

Ref. No.....

Date.....

INDEPENDENT AUDITOR'S REPORT

To,
The Members of
Power Transmission Corporation of Uttarakhand Limited

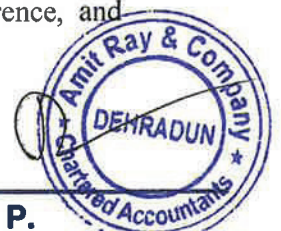
Report on the Audit of the Financial Statements**Qualified Opinion**

We have audited the accompanying financial statements of Power Transmission Corporation of Uttarakhand Limited ("the Company"), which comprise the Balance Sheet as at 31st March 2024, and the Statement of Profit and Loss (including Other Comprehensive Income), the Statement of Cash Flows and the Statement of Changes in Equity for the year then ended, including a summary of significant accounting policies and other explanatory information.

In our opinion and to the best of our information and according to the explanations given to us, except for the effects of the matter described in the Basis for Qualified Opinion section of our report, the aforesaid financial statements give the information required by the Companies Act, 2013 ("the Act") in the manner so required and give a true and fair view in conformity with the Indian Accounting Standards prescribed under section 133 of the Act read with the Companies (Indian Accounting Standards) Rules, 2015, as amended, ("Ind AS"), and other accounting principles generally accepted in India, of the state of affairs of the Company as at March 31, 2024, and its profit (including other comprehensive income), its cash flows and the changes in equity for the year ended on that date.

Basis for Qualified Opinion

1. During the audit of Property plant and equipment and based on information and explanation given to us it was observed that there is a discrepancy between the cost of the land as documented in several title deeds of owned lands including leasehold lands and the amount recorded in the balance sheet. We were unable to obtain sufficient appropriate audit evidence to explain or reconcile this difference, and

**H. O. : 5-B, SARDAR PATEL MARG, PRAYAGRAJ - 211 001 U. P.****Branches at : NEW DELHI • BANGALORE • KOLKATA • MUMBAI • CHITTORGARH • PUNE
LUCKNOW • GUWAHATI**

therefore could not determine if any adjustments were needed. (Refer Note 2(4) & 3(1) of notes to accounts)

2. Non-reconciliation of the amounts receivable from suppliers/ contractors/ employees/ other parties and amounts due to suppliers/ contractors/ employees/ other parties incorporated in the books of the company as on 01.06.2004. The impact of the same is not ascertainable.
3. In the absence of availability of relevant records with respect to property, plant and equipment pertaining to individual assets, asset wise bifurcation and charging of depreciation on property, plant and equipment of existing projects as on 1st April, 2016 is not in the manner, as prescribed by UERC Regulation 2015., the financial impact of same could not be ascertained.
4. In the absence of availability of relevant records with respect to impairment of property, plant and equipment as per Ind-AS 36 which may result in overstatements of fixed assets and profit for the period. We recommend management to enhance monitoring and appoint consultant for reporting of Ind-AS.

We conducted our audit of the financial statements in accordance with the Standards on Auditing specified under section 143(10) of the Act ("SA"s) except as stated above. Our responsibilities under those Standards are further described in the 'Auditor's Responsibility 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 made thereunder, and we have fulfilled our other ethical responsibilities in accordance with these requirements and the ICAI's Code of Ethics. We believe that the audit evidence obtained by us is sufficient and appropriate to provide a basis for our qualified audit opinion on the financial statements.

Emphasis of Matter

We would like to draw attention that the statutory books and records as per Companies Act, 2013 and rules laid down there under, has not been adequately maintained, updated and complied with. Also, secretarial audit has not completed for the financial year 2023-24 till date of our audit.

Key Audit Matters

Key audit matters are those matters that, in our professional judgment, were of most significance in our audit of the financial statements for the financial year ended March 31, 2024. These matters were addressed in the context of our audit of the financial statements as

a whole, and in forming our opinion thereon, and we do not provide a separate opinion on these matters.

Reporting of key audit matters as per SA 701, Key Audit Matters are not mandatory to the Company as it is an unlisted company.

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

The Company's Board of Directors is responsible for the other information. The other information comprises the information included in the Annual report, but 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 during the course of our audit or otherwise appears to be materially misstated.

If, based on the work we have performed, we conclude that there is a material misstatement of this other information, we are required to report that fact. We have nothing to report in this regard as the other information is not made available to us till the date of this auditor's report.

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

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 financial statements that give a true and fair view of the state of affairs (financial position), profit / loss and other comprehensive income, cash flows and changes in equity of the Company in accordance with the and other accounting principles generally accepted in India, including the Indian Accounting Standards specified under section 133 of the Act.

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.

In preparing the financial statements, the Board of Directors 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 the Board of Directors

either intends to liquidate the Company or to cease operations, or has no realistic alternative but to do so.

Those Board of Directors are also responsible for overseeing the company's financial reporting process.

Auditor's Responsibilities for the Audit of the Financial Statements

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.

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 Act, 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 our auditor's report. However, future events or conditions may cause the Company to cease to continue as a going concern.
- Evaluate the overall presentation, structure and content of the 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 misstatements 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 misstatements in the financial statements.

We communicate with those charged with governance regarding, among other matters, the planned scope and timing of the audit and significant audit findings, including any significant deficiencies in internal control that we identify during our audit.

We also provide those charged with governance with a statement that we have complied with relevant ethical requirements regarding independence, and to communicate with them all relationships and other matters that may reasonably be thought to bear on our independence, and where applicable, related safeguards.

From the matters communicated with those charged with governance, we determine those matters that were of most significance in the audit of the financial statements of the current period and are therefore the key audit matters. We describe these matters in our auditor's report unless law or regulation precludes public disclosure about the matter or when, in extremely rare circumstances, we determine that a matter should not be communicated in our report because the adverse consequences of doing so would reasonably be expected to outweigh the public interest benefits of such communication.

Report on Other Legal and Regulatory Requirements

1. As required by the Companies (Auditor's Report) Order, 2020 ("the Order"), issued by the Central Government of India in terms of sub-section (11) of section 143 of the Act, we give in the "**Annexure I**" a statement on the matters specified in paragraphs 3 and 4 of the Order, to the extent applicable.
2. As required by the direction issued by the Office of the Comptroller & Auditors General of India under Section 143(5) of the Act, we give in the "**Annexure-II**", a statement on the matters specified in the directions.
3. As required by Section 143(3) of the Act, we report that:
 - a) Except the matter described in Basis for Qualified Opinion, we have sought and obtained all the information and explanations which to the best of our knowledge and belief were necessary for the purposes of our audit except for the matters described in the Basis for Qualified Opinion;
 - b) Except for the effects/ possible effects of the matter described in the Basis for Qualified Opinion paragraph, in our opinion, proper books of account as required by law have been kept by the Company so far as it appears from our examination of those books;
 - c) The Balance Sheet, the Statement of Profit and Loss including Other Comprehensive Income, the Cash Flow Statement and the Statement of Changes in Equity dealt with by



this Report are in agreement with the relevant books of account except for effects of matters described in the Basis for Qualified Opinion;

- (d) Except for effects of the matter described in Basis for Qualified Opinion, In our opinion, the aforesaid financial statements comply with the Accounting Standards specified under Section 133 of the Act, read with Rule 7 of the Companies (Indian Accounting Standards) Rules, 2015, as amended;
- (e) In terms of Notification No. G. S. R. 463(E) dated 05th June 2015 issued by the Ministry of Corporate Affairs, the provisions of Section 164(2) of the Act regarding disqualification of directors are not applicable to the Company.
- (f) With respect to the adequacy of the internal financial controls over financial reporting of the Company and the operating effectiveness of such controls, refer to our separate Report in "Annexure III" to this report. Our report expresses an unmodified opinion on the adequacy and operating effectiveness of the Company's internal financial controls with reference to Standalone Financial Statements.
- (g) Pursuant to the Notification No. GSR 463(E) dated 5th June 2015 issued by the Ministry of Corporate Affairs, Government of India, provisions of Section 197 of the Companies Act, 2013, are not applicable to the Company, being a Government Company;
- (h) 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, as amended, in our opinion and to the best of our information and according to the explanations given to us:
- The Company has no pending litigation which would impact its financial position except as disclosed under contingent liabilities in its financial statements. (Refer Note 34 to the financial statements);
 - The Company has long-term contracts as at March 31, 2024 for which there were no material foreseeable losses. The Company does not have long-term derivative contracts as at March 31, 2024.
 - There were no amounts, which were required to be transferred to the Investor Education and Protection Fund by the company during the year ended March 31, 2024.
 - (a) The management has represented that, to the best of its knowledge and belief, no funds (which are material either individually or in the aggregate) 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 to or on behalf of the Ultimate Beneficiaries.



- (b) The management has represented, that, to the best of its knowledge and belief, no funds (which are material either individually or in the aggregate) have been received by the Company from any other 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 ("Ultimate Beneficiaries") by or on behalf of the Funding Party or
 - provide any guarantee, security or the like from or on behalf of the Ultimate Beneficiaries; and
- (c) Based on such audit procedures as considered reasonable and appropriate in the circumstances, nothing has come to our notice that has caused us to believe that the representations, under sub clause (iv)(a) and (iv)(b) contain any material misstatement.
- v. The dividend declared or paid during the year by the Company is in compliance with Section 123 of the Act.
- vi. Based on our examination, which included test checks, the Company has used accounting software for maintaining its books of account for the financial year ended March 31, 2024 which has a feature of recording audit trail (edit log) facility and the same has operated throughout the year for all relevant transactions recorded in the software. Further, during the course of our audit we did not come across any instance of the audit trail feature being tampered with.

For AMIT RAY & CO.
CHARTERED ACCOUNTANTS
FRN No. 000483C


PRADEEP MUKHERJEE
PARTNER
M. No. 070693



UDIN: 24070693 BK FZ F2 2000

Place: Dehradun

Date: 18th July 2024

ANNEXURE – I TO THE INDEPENDENT AUDITORS' REPORT

(Referred to in paragraph 1 under 'Report on Other Legal and Regulatory Requirements' section of our report to the members of Power Transmission Corporation of Uttarakhand Limited of even date)

- (i) In respect of the Company's property, plant and equipment, right-of-use assets and intangible assets:
- (a) (A) The Company has maintained proper records showing full particulars, including quantitative details and situation of Property, Plant and Equipment and relevant details of right-of-use assets.
- (B) The Company has no Intangible Assets, and hence reporting under clause 3(i)(a)(B) of the Order is not applicable.
- (b) According to the information and explanation given to us and on the basis of our examination of the records of the Company, physical verification of Assets has been done till 2018. However, due to the situation of Transmission Lines / Towers etc. in remote and difficult terrains of hilly areas, the physical verification of assets from third party is not practical and cost effective. The major value of Transmission assets (Lines & Sub-stations) are stationary and fixed / non movable and under continuous power flow (except for shutdowns). If the power flow is interrupted due to any reason (such as damage etc. in the transmission systems) then the same is reflected in the protection systems installed at both end of Transmission Lines. (Refer Note 1(iii)(a) of accounting policies)
- (c) According to the information and explanation given to us and on the basis of our examination of the records of the Company, the title deeds of immovable properties (other than immovable properties where the Company is the lessee and the lease agreement are duly executed in favor of the lessee) disclosed in the financial statements are held in the name of the Company as on the balance sheet date except the following where the title deeds are not in the name of the Company:

S. No.	Description of Item of Property	Area in Hectare	Gross Carrying Value (Rs.)	Title Deeds held in the name of	Whether title deed holder is a promoter director or relative of Promoter / director or employee of promoter/ director	Property held since which date/year	Remarks
1.	220 /132 KV Sub-station, Ramnagar, Roorkee and 132 KV Sub-station,	Not known	Not known	Not available	No	Not known	The land asset is owned by PTCUL and provided by the government for sub-station construction. The asset is currently

	Roorkee						registered under Revenue Records of UPCL/UPSEB/Transmission Division/Power House.
2.	132 KV Sub-station, Satpuli	Not known	Not known	Not available	No	Not known	The land asset is owned by PTCUL and provided by the government for sub-station construction. The asset is currently registered under Revenue Records of UPCL/UPSEB/Transmission Division/Power House.
3.	66 KV Sub-station, Kothiyalsand	0.4420	Not known	UPCL	No	Not known	The land asset is owned by PTCUL and provided by the government for sub-station construction. The asset is currently registered under Revenue Records of UPCL/UPSEB/Transmission Division/Power House.
4.	66 KV Sub-station, Karnprayag	0.1330	Not known	UPCL	No	Not known	The land asset is owned by PTCUL and provided by the government for sub-station construction. The asset is currently registered under Revenue Records of UPCL/UPSEB/Transmission Division/Power House.

5.	66 KV Sub-station, Joshimath	2.3090	Not known	UPCL	No	Not known	The land asset is owned by PTCUL and provided by the government for sub-station construction. The asset is currently registered under Revenue Records of UPCL/UPSEB/Transmission Division/Power House.
6.	132 KV Sub-station, Chudiyala	Not known	Not known	Not available	No	Not known	The land asset is owned by PTCUL and provided by the government for sub-station construction. The asset is currently registered under Revenue Records of UPCL/UPSEB/Transmission Division/Power House.
7.	66 KV Sub-station, Thithki	Not known	Not known	UPCL	No	Not known	The land asset is owned by PTCUL and provided by the government for sub-station construction. The asset is currently registered under Revenue Records of UPCL/UPSEB/Transmission Division/Power House.
8.	132 KV Sub-station, Kashipur	Not known	Not known	Not available	No	Not known	The land asset is owned by PTCUL and provided by the government for sub-station construction. The asset is currently registered under

							Revenue Records of UPCL/UPSEB/Transmission Division/Power House.
9.	132KV Sub-station Almora	12.166 (approx)	Not known	Executive Engineer - UP State Electricity Board (UPSEB)	No	21.09.1972	The land asset is owned by PTCUL and provided by the government for sub-station construction. The asset is currently registered under Revenue Records of UPCL/UPSEB/Transmission Division/Power House.
10	Substation Land (132 KV S/S Ranikhet)	2.440	6,20,000	Executive Engineer Transmission - UP State Electricity Board (UPSEB)	No	19.04.1991	The land asset is owned by PTCUL and provided by the government for sub-station construction. The asset is currently registered under Revenue Records of UPCL/UPSEB/Transmission Division/Power House.
11	132 KV Sub-station, Bhawali	Not known	Not known	Not available	No	Not known	The land asset is owned by PTCUL and provided by the government for sub-station construction. The asset is currently registered under Revenue Records of UPCL/UPSEB/Transmission Division/Power House.

12	Substation Land (132 KV S/S Pithoragarh)	1.866	1,44,007	Executive Engineer Transmission & Construction Division Haldwani	No	26.09.1972	The land asset is owned by PTCUL and provided by the government for sub-station construction. The asset is currently registered under Revenue Records of UPCL/UPSEB/Transmission Division/Power House.
13	132 KV Sub-station, Majra, Dehradun	Not known	Not known	Not available	No	Not known	The land asset is owned by PTCUL and provided by the government for sub-station construction. The asset is currently registered under Revenue Records of UPCL/UPSEB/Transmission Division/Power House.
14	132KV Sub-station Rudrapur	1.688	Not known	Not available	No	2005	The land asset is owned by PTCUL and provided by the government for sub-station construction. The asset is currently registered under Revenue Records of UPCL/UPSEB/Transmission Division/Power House.
15	132 KV Sub-station, Bindal Dehradun	Not known	Not known	Not available	No	Not known	The land asset is currently owned by PTCUL and has been made available by various departments for the construction

							of a substation. Currently, the names of the same departments are listed in the revenue records.
16	132 KV Sub-station, Purkul, Dehradun	Not known	Not known	Not available	No	Not known	The land asset is currently owned by PTCUL and has been made available by various departments for the construction of a substation. Currently, the names of the same departments are listed in the revenue records.
17	132 KV Sub-station, Manglore	Not known	Not known	Not available	No	Not known	The land asset is currently owned by PTCUL and has been made available by various departments for the construction of a substation. Currently, the names of the same departments are listed in the revenue records.
18	132 KV Sub-station, Bhagwanpur	Not known	Not known	Not available	No	Not known	The land asset is currently owned by PTCUL and has been made available by various departments for the construction of a substation. Currently, the names of the same departments are listed in the revenue records.

19	220 KV Sub-station, Chamba	Not known	Not known	Not available	No	Not known	The land asset is currently owned by PTCUL and has been made available by various departments for the construction of a substation. Currently, the names of the same departments are listed in the revenue records.
20	132 KV Sub-station, Simli	Not known	Not known	Not available	No	Not known	The land asset is currently owned by PTCUL and has been made available by various departments for the construction of a substation. Currently, the names of the same departments are listed in the revenue records.
21	400 KV Sub-station, Rishikesh	Not known	Not known	Not available	No	Not known	The land asset is currently owned by PTCUL and has been made available by various departments for the construction of a substation. Currently, the names of the same departments are listed in the revenue records.
22	220 KV Sub-station & 132 KV IDPL Rishikesh	Not known	Not known	Not available	No	Not known	The land asset is currently owned by PTCUL and has been made available by various departments for the construction

							of a substation. Currently, the names of the same departments are listed in the revenue records.
23	132KV Sub-station Kichha	2.878	Not known	Not available	No	Not known (More than 30 Years)	The land asset is currently owned by PTCUL and has been made available by various departments for the construction of a substation. Currently, the names of the same departments are listed in the revenue records.
24	132 KV Sub-station, Bhupatwala	Not known	Not known	Not available	No	Not known	The land asset is currently owned by PTCUL and has been made available by various departments for the construction of a substation. Currently, the names of the same departments are listed in the revenue records.
25	132 KV Sub-station, Jwalapur	Not known	Not known	Not available	No	Not known	The land asset is currently owned by PTCUL and has been made available by various departments for the construction of a substation. Currently, the names of the same departments are listed in the revenue records.

26	132 KV Sub-station, Srinagar	Not known	Not known	Not available	No	Not known	The land asset is currently owned by PTCUL and has been made available by various departments for the construction of a substation. Currently, the names of the same departments are listed in the revenue records.
27	132 KV Sub-station, Kotdwar	Not known	Not known	Not available	No	Not known	The land asset is in the possession of PTCUL and has been provided free of cost by SIDCUL for the construction of the substation.
28	132 KV Sub-station, SIIDCUL, Haridwar	Not known	Not known	Not available	No	Not known	The land asset is in the possession of PTCUL and has been provided free of cost by SIDCUL for the construction of the substation.
29	220 KV Sub-station, Selaqui	Not known	Not known	Not available	No	Not known	The land asset is in the possession of PTCUL and has been provided free of cost by SIDCUL for the construction of the substation.
30	220KV Sub-station Pantnagar	9.940	Not known	Not available	No	2005	The land asset is in the possession of PTCUL and has been provided free of cost by SIDCUL for the construction of the substation.
31	132KV Sub-station Eldeco, Sitarganj	4.117	Free of Cost	Not available	No	13.12.2007	The land asset is in the possession of PTCUL and has been provided

							free of cost by SIDCUL for the construction of the substation.
32	132KV Sub-station Kathgodam	-	Not known	Not available	No	Not known	The land assets have been surveyed by the Revenue Department and in the possession of PTCUL in Sajre.
33	Elect. Civil Division, Roorkee	Not known	Not known	Not available	No	Not known	The land assets have been surveyed by the Revenue Department and in the possession of PTCUL in Sajre.
34	220 KV O&M Division, Roorkee, 33 KV Sub- station No. 6, Right river bank, Roorkee	Not known	Not known	Not available	No	Not known	The land assets have been surveyed by the Revenue Department and in the possession of PTCUL in Sajre.
35	O&M Circle Office, Roorkee	Not known	Not known	Not available	No	Not known	The land assets have been surveyed by the Revenue Department and in the possession of PTCUL in Sajre.
36	Residential Colony, Purkul, Dehradun	Not known	Not known	Not available	No	Not known	The land assets have been surveyed by the Revenue Department and in the possession of PTCUL in Sajre.



37	O&M Division, Yamuna Colony, Dehradun including Sub-Division and residential Colony, Yamuna Colony, Dehradun.	Not known	Not known	Irrigation Department	No	Not known	The land assets have been surveyed by the Revenue Department and in the possession of PTCUL in Sajre.
----	---	-----------	-----------	-----------------------	----	-----------	---

- (d) The Company has not revalued its Property Plant and Equipment (including Right-of-use assets) and intangible assets during the year.
- (e) There are no proceedings initiated or pending against the Company as at March 31, 2024 for holding any benami property under the Prohibition of Benami Property Transactions Act, 1988 (as amended in 2016) and rules made thereunder.
- (ii) (a) As informed, the inventory has been physically verified by the management at reasonable intervals during the year. In our opinion and according to the information and explanations given to us, the frequency of such verification is reasonable and procedures and coverage as followed by Management were appropriate. No discrepancies were noticed on verification between the physical stocks and the book records that were more than 10% in the aggregate of each class of inventory. Minor discrepancies noticed during physical verification were properly dealt within the books of account.
- (b) According to the information and explanation given to us and on the basis of our examination of the records, the Company has not been sanctioned working capital limits in excess of ₹ 5 crore, in aggregate, at any points of time during the year, from banks or financial institutions on the basis of security of current assets and hence reporting under clause 3(ii)(b) of the Order is not applicable.
- (iii) According to the information and explanation given to us, the Company has not made investments in, provided any guarantee or security or granted any loans or advances in the nature of loans, secured or unsecured, to companies, firms, limited liability partnerships or any other parties. Accordingly, the requirement to report under clause 3(iii)(a), 3(iii)(b), 3(iii)(c), (iii)(d), (iii)(e) and (iii)(f) of the Order are not applicable to the Company.
- (iv) In our opinion and according to the information and explanations given to us, the Company has in respect of loans, investments, guarantees, and security complied with the provisions of section 185 and 186 of the Act, to the extent applicable.
- (v) The Company has not accepted any deposits or amounts which are deemed to be deposits from the public within the meaning of section 73 to 76 or any other relevant provisions of the Act.



According to information and explanations given to us, no order has been passed by the Company Law Board or National Company Law Tribunal or the Reserve Bank of India or any Court or other Tribunal.

- (vi) We have broadly reviewed the cost records maintained by the Company pursuant to the rules prescribed by the Central Government for maintenance of cost records under Section 148(1) of the Act in respect of the Company's products to which said rules are made applicable and are of the opinion that prima facie, the prescribed records have been made and maintained. We have not, however, made a detailed examination of the cost records with a view to determine whether they are accurate or complete.
- (vii) According to the information and explanations given to us and according to the books and records as produced and examined by us, in our opinion:
- (a) The Company has generally been regular during the year, in depositing undisputed statutory dues including Goods and Service Tax, Provident Fund, Employees' State Insurance, Income Tax, Sales Tax, Service Tax, Customs Duty, Excise Duty, Value Added Tax, Cess and other material statutory dues as applicable to it to the appropriate authorities.

There were no undisputed amounts payable in respect of Goods and Service Tax, Provident Fund, Employees' State Insurance, Income Tax, Sales Tax, Service Tax, Customs Duty, Excise Duty, Value Added Tax, Cess and other material statutory dues in arrears as at March 31, 2024 for a period of more than six months from the date they became payable.

- (b) Details of statutory dues referred to in sub-clause(a) above which have not been deposited as on March 31, 2024 on account of disputes are given below:

Name of Statute	Nature of Dues	Period	Forum where the dispute is pending	Gross Disputed Amount (Rs. in Lakh)	Amount Deposited under Protest (Rs. in Lakh)
Income Tax Act	TDS Demand	Different Assessment Years	Assessing Officer	2.49	-
Service Tax Act	Service tax	FY 2016-17 and 01.04.2017 to 30.06.2017	Custom Excise Service Tax Appellate Tribunal	798.78	-

- (viii) There were no transactions relating to previously unrecorded income that have been surrendered or disclosed as income during the year in the tax assessments under the Income Tax Act 1961.
- (ix) (a) According to the information and explanations given to us and on the basis of our examination of the records of the Company, the company has not defaulted in repayment of loans or other borrowings or in the payment of interest thereon to any lender during the year.

- (b) The Company has not been declared a willful defaulter by any bank or financial institution or government or any other government authority.
- (c) According to the information and explanations given to us and on the basis of our examination of the records of the Company, term loans were applied for the purpose for which the loans were obtained.
- (d) On an overall examination of the financial statements of the Company, funds raised on short term basis have, prima facie, not been used during the year for long term purposes by the company.
- (e) According to the information and explanations given to us and an overall examination of the financial statements of the Company, we report that the Company has not taken any funds from any entity or person on account of or to meet the obligations of its subsidiaries or joint ventures. Accordingly, clause 3(ix)(e) of the Order is not applicable.
- (f) According to the information and explanations given to us and procedures performed by us, we report that the Company has not raised loans during the year on the pledge of securities held in its subsidiaries or joint ventures. Accordingly, clause 3(ix)(f) of the Order is not applicable.
- (x) (a) According to the information and explanation given us, the Company has not raised any money during the year by way of initial public offer / further public offer (including debt instruments). Accordingly clause 3(x)(a) of the Order is not applicable.
- (b) According to the information and explanation given us and on the basis of our examination of the records of the Company, the Company has not made any preferential allotment or private placement of shares or fully or partly convertible debentures during the year. Accordingly clause 3(x)(b) of the Order is not applicable.
- (xi) (a) Based on examination of the books and records of the Company and according to the information and explanations given to us, considering the principles of materiality outlined in Standards on Auditing, we report that no fraud by the Company or on the Company has been noticed or reported during the course of our audit.
- (b) According to the information and explanations given to us, no report under Sub-Section (12) of Section 143 of the Act has been filed by the auditors in Form ADT-4 as prescribed under Rule 13 of the Companies (Audit and Auditors) Rules 2014 with the Central Government.
- (c) According to the information and explanations given to us, no whistle blower complaints have been received by the company during the year.
- (xii) According to the information and explanations given to us, the Company is not a Nidhi company and the Nidhi Rules, 2014 are not applicable to it. Accordingly, clause 3(xii) of the Order is not applicable.
- (xiii) In our opinion and according to the information and explanations given to us, the transactions with related parties are in compliance with Section 177 and 188 of the Act, where applicable and

the details of the related party transactions have been disclosed in the financial statements as required by the applicable accounting standards.

- (xiv) (a) In our opinion and as per the information and explanations given to us, the Company has an internal audit system commensurate with the size and nature of its business.
- (b) We have considered the internal audit reports of the Company issued till date for period under audit.
- (xv) In our opinion and according to the information and explanations given to us, the Company has not entered into any non-cash transactions with its directors or persons connected to its directors. Accordingly clause 3(xv) of the Order is not applicable.
- (xvi) According to the information and explanations given to us and on the basis of our examination of the records of the Company:
- (a) The Company is not required to be registered under Section 45-IA of the Reserve Bank of India Act 1934.
- (b) The Company has not conducted any Non-Banking Financial or Housing Finance activities during the year.
- (c) The Company is not a Core Investment Company (CIC) as defined in the regulations prescribed by Reserve Bank of India.
- (d) In our opinion, there is no core investment company within the Group (as defined in the Core Investment Companies (Reserve Bank) Directions, 2016). Accordingly, clause 3(xvi)(a), (b), (c) and (d) of the Order is not applicable.
- (xvii) The company has not incurred cash losses in the current and in the immediately preceding financial year.
- (xviii) There has been no resignation of the statutory auditors of the Company during the year. Accordingly, clause 3(xviii) of the Order is not applicable.
- (xix) According to the information and explanations given to us and on the basis of the financial ratios, ageing and expected dates of 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 the balance sheet as and when they fall due within a period of one year from the balance sheet date. We, however, state that this is not an assurance as to the future viability of the Company. We further state that our reporting is based on the facts up to the date of the audit report and we neither give any guarantee nor any assurance that all the liabilities falling due within a period of one year from the balance sheet date, will get discharged by the Company as and when they fall due.

- (xx) (a) According to the information and explanations given to us, in respect of other than ongoing projects, the company has transferred unspent amount of Rs. 159.18 Lakhs to PM Cares Fund which is a fund specified in Schedule VII to the Companies Act. Such amount has been transferred on 18-04-2023 i.e. within a period of six months from the expiry of previous FY 2022-23 in compliance with second proviso to sub-section (5) of section 135 of the said Act;
- (b) In respect of ongoing projects, the Company has transferred unspent CSR amount of Rs. 163.01 lakhs on 11-04-2023 i.e. within a period of 30 days from the end of the previous FY 2022-23 to a special account in compliance with the provision of section 135(6) of the Companies Act, 2013.
- (c) In respect of ongoing projects during the current FY 2023-24, Company has transferred the unspent CSR amount of Rs. 9.80 lakhs on 22-04-2024 i.e. within a period of 30 days to a special account in compliance with the provision of subsection (6) of section 135 of the said Act.
- (xxi) The reporting under clause (xxi) is not applicable in respect of audit of standalone financial statements of the Company. Accordingly, no comment has been included in respect of said clause under this report.

For AMIT RAY & CO.
CHARTERED ACCOUNTANTS
FRN No. 000483C


PRADEEP MUKHERJEE
PARTNER
M. No. 070693



UDIN: 24070693BKFFZ2000

Place: Dehradun
Date: 18th July 2024

ANNEXURE - II TO THE INDEPENDENT AUDITORS' REPORT

(As referred to in paragraph 2 under the heading "Report on Other Legal and Regulatory Requirements" of our report even date)

Re: Power Transmission Corporation of Uttarakhand Limited

S. No.	Directions	Report
1.	Whether the company has system in place to process all the accounting transactions through IT system? If yes, the implications of processing of accounting transactions outside IT system on the integrity of the accounts along with the financial implications, if any, may be stated.	<p>According to the information and explanations given to us and based on our audit, the Company has a system in place to process all the accounting transactions through IT system except inventory management system and for this purpose FAS-ERP (Accounting Software) has been implemented by the Company. Period end Financial Statements are compiled offline based on balances of previous year and transactions generated from such FAS-ERP system. Opening balances available in FAS-ERP do not reconcile with balances of Audited Financial Statements in two cases relating to Reserves & Surplus.</p> <p>We have neither been informed nor come across during the course of our audit any accounting transactions which have been processed outside the IT system having impact on the integrity of the accounts.</p>
2.	Whether there is any restructuring of an existing loan or cases of waiver/write off of debts /loans/interest etc. made by a lender to the company due to the company's inability to repay the loan? If yes, the financial impact may be stated.	<p>According to information and explanations given to us and based on our audit, there is no case of restructuring of an existing loan or cases of waiver/ write off of debts/loans/ interest etc. made by the lender to the Company.</p>



amit ray & co.

CHARTERED ACCOUNTANTS

3.	Whether funds received/receivable for specific schemes from central/ state agencies were properly accounted for/ utilized as per its term and conditions? List the cases of deviation.	According to information and explanations given to us and based on our audit, the Company has not received any funds from central/ state agencies for specific schemes.
----	--	---

For AMIT RAY & CO.

CHARTERED ACCOUNTANTS

FRN No. 000483C



PRADEEP MUKHERJEE

PARTNER

M. No. 070693



UDIN: 24070693BK F2 F2 2000

Place: Dehradun

Date: 18th July 2024

Annexure - III To The Independent Auditor's Report

(Referred to in paragraph 3(f) under 'Report on Other Legal and Regulatory Requirements' section of our report to the Members of Power Transmission Corporation of Uttarakhand Limited)

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

We have audited the internal financial controls over financial reporting with reference to the accompanying Financial Statements of Power Transmission Corporation of Uttarakhand Limited ("the Company") as of March 31, 2024 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

The Company's management is responsible for establishing and maintaining internal financial controls with reference to the accompanying Financial Statements 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 internal financial controls that were operating effectively for ensuring the orderly and efficient conduct of its business, including adherence to company's policies, the safeguarding of its assets, the prevention and detection of frauds and errors, the accuracy and completeness of the accounting records, and the timely preparation of reliable financial information, as required under the Companies Act, 2013.

Auditors' Responsibility

Our responsibility is to express an opinion on the Company's internal financial controls with reference to the Accompanying Financial Statements based on our audit. We conducted our audit in accordance with the Guidance Note on Audit of Internal Financial Controls Over Financial Reporting (the "Guidance Note") issued by the Institute of Chartered Accountants of India and the Standards on Auditing prescribed under section 143(10) of the Companies Act, 2013, to the extent applicable to an audit of internal financial controls with reference to the Accompanying Financial Statements. 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 with reference to Accompanying Financial Statements was established and maintained and if such controls operated effectively in all material respects.

Our audit involves performing procedures to obtain audit evidence about the adequacy of the internal financial controls system over financial reporting with reference to Accompanying Financial Statements and their operating effectiveness. Our audit of internal financial controls over financial reporting included obtaining an understanding of internal financial controls over financial reporting with reference to Accompanying Financial Statements, 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.

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

Meaning of Internal Financial Controls over Financial Reporting with reference to Accompanying Financial Statements

A company's internal financial control over financial reporting with reference to Accompanying Financial Statements is a process designed to provide 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 control over financial reporting with reference to Accompanying Financial Statements includes those policies and procedures that

- (1) Pertain to the maintenance of records 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 authorizations of management and directors of the company; and
- (3) provide reasonable assurance regarding prevention or timely detection 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 with reference to Accompanying Financial Statements

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

Opinion

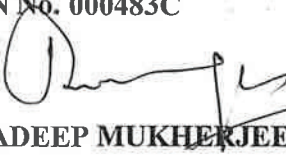
In our opinion, to the best of our knowledge and according to the explanations given to us, the Company has, in all material respects, an adequate internal financial controls system over

amit ray & co.

CHARTERED ACCOUNTANTS

financial reporting with reference to Accompanying Financial Statements and such internal financial controls over financial reporting were operating effectively as at March 31, 2024, based on the criteria for internal financial controls over financial reporting with reference to Accompanying Financial Statements established by the Company considering the essential components of internal control stated in the Guidance Note on Audit of Internal Financial Controls Over Financial Reporting issued by the Institute of Chartered Accountants of India.

For AMIT RAY & CO.
CHARTERED ACCOUNTANTS
FRN No. 000483C


PRADEEP MUKHERJEE
PARTNER
M. No. 070693



UDIN: 24070693BK FZ FZ 2000

Place: Dehradun

Date: 18th July 2024