AGARWAL & DHANDHANIA
CHARTERED ACCOUNTANTS

REVISED INDEPENDENT AUDITOR'S REPORT

To the Members of DNH and DD Power Corporation Limited

Revised Report on the Audit of the Standalone Financial Statements

This Report supersedes our Report dated 27/06/2025 comprising UDIN-25158758BMGODV9863

We issued a separate auditor's report dated 04/08/2025 on the financial statements to the shareholders of the Company. Consequent to the Supplementary Audit and observation of the Comptroller and Auditor General of India, the following changes have been made to our report. The following points are superseding our Report dated 27/06/2025 comprising UDIN-25158758BMGODV9863:

i. Annexure A to the Independent Report - Point No. 1 of Report on directions and sub-directions issued by Comptroller and Auditor General of India under Section 143 (5) of the Companies Act, 2013.

"Based on our examination of the records and the explanations provided by management, the Company has invested directly to LIC amounting to Rs. 12.92 Lakh towards post-retirement benefits of employees as at the reporting date. The valuation is in compliance with the recognition and measurement principles stipulated in Ind AS 19 and other relevant regulations and are currently met through provisions in the books, based on actuarial valuation. In our view, the Company's valuation approach is free from material misstatement. The related disclosures, with the specific policy outlined in material accounting policies in Note no. 3 (xix).

ii. Annexure A to the Independent Report - Point No. 3 of Report on directions and sub-directions issued by Comptroller and Auditor General of India under Section 143 (5) of the Companies Act, 2013

"Based on records examined and explanations given to us, neither any fund received by the Company nor any fund receivable to the Company under specific schemes from the Central / State Government or their agencies."

Opinion

We have audited the accompanying the standalone financial statements of **M/s DNH and DD POWER CORPORATION LIMITED** ("the Company"), which comprise the Balance Sheet as at 31st March, 2025, the Statement of Profit and Loss (including Other Comprehensive Income), the Statement of Changes in Equity and the Statement of Cash Flows for the year then ended, and notes to the standalone financial statements, including a summary of material & significant accounting policy information and other explanatory information (hereinafter referred as to the 'standalone financial statements').

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In our opinion and to the best of our information and according to the explanations given to us, the aforesaid standalone 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 the accounting principles generally accepted in India, of the State of Affairs of the Company as at 31st March, 2025, and its Profit (including other Comprehensive Income), Changes in Equity and its Cash Flows for the year ended on that date.

Basis for Opinion

We conducted our audit in accordance with the Standards on Auditing (SAs) 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 Standalone 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 Standalone 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 and the Code of Ethics. We believe that the audit evidence obtained by us sufficient and appropriate to provide a basis for our audit opinion on the standalone financial statements.

Key Audit Matters

Key audit matters are those matters that in our professional judgment, were of most significance in our audit of the standalone financial statements for the financial year ended 31 March 2025. These matters were addressed in the context of our audit of the standalone financial statements as a whole, and in forming our opinion thereon, and we do not provide a separate opinion on these matters. We have determined that there are no key audit matters to communicate in our report.

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 Company's annual report, obtained at the date of this auditor's report, but does not include the standalone financial statements and our auditor's report thereon.

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

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In connection with our audit of the standalone 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.

Management's Responsibility for the Standalone Financial Statements

The Company's Board of Directors are responsible for the matters stated in section 134(5) of the Act with respect to the preparation and presentation of these standalone financial statements that give a true and fair view of the state of affairs (financial position), profit & loss (financial performance including other comprehensive income), changes in equity and cash flows of the Company in accordance with the accounting principles generally accepted in India, including the Indian Accounting Standards (Ind AS) 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 standalone financial statements that give a true and fair view and are free from material misstatement, whether due to fraud or error.

In preparing the standalone financial statements, management and Board of Directors are 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.

The Board of Directors are also responsible for overseeing the Company's financial reporting process.

Auditor's Responsibilities for the Audit of the Standalone Financial Statements

Our objectives are to obtain reasonable assurance about whether the standalone 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 standalone financial statements.

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As part of an audit in accordance with SAs, we exercise professional judgement and maintain professional skepticism throughout the audit. We also:

• Identify and assess the risks of material misstatement of the standalone 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 with reference to financial statements 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 in the standalone financial statements made by the Management and Board of Directors.

• 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 standalone 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 standalone financial statements, including the disclosures, and whether the standalone financial statements represent the underlying transactions and events in a manner that achieves fair presentation.

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, if any, 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.

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Report on Other Legal and Regulatory Requirements

1. The Company is also governed by the provision of the Electricity Act 2003, rules and the regulations issued there under. The provisions of said Act have prevailed wherever they have been inconsistent with the provision of the Companies Act, 2013.

2. As required under the direction and sub-direction issued by Comptroller and Auditor General of India in terms of sub-section (5) of Section 143 of the Act and on the basis of such checks of the books and records of the company as we considered appropriate and according to information and explanation given to us, we are enclosing our report in the **"Annexure-A"**.

3. As required by the Companies (Auditor's Report) Order, 2020 ('the Order") issued by the Central Government of India in terms of Section 143 (11) of the Act, we give in the **"Annexure B"** a statement on the matters specified in paragraphs 3 and 4 of the order.

4. As required by Section 143 (3) of the Act, we report, to the extent applicable, that:

a) We have sought and obtained all the information and explanations which to the best of our knowledge and belief were necessary for the purposes of our audit of the standalone financial statement.

b) In our opinion, proper books of account as required by law have been kept by the Company so far as it appears from our examination of those books.

c) The Balance Sheet, the Statement of Profit and Loss (including Other Comprehensive Income), the statement of Changes in Equity and Statement of Cash Flows dealt with by this Report are in agreement with the books of accounts.

d) In our opinion, the aforesaid standalone financial statements comply with the Accounting Standards specified under Section 133 of the Act, read with Rule 7 of the Companies (Accounts) Rules, 2014.

e) Being Government Company pursuant to Notification No. GSR 463 (E) dated 05/06/2015 issued by Ministry of Corporate Affairs, the provisions of Section – 164 (2) of the Act 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 C".**

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g) Being Government Corporation pursuant to Notification No. GSR 463 (E) dated 05/06/2015 issued by Ministry of Corporate Affairs, the provisions of Section – 197 (16) read with schedule V of the companies Act, 2013 regarding remuneration to directors are not applicable to the 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:

i. The Company has disclosed the impact of pending Litigations on its financial positions in its financial statements – Refer Note 28 to the Standalone Financial Statements.

ii. The Company did not have any long-term contracts including derivative contracts for which there were any material foreseeable losses.

iii. There was no amount, which were required to be transferred, to the Investor Education and Protection Fund by the Company.

iv. (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 person or entity, including foreign entity ("Intermediaries"), with the understanding, whether recorded in writing or otherwise, that the Intermediary shall, whether, directly or indirectly lend or invest in other persons or entities identified in any manner whatsoever by or on behalf of the Company ("Ultimate Beneficiaries") or provide any guarantee, security or the like 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 person or entity, including foreign entity ("Funding Parties"), with the understanding, whether recorded in writing or otherwise, that the Company shall, whether, 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;

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(c) Based on the 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 sub-clause (i) and (ii) of Rule 11(e), as provided under (a) and (b) above, contain any material misstatement.

v. The Company has not declared or paid any dividend during the current year, in view of this, the compliance with Section 123 of the Companies Act, 2013 would not be applicable.

vi. Based on our examination which includes test check, the Company has used accounting software for maintaining its books of account, which have a feature of recording audit trail (edit log) facility and the same was enabled and operated by the Company in the current financial year.

Date: 04/08/2025
Place: Surat
UDIN: 25158758BMGPIJ8228

For M/s. AGARWAL & DHANDHANIA
Chartered Accountants
[FRN. 125756W]

AGARWAL & DHANDHANIA ★ Chartered Accountants ★ FRN:125756W

[TUSHAR VEGAD]
Partner
M.NO. 158758

AGARWAL & DHANDHANIA
CHARTERED ACCOUNTANTS

Annexure 'A' to the Independent Auditor's Report

TO THE INDEPENDENT AUDITOR'S REPORT OF EVEN DATE ON THE STANDALONE FINANCIAL STATEMENTS OF DNH and DD POWER CORPORATION LIMITED

Report on directions and sub-directions issued by Comptroller and Auditor General of India under Section 143 (5) of the Companies Act, 2013.

1.Assess the fair valuation of all the investments, both quoted and unquoted, made directly by the Company or through Trusts, for Post-retirement 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.

Based on our examination of the records and the explanations provided by management, the Company has invested directly to LIC amounting to Rs. 12.92 Lakh towards post-retirement benefits of employees as at the reporting date. The valuation is in compliance with the recognition and measurement principles stipulated in Ind AS 19 and other relevant regulations and are currently met through provisions in the books, based on actuarial valuation. In our view, the Company's valuation approach is free from material misstatement. The related disclosures, with the specific policy outlined in material accounting policies in Note no. 3 (xix).

2.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.

Based on records examined and explanations received, the Company utilises an IT system for all accounting transactions. Accordingly, the potential negative implications for account integrity from processing transactions outside this IT system would not be applicable to the Company.

3.Whether funds (grants / subsidy etc.) received/receivable for specific schemes from Central/ State Government or its agencies were properly accounted for / utilized as per its term and conditions? List the cases of deviation.

Based on records examined and explanations given to us, neither any fund received by the Company nor any fund receivable to the Company under specific schemes from the Central / State Government or their agencies.

4.Whether the Company has identified the key Risk areas? If yes, whether the Company has formulated any Risk Management Policy to mitigate the 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?

During the reporting period, the Company has not formally identified key risk areas that would necessitate a standalone, comprehensive risk mitigation framework. Management's current assessment indicates no major risks associated with the nature and scale of the Company's operations requiring such a formal framework at this time.

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However, the Company has proactively implemented various Standard Operating Procedures (SOPs) and a whistle-blower policy. These internal controls and policies are designed to cover key operational aspects and align with global best practices to mitigate potential risks that may arise in the course of business.

The Company has established a robust process for identifying its critical data assets. This includes, but is not limited to, proprietary intellectual property, customer data, and essential operational information. While these internally generated data assets are recognized for their strategic importance, a specific financial value is not assigned to these internally generated data 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 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.

The Company, is not a listed entity, and hence, the provisions of SEBI (LODR) Regulations, DIPAM, DPE, TRAI, NPCI, and RBI regulations are not applicable. The Company complies with all applicable requirements under the Ministry of Corporate Affairs (Companies Act, 2013) and according to the information given to us, the company ensures adherence to relevant guidelines of CERT-IN, as applicable to its IT infrastructure.

Based on our review and management representations, the company has complied / disclosed wherever required the applicable rules and regulations and there are no deviations observed.

Sector specific sub-directions under section 143(5) of the companies Act.2013.

6.Adequacy of steps to prevent encroachment of idle land owned by Company may be examined. In case land of the Company is encroached, under litigation, not put to use or declared surplus, details may be provided.

Based on records examined and explanations given to us, neither any land of the Company is encroached nor under litigation. Further, Company does not have any unused land or declared as surplus land.

5. Where land acquisition is involved in setting up new projects, report whether settlement of dues done expeditiously and in a transparent manner in all cases. The cases of deviation may please be detailed.

Based on records examined and explanations given to us, Company has not acquired land during the financial year for setting up new projects. Hence, there is no dues against the land acquisition settlement. Accordingly, no cases of deviation reported during the financial year.

6. Whether the Company has an effective system for recovery of revenue as per contractual terms and the revenue is properly accounted for in the books of accounts in compliance with the applicable Accounting Standards?

Based on records examined and explanations given to us, the Company has effective system in place to recovery of revenue as per contractual terms and the revenue is properly accounted for in the books of accounts in compliance with the applicable Accounting Standards.

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7. How much cost has been incurred on abandoned projects and out of this how much cost has been written off?

There are no abandoned projects noticed during the financial year hence, nil cost has been incurred by the Company on abandoned projects.

8. Is the system of evacuation of power commensurate with power available for transmission with the generating company? If not, loss, if any, claimed by the generating company may be commented.

The Company is an Intra State Transmission Utility and the company has not entered in any agreement with any generating company for evacuation of power from generating point.

9. How much transmission loss in excess of prescribed norms has been incurred during the year and whether the same been properly accounted for in the books of accounts?

Based on the records examined and the explanations provided to us, the transmission loss and transmission availability during the year were broadly within the prescribed regulatory norms. Where minor variances, if any, they were assessed in the normal course of operations and have been appropriately considered and accounted for in the books of accounts.

10. Whether the assets constructed and completed on behalf of other agencies and handed over to them has been properly accounted for in the financial statements.

Based on records examined and explanations given to us, the assets constructed and completed on behalf of other agencies and handed over to them during the year has been properly accounted in the financial statements.

Date: 04/08/2025
Place: Surat
UDIN: 25158758BMGPIJ8228

AGARWAL & DHANDHANIA ★ FRN:125756W ★ Chartered Accountants

For M/s. AGARWAL & DHANDHANIA
Chartered Accountants
[FRN. 125756W]

[TUSHAR VEGAD]
Partner
M.NO. 158758

AGARWAL & DHANDHANIA
CHARTERED ACCOUNTANTS

Annexure 'B' to the Independent Auditor's Report

TO THE INDEPENDENT AUDITOR'S REPORT OF EVEN DATE ON THE STANDALONE FINANCIAL STATEMENTS OF DNH and DD POWER CORPORATION LIMITED

Report on the Order issued under Section 143(11) of the Companies Act, 2013

i. In respect of the Company's Property, Plant and Equipment and Intangible Assets:

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

(B) The Company has maintained proper records showing full particulars of intangible assets.

b) The company has a policy of conducting physical verification of Property, Plant and Equipment (PPE) in a phased manner over a period of three years, which, in our opinion, is reasonable having regard to the size of the company and the nature of its assets.

Physical verification has been carried out for a substantial portion of the PPE during the three-year cycle. However, new assets acquired during the current year and the group of assets already covered in previous verification programs then these assets are scheduled for verification in the subsequent phase of the verification program. According to the information and explanations given to us, no material discrepancies were noticed on the verification carried out by the management.

c) According to the information and explanations given to us and on the basis of examination of records of the Company, the Legal Ownership (titles) of Immovable Properties transferred from Electricity Department of Dadra & Nagar Haveli (DNH) are not in the name of the Company. The details of all such immovable properties are mentioned as below:

Description of Item	Gross Carrying Value (Rupees in Lakh)*	Location	Area of Land (in Hector)	Title deed held in the name	Whether title deed holder is a promoter, director or their relative or employee	Property holding since	Reason
Land (freehold)	-	Power House-Zanda Chowk	0.25	Electricity Department ,D&NH	Not Applicable, being 100% Government Company	April, 2013	The procedure for registration and / or transfer in the name of the Corporation is in process.
	913.90	Amli Sub-Station	6.53	Electricity Department ,D&NH			

** Gross Carrying Value (-) denotes the nominal value of land i.e. Re. 1.00.*

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Description of Item	Gross Carrying Value (Rupees in Lakh)*	Location	Area of Land (in Hector)	Title deed held in the name	Whether title deed holder is a promoter, director or their relative or employee	Property holding since	Reason
Land (freehold)	64	Silli Sub-Station	1.80	Electricity Department, D&NH	Not Applicable, being 100% Government Company	April, 2013	The procedure for registration and / or transfer in the name of the Corporation is in process.
	100	Masat Sub-Station	1.28	Electricity Department D&NH			
	84	Rakholi Sub-Station	1.44	Electricity Department D&NH			
	-	Khadoli Sub-Station	8.45	Electricity Department D&NH			
	55	Khanvel Sub-Station	0.22	Electricity Department D&NH			
	-	Kala Sub-Station	2.42	Electricity Department D&NH			
	-	Velugam Sub-Station	5.00	Electricity Department D&NH			
	-	Pipariya Sub-Station	0.34	M/s Tirveni Developers			
	-	Pipariya Sub-Station	0.92	Mr. Rakeshsinh Mohansinh Chauhan			
	-	Athal Sub-Station	0.80	Electricity Department D&NH			
	67.76	Wagdhara Sub-Station	0.85	Electricity Department D&NH			
	80	Dadra Sub-Station	2.32	Electricity Department D&NH			
TOTAL	**1,364.66**						

** Gross Carrying Value (-) denotes the nominal value of land i.e. Re. 1.00.*

d) According to the information and explanations given to us and on the basis of examination of records of the Company, the Company has not revalued any of its Property, Plant and Equipment (including right-of- use assets) or intangible assets or both during the year.

e) According to the information and explanations given to us and on the basis of examination of records of the Company, there are no proceedings initiated or pending against the Company for holding any benami property under Prohibition of Benami Property Transaction Act, 1988 and rules made thereunder.

ii. a) As explained to us, the physical verification of inventory (i.e. stores and spares) has been conducted at reasonable intervals by the management. The procedures of physical verification of inventory followed by the Management including the coverage were appropriate. No discrepancies were noticed on verification between the physical stocks and the book records that were 10% or more in the aggregate for each class of inventory.

b) 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 been sanctioned working capital limits in excess of five crore rupees including non-fund based letter of credit facility, in aggregate, from banks on the basis of security of current assets. Accordingly, the clause 3 (ii) (b) of the order are not applicable.

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 has not made any investments, 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 other parties during the year. Accordingly, the clauses 3 (iii) (a), (b), (c), (d), (e) and (f) of the order are not applicable.

iv. 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 granted any loans, or made investments, or provided guarantees and security covered under the provisions of section - 185 and 186 of the Companies Act, 2013. Accordingly, the clause 3 (iv) of the order are not applicable.

v. The Company has not accepted any deposits or amounts which are deemed to be deposits from the public. Accordingly, clause 3 (v) of the Order is not applicable.

vi. We have broadly reviewed the books of account maintained by the Company pursuant to the rules made by the Central Government for the maintenance of cost records under section 148 (1) of the Act, and are of the opinion that prima facie, the prescribed accounts and records have been made and maintained.

vii. In respect of statutory dues: -

(a) In our opinion, the Company has generally been regular in depositing undisputed statutory dues including Goods and Service Tax, Provident Fund, Employees' State Insurance, Income Tax, Sales Tax, Service Tax, Duty of customs, Duty of excise, Value Added Tax, Cess and any other statutory dues applicable to the company with the appropriate authorities. According to the information and explanations given to us, no undisputed amounts payable in respect of the aforesaid dues were outstanding as at March 31, 2025 for a period of more than six months from the date of becoming payable.

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(b) According to the information and explanations given to us and on the basis of our examination of the records of the Company, there are no statutory dues referred to in sub-clause vii (a) above, which have not been deposited on account of any dispute as at March 31, 2025.

viii. 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 surrendered or disclosed any transactions, previously unrecorded in the books of account, in the tax assessments under the Income-tax Act, 1961 as income during the year.

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) 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 been declared a wilful defaulter by any bank or financial institution or other lender.

(c) According to the information and explanations given to us by the management, the Company has not obtained any term loans. Accordingly, clause 3 (ix) (c) of the Order is not applicable.

(d) According to the information and explanations given to us and on an overall examination of the balance sheet of the Company, we report that no funds have been raised on short-term basis by the Company. Accordingly, clause 3 (ix) (d) of the Order is not applicable.

(e) According to the information and explanations given to us and on an overall examination of the financial statements of the Company, the company has no subsidiaries, associates or joint ventures, accordingly, the clause 3 (ix) (e) and (f) of the Order is not applicable.

x. (a) The Company has not raised any moneys by way of initial public offer or further public offer (including debt instruments). Accordingly, clause 3 (x) (a) of the Order is not applicable.

(b) 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 made any preferential allotment or private placement of shares or convertible debentures (fully, partially or optionally convertible) 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 and 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 the audit.

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(b) According to the information and explanations given to us, no report under sub-section (12) of Section 143 of the Companies Act, 2013 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) We have taken into consideration the whistle blower complaints and we report that no complaint has been noticed or reported during the course of the audit.

xii. The Company is not a nidhi Company and accordingly, the clause 3 (xii) of the order is not applicable to the Company.

xiii. In our opinion, all transactions with the related parties are in compliance with Section 177 and 188 of Companies Act, 2013 and the details have been disclosed in the Standalone Financial Statements in Note No. 29 as required by the applicable accounting standards.

xiv. (a) In our opinion, the Company has an adequate internal audit system commensurate with the size and the nature of its business.

(b) We have considered, the internal audit reports for the year under audit, issued to the Company, in determining the nature, timing and extent of our audit procedures.

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 and hence, the provisions of Section 192 of the Companies Act, 2013 are not applicable to the Company.

xvi. (a) In our opinion, the Company is not required to be registered under section 45-IA of the Reserve Bank of India Act, 1934. Accordingly, the clause 3 (xvi) (a) and (b) of the order is not applicable.

(b) The Company is not a Core Investment Company (CIC) as defined in the regulations made by the Reserve Bank of India. Accordingly, the clause 3 (xvi) (c) of the order is not applicable.

(c) According to the information and explanations given to us, the Group does not have any CIC. Accordingly, the clause 3 (xvi) (d) of the order is not applicable.

xvii. The Company has not incurred cash losses during the financial year covered by our audit and the immediately preceding financial year.

xviii. There has been no resignation of the statutory auditors of the Company during the year. Accordingly, the clause 3 (xviii) of the order is not applicable.

AGARWAL & DHANDHANIA ★ Chartered Accountants ★ FRN:125756W

xix. 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 and 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 indicating that 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. 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 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) There are no unspent amounts towards Corporate Social Responsibility (CSR) other than ongoing projects requiring a transfer to a Fund specified in Schedule VII to the Companies Act in compliance with second proviso to sub-section (5) of Section 135 of the said Act. Accordingly, reporting under clause 3 (xx) (a) of the Order is not applicable for the year.

(b) In respect of ongoing projects, the Company has transferred Rs. 193.01 Lakh (Previous Year Rs. 300.73 Lakh) in respect of unspent Corporate Social Responsibility (CSR) amount as at the end of the financial year, to a Special account within a period of 30 days from the end of the financial year in compliance with the provision of section 135 (6) of the Act and the details have been disclosed in the Standalone Financial Statements in Note No. 27 (iv & v).

xxi. This being the standalone financial statements and not the consolidated financial statements, the reporting under clause 3 (xxi) of the order is not applicable to the company.

Date: 04/08/2025
Place: Surat
UDIN: 25158758BMGPIJ8228

For M/s. AGARWAL & DHANDHANIA
Chartered Accountants
[FRN. 125756W]

AGARWAL & DHANDHANIA ★ FRN:125756W ★ Chartered Accountants

[TUSHAR VEGAD]
Partner
M.NO. 158758

AGARWAL & DHANDHANIA
CHARTERED ACCOUNTANTS

Annexure 'C' to the Independent Auditor's Report

TO THE INDEPENDENT AUDITOR'S REPORT OF EVEN DATE ON THE STANDALONE FINANCIAL STATEMENTS OF DNH and DD POWER CORPORATION LIMITED

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

We have audited the internal financial controls over financial reporting of DNH and DD Power Corporation Limited ("the Company") as of March 31, 2025 in conjunction with our audit of the Standalone Financial Statements of the Company for the year ended March 31, 2025.

Management's Responsibility for Internal Financial Controls

The Company's management is responsible for establishing and maintaining internal financial controls based on the internal control over financial reporting criteria established by the Company considering the essential components of internal control stated in the Guidance Note on Audit of Internal Financial Controls over Financial Reporting 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 over financial reporting 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") and the Standards on Auditing, issued by ICAI and deemed to be prescribed under section 143(10) of the Companies Act, 2013, to the extent applicable to an audit of internal financial controls, both applicable to an audit of Internal Financial Controls and, both issued by the Institute of Chartered Accountants of India. Those Standards and the Guidance Note require that we comply with ethical requirements and plan and perform the audit to obtain reasonable assurance about whether adequate internal financial controls over financial reporting was established and maintained and if such controls operated effectively in all material respects.

AGARWAL & DHANDHANIA ★ Chartered Accountants ★ FRN:125756W

Our audit involves performing procedures to obtain audit evidence about the adequacy of the internal financial controls system over financial reporting and their operating effectiveness. Our audit of internal financial controls over financial reporting included obtaining an understanding of internal financial controls over financial reporting, assessing the risk that a material weakness exists, and testing and evaluating the design and operating effectiveness of internal control based on the assessed risk. The procedures selected depend on the auditor's judgement, 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.

Meaning of Internal Financial Controls over Financial Reporting

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

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 standalone financial statements.

Inherent Limitations of Internal Financial Controls over Financial Reporting

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

Opinion

In our opinion, to the best of our information and according to the explanations given to us, the Company has, in all material respects, an adequate internal financial controls system over financial reporting and such internal financial controls over financial reporting were operating effectively as at March 31, 2025, 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.

Our opinion on the internal financial control system over financial reporting is not modified in respect of the above.

Date: 04/08/2025
Place: Surat
UDIN: 25158758BMGPIJ8228



For M/s. AGARWAL & DHANDHANIA
Chartered Accountants
[FRN. 125756W]

[TUSHAR VEGAD]
Partner
M.NO. 158758

Independent Auditor's Report on the Audit of the Standalone Financial Statements of DNH and DD Power Corporation Limited

DNH and DD POWER CORPORATION LIMITED
Balance Sheet as at 31st March 2025

(Rupees in Lakh)

	Particulars	Note No.	As at 31st March 2025	As at 31st March 2024
	ASSETS			
1	**Non-Current Assets**			
(a)	Property, Plant and Equipment (PPE)	1	16,272.84	15,316.13
(b)	Capital Work-in-Progress	2	510.60	550.18
(c)	Intangible Assets	3	1.22	9.87
(d)	Financial Assets		-	-
	i) Investments		-	-
	ii) Trade Receivables		-	-
	iii) Loans		-	-
	iv) Others	4	19.49	17.40
(e)	Deferred Tax Assets (Net)		-	-
(f)	Other Non-Current Assets		-	-
	Total Non-Current Assets		**16,804.15**	**15,893.58**
2	**Current Assets**			
(a)	Inventories	5	335.71	218.90
(b)	Financial Assets		-	-
	i) Investments		-	-
	ii) Trade Receivables	6	65.63	1,262.00
	iii) Cash and Cash Equivalents	7	3,597.43	3,567.84
	iv) Bank Balances other than (iii) above	7	63,730.16	57,952.49
	v) Loans		-	-
	vi) Others	8	-	1,648.00
(c)	Current Tax Assets (Net)		-	-
(d)	Other Current Assets	9	139.33	40.94
	Total Current Assets		**67,868.26**	**64,690.17**
3	**Non-Current Assets classified as held for sale**	10	**-**	**159.44**
	TOTAL ASSETS (1+2+3)		**84,672.41**	**80,743.19**
	EQUITY AND LIABILITIES			
1	**Equity**			
(a)	Equity Share Capital	11	38,974.45	38,974.45
(b)	Other Equity	12	40,582.08	37,094.24
	Total Equity		**79,556.53**	**76,068.69**
	Liabilities			
2	**Non-Current Liabilities**			
(a)	Financial Liabilities			
	i) Borrowings		-	-
	(ia) Lease Liabilities		-	-
	ii) Trade and Other Payables		-	-
	iii) Other Financial Liabilities	13	125.13	94.06
(b)	Provisions	14	-	536.95
(c)	Deferred Tax Liabilities (Net)	15	1,669.16	1,575.55
(d)	Other Non-Current Liabilities	16	173.91	198.91
	Total Non-Current Liabilities		**1,968.20**	**2,405.47**
3	**Current liabilities**			
(a)	Financial Liabilities			
	i) Borrowings		-	-
	(ia) Lease Liabilities		-	-
	ii) Trade and Other Payables	17		
	Total Amount due of Micro & Small Enterprises		736.35	464.20
	Total Amount due other than Micro & Small Enterprises		207.54	144.19
	iii) Others Financial Liabilities	18	1,247.28	945.33
(b)	Provisions	19	947.11	704.97
(c)	Current Tax Liabilities (Net)	20(a)	(37.79)	(15.88)
(d)	Other Current Liabilities	20(b)	47.19	26.22
	Total Current Liabilities		**3,147.68**	**2,269.03**
	Total Liabilities		**5,115.88**	**4,674.50**
	TOTAL EQUITY AND TOTAL LIABILITIES (1+3)		**84,672.41**	**80,743.19**

The Material Accounting Policy Information (I) and Notes (II) are integral part of these Financial Statements.

In terms of our Audit Report of even date attached
For, M/s. Agarwal & Dhandhania
Chartered Accountants
FRN. - 125756W

(Tushar Vegad)
Partner
M.N. - 158758
Place: Silvassa
Date: 27/06/2025
UDIN: 25158758BM90IV9863

AGARWAL & DHANDHANIA ★ FRN:125756W ★ Chartered Accountants

For and On behalf of
DNH and DD Power Corporation Limited

(Hemant Kumar Shah)
Chief Financial Officer

(Arun T.)
Managing Director
[DIN-09584076]

(Anju Chaudhary)
Company Secretary

(Priyank Kishore)
Director
[DIN-10307243]

DNH and DD POWER CORPORATION LIMITED

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

(Rupees in Lakh)

	Particulars	Note No.	For the year ended on 31st March, 2025	For the year ended on 31st March, 2024
	INCOME / REVENUE			
I	Revenue from Operations	21	4,538.70	12,902.88
II	Other Income	22	4,939.17	4,605.09
III	**Total Income (I + II)**		**9,477.87**	**17,507.97**
IV	**EXPENSES**			
	Other Direct Expenses (Purchase of Power)	23	-	1,648.00
	Operation and Maintenance Expenses	24	1,747.16	1,357.35
	Employee Benefit Expenses	25	699.05	549.29
	Finance Costs	26	-	16.35
	Depreciation and Amortisation Expenses	1&3	1,157.86	1,325.24
	Administration and Other Expenses	27	1,028.02	1,692.38
	Total Expenses (IV)		**4,632.09**	**6,588.61**
V	**Profit/(loss) before exceptional items and tax (III - IV)**		**4,845.78**	**10,919.36**
VI	**Exceptional Items**		-	-
VII	Profit before Tax (V - VI)		**4,845.78**	**10,919.36**
VIII	**Tax Expenses:**			
	Current Tax	20	1,264.33	2,984.00
	Deferred Tax	15	93.61	(21.11)
	Total Tax Expenses		**1,357.94**	**2,962.89**
IX	**Profit / (Loss) for the year from continuing operations (VII-VIII)**		**3,487.84**	**7,956.47**
X	**Profit / (Loss) from discontinued operations**		-	-
XI	**Tax Expenses of discontinued operations**		-	-
XII	**Profit/ (Loss) from discontinued operations (X - XI)**		-	-
XIII	**Profit/ (Loss) for the year (IX + XII)**		**3,487.84**	**7,956.47**
XIV	**Other Comprehensive Income**			
	A- Items that will not be reclassified subsequently to profit or loss		-	-
	B- Items that will be reclassified subsequently to profit or loss		-	-
	Other Comprehensive Income for the year (net of tax)		-	-
XV	**Total Comprehensive Income for the year (XIII + XIV)**		**3,487.84**	**7,956.47**
XVI	**Earnings per Equity Share (Face Value of Rs. 100/- each)**			
	For continuing operations			
	i) Basic (in Rs.)		**8.95**	**20.41**
	ii) Diluted (in Rs.)		**8.95**	**20.41**
	For discontinued operations			
	i) Basic (in Rs.)		-	-
	ii) Diluted (in Rs.)		-	-
	For continuing operations and discontinued operations			
	i) Basic (in Rs.)		**8.95**	**20.41**
	ii) Diluted (in Rs.)		**8.95**	**20.41**

The Material Accounting Policy Information (I) and Notes (II) are integral part of these Financial Statements.

In terms of our Audit Report of even date attached

For, M/s. Agarwal & Dhandhania

Chartered Accountants

FRN. - 125756W

AGARWAL & DHANDHANIA ★ FRN:125756W ★ Chartered Accountants

(Tushar Vegad)
Partner
M.N. - 158758
Place: Silvassa
Date: 27/06/2025
UDIN: 25158758BMGOIV9863

For and On behalf of

DNH and DD Power Corporation Limited

(Hemant Kumar Shah)
Chief Financial Officer

(Anju Chaudhary)
Company Secretary

(Arun T.)
Managing Director
[DIN-09584076]

(Priyank Kishore)
Director
[DIN-10307243]

DNH and DD POWER CORPORATION LIMITED
Statement of Changes in Equity for the year ended 31st March 2025

A. Equity Share Capital (Rupees in Lakh)

Particulars	Amount
Balance as at 31st March 2023	38,974.45
Changes in Equity Share Capital due to prior period errors	-
Restated balance as at 1st April 2023	38,974.45
Changes in equity share capital during the previous year	-
Balance as at 31st March 2024	**38,974.45**
Changes in Equity Share Capital due to prior period errors	-
Restated balance as at 1st April 2024	38,974.45
Changes in equity share capital during the previous year	-
Balance as at 31st March 2025	**38,974.45**

B. Other Equity (Rupees in Lakh)

Particulars	Reserve & Surplus		Total
	General Reserve	Retained Earnings / Surplus	
Balance as at 1st April 2023	**1,171.53**	**27,966.24**	**29,137.77**
Changes in accounting policies or prior period errors	-	-	-
Restated balance as at 1st April 2023	**1,171.53**	**27,966.24**	**29,137.77**
Proceeds from Share Application	-	-	-
Profit for the FY 2023-24	-	7,956.47	7,956.47
Other Comprehensive Income for the FY 2023-24	-	-	-
Total Comprehensive Income for the FY 2023-24	-	7,956.47	7,956.47
Transfer to Retained Earnings/ Surplus	-	-	-
Dividend paid	-	-	-
Tax on Dividend paid	-	-	-
Deductions / Adjustments	-	-	-
Balance as at 31st March 2024	**1,171.53**	**35,922.71**	**37,094.24**
Changes in accounting policies or prior period errors	-	-	-
Restated balance as at 1st April 2024	**1,171.53**	**35,922.71**	**37,094.24**
Issue of Equity Share Capital	-	-	-
Proceeds from Share Application	-	-	-
Profit for the FY 2024-25	-	3,487.84	3,487.84
Other Comprehensive Income for the 2024-25	-	-	-
Total Comprehensive Income for the FY 2024-25	-	3,487.84	3,487.84
Transfer to Retained Earnings/ Surplus	-	-	-
Dividend paid	-	-	-
Tax on Dividend paid	-	-	-
Balance as at 31st March 2025	**1,171.53**	**39,410.55**	**40,582.08**

The Material Accounting Policy Information (I) and Notes (II) are integral part of these Financial Statements.

In terms of our Audit Report of even date attached
For, M/s. Agarwal & Dhandhania
Chartered Accountants
FRN. - 125756W

AGARWAL & DHANDHANIA ★ FRN:125756W ★ Chartered Accountants

(Tushar Vegad)
Partner
M.N. - 158758
Place: Silvassa
Date: 27/06/2025
UDIN: 25158758BMGOIV9863

For and On behalf of
DNH and DD Power Corporation Limited

(Hemant Kumar Shah)
Chief Financial Officer

(Anju Chaudhary)
Company Secretary

(Arun T.)
Managing Director
[DIN-09584076]

(Priyank Kishore)
Director
[DIN-10307243]

DNH and DD POWER CORPORATION LIMITED
Cash Flow Statement for the year ended 31 March, 2025

(Rupees in Lakh)

	PARTICULARS	FY 2024-25		FY 2023-24	
A	**CASH FLOW FROM OPERATING ACTIVITIES:-**				
	Profit before tax from continuing operations		4,845.78		10,919.36
	Adjustments for :				
	Add: (a) Depreciation and Amortization	1,157.86		1,325.24	
	(b) Provision for Trade Receivables	179.01		542.65	
	(c) Provision for Unspent CSR Fund	193.01		300.73	
	(d) Provision for Leave Salary, Pension & Gratuity	162.99		51.85	
	(e) Unbilled Receivables Reversal (Contract Assets)	1,648.00			
	(f) Finance cost recognised in Statement of Profit & Loss	-	3,340.87	16.35	2,236.82
			8,186.65		13,156.18
	Less: (a) Leave Salary, Pension & Gratuity Paid	51.85		41.43	
	(b) Unbilled Receivables (Contract Assets)	-		1,648.00	
	(c) Interest income recognised in Statement of Profit & Loss	4,682.26	4,734.11	4,097.39	5,786.82
	Operating Profit before working capital changes		3,452.54		7,369.36
	Adjustments for :				
	Decrease/(Increase) in Trade Receivables	1,017.36		398.06	
	Decrease /(Increase) in Inventories	(116.82)		(65.07)	
	Decrease/(Increase) in Financial Assets - Others	(2.09)		2,434.81	
	Decrease/(Increase) in Other Assets	(98.38)		(27.26)	
	Increase/(Decrease) in Trade and Other Payables	335.49		(261.46)	
	Increase/(Decrease) in Provision	(598.95)		(10.94)	
	Increase/(Decrease) in Other Financial Liabilities	20.07		(788.08)	
	Increase/(Decrease) in Other Current Liabilities	(4.03)	552.65	(38.39)	1,641.67
	CASH GENERATED / (USED) IN OPERATION		4,005.19		9,011.03
	Less : Taxes Paid (Net of Refund)		(1,286.25)		(3,229.13)
	NET CASH GENERATED BY OPERATING ACTIVITIES		**2,718.94**		**5,781.90**
B	**CASH FLOW FROM INVESTING ACTIVITIES**				
	Addition to Property Plant & Equipments and Intangible Assets	(1,792.96)		(665.55)	
	Sale of Property Plant and Equipments	159.44		-	
	Investment (Fixed Deposit)	(5,777.67)		(57,952.49)	
	Interest received on Investments and Loans	4,682.26		4,239.11	
	Addition to Capital Work in Progress	39.58		(400.94)	
	NET CASH (USED IN) / FROM INVESTING ACTIVITIES		**(2,689.35)**		**(54,779.87)**
C	**CASH FLOW FROM FINANCING ACTIVITIES**				
	Proceeds from Banks	-		-	
	NET CASH (USED IN) / FROM FINANCING ACTIVITIES		**-**		**-**
	Net (Decrease)/Increase in Cash and Cash Equivalents (A+B+C)		**29.59**		**(48,997.97)**
	Cash & Cash Equivalents as at the Commencement of the Year		**3,567.84**		**52,565.81**
	Cash & Cash Equivalents as at the Close of the Year		**3,597.43**		**3,567.84**

In terms of our Audit Report of even date attached

For, M/s. Agarwal & Dhandhania
Chartered Accountants
FRN. - 125756W

(Tushar Vegad)
Partner
M.N. - 158758
Place: Silvassa
Date: 27/06/2025
UDIN: 25158758BMGOIV9863

AGARWAL & DHANDHANIA ★ FRN:125756W ★ Chartered Accountants

For and On behalf of
DNH and DD Power Corporation Limited

(Hemant Kumar Shah)
Chief Financial Officer

(Anju Chaudhary)
Company Secretary

(Arun T.)
Managing Director
[DIN-09584076]

(Priyank Kishore)
Director
[DIN-10307243]

DNH and DD POWER CORPORATION LIMITED

I. Material Accounting Policy Information forming part of financial statements for the year ended 31/03/2025.

1. Corporate Information

DNH and DD Power Corporation Limited (DNHDDPCL or 'the Corporation) (erstwhile known as DNH Power Distribution Corporation Limited / DNHPDCL) is a Public Limited Company incorporated in India with its registered office at Vidyut Bhavan, 66 KV Road, Near Secretariat, Amli, Silvassa - 396230. The Corporation is a company with 100% shareholding by the President of India and nominees under administrative control of Ministry of Home Affairs ('MoHA'), the ultimate parent being the Government of India ('GOI'). The equity shares of the Corporation are not listed on any stock exchange. It was initially incorporated in July 2012 with the objective to carry out the business of electricity sub-transmission, distribution and retail supply as explained in the next clause.

Pursuant to 'The Dadra & Nagar Haveli (DNH) Electricity Reforms Transfer Scheme, 2013 notified vide notification no.1-1(594)/ELE/2013/697 dated 07/03/2013, the functions of distribution and its associated division (i.e. meter testing and laboratory division) of Electricity Department of DNH has been corporatized and stand transferred to the Corporation. The said scheme also includes the transfer of the entire assets, liabilities, rights, obligations and proceedings etc. of distribution and its associated division of Electricity Department of DNH to the Corporation from the effective date. Further, the effective date has been notified as 01/04/2013 vide notification no. 1-1(656)/ELE/2013/700 dated 08/03/2013. The initial assets and liabilities transferred to the Corporation in pursuant to above scheme had been transferred at the value as notified by Administrator vide notification no. DNH/Ele/Trans/2014/108/278 dated 04/06/2014.

Later-on, the Government of India has announced Aatma Nirbhar Bharat Abhiyan in May, 2020 to make India self-reliant through structural reforms. One of the key reform measures planned is to reform power distribution and retail supply in Union Territories. In this context, the Hon'ble Administrator of the Union Territory of Dadra and Nagar Haveli and Daman and Diu (hereinafter also referred as the "Government"), in the larger public interest and to promote the viability of power distribution, ensure economic efficiency, serve the interest of consumers, ensure progress and good governance has resolved to reform and restructure the power distribution and retail supply business in the Union Territory of Dadra and Nagar Haveli and Daman and Diu.

In furtherance of this objective, the Government, under Section 131, 133 and 134 of the Electricity Act, has notified Dadra and Nagar Haveli and Daman and Diu Electricity (Reorganisation and Reforms) Transfer Scheme, 2022 ("Transfer Scheme") to transfer the electricity distribution and retail supply functions together with the assets, liabilities, interests, rights, functions, obligations, proceedings and personnel of (a) the Electricity Department, Daman and Diu, and (b) DNH and DD Power Corporation Limited (Formerly known as DNHPDCL) to the Dadra and Nagar Haveli and Daman and Diu Power Distribution Corporation Limited (i.e. new distribution Company / DNHDD PDCL). The said transfer Scheme is notified vide notification no. 1(FTS-118044)/Electricity Distribution/Privatisation/2022/411 dated 09/03/2022 and made effective from 01/04/2022 vide notification no. 1(FTS-118044)/Electricity Distribution/Privatisation/2022/440 dated 14/03/2022. The DNHDDPDCL has been incorporated as a limited liability company under the Companies Act, 2013 to

AGARWAL & BHANSALIA FRN:125756W Chartered Accountants

undertake the business of distribution and retail supply of electricity having distribution license (11 kv & below network) to distribute and supply of electricity in the UT of DNH & DD as per the provisions of the transfer scheme, notified as stated above in the said matter.

Moreover, as the Corporation (DNHDDPCL) currently remains associated with functions relating to generation of electricity (solar) and transmission of electricity (as per the Schedule C of the transfer scheme) after the privatisation. Hence, the residual business of the company would also require the alteration / change in the objective clause of the Memorandum of Association (MoA) by removing the electricity distribution and retail supply business from the existing clauses and by introducing the clauses to define the new business of the Corporation and also change of name of the Corporation as per transfer scheme. Accordingly, after due recommendations of the Board of Directors in its 39th Board Meeting held on 03/06/2022, the Shareholders of the Company in Extra-Ordinary General Meeting (EOGM) held on 03/06/2022 approved the change of name from 'DNH Power Distribution Corporation Limited' to 'DNH and DD Power Corporation Limited' and alteration in object clauses of the Corporation.

2. Basis for Preparation of Accounts:

These Financial Statements except the Cash Flow Statement are prepared on accrual basis of accounting and all principal accounting policies applied in the preparation of these Financial Statements are set out below. These policies have been consistently applied to all the financial years presented, unless otherwise stated.

(i) Statement of Compliance

In accordance with the notification dated 16th February, 2015, issued by the Ministry of Corporate Affairs, the Corporation has adopted Ind AS notified under the Companies (Indian Accounting Standards) Rules, 2015 with effect from 1st April, 2016. The Financial Statements for the year ended 31st March, 2017 was the first Financial Statements of the Corporation which had been prepared in accordance with Ind AS. Accordingly, the date of transition to Ind AS was 1st April, 2015.

The Standalone Financial Statements have been prepared in accordance with Ind AS as prescribed under Section 133 of the Companies Act, 2013 ('the Act'), the Companies (Indian Accounting Standards) Rules, 2015 and other relevant provisions of the Act. The Corporation has adopted all the applicable Indian Accounting Standards ('Ind AS') in the preparation of Financial Statements.

(ii) Basis of measurement

The Financial Statements have been prepared on historical cost basis considering the applicable provisions of Companies Act 2013 and Electricity Act 2003 except the following material items that have been measured at fair value as required by relevant Ind AS. Nevertheless, historical cost is generally based at the fair value of the consideration given in exchange for goods and services.

AGARWAL & DHANDHANIA ★ FRN:125756W ★ Chartered Accountants

- Certain financial assets/liabilities measured at fair value (refer accounting policy regarding financial instruments) and
- Any other item as specifically stated in accounting policy.

The Financial Statement are presented in Indian Rupee ('INR') and all values are rounded to the Rupee in lakhs (up to two decimals), unless otherwise stated.

(iii) Use of Estimate and Judgment

In the application of material accounting policy which are described in note (3) below, the management are required to make judgment, estimates and assumptions about the carrying amount of assets and liabilities, income and expenses and contingent liabilities that are not readily apparent from other sources. The estimates and associated assumptions are based on historical experience and other factors that are considered to be relevant. Actual results may differ from those estimates. The estimates and underlying assumptions are reviewed on ongoing basis. Revisions to accounting estimates are recognized in the period in which the estimates are revised if the revision affects only that period, or in the period of revision and future periods if the revision affects both current and future period.

The few critical estimations and judgments made in applying accounting policies are useful life of Property, Plant & Equipments (PPE), evaluation of indicators of impairments of PPE, revenue recognition, employee benefit plans, impairments of trade receivables and other financial assets and contingent liabilities. Similarly, the management provides for inventory obsolescence, surplus inventory and inventory with carrying values in excess of net realizable value based on assessment of the future uses.

Revision to accounting estimates are recognised prospectively in the Financial Statements in the period in which the estimates are revised and in any future periods affected.

The income or expenditure relating to previous period prior to current financial year of immaterial value is recognised in current Financial Statements. No restatement of prior period is made where the prior period errors are below the threshold limit i.e. the average of four elements of {average of last three years of (0.5% of the size of financial position + 1% of gross block of tangible assets + 2% of size of revenue from operations + 5% profit / loss before tax)}.

3. Summary of Material Accounting Policies Information

(i) Property, Plant & Equipment

For transition to Ind AS, the Corporation has elected to continue with the carrying value of Property, Plant and Equipment ('PPE') recognised as of 1st April, 2015 (transition date) measured as per the Previous GAAP and use that carrying value as its deemed cost of the PPE as on the transition date.

All the items of PPE held for use in the production or supply of goods or services, or for administrative purposes, are stated at cost less accumulated depreciation and

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accumulated impairment losses except for freehold land which is not depreciated. Cost includes purchase price (after deducting trade discount / rebate) or construction cost, non-refundable duties and taxes, borrowing costs and other directly attributable cost to bringing the asset to the location and condition necessary for it to be capable of operating in the manner intended by management.

An item of PPE acquired on the basis of contribution made by consumers, which requires an obligation to provide electricity connectivity to the consumers is recognised at nominal value of Rs.1.00. If the Corporation is also liable to make payment, then such an item of PPE is stated at cost attributable to the Corporation.

Subsequent costs are included in the carrying amount PPE or recognised as a separate item of PPE, as appropriate, only if the recognition criteria are satisfied. Subsequent costs relating to day to day servicing of an item of PPE are not recognised in the carrying amount of PPE, rather, these costs are recognised in the Statement of Profit & Loss. Likewise, when a major inspection / repair occurs, its cost is recognised in the carrying amount of PPE as a replacement, if the recognition criteria are satisfied.

An item of PPE is derecognised on disposal or when no future economic benefits are expected from use. Any profit or loss arising on the derecognition of an item of property, plant and equipment is determined as the difference between the net disposal proceeds and the carrying amount of the asset and is recognized in Statement of Profit & Loss.

(ii) Intangible Assets

For transition to Ind AS, the Corporation has elected to continue with the carrying value of intangible assets recognised as of 1st April, 2015 (transition date) measured as per the Previous GAAP and use that carrying value as its deemed cost as on the transition date.

Intangible assets acquired separately are measured on initial recognition at cost. After initial recognition, intangible assets are carried at cost less any accumulated amortisation and accumulated impairment losses. Software (not being an integral part of the related hardware) acquired for internal use are treated as intangible assets.

An item of Intangible asset is derecognised on disposal or when no future economic benefits are expected from its use or disposal. Any profit 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, and are recognised in the Statement of Profit & Loss.

(iii) Impairment of tangible and intangible assets other than goodwill

At the end of each reporting period, the Corporation reviews the carrying amounts of its PPE and other intangible assets to determine whether there is any indication that these assets have suffered an impairment loss. If any such indication exists, the recoverable amount of the asset is estimated in order to determine the extent of the impairment loss (if any). Where it is not possible to estimate the recoverable amount of

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an individual asset, the Corporation estimates the recoverable amount of the cash-generating unit ('CGU') to which the asset belongs. When the carrying amount of an asset or CGU exceeds its recoverable amount, the asset is considered impaired and is written down to its recoverable amount. The resulting impairment loss is recognised in the Statement of Profit & Loss.

Recoverable amount is the higher of fair value less costs to sell and value in use. In assessing value in use, the estimated future cash flows are discounted to their present value using a pre-tax discount rate that reflects current market assessments of the time value of money and the risks specific to the asset. In determining fair value less cost to sell, recent market transactions are taken into account. If no such transactions can be identified, an appropriate valuation model is used.

Where an impairment loss subsequently reverses, the carrying amount of the asset or CGU is increased to the revised estimate of its recoverable amount, but so that the increased carrying amount does not exceed the carrying amount that would have been determined had no impairment loss been recognised for the asset or CGU in prior years. A reversal of an impairment loss is recognised in the Statement of Profit & Loss.

(iv) Capital Work in Progress

For transition to Ind AS, the Corporation has elected to continue with the carrying value of Capital Work in Progress ('CWIP') recognised as of 1st April, 2015 (transition date) measured as per the Previous GAAP and use that carrying value as its deemed cost as on the transition date.

Expenditure incurred on tangible assets under construction, which are not yet ready for its intended use, are carried at cost under Capital work in Progress ('CWIP'). Such costs comprise purchase price (after deducting trade discount/ rebate) including non-refundable duties and taxes and other costs that are directly attributable to bringing the asset to the location and condition necessary for it to be capable of operating in the manner intended by management.

CWIP also includes inventories / construction supplies consumed as well as lying in stock for the purpose of construction. Payment against material pending acceptance or stage payment made to supplier or fabricator for supply of capital goods, if any are also grouped as part of CWIP. Major Renovation, Modernization and Up-gradation of an item of PPE resulting in increased life and / or efficiency are considered as CWIP and capitalized on its completion.

(v) Investment properties

Investment properties held to earn rentals or for capital appreciation or both are initially stated at cost. Subsequent to initial recognition, investment properties are carried out at cost less accumulated depreciation and accumulated impairment loss, if any. Any gain or loss on disposal of investment property is determined as the difference between net disposal proceeds and the carrying amount of the property and is recognised in the Statement of Profit & Loss. Transfer to or from investment property

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is made when and only when there is change in use and carried out at the carrying amount of investment property.

(vi) Foreign Currency Transactions

The Financial Statements of Corporation are presented in Indian Rupee (INR), which is also its functional currency. In preparing the Financial Statements, transactions in currencies other than the entity's functional currency are recognised at the rates of exchange prevailing at the dates of the transactions. At the end of each reporting period, monetary items denominated in foreign currencies are translated at the rates prevailing at that date. Non-monetary items denominated in foreign currency are reported at the exchange rate ruling on the date of transaction. Exchange differences on monetary items are recognised in the Statement of Profit & Loss in the period in which they arise.

(vii) Inventories

Inventory mainly consists of Operations & Maintenance ('O&M') stores & spares, which includes maintenance supplies, consumables and loose tools to be consumed in the operations & maintenance of PPE and those do not qualify as PPE. Inventories are valued at cost on weighted average and net realizable value ('NRV') whichever is lower. Cost of inventories include cost of purchase (after deducting trade discount / rebate) including non-refundable duties and taxes, cost of conversion and other related costs including incidentals like freight etc. incurred in bringing the inventories to their present location and condition. NRV is the estimated selling price in the ordinary course of business less the estimated costs necessary to make the sale.

The amount of any write-down of inventories to NRV and all abnormal losses of inventories are recognized as expense in the Statement of Profit & Loss in the period in which such write-down or loss occurs. The amount of any reversal of the write-down of inventories arising from increase in the NRV is recognized as a reduction from the amount of inventories recognized as an expense in the period in which reversal occurs.

(viii) Fair value measurement

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, regardless of whether that price is directly observable or estimated using another valuation technique. In estimating the fair value of an asset or a liability, the Corporation takes into account the characteristics of asset and liability if market participants would take those into consideration. Fair value for measurement and / or disclosure purposes in these Financial Statements is determined in such basis except for transactions in the scope of Ind AS 2, 17 and 116. Normally at initial recognition, the transaction price is the best evidence of fair value.

The fair value of an asset or a liability is measured using the assumptions that market participants would use when pricing the asset or liability, assuming that market participants act in their economic best interest. A fair value measurement of a non-financial asset takes into account a market participant's ability to generate economic

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benefits by using the asset in its highest and best use or by selling it to another market participant that would use the asset in its highest and best use.

The Corporation uses valuation techniques those are appropriate in the circumstances and for which sufficient data are available to measure fair value, maximizing the use of relevant observable inputs and minimizing the use of unobservable inputs.

All financial assets and financial liabilities for which fair value is measured or disclosed in the Financial Statements are categorized within the fair value hierarchy, described as follows, based on the lowest level input that is significant to the fair value measurement as a whole:

Level 1 — Quoted (unadjusted) market prices in active markets for identical assets or liabilities that the entity can access at the measurement rate.
Level 2 — Valuation techniques for which the lowest level input (other than quoted prices included within level 1) that is significant to the fair value measurement is directly or indirectly observable.
Level 3 — Valuation techniques for which the lowest level input that is significant to the fair value measurement is unobservable.

Financial assets and financial liabilities that are recognized at fair value on a recurring basis, the Corporation determines whether transfers have occurred between levels in the hierarchy by re-assessing categorization at the end of each reporting period.

(ix) 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 Corporation recognizes a financial asset or financial liability in its balance sheet only when the entity becomes party to the contractual provisions of the instrument.

a) Financial Assets

A financial asset inter-alia includes any asset that is cash, equity instrument of another entity or contractual obligation to receive cash or another financial asset or to exchange financial asset or financial liability under condition that are potentially favorable to the Corporation.

Financial assets of the Corporation comprise trade receivables, cash and cash equivalents, Bank balances, investment other than equity shares, loans to employee / related parties / others, security deposits, claims recoverable etc.

Initial recognition and measurement

All financial assets except trade receivable are recognized initially at fair value plus, in the case of financial assets not recorded at fair value through profit or loss, transaction costs that are attributable to the acquisition of the financial asset. Transaction costs of financial assets carried at fair value through profit or loss are charged in the Statement of Profit & Loss. Where transaction price is not the measure of fair value and fair value is determined using a valuation method that uses data from observable market, the difference between transaction price and fair value is recognized in the Statement of Profit & Loss and in other cases spread over life of the financial instrument using

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effective interest. The Corporation measures the trade receivables at their transaction price, if the trade receivables do not contain a significant financing component.

Subsequent measurement

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

- Financial assets measured at amortized cost
- Financial assets at fair value through OCI
- Financial assets at fair value through profit or loss

Financial assets measured at amortized cost

Financial assets are measured at amortized cost if the financials 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 asset give rise on specified dates to cash flows that are solely payments of principal and interest on the principal amount outstanding. These financials assets are amortized using the effective interest rate ('EIR') method, less impairment. Amortized cost is calculated by taking into account any discount or premium on acquisition and fees or costs that are an integral part of the EIR. The EIR amortization is included in finance income in the Statement of Profit & Loss. The losses arising from impairment are recognized in the Statement of Profit & Loss.

Financial assets at fair value through OCI ('FVTOCI')

Financial assets are measured at fair value through other comprehensive income if the financial asset is held within a business model whose objective is achieved by both collecting contractual cash flows and selling financial assets and the contractual terms of the financial asset give rise on specified dates to cash flows that are solely payments of principal and interest on the principal amount outstanding. At initial recognition, an irrevocable election is made (on an instrument-by-instrument basis) to designate investments in equity instruments other than held for trading purpose at FVTOCI. Fair value changes are recognized in the other comprehensive income ('OCI'). However, the Corporation recognizes interest income, impairment losses and reversals and foreign exchange gain or loss in the Statement of Profit & Loss. On derecognition of the financial asset other than equity instruments designated as FVTOCI, cumulative gain or loss previously recognised in OCI is reclassified to the Statement of Profit & Loss.

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

Any financial asset that does not meet the criteria for classification as at amortized cost or as financial assets at fair value through other comprehensive income is classified as financial assets at fair value through profit or loss. Further, financial assets at fair value through profit or loss also include financial assets held for trading and financial assets designated upon initial recognition at fair value through profit or loss. Financial assets are classified as held for trading if they are acquired for the purpose of selling or repurchasing in the near term. Financial assets at fair value through profit or loss are fair valued at each reporting date with all the changes recognized in the Statement of Profit & Loss.



I. Material Accounting Policy Information forming part of financial statements for the year ended 31/03/2025.

Derecognition of Financial Asset

The Corporation derecognises a financial asset only when the contractual rights to the cash flows from the asset expire, or when it transfers the financial asset and substantially all the risks and rewards of ownership of the asset to another entity. If the Corporation neither transfers nor retains substantially all the risks and rewards of ownership and continues to control the financial asset, the Corporation recognizes its retained interest in the asset and an associated liability for amounts it may have to pay.

Trade Receivables:

Trade receivables are carried at original invoice amount (Transaction Price) less any expected credit loss. Provisions are made where there is evidence of a risk of non-payment, taking into account ageing, previous experience and general economic conditions. As per Bad and Doubtful Debts Policy of the Corporation outlines the accounting treatment for receivables that become uncollectible, typically due to customer bankruptcy, trade disputes, or fraud. It mandates a 100% provision for receivables older than two years. Bad debts are written off after approval from the Board of Directors, following a thorough review procedure i.e. account ageing, previous experience and general economic conditions. The financial reflects sundry debtors net of the provision to maintain accuracy. Recoveries from previously written-off bad debts are treated as income and credited to a "Bad & Doubtful Recovery" account.

Impairment of Financial Asset

The Corporation assesses impairment based on expected credit loss ('ECL') model on the following:

- Financial assets that are measured at amortised cost; and
- Financial assets measured at FVTOCI.

ECL is measured through a loss allowance on a following basis: -

- The 12 month expected credit losses (expected credit losses that result from those default events on the financial instruments that are possible within 12 months after the reporting date)
- Full life time expected credit losses (expected credit losses that result from all possible default events over the life of financial instruments)

The Corporation follows 'simplified approach' for recognition of impairment on trade receivables or contract assets resulting from normal business transactions. The application of simplified approach does not require the Corporation to track changes in credit risk. However, it recognises impairment loss allowance based on lifetime ECLs at each reporting date, from the date of initial recognition. The measurement of life time expected credit loss allowance for trade receivables / contract assets by using a practical expedient as permitted under Ind AS 109 i.e. expected credit loss as experienced on the historical periodicity.

For recognition of impairment loss on other financial assets, the Corporation determines whether there has been a significant increase in the credit risk since initial recognition. If credit risk has increased significantly, lifetime ECL is provided. For

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assessing increase in credit risk and impairment loss, the Corporation assesses the credit risk characteristics on instrument-by-instrument basis.

ECL is the difference between all contractual cash flows that are due to the Corporation in accordance with the contract and all the cash flows that the entity expects to receive (i.e. all cash shortfalls) discounted at the original EIR.

Impairment loss allowance (or reversal) recognized during the period is recognized as expense/income in the Statement of Profit & Loss.

b) Financial Liabilities

The Corporation's financial liabilities include loans & borrowings including bank overdrafts (if any), trade payables, security deposits, accrued expenses and other payables etc.

Initial recognition and measurement

All financial liabilities at initial recognition are classified as financial liabilities at amortized cost or financial liabilities at fair value through profit or loss, as appropriate. All financial liabilities classified at amortized cost are recognized initially at fair value net of directly attributable transaction costs. Any difference between the proceeds (net of transaction costs) and the fair value at initial recognition is recognised in the Statement of Profit & Loss or in the CWIP, if another standard permits inclusion of such cost in the carrying amount of an asset over the period of the borrowings using the Effective interest rate ('EIR') method.

Subsequent measurement

The subsequent measurement of financial liabilities depends upon the classification as described below: -

Financial Liabilities classified as Amortised Cost

Financial Liabilities that are not held for trading and are not designated as at FVTPL are measured at amortised cost at the end of subsequent accounting periods. Amortised cost is calculated by taking into account any discount or premium on acquisition and fees or costs that are an integral part of the EIR. Interest expense that is not capitalized as part of costs of assets is included as Finance costs in the Statement of Profit & Loss.

Financial Liabilities classified as Fair value through profit &loss (FVTPL)

Financial liabilities classified as FVTPL includes financial liabilities held for trading and financial liabilities designated upon initial recognition as FVTPL. Financial liabilities are classified as held for trading if they are incurred for the purpose of repurchasing in the near term. Financial liabilities designated upon initial recognition at FVTPL only if the criteria in Ind AS 109 is satisfied.

Derecognition of Financial Liability

A financial liability is derecognized when the obligation under the liability is discharged / cancelled / expired. When an existing financial liability is replaced by another from the same lender on substantially different terms, or the terms of an existing liability are substantially modified, such an exchange or modification is treated as the de

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recognition of the original liability and the recognition of a new liability. The difference in the respective carrying amounts is recognized in the Statement of Profit & Loss.

Offsetting of financial instruments

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

(x) Non-current assets (or disposal groups) held for sale and discontinued operations

Non-current assets or disposal held for sale

Non-current assets or disposal groups are classified as held for sale, if their carrying amount will be recovered principally through a sale transaction rather than through continuing use. Such assets or disposal groups are classified only when (a) sale is considered highly probable and (b) the asset or disposal group is available for immediate sale in its present condition subject only to terms that are usual and customary for sale of such assets. Upon classification, they are measured at the lower of their carrying amount and fair value less costs to sell. Non-current assets (including those that are part of a disposal group) are not depreciated or amortised while they are classified as held for sale. Interest and other expenses attributable to the liabilities of a disposal group classified as held for sale continue to be recognised.

An impairment loss is recognised for any initial or subsequent write-down of the asset (or disposal group) to fair value less costs to sell. A gain is recognised for any subsequent increases in fair value less costs to sell of an asset (or disposal group), but not in excess of any cumulative impairment loss previously recognised. A gain or loss not previously recognised by the date of the sale of the non-current asset (or disposal group) is recognised at the date of de-recognition.

Discontinued operation

A discontinued operation is a component of the entity that has been disposed of or is classified as held for sale and that represents a separate major line of business or geographical area of operations, is part of a single coordinated plan to dispose of such a line of business or area of operations, or is a subsidiary acquired exclusively with a view to resale. The results of discontinued operations are presented separately in the statement of profit and loss.

(xi) Share capital and share premium

Ordinary shares are classified as equity. Incremental costs directly attributable to the issue of new shares are shown in equity as a deduction net of tax from the proceeds. Par value of the equity share is recorded as share capital and the amount received in excess of the par value, if any is classified as share premium.

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(xii) Dividend Distribution to equity shareholders

The Corporation recognizes a liability to make cash distributions to equity holders when the distribution is authorized and the distribution is no longer at the discretion of the Corporation. As per the corporate laws in India, a distribution is authorized when it is approved by the shareholders. A corresponding amount is recognized directly in other equity along with any tax thereon.

(xiii) Government Grants

Government grants (including subsidies) are recognized when there is reasonable assurance that the Corporation will comply with the conditions attached to them and that the grants will be received.
Grants that compensate the Corporation for the cost of an item of PPE (i.e. non-monetary assets) are recognised by deducting the grant in arriving at the carrying amount of the asset. Further, grants that may take the form of a transfer of a non-monetary asset (such as land or other resources) are recognised at a nominal amount.

Other government grants (grants related to income) are recognized as income over the periods necessary to match them with the costs for which they are intended to compensate on a systematic basis. Government grants that are receivable as compensation for expenses or losses already incurred or for the purpose of providing immediate financial support with no future related costs are recognized in the Statement of Profit & Loss in the period in which they become receivable. Grants related to income are presented under other income in the Statement of Profit & Loss except for grants received in the form of rebate or exemption which are deducted in reporting the related expense.

(xiv) Leases

The Company as a lessee
The Company assesses whether a contract contains a lease, at inception of a contract. A contract is, or contains, a lease if the contract conveys the right to control the use of an identified asset for a period of time in exchange for consideration. To assess whether a contract conveys the right to control the use of an identified asset, the Company assesses whether: (i) the contract involves the use of an identified asset (ii) the Company has substantially all of the economic benefits from use of the asset through the period of the lease and (iii) the Company has the right to direct the use of the asset. Certain lease arrangements include the options to extend or terminate the lease before the end of the lease term. Right of use (ROU) assets and lease liabilities includes these options, when it is reasonably certain that they will be exercised.

At the date of commencement of the lease, the Company recognizes a right-of-use (ROU) asset and a corresponding lease liability for all lease arrangements in which it is a lessee, except for leases with a term of 12 months or less (short-term leases) and low value leases. For these short-term and low-value leases, the Company recognizes the lease payments as an operating expense on a straight-line basis over the term of the lease.

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The cost of the right-of-use asset comprises the amount of the initial measurement of the lease liability, any lease payments made at or before the inception date of the lease, plus any initial direct costs, less any lease incentives received. Subsequently, the right-of-use assets are measured at cost less any accumulated depreciation and accumulated impairment losses, if any. The right-of-use assets are depreciated using the straight-line method from the commencement date over the shorter of lease term or useful life of right-of-use asset. The estimated useful life of right-of-use assets are determined on the same basis as those of property, plant and equipment.

The Company applies Ind AS 36 to determine whether an ROU asset is impaired and accounts for any identified impairment loss as described in the accounting policy 3 (iii) impairment of tangible assets.

For lease liabilities at the commencement of the lease, the Company measures the lease liability at the present value of the lease payments that are not paid at that date. The lease payments are discounted using the interest rate implicit in the lease, if that rate can be readily determined, if that rate is not readily determined, the lease payments are discounted using the incremental borrowing rate that the Company would have to pay to borrow funds, including the consideration of factors such as the nature of the asset and location, collateral, market terms and conditions, as applicable in a similar economic environment.

After the commencement date, the amount of lease liabilities is increased to reflect the accretion of interest and reduced for the lease payments made. The Company recognizes the amount of the re-measurement of lease liability as an adjustment to the right-of-use assets. Where the carrying amount of the right-of-use asset is reduced to zero and there is a further reduction in the measurement of the lease liability, the Company recognizes any remaining amount of the re-measurement in statement of profit and loss. Lease liability payments are classified as cash used in financing activities in the statement of cash flows.

The Company as a lessor

Leases for which the Company is a lessor is classified as a finance or operating lease. Whenever the terms of the lease transfer substantially all the risks and rewards of ownership to the lessee, the contract is classified as a finance lease. All other leases are classified as operating leases. When the Company is an intermediate lessor, it accounts for its interests in the head lease and the sublease separately. The sublease is classified as a finance or operating lease by reference to the ROU asset arising from the head lease. For operating leases, rental income is recognized on a straight line basis over the term of the relevant lease.

(xv) Provisions, Contingent Liabilities and Contingent Assets

Provisions are recognised when there is a present legal or constructive obligation as a result of a past event and it is probable (i.e. more likely than not) that an outflow of resources embodying economic benefits will be required to settle the obligation and a reliable estimate can be made of the amount of the obligation. Such provisions are determined based on management estimate of the amount required to settle the obligation at the balance sheet date. When the Corporation expects some or all of a provision to be reimbursed, the reimbursement is recognised as a standalone asset

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

Contingent liabilities are disclosed on the basis of judgment of management / independent experts. These are reviewed at each balance sheet date and are adjusted to reflect the current management estimate.

Contingent Assets are not recognized, however, disclosed in financial statement when inflow of economic benefits is probable.

(xvi) Revenue Recognition

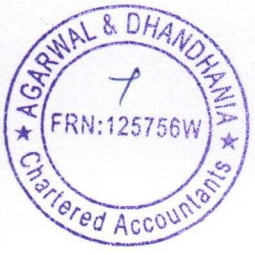
The Corporation earns revenue primarily from transmission of power and generation of renewable resources (i.e. Solar Power) in the area of Dadra & Nagar Haveli. The tariff for the transmission of power and generation of power is determined by Joint Electricity Regulatory Commission (JERC) i.e. regulatory authority. Revenue is recognised upon transfer of control of promised products or services to customers in an amount that reflects the consideration which the Corporation expects to receive in exchange for those products or services.

Revenue from Transmission of Power

Revenue from Transmission of Power is recognized on accrual basis for capacity of energy transmission in accordance with the respective tariff order awarded JERC or other regulation as applicable. Revenue is measured based on the transaction price, which is the consideration, adjusted for rebate, discount, price concession and similar allowances, if any. Revenue also excludes taxes, if any, collected from customers.
Contract assets are recognised when there is excess of revenue earned over billings as per applicable regulations. Contract assets are classified as unbilled receivables (only act of invoicing is pending), when there is unconditional right to receive cash, and only passage of time is required as per applicable regulations. Unearned and deferred revenue ("contract liability") is recognised when there are billings in excess of revenues as per applicable regulations.

Revenue from Sale of Solar Power

Revenue from Sale of Solar Power is recognized on accrual basis for energy supplied in accordance with the respective tariff order awarded JERC or other regulation as applicable. Revenue is measured based on the transaction price, which is the consideration, adjusted for rebate, discount, price concession and similar allowances, if any. Revenue also excludes taxes, if any, collected from customers.
Contract assets are recognised when there is excess of revenue earned over billings as per applicable regulations. Contract assets are classified as unbilled receivables (only act of invoicing is pending), when there is unconditional right to receive cash, and only passage of time is required as per applicable regulations. Unearned and deferred revenue ("contract liability") is recognised when there are billings in excess of revenues as per applicable regulations.



I. Material Accounting Policy Information forming part of financial statements for the year ended 31/03/2025.

Other Miscellaneous Charges / Revenue from Consumers:

Other miscellaneous charges / revenue from consumers including past arrear dues related to distribution business are recognised on cash basis being immaterial value.

Interest Income

Interest on financial assets is recognised when it is probable that the economic benefits will flow to the Corporation and the amount can be measured reliably.

The earned interest income from investments made out of funds representing the Return on Equity (RoE) as approved by the Joint Electricity Regulatory Commission in previous tariff petitions.

Other Income

(i) Income in respect of delayed payment charges (DPC) on dues by consumers for sale of power and transmission of power are accounted on accrual basis as per relevant regulations and subject to the condition that recovery is reasonably certain.

(ii) DPC on past arrear dues related to distribution business is recognised only when the recovery becomes reasonably certain.

(iii) Sale of scrap is accounted for as and when the sale is completed and its collection is reasonably certain.

(iv) Claims lodged with insurance companies and others are accounted for as and when these are settled by the concerned agencies.

(v) Other incomes excluding specifically stated above are recognised on accrual basis except when the ultimate realization of such income is uncertain.

(xvii) Depreciation & Amortization:

The Corporation, being engaged in the electricity transmission business and renewable power generation business, is covered under the Electricity Act 2003 and which are governed as per the provisions of Part B of Schedule II of the Companies Act, 2013.

A. **Tangible & Intangible Assets except Renewable Energy Plants**- The Joint Electricity Regulatory Commission (Generation, Transmission and Distribution Multi Year Tariff) Regulation provides that for Transmission Licensee, the depreciation shall be calculated at rates and norms notified / specified in the prevalent CERC Tariff Regulations for transmission system. Therefore, the depreciation of tangible assets and amortization of Intangible assets is provided on straight line method over the useful life of assets as per the rates specified / notified in respective Central Electricity Regulatory Commission (Generation, Transmission and Distribution Multi Year Tariff) Regulation (CERC). The residual value of the asset is considered as 10% and accordingly, the depreciation / amortization is provided up to the extent of 90% of original cost of asset except the salvage value for IT equipment and software shall be considered as NIL and 100% value of the assets shall be considered depreciable / amortise.

B. **Renewable Energy Plants**- The depreciation for Renewable Energy Plants of the Corporation aligns with JERC Renewable Energy Tariff Regulations. The said

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regulation provides that the value base for depreciation is the capital cost of the asset, with a 10% salvage value, allowing depreciation on 90% of the asset's cost. The depreciation is calculated on the "Straight Line Method" using the depreciation rates and the methodology as prescribed by the regulatory body on time to time. Depreciation starts when the asset is operational, covering capital costs excluding the salvage value.

PPE or Intangible assets or renewable energy assets which are added / disposed-off during the year, depreciation / amortization is provided on pro rata basis from / up to the date on which the asset is available for use / disposal. The relevant / major deprecation rates of tangible assets are as under;

Assets Category	Old Regulatory Rate up to March 31, 2024 (%)	New Regulatory Rate w.e.f. April 01, 2024 (%)
Lines & Networks	5.28%	4.22%
Underground Cables	5.28%	4.22%
Transformer Centres	5.28%	4.22%
Other Equipments	5.28%	4.22%
Meters	5.28%	4.22%
Batteries	9.50%	9.50%
Buildings	3.34%	3.34%
Vehicles	9.50%	9.50%
Furniture & Fixtures	6.33%	6.33%
Office Equipments	6.33%	6.33%
Solar Power Plants	5.83%	4.67%
Computers including Software	15.00%	15.00%

(xviii) Borrowing costs

Borrowing cost includes interest, commitment charges, brokerage, underwriting costs, discounts / premiums, financing charges, exchange difference to the extent they are regarded as interest costs and all ancillary / incidental costs incurred in connection with the arrangement of borrowing.

Borrowing costs which are directly attributable to acquisition/construction on qualifying assets that necessarily takes a substantial period of time to get ready for its intended use are capitalized as a part of cost pertaining to those assets. All other borrowing costs are recognised as expense to the Statement of Profit & Loss in the period in which they are incurred.

(xix) Employee Benefits

a) **Short-term Employees Benefits**

All short term employees' benefits such as salaries, wages, allowances, performance incentive and employee welfare costs are recognised during the period in which the employee render services and are measured at undiscounted amount expected to be paid when the liabilities are settled.

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UT / GOI Employees (Employees on Deputation)
Leave Salary, Pension contribution and Provident Fund contributions in respect of employees on deputation from UT/GOI are paid to UT/GOI in accordance with the norms / rules prescribed by UT/GOI.

b) **Post-employment benefits**
The Corporation provides the post-employment benefits (i.e. Defined Contribution Plan) such as Provident Fund and Gratuity to the eligible employees.

Provident Fund
Eligible employees of the Corporation received benefits from Employees Provident Fund Organization (EPFO) constituted under the Employees Provident Fund and Miscellaneous Provisions Act, 1925. Both, the eligible employees and the Corporation makes monthly contributions to the EPFO equal to a specified percentage / fixed amount of employees' salary. The Corporation's Contribution to Provident Fund as per the said Act are charged to the Statement of Profit & Loss of the year when the contribution to the fund are due.

Gratuity
Liability towards Gratuity payable to eligible employees of the Corporation made by making provision as per Central Government Gratuity Rules under the Payment of Gratuity Act, 1972. The Corporation has taken the "Group Gratuity Scheme" covering all eligible employees from Life Insurance Corporation of India (LIC). In accordance with Central Government Gratuity Rules and Payment of Gratuity Act, 1972, the Group Gratuity Scheme provides a lump sum payment to vested employees at retirement, death, incapacitation or termination of employment, of an amount based on the respective employee's salary and the tenure of employment. Annual Contribution with regard to the Group Gratuity Scheme is determined by LIC on the basis of their actuarial valuations methodology and are charged to the Statement of Profit & Loss of the respective year.

Other employee benefit obligation (Earned Leave)
Liability for earned leave entitlements accruing to eligible employees. The liability is measured at the present value of the expected future payments to be made in respect of services provided by employees up to the reporting date. The projected unit credit method is used to determine this present value.

The expected future payments are discounted using a rate that reflects the expected salary increase rate at the reporting date and that have terms approximating to the expected terms of payment. Actuarial gains and losses arising from experience adjustments and changes in actuarial assumptions are recognized in the Statement of Profit and Loss.

Liabilities for earned leave are classified as current liabilities unless the Corporation has an unconditional right to defer settlement for at least twelve months following the reporting period. This classification is applied regardless of the expected timing of actual settlement.



I. Material Accounting Policy Information forming part of financial statements for the year ended 31/03/2025.

(xx) Income Taxes

Income tax expense represents the sum of tax currently payable and deferred tax. Tax is recognised in the Statement of Profit & Loss, except to the extent that it relates to items recognised directly in equity or other comprehensive income. In this case the tax is also recognised directly in equity or in other comprehensive income.

Current tax

Current tax includes provision for Income Tax computed under Special provision (i.e. Minimum alternate tax) or normal provision of applicable Income Tax Act. The tax currently payable is determined on the basis of taxable profit for the year computed in accordance with the provision of relevant Income Tax Act by using tax rates that have been enacted or by any amendment thereof for the reporting period. Further, Taxable profit differs from profit as reported in the Statement of Profit & Loss because of items of income or expense that are taxable or deductible in other years and items that are never taxable or deductible.

Deferred Tax

Deferred tax is recognised on temporary differences between the carrying amounts of assets and liabilities in the balance sheet and the corresponding tax bases used in the computation of taxable profit. Deferred tax liabilities are generally recognised for all taxable temporary differences. Deferred tax assets are generally recognised for all deductible temporary differences, unabsorbed losses and unabsorbed depreciation to the extent that it is probable that future taxable profits will be available against which those deductible temporary differences, unabsorbed losses and unabsorbed depreciation can be utilised. Such deferred tax assets and liabilities are not recognised if the temporary difference arises from initial recognition of assets and liabilities in a transaction that affects neither the taxable profit nor the accounting profit.

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

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

Deferred tax assets and liabilities are offset when there is a legally enforceable right to set off current tax assets against current tax liabilities and when they relate to income taxes levied by the same taxation authority and the Corporation intends to settle its current tax assets and liabilities on a net basis.



I. Material Accounting Policy Information forming part of financial statements for the year ended 31/03/2025.

(xxi) Statement of Cash Flows and Cash and Cash Equivalents

Statement of cash flows is prepared in accordance with the indirect method prescribed in the relevant Accounting Standard. For the purpose of presentation in the Statement of cash flows, cash and cash equivalents includes cash on hand, deposits held at call with financial institutions, other short-term, highly liquid investments with original maturities of three months or less that are readily convertible to known amounts of cash and which are subject to an insignificant risk of changes in value, and bank overdrafts. However, Bank overdrafts are shown within borrowings in current liabilities in the balance sheet for the purpose of presentation.

(xxii) Current versus non-current classification

The Corporation presents assets and liabilities in the Balance Sheet based on current/non-current classification.

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

All other assets are classified as non-current.

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

All other liabilities are classified as non-current.

c) Deferred tax assets and liabilities are classified as non-current assets and liabilities.

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



DNH and DD POWER CORPORATION LIMITED

II. Notes forming part of the Financial Statements as at 31st March 2025

1 :- Property, Plant and Equipment

(i) : Details of Property, Plant and Equipment (PPE) are as under :

(Rupees in Lakh)

Description of Assets	Land (Freehold)	Buildings (Freehold)	Lines & Networks	Transformer Centre	Furniture and Fixture	Office Equipment	IT Equipments	Other Equipments	Solar Projects	Total
Year ended 31st March 2024										
Gross carrying amount										
Opening Gross Carrying Amount	1,364.66	2,996.27	21,679.31	5,542.87	158.06	35.06	282.79	3,661.87	3,085.40	**38,806.29**
Add- Additions during the year	-	-	-	627.94	-	-	-	22.25	13.98	**664.17**
Less- Deduction / Adjustments during the year	-	-	-	-	-	-	-	-	-	-
Closing Gross Carrying Amount	**1,364.66**	**2,996.27**	**21,679.31**	**6,170.81**	**158.06**	**35.06**	**282.79**	**3,684.12**	**3,099.38**	**39,470.46**
Accumulated Depreciation										
Opening Accumulated Depreciation	-	887.36	14,000.80	3,727.33	65.15	15.18	230.35	2,919.29	1,016.95	**22,862.41**
Add- Depreciation charge during the year	-	92.03	677.01	182.14	10.00	2.13	25.07	88.16	180.24	**1,256.78**
Add/Less- Deduction / Adjustments during the year	-	-	-	-	-	-	-	-	35.13	**35.13**
Closing Accumulated Depreciation	**-**	**979.40**	**14,677.81**	**3,909.47**	**75.15**	**17.31**	**255.42**	**3,007.45**	**1,232.32**	**24,154.33**
									-	-
Net Carrying Amount	**1,364.66**	**2,016.87**	**7,001.50**	**2,261.34**	**82.91**	**17.75**	**27.37**	**676.67**	**1,867.06**	**15,316.13**
Year ended 31st March 2025										
Gross carrying amount										
Opening Gross Carrying Amount	1,364.66	2,996.27	21,679.31	6,170.81	158.06	35.06	282.79	3,684.12	3,099.38	**39,470.46**
Add- Additions during the year	-	-	-	113.78	2.74	5.08	28.73	127.19	1,828.39	**2,105.91**
Less- Deduction / Adjustments during the year	-	-	-	-	-	-	-	-	-	-
Closing Gross Carrying Amount	**1,364.66**	**2,996.27**	**21,679.31**	**6,284.59**	**160.80**	**40.14**	**311.52**	**3,811.31**	**4,927.77**	**41,576.37**
Accumulated Depreciation										
Opening Accumulated Depreciation	-	979.40	14,677.81	3,909.47	75.15	17.31	255.42	3,007.45	1,232.32	**24,154.33**
Add- Depreciation charge during the year	-	90.58	552.88	197.05	10.11	2.29	13.26	73.60	209.44	**1,149.21**
Add/Less- Deduction / Adjustments during the year	-	-	-	-	-	-	-	-	-	-
Closing Accumulated Depreciation	**-**	**1,069.98**	**15,230.69**	**4,106.52**	**85.26**	**19.60**	**268.68**	**3,081.05**	**1,441.75**	**25,303.53**
Net Carrying Amount	**1,364.66**	**1,926.29**	**6,448.62**	**2,178.07**	**75.54**	**20.54**	**42.84**	**730.26**	**3,486.02**	**16,272.84**

(ii) : Depreciation for the year is reconciled as under :

(Rupees in Lakh)

Particulars	FY 2024-25	FY 2023-24
Depreciation charged to Statement of Profit & Loss	1,149.21	1,256.78
Add : Depreciation included under expenditure during construction pending allocation.	-	-
Add/Less : Adjustments	-	35.13
Total	**1,149.21**	**1,291.91**

** For depreciation methodology refer material accounting policy information no. 3 (xvii).*

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DNH and DD POWER CORPORATION LIMITED

II. Notes forming part of the Financial Statements as at 31st March 2025

1 :- Property, Plant and Equipment (Continued)

(iii) : The title deeds immovable properties- Land (freehold) are not held in the name of the Corporation and the related information is disclosed as under :

(Rupees in Lakh)

Item	Description of Item	Gross Carrying Value	Location	Area of Land (in Hector)	Title deed held in the name	Whether title deed holder is a promoter, director or relative of promoter / director or employee of promoter / director	Property holding since	Reason
Property, Plant and Equipment	Land (freehold)	-	Power House-Zanda Chowk	0.25	Electricity Department ,D&NH	Not Applicable, being 100% Government Company	April, 2013	The procedure for registration and / or transfer in the name of the Corporation is in process.
		913.90	Amli Sub-Station	6.53	Electricity Department ,D&NH			
		80.00	Dadra Sub-Station	2.32	Electricity Department ,D&NH			
		64.00	Silli Sub-Station	1.80	Electricity Department ,D&NH			
		100.00	Masat Sub-Station	1.28	Electricity Department ,D&NH			
		84.00	Rakholi Sub-Station	1.44	Electricity Department ,D&NH			
		-	Khadoli Sub-Station	8.45	Electricity Department ,D&NH			
		55.00	Khanvel Sub-Station	0.22	Electricity Department ,D&NH			
		-	Kala Sub-Station	2.42	Electricity Department ,D&NH			
		-	Velugam Sub-Station	5.00	Electricity Department ,D&NH			
		-	Pipariya Sub-Station	0.34	M/s Tirveni Developers			
		-	Pipariya Sub-Station	0.92	Mr. Rakeshsinh Mohansinh Chauhan			
		-	Athal Sub-Station	0.80	Electricity Department ,D&NH			
		67.76	Wagdhara Sub-Station	0.85	Electricity Department ,D&NH			
Total		**1,364.66**						

* Gross Carrying Value (-) denotes the nominal value of land i.e. Re. 1.00.

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II. Notes forming part of the Financial Statements as at 31st March 2025

2 :- Capital Work in Progress (CWIP)

(i) : Details of Capital Work in Progress are as under :

(Rupees in Lakh)

Particulars		As at 31st March 2025	As at 31st March 2024
Capital Work in Progress	See description Note (ii)	510.60	550.18
Total Capital Work in Progress		**510.60**	**550.18**

(ii) : Capital Work in Progress includes the amount being incurred on assets under construction i.e. Solar Plant at various location in DNH of Rs. 261.27 Lakh (Previous Year Rs. 481.39 Lakh) and Construction of Building of Rs. 249.33 Lakh (Previous Year Rs. NIL).

(iii) : (a) Capital Work in Progress ageing schedule are as under :

(Rupees in Lakh)

Particulars	Amount in CWIP for a period of				Total
	Less than 1 year	1-2 years	2-3 years	More than 3 years	
Projects in progress	510.60	-	-	-	510.60
Projects temporarily suspended	-	-	-	-	-
Total Capital Work in Progress	**510.60**	-	-	-	**510.60**

(iii) : (b) There is Rs. NIL Capital Work in Progress in current financial year, whose completion is overdue or has exceeded its cost compared to its original plan.

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II. Notes forming part of the Financial Statements as at 31st March 2025

3 :- Intangible Assets

(i) : Details of Intangible Assets are as under :

(Rupees in Lakh)

Description of Assets	Software	Total
Year ended 31st March 2024		
Gross Carrying amount		
Opening Gross Carrying Amount	242.32	242.32
Add- Additions during the year	1.38	1.38
Less- Deduction / Adjustments during the year	-	-
Closing Gross Carrying Amount	**243.70**	**243.70**
Accumulated Amortisation		
Opening Accumulated Amortisation	200.50	200.50
Add- Amortisation charge during the year	33.33	33.33
Less- Deduction / Adjustments during the year	-	-
Closing Accumulated Amortisation	233.83	233.83
Net Carrying Amount	**9.87**	**9.87**
Year ended 31st March 2025		
Gross carrying amount		
Opening Gross Carrying Amount	243.70	243.70
Add- Additions during the year	-	-
Less- Deduction / Adjustments during the year	-	-
Closing Gross Carrying Amount	**243.70**	**243.70**
Accumulated Amortisation		
Opening Accumulated Amortisation	233.83	233.83
Add- Amortisation charge during the year	8.65	8.65
Less- Deduction / Adjustments during the year	-	-
Closing Accumulated Amortisation	242.48	242.48
Net Carrying Amount	**1.22**	**1.22**

(ii) : Amortisation for the year is reconciled as under :

(Rupees in Lakh)

Particulars	FY 2024-25	FY 2023-24
Amortisation charged to Statement of Profit & Loss	8.65	33.33
Less : Deduction / Adjustments	-	-
Total	**8.65**	**33.33**

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DNH and DD POWER CORPORATION LIMITED

II. Notes forming part of the Financial Statements as at 31st March 2025

4 :- Non Current Financial Assets - Others

(i) : Details of Non Current Financial Assets - Others are as under :

(Rupees in Lakh)

Particulars		As at 31st March 2025	As at 31st March 2024
Security Deposits	See description Note (ii)	19.49	17.40
Total		**19.49**	**17.40**

(ii) : Security Deposits includes the amount deposited with different bodies / authorities (a) for availing facilities during regular business operation or (b) as per the directions issued by the authorities. These deposits are generally without any fixed period of maturity.

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II. Notes forming part of the Financial Statements as at 31st March 2025

5 :- Inventories

(i) : Details of Inventories are as under :

(Rupees in Lakh)

Particulars	As at 31st March 2025	As at 31st March 2024
Stores and Spares (O&M)	335.71	218.90
Less: Provision for obsolescence See description Note (ii)	-	-
Total	**335.71**	**218.90**

** For valuation method refer material accounting policy information No. 3 (vii).*

(ii) : Inventory stated above includes Goods in Transit amounting to Rs. NIL (Previous Year Rs. NIL).



DNH and DD POWER CORPORATION LIMITED

II. Notes forming part of the Financial Statements as at 31st March 2025

6 :- Current Financial Assets -Trade Receivables

(i) : Details of Current Financial Assets -Trade Receivables are as under :

(Rupees in Lakh)

Particulars	As at 31st March 2025	As at 31st March 2024
Trade Receivables - Secured & Considered Good	65.63	1,238.40
Trade Receivables - Un-Secured & Considered Good	-	23.60
Trade Receivables - Doubtful which have significant increase in credit risk	2,412.25	2,233.24
Trade Receivables - Credit impaired	-	-
Sub-Total	**2,477.88**	**3,495.24**
Less : Provision for Doubtful & Credit Impaired Trade Receivables See description Note (ii) & (iii)	2,412.25	2,233.24
Total	**65.63**	**1,262.00**

(ii) : The Corporation has used a practical expedient for computing expected credit loss allowance for trade receivables taking into account credit loss based on historical periodicity. As per management assessment, provision was made wherever necessary.

(iii) : The movement in provision for doubtful trade receivables is as under :

(Rupees in Lakh)

Particulars	FY 2024-25	FY 2023-24
Balance at beginning of the year	2,233.24	1,690.59
Movement in expected credit loss allowance - doubtful trade receivables	179.01	542.65
Balance at end of the year	**2,412.25**	**2,233.24**



DNH and DD POWER CORPORATION LIMITED

II. Notes forming part of the Financial Statements as at 31st March 2025

6 :- Current Financial Assets -Trade Receivables (Continued)

(iv) : Trade Receivables ageing schedule are as under :

(Rupees in Lakh)

Particulars	Outstanding for following periods					Total
	Less than 6 Months	6 months - 1 Year	1-2 Years	2-3 Years	More than 3 Years	
Current FY 2024-25						
(i) Undisputed Trade Receivable - Considered Good	65.63	-	-	-	-	65.63
(ii) Undisputed Trade Receivables - which have significant increase in credit risk	-	-	-	-	2,412.25	2,412.25
(iii) Undisputed Trade Receivable - Credit Impaired	-	-	-	-	-	-
(iv) Disputed Trade Receivable - Considered Good	-	-	-	-	-	-
(v) Disputed Trade Receivables - which have significant increase in credit risk	-	-	-	-	-	-
(vi) Disputed Trade Receivable - Credit Impaired	-	-	-	-	-	-
Total	**65.63**	**-**	**-**	**-**	**2,412.25**	**2,477.88**
Previous FY 2023-24						
(i) Undisputed Trade Receivable - Considered Good	1,031.95	39.90	190.15	-	-	1,262.00
(ii) Undisputed Trade Receivables - which have significant increase in credit risk	-	-	-	833.69	1,399.55	2,233.24
(iii) Undisputed Trade Receivable - Credit Impaired	-	-	-	-	-	-
(iv) Disputed Trade Receivable - Considered Good	-	-	-	-	-	-
(v) Disputed Trade Receivables - which have significant increase in credit risk	-	-	-	-	-	-
(vi) Disputed Trade Receivable - Credit Impaired	-	-	-	-	-	-
Total	**1,031.95**	**39.90**	**190.15**	**833.69**	**1,399.55**	**3,495.24**



DNH and DD POWER CORPORATION LIMITED

II. Notes forming part of the Financial Statements as at 31st March 2025

7 :- Cash & Cash Equivalents and Bank Balances other than Cash & Cash Equivalents

(i) : Details of Cash & Cash Equivalents are as under :

(Rupees in Lakh)

Particulars		As at 31st March 2025	As at 31st March 2024
Balances with Bank			
Current Account Balance	See description Note (iii)	15.43	13.84
Deposit Account Balance	See description Note (iv)	3,582.00	3,554.00
Cash on hand		-	-
Others - including Imprest Balance		-	-
Total		**3,597.43**	**3,567.84**

(ii) : Details of Bank Balances other than Cash and Cash Equivalents are as under :

(Rupees in Lakh)

Particulars	As at 31st March 2025	As at 31st March 2024
Bank Deposits - with maturity more than 3 to 12 months	63,730.16	57,952.49
Total	**63,730.16**	**57,952.49**

(iii) : The Current Account balance included an amount of Rs. 10.33 Lakh (Previous Year Rs. 10.38 Lakh) related to unspent CSR balance of on-going projects and Current Year Rs. 193.01 (Previous Year Rs. 300.73 Lakh) is required to be transferred to a separate bank account. The said amounts are not available for use in normal course of business (Refer Note - 19 and 27).

(iv) : The Deposit Account balance included an amount of Rs. 581.50 Lakh (Previous Year Rs. 342 Lakh) related to unspent CSR balance of on-going projects. The said amount is not available for use in normal course of business (Refer Note - 19 and 27).

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DNH and DD POWER CORPORATION LIMITED
II. Notes forming part of the Financial Statements as at 31st March 2025

8 :- Current Financial Assets- Others

(i) : Details of Current Financial Assets- Others are as under :

(Rupees in Lakh)

Particulars	As at 31st March 2025	As at 31st March 2024
Contract Asset towards consumer See description Note (ii)	-	1,648.00
Total	**-**	**1,648.00**

(ii) : The Corporation operates as a rate-regulated entity, with tariffs for electricity transmission determined by the Joint Electricity Regulatory Commission (JERC) in accordance with the Multi-Year Tariff (MYT) Regulations. This regulatory framework may result in sales billing that is less than the eligible revenue as per applicable regulations. In such circumstances, the Corporation's accounting policy on 'Revenue recognition from transmission of power' mandates the recognition of unbilled receivables (Contract Assets) for the difference between billed and eligible revenue.

During the previous financial year 2023-24, the Corporation incurred additional Power Purchase Cost arising from the Hon'ble Supreme Court's judgment dated April 20, 2023, concerning change in law claims by M/s GMR Warora Energy Limited (GWEL). Consequently, the Corporation realized Rs. 1,648.00 Lakh less revenue through sales billing/approved tariff rates due to the non-recovery of this power purchase cost. This amount was appropriately recognized as a 'Contract Asset towards consumer'. The JERC has subsequently approved the recovery of this amount, which has been adjusted in the current financial year through sales billing/approved tariffs. (Refer to Note No. 21 'Revenue from Operations' and Note No. 28(ii)(c)).



DNH and DD POWER CORPORATION LIMITED

II. Notes forming part of the Financial Statements as at 31st March 2025

9 :- Other Current Assets

(i) : Details of Other Current Assets are as under :

(Rupees in Lakh)

Particulars	As at 31st March 2025	As at 31st March 2024
Other advances		
Prepaid Expenses	78.98	40.94
Other Receivable	60.35	-
Total	**139.33**	**40.94**



DNH and DD POWER CORPORATION LIMITED
II. Notes forming part of the Financial Statements as at 31st March 2025

10 :- Non-Current Assets classified as held for sale

(i) : Details of Non-Current Assets classified as held for sale is as under :

(Rupees in Lakh)

Particulars	As at 31st March 2025	As at 31st March 2024
Non Current Assets		
Property, Plant & Equipments See description Note (ii)	-	159.44
Total	**-**	**159.44**

(ii) : The class/group of said non-current assets held for sale is as under :

(Rupees in Lakh)

Sr. No.	Particulars	Carrying Amount classified as held for sale at the beginning of period	Amount recovered from Disposal of Assets in Current Financial Year	Carrying Amount classified as held for sale at the end of period
1	Transformer Centre	159.44	159.44	-
Total		**159.44**	**159.44**	**-**

(iii) : These assets are available for immediate sale in its present condition and the management is reasonably certain that disposal of the same is highly probable. The Corporation being the Government Entity has engaged MSTC Limited (Metal Scrap Trade Corporation Limited) for the disposal of these assets through e-auction mode.

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DNH and DD POWER CORPORATION LIMITED

II. Notes forming part of the Financial Statements as at 31st March 2025

11 :- Equity Share Capital

(i) : Details of Authorised Share Capital is as under :

(Rupees in Lakh)

Particulars	As at 31st March 2025	As at 31st March 2024
5,00,00,000 (As at 31st March 2024: 5,00,00,000) Equity Shares of Rs. 100/- each	50,000.00	50,000.00
Total	50,000.00	50,000.00

(ii) : Details of Issued, Subscribed and Paid-up Share Capital are as under :

(Rupees in Lakh)

Particulars	As at 31st March 2025	As at 31st March 2024
3,89,74,445 (As at 31st March 2024: 3,89,74,445) Equity Shares of Rs. 100/- each fully paid up	38,974.45	38,974.45
Total	38,974.45	38,974.45

(iii) : Reconciliation of number of Equity Share is as under :

Particulars	As at 31st March 2025	As at 31st March 2024
Equity Shares at the beginning of the year	3,89,74,445	3,89,74,445
Add : Equity Shares allotted during the year	-	-
Equity Shares at the end of the year	3,89,74,445	3,89,74,445

(iv) : The Corporation is a Government Company with 100% shareholding by the President of India and nominees, through administrative control of Ministry of Home Affairs. The Corporation has only one class of shares having par value of Rs. 100/- each with equal rights for Dividend and Vote.

(v) : The Equity Share Capital held by promoter :

The Corporation is a Government Company with 100% share holding by the President of India and its nominee. As such, 100% of the equity share capital is held by the promoters at the end of the reported financial year and also there is no change in the pattern of the shareholding.



DNH and DD POWER CORPORATION LIMITED
II. Notes forming part of the Financial Statements as at 31st March 2025

12 :- Other Equity

(i) : Details of Other Equity are as under :

(Rupees in Lakh)

Particulars		As at 31st March 2025	As at 31st March 2024
General Reserve	See description Note (ii) & (iii)	1,171.53	1,171.53
Retained Earnings / Surplus	See description Note (ii) & (iv)	39,410.55	35,922.71
Total		**40,582.08**	**37,094.24**

(ii) : Movement in Other Equity are as under :

(Rupees in Lakh)

Particulars	FY 2024-25	FY 2023-24
General Reserve		
Opening Balance	1,171.53	1,171.53
(+) Addition during the year	-	-
(-) Transfer during the year	-	-
Closing Balance	**1,171.53**	**1,171.53**
Retained Earnings / Surplus		
Opening Balance	35,922.71	27,966.24
(+) Net profit/(Net loss) for the Current Year	3,487.84	7,956.47
(-) Deductions / Adjustments for the Current Year	-	-
Closing Balance	**39,410.55**	**35,922.71**
Total	**40,582.08**	**37,094.24**

(iii) : The General Reserve is established through periodic transfers of profit from the Corporation's retained earnings. As the creation of the General Reserve represents a reclassification within equity (a transfer from one component of equity to another) and does not constitute an item of other comprehensive income, it will not be subsequently reclassified to the Statement of Profit and Loss.

(iv) : The Retained Earnings / Surplus represents amount remaining with the Corporation after considering appropriations.



DNH and DD POWER CORPORATION LIMITED

II. Notes forming part of the Financial Statements as at 31st March 2025

13 :- Non-Current Financial Liabilities - Others

(i) : Details of Non-Current Financial Liabilities - Others are as under :

(Rupees in Lakh)

Particulars	As at 31st March 2025	As at 31st March 2024
Security Deposits (Others)	125.13	94.06
Total	**125.13**	**94.06**

(ii) : Security Deposits primarily comprise amounts collected from vendors and suppliers against services and works, totaling Rs. 125.13 Lakh (Previous Year Rs. 94.06 Lakh). These deposits typically do not have a fixed period of maturity. Consequently, the Corporation has classified these Security Deposits as Non-Current Financial Liabilities - Others in its financial statements.



DNH and DD POWER CORPORATION LIMITED

II. Notes forming part of the Financial Statements as at 31st March 2025

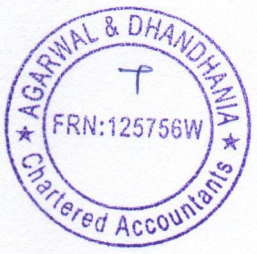
14 :- Non-Current Liabilities - Provisions

(i) : Details of Non-Current Liabilities - Provisions are as under :

(Rupees in Lakh)

Particulars	As at 31st March 2025	As at 31st March 2024
Provision for NSPCL Power Purchase See description Note (ii)	-	536.95
Total	**-**	**536.95**

(ii) : The provision for NSPCL power purchase previously represented the amount payable due to delayed payment of Capacity Charges for two months (January 2014 and February 2014), which was settled on December 18, 2018, after a delay of 57 months. As per the agreed terms of the Power Purchase Agreement, delayed payment surcharge was applicable only on late payments of capacity charges and energy charges. Accordingly, the final payable amount, totaling Rs. 536.95 Lakh, has since been settled and paid to NSPCL as a full and final settlement in this matter. Consequently, the outstanding provision amount is now NIL. Furthermore, the Corporation has withdrawn the related case from the Appellate Tribunal for Electricity as per the agreed terms of settlement.



DNH and DD POWER CORPORATION LIMITED

II. Notes forming part of the Financial Statements as at 31st March 2025

15 :- Deferred Tax Liabilities (Net)

(i) : Details of Deferred Tax Liabilities (Net) are as under :

(Rupees in Lakh)

Particulars	As at 31st March 2025	As at 31st March 2024
Deferred Tax Liabilities	1,669.16	1,575.55
Less: Deferred Tax Recoverable (Assets)	-	-
Net Deferred Tax (Assets) / Liabilities	**1,669.16**	**1,575.55**

(ii) : The item wise details of deferred tax liability (net) in accordance with Ind AS 12 : "Income Taxes" are given below :

(Rupees in Lakh)

Particulars	As at 31st March 2025	As at 31st March 2024
Deferred Income Tax Liabilities		
Depreciation and Amortization	1,696.77	1,575.55
Deferred Income Tax Assets		
Provisions not currently deductible for tax purposes	27.61	-
Total	**1,669.16**	**1,575.55**

(iii) : Movement in deferred tax assets/liabilities :

(Rupees in Lakh)

Particulars	Depreciation and Amortization	Provisions	Total
As at 31st March 2023	**(1,596.66)**	**-**	**(1,596.66)**
(Charged)/ Credited:			
To profit or loss	21.11	-	21.11
To other comprehensive income	-	-	-
Recognised directly in Equity	-	-	-
Reclassified from equity to profit and loss	-	-	-
Deferred Tax on basis adjustment	-	-	-
As at 31st March 2024	**(1,575.55)**	**-**	**(1,575.55)**
(Charged)/ Credited:			
To profit or loss	(121.22)	27.61	(93.61)
To other comprehensive income	-	-	-
Recognised directly in Equity	-	-	-
Reclassified from equity to profit and loss	-	-	-
Deferred Tax on basis adjustment	-	-	-
As at 31st March 2025	**(1,696.77)**	**27.61**	**(1,669.16)**



DNH and DD POWER CORPORATION LIMITED

II. Notes forming part of the Financial Statements as at 31st March 2025

16 :- Other Non-Current Liabilities

(i) : Details of Other Non-Current Liabilities are as under :

(Rupees in Lakh)

Particulars	As at 31st March 2025	As at 31st March 2024
State Energy Conservation Fund See description Note (ii)	173.91	198.91
Total	**173.91**	**198.91**

(ii) : The Corporation has been appointed as State Designated Agency vide Notification No. 01/17/ED-DNH/2017-18/141 dated 19-04-2018 issued by Union Territory Administration. As per the said notification, the State Energy Conservation Fund shall be utilized for the purpose of promotion and efficient use of energy and its conservation in the area of DNH (Dadra & Nagar Haveli).



DNH and DD POWER CORPORATION LIMITED

II. Notes forming part of the Financial Statements as at 31st March 2025

17 :- Current Financial Liabilities - Trade and Other Payables

(i) : Details of Current Financial Liabilities - Trade and Other Payables are as under :

(Rupees in Lakh)

Particulars	As at 31st March 2025	As at 31st March 2024
Trade Payables		
i) Amount due to Micro & Small Enterprise See description Note (ii) & (iii)	736.35	464.20
ii) Payable to Others See description Note (iii)	127.71	24.10
Sub Total (i & ii)	**864.06**	**488.30**
Other Payables		
iii) Accrued Expenses See description Note (iii)	77.67	118.51
iv) Accrued Payroll See description Note (iii)	2.16	1.58
Total Amount due other than Micro & Small Enterprises	**207.54**	**144.19**
Total (i + ii + iii + iv)	**943.89**	**608.39**

(ii) : The Details of liabilities to Micro and small enterprises under the Micro, Small and Medium Enterprises Development Act, 2006 (MSMED Act, 2006) to the extent information available with the Corporation are given under. These liabilities are not due for payment as per the contractual term of payment.

(Rupees in Lakh)

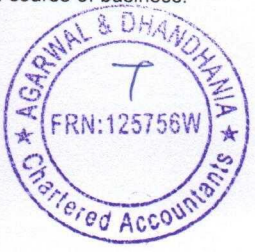
Due to MSME Enterprise	As at 31st March 2025	As at 31st March 2024
1.a. The principal amount remaining unpaid to any supplier as at the end of the accounting year (No amount is due for more than 45 days in normal course of business).	736.35	464.20
1.b. The interest due thereon remaining unpaid to any supplier as at the end of the accounting year.		
2. The amount of interest paid by the buyer in terms of Section 16 of the Micro Small and Medium Enterprise Development Act, 2006,alongwith the amounts of the payment made to the supplier beyond appointed day during the accounting year.	-	-
3. The amount of interest due and payable for the period of delay in making payment (which have been paid but beyond the appointed day during the year) but without adding the interest specified under Micro Small and Medium Enterprise Development Act, 2006.	-	-
4. The amount of interest accrued and remaining unpaid at the end of the accounting year.	-	-
5. The amount of further interest remaining due and payable even in the succeeding years. Until such date when the interest dues as above are actually paid to the small enterprise for the purpose of Disallowance as a deductible expenditure under Section 23 of the Micro Small and Medium Enterprise Development Act, 2006	-	-
Total	**736.35**	**464.20**

(iii) : Terms and conditions of above Financial Liabilities :

a) Trade Payables are non interest bearing and generally settled after submission of all relevant documents for payment as per the terms of the contract.

b) Other Payables - Accrued expenses are non interest bearing liabilities that have not been settled or invoiced and generally settled in normal course of business.

c) Other Payables - Accrued payroll are non-interest bearing dues to employees and generally settled in normal course of business.



DNH and DD POWER CORPORATION LIMITED

II. Notes forming part of the Financial Statements as at 31st March 2025

17 :- Current Financial Liabilities - Trade and Other Payables (Continued)

(iv) : Trade Payables ageing schedule are as under :

(Rupees in Lakh)

Particulars	Outstanding for following periods				Total
	Less than 1 Year	1-2 Years	2-3 Years	More than 3 Years	
Current FY 2024-25					
(i) MSME	377.46	141.43	217.46	-	**736.35**
(ii) Payable to Others	93.99	26.26	0.04	7.42	**127.71**
(iii) Disputed Dues - MSME	-	-	-	-	**-**
(iv) Disputed Dues - Payable to Others	-	-	-	-	**-**
Total	**471.45**	**167.69**	**217.50**	**7.42**	**864.06**
Previous FY 2023-24					
(i) MSME	221.37	217.46	0.19	25.18	**464.20**
(ii) Payable to others	8.58	4.81	5.74	4.97	**24.10**
(iii) Disputed Dues - MSME	-	-	-	-	**-**
(iv) Disputed Dues - Payable to Others	-	-	-	-	**-**
Total	**229.95**	**222.27**	**5.93**	**30.15**	**488.30**



DNH and DD POWER CORPORATION LIMITED

II. Notes forming part of the Financial Statements as at 31st March 2025

18 :- Current Financial Liability- Others

(i) : Details of Current Financial Liability- Others are as under :

(Rupees in Lakh)

Particulars		As at 31st March 2025	As at 31st March 2024
Payable towards Deposit Works	See description Note (ii)	785.08	785.08
Other Payable	See description Note (iii)	462.20	160.25
Total		**1,247.28**	**945.33**

(ii) : Payable towards Deposit Works represents amount collected from various Government Department/Authorities on account of electrical works to be executed on their behalf. The outstanding amount of these Deposit Works with respective Departments is subject to reconciliation and confirmation at the time of final settlement.

(iii) : Other Payable primarily represents non-interest bearing liabilities arising from ongoing capital activities. These amounts have not yet been settled and are generally paid in the normal course of business in accordance with the agreed terms of their respective contracts.



DNH and DD POWER CORPORATION LIMITED

II. Notes forming part of the Financial Statements as at 31st March 2025

19 :- Current Liabilities - Provisions

(i) : Details of Current Liabilities - Provisions are as under :

(Rupees in Lakh)

Particulars	As at 31st March 2025	As at 31st March 2024
Earned leave salary	124.94	15.30
Pension	38.05	36.55
Provision for on-going CSR projects [See description Note (ii)]	784.12	653.12
Total	**947.11**	**704.97**

** For other employee benefit obligation (Earned Leave Salary) methodology refer material accounting policy information no. 3 (xix - b).*

(ii) : The movement in provision for CSR on-going projects are as under :

(Rupees in Lakh)

Particulars	FY 2024-25	FY 2023-24
Opening Balance	653.12	363.32
Add - Provision Creates during the year	193.01	300.73
Less - Actual Expenses Incurred (Net of Interest Earned) during the year	62.01	10.93
Closing Balance	**784.12**	**653.12**

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DNH and DD POWER CORPORATION LIMITED

II. Notes forming part of the Financial Statements as at 31st March 2025

20 (a) :- Current Tax Liabilities (Net)

(i) : Details of Current Tax Liabilities are as under :

(Rupees in Lakh)

Particulars	As at 31st March 2025	As at 31st March 2024
Provision for current tax on profits for the year (Net of tax paid) See description Note (a) (ii)	(37.79)	(15.88)
Total	**(37.79)**	**(15.88)**

(ii) : Details of Provision for taxation is as under :

(Rupees in Lakh)

Particulars	As at 31st March 2025	As at 31st March 2024
Gross amount of provision	1,219.71	2,969.89
Less : Advance Tax paid Including TDS & TCS Recoverable of Rs. 124.50 Lakh (PY Rs. 228.77 Lakh)	1,257.51	2,985.77
Total	**(37.80)**	**(15.88)**

(iii) : Reconciliation of tax expenses and accounting profit multiplied by country's tax rate :

(Rupees in Lakh)

Particulars	As at 31st March 2025	As at 31st March 2024
Profit before income tax expenses	**4,845.78**	**10,919.36**
Tax at the Indian tax rate of 34.608% (Previous Year 34.608%)	-	-
Tax provided at lower tax rate under 115BAA / 115JB	1,219.71	2,984.00
Adjustment for current tax of prior periods	44.62	-
Tax losses for which no deferred income tax was recognised	-	-
Any other adjustment to reconcile expected income tax expenses	-	-
Income Tax Expense	**1,264.33**	**2,984.00**

* Income tax liabilities for the current year are based on self-assessment. These are provisional and subject to reconciliation and final assessment as per the Income Tax Act, 1961. Any differences arising from this process will be accounted for as an adjustment to the relevant tax expense or asset/liability in the period in which they are determined.

20 (b) :- Other Current Liabilities

(i) : Details of Other Current Liabilities are as under :

(Rupees in Lakh)

Particulars	As at 31st March 2025	As at 31st March 2024
Payable to Statutory Authorities	46.69	25.72
Payable to EPF & GPF Trust	0.50	0.50
Total	**47.19**	**26.22**

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DNH and DD POWER CORPORATION LIMITED

II. Notes forming part of the Financial Statements as at 31st March 2025

21 : Revenue from Operations

(i) : Details of Revenue from Operations are as under:-

(Rupees in Lakh)

Particulars		For the year ended on 31st March, 2025	For the year ended on 31st March, 2024
(I) Revenue from Transmission of Power		5,760.30	10,998.00
(II) Revenue from Sale of Power			
a) Sale of Renewable Power (Solar Power)		436.57	415.18
Total (I+II)		**6,196.87**	**11,413.18**
Less: Rebate Allowed to Consumers	See description Note (ii)	78.64	167.51
Less: Contract Asset towards consumers	[Refer description note - 8 (ii)]	(1,648.00)	1,648.00
Revenue from Transmission and Sale of Power		**4,470.23**	**12,893.67**
(III) Other Operating Income			
Supervision Charges		68.47	9.21
Other Operating Income		**68.47**	**9.21**
Total Revenue from Operations (I+II+III)		**4,538.70**	**12,902.88**

(ii) : Rebate allowed for prompt payment to the consumers in FY 2024-25 Rs. 78.64 Lakh (Previous Year Rs. 167.51 Lakh) within the stipulated timeframe following the bill presentation. The rebate on revenue derived from the transmission of power is granted in accordance with the relevant CERC regulations, while the rebate on revenue from the sale of power is extended as per the agreed terms of the Power Purchase Agreement..



DNH and DD POWER CORPORATION LIMITED

II. Notes forming part of the Financial Statements as at 31st March 2025

22 : Other Income

(i) : Details of Other Income are as under:-

(Rupees in Lakh)

Particulars		For the year ended on 31st March, 2025	For the year ended on 31st March, 2024
Interest Income	See description Note (ii)	4,682.26	4,097.39
Delayed Payment Charges from Consumers		46.41	292.94
Tender Fees		0.69	1.13
Provision Written Back		62.78	108.21
Sale of Scrap		59.57	-
Miscellaneous Income		9.99	27.95
Lease Income	See description Note (iii)	77.47	77.47
Total		**4,939.17**	**4,605.09**

(ii) : For the financial year 2024-25, the Corporation recognised interest income of Rs. 4,682.26 Lakh (Previous Year Rs. 4,097.39 Lakh). This income primarily arises from the strategic parking of surplus funds in bank deposits, which are typically short-term with maturities within 12 months, balancing liquidity needs with yield optimization. A significant portion of these investments are made from funds representing the approved Return on Equity, as determined by the Joint Electricity Regulatory Commission in its tariff orders, thereby contributing to the overall financial health and operational efficiency of the Corporation.

(iii) : The Corporation has entered into operating lease agreement for the use of its buildings and offices. These lease commenced in March 2023 and are set to conclude in February 2026, spanning a period of three years. The lease rates for these arrangement has been determined by the Public Works Department of Dadra and Nagar Haveli.



DNH and DD POWER CORPORATION LIMITED

II. Notes forming part of the Financial Statements as at 31st March 2025

23 : Other Direct Expenses (Purchase of Power)

(i) : Details of Other Direct Expenses (Purchase of Power) are as under:-

(Rupees in Lakh)

Particulars		For the year ended on 31st March, 2025	For the year ended on 31st March, 2024
Power Purchase	See description Note (ii)	-	1,648.00
Total		**-**	**1,648.00**

(ii) : The Other Direct Expenses i.e. Purchase of Power amount Rs. NIL (Previous Year Rs. 1,648.00 Lakh) represents liability incurred on account of the judgement dated 20.04.2023 passed by the Hon'ble Supreme Court in the matter of change in law claims of M/s GMR Warora Energy Limited (GWEL). [Refer note no. 28(ii)(c)].

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DNH and DD POWER CORPORATION LIMITED

II. Notes forming part of the Financial Statements as at 31st March 2025

24: Operation & Maintenance Expenses

(i) : Details of Operation & Maintenance Expenses are as under:-

(Rupees in Lakh)

Particulars	For the year ended on 31st March, 2025	For the year ended on 31st March, 2024
Stores & Spares Consumed	86.51	56.51
Repairs & Maintenance		
(i) Plant & Machinery	1,153.99	851.76
(ii) Repair & Maintenance Office	44.74	61.59
(iii) Other Operational Expenses	388.34	292.29
Regulatory Fees	73.58	95.20
Total	**1,747.16**	**1,357.35**

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DNH and DD POWER CORPORATION LIMITED

II. Notes forming part of the Financial Statements as at 31st March 2025

25 : Employee Benefit Expenses

(i) : Details of Employee Benefit Expenses are as under:-

(Rupees in Lakh)

Particulars	For the year ended on 31st March, 2025	For the year ended on 31st March, 2024
Salary & Wages	472.06	448.19
Provident Fund Contribution	6.55	6.01
Leave Salary, Pension and Gratuity	173.43	60.31
Staff Welfare Expenses	47.01	34.78
Total	**699.05**	**549.29**



DNH and DD POWER CORPORATION LIMITED

II. Notes forming part of the Financial Statements as at 31st March 2025

26 : Finance Costs

(i) : Details of Finance Costs are as under:-

(Rupees in Lakh)

Particulars	For the year ended on 31st March, 2025	For the year ended on 31st March, 2024
Interest Expenses		
Interest on Others See description Note (ii)	-	16.35
Total	-	**16.35**

(ii) : As part of income tax obligations under self-assessment tax, a total of Rs. NIL (Previous Year Rs. 16.35 Lakh) was remitted to the Income Tax Department as interest incurred due to shortfalls in advance tax payments.

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Chartered Accountants

DNH and DD POWER CORPORATION LIMITED

II. Notes forming part of the Financial Statements as at 31st March 2025

27 : Administrative & Other Expenses

(i) : Details of Administrative & Other Expenses are as under:-

(Rupees in Lakh)

Particulars		For the year ended on 31st March, 2025	For the year ended on 31st March, 2024
Fees to Auditors	See description Note (ii)	9.23	9.23
Printing and Stationery Expenses		26.19	6.08
Travelling and Accommodation Expenses		24.77	11.42
Advertisement Expenses		0.13	0.09
Corporate Social Responsibility Expenses	See description Note (iv) & (v)		
- Actual CSR Expenses		0.39	-
- Provision for on-going CSR project		193.01	300.73
Telephone Expenses		7.91	8.56
Legal and Professional Charges		90.96	63.75
Bank Charges		-	0.66
Fees and Subscription Expenses		4.27	5.98
Incentive Expenses	See description Note (iii)	15.66	93.03
Other Expenses		476.49	650.20
Provision for Bad & Doubtful Debts		179.01	542.65
Total		**1,028.02**	**1,692.38**

(ii) : Fees to Auditors includes the amount paid to Statutory Auditors:-

(Rupees in Lakh)

Particulars	For the year ended on 31st March, 2025	For the year ended on 31st March, 2024
Fees paid for Statutory Audit	6.50	6.50
Fees paid for Tax Audit	0.57	0.57
Out of pocket expenses	-	-
Total	**7.07**	**7.07**

(iii) : The Corporation's past arrears pertaining to energy sales within its distribution business are being recovered by the newly formed entity, DNHDDPDCL. In accordance with the policy directions and Schedule C (3c) of the notified transfer scheme dated March 9, 2022, the amounts recovered by DNHDDPDCL is remitted to the Corporation, after deducting an agreed incentive.



DNH and DD POWER CORPORATION LIMITED

II. Notes forming part of the Financial Statements as at 31st March 2025

27 : Administrative & Other Expenses (Continued)

(iv) : In terms of stipulation of Section – 135 of the Companies Act 2013, the Corporation is required to spend Rs. 193.40 Lakh during FY 2024-25 on Corporate Social Responsibility (i.e. CSR) activities (Previous Year Rs. 300.73 Lakh). In terms of Section -135(5) and (6) of the CA 2013, the Corporation has an obligation of Rs. NIL (Previous Year Rs. NIL) to transfer in funds as specified in schedule-VII of the said act as on 31/03/2025. However, an amount of Rs. 784.11 Lakh (Previous Year Rs. 653.11 Lakh) pertaining to spent under ongoing CSR project, which has been transferred to special bank account within the due course of prescribed time. During the FY 2024-25, the Corporation has incurred expenses / liability on the following CSR activities;

(Rupees in Lakh)

Particulars	For the year ended on 31st March, 2025			For the year ended on 31st March, 2024		
	Amount Paid (including earned interest)	Yet to be paid (including earned interest)	Total (including earned interest)	Amount Paid (including earned interest)	Yet to be paid (including earned interest)	Total (including earned interest)
(i) construction / acquisition of any asset	-	-	-	-	-	-
(ii) On purposes other than (i) above						
- Animal Welfare i.e. 2 Mobile Veterinary Vans with Doctors, Staff, Equipments and Consumables (ongoing CSR project- FY 2021-22)	46.80	-	46.80	-	45.00	45.00
- Promoting Education Initiatives- Smart Class Room (ongoing CSR project- FY 2021-22)	38.71	-	38.71	-	37.23	37.23
- Malnutrition and promoting health- Bal Shakti & Matru Shakti to pregnant woman and lactating woman (ongoing CSR project- FY 2021-22)	-	-	-	24.93	-	24.93
- Malnutrition and promoting health- food for patient / attendant in Namo Hospital and some of the CSR unbudgeted fund shall be utilised under CSR ongoing new activities in FY 2025-26 (ongoing CSR project- FY 2022-23)	-	282.74	282.74	-	270.15	270.15
- Animal Welfare i.e. 2 Mobile Veterinary Vans with Doctors, Staff, Equipments and Consumables (ongoing CSR project- FY 2023-24)	0.73	308.36	309.09	-	300.73	300.73
- Promoting Education Initiatives- Smart Class Room (ongoing CSR project- FY 2024-25)	0.39	193.01	193.40	-	-	-
Total	**86.63**	**784.11**	**870.74**	**24.93**	**653.11**	**678.04**

(v) : The other information related to CSR activities are as follows –

(Rupees in Lakh)

Particulars	FY 2024-25	FY 2023-24
i) Amount required to be spent during the year	193.40	300.73
ii) Amount of expenditure incurred (Actual)	0.39	-
iii) Shortfall at the end of the year.	193.01	300.73
iv) Total of previous years shortfall (including earned interest)	591.10	352.38
v) Reason for shortfall	As pertains to ongoing CSR project as per abovementioned table.	As pertains to ongoing CSR project as per abovementioned table.
vi) Nature of CSR activities	Ongoing CSR Project- As per abovementioned table.	Ongoing CSR Project- As per abovementioned table.
vii) Details of related parties transactions, e.g. contribution to a trust controlled by the company in relation to CSR expenditure as per relevant Accounting Standard.	NIL	NIL
viii) Where a provision is made with respect to a liability incurred by entering into a contractual obligation, the movement of the provisions.	YES {Refer Note - 19 (ii)}	YES {Refer Note - 19 (ii)}

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DNH and DD POWER CORPORATION LIMITED

II. Notes forming part of the Financial Statements as at 31st March 2025

28 : Contingent Liabilities & Commitments

(i) Contingent Liabilities not provided for includes :-

(Rupees in Lakh)

Particulars	As at 31st March 2025	As at 31st March 2024
(a) Claims against the Corporation not acknowledged as debts	50,791.08	44,655.82
(b) Unexpired value of Bank Guarantee on behalf of the Corporation	-	-

(ii) Claims under point (i) (a) above includes :-

a) : A claim of ₹ 16,549.96 Lakh (Previous Year ₹ 12,015.01 Lakh) made by M/s Ratnagiri Gas & Power Private Limited (RGPPL) pertaining to the period from October 2013 to March 2025. RGPPL ceased generation and supply of power in October 2013 due to the non-scheduling of power by the principal beneficiary, Maharashtra, which constitutes 95% of the installed capacity.

The Corporation maintains that the non-supply of power is attributable to reasons solely on the part of RGPPL, and consequently, the Corporation is not liable for any payment under the terms of the Power Purchase Agreement (PPA). As of the balance sheet date, RGPPL has not initiated any litigation regarding this matter as per the agreed dispute resolution mechanism outlined in the PPA.

In the event that this claim materializes into an actual liability in the future, the Corporation intends to recover the resultant claim from its consumers.

b) : A claim of ₹ 20,683.12 Lakh (Previous Year ₹ 19,082.81 Lakh) has been lodged by M/s GMR Warora Energy Limited (GWEL) pertaining to capacity charges for the period from March 26, 2020, to June 30, 2020. This claim arises from a Power Purchase Agreement (PPA) executed through a competitive bidding process for the procurement of 200 MW of power for a term of 7 years and 3 months commencing in April 2013.

The period of the claim coincided with a nationwide lockdown ordered by the Ministry of Home Affairs vide its order no. 40-3/2020-DM-I(A) dated March 24, 2020, to contain the spread of the COVID-19 pandemic, which had been declared a pandemic by the World Health Organisation. The Ministry of Finance, vide its OM No. F 18/4/2020-PPD dated February 19, 2020, clarified that disruptions due to the spread of the coronavirus would be covered under the Force Majeure Clause as a natural calamity. The Ministry of New and Renewable Energy also conveyed a similar view vide its OM No. 283/18/2020-Grid Solar dated March 20, 2020. Further, the Central Electricity Regulatory Commission (CERC), in its suo-moto petition no. 6/SM/2020 dated April 3, 2020, upheld that generating companies whose tariff was determined under Section 63 of the Electricity Act, 2003 (through competitive bidding), could claim relief on Late Payment Surcharge for payments delayed beyond 45 days during the period from March 24, 2020, to June 30, 2020, under the force majeure provisions of their respective PPAs.

The unprecedented lockdown to contain COVID-19 significantly disrupted the power demand-supply chain, resulting in a reduction in demand ranging from 21% to 85% within the Corporation's territory during the period from March 26, 2020, to June 30, 2020. The executed PPA with GWEL stipulates that "in case of a Natural Force Majeure Event affecting the Procurer (i.e. Corporation), no Tariff (including capacity charges) shall be paid by the Procurer to the Seller for the duration of such Natural Force Majeure Event." Based on this clause, the Corporation contends that it is not liable for the payment of capacity charges for the period from March 26, 2020, to June 30, 2020.

However, the CERC, vide its order in petition no. 259/MP/2020 dated January 20, 2022, decided the matter in favour of GWEL. The CERC's decision was based on grounds such as the recoverability of fixed charges from consumers, the application of force majeure to other generators, and the protection of cost recoverability under applicable regulations, rather than solely on the executed contractual terms of the agreed PPA.

In view of the CERC's order, the Corporation has preferred and filed an appeal before the Appellate Tribunal for Electricity (APTEL). Should this contingent liability on the claim settlement eventually materialize in the future, the resultant claim will be recovered from the consumers..



28 : Contingent Liabilities & Commitments (Continued)

c) : In June 2010, a letter of assurance was issued to M/s GMR Warora Energy Limited (GWEL) for Unit-2 (DNHDDPCL PPA) by Coal India Limited, assuring 100% coal supply, with the stipulation that the parameters of imported coal would be as specified by Coal India Limited. GWEL officials, in discussions with DNHDDPCL officials and in a letter dated July 27, 2012, confirmed that their quoted rates for 200 MW power supply were competitive, considering the shortfall in domestic coal (linkage coal), which power producers were required to meet through auction or imported coal.

Despite this, the Central Electricity Regulatory Commission (CERC), in its common order in petition no. 284/MP/2018 dated May 16, 2019, allowed compensation for the shortfall in linkage coal due to changes in the New Coal Distribution Policy (NCDP) issued by the Ministry of Coal in October 2007, for both DNHDDPCL and Maharashtra State Electricity Distribution Company Limited (MSEDCL). The case of MSEDCL differed from that of DNHDDPCL, as Coal India Limited's letter of assurance to GWEL for the MSEDCL PPA was issued in November 2006, prior to the NCDP in October 2007.

GWEL's total coal shortage compensation claim amounted to ₹ 12,406 Lakh (comprising ₹ 8,148 Lakh for coal shortage and ₹ 4,258 Lakh for carrying costs). Corporation's computation of the claim is ₹ 2,393 Lakh (comprising ₹ 1,341 Lakh for coal shortage and ₹ 1,052 Lakh for carrying costs).

DNHDDPCL considers GWEL's claim excessive due to factors such as delays in the execution of the Fuel Supply Agreement (FSA) before power supply, the non-consideration of cheaper coal for calculating the weighted average cost, and the inclusion of linkage coal used for supplying power in the open market. DNHDDPCL, vide letters dated June 25, 2019, and August 1, 2019, requested GWEL to provide the detailed calculation methodology and supporting documentation. However, GWEL did not provide the requested information, despite the CERC's order in petition no. 284/MP/2018 dated May 16, 2019, explicitly requiring GWEL to submit all relevant documents with its claim.

The Appellate Tribunal for Electricity (APTEL), in its order in Appeal no. 283 of 2019 dated October 13, 2020, upheld the CERC's view on the payment of coal shortage compensation as a change in law.

In the matter of the appeal presented before the Supreme Court of India against the APTEL order dated October 13, 2020, the Hon'ble Court granted an interim stay, subject to the deposit of ₹ 2,393 Lakh. Corporation deposited this amount on March 27, 2021, consistent with its calculation, which was also acknowledged before the APTEL.

In its judgment dated April 20, 2023, the Hon'ble Supreme Court acknowledged GWEL's entitlement to certain change in law claims, specifically the shortfall in linkage coal and associated carrying costs. The Hon'ble Court's ruling was based on policy considerations. GWEL subsequently recovered the deposit of ₹ 2,393 Lakh from the Hon'ble Court. DNHDDPCL considers the deposit of ₹ 2,393 Lakh as full and final settlement of all related claims by GWEL. Any additional claims raised by GWEL are considered without merit and remain subject to further examination.

Should there any additional contingent liability related to this claim arise in the future, the resulting claim will be recovered from consumers.



28 : Contingent Liabilities & Commitments (Continued)

d) : During the period from April 2013 to June 2020 (the PPA period of 7 years and 3 months), GMR Warora Energy Limited (GWEL) raised supplementary energy bills for various change in law compensation claims, including clean energy cess (GST compensation cess), service tax (GST on coal transportation), National Electricity Mission (NEMT), District Mineral Foundation (DMF), CG - Paryavaran Tax & Vikas Upkar Tax, and Evacuation Facility charges, as allowed by the Central Electricity Regulatory Commission (CERC). The Appellate Tribunal for Electricity (APTEL) also ruled in favor of GWEL in this matter.

GWEL raised a total claim of ₹ 16,478 Lakh (Previous Year ₹ 16,478 Lakh), of which DNHDDPCL paid ₹ 12,933 Lakh (Previous Year ₹ 12,933 Lakh), resulting in a difference of ₹ 3,545 Lakh (Previous Year ₹ 3,545 Lakh). DNHDDPCL considers this difference to be due to several factors contributing to an excessive claim by GWEL, including:

i) Raising bills from the date of notification instead of the actual date of implementation of the change in law, with compensation allowed only on a paid basis (₹ 305 Lakh), ii) Failure to pass on the reduction in Central Sales Tax and Stowing Excise Duty post-implementation of GST, from July 2017 to June 2019 (₹ 700 Lakh), iii) Claiming service tax (GST on transportation) on a normative basis/for coal transported by other means, whereas change in law compensation was allowed only for transportation by railway (₹ 1,243 Lakh) and iv) Non-measurement of the Gross Calorific Value (GCV) of coal as per CERC directives, resulting in the adoption of the mid-value of GCV from coal invoices (₹ 1,297 Lakh).

An appeal was filed before the Supreme Court of India against the order dated August 14, 2018, issued by the Appellate Tribunal for Electricity (APTEL). In its judgment dated April 20, 2023, the Hon'ble Supreme Court acknowledged GWEL's entitlement to certain change in law claims that were previously allowed by the CERC and APTEL. The Hon'ble Court's ruling was based on policy considerations. DNHDDPCL considers the actual claim amount paid as constituting full and final settlement of all related claims by GWEL. Therefore, the remaining unsettled amount, as detailed above, is considered without merit and remains subject to further examination.

Should there any additional contingent liability related to this claim arise in the future, the resulting claim will be recovered from consumers.

(iii) The Corporation has contractually committed (net of advances) Rs. 6,964.87 Lakh and Rs. 137.49 Lakh as at March 31, 2025 and 2024 respectively for purchase / construction of Property, Plant & Equipment and Intangible Assets.



DNH and DD POWER CORPORATION LIMITED

II. Notes forming part of the Financial Statements as at 31st March 2025

29 : (i) Related Parties - Key Management Personnel who exercise control :

Name	Designation
a) Shri Praful Patel	Chairman
b) Shri Arun T.	Managing Director

(ii) : Transaction with related parties mentioned in (i) above ;

Remuneration for the FY 2024-25 Rs. NIL (Previous Year Rs. NIL)

Dues outstanding to the Corporation as at 31st March 2025 Rs. NIL (As at 31st March 2024: Rs. NIL)

(iii) : The Corporation is ultimately controlled by the Central Government of India (GOI). Entities which are controlled, jointly controlled, or significantly influenced by the GOI are considered government-related entities.

The Corporation enters into various transactions in the normal course of business with government-related entities. These include transactions entered into through tendering procedures, where other entities also participate, and other transactions not subject to tendering procedures. All such transactions are carried out at arm's length and are not on non-market terms, reflecting the Corporation's normal day-to-day business operations.

The nature and extent of these transactions are consistent with the Corporation's ordinary course of business and primarily involve [i.e. transmission of power, sale of power and supervision of electricity works]. While individually significant transactions are disclosed separately elsewhere required, the collective impact of other transactions with government-related entities is not individually material to warrant further disaggregated quantitative disclosure beyond this qualitative statement.

30 : Details of Earnings per Share :

(i) : Earnings per Share (EPS) Basic and Diluted (after tax) is calculated as under :-

Year	Numerator - Profit (after tax) as per the Statement of Profit & Loss (Rupees in Lakh)	Denominator – Weighted Average number of equity shares outstanding (Face Value of Rs. 100/- each)	Earnings Per Share
Basic EPS for continuing operation :			
2024-25	3,487.84	3,89,74,445	8.95
2023-24	7,956.47	3,89,74,445	20.41
Diluted EPS for continuing operation :			
2024-25	3,487.84	3,89,74,445	8.95
2023-24	7,956.47	3,89,74,445	20.41
Basic EPS for continuing and discontinuing operation :			
2024-25	3,487.84	3,89,74,445	8.95
2023-24	7,956.47	3,89,74,445	20.41
Diluted EPS for continuing and discontinuing operation :			
2024-25	3,487.84	3,89,74,445	8.95
2023-24	7,956.47	3,89,74,445	20.41

*The Corporation does not have any dilutive potential ordinary shares outstanding during the reporting period. Consequently, in accordance with Ind AS 33, 'Earnings Per Share', the diluted earnings per share is the same as the basic earnings per share for the period presented.

(ii) : Weighted average no. of Equity Share used for calculation of Earnings per Share (Basic and Diluted) are as under :-

Particulars	As at 31st March 2025	As at 31st March 2024
Weighted average no. of Equity Share used for calculation of Basic Earnings per Share	3,89,74,445	3,89,74,445
Adjustments for calculating Diluted Earnings per Share:	-	-
Share Application Money	-	-
Weighted average no. of Equity Share used for calculation of Diluted Earnings per Share	3,89,74,445	3,89,74,445

31 : In accordance with the requirements of Ind AS 36, 'Impairment of Assets', the Corporation has assessed whether there is any indication that an asset or a cash-generating unit may be impaired. This assessment included evaluating the potential for future economic benefits from its business units.

Based on this assessment, the management is of the view that the assets employed in the Corporation's continuing businesses are capable of generating adequate returns over their estimated useful lives in the usual course of business. There is no indication to the contrary that would suggest the carrying amount of these assets may not be recoverable.

Accordingly, the management has concluded that no impairment provision is called for in these financial statements for the reporting period.

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II. Notes forming part of the Financial Statements as at 31st March 2025

32 : Expenditure in foreign currency (on Payment Basis) are as under :

Particulars	FY 2024-25	FY 2023-24
(i) Project related payments	NIL	NIL
(ii) Other matters (travelling, subscription to books, periodicals, membership fee, etc.)	NIL	NIL

33 : Receipts in foreign currency are as under :

Particulars	FY 2024-25	FY 2023-24
-	NIL	NIL

34 : Foreign Currency Exposures not hedged are as under :

Particulars	Currencies	FY 2024-25	FY 2023-24
Sundry Creditors / Deposits / Loans / Retention Money	-	NIL	NIL

35 : Value of imports :

Particulars	FY 2024-25	FY 2023-24
Value of imports calculated on CIF basis	NIL	NIL

36 : Operating Segments :

(i) : In accordance with Ind AS 108, 'Operating Segments', the segment information presented in these financial statements is identified on the basis of internal reports regularly reviewed by the Corporation's management. These reports are utilized to allocate resources to the segments and assess their performance. The Board of Directors of the Corporation is collectively identified as the Chief Operating Decision Maker (CODM). The Corporation's activities, primarily the transmission and sale of electricity, constitute a single reportable operating segment. Furthermore, all operations are conducted within one geographical segment, specifically within India. Therefore, the Corporation does not have any other significant classes of operating segments or geographical segments requiring separate disclosure under Ind AS 108.

(ii) : With regard to information about major products :- The Corporation is mainly in the business of Transmission of Power.

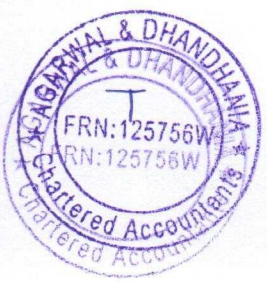
(iii) : Details of customers having sales value more than Rs. 5,000.00 Lakh or more either in current year or previous year (Top Three) :-

(Rupees in Lakh)

Particulars	FY 2024-25	FY 2023-24
Consumer- A	6,196.87	11,413.18
Consumer- B	-	-
Consumer- C	-	-
Total	**6,196.87**	**11,413.18**

37 : Quantitative information in respect of generation of Solar Energy :

Electricity	Financial Year	Solar Energy
Generation (In Millions Kwh)	2024-25	6.47
	2023-24	6.09
Sales (In Millions Kwh)	2024-25	6.47
	2023-24	6.09



DNH and DD POWER CORPORATION LIMITED
II. Notes forming part of the Financial Statements as at 31st March 2025

38: A. Financial Instruments- Fair Values and Risk Management

The following table shows the carrying amount and fair value of financial assets and financial liabilities including their levels in the fair value hierarchy :

(Rupees in Lakh)

As at 31st March 2025	Note No.	Other financial assets- Amortised cost	Other financial liabilities	Total Carrying Amount	Fair Value Level 1 (Quoted Prices)	Level 2 (Significant observable inputs)	Level 3 (Significant unobservable inputs)	Total	Valuation technique and key input
Financial Assets measured at Fair value		-	-	-	-	-	-	-	-
Financial Assets not measured at Fair value									
Receivables & Others*	4,6,7,8	67,412.71	-	67,412.71	-	-	-	-	-
Total		**67,412.71**	**-**	**67,412.71**	**-**	**-**	**-**	**-**	**-**
Financial Liabilities not measured at fair value									
Payables & Others*	13,14,18,19	-	2,319.52	2,319.52	-	-	-	-	-
Total		**-**	**2,319.52**	**2,319.52**	**-**	**-**	**-**	**-**	**-**

(Rupees in Lakh)

As at 31st March 2024	Note No.	Other financial assets- Amortised cost	Other financial liabilities	Total Carrying Amount	Fair Value Level 1 (Quoted Prices)	Level 2 (Significant observable inputs)	Level 3 (Significant unobservable inputs)	Total	Valuation technique and key input
Financial Assets measured at Fair value					-	-	-	-	-
Financial Assets not measured at Fair value					-	-	-	-	-
Receivables & Others*	4,6,7,8	64,447.73	-	64,447.73	-	-	-	-	-
Total		**64,447.73**	**-**	**64,447.73**	**-**	**-**	**-**	**-**	**-**
Financial Liabilities not measured at fair value		-	-	-	-	-	-	-	
Payables & Others*	13,14,18,19	-	2,281.31	2,281.31					
Total		**-**	**2,281.31**	**2,281.31**	**-**	**-**	**-**	**-**	

* The Corporation has not disclosed the fair values for financial instruments as their carrying amounts are reasonable approximation of fair value.

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38 (Contd.) : B. Financial risk management :

The Corporation has assessed followed risks arising from financial instruments:-

Risk	Exposure arising from	Measurement	Management
Credit risk	Cash & Cash equivalents, Bank Balance, Trade Receivables and financial assets measured at amortised cost.	Ageing analysis and credit ratings	Regular follow ups to ensure timely recovery and closely monitoring all receivables
Liquidity risk	Borrowings and other liabilities	Cash flow forecasts	Availability of regular cash flows through operations.

C. Credit risk management :

Credit risk refers to the risk that a counterparty will default on its contractual obligations resulting in financial loss to the Corporation. Credit risk arises from Cash and Cash equivalents, investments carried at amortised cost, deposits with banks and financial institutions as well as credit exposures to customers including outstanding receivables.

The carrying amounts of financial assets represent maximum credit exposure.

Trade receivables & Trade payables :

The Corporation limits its exposure to credit risk from trade receivables by establishing a maximum payment period of 45 days for all customers and by offering prompt settlement discounts if payment done within the stipulated time period. The Corporation's main consumer is Discom contributing more than 70% and has been transacting with the Corporation for over significant period of time, and the customer's balances are never credit-impaired at the reporting date.

The Corporation's exposure to credit risk for trade receivables by type of counterparty is given in Note no. 6. The Corporation collects the security deposits in the form of Letter of Credit or Bank Guarantee, considering the relevant electricity regulations to cover its credit risks associated with its trade receivables.

Balances with Banks and other financial assets :

For banks and financial institutions, only high rated banks/institutions are accepted. The Corporation holds cash and cash equivalents with bank and financial institution counterparties, which are having highest safety ratings based on ratings published by various credit rating agencies. The Corporation considers that its cash and cash equivalents have low credit risk based on external credit ratings of the counterparties.

For other financial assets, the Corporation assesses and manages credit risk based on reasonable and supportive forward looking information. The Corporation does not have significant credit risk exposure for these items.

D. Liquidity risk management :

Liquidity risk is defined as the risk that the Corporation will encounter difficulty in meeting its financial obligations as they fall due, or in settling them at a reasonable price.

The Corporation's Finance Department is primarily responsible for the management of liquidity, funding, and settlement operations. The Corporation manages its liquidity risk by maintaining adequate cash surpluses and readily available banking facilities. This is achieved through continuous monitoring of cash flow forecasts and ensuring sufficient financial resources are accessible to meet short-term and long-term liabilities.

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38 (Contd.) : E. Capital Management :

The Corporation's primary objective when managing capital is to safeguard its ability to continue as a going concern. This ensures that the Corporation can continue to provide returns to its shareholders and generate benefits for other stakeholders of capital.

The Corporation aims to maintain an optimal capital structure to support its business activities, facilitate future growth, and meet its financial obligations efficiently. This involves balancing equity and debt to optimize the cost of capital while maintaining financial flexibility and compliance with regulatory requirements.

F. Current Assets, Loans and Advances etc. :

In the opinion of the management and to the best of their knowledge and belief, the value on realization of current assets, loans and advances in the ordinary course of business would not be less than the amount at which there are stated in the Financial Statement.

39 : (i) : Previous Year figures have been regrouped / reclassified to achieve the better presentation, requirement wherever found necessary.

(ii) : All monetary amounts presented in these financial statements and accompanying notes have been stated in Rupees Lakh, rounded to two decimal places, in accordance with the requirements of Schedule III of the Companies Act, 2013, unless otherwise explicitly stated.

(iii) : The Corporation utilises Tally Prime accounting software, which includes a built-in audit log (edit log) feature that records all changes made to the books of accounts from the beginning of the financial year. This feature is enabled and operational throughout the year, ensuring compliance with the Ministry of Corporate Affairs' requirements for audit trail functionality in accounting software.

40 : Recent Pronouncements or Amendments :

The Ministry of Corporate Affairs ("MCA") issues new accounting standards or amendments to existing standards under the Companies (Indian Accounting Standards) Rules, as periodically updated. On September 9, 2024, and September 28, 2024, the MCA notified the Companies (Indian Accounting Standards) Amendment Rules, 2024. These amendments are effective for annual reporting periods commencing on or after April 1, 2024, and pertain to the following Ind AS as notified under the Companies (Indian Accounting Standards) Rules, 2015:

- Ind AS 117– Insurance Contracts
- Ind AS 116– Lease Liability in Sale and Leaseback

The Corporation has assessed these amendments and determined that these amendments did not have any impact on the amounts recognized in its standalone financial statements for prior periods. Furthermore, based on this evaluation, these amendments are not anticipated to have a significant effect on the financial statements of the current or future reporting periods.



DNH and DD POWER CORPORATION LIMITED

II. Notes forming part of the Financial Statements as at 31st March 2025

41 : Other Disclosers in view of additional regulation information contained in Schedule-III of Division –II of the Companies Act, 2013.

(i) Any proceedings under Prohibition of Benami Property Transaction Act,1988 or rules made thereunder has not been initiated / pending against the Corporation and accordingly, the related disclosures as prescribed in the respective Schedule-III would not be applicable.

(ii) The Corporation has not availed any fund based or non fund based credit facilities from any bank or financial institution on the basis of security of current assets in current year. As such, the relevant disclosure on these matters would not be applicable.

(iii) As the Corporation has not availed any sort of funding from Bank / financial institution. The declaration of the Corporation as willful defaulter would not be applicable.

(iv) The Corporation has registered the registration / satisfaction of charge, whenever required with register of companies within the statutory period.

(v) The Corporation is a transmission utility and the Corporation has not made any investment in any struck off company. Further, being 100% Government Corporation, any shares of the Corporation is not held by any struck off company. Moreover, the Corporation transmit power to any other company as in the normal course of business and these consumers are required to provide security deposit before transmit of power. As such, it has been noticed that no material amount has been outstanding from any other company. In view of above, there would be some transactions in form of receivables (i.e. past arrear) with the struck off company by the Registrar of Companies. However, as no material amount is outstanding from past arrear consumers, hence, the receivables outstanding from struck off company is not disclosed being immaterial, tedious work and also absence of the requisite information in the present system.

(vi) The Corporation has not advanced/loaned/invested funds to any other person/entity with the understanding to have the disposal of said fund in identified manner. Further, the Corporation has not received any fund from any other person/ entity with the understanding to utilize the said fund with the instructions of the funding party. As such, the relevant disclosure on these matters would not be applicable.

(vii) The Corporation has no unrecorded transactions including undisclosed income which has been additionally disclosed under the Income Tax Act, 1961.

(viii) The Corporation has not traded / invested in crypto currencies / virtual currencies during the prescribed financial year.

(ix) There are no amounts of dividends proposed to be distributed to equity share holders.

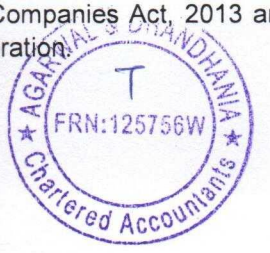
(x) The Corporation has not revalued its property, plant & equipment and intangible assets. Hence, the related information as required in Schedule – III, Division – II of the Companies Act, 2013 has not been disclosed.

(xi) The Corporation has not granted any loans or advances in the nature of loans to promoters, directors, KMPs and the related parties either severally or jointly with any other person.

(xii) There are no unutilized amounts in respect of any issue of securities and long term borrowings from banks and financial institutions.

(xiii) The Corporation does not have any intangible asset under development.

(xiv) Information with regard to other matters as required by Schedule III of the Companies Act, 2013 are either NIL or Not Applicable or Complied / Disclosed wherever required to the Corporation.



DNH and DD POWER CORPORATION LIMITED

II. Notes forming part of the Financial Statements as at 31st March 2025

41 : Other Disclosers in view of additional regulation information contained in Schedule-III of Division –II of the Companies Act, 2013 (Continued)

(xv) : Analytical Ratios for the year ended March 31,2025 and March 31, 2024 :

Particulars	Numerator	Denominator	31st March 2025	31st March 2024	Variance	Reason
Current Ratio	Current Assets	Current Liabilities	21.56	28.51	-24.38%	Not Applicable
Debt- Equity Ratio (1)	Total Debt	Shareholder's Equity	-	-	0.00%	Not Applicable
Debt Service Coverage Ratio (2)	Earnings available for debt service (3)	Debt services	-	-	0.00%	Not Applicable
Return on Equity Ratio	Net profit after tax	Average Shareholder's Equity	4.48%	11.04%	-59.42%	Refer (6)
Inventory Turnover Ratio	Cost of Goods Sold / Total Expenses	Average Inventory	16.70	35.36	-52.77%	Refer (7)
Trade Receivables Turnover Ratio	Revenue from Operation	Average Trade Receivables	6.84	7.45	-8.19%	Not Applicable
Trade Payables Turnover Ratio	Purchase of Power	Average Trade Payables	-	-	0.00%	Not Applicable
Net Capital Turnover Ratio	Revenue from operation (i.e. Net Sales)	Working Capital - (i.e. Current Assets - Current Liabilities)	0.07	0.21	-66.67%	Refer (6)
Net profit Ratio	Net profit after tax	Revenue from operation (i.e. Net Sales)	76.85%	61.66%	24.64%	Not Applicable
Return on Capital Employed Ratio	Earning before interest and taxes	Capital Employed (4)	5.97%	14.09%	-57.63%	Refer (6)
Return on Investment Ratio (5)	Earning before taxes	Total Equity	6.09%	14.35%	-57.56%	Refer (6)

(1) There is no long term debt, hence, the said ratio is not calculated.

(2) There is no long term debt, hence, the said ratio is not calculated.

(3) Earnings available for debt service = Net profit after tax + non-cash operating expenses + interest + other adjustments like loss on sale of fixed assets.

(4) Capital Employed = Tangible Net worth (i.e. Total Equity - Intangible Assets) + Total Long Term Debt + Deferred Tax Liability.

(5) There is one investor in business i.e. equity shareholders and the equity share capital is also not traded in the market. Accordingly, the said ratio is computed considering the net worth / total equity.

(6) In the current fiscal year 2024-25, the Company operates within a rate-regulated environment where pricing and revenue are determined by the respective Commission. The reported net profit was impacted by lower-than-anticipated approval of annual revenue, which has resulted in a variance exceeding 25% in certain key financial ratios compared to the previous year.

(7) In Electricity Transmission, the inventory mainly incudes stores and spares, hence, the said ratio is on higher side.



DNH and DD POWER CORPORATION LIMITED

II. Notes forming part of the Financial Statements as at 31st March 2025

42 : After the merger of the Union Territories (UTs) of Dadra and Nagar Haveli (DNH) and Daman and Diu (DD) in 2020, the Electricity Department-DNH and Electricity Department-DD continued to operate independently concerning electricity transmission. This led to separate tariff filings with the Joint Electricity Regulatory Commission (JERC) and consequently, three distinct tariffs across the unified UT (one each for ED-DNH, ED-DD, and the DNH and DD Power Corporation Limited). To address this disorganization, streamline operations, improve resource utilization, and ensure uniform service delivery and tariffs across the entire Union Territory, a proposal for the corporatization of the electricity transmission business was put forth.

In line with the aforementioned objectives and powers conferred to it under the Section 131, 133 and 134 of the Electricity Act, 2003, the UT Administration of Dadra and Nagar Haveli and Daman & Diu, via notification no. DNHDDPCL/01/2022/HR&ADMIN/135 dated April 01, 2025, notified "THE DADRA AND NAGAR HAVELI AND DAMAN AND DIU ELECTRICITY (REORGANISATION AND REFORMS) TRANSFER PLAN, 2025." This notification mandates the corporatization of the electricity transmission business of both Electricity Department-DD and Electricity Department-DNH into the existing DNH and DD Power Corporation Limited (DNHDDPCL) with effect from April 01, 2025. This strategic move aims to centralize control over the transmission network, including the management of 220 KV and 66 KV substations and transmission lines, and enable the filing of a single tariff petition before JERC.

The carrying values of the assets and liabilities as per the Transfer Plan, 2025, was based on the audited financial statements as of March 31, 2023 is presented in table below. These carrying values are subject to change on the actual transfer date i.e. April 1, 2025, and that will be reflected in a separate notification of the final merged balance sheet of the ED-DD and ED-DNH. Upon the said transfer, the DNHDDPCL will incorporate the assets and liabilities at their net carrying value as per the notified separate notification of the merged final balance sheet and issue corresponding equity share capital to the existing shareholders.

(Rupees in Lakh)

ASSETS	**ED - DNH Part**	**ED - DD Part**	**Total**
1. Non-Current Assets			
i) Property, Plant and Equipment (PPE)	14,651.93	18,938.98	33,590.91
ii) Intangible Assets	-	362.79	362.79
Total Non-Current Assets (1)	**14,651.93**	**19,301.77**	**33,953.69**
2. Current Assets			
i) Inventories	-	1,257.99	1,257.99
ii) Financial Assets-			
a) Trade Receivables	213.81	6,754.93	6,968.74
b) Cash and Cash Equivalents	281.51	1,578.52	1,860.03
c) Loans & Advances	-	59.31	59.31
Total Current Assets (2)	**495.32**	**9,650.75**	**10,146.07**
TOTAL ASSETS (3 = 1+2)	**15,147.25**	**28,952.52**	**44,099.77**
LIABILITIES	**ED - DNH Part**	**ED - DD Part**	**Total**
1. Non-Current Liabilities			
i) Financial Liabilities-			
a) Others Financial Liabilities	-	272.81	272.81
Total Non-Current Liabilities (4)	**-**	**272.81**	**272.81**
2. Current liabilities			
i) Financial Liabilities-			
a) Trade and Other Payables			
- Total Amount due of Micro & Small Enterprises	27.53	-	27.53
- Total Amount due other than Micro & Small Enterprises	15.67	358.76	374.43
ii) Other Current Liability	3.32	42.20	45.52
Total Current Liabilities (5)	**46.52**	**400.96**	**447.48**
Total Liabilities (6 = 4+5)	**46.52**	**673.77**	**720.29**
Net Carrying Value (7 = 3-6)	**15,100.72**	**28,278.75**	**43,379.48**



DNH and DD POWER CORPORATION LIMITED
II. Notes forming part of the Financial Statements as at 31st March 2025

43 : The standalone financial statements are approved for issue by the Board of Directors on 27/06/2025 .

In terms of our Audit Report of even date attached
For, M/s. Agarwal & Dhandhania
Chartered Accountants
FRN. - 125756W

AGARWAL & DHANDHANIA ★ FRN:125756W ★ Chartered Accountants

(Tushar Vegad)
Partner
M.N. - 158758
Place: Silvassa
Date: 27/06/2025
UDIN: 25158758BMGOJV9863

For and On behalf of
DNH and DD Power Corporation Limited

(Hemant Kumar Shah)
Chief Financial Officer

(Anju Chaudhary)
Company Secretary

(Arun T.)
Managing Director
[DIN-09584076]

(Priyank Kishore)
Director
[DIN-10307243]