equipment etc. However steps are being taken to strengthening the same. In the FY 2020-21 Fixed Asset Register has been updated and now available. Further, with the implementation of ERP arrangement to strengthen the existing controls will be suitably taken.
d	Lack of Integrated Process between various functions such as Revenue Invoicing, payroll processing and material accounting for which material internal controls weaknesses were identified.	Various process of ERP is being implemented in phases from FY 2021-22 and the integration between various functions are expected to be achieved.
e	Refer Note 4 and 5 in our Basis of Adverse opinion Section under Main report supra, where timely Inter-Company and Inter-Unit reconciliation process is not made.	TANTRANSCO has brought all the transaction entries in its books of accounts. The reconciliation between the companies have been undertaken. For the balance unreconciled portion, the reconciliation with the fellow-subsiidiaries viz., TNPDC, TNPGL and TNGEL (All the 3 companies together formerly known as TANGEDCO) is under progress. Inter-unit balances' reconciliation has been undertaken and the unreconciled balances' value will be further narrowed down in future years.

**FOLLOWING REMARKS ARE OFFERED ON THE OBSERVATION/COMMENTS OF
THE STATUTORY AUDITOR ON THE ACCOUNTS FOR 2024-25**

S.No.	OBSERVATION OF STATUTORY AUDITOR	MANAGEMENT REPLY
f	Attention is drawn to Note 20 & note 42 to Financial Statements, No amount is disclosed as dues pending to Micro, Small & Medium Enterprises ("MSME") due to the fact that the company does not have proper mechanism and system updation in place to capture the required information.	The list of MSME vendors are maintained in Vendor master in ERP. TANTRANSCO is in the process to update the vendor master data in ERP, with MSME status along with the period up to which they are valid, and development of ERP report on MSME vendors, with a view to comply with MSME Act and provisions.
g	'Material Weakness' is a deficiency, or a combination of deficiencies, in Internal Financial control over Financial Reporting, such that there is a reasonable possibility that a Material misstatement of the company's Annual or Interim Financial Statements will not be prevented or detected on a timely basis. In our opinion, because of the effects of the Material weaknesses described above on the achievement of the objectives of the control criteria, the Company did not have adequate Internal Financial Controls over Financial Reporting and such Internal Financial Controls over Financial Reporting were not operating effectively as at 31st March 2025, based on Internal Control over Financial Reporting criteria established by the Company considering the essential components of Internal Control stated in the Guidance Note issued by The Institute of Chartered Accountants of India.	The company engaged M/s V.Narayanan & Co., Chartered Accountants vide letter dated 27.02.2024 to review the data migration activity and internal financial controls, post ERP implementation among others and report obtained dated 27.08.2024. The company is in the process of further strengthening the internal controls to ensure better financial reporting.
9	We have considered the material weaknesses identified and Reported above in determining the nature, timing, and extent of Audit Tests applied in our Audit of the Financial Statements of the Company as at and for the year ended 31st March 2025, and these material weaknesses have also affected our opinion on the Financial Statements of the Company and hence, we have issued a Qualified opinion .	



**Chief Financial Controller/IND AS
For Tamilnadu Transmission Corporation Limited**



S. Dhandapani ACMA., ACS.
Practicing Company Secretary

No. 9/2, Kamakoti Nagar,
Valasaravakkam, Chennai-600 087.
E-mail : dhandapani_s3000@yahoo.com
Mobile : 99411 69860
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Form No. MR-3

SECRETARIAL AUDIT REPORT FOR THE FINANCIAL YEAR ENDED 31.03.2025

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

To,

The Members,

TAMILNADU TRANSMISSION CORPORATION LIMITED

I have conducted the secretarial audit of the compliance of applicable statutory provisions and the adherence to good corporate practices by **Tamilnadu Transmission Corporation Limited** (CIN No. U40109TN2009SGC071948) **hereinafter called the "Company"** having its registered office at NPKRR Maligai (TNEB Office) 144, Annasalai, Chennai-600 002. Secretarial Audit was conducted in a manner that provided me a reasonable basis for evaluating the corporate conducts/statutory compliances and expressing my opinion thereon.

Based on my verification of the Company's books, papers, minute books, forms and returns filed and other records maintained by the company and also the information provided by the Company, its officers, agents and authorized representatives during the conduct of secretarial audit, I hereby report that in my opinion, the company has, during the audit period covering the financial year ended on **31.03.2025** complied with the statutory provisions listed hereunder and also that the Company has proper Board-processes and compliance-mechanism in place to the extent, in the manner and subject to the reporting made hereinafter.

I have examined the books, papers, minute books, forms and returns filed and other records maintained by "the Company" for the financial year ended on 31.03.2020 accordingly the provisions of the following acts have been complied with by the company during the financial year 2019-20 to which this report pertains to.:

- (i) The Companies Act, 2013 (the Act) and the rules made thereunder;
- (ii) Other Laws as contained in the List attached hereto to the extent applicable to the Company.

(Annexure I)



S. DHANDAPANI, ACMA., ACS
Practicing Company Secretary
M.No. 20584, COP 11492
No.9/2, Kamakoti Nagar,
Valasaravakkam, Chennai - 600 087.



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Tamilnadu Transmission Corporation Limited-Secretarial Audit Report 2024-25

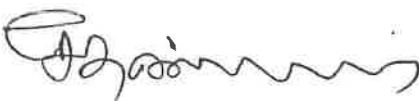
I have also examined compliance with the applicable clauses of the following:

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

The Provisions of the following act, rules, regulations guidelines etc. are not applicable to the company.

- (i) The Securities Contracts (Regulation) Act, 1956 ('SCRA') and the rules made there under.
- (ii) The Depositories Act, 1996 and the Regulations and Bye-laws framed thereunder.
- (iii) The following Regulations and Guidelines prescribed under the Securities and Exchange Board of India Act, 1992.
 - (a) The Securities and Exchange Board of India (Substantial Acquisition of Shares and Takeovers) Regulations, 2011;
 - (b) The Securities and Exchange Board of India (Prohibition of Insider Trading) Regulations, 1992 & 2015
 - (c) The Securities and Exchange Board of India (Issue of Capital and Disclosure Requirements) Regulations, 2009;
 - (d) The Securities and Exchange Board of India (Employee Stock Option Scheme and Employee Stock Purchase Scheme) Guidelines, 1999;
 - (e) The Securities and Exchange Board of India (Issue and Listing of Debt Securities) Regulations, 2008;
 - (f) The Securities and Exchange Board of India (Registrars to an Issue and Share Transfer Agents) Regulations, 1993 regarding the Companies Act and dealing with client;
 - (g) The Securities and Exchange Board of India (Delisting of Equity Shares) Regulations, 2009
 - (h) The Securities and Exchange Board of India (Buyback of Securities) Regulations, 1998.
 - (i) The Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015




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S. Dhandapani ACMA., ACS.
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Tamilnadu Transmission Corporation Limited-Secretarial Audit Report 2024-25

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

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

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

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



Place: Chennai-87

Date: 16/09/2025

A020564G001259560

Peer Reviewed Unit No: 3452

Signature:

Name of Company Secretary in practice: **S.Dhandapani**

ACS No: **20564** C P No: **11492**



S. Dhandapani ACMA., ACS.
Practicing Company Secretary

No. 9/2, Kamakoti Nagar,
Valasaravakkam, Chennai-600 087.
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Tamilnadu Transmission Corporation Limited- Secretarial Audit Report 2024-25

Annexure-1- Applicable Acts For The Purpose Of Secretarial Audit

General Laws

- Income Tax Act, 1961 and Rules made there under;
- Payment of Gratuity Act, 1972;
- Central Sales Tax Act, 1956 as amended from time to time and Rules made there under;
- Employees State Insurance Act, 1952 and Rules made thereunder;
- The Maternity Benefit Act, 1961 and Rules made thereunder;
- The Finance Act, 2004 and Service Tax Rules;
- Employees Provident Fund and Miscellaneous Provisions Act, 1952;
- Environment Laws;
 - a) The National Green Tribunal Act, 2010
 - b) The Air (Prevention and Control of Pollution) Act, 1981
 - c) The Water (Prevention and Control of Pollution) Act, 1974
 - d) The Environment Protection Act, 1986
 - e) The Hazardous Waste Management Regulations, and any other applicable laws/ regulations.
- Other Labour Legislations.
 - a) Industrial Disputes Act, 1947
 - b) Minimum Wages Act, 1948




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Tamilnadu Transmission Corporation Limited- Secretarial Audit Report 2024-25

- c) Payment of Wages Act, 1936
- d) Payment of Bonus Act, 1965
- e) Labour Welfare Fund (Tamilnadu) Act
- f) Industrial Employment (Standing Orders) Act, 1946
- g) Contract Labour (Regulation and Abolition) Act, 1970
- h) Employees Compensation Act, 1923
- i) Sexual Harassment at Workplace (Prohibition, Prevention and Redressal) Act, 2013
- j) Equal Remuneration Act, 1976
- k) Maternity Benefit Act, 1961 (Wherever ESI Act is not applicable and those beyond the wage limit prescribed therein)
- l) Child Labour (Prohibition & Regulation) Act, 1986

Industry Specific Laws- Power Sector

- Electricity Act, 2003 & The Electricity Rules, 2005;
- Indian Electricity Rules, 1956;
- Energy Conservation Act, 2011;
- The Central Electricity Authority (Installation and Operation of Meters) Regulations, 2006;
- Central Electricity Authority (Safety requirements for construction, operation and maintenance of electrical plants and electric lines) Regulations, 2011;



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Tamilnadu Transmission Corporation Limited- Secretarial Audit Report 2024-25

- Central Electricity Authority (Technical Standards for Construction of Electrical Plants and Electric Lines) Regulations, 2010

- Grid Standards Regulations, 2010

Place: Chennai-87

Date: 16.09.2025



S.Dhandapani

Company Secretary in Practice

M No.20564 CoP No.11492



S. Dhandapani ACMA., ACS.
Practicing Company Secretary

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Tamilnadu Transmission Corporation Limited- Secretarial Audit Report 2024-25

Annexure-2 Observation on Secretarial Audit

Conduct of Board Meeting

The company has conducted its first board meeting for the financial year 2024-25 on 11.07.2024. Board meeting for the first quarter ending 30.06.2024 has not been convened.

Belated conducting of AGM

The Company has conducted Annual General Meeting for the financial year 2022-23 ending 31.03.2023 on 23/09/2024 with delay.

The annual report for the financial year 2023-24 is yet to be completed. Consequently Annual General Meeting for the financial year 2023-24 ending on 31.03.2024 is yet to be convened.

Not conducting of AGM within the due date or extended time therefor may attract the provisions of section 99 of the Companies Act, 2013 for non-compliance.

Appointment of Internal Auditors

The company has to appoint internal auditor(s) for conduct of audit of functions and activities of the company pursuant to section 138 of the Companies Act, 2014 read with rule 13 of Companies (Accounts of Companies) Rules, 2014. The internal auditor shall be a chartered or a cost accountant or such other professional as may be decided by the board. Hence Internal Auditor as mandated by the provisions of the act has to be appointed by the company who shall preferably be chartered or cost accountant and who can be an independent professional or an employee of the company.




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Tamilnadu Transmission Corporation Limited- Secretarial Audit Report 2024-25

Maintaining Combined Register:

The company has to maintain combined register as prescribed under the provision of the act with respect to recording of events including allotment of shares, transfer of shares, register of charges etc., to the extent the same is not exempted for the government companies under the provisions of the act, The same is to be complied with.

Appointment of Independent Director

The company requires to appoint independent directors as prescribed under section 149(6) of the Companies Act, 2023 read with rule 4 of the Companies (Appointment and Qualification of Directors) Rules, 2014 as amended from time to time and with exemptions as may be applicable to the government companies under the provisions of the act and rules relevant thereto.

Disclosure of Interest in other entities in form MBT-1

The company has to obtain disclosure of interest in other entities required under section 184 of the Companies Act, 2013 and rules relevant thereto in for MBP-1 to be placed at the first board meeting of the company.

Place: Chennai-87

Date: 16.09.2025



S.Dhandapani

Company Secretary in Practice

M No.20564 CoP No.11492

Tamil Nadu Transmission Corporation Limited
CIN : U40109TN2009SGC071948
NPKRR Maligai (TNEB Office), 144, Anna Salai, Chennai - 600 002.

Balance Sheet as at 31 March 2025

(in INR crores)

	Note	Year ended 31 March 2025	Year ended 31 March 2024
ASSETS			
Non-current assets			
Property, plant and equipment	4(a)	41,457.36	37,485.29
Capital work-in-progress	4(a)	12,506.25	15,654.21
Other intangible assets	4(b)	467.07	395.27
Intangible assets under development	4(b)	1.65	8.48
Financial assets			
(i) Other financial assets	5	6.91	6.90
Other non-current assets	6	85.87	73.62
Total non-current assets		54,525.10	53,623.77
Current assets			
Inventories	7	16.23	9.16
Financial assets			
(i) Trade receivables	8(a)	621.93	840.50
(ii) Cash and cash equivalents	8(b)	684.71	317.60
(iii) Bank balances other than (ii) above	8(c)	-	-
(iii) Other financial assets	9	79.53	188.02
Current tax assets	10	206.82	116.96
Other current assets	11	209.04	157.68
Total current assets		1,818.25	1,629.92
TOTAL ASSETS		56,343.35	55,253.69
EQUITY AND LIABILITIES			
Equity			
Equity share capital	12	6198.07	5,848.07
Other equity	13	(9487.14)	(9,039.98)
Total equity		(3,289.07)	(3,191.91)
Liabilities			
Non-current liabilities			
Financial liabilities			
(i) Borrowings	14	27,950.39	27,336.97
(ii) Others	15	3,210.25	3,204.26
Provisions	16	8,491.78	8,083.13
Deferred tax liabilities	17	-	-
Other non-current liabilities	18	14,341.55	13,302.88
Total non-current liabilities		53,993.97	51,927.24

Tamil Nadu Transmission Corporation Limited
CIN : U40109TN2009SGC071948
NPKRR Maligai (TNEB Office), 144, Anna Salai, Chennai - 600 002.

Balance Sheet as at 31 March 2025

(in INR crores)

	Note	Year ended 31 March 2025	Year ended 31 March 2024
Current liabilities			
Financial liabilities			
(i) Borrowings	19	4,310.31	4,007.87
(ii) Trade payables	20		
(a) total outstanding dues of micro enterprises and small enterprises			
(b) total outstanding dues of creditors other than micro enterprises and small enterprises.		106.41	534.17
(iii) Other financial liabilities	21	407.75	1,110.99
Provisions	22	643.33	681.90
Other current liabilities	23	170.64	183.43
Total current liabilities		5,638.45	6,518.36
TOTAL EQUITY AND LIABILITIES		56,343.35	55,253.69

See accompanying notes to the financial statements

As per our report of even date
For **Ponraj & Co.**
Chartered Accountants
Firm No. 002672S



G. Vivekananthan
Partner
Membership No. 021677
UDIN : 25021677BMINKR6516

Place : Chennai
Date : 12.11.2025

For and on behalf of the Board of Directors of
Tamil Nadu Transmission Corporation Limited
CIN: U40109TN2009SGC071948

Vishu Mahajan, IAS
Joint Managing Director/Finance
DIN: 10267435

V. Rajeswari
Chief Financial Controller
TANTRANSCO

T. Sivakumar
Managing Director
DIN: 113500708

K. Sundaravadhanam
Director Finance
DIN: 10330377

D. Suresh Kumar
Company Secretary

Tamil Nadu Transmission Corporation Limited

CIN : U40109TN2009SGC071948

NPKRR Maligai (TNEB Office), 144, Anna Salai, Chennai - 600 002.

Statement of Profit and Loss for the year ended 31 March 2025

(in INR crores)

	Note	Year ended 31 March 2025	Year ended 31 March 2024
Income			
Revenue from operations	24	6,802.50	5,890.95
Other income	25	78.70	420.27
Total income		6,881.20	6,311.21
Expenses			
Employee benefits expense	26	2,233.76	2,197.59
Finance costs	27	2,287.11	1,858.77
Depreciation and amortization expense	28	1,819.39	1,468.91
Other expenses	29	424.63	238.76
Total expenses		6,764.89	5,764.03
Profit (loss) before tax		116.30	547.18
Tax expense:	30		
Current tax		-	-
Deferred tax	41	-	-
Profit (loss) for the year		116.30	547.18
Other comprehensive income			
Items that will not be reclassified to profit or loss			
(a) Remeasurement of defined benefit plan	32B	(563.46)	(680.46)
(b) Income tax relating to items that will not be reclassified to profit or loss (net)	41	-	-
Total other comprehensive income		(563.46)	(680.46)
Total comprehensive income for the year		(447.16)	(133.28)
Earnings per equity share	31		
Basic		0.20	0.95
Diluted		0.20	0.95

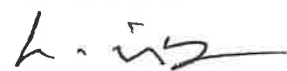
See accompanying notes to the financial statements

As per our report of even date

For **Ponraj & Co.**

Chartered Accountants

Firm No. 002672S



G. Vivekananthan

Partner

Membership No. 021677

UDIN : 25021677BMINKR6516





Vishu Mahajan, IAS

Joint Managing Director/Finance

DIN: 10267435



V. Rajeswari

Chief Financial Controller

TANTRANSCO

For and on behalf of the Board of Directors of
Tamil Nadu Transmission Corporation Limited

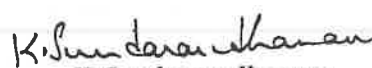
CIN: U40109TN2009SGC071948



T. Sivakumar

Managing Director

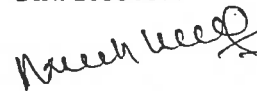
DIN: 113500708



K. Sundaravadhanam

Director Finance

DIN: 10330377



D. Suresh Kumar

Company Secretary

Place : Chennai
Date : 12.11.2025

Tamil Nadu Transmission Corporation Limited
CIN : U40109TN2009SGC071948
NPKRR Maligai (TNEB Office), 144, Anna Salai, Chennai - 600 002.

Statement of Cash Flows for the year ended 31 March 2025

(in INR crores)

	Year ended 31 March 2025	Year ended 31 March 2024
Cash flows from operating activities		
Net profit before tax	116.30	547.18
Adjustments for:		
Depreciation	1,819.39	1,468.91
Transfer of other reserves to retained earnings	-	-
Finance costs	2,287.11	1,858.77
Impairment loss on capital work in progress	-	-
Net loss on foreign currency translations	151.69	0.00
Net gain on foreign currency translations	-	-
Gain on sale of property, plant and equipment	-	(327.22)
Operating profit before working capital changes	4,374.49	3,547.64
Changes in working capital		
Adjustments of (increase)/decrease in assets		
Trade receivables	218.57	(255.32)
Financial assets - current/non current	108.49	(70.11)
Other assets - current/non current	(160.54)	219.70
Adjustments of increase/(decrease) in liabilities		
Trade payables	(427.76)	(168.94)
Financial liabilities - current/non current	(697.25)	(10806.66)
Provisions - current/ non current	(193.38)	119.77
Other liabilities - current/non current	1,025.89	11,575.92
Cash generated from operations	4,248.51	4,162.00
Income taxes paid (net)	-	-
Net cash generated from (used in) operating activities (A)	4,248.51	4,162.00
Cash flows from investing activities		
Additions to property, plant and equipment & intangible assets	(5,863.26)	(7,623.27)
Additions to capital work in progress and intangible assets under development	3,154.80	4,679.47
Proceeds from sale of property, plant and equipment	-	-
Net cash generated from (used in) investing activities (B)	(2,708.46)	(2,943.79)
Cash flow from financing activities		
Proceeds from issue of equity share capital	350.00	100.00
Proceeds (repayment) of long-term borrowings (net)	461.72	449.25
Proceeds (repayment) of short-term borrowings (net)	302.44	235.58
Finance costs	(2,287.11)	(1,858.77)
Net cash generated from (used in) financing activities (C)	(1,172.94)	(1,073.95)

Tamil Nadu Transmission Corporation Limited
CIN : U40109TN2009SGC071948
NPKRR Maligai (TNEB Office), 144, Anna Salai, Chennai - 600 002.

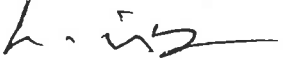
Statement of Cash Flows for the year ended 31 March 2025

(in INR crores)

	Year ended 31 March 2025	Year ended 31 March 2024
Net increase (decrease) in cash and cash equivalents (A+B+C)	367.10	144.26
Cash and cash equivalents at the beginning of the year	317.60	173.35
Cash and cash equivalents at the end of the year	684.71	317.60
Reconciliation of cash and cash equivalents as per Statement of Cash Flows		
Cash and cash equivalents		
Balances with banks		
Balance in current account	683.27	316.27
Cash, cheques and drafts on hand	1.44	1.33
	684.71	317.60

See accompanying notes to the financial statements

As per our report of even date
For **Ponraj & Co.**
Chartered Accountants
Firm No. 002672S


G. Vivekananthan
Partner
Membership No. 021677
UDIN : 25021677BMINKR6516

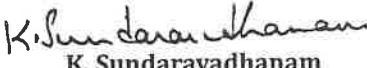


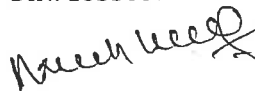

Vishu Mahajan, IAS
Joint Managing Director/Finance
DIN: 10267435


V. Rajeswari
Chief Financial Controller
TANTRANSCO

For and on behalf of the Board of Directors of
Tamil Nadu Transmission Corporation Limited
CIN: U40109TN2009SGC071948


T. Sivakumar
Managing Director
DIN: 113500708


K. Sundaravadhanam
Director Finance
DIN: 10330377


D. Suresh Kumar
Company Secretary

Place : Chennai
Date : 12.11.2025

Tamil Nadu Transmission Corporation Limited
CIN : U40109TN2009SGC071948
NPKRR Maligai (TNEB Office), 144, Anna Salai, Chennai - 600 002.

Statement of Changes in Equity as at 31 March 2025

A. Equity share capital

(in INR crores)

	No. of Shares	Amount
Balance as at 1 April 2023	5,74,80,73,478	5,748.07
Changes in equity share capital during the year	-	-
Add: Issued during the year	10,00,00,000	100.00
Balance as at 31 March 2024	5,84,80,73,478	5,848.07
Balance as at 1 April 2024	5,84,80,73,478	5,848.07
Changes in equity share capital during the year	-	-
Add: Issued during the year	35,00,00,000	350.00
Balance as at 31 March 2025	6,19,80,73,478	6,198.07

Other equity

Particulars	Reserves and surplus	Total
	Retained earnings	
Balance as at 1 April 2023	(8906.70)	(8906.70)
Profit / (loss) for the year	547.18	547.18
Other comprehensive income:	(680.46)	(680.46)
Remeasurement gain / (loss) of defined benefit plans, net of tax		
Transfer to retained earnings	0.00	0.00
Balance as at 31 March 2024	(9039.98)	(9039.98)
Balance as at 1 April 2024	(9039.98)	(9039.98)
Profit / (loss) for the year	116.30	116.30
Other comprehensive income:	(563.46)	(563.46)
Remeasurement gain / (loss) of defined benefit plans, net of tax		
Transfer to retained earnings	0.00	0.00
Balance as at 31 March 2025	(9487.14)	(9487.14)

See accompanying notes to the financial statements

As per our report of even date
For **Ponraj & Co.**
Chartered Accountants
Firm No. 002672S



G. Vivekananthan
Partner
Membership No. 021677
UDIN : 25021677RMINKR6516

Place : Chennai
Date : 12.11.2025

For and on behalf of the Board of Directors of
Tamil Nadu Transmission Corporation Limited
CIN: U40109TN2009SGC071948

Vishu Mahajan, IAS
Joint Managing Director/Finance
DIN: 10267435

V. Rajeswari
Chief Financial Controller
TANTRANSCO

T. Sivakumar
Managing Director
DIN: 113500708

K. Sundaravadhanam
Director Finance
DIN: 10330377

D. Suresh Kumar
Company Secretary

Tamil Nadu Transmission Corporation Limited

CIN : U40109TN2009SGC071948

NPKRR Maligai (TNEB Office), 144, Anna Salai, Chennai - 600 002.

Notes to the financial statements for the year ended 31 March 2025

4(a) Property, plant and equipment and capital work-in-progress

Particulars	Freehold land	Buildings, hydraulic works and other civil works	Plant and equipment and lines and cables	Vehicles	Furnitures and fixtures	Office equipment	Capital spare	Others	Total (A)	Capital work-in-progress (B)	Total (A+B)
Deemed cost (Gross carrying amount)											
Balance as at 1 April 2023	7,758.01	1,057.74	27,911.09	2.36	4.40	27.82	340.96	0.02	37,102.39	20,497.66	57,600.06
Additions during the year	5.26	290.46	7,365.29	-	0.04	29.16	363.61	0.00	8,053.83	11,782.00	19,835.82
Disposals/transfers during the year	-	-	-	-	-	-	(437.29)	-	(437.29)	(16,469.95)	(16,907.23)
Balance as at 31 March 2024	7,763.27	1,348.20	35,276.38	2.36	4.44	56.99	262.74	0.02	44,714.39	15,809.71	60,524.11
Balance as at 1 April 2024	7,763.27	1,348.20	35,276.38	2.36	4.44	56.99	262.74	0.02	44,714.39	15,809.71	60,524.11
Additions during the year	0.06	790.51	4,981.90	-	0.79	0.28	543.95	0.22	6,317.71	8,076.47	14,394.18
Disposals/transfers during the year	-	-	-	-	-	-	(525.55)	-	(525.55)	(11,224.43)	(11,749.99)
Balance as at 31 March 2025	7,763.33	2,138.70	40,258.28	2.36	5.23	57.27	281.14	0.24	50,506.55	12,661.75	63,168.30
Accumulated depreciation and impairment losses											
Balance as at 1 April 2023	-	179.65	5,570.38	0.82	1.13	7.18	-	0.00	5,759.15	155.50	5,914.65
Depreciation during the year	-	39.37	1,423.59	0.19	0.24	6.56	-	-	1,469.95	-	1,469.95
Disposals/transfers during the year	-	-	-	-	-	-	-	-	-	-	-
Impairment loss	-	-	-	-	-	-	-	0.00	-	-	-
Balance as at 31 March 2024	-	219.03	6,993.97	1.00	1.36	13.74	-	0.00	7,229.10	155.50	7,384.60
Balance as at 1 April 2024	-	219.03	6,993.97	1.00	1.36	13.74	-	0.00	7,229.10	155.50	7,384.60
Depreciation during the year	-	59.63	1,753.23	0.19	0.25	6.79	-	-	1,820.09	-	1,820.09
Disposals/transfers during the year	-	-	-	-	-	-	-	-	-	-	-
Impairment loss	-	-	-	-	-	-	-	-	-	-	-
Balance as at 31 March 2025	-	278.66	8,747.20	1.19	1.62	20.53	-	0.00	9,049.19	155.50	9,204.69
Carrying amount as at 31 March 2024	7,763.27	1,129.17	28,282.42	1.35	3.08	43.24	262.74	0.02	37,485.29	15,654.21	53,139.51
Carrying amount as at 31 March 2025	7,763.33	1,860.04	31,511.09	1.17	3.62	36.74	281.14	0.24	41,457.36	12,506.25	53,963.60

Tamil Nadu Transmission Corporation Limited

CIN : U40109TN2009SGC071948

NPKRR Maligai (TNEB Office), 144, Anna Salai, Chennai - 600 002.

Notes to the financial statements for the year ended 31 March 2025

Notes:-

1. The Company is in the process of collating the information pertaining to CWIP ageing and CWIP completion schedule (whose completion is overdue or has exceeded its cost compared to its original plan) as required under the amended Schedule III of Companies Act, 2013.
2. There are no proceedings initiated or pending against the Company for holding any benami property under the Prohibition of Benami Property Transactions Act, 1988 and rules made thereunder.
3. Title deeds of Land are held in the name of TANGEDCO, TANTRANSCO and TNEB Limited.
4. Scrap materials shown under capital spares has been classified and regrouped under inventories



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NPKRR Maligai (TNEB Office), 144, Anna Salai, Chennai - 600 002.

Notes to the financial statements for the year ended 31 March 2025

4(b) Other intangible assets and intangible assets under development

Reconciliation of carrying amount

(in INR crores)

Particulars	Right of way*	Software**	Total	Intangible assets under development
Deemed cost (Gross carrying amount)				
Balance as at 1 April 2023	358.51	24.45	382.96	-
Additions/transfers* during the year	36.76	-	36.76	8.48
Disposals/transfers during the year	-	-	(24.45)	24.45
Balance as at 31 March 2024	395.27	(24.45)	395.27	8.48
Balance as at 1 April 2024	395.27	- 0.00	395.27	8.48
Additions/transfers* during the year	128.58	- 0.00	128.58	9.36
Disposals/transfers during the year	(56.77)	0.00	(56.77)	(16.19)
Balance as at 31 March 2025	467.07	- 0.00	467.07	1.65
Accumulated amortization and impairment losses				
Balance as at 1 April 2023	-	-	-	-
Additions during the year	-	-	-	-
Disposals/transfers during the year	-	-	-	-
Balance as at 31 March 2024	-	-	-	-
Balance as at 1 April 2024	-	-	-	-
Amortization during the year	-	-	-	-
Impairment loss	-	-	-	-
Disposals/ transfers during the year	-	-	-	-
Balance as at 31 March 2025	-	-	-	-
Carrying amount as at 31 March 2024	395.27	- 0.00	395.27	8.48
Carrying amount as at 31 March 2025	467.07	- 0.00	467.07	1.65

Intangible assets under development ageing schedule as at 31 March 2025

Intangible assets under development	Amount in IAUD for a period of				Total
	Less-than 1 year	1-2 years	2-3 years	More than 3 years	
Projects in Progress	1.65	-	-	-	1.65
Projects temporarily suspended					-

* Right of way assets are for an indefinite period, so no amortization provided on such Right of way assets

** As at 31 March 2023, the Company estimated that majority of the ERP process agreed as per the contract was available for business operations and the cost of ERP software can be reliably measured. Hence, the Company capitalised the ERP software earlier recognised as intangible asset under development.

The ERP software is commonly used by TANGEDCO and TANTRANSCO. All the invoices pertaining to license procurement and installation were raised in the name of TANGEDCO and the cost is apportioned based on the number of user which is 19.70% approximate for FY 2024-25.



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Notes to the financial statements for the year ended 31 March 2025

5 Other non-current financial assets - At amortised cost

(in INR crores)

	31 March 2025	31 March 2024
Security and other deposits	6.91	6.90
	6.91	6.90

6 Other non-current assets

	31 March 2025	31 March 2024
Capital advances	85.87	73.62
	85.87	73.62

7 Inventories

	31 March 2025	31 March 2024
Scrap Materials	16.23	9.16
	16.23	9.16

7 Trade receivables

	31.03.2025	31.03.2024
Trade receivables		
Unsecured, considered good	621.93	840.50
Credit impaired	-	-
Total trade receivables	621.93	840.50

The Company is in the process of collating all the relevant data required to be disclosed in its financials.

The Company's exposure to credit risk and loss allowance related to trade receivables are disclosed in note 36.



Tamil Nadu Transmission Corporation Limited
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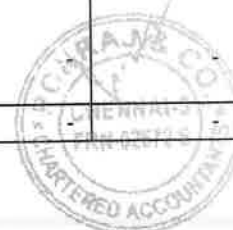
Notes to the financial statements for the year ended 31 March 2025

Trade receivables ageing schedule as at March 31, 2025.

Particulars	Outstanding for following periods from due date of receipt						Total
	Not due	Less than 6 Months	6 Months - 1 Year	1-2 Years	2-3 years	More than 3 years	
(i) Undisputed Trade Receivables							
a) Considered good	-	456.82	53.89	30.01	36.40	44.81	621.93
b) Significant increase in credit risk	-	-	-	-	-	-	-
c) Credit Impaired	-	-	-	-	-	-	-
(ii) Disputed Trade Receivables							
a) Considered good	-	-	-	-	-	-	-
b) Significant increase in credit risk	-	-	-	-	-	-	-
c) Credit Impaired	-	-	-	-	-	-	-
Total (i) + (ii)	-	456.82	53.89	30.01	36.40	44.81	621.93

Trade Receivables Ageing schedule as at March 31, 2024

Particulars	Outstanding for following periods from due date of receipt						Total
	Not due	Less than 6 Months	6 Months - 1 Year	1-2 Years	2-3 years	More than 3 years	
(i) Undisputed Trade Receivables							
a) Considered good	-	-	-	-	-	0.00	0.00
b) Significant increase in credit risk	-	-	-	-	-	-	-
c) Credit Impaired	-	-	-	-	-	-	-
(ii) Disputed Trade Receivables							
a) Considered good	-	-	-	-	-	-	-
b) Significant increase in credit risk	-	-	-	-	-	-	-
c) Credit Impaired	-	-	-	-	-	-	-
Total (i) + (ii)	-	-	-	-	-	-	-



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Notes to the financial statements for the year ended 31 March 2025

(in INR crores)

e) Disclosure of Shareholding of Promoters

Promoter Name	31 March 2025			31 March 2024		
	No. of shares*	% held	% change	No. of shares*	% held	% change
TNEB Limited **	6,19,80,23,478	99.99%	5.98%	5,84,80,23,478	100.00%	0.00%
	6,19,80,23,478	99.99%	5.98%	5,84,80,23,478	100.00%	0.00%

*Shares details are in absolute numbers.

**Balance 50,000 shares representing 0.00001% of total shares are held by other promoters.

13.1 Other equity

	31 March 2025	31 March 2024
Share application money pending allotment	-	-
Retained earnings	(9,487.14)	(9,039.98)
	(9,487.14)	(9,039.98)

13.2 Retained earnings

	31 March 2025	31 March 2024
Opening balance	(9,039.98)	(8,906.70)
Add: Profit (loss) for the year	116.30	547.18
Add : Remeasurement gain / (loss) of defined benefit plans, net of tax	(563.46)	(680.46)
Closing balance	(9,487.14)	(9,039.98)

Notes:

Retained earnings represents the amount that can be distributed by the Company as dividends considering the requirements of The Companies Act, 2013. No dividends were distributed by the Company.

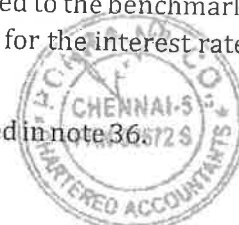
14 Non-current Financial liabilities - Borrowings - at amortised cost unless specified otherwise

	31 March 2025	31 March 2024
Term loan from bank		
Secured	23,551.42	22,886.80
Unsecured	4,398.97	4,450.17
	27,950.39	27,336.97

The Company through Government of India (GOI) and Government of Tamil Nadu (GoTN) has borrowed loans from Japan International Cooperation Agency (JICA), KfW and Asian Development Bank (ADB) for meeting its project commitments. Although, GOI shall repay the loan instalments to the banks, the ultimate obligation of repaying the loan along with foreign exchange fluctuations, if any, lies with the Company.

The Company is exposed to interest rate risk arising from floating rate borrowings linked to the benchmark rates. The company is in the process of collating the details related to sensitivity analysis for the interest rate movements and foreign exchange variations. (refer note 36 for interest rate risk).

The Company's exposure to liquidity risks related to other financial liabilities is disclosed in note 36.



Tamil Nadu Transmission Corporation Limited
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Notes to the financial statements for the year ended 31 March 2025

14A Details of terms and repayment schedule

(in INR crores)

Particulars	Interest rate	Tenor (in years)	Non Current		Current	
			31 March 2025	31 March 2024	31 March 2025	31 March 2024
Term loans Secured						
a. from banks						
Bank of Baroda	MCLR + 0.03% (SP) +	10 Years	202.89	258.44	55.56	55.64
Canara Bank	(MCLR + 1.10%)	5 years	0.00	343.74	0.00	126.14
State Bank of India	0.60% above 3M MCLR	11 years 3 month	880.00	-	0.00	-
			1,082.88	602.19	55.56	181.78
b. from financial institutions						
Rural Electrification Corporation	9.58% to 10.10%	15 to 18 years	12334.03	11295.66	1666.46	1079.88
Power Finance Corporation	9.12% to 10.35%	15 + Construction period	9762.92	9954.45	1050.06	691.25
National Bank for Agriculture and Rural Development	9.00%	15 years	67.86	81.43	15.45	15.78
Housing and Urban Development Corporation	10.20%	15 years	0.00	28.22	28.47	76.18
Indian Renewable Energy Development Agency Limited	9.5% & Repo rate + 450 bps	3 to 5 years	0.00	581.55	0.00	749.61
PTC India Financial Services	9.75%	15 years	303.72	343.30	39.58	39.58
			22468.53	22284.61	2800.03	2652.28
			23551.42	22886.80	2855.59	2834.07
Unsecured						
a. from Indian financial institutions						
Life Insurance Corporation of India	0.00%	0.00	0.00	-	0.00	43.30
			-	-	-	43.30
b. from foreign financial institutions						
GoTN (JICA)	0.55%	30 years	1885.74	1929.76	596.25	460.28
GoTN (KfW)	EURIBOR+1.63%	15 years	269.73	327.85	466.89	396.56
GoTN (ADB)	SOFR+0.50%	20 years	2225.09	2172.11	299.48	316.91
			4380.56	4429.72	1362.63	1173.75
c. from government						
Government of Tamil Nadu	0.00%	10 years	18.41	20.45	2.05	0.00
			18.41	20.45	2.05	0.00
d. Bonds	6.25%-11.50%		0.00	-	0.05	0.05
			-	-	0.05	0.05
			4,398.97	4,450.17	1,364.72	1,173.80

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NPKRR Maligai (TNEB Office), 144, Anna Salai, Chennai - 600 002.

Notes to the financial statements for the year ended 31 March 2025

Repayment of loan to Government of Tamil Nadu*

(in INR crores)

1. The GoTN(JICA) loan in Japanese Yen accumulated along with interest for 2482 Cr as on 31st March 2025 on which Government of Tamil nadu started to repay as per the tenor and has already repaid to the extent of 404.77 Crores which is not yet paid by the company to Government of Tamil Nadu.
2. The GoTN(KfW) loan in Euro accumulated along with interest for 736.62 Cr as on 31st March 2025 on which Government of Tamil nadu started to repay as per the tenor and has already repaid to the extent of 347.29 Crores which is not yet paid by the company to Government of Tamil Nadu.
3. The GoTN(ADB) loan in USD accumulated along with interest for 2524.57 Cr as on 31st March 2025 on which Government of Tamil nadu started to repay as per the tenor and has already repaid to the extent of 116.57 Crores which is not yet paid by the company to Government of Tamil Nadu.

Sl.No.	Name of Institution	Loan Number and Type of Loan	Loan Tenor	Moratorium Period	Amount Sanctioned IN Foreign Currency	Loan availed Date	First Repayment date	Repayment Frequency and Interest Frequency	Rate of Interest
1	JICA in Million Japanese Yen	ID-P224 Long Term	30	20	60740 JPY	Various Dates	20.9.2022	Half yearly	0.55%
2	KfW in Million Euro	5134259E, 7383864E, 7383880E Long Term	15	10	76 EURO	Various Dates	30.12.2019	Half yearly	1.63%
3	ADB in Million Dollar	3850 -IND Long Term	20	5	451 USD	Various Dates	15.04.2024	Half yearly	SOFR+ 0.50%
4	KfW in Million Euro	10548011	15	5	Up to 58 Million	Not availed so far	15.05.2028	Half yearly	6 Months EURIBOR +0.35%

Note 1

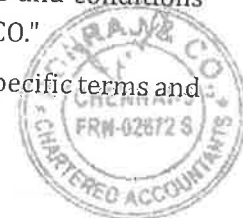
As per Para 8 of Administrative sanction GO No.. 32 dt. 29.04.2015 and As per Para 12 of Administrative sanction GO No.. 34 dt.07.05.2015, The Government of India shall pass the loan to the TANTRANSCO through the State Government at the same terms and conditions of the loan agreement. Hence, the repayment of Principal, and payment of Interest and other charges shall be borne by the TANTRANSCO and remitted into the State Government account as per the terms and conditions mentioned in the agreement*, to be executed between the State Government and TANTRANSCO."

*No such agreement has been entered between GoTN and TANTRANSCO mentioning the specific terms and conditions. Hence, the repayment and payment of interest etc. are accounted on back to back basis.

Note 2

As per Para 12 of Administrative sanction GO No.. 34 dt.07.05.2015, The Government of India shall pass the loan to the TANTRANSCO through the State Government at the same terms and conditions of the loan agreement. Hence, the re-payment of Principal, and payment of Interest and other charges shall be borne by the TANTRANSCO and remitted into the State Government account as per the terms and conditions mentioned in the agreement, to be executed between the State Government and TANTRANSCO."

No such agreement has been entered between GoTN and TANTRANSCO mentioning the specific terms and conditions. Hence, the repayment and



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Notes to the financial statements for the year ended 31 March 2025

(in INR crores)

Note 3

As per Para 6 of Administrative sanction GO No. 90 dt.20.11.2019, The Government, after careful examination, accept the proposal of Chairman, Tamil Nadu Transmission Corporation Limited above and hereby accord: (ii) Statutory approval to TANTRANSCO to obtain the proposed ADB loan on back to back basis through Government of Tamil Nadu for the said project."

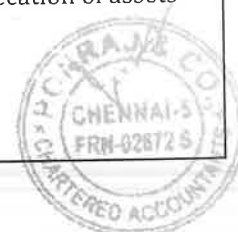
Note 4

As per Para 10 of Administrative sanction GO No. 83 dt.27.09.2023, The Government of India shall pass the loan to the TANTRANSCO through the State Government at the same terms and conditions of the loan agreement. Hence, the repayment of Principal and payment of interest and other charges Shall be borne by the TANTRANSCO and remitted into the State Government as per the terms and conditions mentioned in the separate agreement, to be executed between the State Government and TANTRANSCO

No such agreement has been entered between GoTN and TANTRANSCO mentioning the specific terms and conditions. Hence, the repayment and payment of interest etc. are accounted on back to back basis.

Term loans and working capital loans are secured by the mortgage on property, plant and equipment and hypothecation of current assets of the Company.

NAME OF THE INSTITUTION	LOAN TENURE	RATE OF INTEREST	SECURITY
BANK OF BARODA	10 Years including moratorium of 1 year for the loan repayment	Floating - one year MCLR + 0.03% (SP) + 0.40%	Guarantee from GoTN and hypothecation of assets
RURAL ELECTRIFICATION CORPORATION	18/15 Years including moratorium of 3 year for the loan repayment	9.25% to 11.5% with reset once in one year/ three year	Hypothecation of project assets
POWER FINANCE CORPORATION	15 years + construction period (moratorium period)	9.25% to 11% with reset once in one year/three year	Hypothecation of project assets
NATIONAL BANK FOR AGRICULTURE AND RURAL DEVELOPMENT	15 Years including moratorium of 3 year for the loan repayment	Fixed - 9.00%	Guarantee from GoTN and hypothecation of assets
HOUSING AND URBAN DEVELOPMENT AGENCY LIMITED	15 Years including moratorium of 1 year for the loan repayment	10.20% with reset once in three year	Hypothecation of unencumbered assets
INDIAN RENEWABLE ENERGY DEVELOPMENT AGENCY LIMITED	3/5 Years including moratorium of 6 Months for the loan repayment	Two Loans Fixed - 9.50% Three Loans floating Repo rate + 450 bps	Hypothecation of unencumbered assets
PTC INDIA FINANCIAL SERVICES	15 Years including moratorium of 3 year for the loan repayment	10.75% and 11% with reset once in one year	Hypothecation of unencumbered assets
CANARA BANK	5 Years including moratorium of 1 year for the loan repayment	Floating - One year (MCLR + 1.10%)	Guarantee from GoTN and hypothecation of assets
STATE BANK OF INDIA	Door to Door tenor of 11 years 3 months including moratorium of 6 months	0.60% above 3M MCLR (presently 8.55% p.a.) with present effective rate 9.15% p.a. (against applicable card rate of 13.55%) till, subject to MCLR reset at every 3 months.	Guarantee from GoTN and hypothecation of assets



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Notes to the financial statements for the year ended 31 March 2025

15 Non-current financial liabilities - others

(in INR crores)

	31 March 2025	31 March 2024
Earnest money deposits and retention money	2,161.32	2,194.18
Payable to employees	1,048.93	1,010.08
	3,210.25	3,204.26

16 Provision - Non-current

	31 March 2025	31 March 2024
Employee benefit provisions (refer note 32)	8,491.78	8,083.13
	8,491.78	8,083.13

17 Deferred tax liabilities

	31 March 2025	31 March 2024
Deferred tax liabilities	-	-
	-	-

18 Other non-current liabilities

	31 March 2025	31 March 2024
Deferred revenue on consumer contribution	1,142.01	1,072.37
Government grants*	897.44	845.23
Payable to related parties**	12,302.11	11,385.28
	14,341.55	13,302.88

*The Company is in the process of collating the details of Assets commissioned, assets under construction and date of commissioning, etc. Pending completion, entire grant is exhibited under deferred revenue

** The long pending related party balances has been re-grouped from Note.21-other current liabilities and exhibited here.

19 Current financial liabilities - Borrowings - at amortised cost unless specified otherwise

	31 March 2025	31 March 2024
Loans repayable on demand		
(a) Cash credit from banks*	90.00	0.00
(b) Current maturity of long term borrowings**	4,220.31	4,007.87
	4,310.31	4,007.87

Term loans and working capital loans are secured by the mortgage on property, plant and equipment and hypothecation of current assets of the Company.

*The rate of interest spread as per sanction is 0.60% above 3M MCLR (presently 8.55% p.a) with present effective rate 9.15% p.a (against applicable card rate of 13.55%) till, subject to MCLR reset at every 3 months in respect of SBI.

*The rate of interest spread as per sanction is 12 months MCLR + 1.35% and accordingly, the rate of interest as on 31 March 2025 is 10.45% p.a. in respect of CANARA BANK.

**Current maturity of long term borrowings includes the following:



Notes to the financial statements for the year ended 31 March 2025

(in INR crores)

	31 March 2025	31 March 2024
Interest accrued but not due on borrowings	308.41	293.27
Interest accrued and due on borrowings	127.53	247.11
Principal amount	3784.37	3467.48
	4,220.31	4,007.87

Refer Note 14A for loan wise details

20 Trade payables

	31 March 2025	31 March 2024
Total outstanding dues of micro enterprises and small enterprises ("MSME") (refer note 43)	-	-
Total outstanding dues of creditors other than micro enterprises and small enterprises	106.41	534.17
	106.41	534.17

* The Company is in the process of undertaking clean-up activity to reconcile the amounts as per the books of accounts.

The Company's exposure to currency and liquidity risks related to trade payables is disclosed in note 36.

Of the above, trade payables to related parties are as below:

	31 March 2025	31 March 2024
Trade payables to related parties	6.18	1.27

The Company is in the process of collating all the relevant data required to be disclosed in its financials.

21 Other current financial liabilities

	31 March 2025	31 March 2024
Payable to related parties	196.88	916.83
Employee benefits payable	210.87	194.16
	407.75	1,110.99

The Company's exposure to liquidity risks related to other financial liabilities is disclosed in note 36.

* The long pending related party balances has been re-grouped under Note.18-other Non current liabilities, only during the year inter-company transaction exhibited here.

22 Provision - Current

	31 March 2025	31 March 2023
Provision for employee benefits	643.33	681.90
	643.33	681.90

Disclosures as per Ind AS 19, Employee benefits are provided in note 32.



Notes to the financial statements for the year ended 31 March 2025

23 Other current liabilities

(in INR crores)

	31 March 2025	31 March 2024
Inter unit balance	-	-
Duties and taxes*	18.88	23.95
Others	151.76	159.47
	170.64	183.43

Balances with government authorities has been regrouped to Duties and taxes.

24 Revenue from operations

	31 March 2025	31 March 2024
Transmission charges*	6,541.25	5,643.24
Scheduling and system operating charges and other operating income	261.24	247.71
	6,802.50	5,890.95

*Change in Tariff rate for Transmission charges revised prospectively wide TNERC Tariff order no.08 of 2022 in T.P. No.2 of 2022 dated 09.09.2022

Disclosures as per Ind AS 115, Revenue from Contracts with Customers are provided in note 42.

25 Other income

	31 March 2025	31 March 2024
Liquidated damages recovered	26.76	8.79
Net gain on foreign currency translations	-	327.22
Gain on sale of property, plant and equipment	-	-
Interest on staff loans and advances	1.11	0.75
Interest from banks	2.31	0.01
Income from sale of scrap	1.90	0.02
Other non-operating income	46.61	83.48
	78.70	420.27

26 Employee benefits expense

	31 March 2025	31 March 2024
Salaries, wages and bonus	1,563.42	1,708.11
Post employment benefits	725.36	561.02
Contribution to provident and other funds	79.96	44.76
Staff welfare expenses	1.59	2.69
Less: Employee benefit expenses capitalized*	(139.57)	(118.99)
	2,233.22	2,197.59
Other comprehensive income - Defined benefit plan	563.46	680.46
Net Employee Cost	2,797.22	2,878.05

Notes to the financial statements for the year ended 31 March 2025

(in INR crores)

27 Finance costs

	31 March 2025	31 March 2024
Interest expense	2,685.02	2,552.50
Processing and commitment charges	5.23	4.61
Less: Finance cost capitalized*	(403.14)	(698.34)
	2,287.11	1,858.77

*In respect of projects with single loan for single project, the actual quantum of interest amount proportionate upto the date of commissioning will be capitalized.

Whereas if multiple projects for single loan, then interest will be capitalized at weighted average rate of interest.

During FY 2024-25 borrowing costs to the extent of Rs.403.14 Crs. have been Capitalized as IDC for allocating IDC. The methodology adopted is as under:

In respect of those projects, where single project is tied up with single loan and the project is also dealt at one GCC, the actual quantum of interest for the year FY 2024-25 on the loan through which the project is funded is capitalized as IDC. The IDC is calculated proportionately upto the date of commissioning of the projects. IDC is commenced from the date of first loan disbursement.

In respect of other projects, where multiple projects are tied up with single loan and also involves various GCCs, the weighted average rate of interest of that common loan funding various projects is calculated. Such weighted average interest rate is applied on the cumulative expenditure upto the date of commissioning and the interest proportionate upto the date of commissioning is accounted as IDC for the project.

28 Depreciation and amortization expense

	31 March 2025	31 March 2024
Depreciation of property, plant and equipment (Refer Note 4(a))*	1,819.39	1,468.91
Amortization of intangible assets	0.00	-
Provision for impairment loss on non-current assets (non-financial)	0.00	-
	1,819.39	1,468.91

*Depreciation of property, plant and equipment is presented net of depreciation capitalized for the year.



Tamil Nadu Transmission Corporation Limited
CIN : U40109TN2009SGC071948
NPKRR Maligai (TNEB Office), 144, Anna Salai, Chennai - 600 002.

Notes to the financial statements for the year ended 31 March 2025

(in INR crores)

29 Other expenses

	Year ended 31 March 2024	Year ended 31 March 2023
Repairs and maintenance:		
Plant & machinery	52.10	120.29
Buildings and civil works	0.47	0.69
Lines, cables and networks	12.44	7.05
Others	5.90	40.19
Travelling and conveyance expenses	18.50	15.49
Security charges	21.71	22.55
License and other fees	6.19	5.57
Legal and consulting charges expenses	5.21	7.63
Telephone and communication expenses	1.24	1.20
Insurance expenses	0.28	0.32
Rates and taxes	2.27	0.79
Freight	0.20	0.51
Printing and stationary expenses	0.72	0.43
Payment to Auditors (refer note (i) below)	0.28	0.66
Rent	0.12	0.10
Net loss on foreign currency translations*	151.69	0.00
Miscellaneous expenses	154.34	25.60
Less: Other expenses capitalized	(9.02)	(10.33)
	424.63	238.76

*Net gain/loss on foreign currency has been regrouped from Other Income to Other expenses.

Borrowings from JICA, KFW and ADB are received by the Government of India from these external funding agencies for TANTRANSCO projects. Thereafter, the borrowed funds are transferred by the Government of India to the Government of Tamil Nadu, which in turn transfers the funds to TANTRANSCO. Government of India is repaying the borrowings as per the repayment schedule to the above funding external funding agencies. In this regard, the outstanding loan to be repaid by the Government of India at the year end are shown in the Balance Sheet at the exchange rate prevailing at the year end and the loan repaid by the Government of India are accounted at the exchange rate at which the borrowings were repaid by the Government of India and shown under Current Liabilities. The interest payments made by the Government of India are shown under the Current Liabilities at the exchange at which the payments were made by the Government of India. Accordingly, TANTRANSCO has recognised Rs. 151.69 crore as net loss on foreign currency transactions under Other Expenses.

** Includes Registration charges with Registration of Company (ROC) of Rs.33,820/-

(i) Payment to Auditors

	Year ended 31 March 2025	Year ended 31 March 2024
As auditor:		
Statutory audit fees*	0.23	0.23
Tax audit fees	0.01	0.01
Other Services	0.02	0.40
Reimbursement of expenses	0.02	0.02
	0.28	0.66



Notes to the financial statements for the year ended 31 March 2025

(in INR crores)

30 Tax expense

	Year ended 31 March 2025	Year ended 31 March 2024
Current tax--	-	-
Deferred tax (refer note 41)	-	-
	-	-

31 Earnings per share

The calculations of profit attributable to equity shareholders and weighted average number of equity shares outstanding for purposes of basic earnings per share calculation are as follows:

Since the shares issued by the Company are non-dilutive in nature, the Company's basic and diluted earnings per share shall remain the same.

i. Profit attributable to equity shareholders (basic and diluted)

	Year ended 31 March 2025	Year ended 31 March 2024
Profit (loss) for the year, attributable to the equity holders	116.30	547.18

ii. Weighted average number of equity shares (basic and diluted)

	Year ended 31 March 2025	Year ended 31 March 2024
Opening balance	5,84,80,73,478	5,74,80,73,478
Effect of fresh issue of shares for cash	35,00,00,000	10,00,00,000
Closing balance of issued equity shares	6,19,80,73,478	5,84,80,73,478
Weighted average number of equity shares for the year	5,85,57,44,711	5,75,08,13,204
Basic and diluted earnings per share (In INR)	0.20	0.95

32 Assets and liabilities relating to employee benefits (refer note 3(f))

	Non-current		Current	
	31 March 2025	31 March 2024	31 March 2025	31 March 2024
Provision for gratuity	261.03	287.55	136.77	136.38
Provision for staff pension	7,700.55	7,260.20	399.68	442.47
Liability for compensated absences	530.20	535.39	104.04	100.63
Total employee benefit liabilities *	8,491.78	8,083.13	640.48	679.48

* Excludes liabilities pertaining to general provident fund, contributory pension scheme and other employee benefits scheme.



Notes to the financial statements for the year ended 31 March 2025

(in INR crores)

A Defined contribution plan

Employees who have joined the Company on or after 1st April 2003 are covered under contributory pension scheme. The Company makes contributions to the extent of amount not exceeding 10% of basic pay and dearness allowance, in respect of qualifying employees. The Company has no obligations other than to make the specified contributions. The contributions are charged to the Statement of Profit and Loss as they accrue. The amount recognized as an expense towards contribution to pension fund for the FY 2024-25 aggregated to INR 26.42 crores (FY 2023-24: INR 20.46 crores).

B Defined benefit plan

i. Pension:

From FY 24-25, the management has decided to apportion the incremental movement in the value of the employee benefit cost arrived based on the available actuarial valuation report, which includes employee cost incurred and the amount of benefits paid during the year, between TANTRANSCO, TNPDC, TNPGL and TNGEL based on the proportion of the employee costs as per the previous year audited financial statements. Accordingly, the apportionment ratio between TNPDC, TNPGL, TNGEL and TANTRANSCO for FY 24-25 is around 69.29%, 9.44%, 3.07%, and 18.20%, respectively. Refer Note 3(i) for further details on the accounting policy.

Reconciliation of net defined benefit (asset) liability

The following table shows a reconciliation from the opening balances to the closing balances for the net defined benefit asset (liability) and its components.

a) Changes in the present value of the defined benefit obligation

	Year ended 31 March 2025	Year ended 31 March 2024	Year ended 31 March 2023	Year ended 31 March 2022
Present value of obligation at the beginning of the year	7,702.65	7100.27	6,828.87	6,223.67
Current service cost	65.64	62.08	53.60	51.31
Interest cost	598.31	575.57	438.91	374.26
Benefits paid	(782.08)	(698.13)	(487.16)	(422.20)
Actuarial (gains) losses on obligations - due to change in demographic assumptions	(17.80)	0.00	-	-
Actuarial (gains) losses on obligations - due to change in financial assumptions	43.10	(2007.47)	(220.32)	(691.32)
Actuarial (gains) losses on obligations - due to experience	490.40	2670.33	486.37	1,293.15
Present value of benefit obligation at the end of the year	8100.22	7,702.65	7,100.27	6,828.87



Notes to the financial statements for the year ended 31 March 2025

b) Expenses recognized in the statement of profit or loss

(in INR crores)

	Year ended 31 March 2025	Year ended 31 March 2024	Year ended 31 March 2023	Year ended 31 March 2022
Current service cost	65.64	62.08	53.60	51.31
Past Service cost	-	-	-	374.26
Net interest cost on defined benefit liability / (asset)	598.31	575.57	438.91	-
Actuarial gains (losses) on settlement	-	-	-	-
Expenses recognized	663.95	637.65	492.51	425.57

c) Expenses recognized in the other comprehensive income (OCI)

	Year ended 31 March 2025	Year ended 31 March 2024	Year ended 31 March 2023	Year ended 31 March 2022
Actuarial (gains) losses on obligation for the year	515.70	662.86	266.05	601.83
Change in asset ceiling	-	-	-	-
Net (income) expense for the year recognized in OCI	515.70	662.86	266.05	601.83

ii. Gratuity:

The Company operates post-employment defined benefit plans that provide gratuity. The gratuity plan entitles an employee, who has rendered at least five years of continuous service, to receive 15 days of salary for each year or part thereof in excess of six months of completed service at the time of retirement/exit.

Reconciliation of net defined benefit (asset) liability

The following table shows a reconciliation from the opening balances to the closing balances for the net defined benefit asset (liability) and its components.

a) Changes in the present value of the defined benefit obligation

	Year ended 31 March 2025	Year ended 31 March 2024	Year ended 31 March 2023	Year ended 31 March 2022
Present value of obligation at the beginning of the year	423.92	433.59	419.58	374.50
Current service cost	12.90	13.40	11.26	11.44
Interest cost	32.00	37.11	29.23	25.23
Past service cost	0.00	0.00	-	(16.24)
Benefits paid	(118.79)	(77.79)	(39.77)	(20.90)
Actuarial (gains) losses on obligations - due to change in financial assumptions	10.84	3.92	(21.49)	(14.64)
Actuarial (gains) losses on obligations - due to experience	36.87	13.69	34.78	60.19
Actuarial (gains) losses on obligations - due to demographic assumptions	(0.04)	-	-	-
Present value of benefit obligation at the end of the year	397.80	423.92	433.59	419.58



Notes to the financial statements for the year ended 31 March 2025

(in INR crores)

b) Expenses recognized in the statement of profit or loss

	Year ended 31 March 2025	Year ended 31 March 2024	Year ended 31 March 2023	Year ended 31 March 2022
Current service cost	12.90	13.40	11.26	11.44
Past Service cost	0.00	0.00	-	(16.24)
Net interest cost on defined benefit liability / (asset)	32.00	37.11	29.23	25.23
Actuarial gains (losses) on settlement				
Expenses recognized	44.90	50.51	40.49	20.43

c) Expenses recognized in the other comprehensive income (OCI)

	Year ended 31 March 2024	Year ended 31 March 2024	Year ended 31 March 2023	Year ended 31 March 2022
Actuarial (gains) losses on obligation for the year	47.81	17.61	13.29	45.55
Change in asset ceiling			-	-
Net (income) expense for the year recognized in OCI	47.81	17.61	13.29	45.55

32 Assets and liabilities relating to employee benefits

iii. Liability for compensated absences

Earned leave encashment: All employees are eligible to encash accrued leave any time during the service (1 time in a year). Employees can accrue a maximum of 240 days at a time as earned leave during their service

Unearned leave encashment: All employees are eligible for unearned leave for personal exigencies. Employees can accrue unearned leave to a maximum of 180 days and can encash unearned leave to maximum of 90 days.

a) Changes in the present value of the defined benefit obligation

	Year ended 31 March 2025	Year ended 31 March 2024	Year ended 31 March 2023	Year ended 31 March 2022
Present value of obligation at the beginning of the year	711.32	504.88	584.84	757.18
Current service cost	119.14	119.32	57.15	60.83
Interest cost	52.46	44.17	41.69	50.18
Past service cost		0.00	-	-
Benefits paid	(119.07)	(63.94)	(29.03)	(11.84)
Actuarial (gains) losses on obligations - due to change in financial assumptions	(0.25)	(34.68)	(44.41)	(19.68)
Actuarial (gains) losses on obligations - due to experience	(53.59)	141.57	(105.36)	(251.84)
Present value of benefit obligation at the end of the year	710.01	711.32	504.88	584.83



Notes to the financial statements for the year ended 31 March 2025

(in INR crores)

b) Expenses recognized in the statement of profit or loss

	Year ended 31 March 2024	Year ended 31 March 2024	Year ended 31 March 2023	Year ended 31 March 2022
Current service cost	119.14	119.32	57.15	60.83
Past Service cost			-	-
Net interest cost on defined benefit liability / (asset)	52.46	44.17	41.69	50.18
Actuarial gains (losses) on settlement	(53.84)	106.89	(149.77)	(271.52)
Expenses recognized	117.76	270.38	50.93	160.51

Family security fund:

The Company operates post-employment defined benefit plans that provide insurance. The insurance plan entitles an employee, who has contributed a minimum amount for minimum period, the Company will pay the immediate family an fixed amount on the death of the employee. The Company has not undertaken actuarial valuation in respect of this scheme.

C. Defined benefit plan

i. Actuarial assumptions are as under

Principal actuarial assumptions at the reporting date (expressed as weighted averages):

	Year ended 31 March 2025		Year ended 31 March 2024	
	Gratuity	Pension	Gratuity	Pension
Expected return on plan assets	0.00%	0.00%	0.00%	0.00%
Discount rate (per annum)	6.62%	6.87%	7.15%	7.20%
Rate of salary increase	3.00%	3.00%	3.00%	3.00%
Rate of employee turnover	0.25%	0.25%	1.00%	1.00%
Pension growth rate	-	2.00%	-	2.00%

II. Sensitivity analysis

Reasonably possible changes at the reporting date to one of the relevant actuarial assumptions, holding other assumptions constant, would have affected the defined benefit obligation by the amounts shown below :

	Year ended 31 March 2025		Year ended 31 March 2024	
	Gratuity	Pension	Gratuity	Pension
Delta effect of +1% change in discount rate	(18.17)	(149.40)	(22.63)	(588.96)
Delta effect of -1% change in discount rate	21.22	132.90	26.95	829.97
Delta effect of +1% change in rate of salary increase	4.43	91.90	12.69	142.56
Delta effect of -1% change in rate of salary increase	(6.48)	(119.40)	(13.24)	(109.58)
Delta effect of +1% change in rate of employee turnover	-	-	-	-
Delta effect of -1% change in rate of employee turnover	-	-	-	-



Notes to the financial statements for the year ended 31 March 2025

Financial Instruments Disclosures

(in INR crores)

33 Capital management

The Company's policy is to maintain a strong capital base so as to maintain investor, creditor and market confidence and to sustain future development of the business. The Company monitors the return on capital and it manages its capital to ensure that it will be able to continue as going concern while attaining breakeven through optimized utilization of capital.

The Company determines the amount of capital required on the basis of budgeting and plan for working capital, capital outlay and long-term product and other strategic involvements. The funding requirements are met through equity, internal accruals and long-term borrowings.

The Company's objective when managing capital is to maintain an optimal structure so as to maximize shareholder value. No changes were made in the objectives, policies or processes for managing capital during the years ended 31 March 2025 and 31 March 2024.

The capital structure is as follows:

Particulars	31 March 2025	31 March 2024	31 March 2023
Total liabilities	59,632.42	58,445.60	56,687.45
Less: Cash and cash equivalents	684.71	317.60	173.35
Adjusted net debt (A)	58,947.71	58,128.00	56,514.10
Total equity (B)	(3,289.07)	(3,191.91)	(3,158.63)
Gearing ratio (A/B)	(17.92)	(18.21)	(17.89)

34 Financial instruments by category

Particulars	31 March 2025			31 March 2024		
	FVTPL	FVTOCI	Amortized cost	FVTPL	FVTOCI	Amortized cost
Financial assets						
Trade receivables	-	-	621.93	-	-	840.50
Cash and cash equivalents	-	-	684.71	-	-	317.60
Other financial asset	-	-	86.43	-	-	194.92
Total assets	-	-	1,393.07	-	-	1,353.02

Particulars	31 March 2025			31 March 2024		
	FVTPL	FVTOCI	Amortized cost	FVTPL	FVTOCI	Amortized cost
Financial liabilities						
Borrowings	-	-	32,260.70	-	-	31,344.84
Trade payables	-	-	106.41	-	-	534.17
Other financial liabilities	-	-	3,618.00	-	-	4,315.25
Total liabilities	-	-	35,985.11	-	-	36,194.26



Notes to the financial statements for the year ended 31 March 2025

(in INR crores)

35 Fair value hierarchy

The carrying amount of all financial assets and liabilities are considered to be same as their fair values, and hence no separate fair value hierarchy is presented.

36 Financial risk management

i. Risk management framework

The Company's risk management activities are managed, directed and controlled by the Board of Directors of the Company. The Management ensures appropriate risk governance framework for the Company through appropriate policies and procedures and that risks are identified, measured and managed in accordance with the Company's policies and risk objectives.

The Company's principal financial liabilities, comprises of borrowings and trade and other payables. The main purpose of these financial liabilities is to finance the Company's operations and to provide guarantees to support its operations. The Company's principal financial assets include trade and other receivables, and cash and cash equivalents.

In the ordinary course of business, the Company is exposed to credit risk, liquidity risk and market risk

Risk	Exposure arising from	Management Response
Credit risk	Trade receivable, cash and cash equivalents and other financial assets	The Company is the sole power transmission entity in the state of Tamil Nadu. Its services are provided predominantly to its group entity i.e., Tamil Nadu Generation and Distribution Corporation Limited ('TANGEDCO'). The Company has robust collection mechanism and hence do not foresee any risk on collections. The risk on receivables from TANGEDCO are considered to be nil as both the Company and TANGEDCO are owned by GoTN. Hence, the Company has not recognized any provision for Expected Credit Losses ('ECL').
Liquidity Risk	Borrowings and other liabilities	The Board of Director's regularly monitors the liquidity position of the Company and takes proactive measures to ensure that the Company does not default on payment obligations. Further, the Company has credit lines with reputed financial institutions to mitigate any unplanned events.
Market risk - interest rate risk	Interest rate risk on borrowings	The Company regularly monitors its borrowing arrangements with all its lenders to ensure that the Company gets funding at the prevailing market rates. The Company is taking measures to improve its credit rating and thereby bringing down its cost of borrowing.
Market risk - foreign currency risk	Financial liabilities denominated in foreign currency	The Company has only limited exposure to foreign currency currently and hence does not have any material risk on account of foreign exchange fluctuations.



Notes to the financial statements for the year ended 31 March 2025

A Credit risk

(in INR crores)

Credit risk is the risk that counter party will not meet its obligations under a financial instrument or customer contract, leading to a financial loss. The Company is exposed to credit risk from its operating activities (primarily trade receivables) cash & cash equivalents and from its financing activities including loans and other financial instruments. Bank balances are held with reputed and creditworthy banking institutions.

Exposure to credit risk

The carrying amount of financial assets represents the maximum credit exposure. The maximum exposure to credit risk at the reporting date was:

	31 March 2025	31 March 2024
Financial assets for which loss allowance is measured using 12 months ECL		
Non- current financial assets		
(i) Other financial assets	6.91	6.90
Current financial assets		
(ii) Cash and cash equivalents	684.71	317.60
(iii) Other financial assets	79.53	188.02
	771.14	512.53
Financial assets for which loss allowance is measured using Life time ECL		
(i) Trade receivables	621.93	840.50
	621.93	840.50

Note: The Company has not acquired any credit impaired asset.

Provision for ECL

a) Financial assets for which loss allowance is measured using 12 month expected credit losses

The Company has assets where the counter-parties have sufficient capacity to meet the obligations and where the risk of default is very low. Accordingly, no loss allowance for impairment has been recognized.

b) Financial assets for which loss allowance is measured using life time expected credit losses

The Company has customers (including State government entities) with capacity to meet the obligations and therefore the risk of default, loss given default is negligible or nil.

B Liquidity risk

Liquidity risk is defined as the risk that the company will not be able to settle or meet its obligations on time or at a reasonable price. The Company monitors the net liquidity position on the basis of expected cash flows vis a-vis debt service fulfilment obligation. The Company has sufficient liquidity to meet its obligations. The Company manages liquidity risk by maintaining adequate banking facilities and borrowing facilities/limits. Since Transmission charges receivable from TNPDC (being a fellow subsidiary) is a major source of income for TANTRANSCO, the Company ensures that, it has sufficient liquidity to meet its expected operational expenses including servicing of financial obligations. A balance between continuity of funding and flexibility is maintained through the use of various types of borrowings.

Notes to the financial statements for the year ended 31 March 2025

Maturities of financial liabilities

(in INR crores)

The Company is in the process of collating the ageing analysis of financial liabilities required to be disclosed in its financials.

Liability	Contractual cash flows			Total
	1 - 3 Years	3 - 5 Years	Above 5 Years	
REC	3,288.14	2,644.53	6,401.36	13,932.92
PFC	1,384.89	1,438.01	6,940.02	10,634.29
HUDCO	-	-	-	28.22
NABARD	27.14	27.14	13.57	81.43
IREDA	-	-	-	-
PTC India Financial Services	79.17	158.33	66.22	343.30
Canara Bank	-	-	-	-
Bank of Baroda (Vijaya Bank)	111.11	91.77	-	258.44
State Bank of India	22.00	57.20	800.80	880.00
BONDS	-	-	-	0.05
JICA	234.00	234.00	1,417.74	2,002.75
KFW	129.64	129.64	10.45	334.55
ADB	247.23	247.23	1,730.63	2,348.71
Govt.Loan GO 72	4.09	4.09	10.23	20.45
TOTAL	5,527.42	5,031.96	17,391.01	30,865.11

C Market risk

Market risk is the risk that the fair value of future cash flows of a financial instrument will fluctuate because of changes in market prices. Market risk are comprised of three types of risk: interest rate risk, currency risk and other price risk. Financial instruments affected by market risk include loans and borrowings.

The analysis exclude the impact of movements in market variables on the carrying values of post-retirement obligations and provisions.

Interest rate risk

Interest rate risk is the risk that the fair value or future cash flows of a financial instrument will fluctuate because of changes in market interest rates. The Company is exposed to interest rate risk arising mainly from non-current borrowings with floating interest rates. The Company is exposed to interest rate risk because the cash flows associated with foreign currency floating rate borrowings will fluctuate with changes in interest rates. Refer below for the mitigating factors towards interest rate risk.

Currency risk

The Company is exposed to foreign currency risk on certain transactions that are denominated in a currency other than entity's functional currency, hence exposure to exchange rate fluctuation arises. The Company has



Notes to the financial statements for the year ended 31 March 2025

(in INR crores)

availed foreign currency loan from foreign financial institutions and hence there is foreign currency risk involved to this extent. Refer below for the mitigating factors towards foreign currency risk.

The following table analyses foreign currency liabilities on balance sheet dates:

Foreign currency liabilities	31 March 2025		31 March 2024	
	Foreign currency (in crores)	in INR crores	Foreign currency (in crores)	in INR crores
In USD	27.38	2348.71	27.41	2285.50
In EURO	3.62	334.55	4.34	392.67
In JPY	3504.37	2002.75	3704.48	2040.98

The Company is in the process of collating the information relating to sensitivity analysis of foreign currency liabilities.

Other market price risk

The Company does not have any financial asset/liability which has any other market price risk involved other than those discussed above.

37 Disclosure as per Ind AS 21 *The Effects of Changes in Foreign Exchange Rates*

The amount of exchange differences (net) resulting in loss debit to P&L during the year is Rs. 151.69 crores (FY 2023-24: Net Gain Cr. to P&L is INR 327.22 crores).

38 Disclosure as per Ind AS 23 *Borrowing Costs*

Borrowing costs capitalized during the year is INR 403.14 crores (31 March 2024: INR 698.34 crores).

39 Related parties

a. List of related parties

Parent and ultimate controlling party

TNEB Limited is the parent and the ultimate controlling party of the Company.

Fellow subsidiary

Tamil Nadu Power Distribution Corporation Limited

Tamil Nadu Power Generation Corporation Limited

Tamil Nadu Green Energy Corporation Limited

Key Managerial Personnel and their Close members

Chairman cum Managing Director

Thiru. Rajesh Lakhoni, IAS - Chairman (from 17 May 2021 to 28 November 2024)

Thiru. K. Nantha Kumar, IAS - Chairman (from 28 November 2024 to 20 February 2025)

Thiru. Dr. J. Radha Krishnan, IAS - Chairman (from 20 February 2025 to 31 March 2025)



Notes to the financial statements for the year ended 31 March 2025

(in INR crores)

Joint managing director

Vishu Mahajan - Joint Managing Director (18 November 2023 to 31-Mar-2025)

Managing Director

Thiru. M.Ramachandran, Managing Director / TANTRANSCO (30-Jun-2023 to 27-Nov-2024)

Tmt. K. Indirani, Managing Director / TANTRANSCO (28-Nov-2024 to 31-Mar-2025)

Director

Thiru. E. Shyamala, Director, Transmission/Projects (09-Nov-2022 to 31-July-2024)

Thiru.P. Chandra Sekaran, Director, Transmission/Projects (01-Oct-2024 to 31-March-2025)

Tmt. S. Lakshmi, Director Operation (28-Nov-2024 to 31-March -2025)

Thiru. K.Sundaravadhanam, Director / Finance / TANTRANSCO (09-Sep-2023 to 31-Mar-2025)

Chief Financial Controller

Tmt. V.Rajeswari, Chief Financial Controller/General/TANTRANSCO (16-May-2022 to 31-Mar-2025)

Tmt. V.Savitha, Chief Financial Controller/IND AS (27-May-2021 to 31-Mar-2025)

Company Secretary

D. Suresh Kumar (1 April 2022 to 31 March 2025)

Entities under the control of the same government

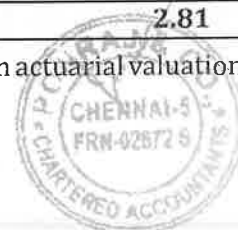
The Company is a State Public Sector Undertaking (SPSU) controlled by State Government by holding majority of shares. Pursuant to Paragraph 25 and 26 of Ind AS 24, entities over which the same government has control or joint control of, or significant influence, then there porting entity and other entities shall be regarded as related parties. Transactions with the separties are carried out at market terms at arm length basis. The Company has applied the exemption available for government related entities and have made limited disclosures in the financial statements.

b. Transactions with key management personnel

i. Key management personnel compensation*

	Transaction value	
	Year ended 31 March 2025	Year ended 31 March 2024
Short-term employee benefits	1.29	2.81
Post-employment defined benefit	-	-
Other long term benefits	-	-
Termination benefits	-	-
Sitting fees	-	-
	1.29	2.81

*Does not include post employment benefits and other long term employee benefits based on actuarial valuation since the actuarial valuation is undertaken for the Company as a whole.



Notes to the financial statements for the year ended 31 March 2025

(in INR crores)

c. Transactions with subsidiaries, associates and joint ventures*

Name of the related party	Name of the related party	Year ended 31 March 2025	Year ended 31 March 2024
TNEB Limited	Reimbursement of expenses	6.14	3.28
	Recovery of expenses	0.02	0.02
	Sharing of holding company expense	2.86	0.42
Tamil Nadu Generation and Distribution Corporation Limited (TANGEDCO)	Recovery of transmission charges	6,112.39	5,067.56
	Reimbursement of Pension Expenses	773.49	552.61
	Recovery of expenses	1,162.24	1,148.08
		8,062.14	6,771.96

d. Transactions with the related parties under the control of the same government

Name of the related party	Name of the related party	Year ended 31 March 2025	Year ended 31 March 2024
		-	-

c. Outstanding balances including commitments with related parties are as follows

Name of the related party	Name of the related party	Year ended 31 March 2025	Year ended 31 March 2024
Tamil Nadu Generation and Distribution Corporation Limited	Fellow Subsidiary	11,331.74	11,154.02
		11,331.74	11,154.02

*The Company is in the process of collating all the relevant data required to be disclosed in the financial statements as on 31 March 2025.

40 Income Tax

A Amounts recognized in the Statement Profit and Loss

	Year ended 31 March 2025	Year ended 31 March 2024
Current tax	-	-
Deferred tax expense/ (income)	393	(1,931.76)
Reversal of Deferred tax expense/ (income) (refer note B below)	(393)	1,931.76
Tax expense for the year	-	-



Notes to the financial statements for the year ended 31 March 2025

(in INR crores)

B Movement in deferred tax balances

	31 March 2025			
	Opening balance	Recognized in profit or loss*	Recognized in OCI	Closing balance
<u>Tax effect of items constituting deferred tax liabilities</u>				
Property, plant and equipment and Intangible assets	4,599.72	377.47	-	4,977.20
	4,599.72	377.47	-	4,977.20
<u>Tax effect of items constituting deferred tax assets</u>				
Disallowance u/s 43B	(2.21)	(1.34)	-	(3.56)
Provision on employee benefits	(2,521.94)	(127.50)	-	(2,649.43)
Carry forward losses	(7,179.08)	(1,409.84)	-	(8,588.91)
	(9,703.23)	(1,538.68)	-	(11,241.91)
Net tax (asset) / liabilities	(5,103.50)	(1,161.21)	-	(6,264.71)

	31 March 2024			
	Opening balance	Recognized in profit or loss*	Recognized in OCI	Closing balance
<u>Tax effect of items constituting deferred tax liabilities</u>				
Property, plant and equipment and Intangible assets	3,956.64	643.08	-	4,599.72
	3,956.64	643.08	-	4,599.72
<u>Tax effect of items constituting deferred tax assets</u>				
Disallowance u/s 43B	(2.21)	-	-	(2.21)
Provision on employee benefits	(2,484.60)	(37.33)	-	(2,521.94)
Carry forward losses	(6,966.69)	(212.39)	-	(7,179.08)
	(9,453.51)	(249.72)	-	(9,703.23)
Net tax (asset) / liabilities	(5,496.87)	393.36	-	(5,100.65)

*The Company has recognized deferred tax asset only to the extent of deferred tax liability. The Company has not recognized any deferred tax assets as there is no probable future taxable profits which will be available against which such deferred tax asset shall be utilized.



Notes to the financial statements for the year ended 31 March 2025

(in INR crores)

41 Disclosure as per Ind AS 115, Revenue from Contracts with Customers A

A Disaggregation of revenue

Particulars	Transmission of power		State Load Dispatch Center ('SLDC')		Total	
	Year ended 31 March 2025	Year ended 31 March 2024	Year ended 31 March 2025	Year ended 31 March 2024	Year ended 31 March 2025	Year ended 31 March 2024
Transmission charges	6,527.32	5,617.63	13.94	25.61	6,541.25	5,643.24
Scheduling and system operating charges and other operating income	252.99	238.64	8.25	9.06	261.24	247.71
Total revenue from operations	6,780.31	5,856.27	22.19	34.67	6,802.50	5,890.95

B Contract balances

Contract assets are recognized when there is excess of revenue earned over billings on contracts.

The following table provides information about trade receivables, unbilled revenue and advances from customers/payable to beneficiaries:

	31 March 2025		31 March 2024	
	Current	Non-current	Current	Non-current
Trade receivables	621.93	-	840.50	-
Unbilled revenue	0.01	-	0.01	-

42 Information in respect of micro and small enterprises as at 31 March 2023 as required by Schedule III of Companies Act, 2013 and Micro, Small and Medium Enterprises Development Act, 2006:

	31 March 2025	31 March 2024
Principal amount remaining unpaid	-	-
Interest due thereon	-	-
The amount of Interest paid along with the amounts of the payment made to the supplier beyond the appointed day	-	-
The amount of interest due and payable for the year	-	-
The amount of interest accrued and remaining unpaid	-	-
The amount of further interest due and payable even in the succeeding years, until such date when the interest dues as above are actually paid	-	-

Corporate Social Responsibility Expenses (CSR)

As per Section 135 of The Companies Act, 2013, the Company is required to spend, in every financial year, at least two per cent of the average net profits of the Company made during the three immediately preceding financial years in accordance with its CSR Policy. Since the Company incurred loss during the three immediately preceding financial years for FY 2023-24 and FY 2022-23, and no CSR expenditure was incurred by the Company for both the years.



Notes to the financial statements for the year ended 31 March 2025

(in INR crores)

44 Disclosure as per Ind AS 116 Leases

(A) Company as Lessee

(a) Short term leases and Leases of low value assets:

The Company has elected not to recognise right of use assets and lease liabilities for short term leases of office premises/branches that have a lease term of 12 months or less. The company does not have any leases of low value assets. The Company recognises the lease payments associated with these leases as an expense on a straight line basis over the lease term.

(B) Company as Lessor

(a) Operating Leases

The Company provides accommodation to employees in the case of transfer to another location or for the employees working in remote locations. The accommodation can be used by these employees during their tenor of employment and the Company charges rent for the same. The rental amount is determined based on the house rent allowance applicable to the employees. The Company has classified this arrangement as operating lease based on the principles enunciated in para 62 of Ind AS 116.

The following are the amounts recognized in Statement of Profit and Loss:

	Year ended 31 March 2025	Year ended 31 March 2024
Lease income	0.72	0.49

45 Operating Segments

A. Basis for segmentation

An operating segment is a component of the Company that engages in business activities from which it may earn revenues and incur expenses, including revenues and expenses that relate to transactions with any of the Company's other components, and for which discrete financial information is available. All operating segments' operating results are reviewed regularly by the Company's Board of Directors to make decisions about resources to be allocated to the segments and assess their performance. The Board of Directors is considered to be the Chief Operating Decision Maker (CODM) within the purview of Ind AS 108 Operating Segments.

The Company has 2 reportable segments, as described below, which are the Company's strategic business units. These business units offer different services and are managed separately. For each of the business units, the Board of Directors reviews internal management reports on at least a quarterly basis.

The following summary describes the operations in each of the reportable segments:

Reportable segments Operations		Year ended 31 March 2025		Year ended 31 March 2024	
Transmission of power	Transmission of power to high tension customers through distribution network and related ancillary services.	6841.20	-435.44	6272.90	-139.46
State Load Dispatch Centre (SLDC)	Scheduling, system operations, evaluation of generators' applications regarding grid connectivity	40.00	-11.72	38.31	6.18

Notes to the financial statements for the year ended 31 March 2025

(in INR crores)

Information about geographical areas

The geographical information analyses the Company's revenues and non-current assets by the Company's country of domicile (i.e. India) and other countries. In presenting the geographical information, revenue has been based on the geographic location of customers and non-current assets have been based on the geographical location of the assets. Since the Company is in the business of transmission of power in Tamil Nadu, all revenue are domestic and all non-current assets are situated in India only.

46 Contingent liabilities

- 1 The Company has Income Tax disputes for various Assessment Years from Assessment Year 2011-12 to 2017-18 which do not have any implication of Income tax demands and consequently no provision is required to be made in the books of account. Also, against the said disputes, the Company has preferred appeals to CIT(Appeals) and Income Tax Appellate Tribunal for which proceedings are pending as at the year end. For Assessment years 2019-20, 2020-21, 2021-22 & 2022-23 assessment is yet to be completed.
- 2 The GST Auditor appointed for the GST Audit for the FY 2018-19 have remarked his observation that the GST liability to the tune of 52.88 crores in relation to the Operation and Maintenance charges, Liquidated damages and other recoveries. As per the GOI circular, it has clarified that the GST on liquidated damages is not applicable. Out of the GST liability of Rs.52.88 crores, the GST liability in relation to the liquidated damages amounts to Rs.17.48 crores. The remaining GST liability of Rs.35.4 crores in relation to the Operation and Maintenance charges have been the subject matter of the DRC-01 notice which have been appealed in the Madras High Court, for which the final orders are awaited.
- 3 The GST Department has issued a summon seeking to give evidence/produce documents with respect to (i) the value and description of operation and maintenance materials and business assets like substations, transformers, etc., transferred to TANGEDCO and to other persons, and Whether GST is being discharged on the transactions mentioned on the same. The above summon was the result of Advance Ruling filed by TANGEDCO with regard to the applicability of GST on the intercompany transactions between TANGEDCO and TANTRANSCO. TANGEDCO has filed writ appeal against the orders issued by the Appellate Authority of Advance Ruling, in the High Court of Chennai. Hence, TANTRANSCO has also filed writ petition against the above summon vide W.P. No 15397. The court case is under trial. The Hon'ble High court of Madras vide order dated 18.11.2024, has ordered that the Writ petition and connected writ miscellaneous petition for which the closure orders are awaited from the GST department.
- 4 The GST Department issued Audit slips & Observations with respect to the GST Audit for the four financial years 2017-18 to 2020-21. The GST department later issued DRC-01A (Intimation to Show Cause Notice) and DRC-01 (Show Cause Notice) covering the GST applicability on all the heads of the income, expenditure, and assets of TANTRANSCO, as per the financial statements - Profit and Loss Account and Balance Sheet, amounting to Rs.1,108 crores for four financial years from 2017-18 to 2020-21. The reply for the DRC-01A notice and DRC-01 was furnished by TANTRANSCO. TANTRANSCO has filed four Writ Petitions in the High Court of Chennai, against each DRC-01 notices vide W.P. 28939, 28940, 28944 & 28945. High court vide order dt:18.11.2024, has closed the writ petition and connected writ miscellaneous writ petition also.



Notes to the financial statements for the year ended 31 March 2025

(in INR crores)

47A Additional regulatory information

1. Details of benami properties: There are no benami properties held by the Company as on date of financials. Hence the additional disclosure as specified in the said notification Companies Act 2013 is not applicable to the Company.
2. Willful Defaulter: As on date of financials or any of the previous years, the Company has not defaulted any of its loans paid to any banks or financial institutions.
3. Details of Crypto Currency or Virtual Currency: The Company has not traded or invested in crypto currency or virtual currency during the current financial year or any of the previous financial years.
4. Undisclosed Income: There is no undisclosed income in the company.
5. Wilful defaulter: Not declared as wilful defaulter by any bank or financial Institution or other lender.
6. Registration of charges or satisfaction with Registrar of Companies (ROC) : Charges created with Registrar of Company towards hypothecation of Property, Plant & equipment, book debts against borrowings and overdraft facilities availed by the company. The details of such charges are reported in Note 14A.
7. Compliance with number of layers of companies: Clause (87) of Sections 2, Section 450 read with sub-sections (1) and (2) of Section 469 of the Companies Act, 2013 and Section 2 Companies (Restriction on number of layers) Rules, 2017, Government Companies are exempt from requirements of disclosing the number of layers of its holding in subsidiaries . Hence the additional disclosure as specified in the notification no.GSR 207(e) dated 24th March 2021 to Companies Act 2013 is not applicable to the Company.
8. Title deeds: Title deeds of land are held in the name of TANGEDCO, TANTRANSCO and TNEB. The company is in the process of collating the title deeds details.
9. The company has not revalued its Property, plant & equipment, and its Intangible assets. Therefore disclosure relating to whether the revaluation is based on the valuation by a registered valuer as defined under rule 2 of the Companies (Registered valuers and valuation) rules, 2013 does not arise.
10. Loans to promoters, directors, KMP's except as disclosed in Note 40 there are no loans or advances in the nature of loans granted to promoters, directors, KMP's and the related parties (As defined under Companies Act 2013) either severally or jointly with any other person.

48 Regulatory Assets: The transmission charges billed by TANTRANSCO are fixed by the Hon'ble TNERC. The Hon'ble Commission while issuing true up order for the FY 2021-22 has arrived at the cumulative revenue deficit of Rs.5237.53Cr. The year-wise cumulative Regulatory Asset is furnished below. The figures are as per the order issued by the Hon'ble Tamil Nadu Electricity Regulatory Commission while issuing true up order for the respective years.



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Notes to the financial statements for the year ended 31 March 2025
(in INR crores)

Details of Regulatory Assets created over the years (Amount in Crores)					
Sl. No.	Tariff Order Reference	Year	Opening balance	Addition including carrying cost	Closing balance
1	T.P.No.2 of 2017 dated 11.8.2017	2015-16	0	0	0
2	T.P.No.2 of 2022 dated 9.9.2022	2016-17	0	630.71	630.71
3	T.P.No.2 of 2022 dated 9.9.2022	2017-18	630.71	930.4	1561.11
4	T.P.No.2 of 2022 dated 9.9.2022	2018-19	1561.11	898.43	2459.54
5	T.P.No.2 of 2022 dated 9.9.2022	2019-20	2459.54	1314.49	3774.03
6	M.P.No.10 of 2024	2020-21	3774.03	936.91	4710.94
7	M.P.No.20 of 2024	2021-22	4710.94	526.6	5237.54

49 Relationship with Struck off Companies

The Company has not entered into any transaction with struck off companies.

50 The statement of BG value accepted during the financial year 2024-25 (exceeding 1 crore)

S.No.	PO No. & Date	Ref (BG No. & Date)	BG Value (in crores)
1	3196, Dt:31.03.2023	0194623BG0000206	6.65
2	1085, Dt:21.10.2024	240390IBGP00718	1.23
3	3226, Dt:21.11.2024	00909GPGE2432701	1.93
4	Specn.T.2213/NOA No.3185	406BGG2200394 Dt.04.01.2023	4.10
5	Specn.T.2237/Agt 3181/22	406BG2200341 Dt.01.11.2022	3.64



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Notes to the financial statements for the year ended 31 March 2025

51 Financial Ratios

Sl No.	Ratios	UOM	Numerator	Denominator	As at 31 March 2025	As at 31 March 2024	Numer- ator	Denomi- nator	As at 31 March 2024	As at 31 March 2025	% of Variance"	Reason for Variance in excess of 25%
1	Current ratio	in times	Current Assets	Current Liabilities	1818.25	5638.45	1629.92	6518.36	0.32	0.25	29%	Due to increase in Current Assets & Decrease in Current Liabilities due to regrouping of payable to related parties from current liability to noncurrent liability
2	Debt-equity ratio	in times	Total Borrowings (i.e. Non-current borrowings + Current borrowings)	Total Equity (Shareholder's fund)	32260.70	(3289.07)	31344.84	(3191.91)	(9.81)	(9.82)	0%	Due to increase in borrowings
3	Debt service coverage ratio	in times	Net Profit after Tax before OCI + Depreciation + Interest	Interest on debentures + Interest on term loans + Scheduled principal repayments of term loans and debentures (i.e. excluding prepayments and refinancing of debts) during the year	4222.80	6071.48	3874.87	5326.26	0.70	0.73	-4%	Due to increase in revenue based on Multi year tariff fixation
4	Return on equity	%	Net profit after tax (-) Preference dividend (if any) *For FY 24 Net profit includes OCI figure. Same change in comparison figure of FY 23 also	Average networth (or) Equity share holders fund	(447.16)	(3289.07)	(133.28)	(3191.91)	(0.1360)	(0.0418)	226%	Due to revision of tariff, increase in revenue is greater than increase in expenses
5	Inventory turnover ratio	No. of days	Net Sales	Average inventory	0.00	0.00	0.00	0.00	0.00	NA	NA	Not Applicable



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Notes to the financial statements for the year ended 31 March 2025

51 Financial Ratios

Sl No.	Ratios	UOM	Numerator	Denominator	As at 31 March 2025	Numer- ator	As at 31 March 2024	Denomi- nator	As at 31 March 2024	As at 31 March 2023	% of Variance	Reason for Variance in excess of 25%
6	Trade receivables turnover ratio	No. of days	Net credit sales	(Average Trade Receivables + Average unbilled revenue) *No of days in the reporting year / 365	6802.50	621.53	5890.95	840.50	10.94	7.01	56%	Not Applicable
7	Trade payables turnover ratio	No. of days	Net credit purchases	Average Trade payables *No of days in the reporting year / 365	7,600.67	373.50	6,528.77	534.17	20.35	12.22	66%	Not Applicable
8	Net capital turnover ratio	in times	Net Sales	Average working capital (Current asset - Current liabilities, excluding current maturity of long term borrowings)	6802.50	(400.12)	5390.95	880.57	(17.00)	6.69	-354%	Increase in Tariff rate for revenue
9	Net profit ratio	%	Net profit after tax	Revenue from operations (or) Total sales	176.30	6802.50	547.18	5890.95	0.02	(0.09)	82%	Due to revision of tariff, increase in revenue is greater than increase in expenses
10	Return on capital employed	%	Profit before tax plus Interest on long term loans and debentures	Net worth + Total borrowings + Deferred Tax	2403.41	28971.65	2405.96	28152.93	0.08	0.09	-3%	Due to revision of tariff, increase in revenue is greater than increase in expenses
11	Return on investment*	%	Income from Investment	Cost of investment	-	-	-	-	NA	NA	NA	Not Applicable

*Considering the nature of business, Inventory turnover ratio and Return on Investment ratio are not applicable.

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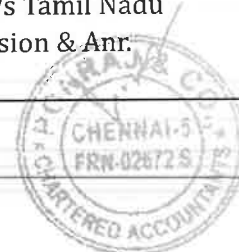
Notes to the financial statements for the year ended 31 March 2025

(in INR crores)

- 52 The Company has neither advanced nor received any funds, guarantees, securities, etc to or from an entity which shall be further invested or advanced on behalf of the ultimate beneficiaries.
- 53 Previous year's figures have been regrouped / reclassified wherever necessary, to conform to current period's classification in order to comply with the requirements of the amended Schedule III to the Companies Act, 2013 effective 1 April 2021.
- 54 Legal cases :- Appeal filed before Hon'ble APTEL against the Order of the Hon'ble TNERC in T.A.No.1 of 2021 dated 29.06.2021 for waiver of Open Access Charges during the lock down period.
1. The Power Generator Companies filed a Writ Petition in the Hon'ble High Court of Madras. The Prayer in the Writ Petition by the generators is to refund the open access charges paid by them for the Lockdown period announced by the GOI during Covid pandemic period. The Hon'ble High Court passed a common Order remanding the matter to TNERC for passing final orders. The Hon'ble TNERC passed order directing TANTRANSCO to refund the Transmission charges collected during the covid pandemic period. Appeal has been filed before the Hon'ble APTEL.

List of Appeals filed

Sl No.	DESCRIPTION	Case No.	Party Details
1	T.A. NO 1 OF 2021 Appeal Filed Before Hon'ble APTEL On 25.10.2021	APL-467/2022	TANTRANSCO Limited & Ors. Vs Tamil Nadu Electricity Regulatory Commission & Anr. M/s OPG Power Generation Pvt Ltd
2	T.A. NO 2 OF 2020 Appeal Filed Before Hon'ble APTEL On 05.06.2023	APL-7/2024	Tamil Nadu Transmission Corporation Ltd. & Ors. Vs Tamil Nadu Electricity Regulatory Commission & Ors. M/s Arkay Energy Rameswaram Ltd
3	T.A. NO 2 OF 2021 Appeal Filed Before Hon'ble APTEL On 05.06.2023	APL-6/2024	TANTRANSCO Limited & Ors. Vs Tamil Nadu Electricity Regulatory Commission & Anr. OPG Nagapattinam
4	T.A. NO 3 OF 2021 Appeal Filed Before Hon'ble APTEL On 02.06.2023	APL-4/2024	TANTRANSCO Limited & Ors. Vs Tamil Nadu Electricity Regulatory Commission & Anr. M/s. Surya Dev Alloys and power pvt ltd Arumbakkam
5	T.A. NO 4 OF 2021 Appeal Filed Before Hon'ble APTEL On 02.06.2023	APL-3/2024	TANTRANSCO Limited & Ors. Vs Tamil Nadu Electricity Regulatory Commission & Anr. M/s. Sree Rangaraj Ispat Industries Pvt ltd
6	T.A. NO 5 OF 2021 Appeal Filed Before Hon'ble APTEL On 02.06.2023	APL-5/2024	TANTRANSCO Limited & Ors. Vs Tamil Nadu Electricity Regulatory Commission & Anr. M/s. ARS Energy Pvt ltd Anna Nagar East.
7	T.A. NO 6 OF 2021 Appeal Filed Before Hon'ble APTEL On 05.06.2023	APL-8/2024	TANTRANSCO Limited & Ors. Vs Tamil Nadu Electricity Regulatory Commission & Anr. M/s. TCP Limited. Mylapore.



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Notes to the financial statements for the year ended 31 March 2025

(in INR crores)

2. The Power Generator Companies filed a Writ Petition in the Hon'ble High Court of Madras. The Prayer in the Writ Petition by the generators is to refund the open access charges paid by them for the Lockdown period announced by the GOI during Covid pandemic period. The Hon'ble High court passed a common Order remanding the matter to TNERC for passing final orders. The Hon'ble TNERC passed order directing TANTRANSCO to refund the Transmission charges collected during the Covid pandemic period. Appeal has been filed before the Hon'ble APTEL. The petitioners in these four cases filed Writ petition before the High court of Madras for implementing the order of Hon'ble TNERC directed to implement the order of the Hon'ble TNERC within a period of 4 weeks from the date of issue of order. Accordingly after seeking approval of the Board the amount of Rs.4.9 Cr has been refunded by obtaining an undertaking to indemnify TANTRANSCO by refunding the amount received with interest, without any further notice from TANTRANSCO, if the outcome of either of the appeals (High Court/APTEL) is in favour of TANTRANSCO.

List of Appeals filed,

1	W.P. NO.19753 OF 2021 Appeal Filed Before Hon'ble High Court Of Madras on 25.08.2023	M/s OPG Power Generation Pvt Ltd Vs TANTRANSCO Limited & Ors.
2	W.P. NO.23486 OF 2021 Appeal Filed Before Hon'ble High Court Of Madras on 25.08.2023	M/s. Sree Rangaraj Ispat Industries Pvt ltd Vs TANTRANSCO Limited & Ors.
3	W.P. NO.21050 OF 2021 Appeal Filed Before Hon'ble High Court Of Madras on 25.08.2023	M/s. Birla Carbon India Pvt ltd. Vs TANTRANSCO Limited & Ors.
4	W.P.NO.1199 OF 2022 Appeal Filed Before Hon'ble High Court Of Madras on 25.08.2023	M/s. ARS Energy Pvt ltd Anna Nagar East. Vs TANTRANSCO Limited & Ors.

3. An Appeal No.140 of 2024 was filed before the Hon'ble APTEL against the CERC Order dt.05.12.2022 in petition No.19/TT/2022 filed by PGCIL for truing up of Transmission Tariff for the 2014-19 tariff block for the Transmission Assers under "Transmission System associated with Kalpakkam PFBR (500MW) project". The Hon'ble APTEL, in the order dated 11.12.2024, disposed the case in favour of M/s. PGCIL. TANTRANSCO has initiated action for filing the appeal petition before the Hon'ble Supreme Court of India vide.

1	Appeal No.140 of 2024 filed before the Hon'ble APTEL on 10.11.2023.	APL -140/2024	Power Grid Corporation of India Limited Vs TANTRANSCO Limited & Ors
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Tamil Nadu Transmission Corporation Limited

Notes to the financial statements for the year ended 31 March 2025

1. Corporate information

Tamil Nadu Transmission Corporation Limited ("the Company or TANTRANSCO") is a Government of Tamil Nadu undertaking, domiciled in India and incorporated in June 2009 under the provisions of the Companies Act, 1956, and is headquartered in Chennai.

The Company is a subsidiary of TNEB Limited, a state government company. The Company has emerged out of the scheme known as Tamil Nadu Electricity (Reorganization and Reforms) Transfer Scheme notified by the Government of Tamil Nadu and is engaged in the business of transmission of power in the state of Tamil Nadu. The Company has its registered office in NPKRR Maaligai (TNEB Office), 144, Anna Salai, Chennai 600 002.

2. Basis of preparation

i. Statement of compliance

These financial statements have been prepared in accordance with Indian Accounting Standards ("Ind AS") prescribed under Section 133 of the Companies Act, 2013 read with Companies (Indian Accounting Standards) Rules, 2015 (as amended from time to time) and the provisions of the Electricity Act, 2003 to the extent applicable.

These financial statements were approved for issue by the Board of Directors on 12.11.2025.

ii. Functional and presentation currency

These financial statements are presented in Indian Rupees (INR), which is also the Company's functional currency. All amounts have been rounded-off to the nearest crore (up to two decimals), unless otherwise stated.

iii. Basis of measurement

These financial statements have been prepared on the historical cost basis except for certain financial instruments that are measured at fair values at the end of each reporting period, as explained in the accounting policies below.

Historical cost is generally based on the fair value of the consideration given in exchange for goods and services. Fair value is the price that would be received to sell an asset or paid to transfer a liability in an orderly transaction between market participants at the measurement date.

iv. Use of estimates and judgements

The preparation of financial statements in conformity with Ind AS requires management to make judgments, estimates and assumptions that affect the application of accounting policies and the reported amounts of assets, liabilities, income, and expenses. Actual results may differ from these estimates. Estimates and underlying assumptions are reviewed on an ongoing basis. Revisions to accounting estimates are recognised prospectively.

Judgements

Information about judgements made in applying accounting policies that have the most significant effects on the amounts recognised in the financial statements is included in the following notes:

- Note 3(a) - direct overheads attributable to property, plant, and equipment;
- Note 3(h) - leases: whether an arrangement contains a lease;
- Note 3(h) - lease classification.

Tamil Nadu Transmission Corporation Limited

Notes to the financial statements for the year ended 31 March 2025

Assumptions and estimation uncertainties

Information about assumptions and estimation uncertainties that have a significant risk of resulting in a material adjustment within the next financial year are included in the following notes:

- Note 3(a) - useful lives of property, plant and equipment;
- Note 3(c) - determination of Effective Interest Rate ("EIR");
- Note 3(c) and Note 3(d) - impairment of financial and non-financial assets;
- Note 3(c) - estimation of expected credit losses (i.e., the present value of all cash shortfalls) over the expected life of the financial instrument;
- Note 3(e) - recognition and measurement of provisions and contingencies; key assumptions about the likelihood and magnitude of an outflow of resources;
- Note 3(f) - measurement of defined benefit obligations; key actuarial assumptions;
- Note 3(l) - estimations used for determination of tax expenses and tax balances;
- Note 3(l) - recognition of deferred tax assets: availability of future taxable profit against which tax losses carried forward can be used.

e. Measurement of fair values

A number of the Company's accounting policies and disclosures require the measurement of fair values, for both financial and non-financial assets and liabilities.

Fair values are categorised into different levels in a fair value hierarchy based on the inputs used in the valuation techniques as follows:

- Level 1: quoted prices (unadjusted) in active markets for identical assets or liabilities.
- Level 2: inputs other than quoted prices included in Level 1 that are observable for the asset or liability, either directly (i.e., as prices) or indirectly (i.e., derived from prices).
- Level 3: inputs for the asset or liability that are not based on observable market data (Unobservable inputs).

When measuring the fair value of an asset or a liability, the Company uses observable market data as far as possible. If the inputs used to measure the fair value of an asset or a liability fall into different levels of the fair value hierarchy, then the fair value measurement is categorised in its entirety in the same level of the fair value hierarchy as the lowest level input that is significant to the entire measurement.

The Company recognises transfers between levels of the fair value hierarchy at the end of the reporting period during which the change has occurred.

f. Current and non-current classification

All assets and liabilities have been classified as current or non-current as per the Company's normal operating cycle (12 months) and other criteria set out in the Schedule III to the Companies Act, 2013 and Ind AS 1, Presentation of Financial Statements.

Tamil Nadu Transmission Corporation Limited

Notes to the financial statements for the year ended 31 March 2025

Assets

An asset is classified as current when it satisfies any of the following criteria:

- a) it is expected to be realised in, or is intended for sale or consumption in, the Company's normal operating cycle;
- b) it is held primarily for the purpose of being traded;
- c) it is expected to be realized within twelve months after the reporting date; or
- d) it is cash or a cash equivalent unless it is restricted from being exchanged or used to settle a liability for at least twelve months after the reporting date.

Liabilities

A liability is classified as current when it satisfies any of the following criteria:

- a) it is expected to be settled in the Company's normal operating cycle;
- b) it is held primarily for the purpose of being traded;
- c) it is due to be settled within twelve months after the reporting date; or
- d) the Company does not have an unconditional right to defer settlement of the liability for at least twelve months after the reporting date. Terms of a liability that could, at the option of the counter party, result in its settlement by the issue of equity instruments do not affect its classification.

Current assets and liabilities include the current portion of non-current assets and liabilities respectively. All other assets and liabilities are classified as non-current. Deferred tax assets and liabilities are always disclosed as non-current.

3. Significant accounting policies

a. Property, plant, and equipment

i. Initial recognition and measurement

The property, plant & equipment has been taken at the transfer price in respect of the assets transferred by the State Government vide G.O. Notification No. 49 with effect from 13 August 2015.

Items of property, plant and equipment are measured at cost, less accumulated depreciation, and accumulated impairment losses, if any.

Cost of an item of property, plant and equipment comprises its purchase price, including import duties and non-refundable purchase taxes, after deducting trade discounts and rebates, any directly attributable cost of bringing the item to its working condition for its intended use, capitalised borrowing costs and estimated costs of dismantling and removing the item and restoring the site on which it is located.

In case of the General Construction Circles ("GCCs") constructed assets, the entire cost of GCC (such as their staff expenses, administrative expenses, etc) gets allocated to the asset

Tamil Nadu Transmission Corporation Limited

Notes to the financial statements for the year ended 31 March 2025

constructed in proportion to the total cost of assets constructed during the year. In the case of assets constructed by the operating circles, the Company identifies the actual direct overheads incurred to bring the assets to its intended use including labour and allocates the same to the cost of asset constructed.

If significant parts of an item of property, plant and equipment have different useful lives, then they are accounted for as separate items (major components) of property, plant, and equipment. Items of spare parts, stand-by equipment and servicing equipment which meet the definition of property, plant and equipment are capitalized. Consumable spare parts are carried as inventory and recognized in the Statement of Profit and Loss on consumption.

On transition to Ind AS in FY 2020-21, the company has elected to fair value the major class of assets which includes land rights, buildings, civil works, plant and machinery and lines and cables existing as on the date of transition (1 April 2019) and consider it as the deemed cost of such PPE in accordance with Ind AS 101. For other asset categories which includes hydraulic works, furniture & fittings, office equipment and vehicles that were not fair valued has been taken at their Ind AS value as on 1 April 2019.

ii. Subsequent costs

Subsequent expenditure is capitalized only if it is probable that the future economic benefits associated with the expenditure will flow to the Company and its cost can be measured reliably. The costs of the day-to-day servicing of property, plant and equipment are recognized in the Statement of Profit and Loss as and when incurred.

iii. Depreciation

Depreciation is recognized in Statement of Profit and Loss on a straight-line basis over the estimated useful life of each part of an item of PPE. Depreciation is calculated from the date of capitalization or procurement of the asset as determined by the Company's technical team. Assets costing individually INR 500 or less are depreciated fully in the year of purchase. In respect of leasehold improvements, depreciation is charged every year on such amount as is required to write off entire cost of leasehold improvements, on a straight-line method, for the estimated useful life of the asset; or over the period of the lease whichever is earlier.

The useful lives have been determined based on technical evaluation done by the management expert's thus, the management believes that its estimates of useful lives best represent the period over which management expects to use these assets. The Company depreciates assets up to 90% of the cost of the asset and 10% is retained as the residual value.

The estimated useful lives, residual values and depreciation method are reviewed at the end of each reporting period, with the effect of any changes in estimate accounted for on a prospective basis.

Assets fair valued as on 1 April 2019 have been depreciated over the remaining useful life of the assets as provided by the Company's technical team. With respect to the assets put into use subsequent to the transition date, the useful life is arrived based on the depreciation rates prescribed in Regulation 24 of Tamil Nadu Electricity Regulation Commission's (Terms and Conditions of Determination of Tariff) Tariff Regulations 2005 as amended vide Gazette No.14 notification dated 09.04.2014.

Tamil Nadu Transmission Corporation Limited

Notes to the financial statements for the year ended 31 March 2025

iv. De-recognition

Property, plant, and equipment is de-recognised upon disposal or when no future economic benefits are expected to arise from the continued use of the asset. Any gain or loss arising on the disposal or retirement of an item of property, plant and equipment is determined as the difference between the sale proceeds and the carrying amount of the asset as at the date of de-recognition and is recognized in the Statement of Profit and Loss.

v. Capital work-in-progress

Property, plant, and equipment under construction, advance paid towards acquisition, cost incurred for assets that are not ready for their intended use as on the reporting date and cost of asset not put to use before the year end, are disclosed as capital work-in-progress.

The cost of self-constructed assets includes the cost of materials & direct labour, any other costs directly attributable to bringing the assets to the location and condition necessary for it to be capable of operating in the manner intended by the management and the borrowing costs attributable to the acquisition or construction of qualifying asset.

In case of assets constructed by the GCCs, the entire cost of GCC (such as their staff expenses, administrative expenses, etc) gets allocated to the assets under construction in proportion to the total cost of assets under construction during the year. In the case of assets under construction by the operating circles, the Company identifies the actual direct overheads incurred to bring the assets to its intended use including labour and allocates the same to the cost of asset constructed.

Depreciation is not provided on capital work-in-progress until construction and installation are complete and the asset is ready for its intended use.

vi. Preliminary project identification and feasibility study costs

Preliminary project development expenditure includes expenditure on feasibility and other studies, development expenditure, expenditure on exploration works, technical knowhow etc. These costs are capitalized only when an asset is acquired, and it is directly attributable to that asset. Preliminary expenses on account of new projects incurred prior to approval of feasibility report/techno economic clearance are charged to Statement of Profit and Loss. If the projects are abandoned with reference to Government orders or otherwise, such expenditure are charged to the Statement of Profit and Loss in the respective years.

b. Investment Property

Investment property is a property held either to earn rental income or for capital appreciation or for both, but not for sale in the ordinary course of business, use in production or supply of goods or services or for administrative purposes. Upon initial recognition, investment property is measured at cost. Subsequent to initial recognition, investment property is measured at cost less accumulated depreciation and accumulated impairment losses, if any.

Tamil Nadu Transmission Corporation Limited

Notes to the financial statements for the year ended 31 March 2025

When the use of a property changed from owner-occupied to investment property, the property is reclassified as investment property at its carrying amount on the date of reclassification.

Any gain or loss on disposal of an investment property is recognized in the statement of profit and loss.

Rental income from investment property is recognized as other income on a straight-line basis over the term of the lease.

The fair value of the investment is disclosed in the notes. Fair value is determined by an independent valuer who holds a recognized and relevant professional qualification and has recent experience in the location and category of the investment property being valued.

c. Intangible Assets

i. Initial Recognition and measurement

Intangible assets that are acquired by the Company, which have finite useful lives, are initially recognized at cost. Subsequently, such assets are measured at cost less accumulated amortization and any accumulated impairment losses. Cost includes any directly attributable expenses of preparing the asset for its intended use. Expenditure on development activities is capitalized only if the expenditure can be measured reliably, the product or process is technically and commercially feasible, future economic benefits are probable, and the Company intends to and has sufficient resources to complete development and to use or sell the asset.

Expenditure incurred which are eligible for capitalization under intangible assets are carried as intangible assets under development till they are ready for their intended use.

The ERP software is jointly maintained and used by TANGEDCO and TANTRANSCO. Amount incurred for procurement and installation have been apportioned between TANGEDCO and TANTRANSCO at 79.64% and 20.36% respectively (which is based on the number of users).

Right of ways with indefinite useful lives are not amortised but are subject to impairment annually. The assessment of indefinite life is reviewed annually to determine whether the indefinite life continues to be supportable. If not, the change in useful life from indefinite to finite is made on a prospective basis.

ii. Subsequent expenditure

Subsequent expenditure is capitalized only when it increases the future economic benefits embodied in the specific asset to which it related. All other expenditure is recognized in profit or loss as incurred.

Any subsequent expenditure relating to ERP software will be apportioned between TANGEDCO and TANTRANSCO based on the number of users.

iii. Amortization

Amortization is calculated to write off the cost of intangible assets less their estimated residual values over their estimated useful lives using straight-line method and is included in depreciation and amortization in Statement of Profit and Loss.

Tamil Nadu Transmission Corporation Limited

Notes to the financial statements for the year ended 31 March 2025

Amortization method, useful lives and residual values are reviewed at the end of each financial year and adjusted if appropriate.

iv. Impairment

An impairment loss is recognized in the statement of Profit and Loss to the extent, asset's carrying amount exceeds its recoverable amount. The recoverable amount is higher of an asset's fair value less cost of disposal and value in use. Value in use is based on the estimated future cash flows, discounted to their present value using pre-tax discount rate that reflects current market assessments of the time value of money and risk specific to the assets.

The impairment loss recognized in prior accounting period is reversed if there has been a change in the estimate of recoverable amount.

v. Derecognition

An intangible asset is de-recognised on disposal or when no future economic benefits are expected from use or disposal. Any gain or loss arising from derecognition of an intangible asset is determined as the difference between the net disposal proceeds and the carrying amount of the asset as at the date of de-recognition and is recognized in the Statement of Profit and Loss.

A summary of amortisation policies applied to the Company's Intangible Assets is as follows :

Type of Assets	Estimated useful life	Amortization method
ERP Software	Over a period of 6 years	Straight line method
Right of Way	Indefinite	NA

d. Financial instruments

A financial instrument is any contract that gives rise to a financial asset of one entity and a financial liability or equity instrument of another entity. The Company recognizes a financial asset or a financial liability only when it becomes party to the contractual provisions of the instrument.

i. Financial assets

Initial recognition and measurement

All financial assets are recognized at fair value on initial recognition, except for trade receivables which are initially measured at transaction price. Transaction costs that are directly attributable to the acquisition of financial assets, which are not valued at fair value through profit or loss, are added to the fair value on initial recognition.

Trade receivables are recognised initially at the amount of consideration that is unconditional unless they contain significant financing components, in which case they are recognised at fair value. The Company's trade receivables do not contain any significant financing component and hence are measured at the transaction price measured under Ind AS 115, Revenue from contracts with customers.

Tamil Nadu Transmission Corporation Limited
Notes to the financial statements for the year ended 31 March 2025

Subsequent measurement

For purpose of subsequent measurement, financial assets are classified into:

- Financial assets measured at amortised cost;
- Financial assets measured at fair value through profit or loss (FVTPL); and
- Financial assets measured at fair value through other comprehensive income (FVOCI).

The Company classifies its financial assets in the above-mentioned categories based on:

- The Company's business model for managing the financial assets, and
- The contractual cash flows characteristics of the financial asset.

A financial asset is measured at amortised cost if both of the following conditions are met:

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

Amortised cost of a financial asset means the amount at which the financial asset is measured at initial recognition minus the principal repayments, plus or minus the cumulative amortisation using the effective interest rate method ("EIR").

Financial assets are subsequently measured at amortised cost using the EIR method. Amortised cost is calculated by considering 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.

A financial asset is measured at fair value through other comprehensive income if both of the following conditions are met:

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

A financial asset is measured at fair value through profit or loss unless it is measured at amortised cost or at fair value through other comprehensive income. In addition, the Company may elect to designate a financial asset, which otherwise meets amortized cost or FVOCI 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').

Tamil Nadu Transmission Corporation Limited

Notes to the financial statements for the year ended 31 March 2025

Derecognition

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

The rights to receive cash flows from the asset have expired; or

Both (1) 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 (2) either (a) the Company has transferred substantially all the risks and rewards of the asset, or (b) 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 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 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.

The difference between the carrying amount and the amount of consideration received/receivable is recognized in the Statement of Profit and Loss.

Impairment of trade receivables and other financial assets

In accordance with Ind AS 109, the Company applies the expected credit loss ("ECL") model for measurement and recognition of impairment loss on trade receivables or any contractual right to receive cash or another financial asset.

For this purpose, the Company follows a 'simplified approach' for recognition of impairment loss allowance on the trade receivable balances. The application of this simplified approach does not require the Company to track changes in credit risk. Rather, it recognises impairment loss allowance based on lifetime ECLs at each reporting date, right from its initial recognition.

As a practical expedient, the Company uses a provision matrix to determine impairment loss allowance on portfolio of its trade receivables. The provision matrix is based on its historically observed default rates over the expected life of the trade receivables and is adjusted for forward-looking estimates. At every reporting date, the historical observed default rates are updated and changes in the forward-looking estimates are analysed.

ii. Financial liabilities

Initial recognition and measurement

Financial liabilities are classified, at initial recognition, as financial liabilities at fair value through profit or loss or at amortized cost.

Tamil Nadu Transmission Corporation Limited

Notes to the financial statements for the year ended 31 March 2025

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 cash credit.

Subsequent measurement

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

Financial liabilities at amortized cost

After initial measurement, such financial liabilities are subsequently measured at amortized cost using the EIR method. Gains and losses are recognized in Statement of Profit and Loss when the liabilities are derecognized as well as through the EIR amortization process. Amortized cost is calculated by considering any discount or premium on acquisition and fees or costs that are an integral part of the EIR. The EIR amortization is included in finance costs in the Statement of Profit and Loss.

Trade and other payables are recognised at the transaction cost, which is its fair value, and subsequently measured at amortised cost.

Similarly, interest bearing borrowings are subsequently measured at amortised cost using EIR.

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. Gains or losses on liabilities held for trading are recognised in the Statement of Profit and 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 recognised in other comprehensive income ("OCI"). These gains/ losses are not subsequently transferred to the Statement of Profit and Loss. 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 and Loss. The Company has not designated any financial liability as fair value through profit and loss.

Amortised cost is calculated by taking into account any discount or premium on acquisition and fees or costs that are an integral part of EIR. The EIR amortisation is included as finance costs in the Statement of Profit and Loss.

The Company has not designated any financial liability at FVTPL.

Derecognition

A financial liability is derecognised when the obligation under the liability is discharged or cancelled or expires. When an existing financial liability is replaced by another from the same

Tamil Nadu Transmission Corporation Limited

Notes to the financial statements for the year ended 31 March 2025

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 and Loss.

e. Impairment

f. Impairment of financial assets

In accordance with Ind AS 109, the Company applies the expected credit loss ("ECL") model for measurement and recognition of impairment loss on trade receivables or any contractual right to receive cash or another financial asset.

For this purpose, the Company follows a 'simplified approach' for recognition of impairment loss allowance on the trade receivable balances. The application of this simplified approach does not require the Company to track changes in credit risk. Rather, it recognises impairment loss allowance based on lifetime ECLs at each reporting date, right from its initial recognition.

As a practical expedient, the Company uses a provision matrix to determine impairment loss allowance on portfolio of its trade receivables. The provision matrix is based on its historically observed default rates over the expected life of the trade receivables and is adjusted for forward-looking estimates. At every reporting date, the historical observed default rates are updated and changes in the forward-looking estimates are analysed.

ii. Impairment of non-financial assets

The Company's non-financial assets, other than deferred tax assets are reviewed at each reporting date to determine whether there is any indication of impairment. If any such indication exists, then the asset's recoverable amount is estimated. Recoverable amount of an asset is the higher of its value in use and its fair value less cost to sell. Value in use is based on the estimated future cash flows, discounted to their present value using a pre-tax discount rate that reflects current market assessments of the time value of money and the risks specific to the asset. When it is not possible to determine the recoverable amount of an individual asset, then the Company estimates the recoverable amount of the cash generating unit ("CGU") to which the asset belongs. The Company's corporate assets to the extent possible are allocated to the CGUs it belongs.

An impairment loss is recognised if the carrying amount of an asset or CGU exceeds its estimated recoverable amount. Impairment loss recognised in respect of a CGU is allocated to the carrying amounts of the assets of the CGU (or group of CGUs) on a pro rata basis. Impairment losses are recognised in the Statement of Profit and Loss.

The Company reviews at each reporting date whether there is any indication that the loss has decreased or no longer exists. An impairment loss is reversed if there has been a change in the estimates used to determine the recoverable amount. Such a reversal is made only to the extent that the asset's carrying amount does not exceed the carrying amount that would have been determined, net of depreciation or amortization, if no impairment loss had been recognized.

Tamil Nadu Transmission Corporation Limited

Notes to the financial statements for the year ended 31 March 2025

i. Provision, contingent liabilities, and contingent assets

A provision (other than for employee benefits) is recognized if, as a result of a past event, the Company has a present legal or constructive obligation that can be estimated reliably, and it is probable that an outflow of economic benefits will be required to settle the obligation. If the effect of the time value of money is material, provisions are determined by discounting the expected future cash flows at a pre-tax rate that reflects current market assessments of the time value of money and the risks specific to the liability. When discounting is used, the increase in the provision due to the passage of time is recognized as a finance cost.

Contingent liabilities are possible obligations that arise from past events and whose existence will only be confirmed by the occurrence or non-occurrence of one or more future events not wholly within the control of the Company. Where it is not probable that an outflow of economic benefits will be required, or the amount cannot be estimated reliably, the obligation is disclosed as a contingent liability, unless the probability of outflow of economic benefits is remote. Contingent liabilities are disclosed on the basis of judgment of the management. These are reviewed at each balance sheet date and are adjusted to reflect the current management estimate.

Contingent assets are possible assets that arise from past events and whose existence 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. Contingent assets are disclosed in the financial statements when inflow of economic benefits is probable on the basis of judgment of management. These are assessed continually to ensure that developments are appropriately reflected in the financial statements.

g. Employee benefits

In terms of the Tamil Nadu Electricity (Re-organization and Reforms) Transfer Scheme, 2010, all the employees of TNEB were transferred to TANGEDCO and subsequently some employees were deputed to the Company's fellow subsidiary i.e., Tamil Nadu Transmission Corporation Limited ("TANTRANSCO").

Till FY22-23, the management recognised around 1/7th and 6/7th (representing 14% & 86% resp.) of the long-term and post-employment benefit cost arrived based on available actuarial valuation report as its share of long-term employment and post-employment benefits between TANTRANSCO and TANGEDCO respectively.

During FY 23-24, the Company revisited the estimates made on apportionment of employee cost between TANTRANSCO and TANGEDCO to ensure that the revised ratio best represents the actual cost of employee benefits incurred during the year, between the entities.

Based on the above, from FY 23-24, the management has decided to apportion the incremental movement in the value of the employee benefit cost arrived based on the available actuarial valuation report, which includes employee cost incurred (TANGEDCO @ 81.81% & TANTRANSCO @ 18.19%) and the amount of benefits paid during the year, between TANTRANSCO and TANGEDCO in the ratio of 18% and 82% respectively.

Based on the similar methodology as above, from FY 24-25, the management has decided to apportion the incremental movement in the value of the employee benefit cost arrived based

Tamil Nadu Transmission Corporation Limited

Notes to the financial statements for the year ended 31 March 2025

on the available actuarial valuation report, which includes employee cost incurred and the amount of benefits paid during the year, between TANTRANSCO, TNPDCCL, TNPGL and TNGEL based on the proportion of the employee costs as per the previous year audited financial statements. Accordingly, the apportionment ratio between TNPDCCL, TNPGL, TNGEL and TANTRANSCO for FY 24-25 is around 69.29%, 9.44%, 3.07%, and 18.20%, respectively.

The amount of effect in future periods are impracticable to estimate since it is dependent on actuarial valuation reports for respective future periods.

i. Short-term employee benefits

Short-term employee benefit obligations are measured on an undiscounted basis and are expensed as the related service is provided. A liability is recognised for the amount expected to be paid, if the Company has a present legal or constructive obligation to pay this amount as a result of past service provided by the employee, and the amount of obligation can be estimated reliably.

ii. Defined contribution plans

A defined contribution plan is a post-employment benefit plan under which an entity pays fixed contributions into a separate entity and will have no legal or constructive obligation to pay further amounts.

The Company runs contributory pension scheme in which the Company deducts 10 percent of the employees' salary and contribute an equal amount into a separate account. The contributions to such contributory pension scheme are recognized as an expense and charged to the Statement of Profit and Loss.

iii. Defined benefit plans

A defined benefit plan is a post-employment benefit plan other than a defined contribution plan. The Company's liability towards staff pension fund, gratuity, family security fund scheme, TNEB special provident fund cum gratuity scheme are in the nature of defined benefit plans.

The Company's net obligation in respect of defined benefit plans is calculated separately for each plan by estimating the amount of future benefit that employees have earned in the current and prior periods discounting that amount.

The calculation of defined benefit obligation is performed annually by a qualified actuary using the projected unit credit method. When the calculation results in a potential asset for the Company, the recognised asset is limited to the present value of economic benefits available in the form of any future refunds from the plan or reductions in future contributions to the plan ('the asset ceiling'). In order to calculate the present value of economic benefits, consideration is given to any minimum funding requirements.

Re-measurements of the net defined benefit liability, which comprise actuarial gains and losses, the return on plan assets (excluding interest) and the effect of the asset ceiling (if any, excluding interest), are recognised in OCI. The Company determines the net interest expense

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Notes to the financial statements for the year ended 31 March 2025

(income) on the net defined benefit liability (asset) for the period by applying the discount rate used to measure the defined benefit obligation at the beginning of the annual period to the then-net defined benefit liability (asset), taking into account any changes in the net defined benefit liability (asset) during the period as a result of contributions and benefit payments. Net interest expense and other expenses related to defined benefit plans are recognised in profit or loss.

When the benefits of a plan are changed or when a plan is curtailed, the resulting change in benefit that relates to past service ('past service cost' or 'past service gain') or the gain or loss on curtailment is recognised immediately in profit or loss. The Company recognises gains and losses on the settlement of a defined benefit plan when the settlement occurs.

iv. Other long-term employee benefits

Benefits under the Company's earned and unearned leave encashment scheme constitute other long-term employee benefits. The Company's net obligation in respect of these long-term employee benefits is calculated separately for each plan by estimating the amount of future benefit that employees have earned in return for their service in the current and prior periods; that benefit is discounted to determine its present value and the fair value of any related assets is deducted. The discount rate is based on the prevailing market yields of Indian government securities as at the reporting date that have maturity dates approximating the terms of the Company's obligations and that are denominated in the same currency in which the benefits are expected to be paid.

The actuarial calculation is performed annually by a qualified actuary using the projected unit credit method. Any actuarial gains or losses are recognized in Statement of Profit and Loss account in the period in which they arise.

The obligations are presented as current liabilities in the balance sheet if the entity does not have an unconditional right to defer settlement for at least twelve months after the reporting period, regardless of when the actual settlement is expected to occur.

v. Employee benefit schemes in the nature of liability

The Company has several employee benefits schemes such as general provident fund scheme and TNEB employees special provident fund cum gratuity scheme (2000), wherein it receives a fixed amount as contribution from the employees and accrues interest on the same. The corpus (principal and accumulated interest) is paid at the time of retirement or at the time of employee leaving the Company whichever is earlier. Under Ind AS 109, these are classified as financial liabilities.

- vi. The pension payments of existing pensioners of erstwhile TNEB are being paid by TNPDC. The total pension payment of Rs. 4297.17 Crores has been allocated in the ratio of 70:18:9:3 among TNPDC, TANTRANSCO, TNPGL and TNGEL based on the employee cost incurred by the respective companies during the preceding Financial Year 2023-24.

h. Revenue

Company's revenue arises from transmission and scheduling and system operating charges collected at the tariff notified by Tamil Nadu Regulatory Commission ("TNERC") from time to

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Notes to the financial statements for the year ended 31 March 2025

time. Revenue from contracts with customers is recognised when control of the goods or services are transferred to the customer at an amount that reflects the consideration to which the Company expects to be entitled in exchange for those goods or services.

Revenue from other operational income and other income comprises of estimate and reconnection charges, meter rent, testing and application fees, interest income on bank deposits and staff loan, sale of scrap and other miscellaneous income, etc.

The specific recognition criteria described below must also be met before revenue is recognised:

i. Transmission charges

The Company collects transmission charges from the customers for transmitting the power from the point of generation to the point of supply. Revenue from transmission of power is recognised over time for transmission of electricity based on the tariff notified by the TNERC from time to time. Input method is used to recognize revenue based on the Company's efforts or inputs to the satisfaction of a performance obligation to deliver power.

ii. Scheduling and system operating charges

The Company through State Load Dispatch Centre ("SLDC") collects scheduling charges from customers for scheduling the transmission of power and collects system operation charges from them. These scheduling charges are recognised as income on accrual basis.

Revenue from Short Term Open Access ("STOA") contracts are recognized as 'scheduling and system operating charges' in the financial statements as STOA contracts arises only when there is a transmission availability in the lines of LTOA / MTOA customers.

iii. Other operational income

- Reactive energy charges are collected by the Company when the generator of power does not inject the agreed quantity of power and are recognised as income on accrual basis.
- Reconnection charges collected from the customers for reconnecting the services which are disconnected or discontinued for any reason are recognised on accrual basis once the services are provided.
- Meter rents are collected from customers monthly along with the invoice raised for power consumption and are recognised as income on accrual basis.
- Testing and application fees are collected from the customers for testing of the Company's equipment and are recognised on accrual basis once the services are provided.

iv. Other income

- Interest income is recognized, when no significant uncertainty as to measurability or collectability exist, on a time proportion basis taking into account the amount outstanding and the applicable interest rate, using the EIR.
- Scrap other than steel scrap is accounted for as and when sold. Revenue from rentals and operating leases is recognized on an accrual basis in accordance with the substance of the relevant agreement.

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- For debt instruments measured either at amortized cost or at fair value through OCI, interest income is recorded using the EIR. EIR is the rate that exactly discounts the estimated future cash payments or receipts over the expected life of the financial instrument or a shorter period, where appropriate, to the gross carrying amount of the financial asset or to the amortized cost of a financial liability. When calculating the EIR, the Company estimates the expected cash flows by considering all the contractual terms of the financial instrument (for example, prepayment, extension, call and similar options) but does not consider the expected credit losses. Interest income is included in other income in the Statement of Profit and Loss.
- The liquidated damages/ interest on advance to suppliers is recognized when no significant uncertainty as to measurability or collectability exists.

i. Leases

Effective 1 April 2019, the Company adopted Ind AS 116, Leases and applied to all lease contracts existing on 1 April 2019 using the modified retrospective method on the date of initial application. Pursuant to adoption of Ind AS 116, the Company recognised right-of-use assets and lease liabilities for those leases which were previously classified as operating leases, except for short-term leases and leases of low-value assets. The lease liability is measured at the present value of remaining lease payments discounted at incremental borrowing rate applicable at the date of initial application and the right-of-use asset has been recognized at an amount equal to lease liability.

As lessee

The Company recognises a right-of-use asset and a lease liability at the lease commencement date. The right-of-use asset is initially measured at cost, which comprises the initial amount of the lease liability adjusted for any lease payments made at or before the commencement date, plus any initial direct costs incurred and an estimate of costs to dismantle and remove the underlying asset or to restore the underlying asset or the site on which it is located, less any lease incentives received. The right-of-use asset is subsequently depreciated using the straight-line method from the commencement date to the end of the lease term, unless the lease transfers ownership of the underlying asset to the Company by the end of the lease term or the cost of the right-of-use asset reflects that the Company will exercise a purchase option. In that case the right-of-use asset will be depreciated over the useful life of the underlying asset. In addition, the right-of-use asset is periodically reduced by impairment losses, if any, and adjusted for certain remeasurements of the lease liability.

The lease liability is initially measured at the present value of the lease payments to be paid over the lease term at the commencement date, discounted using the interest rate implicit in the lease or, if that rate cannot be readily determined, the Company's incremental borrowing rate. Generally, the Company uses its incremental borrowing rate as the discount rate. Subsequently, the lease liability is measured at amortised cost using the effective interest method.

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As lessor

When the Company acts as a lessor, it determines at lease inception whether each lease is a finance lease or an operating lease. To classify each lease, the Company makes an overall assessment of whether the lease transfers substantially all of the risks and rewards incidental to ownership of the underlying asset. If this is the case, then the lease is a finance lease; if not, then it is an operating lease. As part of this assessment, the Company considers certain indicators such as whether the lease is for a major part of the economic life of the asset. The Company recognises lease payments received under operating leases as income on a straight-line basis over the lease term.

j. Government grants

Government grants are recognised initially as deferred income at fair value when there is reasonable assurance that the grant will be received, and the Company will comply with the conditions associated with the grant. The grants are recognised in profit or loss as other operating revenue on a systematic basis. Grants related to depreciable assets are recognised in profit or loss over the period and in the proportion in which depreciation expense on those assets is recognised. Capital grants other than those related to depreciable assets are treated as deferred income which is recognized in the Statement of Profit and Loss statement on a systematic and rational basis over the useful life of the asset, i.e., such amounts are allocated to income over the periods.

k. Foreign currency transactions

Items included in the financial statements of the Company are measured using the currency of the primary economic environment in which the entity operates i.e., functional currency. The Company's financial statements are presented in INR, which is also the Company's functional and presentation currency.

The foreign exchange transactions undertaken by the Company includes loans and purchase of other materials. Transactions in foreign currencies are initially recorded at the functional currency spot rates at the date the transaction first qualifies for recognition.

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 recognized in the Statement of Profit and Loss in the year in which it arises.

l. Borrowing cost

Borrowing costs are interest and other costs (including exchange differences relating to foreign currency borrowings to the extent that they are regarded as an adjustment to interest costs) incurred in connection with the borrowing of funds. Borrowing costs directly attributable to acquisition or construction of an asset which necessarily take a substantial period of time to get ready for their intended use are capitalized as part of the cost of that asset. Other borrowing costs are recognized as an expense in the period in which they are incurred.

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Notes to the financial statements for the year ended 31 March 2025

m. Income-tax

Income tax comprises current and deferred tax. It is recognised in profit or loss except to the extent that it relates to an item recognised directly in equity or in other comprehensive income.

i. Current tax

Current tax comprises the expected tax payable or receivable on the taxable income or loss for the year and any adjustment to the tax payable or receivable in respect of previous years. The amount of current tax reflects the best estimate of the tax amount expected to be paid or received after considering the uncertainty, if any, related to income taxes. It is measured using tax rates (and tax laws) enacted or substantively enacted by the reporting date.

Current tax assets and current tax liabilities are offset only if there is a legally enforceable right to set off the recognised amounts, and it is intended to realise the asset and settle the liability on a net basis or simultaneously.

ii. Deferred tax

Deferred tax is recognised in respect of temporary differences between the carrying amounts of assets and liabilities for financial reporting purposes and the corresponding amounts used for taxation purposes. Deferred tax is not recognised for temporary differences arising on the initial recognition of assets or liabilities in a transaction that is not a business combination and that affects neither accounting nor taxable profit at the time of the transaction.

Deferred tax assets are recognised to the extent that it is probable that future taxable profits will be available against which the temporary difference can be utilised. Deferred tax assets are reviewed at each reporting date and are reduced to the extent that it is no longer probable that the related tax benefit will be realised. Unrecognised deferred tax assets are reassessed at each reporting date and are recognised to the extent that it has become probable that the future taxable profits will allow the deferred tax assets to be recovered.

Deferred tax is measured at the tax rates that are expected to apply to the period when the asset is realized or the liability is settled, based on the laws that have been enacted or substantively enacted by the reporting date. The measurement of the deferred tax reflects the tax consequences that would follow from the manner in which the Company expects, at the reporting date, to recover or settle the carrying amount of its assets and liabilities.

Current and deferred tax is recognised in profit or loss, except to the extent that it relates to items recognised in other comprehensive income or directly in equity. In this case, the tax is also recognised in other comprehensive income or directly in equity, respectively.

Deferred tax assets and liabilities are offset if there is a legally enforceable right to offset current tax liabilities and assets, and they relate to income taxes levied by the same tax authority on the same taxable entity, or on different tax entities, but they intend to settle current tax liabilities and assets on a net basis, or their tax assets and liabilities will be realised simultaneously.

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Notes to the financial statements for the year ended 31 March 2025

n. Segment reporting

An operating segment is a component of the Company that engages in business activities from which it may earn revenues and incur expenses, including revenues and expenses that relate to transactions with any of the Company's other components, and for which discrete financial information is available. Operating segments are reported in a manner consistent with the internal reporting provided to the Chief Operating Decision Maker (CODM). The Company's Board of Directors are responsible for allocating resources and assessing performance of the operating segments and accordingly is identified as the CODM. The Company's CODM reviews financial information presented, for purposes of making operating decisions and assessing financial performance of the Company. The Company has identified the following two reportable segments – 'Transmission of power' and 'State Load Dispatch Centre (SLDC)' (Also refer to note 46).

o. Earnings per share

The basic earnings per share ("EPS") for the year is computed by dividing the net profit/(loss) after tax for the year attributable to equity shareholders by the weighted average number of equity shares outstanding during the year. The Company has no potentially dilutive equity shares, as the Company is a Government of Tamil Nadu undertaking with 100% equity shareholding.

p. Prior period items, accounting estimates and effect of change in accounting policy

Prior period items/errors of material nature are corrected retrospectively by restating the comparative amounts for the prior period(s) presented in which the error occurred. If the prior period error found material occurred before the earliest period presented, the opening balances of assets, liabilities and equity for the earliest period presented, are restated.

The effect of change in accounting estimate is recognised prospectively in the Statement of Profit and Loss except where they relate to assets and liabilities, the same is recognised by adjusting the carrying amount of related assets/liability/equity in the period of change. Changes in accounting policy due to initial application of Ind AS are dealt with in accordance with specific transitional provisions, if any in the respective IndAS. In other cases, the changes in accounting policy are done retrospectively; the application of such change is limited to the earliest period practicable.

t. Events occurring after the balance sheet date

Assets and liabilities are adjusted for events that occur between the end of the reporting period and the date when the financial statements are approved by the Board of Directors that provide additional evidence to assist the estimation of amounts relating to conditions existing at the end of the reporting period. Such events are disclosed or given effect to in the financial statements as provided for in Ind AS10, Events after the reporting period.

u. Recent accounting pronouncements

Ministry of Corporate Affairs ("MCA") notifies new standard or amendments to the existing standards under Companies (Indian Accounting Standards) Rules as issued from time to time. On 23 March 2022, MCA amended the Companies (Indian Accounting Standards) Amendment Rules, 2022, applicable from 01 April 2022, as below.

Tamil Nadu Transmission Corporation Limited
Notes to the financial statements for the year ended 31 March 2025

i. **Ind AS 16 – Property, Plant and Equipment (PPE)**

The amendments clarifies that excess of net sale proceeds of items produced over the cost of testing while preparing the asset for its intended use (if any), shall not be recognise in the profit or loss but deducted from the directly attributable cost considered as part of cost of an item PPE. The Company has evaluated the amendment and there is no impact in recognition of its property, plant and equipment on its standalone financial statements.

ii. **Ind AS 37 – Provisions, Contingent Liabilities and Contingent Assets**

The amendments specify that the 'cost of fulfilling' a contract comprises the 'costs that relate directly to the contract'. Costs that relate directly to a contract can either be incremental costs of fulfilling that contract (examples would be direct labour, materials) or an allocation of other costs that relate directly to fulfilling contracts (an example would be the allocation of the depreciation charge for an item of property, plant and equipment used in fulfilling the contract). The amendment is essentially a clarification and the Company does not expect the amendment to have any significant impact in its standalone financial statements.

iii. **Ind AS 109 – Financial Instruments**

The amendment clarifies which fees an entity includes when it applies the '10 percent' test of Ind AS 109 in assessing whether to derecognise a financial liability. The Company does not expect the amendment to have any significant impact in its financial statements.



Save Electricity

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