INDEPENDENT AUDITOR'S REPORT

To the Members of BSES Yamuna Power Limited

Report on the Audit of the Ind AS Financial Statements

Opinion

We have audited the accompanying Ind AS financial statements of BSES Yamuna Power Limited ("the Company"), which comprise the Balance Sheet as at March 31, 2021, 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 Ind AS financial statements including a summary of significant accounting policies and other explanatory information (hereinafter referred to as "Ind AS financial statements").

In our opinion and to the best of our information and according to the explanations given to us, the aforesaid Ind AS 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 accounting principles generally accepted in India including the Indian Accounting Standards ("Ind AS") prescribed under section 133 of the Act, of the state of affairs of the Company as at March 31, 2021, 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 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 Ind AS 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 Ind AS financial statements under the provisions of the Act and 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 we have obtained is sufficient and appropriate to provide a basis for our opinion on the Ind AS financial statements.

Emphasis of Matter

We draw attention to the following matters in the notes to the Ind AS financial statements:

1. Note 18 to the accompanying Ind AS financial statements with regard to Delhi Electricity Regulatory Commission ("DERC") Tariff Order received by the Company wherein DERC has trued up revenue gap up to March 31, 2019 vide various Tariff Order dated from September 29, 2015 to August 28, 2020 with certain disallowances. The Company has preferred an appeal before Honourable Appellate Tribunal for Electricity ("APTEL") against such disallowances. Based on the legal opinion taken by the Company, the disallowances which are subject matter of appeal, has not been accepted by Company and the Company has, in accordance with Ind AS 114 (and it's predecessor AS) treated such amounts as they ought to be treated in terms of the accepted Regulatory Framework in the carrying value of Regulatory Deferral Account Balance as at March 31, 2021.

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2. Note 53 to the accompanying Ind AS financial statements with regard to outstanding balances payable to various electricity generating companies and timely recovery of Accumulated Regulatory Deferral Account Balance, for which matter is pending before Honourable Supreme Court;

3. Note 54 to the accompanying Ind AS financial statements with regard to audit conducted by Comptroller and Auditor General of India (CAG). The said matter is pending before the Honourable Supreme Court; and

4. Note 62 to the accompanying Ind AS financial statements which explains the management's evaluation based on projections and estimations on account of COVID-19 pandemic situation. It concludes that there is no material impact on the Company's financial statements. The impact of COVID-19 remains uncertain and may be different from estimated as of the date of approval of these financial statements since the duration and extent of spread of Covid-19 in future cannot be predicted with certainty.

Our opinion is not modified in respect of these matters.

Other Information

The Company's Board of Directors is responsible for the other information. The other information comprises the information included in the Board's Report including Annexures to Board's Report, but does not include the Ind AS financial statements and our auditor's report thereon.

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

In connection with our audit of the Ind AS financial statements, our responsibility is to read the other information and, in doing so, consider whether the other information is materially inconsistent with the Ind AS financial statements or our knowledge obtained in the 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.

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

The Company's Board of Directors is responsible for the matters stated in section 134(5) of the Act with respect to the preparation of these Ind AS financial statements that give a true and fair view of the financial position, 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 Ind AS prescribed under section 133 of the Act, read with the Companies (Indian Accounting Standards) Rules, 2015, as amended. This responsibility also includes maintenance of adequate accounting records in accordance with the provisions of the Act for safeguarding of the assets of the Company and for preventing and detecting frauds and other irregularities; selection and application of appropriate accounting policies; making judgments and estimates that are reasonable and prudent; and design, implementation and maintenance of adequate internal financial controls, that were operating effectively for ensuring the accuracy and completeness of the accounting records, relevant to the preparation and presentation of the Ind AS financial statements that give a true and fair view and are free from material misstatement, whether due to fraud or error.

In preparing the Ind AS financial statements, management is responsible for assessing the Company's ability to continue as a going concern, disclosing, as applicable, matters related to going concern and using the going concern basis of accounting unless management either intends to liquidate the Company or to cease operations, or has no realistic alternative but to do so.

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

Auditor's Responsibilities for the Audit of the Ind AS Financial Statements

Our objectives are to obtain reasonable assurance about whether the Ind AS 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 this Ind AS financial statements. As part of an audit in accordance with SAs, we exercise professional judgment and maintain professional skepticism throughout the audit. We also:

- Identify and assess the risks of material misstatement of the Ind AS 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 made by management.

- Conclude on the appropriateness of management's use of the going concern basis of accounting and, based on the audit evidence obtained, whether a material uncertainty exists related to events or conditions that may cast significant doubt on the Company's ability to continue as a going concern. If we conclude that a material uncertainty exists, we are required to draw attention in our auditor's report to the related disclosures in the Ind AS 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 Ind AS financial statements, including the disclosures, and whether the Ind AS 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 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.

Report on Other Legal and Regulatory Requirements

(1) As required by the Companies (Auditor's Report) Order, 2016 ("the Order") issued by the Central Government of India in terms of section 143(11) of the Act, we give in "Annexure 1", a statement on the matters specified in paragraphs 3 and 4 of the Order, to the extent applicable.

(2) As required by section 143(3) of the Act, we report that:

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

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 the Statement of Cash Flows dealt with by this report are in agreement with the books of account;

d. In our opinion, the aforesaid Ind AS financial statements comply with the Ind AS prescribed under section 133 of the Act read with the Companies (Indian Accounting Standards) Rules, 2015, as amended;

e. The matters described in paragraph (1) and (2) under the Emphasis of Matter section above, in our opinion, may have an adverse effect on the cash flows and consequently on the functioning of the Company;

f. On the basis of the written representations received from the directors as on March 31, 2021,and taken on record by the Board of Directors, none of the directors is disqualified as on March 31, 2021 from being appointed as a director in terms of section 164(2) of the Act;

g. With respect to the adequacy of the internal financial controls with reference to financial statements of the Company and the operating effectiveness of such controls, refer to our separate report in "Annexure 2";

h. With respect to the other matters to be included in the Auditor's Report in accordance with the requirements of section 197(16) of the Act:

   In our opinion and to the best of our information and according to the explanations given to us, the remuneration paid/ provided by the Company to its directors during the year is in accordance with the provisions of section 197 of the Act;

i. With respect to the other matters to be included in the Auditor's Report in accordance with Rule 11 of the Companies (Audit and Auditors) Rules, 2014, in our opinion and to the best of our information and according to the explanations given to us:

i) The Company has disclosed the impact of pending litigations on its financial position in its Ind AS financial statements - Refer Note 51 on Contingent Liabilities and Note 52 on other matters under litigation to the Ind AS financial statements;

ii) The Company did not have any long-term contracts including derivative contracts. Hence, the question of any material foreseeable losses does not arise; and

iii) There were no amounts which were required to be transferred to the Investor Education and Protection Fund by the Company,

For Ravi Rajan & Co. LLP
Chartered Accountants
ICAI Firm Registration No. 009073N/N500320

Sachin Kumar Jindal
Partner
Membership No. 531700
UDIN: 21531700AAAAAH9148
Date: 10th May, 2021
Place: New Delhi

ANNEXURE 1 TO THE INDEPENDENT AUDITOR'S REPORT

[Referred to in paragraph 1 under 'Report on Other Legal and Regulatory Requirements' section in the Independent Auditor's Report of even date to the members of BSES Yamuna Power Limited on the Ind AS financial statements for the year ended March 31, 2021].

Based on the audit procedures performed for the purpose of reporting a true and fair view on the Ind AS financial statements of the Company and taking into consideration the information and explanations given to us and the books of account and other records examined by us in the normal course of audit, we report that:

(i)

(a) The Company has maintained proper records showing full particulars, including quantitative details and situation of fixed assets,

(b) The Company has a program of physical verification of fixed assets, other than underground cables and overhead lines due to technical reasons, to cover all the items in a phased manner over a period of three to five years, which, in our opinion, is reasonable having regard to the size of the Company and the nature of its assets.

(c) According to the information and explanations given to us, immovable properties comprising buildings recorded in the books of account of the Company were transferred to, and vested in, the Company pursuant to unbundling of Delhi Vidyut Board and in accordance with Delhi Electricity Reform (Transfer Scheme) Rules, 2001 read with the Delhi Electricity-Reform Act, 2000. As represented by the Company, no title deeds in respect of these immovable properties were handed over by the Government of the NCT of Delhi to the Company at the time of such unbundling.

(ii) The inventories have been physically verified by the management during the year. In our opinion, the frequency of verification is reasonable. No material discrepancies were noticed on physical verification carried out during the year.

(iii) The Company has not granted any loans, secured or unsecured to companies, firms, Limited Liability Partnerships or other parties covered in the register maintained under section 189 of the Act. Accordingly, clause 3(iii} of the Order is not applicable to the Company.

(iv) The Company has complied with the provisions of sections 185 and 186 of the Act in respect of grant of loans, making investments and providing guarantees and securities, as applicable.

(v) In our Opinion, the Company has not accepted any deposits from the public within the provisions of sections 73 to 76 of the Act and the rules framed there under. Accordingly, the provisions of clause 3(v) of the Order are not applicable.

(vi) The maintenance of cost records has been specified by the Central Government under sub-section (1) of section 148 of the Act and rules thereunder. We have broadly reviewed such records and are of the opinion that prima facie, the prescribed accounts and records have been made and maintained. We have not, however, made a detailed examination of the records with a view to determine whether they are accurate or complete.

(vii)

(a) The Company is generally regular in depositing with appropriate authorities, undisputed statutory dues including Provident fund, Employees' State Insurance, Income tax, Goods and Services tax

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(GST), Customs Duty, Cess and any other material statutory dues applicable to it with the appropriate authorities, however, there have been delays in few cases.

No undisputed amount payable in respect of provident fund, employees state insurance, income tax, GST, Customs duty, cess and any other material statutory dues applicable to it, were outstanding, at the year end, for a period of more than six months from the date they became payable.

(b) The dues outstanding with respect to, income tax, sales tax, service tax, value added tax, GST, customs duty, excise duty on account of any dispute, are as follows:

Name of the Statute	Nature of Dues	Amount of Demand Rs. (In Crores)	Amount Paid Under Protest (Rs. In Crores)	Period to Which the Amount Relates	Forum Where Dispute is Pending
Income Tax Act, 1961	Interest u/s 201(1A)	1.00	1.00	Assessment Year 2008-09	Commissioner of Income Tax (Appeals)
	Demand u/s 154/143(3)	0.4	-	Assessment Year 2009-10	Commissioner of Income Tax (Appeals)
	Demand u/s 154/143(3)	0.18	-	Assessment Year 2012-13	Commissioner of Income Tax (Appeals)
	Demand u/s 154/143(3)	0.39	-	Assessment Year 2013-14	Income Tax Appellate Tribunal
	Demand u/s 154/143(3)	0.5	-	Assessment Year 2014-15	Commissioner of Income Tax (Appeals)
	Demand u/s 154/143(3)	0.53	-	Assessment Year 2015-16	Commissioner of Income Tax (Appeals)
	Demand u/s 154/143(3)	5.1	-	Assessment Year 2016-17	Commissioner of Income Tax (Appeals)

(viii) During the year, the Company has not defaulted in repayment of loans or borrowings to financial institutions and banks. The Company has no dues in respect of government and debenture holders,

(ix) The Company did not raise moneys by way of initial public offer or further public offer (including debt instruments). In our opinion, the term loans were applied for the purposes for which the loans were obtained.

(x) During the course of our examination of the books and records of the Company, carried out in accordance with the generally accepted auditing practices in India, and according to the information and explanations given to us, we have neither come across any instance of fraud by the Company or any fraud on the Company by its officers or employees, noticed or reported during the year, nor have we been informed of any such instance by the management.

(xi) Managerial remuneration has been paid / provided in accordance with the requisite approvals mandated by the provisions of section 197 read with Schedule V to the Act.

(xii) In our opinion, the Company is not a Nidhi Company. Therefore, clause 3({xii) of the Order is not applicable to the Company.

(xiii) All transactions entered into by the Company with the related parties are in compliance with sections 177 and 188 of Act, where applicable, and the details have been disclosed in the Ind AS financial statements as required by the applicable accounting standards.

(xiv) The Company has not made any preferential allotment or private placement of shares or fully or partly convertible debentures during the year. Therefore, clause 3(xiv) of the Order is not applicable to the Company.

(xv) The Company has not entered into any non-cash transactions with directors or persons connected with them during the year and hence provisions of section 192 of the Act are not applicable,

(xvi) The Company is not required to be registered under section 45-IA of the Reserve Bank of India Act, 1934.

For Ravi Rajan & Co. LLP
Chartered Accountants
ICAI Firm Registration No. 009073N/N500320

Sachin Kumar Jindal
Partner
Membership No. 531700
UDIN: 21531700AAAAAH9148
Date: 10th May, 2021
Place: New Delhi

ANNEXURE 2 TO THE INDEPENDENT AUDITOR'S REPORT

[Referred to in paragraph 2under 'Report on Other Legal and Regulatory Requirements' section in our Independent Auditor's Report of even date to the members of BSES Yamuna Power Limited on the financial statements for the year ended March 31, 2021]

Report on the Internal Financial Controls with reference to Financial Statements under clause (i) of sub-section 3 of section 143 of the Companies Act, 2013 ("the Act")

We have audited the internal financial controls with reference to financial statements of BSES Yamuna Power Limited ("the Company") as of March 31, 2021 in conjunction with our audit of the financial statements of the Company for the year ended on that date.

Management's Responsibility for Internal Financial Controls

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

Auditor's Responsibility

Our responsibility is to express an opinion on the Company's internal financial controls with reference to financial statements based on our audit. We conducted our audit in accordance with the Guidance Note and the Standards on Auditing specified under section 143(10) of the Act to the extent applicable to an audit of internal financial controls, both issued by the ICAI. 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 with reference to financial statements was established and maintained and if such controls operated effectively in all material respects.

Our audit involves performing procedures to obtain audit evidence about the adequacy of the internal financial controls with reference to financial statements and their operating effectiveness,

Our audit of internal financial controls with reference to financial statements included obtaining an understanding of internal financial controls with reference to financial statements, assessing the risk that a material weakness exists, and testing and evaluating the design and operating effectiveness of internal controls 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 with reference to financial statements.

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Meaning of Internal Financial Controls with reference to Financial Statements

A company's internal financial control with reference to financial statements is a process designed to provide reasonable assurance regarding the reliability of financial reporting and the preparation of financial statements for external purposes in accordance with generally accepted accounting principles. A company's internal financial control with reference to financial statements includes those policies and procedures that (1) pertain to the maintenance of records that, in reasonable detail, accurately and fairly reflect the transactions and dispositions of the assets of the Company; (2) provide reasonable assurance that transactions are recorded as necessary to permit preparation of financial statements in accordance with generally accepted accounting principles, and that receipts and expenditures of the Company are being made only in accordance with authorisations of management and directors of the Company; and (3) provide reasonable assurance regarding prevention or timely detection of unauthorised acquisition, use, or disposition of the Company's assets that could have a material effect on the financial statements.

Inherent Limitations of Internal Financial Controls with reference to Financial Statements

Because of the inherent limitations of internal financial controls with reference to financial statements, 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 with reference to financial statements to future periods are subject to the risk that the internal financial controls with reference to financial statements 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, the Company has, in all material respects, adequate internal financial controls with reference to financial statements and such internal financial controls with reference to financial statements were operating effectively as at March 31, 2021, based on the internal control with reference to financial statements criteria established by the Company considering the essential components of internal controls stated in the Guidance Note issued by the ICAI.

For Ravi Rajan & Co. LLP
Chartered Accountants
ICAI Firm Registration No. 009073N/N500320

Sachin Kumar Jindal
Partner
Membership No. 531700
UDIN: 21531700AAAAAH9148

Date: 10th May, 2021
Place: New Delhi

BSES Yamuna Power Limited

Annual Audited Accounts

2020-21

BSES YAMUNA POWER LIMITED
BALANCE SHEET AS AT MARCH 31, 2021

Particulars	Note	As at March 31, 2021 (₹) in Crores	As at March 31, 2020 (₹) in Crores
Assets			
Non Current Assets			
(a) Property, Plant and Equipment	3	2,371.39	2,280.77
(b) Capital Work In Progress	3	46.66	102.04
(c) Other Intangible Assets	4	13.71	9.58
(d) Right-of-Use Assets	5	2.86	3.22
(e) Financial Assets			
(i) Restricted Bank Deposits	6	88.07	105.81
(ii) Loans	7	0.00	0.02
(iii) Other Financial Assets	8	2.10	1.24
(f) Other Non Current Assets	9	64.39	16.15
		2,589.18	**2,518.83**
Current Assets			
(a) Inventories	10	16.25	18.02
(b) Financial Assets			
(i) Trade Receivables	11	294.29	295.69
(ii) Cash and Cash Equivalents	12	45.40	35.07
(iii) Bank Balances other than (ii) above	13	35.06	51.04
(iv) Loans	14	0.29	0.96
(v) Other Financial Assets	15	180.71	186.71
(c) Current Tax Asset	16	1.22	1.22
(d) Other Current Assets	17	119.52	102.78
		692.74	**691.49**
Total Assets before Regulatory Assets		3,281.92	3,210.32
Regulatory deferral accounts debit balances and related	18	9,502.98	8,656.86
Total Assets		**12,784.90**	**11,867.18**
Equity and Liabilities			
Equity			
(a) Equity Share Capital	19	556.00	556.00
(b) Other Equity	20	1,014.30	602.74
Total Equity		**1,570.30**	**1,158.74**
Liabilities			
Non-Current Liabilities			
(a) Financial Liabilities			
(i) Borrowings	21	943.16	867.43
(ii) Lease Liability	22	2.58	2.81
(iii) Consumer Security Deposits	23	471.90	465.07
(b) Provisions	24	41.79	51.59
(c) Consumer Contribution for Capital Works	25	238.12	222.29
(d) Service Line Deposits	26	155.59	151.63
(e) Grant-In-Aid	27	4.70	5.30
(f) Other Non Current Liabilities	28	55.68	76.62
		1,913.52	**1,842.74**
Current Liabilities			
(a) Financial Liabilities			
(i) Borrowings	29	225.21	217.13
(ii) Trade Payables	30		
- dues of micro and small enterprises		22.33	29.78
- dues of creditors other than micro and small		8,334.60	7,999.79
(iii) Lease Liability	31	0.57	0.57
(iv) Consumer Security Deposits	32	42.12	41.88
(v) Other Financial Liabilities	33	294.07	194.24
(b) Other Current Liabilities	34	298.76	229.31
(c) Provisions	35	83.42	153.00
		9,301.08	**8,865.70**
Total Equity and Liabilities		**12,784.90**	**11,867.18**

The above Balance Sheet should be read in conjunction with the accompanying note nos. 1 to 65.

For and on behalf of the Board of Directors

As per our report of even date

For Ravi Rajan & Co. LLP
Chartered Accountants
ICAI Firm Registration No. 009073N/ N500320

Sachin Kumar Jindal
Partner
(M. No. 531700)

Place : New Delhi
Date : May 10, 2021

Anthony Jesudasan
Director
(DIN 00325390)

Surinder S Kohli
Director
(DIN 00169907)

Ryna Z Karani
Director
(DIN 00116930)

Ajit K Ranade
Director
(DIN 00918651)

Anjani K Sharma
Director
(DIN 01180722)

Virender S Verma
Director
(DIN 07843461)

Jasmine Shah
Director
(DIN 08621290)

Jagjeet S Deswal
Director
(DIN 07386612)

Naveen ND Gupta
Director
(DIN 00271748)

Prem R Kumar
CEO

Partha P Sarma
Director
(DIN 08245533)

Angarai N Sethuraman
Director
(DIN 01098398)

Surya Shankar Banerji
CFO
(FCA-420131)

Suresh Kumar Agarwal
Company Secretary
(FCS-7751)

BSES YAMUNA POWER LIMITED
STATEMENT OF PROFIT AND LOSS FOR THE YEAR ENDED MARCH 31, 2021

Particulars	Note	YEAR ENDED March 31, 2021 (₹) in Crores	YEAR ENDED March 31, 2020 (₹) in Crores
I. Revenue From Operations	36	4,859.05	5,468.39
II. Other Income	37	37.91	33.19
III. Total Income (I+II)		**4,896.96**	**5,501.58**
IV. Expenses			
Cost of Power Purchased	38	3,317.44	3,852.13
Employee Benefits Expense	39	388.21	342.70
Finance Costs	40	1,111.94	1,065.64
Depreciation and Amortisation Expense	41	197.82	193.58
Other Expenses	42	354.77	362.50
Total Expenses (IV)		**5,370.18**	**5,816.55**
V. Profit / (Loss) before Rate Regulated Activities and Tax **(III-IV)**		**(473.22)**	**(314.97)**
VI. Net movement in Regulatory deferral account balances and related deferred tax	43	840.36	577.01
VII. Profit Before Tax **(V+VI)**		**367.14**	**262.04**
VIII. Tax Expense			
(1) Tax for the Year			
(i) Current Tax	44	0.03	43.68
(ii) Deferred Tax (Refer Note 47)		-	-
(2) Tax reversed for earlier years (MAT) (Refer Note 61)		(43.82)	-
		(43.79)	**43.68**
IX. Profit for the Year (VII-VIII)		**410.93**	**218.36**
X. Other Comprehensive Income (OCI)			
Items that will not be reclassified to Profit & Loss			
- Re-measurement of defined benefit plan: (Loss)		(5.13)	(5.15)
- Net movement in Regulatory deferral account balances related to items recognised in OCI	43	5.76	5.78
- Income Tax relating to above Items	45	-	(0.11)
Other Comprehensive Income		**0.63**	**0.52**
XI. Total Comprehensive Income for the Year (IX+X)		**411.56**	**218.88**
XII. Earnings Per Equity Share of ₹ 10/- Each	46		
Basic (₹) per share		7.39	3.93
Diluted (₹) per share		7.39	3.93
Basic before net movement in regulatory deferral account balances (₹) per share		(7.72)	(6.45)
Diluted before net movement in regulatory deferral account balances (₹) per share		(7.72)	(6.45)

The above Statement of Profit and Loss should be read in conjunction with the accompanying note nos. 1 to 65.

For and on behalf of the Board of Directors

As per our report of even date

For Ravi Rajan & Co. LLP
Chartered Accountants
ICAI Firm Registration No. 009073N/ N500320

Sachin Kumar Jindal
Partner
(M. No. 531700)

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(DIN 01180722)

Virender S Verma
Director
(DIN 07843461)

Jasmine Shah
Director
(DIN 08621290)

Jagjeet S Deswal
Director
(DIN 07386612)

Naveen ND Gupta
Director
(DIN 00271748)

Prem R Kumar
CEO

Partha P Sarma
Director
(DIN 08245533)

Angarai N Sethuraman
Director
(DIN 01098398)

Surya Shankar Banerji
CFO
(FCA-420131)

Suresh Kumar Agarwal
Company Secretary
(FCS-7751)

Place : New Delhi
Date : May 10, 2021

BSES YAMUNA POWER LIMITED
STATEMENT OF CASH FLOWS FOR THE YEAR ENDED MARCH 31, 2021

	Particulars	YEAR ENDED March 31, 2021 (₹) in Crores	YEAR ENDED March 31, 2020 (₹) in Crores
A.	**Cash Flow from Operating Activities**		
	Profit Before Income tax	367.14	262.04
	Adjustments For :		
	Depreciation and Amortization expenses	197.46	193.22
	Depreciation on RoU	0.36	0.36
	Interest Income	(7.99)	(9.04)
	Net Loss on Sale of Property, Plant and Equipment	3.73	10.33
	Transfer from Consumer Contribution for Capital Work	(18.44)	(17.53)
	Transfer from Service Line Deposits	(22.93)	(22.39)
	Provision for Doubtful Debts	16.71	9.06
	Provision for Retirement of Fixed Assets	-	4.68
	Provision for Retirement of Inventories	0.78	0.86
	Inventories written off	0.57	1.80
	Excess Provisions Written Back	(3.62)	-
	Adjustment for Regulatory Deferral Account Balances	(840.36)	(577.01)
	Adjustment for Other Comprehensive Income	(5.13)	(5.15)
	Adjustment for Loan Processing Fees	0.68	0.87
	Interest on Lease Liability (RoU)	0.35	0.37
	Interest and Finance Charges	199.38	199.12
	LPSC on Power Purchase	911.52	865.28
	Operating Profit Before Working Capital Changes	**800.20**	**916.87**
	Adjustments for (Increase)/Decrease in Assets		
	Inventories	0.42	(4.55)
	Trade Receivables	(8.06)	(58.97)
	Other Current and Non Current - Financial Assets	5.89	49.52
	Other Current and Non Current Assets	(16.74)	(10.05)
	Adjustments for Increase / (Decrease) in Liabilities		
	Other Current and Non Current - Financial Liabilities	56.36	37.25
	Service Line Deposit	26.88	19.85
	Other Current and Non Current Liabilities	69.46	(26.76)
	Trade Payables	(584.17)	(343.87)
	Provisions	(83.01)	21.92
		(532.97)	**(315.66)**
	Cash Generated From Operations	267.23	601.21
	Income Tax Paid, Net of Refund [Including Tax deducted at source]	(3.80)	(49.33)
	Net Cash from Operating Activities (I)	**263.43**	**551.88**
B.	**Cash Flow from Investing Activities :-**		
	Purchase of Property, Plant and Equipment	(242.64)	(311.67)
	Sale of Property, Plant and Equipment	11.00	8.52
	Consumer Contribution for Capital Works	12.56	46.62
	Term deposits not considered as Cash and Cash Equivalents	33.71	(56.57)
	Interest Received	7.50	8.91
	Net Cash (used in) Investing Activities (II)	**(177.87)**	**(304.19)**
C.	**Cash Flow From Financing Activities :-**		
	Interest and Finance Charges	(199.77)	(199.57)
	Net Proceeds / (Repayment) of Short Term Borrowings	8.08	(20.14)
	Repayment of Long Term Borrowings	(60.00)	(40.00)
	Payment of Lease Liability	(0.57)	-
	Proceeds from Long Term Borrowings	177.03	-
	Net Cash (used in) Financing Activities (III)	**(75.23)**	**(259.71)**
	Net Increase / (Decrease) in Cash and Cash Equivalents (I+II+III)	10.33	(12.02)
	Cash and Cash Equivalents as at the commencement of the year	35.07	47.09
	Cash and Cash Equivalents as at the end of the year	45.40	35.07
	Net Increase / (Decrease) as disclosed above	10.33	(12.02)

BSES YAMUNA POWER LIMITED
STATEMENT OF CASH FLOWS FOR THE YEAR ENDED MARCH 31, 2021
Disclosure of changes in liabilities arising from financing activities

F.Y. 2020-21 **(Amount in ₹ Crores)**

Particulars	Term Loans including current maturities	Short Term Loans	Interest
Opening Balance	956.66	217.13	6.07
Add:- Proceeds from borrowings/ Interest accrued during the year	177.03	8.08	199.38
Less:- Repayment of borrowings / Interest payment during the year	60.00	-	199.30
Non Cash Items :-			
- Amortisation	0.22	-	-
Closing Balance	**1,073.91**	**225.21**	**6.15**

F.Y. 2019-20 **(Amount in ₹ Crores)**

Particulars	Term Loans including current maturities	Short Term Loans	Interest
Opening Balance	995.79	237.27	6.52
Add:- Proceeds from borrowings/ Interest accrued during the year	-	-	199.12
Less:- Repayment of borrowings / Interest payment during the year	40.00	20.14	199.57
Non Cash Items :-			
- Amortisation	0.87	-	-
Closing Balance	**956.66**	**217.13**	**6.07**

The above Cash Flow Statement has been prepared in accordance with the "Indirect Method" as set out in the Ind AS - 7 on "Cash Flow Statements" specified under Section 133 of the Companies Act, 2013, as applicable

The above Cash Flow Statement should be read in conjunction with the accompanying note nos. 1 to 65.

For and on behalf of the Board of Directors

As per our report of even date

Anthony Jesudasan
Director
(DIN 00325390)

Surinder S Kohli
Director
(DIN 00169907)

Ryna Z Karani
Director
(DIN 00116930)

For Ravi Rajan & Co. LLP
Chartered Accountants
ICAI Firm Registration No. 009073N/ N500320

Ajit K Ranade
Director
(DIN 00918651)

Anjani K Sharma
Director
(DIN 01180722)

Virender S Verma
Director
(DIN 07843461)

Sachin Kumar Jindal
Partner
(M. No. 531700)

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Place : New Delhi
Date : May 10, 2021

Surya Shankar Banerji
CFO
(FCA-420131)

Suresh Kumar Agarwal
Company Secretary
(FCS-7751)

BSES YAMUNA POWER LIMITED
STATEMENT OF CHANGES IN EQUITY FOR THE YEAR ENDED MARCH 31, 2021

A. Equity share capital

Particulars	Amount (₹) in Crores
Balance as at April 1, 2019	556.00
Changes in equity share capital during the year	-
Balance as at March 31, 2020	556.00
Changes in equity share capital during the year	-
Balance as at March 31, 2021	556.00

B. Other Equity

(Amount in ₹ Crores)

Particulars	Reserves and Surplus		Total
	General Reserve	Retained Earnings	
Balance as at April 01, 2019	**-**	**383.86**	**383.86**
Profit as per statement of profit and loss for the year	-	218.36	218.36
Other comprehensive income for the year (net of income tax)	-	0.52	0.52
Total comprehensive income for the year	-	218.88	218.88
Balance as at March 31, 2020	**-**	**602.74**	**602.74**
Profit as per statement of profit and loss for the year	-	410.93	410.93
Other comprehensive income for the year (net of income tax)	-	0.63	0.63
Total comprehensive income for the year	-	411.56	411.56
Balance as at March 31, 2021	**-**	**1,014.30**	**1,014.30**

The above Statement of Changes in Equity should be read in conjunction with the accompanying note nos. 1 to 65.

For and on behalf of the Board of Directors

As per our report of even date

For Ravi Rajan & Co. LLP
Chartered Accountants
ICAI Firm Registration No. 009073N/ N500320

Sachin Kumar Jindal
Partner
(M. No. 531700)

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(DIN 01098398)

Place : New Delhi
Date : May 10, 2021

Surya Shankar Banerji
CFO
(FCA-420131)

Suresh Kumar Agarwal
Company Secretary
(FCS-7751)

Corporate Information

BSES YAMUNA POWER LIMITED ("BYPL" or " The Company ") is a limited company incorporated in India having registered office at Shakti Kiran Building, Karkardooma , Delhi - 110032.

The Delhi Electricity Distribution Model is a unique model based on Public Private Partnership (between Reliance Infrastructure Limited and Government of National Capital Territory of Delhi) acclaimed by various International bodies like World Bank, ADB, USAID etc. The Government of National Capital Territory of Delhi (hereinafter referred to as "GoNCTD") initiated an enabling and futuristic step of privatising the erstwhile Delhi Vidyut Board (DVB) with effect from July 01, 2002. Result of the privatization culminated in formation of BYPL, under the provisions of the then Companies Act, 1956, which also is, inter-alia, a distribution licensee within the ambit of the Electricity Act, 2003 (hereinafter referred to as "Electricity Act") which ensured that provisions of the enactments specified in the Delhi Electricity Reforms Act, 2000 (hereinafter referred to as "DERA") (Delhi Act No. 2 of 2001), not inconsistent with the provisions of the Electricity Act remained applicable to Delhi, as it was part of the Schedule referred to in Section 185 of the Electricity Act.

The Company is primarily engaged in the business of distribution of electricity in East and Central district in the National Capital Territory. The Company has been granted a license for distribution and retail supply of electricity by the Hon'ble DERC in March 2004. The License is valid for a period of 25 years.

Since the privatization, BYPL has traversed a long and successful journey to become one of the most respected utilities in the country. Over a period of time, BYPL had been awarded certifications like ISO 9001:2015, ISO 14001:2015 & ISO 45001:2018, while becoming an entity to be reckoned with. BYPL today serves about 18 lakh satisfied consumers in Central and East Delhi.

These Financial Statements of the Company for the year ended March 31, 2021 are authorized for issue by the Board of Directors on May 10, 2021.

Note- 1 Significant Accounting Policies

This note provides a list of the Significant Accounting Policies adopted in the preparation of the Financial Statements of the Company. These policies have been consistently applied to all the years presented, unless otherwise stated.

a) Basis of Preparation

(i) Statement of Compliance

The financial statements comply with Indian Accounting Standards (Ind AS) notified under Section 133 of the Companies Act, 2013 (the Act) to be read with relevant rules and other accounting principles and other relevant provisions of the Act.

Further, the provisions of the Delhi Electricity Reform (Transfer Scheme) Rules, 2001 (hereinafter referred to as 'Transfer Scheme') and other relevant documents / agreements have also been taken into account while preparing these Financial Statements.

Financial Statements have been prepared in accordance with the requirements of the information and disclosures mandated by Schedule III of the Companies Act 2013, applicable Ind AS, the applicable provisions of the Electricity Act and other applicable pronouncements and regulations.

All amounts disclosed in the financial statements and notes have been rounded off to the nearest crores in Indian rupees as per the requirement of Schedule III, unless otherwise stated.

(ii) Basis of Measurement

The Financial Statements have been prepared under historical cost convention on the accrual basis, except for the following :

- Certain Financial Assets and Liabilities (including derivative instruments) that are measured at fair value; and
- Defined benefit plans - plan assets measured at fair value;

(iii) New standards and interpretations

Ministry of Corporate Affairs ("MCA") notifies new standard or amendments to the existing standards. There is no such notification which would have been applicable from April 01, 2021.

On March 24, 2021, the Ministry of Corporate Affairs ("MCA") through a notification amended Schedule III of the Companies Act, 2013. The above mentioned amendment shall be applicable on Companies for financial year start on or after April 01, 2021. Therefore, all these amendments shall effect the financial statements for the period from April 01, 2021.

These Amendments prescribed a list of numerous additional disclosures required in the financial statements by amending schedule III to the Companies Act, 2013. Majority of the amendments to Schedule III to the Companies Act, 2013 have been undertaken in response to the amendments covered in the newly issued Companies (Auditors and Report Order) 2020 and the Companies (Indian Accounting Standards) Amendment Rules, 2020.

The amendments are extensive and the Company will evaluate the same to give effect to them as required by law.

(iv) Others

These Financial Statements have been prepared on a going concern basis in accordance with the applicable accounting standards prescribed under the Companies (Indian Accounting Standards) Rules, 2015 read with subsequent amendments issued by the Central Government.

The Company does not have any investment in or control over the other entities. Therefore, the Company does not require any consolidated financial statements. Accordingly, these financial statements are prepared on standalone basis.

b) Current versus Non-Current Classification

The Company presents assets and liabilities except regulatory assets in the Financial Statements based on current/ non-current classification.

An asset is treated as current when it is:

- Expected to be realized or intended to be sold or consumed in normal operating cycle.
- Expected to be realized 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.
- held primarily for the purpose of trading.

All other assets are classified as non-current.

A liability is current when:

- It is expected to be settled in normal operating cycle.
- It is 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.
- held primarily for the purpose of trading.

All other liabilities are classified as non-current.

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

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

Regulatory Assets are presented as separate line item distinguished from assets and liabilities as per Ind AS 114.

c) Foreign Currency Translation

(i) Functional and Presentation Currency

Items included in the Financial Statements are measured using the currency of the primary economic environment in which the entity operates i.e. 'the functional currency'. The Financial Statements are presented in Indian rupee (₹ INR), which is Company's functional and presentation currency.

(ii) Transactions and Balances

Foreign currency transactions are translated into the functional currency using exchange rates at the date of the transaction. Foreign exchange gains and losses from settlement of these transactions, and from translation of monetary assets and liabilities at the reporting date exchange rates are recognised in the Statement of Profit and Loss.

d) Revenue Recognition

Ind AS 115 requires apportioning revenue earned from contracts to individual promises, or performance obligations, on a relative standalone selling price basis, using a five-step model. The Company has adopted Ind AS 115 using the cumulative effect method.

Revenue is recognized upon transfer of control of promised products or services to customers in an amount that reflects the consideration which the Company expects to receive in exchange of those products or services.

__Revenue from sale of power__

Revenue from sale of power, where the performance obligation is satisfied over time, is recognized by measuring progress using output method. Output method is determined based on the direct measurements of units delivered .

Revenue from sale of power is accounted on the basis of billing to consumers based on billing cycles followed by the Company which is inclusive of Power Purchase Adjustment Charges (PPAC) and unbilled revenue for the reporting period. Consumers are billed on the basis of recording of consumption of electricity by installed meters. Where meters have stopped or are faulty, the billing is done based on the assessment of past consumption, usage of appliances, etc. Unbilled revenue is recognised on supply of energy to various consumers accrued upto the end of reporting period, which is billed to respective consumers in the future billing cycle. Unbilled revenue is in the nature of unbilled receivable and therefore classified as financial assets by the company.

Revenue from Open Access is determined on the basis of billing made to the customers based on units consumed.

Revenue in respect of the following is recognized as and when recovered because its ultimate collection is uncertain-

(a) Delayed Payment Surcharge on electricity billed
(b) Bills raised for dishonest abstraction of Power
(c) Interest on Unscheduled Interchange (UI)

The Company determines revenue gaps (i.e. surplus/shortfall in actual returns over returns entitled) in respect of its regulated operations in accordance with the provisions of Ind AS 114 "Regulatory Deferral Accounts" read with the Guidance Note on Rate Regulated Activities issued by ICAI and based on the principles laid down under the relevant Tariff Regulations / Tariff Orders notified by the Electricity Regulator and the actual or expected actions of the regulator under the applicable regulatory framework. Appropriate adjustments in respect of such revenue gaps are made in the revenue of the respective year for the amounts which are reasonably determinable and no significant uncertainty exists in such determination. These adjustments / accruals representing revenue gaps are carried forward as Regulatory deferral accounts debit balances and related deferred tax balances as the case may be in the financial statements, which would be recovered / refunded through future billing based on future tariff determination by the regulator in accordance with the electricity regulations.

Consumer Contribution for capital works and service line deposits

Consumer's contribution towards cost of capital assets is treated as capital receipt and disclosed in liabilities until transferred to a separate account (in the nature of contract liability) on capitalization of the assets. An amount equivalent to the depreciation on such assets is appropriated from this account as income to the statement of profit and loss over the useful life of the assets.

Service Line Deposits are one time charges received from consumers at the time of new connection applied or at the time of revision of load for transmission of power. The amount received is in the nature of upfront charges and is treated as contract liability and an amount equivalent to the depreciation on such assets is appropriated from this account as income to the statement of profit and loss over the useful life of the assets.

Other Income:

Insurance and other claims are recognised as revenue on certainty of receipt on prudent basis.

Income from advertisements, rentals and others is recognised in accordance with terms of the contracts with customers based on the period for which the facilities have been used.

Interest income is recognised using the effective interest rate method. The effective interest rate is the rate that exactly discounts estimated future cash receipts through the expected life of the financial asset to the gross carrying amount of a financial asset. When calculating the effective interest rate, the Company estimates the expected cash flows by considering all the contractual terms of the financial instrument (for example, prepayment, extension, call and similar options) but does not consider the expected credit losses.

Revenue from street light maintenance is recognised on the basis of numbers of points maintained for Municipal Corporations of Delhi.

e) Banking Arrangements of Power

The Company enters into banking arrangements of powers with other power generators/traders to bank power and vice versa and take back or return the banking power over agreed period. The power banking transactions both way are recorded in conformity with the rates promulgated by DERC directives as applicable. (Refer Note 38)

f) Government Grants

Grants from the government are recognised at their fair value where there is a reasonable assurance that the grant will be received and the Company will comply with all attached conditions.

Government grants relating to income are deferred and recognised in the statement of profit and loss over the period necessary to match them with the costs that they are intended to compensate and presented in other income.

Government grants relating to the purchase of property, plant and equipment are included in non-current liabilities as deferred income and are credited to the statement of profit and loss on a straight-line basis over the expected lives of the related assets and presented in other income.

g) Income Tax

Income tax expense for the year comprises of current tax and deferred tax. Income tax is recognised in the Statement of Profit and Loss except to the extent that it relates to items recognised in 'Other comprehensive income' or directly in Equity and Regulatory Assets, in which case the tax is recognised in 'Other comprehensive income' or directly in Equity and Regulatory Assets respectively. However, w.e.f. Financial Year 2019-20 the Company has decided to avail the option to switch over to the new tax regime u/s 115BAA under which the Income Tax rate is 22% (effective tax rate is 25.17% including surcharge and cess). Further, the MAT provisions will no longer be applicable to the Company under the new tax regime.

The Income tax expense or credit for the year is the tax payable on the current year's taxable income based on the applicable income tax rate for each jurisdiction adjusted by changes in deferred tax assets and liabilities attributable to temporary differences and to unused tax losses.

The current income tax charge is measured at the amount expected to be paid to the tax authorities using the tax rates enacted or substantively enacted at the end of the reporting period. The Company establishes provisions where appropriate on the basis of amounts expected to be paid to the tax authorities.

Deferred income tax is provided in full, using the liability method, on temporary differences arising between the tax bases of assets and liabilities and their carrying amounts in the Financial Statements. Deferred income tax is determined using tax rates that have been enacted or substantially enacted by the end of the reporting period and are expected to apply when the related deferred income tax asset is realized or the deferred income tax liability is settled.

Deferred tax assets are recognised for all deductible temporary differences and unused tax losses only if it is probable that future taxable amounts will be available to utilize those temporary differences and losses. Deferred tax assets are reviewed at each reporting date and are reduced to the extent that it is no longer probable that the related tax benefit will be realized. Deferred tax assets and liabilities are offset when there is a legally enforceable right to offset current tax assets and liabilities and when the deferred tax balances relate to the same taxation authority. Current tax assets and tax liabilities are offset where the entity has a legally enforceable right to offset and intends either to settle on a net basis, or to realize the asset and settle the liability simultaneously.

In accordance with the Multi Year Tariff (MYT) Regulations issued by DERC from time to time for determination of power tariff, the Income-Tax liability shall be considered for tariff determination. The same will be adjusted in future as and when the deferred tax converts to current tax.

Ministry of Corporate Affairs ("MCA") through Companies (Indian Accounting Standards) Amendment Rules, 2019 and Companies (Indian Accounting Standards) Second Amendment Rules has notified Appendix C of Ind AS 12 w.e.f April 01, 2019. The Company has adopted "Appendix C of Ind AS 12" and assessed for effect of uncertainty of the probability that a taxation authority will accept uncertain tax treatment. The Company has applied amendment prospectively without adjusting comparable.

The Company will update the amount in the financial statements if facts and circumstances change as a result of examination or action by tax authorities.

The Company has also adopted the other amendments in "Ind AS 12 " Income Tax" w.e.f. April 01, 2019, in connection with accounting for dividend distribution taxes.

h) Leases

The Company has adopted the new accounting standard Ind AS 116 "Leases" on April 1, 2019 as per Companies (Indian Accounting Standards) amendment Rules, 2019, notified by MCA on March 30, 2019. Ind AS 116 is a single lessee accounting model and sets out the principles for the recognition, measurement, presentation and disclosure of leases for both lessees and lessors. On application of IndAS 116, the nature of expenses has changed from lease rent in previous years to depreciation cost for the right-of-use assets(RoU), and finance cost for interest accrued on lease liability.

The land is allotted by the respective land owning agency to Department of Power for establishment of 66/33/11 KV Grid substations. The Department of Power hands over the land to the Company on "right of use basis" on payment of annual license fee. The land so handed over cannot be used by the Company for any other purpose.

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.

As a lessee

At the commencement date of the lease the Company recognizes a lease liability measured at the present value of the lease payments that are not paid at that date. The lease payments included in the measurement of the lease liability consist of the payments for the right to use the underlying assets during the lease term that are not paid at the commencement date of the lease.

The payments included in the measurement of the lease liability include fixed payments less any lease incentives receivable variable lease payments that depend on an index or a rate, initially measured using the index or rate as at the commencement date, residual value guarantees, exercise price of a purchase option where the Company is reasonably certain to exercise that option and payments of penalties for terminating the lease, if the lease term reflects the lessee exercising an option to terminate the lease. GST liability is not included in the measurement of the lease liability.

The lease payments are discounted using the interest rate implicit in the lease, if that rate is readily determined, if that rate is not readily determined, the lease payments are discounted using the incremental borrowing rate.

The Company recognizes a right-of-use asset from a lease contract at the commencement date of the lease, which is the date that the underlying asset is made available for use.

The cost of the right-of-use assets comprises the amount of the initial measurement of the lease liability, any initial direct costs incurred and any lease payments made at or before the commencement date of the lease less any lease incentives received. Subsequently, the right-of-use assets is measured at cost less any accumulated depreciation and accumulated impairment losses, if any and adjusted for any re measurement of the lease liability.

The right-of-use assets is depreciated using the straight-line method from the commencement date over the shorter of lease term or useful life of right-of-use asset.

It also considers possible asset retirement obligations in the cost of the right-of-use asset. Right-of-use assets are subject to impairment testing in future periods.

On transition ,the Company has applied the standard to its leases, retrospectively, with the cumulative effect of initially applying the Standard and accordingly not restated comparative information , instead, the cumulative effect of initially applying this standard has been recognised as an adjustment to the opening balance of retained earnings as on April 1, 2019.

The Company has also applied the following practical expedient provided by the standard when applying Ind AS 116:

a) By measuring the assets at an amount equal to the lease liability, adjusted by the amount of any prepaid or accrued lease payment recognized immediately before date of initial applications.

b) not to reassess whether a contract is or contains a lease, accordingly the definition of lease in accordance with Ind As 17 will continue to be applied to those leases entered or modified before April 1, 2019.

(c) The Company has applied a single discount rate to a portfolio of leases of similar assets in similar economic environment, consequently, the Company has recorded the lease liability at the present value of remaining lease payments, discounted using the incremental borrowing rate at the date of initial application.

(d) excluded the initial direct costs from measurement of the RoU asset

(e) Not to recognize RoU assets and lease liabilities for leases with less than twelve months of lease term and low-value assets on the date of initial application.

i) Impairment of Non-Financial Assets

Assessment for impairment is done at each Balance Sheet date as to whether there is any indication that a non-financial asset may be impaired. Indefinite-life intangibles are subject to a review for impairment annually or more frequently if events or circumstances indicate that it is necessary.

For the purpose of assessing impairment, the smallest identifiable group of assets that generates cash inflows from continuing use that are largely independent of the cash inflows from other assets or group of assets is considered as a cash generating unit. Goodwill acquired in a business combination is, from the acquisition date, allocated to each of the Company's cash-generating units that are expected to benefit from the synergies of the combination, irrespective of whether other assets or liabilities of the acquire are assigned to those units.

If any indication of impairment exists, an estimate of the recoverable amount of the individual asset/cash generating unit is made. Asset/cash generating unit whose carrying value exceeds their recoverable amount are written down to the recoverable amount by recognizing the impairment loss as an expense in the Statement of Profit and Loss. The impairment loss is allocated first to reduce the carrying amount of goodwill (if any) allocated to the cash generating unit and then to the other assets of the unit on pro rata basis, based on the carrying amount of each asset in the unit. Recoverable amount is higher of an asset's or cash generating unit's fair value less cost of disposal and its value in use. Value in use is the present value of estimated future cash flows expected to arise from the continuing use of an asset or cash generating unit and from its disposal at the end of its useful life. Assessment is also done at each Balance Sheet date as to whether there is any indication that an impairment loss recognised for an asset in prior accounting periods may no longer exist or may have decreased. An impairment loss is reversed if there has been a change in the estimates used to determine the recoverable amount. An impairment loss is reversed only to the extent that the assets carrying amount does not exceed the carrying amount that would have been determined, net of depreciation and amortization, if no impairment loss had been recognised. An impairment loss recognised for goodwill is not reversed in subsequent periods.

j) Cash and cash equivalents

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. Bank overdrafts are shown within borrowings in current liabilities in the balance sheet.

k) Trade Receivables

Trade receivables are recognised initially at transaction value less provision for impairment.

The Company's trade receivable are generally non interest bearing if paid within the due dates. However, the Company charges Late Payment Surcharge (LPSC) if paid after due dates.

l) Inventories

Inventories are stated at the lower of cost or net realizable value. Costs are assigned to individual items of Inventories on weighted average basis. Cost includes purchase price, freight inwards and other expenditure incurred in bringing such inventories to their present location and condition. Costs of purchased Inventories are determined after deducting rebates and discounts. Net realizable value is the estimated selling price in the ordinary course of business less the estimated costs of completion and the estimated costs necessary to make the sale.

The comparison of cost and net realizable value is made by the Comapany. Provisions are made for obsolete, non moving and slow moving inventories.

m) Financial Instruments

The Company recognizes financial assets and liabilities when it becomes a party to the contractual provisions of the instrument. All financial assets and liabilities are recognised at fair values on initial recognition, except for trade receivables which are initially measured at transaction price.

Financial Assets

(i) Classification

The Company classifies its financial assets in the following measurement categories:

- those to be measured subsequently at fair value (either through other comprehensive income, or through profit or loss), and
- those measured at amortized cost.

The classification depends on the entity's business model for managing the financial assets and the contractual terms of the cash flows.

For assets measured at fair value, gains and losses will either be recorded in Statement of profit and loss or other comprehensive income. For investments in debt instruments, this will depend on the business model in which the investment is held. For investments in equity instruments, this will depend on whether the Company has made an irrevocable election at the time of initial recognition to account for the equity investment at fair value through other comprehensive income. This election is not permitted if the equity investment is held for trading.

The Company reclassifies debt investments when and only when its business model for managing those assets changes.

(ii) Measurement

At initial recognition, the Company measures a financial asset at its fair value and in the case of a financial asset not at fair value through profit or loss, transaction costs that are directly attributable to the acquisition of the financial asset. Transaction costs of financial assets carried at fair value through profit or loss are expensed in profit or loss.

Financial assets with embedded derivatives are considered in their entirety when determining whether their cash flows are solely payment of principal and interest.

Subsequent

Debt Instruments

Subsequent measurement of debt instruments depends on the Company's business model for managing the asset and the cash flow characteristics of the asset. There are three measurement categories into which the Company classifies its debt instruments:

• **Amortized cost:** Assets that are held for collection of contractual cash flows where those cash flows represent solely payments of principal and interest are measured at amortized cost. A gain or loss on a debt investment that is subsequently measured at amortized cost and is not part of a hedging relationship is recognised in statement of profit and loss when the asset is derecognized or impaired. Interest income from these financial assets is included in finance income using the effective interest rate method.

• **Fair value through other comprehensive income (FVOCI):** Assets that are held for collection of contractual cash flows and for selling the financial assets, where the assets' cash flows represent solely payments of principal and interest, are measured at fair value through other comprehensive income (FVOCI). Movements in the carrying amount are taken through OCI, except for the recognition of impairment gains or losses, interest revenue and foreign exchange gains and losses which are recognised in profit and loss. When the financial asset is derecognized, the cumulative gain or loss previously recognised in OCI is reclassified from equity to profit or loss and recognised in other gains/ (losses). Interest income from these financial assets is included in other income using the effective interest rate method. At present no Financial Assets fulfil this condition.

• **Fair value through profit or loss:** Assets that do not meet the criteria for amortized cost or FVOCI are measured at fair value through profit or loss. A gain or loss on a debt investment that is subsequently measured at fair value through profit or loss and is not part of a hedging relationship is recognised in the statement of profit and loss and presented net in the statement of profit and loss within other gains/(losses) in the period in which it arises. Interest income from these financial assets is included in other income.

Equity Instruments
The Company subsequently measures all equity investments at fair value. Where the Company's management has elected to present fair value gains and losses on equity investments in other comprehensive income, there is no subsequent reclassification of fair value gains and losses to the statement of profit and loss. Dividends from such investments are recognised in the statement of profit and loss as other income when the Company's right to receive payments is established.

Changes in the fair value of financial assets at fair value through profit or loss are recognised in statement of profit and loss. Impairment losses (and reversal of impairment losses) on equity investments measured at FVOCI are not reported separately from other changes in fair value.

(iii) **Impairment of Financial Assets**
The Company assesses on a forward looking basis the expected credit losses associated with its assets carried at amortized cost and FVOCI debt instruments. The impairment methodology applied depends on whether there has been a significant increase in credit risk.
For trade receivables only, the Company applies the simplified approach permitted by Ind AS 109 "Financial Instruments", which requires expected credit loss allowance to be recognised for initial recognition of the receivable. The Company has also used a practical expedient i.e provision matrix for their determination as per Ind AS 109.

(iv) **De-recognition of Financial Assets**
A financial asset is derecognized only when:
• The Company has transferred the rights to receive cash flows from the financial asset or
• Retains the contractual rights to receive the cash flows of the financial asset, but assumes a contractual obligation to pay the cash flows to one or more recipients.

Where the entity has transferred an asset, the Company evaluates whether it has transferred substantially all risks and rewards of ownership of the financial asset. In such cases, the financial asset is derecognized.
Where the entity has neither transferred a financial asset nor retains substantially all risks and rewards of ownership of the financial asset, the financial asset is derecognized if the Company has not retained control of the financial asset. Where the Company retains control of the financial asset, the asset is continued to be recognised to the extent of continuing involvement in the financial asset.

n) **Financial Liabilities**
Initial recognition and measurement
All financial liabilities are recognised initially at fair value and in the case of loans and borrowings and payables, net of directly attributable transaction costs. The Company's financial liabilities include trade and other payables, loans and borrowings including bank overdrafts.

Subsequent measurement
Financial liabilities at amortized cost
After initial measurement, such financial liabilities are subsequently measured at amortized cost using the effective interest rate (EIR) method. Amortized cost is calculated by taking into account any discount or premium on acquisition and fees or costs that are an integral part of the EIR. The EIR amortization is included in finance costs in the profit or loss.

i) Borrowings
Borrowings are initially recognised at fair value, net of transaction costs incurred. Borrowings are subsequently measured at amortized cost. Any difference between the proceeds (net of transaction costs) and the redemption amount is recognised in the statement of profit and loss over the period of the borrowings using the EIR. Fees paid on the establishment of loan facilities are recognised as transaction costs of the loan to the extent that it is probable that some or all of the facility will be drawn down. In this case, the fee is deferred until the draw down occurs. To the extent there is no evidence that it is probable that some or all of the facility will be drawn down, the fee is capitalized as a prepayment for liquidity services and amortized over the period of the facility to which it relates.

Borrowings are removed from the balance sheet when the obligation specified in the contract is discharged, cancelled or expired. The difference between the carrying amount of a financial liability that has been extinguished or transferred to another party and the consideration paid, including any non-cash assets transferred or liabilities assumed, is recognised in the statement of profit and loss.

Borrowings are classified as current liabilities unless the Company has an unconditional right to defer settlement of the liability for at least 12 months after the reporting period. Where there is a breach of a material provision of a long-term loan arrangement on or before the end of the reporting period with the effect that the liability becomes payable on demand on the reporting date, the entity does not classify the liability as current, if the lender agreed, after the reporting period and before the approval of the financial statements for issue, not to demand payment as a consequence of the breach.

If any specific borrowing remains outstanding after the related asset is ready for its intended use or sale, that borrowing becomes part of the funds that an entity borrows generally when calculating the capitalisation rate on general borrowings.

ii) Trade and other payables
These amounts represent liabilities for goods and services provided to the Company prior to the end of financial year which are unpaid. Trade and other payables are presented as current liabilities unless payment is not due within 12 months after the reporting period. They are recognised initially at their fair value and subsequently measured at amortized cost using the effective interest method.

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

o) **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. The fair value measurement is based on the presumption that the transaction to sell the asset or transfer the liability takes place either:

- In the principal market for the asset or liability, or
- In the absence of a principal market, in the most advantageous market for the asset or liability

The principal or the most advantageous market must be accessible by the Company.
The fair value of an asset or a liability is measured using the assumptions that market participants would use when pricing the asset or liability, assuming that market participants act in their economic best interest.

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

The Company uses valuation techniques that 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 assets and 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
Level 2- Valuation techniques for which the lowest level input 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.

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

The Company's management determines the policies and procedures for both recurring and non–recurring fair value measurement, such as derivative instruments and unquoted financial assets measured at fair value.

At each reporting date, the management analyses the movements in the values of assets and liabilities which are required to be remeasured or re-assessed as per the Company's accounting policies. For this analysis, the management verifies the major inputs applied in the latest valuation by agreeing the information in the valuation computation to contracts and other relevant documents.

The management also compares the change in the fair value of each asset and liability with relevant external sources to determine whether the change is reasonable.

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

p) Derivatives

(i) Derivatives that are not designated as hedges

Derivatives including forward contracts are initially recognised at fair value on the date a derivative contract is entered into and are subsequently re-measured to their fair value at the end of each reporting period. The Company does not designate their derivatives as hedges and such contracts are accounted for at fair value through profit or loss and are included in statement of profit and loss.

(ii) Embedded derivatives

An embedded derivative is a component of a hybrid (combined) instrument that also includes a non-derivative host contract with the effect that some of the cash flows of the combined instrument vary in a way similar to a standalone derivative. An embedded derivative causes some or all of the cash flows that otherwise would be required by the contract to be modified according to a specified interest rate, financial instrument price, commodity price, foreign exchange rate, index of prices or rates, credit rating or credit index, or other variable, provided in the case of a non-financial variable that the variable is not specific to a party to the contract. Reassessment only occurs if there is either a change in the terms of the contract that significantly modifies the cash flows that would otherwise be required or a reclassification of a financial asset out of the fair value through profit or loss.

Derivatives embedded in a host contract that is an asset within the scope of Ind AS 109 are not separated. Financial assets with embedded derivatives are considered in their entirety when determining whether their cash flows are solely payment of principal and interest.

Derivatives embedded in all other host contract are separated only if the economic characteristics and risks of the embedded derivative are not closely related to the economic characteristics and risks of the host and are measured at fair value through profit or loss. Embedded derivatives closely related to the host contracts are not separated.

The Company currently does not have any such derivatives which are not closely related.

q) Offsetting financial instruments

Financial assets and liabilities are offset and the net amount is reported in the balance sheet where there is a legally enforceable right to offset the recognised amounts and there is an intention to settle on a net basis or realize the asset and settle the liability simultaneously. The legally enforceable right must not be contingent on future events and must be enforceable in the normal course of business and in the event of default, insolvency or bankruptcy of the Company or the counterparty.

r) Property plant and equipment

Tangible assets except assets transferred from erstwhile DVB are stated at cost less accumulated depreciation and impairment losses, if any. Cost comprises the purchase price, any cost attributable to bringing the assets to its working condition for its intended use and initial estimate of costs of dismantling and removing the item and restoring the site, if any.

Assets transferred from erstwhile DVB are stated at the transaction value as notified by the GoNCTD under the transfer scheme. Values assigned to different heads of individual fixed assets as on the date of the transfer i.e. July 01, 2002 are as per independent valuer's certificate.

Subsequent costs are included in the asset's carrying amount or recognised as a separate asset, as appropriate, only when it is probable that future economic benefits associated with the item will flow to the Company and the cost of the item can be measured reliably. The carrying amount of any component accounted for as a separate asset is derecognized when replaced. All other repairs and maintenance are charged to the statement of profit and loss during the reporting period in which they are incurred.

All project related expenditure viz. Civil works, Machinery under erection, construction and erection materials, preoperative expenditure incidental / attributable to the construction of projects, borrowing cost incurred prior to the date of commercial operations and trial run expenditure are shown under Capital Work in Progress.

An asset's carrying amount is written down to its recoverable amount if the asset's carrying amount is greater than its estimated recoverable amount.

s) Intangible Assets

Intangible assets are stated at cost of acquisition less accumulated amortization and impairment losses, if any. Cost comprises the purchase price and any cost attributable to bringing the assets to its working condition for its intended use. An intangible asset is recognised when it is probable that the future economic benefits attributable to the asset will flow to the enterprise and where its cost can be reliably measured.

Subsequent costs are included in the asset's carrying amount or recognised as a separate asset, as appropriate, only when it is probable that future economic benefits associated with the item will flow to the Company and the cost of the item can be measured reliably.

t) Depreciation and amortization methods, estimated useful lives and residual value

In accordance with Part B of Schedule II of the Companies Act 2013, depreciation/amortization on fixed assets has been computed based on rate or useful life given in DERC regulations. However, in case of assets where no useful life is prescribed in DERC regulation, the useful life and residual value as given in Part C of Schedule II of the Companies Act, 2013 is followed. Further, in case of any class of asset where useful life as estimated by management and/ or certified by Independent valuer is lower than DERC or Part C of Schedule II of the Companies Act, 2013 then such lower useful life is followed for computing depreciation on such asset.

Depreciation on refurbished/revamped assets which are capitalized separately is provided for over the reassessed useful life.

Residual value is taken at the rate of 10% of assets based on DERC regulations or based on Independent Valuer's assessment, as applicable

Depreciation has been computed based on straight line method following the useful life's mentioned as under:

Description of Assets	Useful Life of Asset (In Years)
I. Buildings:	
a) Buildings & Pucca Roads	50
b) Temporary Structures	Nil
II. Plant & Machinery :	
a) Transformers & Switchgears	25
b) Lightening Arrestors	25
c) Batteries	5
d) Energy Meters*	10
e) Distribution Systems :	
- Overhead Lines	25
- Underground Cables	35
III. Furniture & Fixtures	10
IV. Office Equipments	
a) Communication Equipments*	10
b) Office Equipments & Others	10
V. Computers #	
a) Hardware	6
b) Software, Servers & Networking Equipment	6
VI. Vehicles	10

** Useful life of assets is determined based on independent valuer's certificate*

Rate of depreciation applicable for initial 12 years for the below mentioned asset class is as follows:

Assets Class	Rate** (for initial 12 years)
Transformer , switchgear lightening arrestors and Overhead Lines including cable supports	5.83%
Underground cable including joint boxes and disconnected boxes	5.83%
Computer – Software #	16.67%

**Rate after 12 years shall be computed based on the balance depreciable value spread over remaining useful life of assets

For Computers Hardware and Computer Software, salvage value has been considered as Nil as per the Regulation.

Depreciation/ amortization methods, estimated useful lives and residual value

The estimated useful life of property, plant and equipment is based on a number of factors including the effects of obsolescence, demand, competition and other economic factors (such as the stability of the industry and non technological advances) and the level of maintenance expenditures required to obtain the expected future cash flows from the assets.

The residual values are not more than 10% of the original cost of the assets.

The Company reviews, at the end of each reporting date, the useful life of Property, Plant and Equipment and residual value thereof and changes, if any, are adjusted prospectively, as appropriate.

u) Borrowing Costs

General and specific borrowing costs that are directly attributable to the acquisition, construction or production of a qualifying asset are capitalized during the period of time that is required to complete and prepare the asset for its intended use or sale. Qualifying assets are assets that necessarily take a substantial period of time to get ready for their intended use or sale.

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

Other borrowing costs are expensed in the period in which they are incurred.

v) Provisions

Provisions are recognised when the Company has a present legal or constructive obligation as a result of past events and it is probable that an outflow of resources will be required to settle the obligation and the amount can be reliably estimated. Provisions are not recognised for future operating losses.

Where there are a number of similar obligations, the likelihood that an outflow will be required in settlement is determined by considering the class of obligations as a whole. A provision is recognised even if the likelihood of an outflow with respect to any one item included in the same class of obligations may be small.

Provisions are measured at the present value of the management's best estimate of the expenditure required to settle the present obligation at the end of the reporting period. The discount rate used to determine the present value is a pre-tax rate that reflects current market assessments of the time value of money and the risks specific to the liability. The increase in the provision due to the passage of time is recognised as finance cost.

When some or all of the economic benefits required to settle a provision are expected to be recovered from a third party, the receivable is recognised as an asset, if it is virtually certain that reimbursement will be received and the amount of the receivable can be measured reliably. The expense relating to a provision is presented in the statement of Profit and Loss net of reimbursements, if any.

w) Contingent Liabilities and Contingent Assets:

A contingent liability is a possible obligation that arises from past events whose existence will be confirmed by the occurrence or non occurrence of one or more uncertain future events beyond the control of the Company or a present obligation that is not recognised because it is probable that an outflow of resources will not be required to settle the obligation. However, if the possibility of outflow of resources, arising out of present obligation, is remote, it is not even disclosed as contingent liability.

A contingent liability also arises in extremely rare cases where there is a liability that cannot be recognised because it cannot be measured reliably. The Company does not recognize a contingent liability but discloses its existence in the notes to financial statements. A Contingent asset is not recognised in financial statements, however, the same is disclosed where an inflow of economic benefit is probable.

x) Employee Benefits :

(i) Short-term obligations

Liabilities for salaries and wage, including non-monetary benefits that are expected to be settled wholly within 12 months after the end of the period in which the employees render the related service are recognised in respect of employees' services up to the end of the reporting period and are measured at the amounts expected to be paid when the liabilities are settled. The liabilities are presented as current employee benefit obligations in the balance sheet.

(ii) Other long-term employee benefit obligations

Employees other than Erstwhile DVB Employees

The liabilities for earned leave and sick leave which are not expected to be settled wholly within 12 months after the end of the period in which the employees render the related service. They are therefore measured as the present value of expected future payments to be made in respect of services provided by employees up to the end of the reporting period using the projected unit credit method. The benefits are discounted using the market yields at the end of the reporting period that have terms approximating to the terms of the related obligation. Remeasurements as a result of experience adjustments and changes in actuarial assumptions are recognised in the Statement of profit and loss.

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

Erstwhile DVB Employees

The liability for retirement pension payable to the Special Voluntary Retirement Schemes optees till their respective dates of superannuation or death (whichever is earlier) is provided on the basis of an actuarial valuation done by an independent actuary at the year end.

The half pay leave liability, consisting of encashment, availment, lapse and compensated absence, while in service and on exit as per rules of the Company, is calculated in accordance with Ind AS-19 "Employee Benefits". The liability is provided on the basis of actuarial valuation done by an independent actuary at the year end.

They are measured as the present value of expected future payments to be made in respect of services provided by employees up to the end of the reporting period using the projected unit credit method. The benefits are discounted using the market yields at the end of the reporting period that have terms approximating to the terms of the related obligation.

(iii) Post-employment obligations

Employees other than Erstwhile DVB Employees

The Company operates the following post-employment schemes:
(a) defined benefit plans such as gratuity, leave encashment; and
(b) defined contribution plans such as provident fund, superannuation fund etc.

Defined benefit plans

Gratuity obligations

The liability or asset recognised in the financial statements in respect of defined benefit gratuity plans is the present value of the defined benefit obligation at the end of the reporting period less the fair value of plan assets. The defined benefit obligation is calculated annually by independent actuary using the projected unit credit method. The present value of the defined benefit obligation denominated in INR is determined by discounting the estimated future cash outflows by reference to market yields at the end of the reporting period on government bonds that have terms approximating to the terms of the related obligation. The net interest cost is calculated by applying the discount rate to the net balance of the defined benefit obligation and the fair value of plan assets. This cost is included in employee benefit expense in the statement of profit and loss. Remeasurement of gains and losses arising from experience adjustments and changes in actuarial assumptions are recognised in the period in which they occur, directly in other comprehensive income. They are included in retained earnings in the statement of changes in equity and in the financial statements. Changes in the present value of the defined benefit obligation resulting from plan amendments or curtailments are recognised immediately in profit or loss as past service cost. The Company contributes to a Trust set up by the Company which further contributes to plans taken from Insurance Regulatory and Development Authority (IRDA) approved Insurance Companies.

Leave encashment

Long-term leave encashment is provided for on the basis of an actuarial valuation carried out at the end of the year using the projected unit credit method. Re-measurements as a result of experience adjustments and changes in actuarial assumptions are recognised in the statement of profit and loss.

Defined Contribution plans

The Company pays provident fund contributions to publicly administered provident funds as per local regulations. The Company has no further payment obligations once the contributions have been paid. The contributions are accounted for as defined contribution plans and the contributions are recognised as employee benefit expense when they are due. Prepaid contributions are recognised as an asset to the extent that a cash refund or a reduction in the future payments is available. The Company contributes towards Superannuation to a Trust set up by the Company which further contributes to plans taken from Insurance Regulatory and Development Authority (IRDA) approved Insurance Companies. The Company makes monthly contributions based on a specified percentage of each eligible employee's salary.

Employees of Erstwhile Delhi Vidyut Board (DVB) (presently employees of the Company)

In accordance with the stipulation made by the GoNCTD in its notification dated January 16, 2001 the contributions on account of the general provident fund, pension, gratuity and earned leave as per the Financial Rules and Service Rules applicable in respect of the employees of the erstwhile DVB, is accounted for on due basis and are paid to the Delhi Vidyut Board – Employees Terminal Benefit Fund 2002 (DVB ETBF 2002). Further the retirement benefits are guaranteed by GoNCTD. All such payments made to the DVB ETBF 2002 are charged off to the statement of profit and loss

Ministry of Corporate Affairs ("MCA") through Companies (Indian Accounting Standards) Amendment Rules, 2019 and Companies (Indian Accounting Standards) Second Amendment Rules has notified amendment of Ind AS 19 applicable w.e.f April 01.2019. As per amendment the Company required to use updated actuarial assumptions to remeasure net defined benefit liability or assets on amendments, curtailment or settlement of defined benefit plan.

The Company adopted amendment to Ind AS 19 as required by said notification to determine:

- Current Service Costs and net interest for the period after remeasurement using the assumptions used for remeasurement and
- Net interest for the remaining period based on the remeasured net defined benefit liability or asset.

y) Contributed equity

Equity shares are classified as equity. Incremental costs directly attributable to the issue of new shares or options are shown in equity as a deduction, net of tax, from the proceeds.

z) Earnings Per Share

Basic Earnings per Equity Share (BEPS) is computed by dividing the net profit attributable to Equity Shareholders of the Company by the Weighted Average Number of Equity Shares outstanding during the financial year.

For the purpose of calculating Diluted Earnings Per Share (DEPS), the net profit or loss for the period attributable to equity shareholders and the weighted average number of shares outstanding during the period are adjusted for the effects of all dilutive potential equity shares.

Both BEPS and DEPS have been calculated with and without considering income from rate regulated activities in the Net Profit attributable to Equity Shareholders.

aa) Financial Guarantee Contracts recognised as financial assets on the date of transition to Ind AS. The same is measured at estimated fair value based on the saving in interest cost and subsequently amortized over the tenure of the loan.

Note- 2 Critical estimates and judgments

The preparation of financial statements requires the use of accounting estimates which, by definition, will seldom equal the actual results. Management also needs to exercise judgment in applying the Company's accounting policies.

This note provides an overview of the areas that involved a higher degree of judgment or complexity, and of items which are more likely to be materially adjusted due to estimates and assumptions turning out to be different than those originally assessed. Detailed information about each of these estimates and judgments is included in relevant notes together with information about the basis of calculation for each affected line item in the financial statements.

The areas involving critical estimates and judgments are:

i. Useful life of property, plant and equipment

The estimated useful life of property, plant and equipment is based on a number of factors including the effects of obsolescence, demand, competition and other economic factors (such as the stability of the industry and known technological advances) and the level of maintenance expenditures required to obtain the expected future cash flows from the asset.

The Company reviews, at the end of each reporting date, the useful life of property, plant and equipment and changes, if any, are adjusted prospectively, if appropriate.

ii. Recoverable amount of property, plant and equipment

The recoverable amount of property, plant and equipment is based on estimates and assumptions regarding in particular the expected market outlook and future cash flows. Any changes in these assumptions may have a material impact on the measurement of the recoverable amount and could result in impairment.

iii. Estimation of defined benefit obligation

Employee benefit obligations are measured on the basis of actuarial assumptions which include mortality and withdrawal rates as well as assumptions concerning future developments in discount rates, the rate of salary increases and the inflation rate. The Company considers that the assumptions used to measure its obligations are appropriate and documented. However, any changes in these assumptions may have a material impact on the resulting calculations.

iv. Estimation of Deferred tax assets for carry forward losses and current tax expenses

The Company review carrying amount of deferred tax assets and liabilities at the end of each reporting period. The policy for the same has been explained under Note no 1(g).

v. Impairment of Trade Receivables

The Company review carrying amount of trade receivables at the end of each reporting period and provide for expected credit loss. The policy for the same is explained in the Note no.1(m) (iii).

vi. Regulatory Assets

The Company determines revenue gap for the year (i.e. shortfall in actual returns over assured returns) based on the principles laid down under the MYT Regulations and Tariff Orders issued by DERC. At the end of each accounting period, Company also determines regulatory assets/regulatory liabilities in respect of each accounting period on self true up basis on principles specified in accounting policy Note 1(d) wherever regulator is yet to take up formal truing up process.

vii. Late Payment Surcharge on Power Purchase (LPSC)

The Company has long term power purchase agreement ("PPA") with various generators and transmission utilities ("Power utilities"). As per CERC/DERC regulations, these Power utilities are liable to charge LPSC on delayed payments as per the rate defined in the agreement or regulation. The determination of LPSC is dependent upon interpretation of the applicable regulations of CERC/DERC and terms of PPA's with Power utilities. Significant judgement is applied while interpreting the relevant CERC/DERC regulations, terms of PPA etc as regards to charging of LPSC and associated contingent liability in the Financial Statements.

viii Lease Assets (RoU)

Ind AS116 requires lessees to determine the lease term as the non-cancellable period of a lease adjusted with any option to extend or terminate the lease, based on assessment on a lease by lease basis, if the use of such option is reasonably certain.

In evaluating the lease term, the Company considers factors such as any significant leasehold improvements undertaken over the lease term, costs relating to the extension of the lease based on license period and the importance of the underlying asset to Company operations taking in to account the location of the underlying asset and the availability of suitable alternatives.

The lease term in future periods is reassessed based on extension of the license period to ensure that the lease term reflects the current economic circumstances. After considering current and future economic conditions, the Company has concluded that no changes are required to lease period relating to the existing lease contracts.

ix Estimation of Unbilled Revenue (Refer Note 15)

Unbilled revenue is recognized against supply of energy to various consumers accured upto the end of reporting period, which will be billed to the respective consumers in the future billing cycle. It is estimated on the basis of latest consumption trend of the consumers and input variation factor at the end of each reporting period.

x. Estimation uncertainty relating to the global health pandemic due to COVID-19

In assessing the recoverability of trade receivables including unbilled receivables and regulatory assets, the Company has considered internal and external information up to the date of approval of these Financial Statements including credit reports and economic forecasts. The Company has performed sensitivity analysis on the assumptions used and based on current indicators of future economic conditions, the Company expects to recover the carrying amount of these assets. The actual impact of the global health pandemic may however, be different from that estimated as at the date of approval of these Financial Statements. The Company will continue to closely monitor any material changes to future economic conditions.

Estimates and judgments are continually evaluated. They are based on historical experience and other factors, including expectations of future events that may have a financial impact on the Company and that are believed to be reasonable under the circumstances.

BSES YAMUNA POWER LIMITED
Notes to Financial Statements for the Year Ended March 31, 2021
Note- 3 Property, plant and equipment

Amount in ₹ Crores

Particulars	BUILDINGS	PLANT & EQUIPMENT						FURNITURE AND FIXTURES	OFFICE EQUIPMENT		COMPUTERS	VEHICLES	TOTAL	CAPITAL WORK IN PROGRESS
		TRANSFORMERS & SWITCHGEARS	LIGHTENING ARRESTOR	BATTERIES	ENERGY METERS	UNDERGROUND CABLE	OVERHEAD LINES		COMMUNICATION EQUIPMENT	OTHER OFFICE EQUIPMENTS				
Year ended March 31, 2020														
Gross carrying amount														
Opening gross carrying amount	65.69	845.35	4.30	3.83	410.34	1,120.05	210.79	7.41	5.17	76.08	37.24	7.37	2,793.62	
Additions during the year	4.97	49.93	0.01	0.20	67.91	64.96	5.15	0.68	0.33	5.27	5.06	0.32	204.79	
Additions on account of interest/Overhead	1.49	14.64	0.00	0.08	1.81	18.48	1.57	-	-	0.88	1.21	-	40.16	
Disposals	-	3.24	-	0.16	26.49	-	-	-	0.22	0.63	0.38	0.25	31.37	
Closing gross carrying amount	72.15	906.68	4.31	3.95	453.57	1,203.49	217.51	8.09	5.28	81.60	43.13	7.44	3,007.20	-
Accumulated depreciation and impairment														
Opening accumulated depreciation and impairment	6.84	145.47	0.99	2.46	108.76	170.79	50.02	2.36	1.64	19.79	18.99	1.53	529.64	
Depreciation charge during the year	1.74	52.25	0.25	0.52	39.84	66.52	15.40	0.15	0.48	8.06	5.14	0.61	190.96	
Disposals	-	1.02	-	0.12	8.96	-	-	-	0.07	0.40	0.25	0.08	10.90	
Closing accumulated depreciation and impairment	8.58	196.70	1.24	2.86	139.64	237.31	65.42	2.51	2.05	27.45	23.88	2.06	709.70	
Net carrying amount as at March 31, 2020	63.57	709.98	3.07	1.09	313.93	966.18	152.09	5.58	3.23	54.15	19.25	5.38	2,297.50	45.14
Less: Provision for Retirement													16.73	
Net carrying amount after provision as at March 31, 2020													2,280.77	
Add:- Inventories for Capital Works including Goods in Transit (GIT) of ₹ 9.81 Crores														58.88
Less:- Provision for Obsolete / Non Moving / Slow Moving Inventories for Capital Works														(1.98)
Net CWIP including Capital Inventories														102.04
Year ended March 31, 2021														
Gross carrying amount														
Opening gross carrying amount	72.15	906.68	4.31	3.95	453.57	1,203.49	217.51	8.09	5.28	81.60	43.13	7.44	3,007.20	
Additions during the year	1.74	63.35	0.20	0.92	40.18	105.04	6.32	0.13	1.64	7.20	1.69	0.09	228.50	
Additions on account of interest/Overhead	-	21.37	0.07	0.16	1.39	35.90	2.50	0.21	0.48	1.93	1.94	-	65.95	
Disposals	-	5.03	-	0.18	20.64	0.00	-	-	0.40	0.19	0.42	0.01	26.87	
Closing gross carrying amount	73.89	986.37	4.58	4.85	474.50	1,344.43	226.33	8.43	7.00	90.54	46.34	7.52	3,274.78	-
Accumulated depreciation and impairment														
Opening accumulated depreciation and impairment	8.58	196.70	1.24	2.86	139.64	237.31	65.42	2.51	2.05	27.45	23.88	2.06	709.70	
Depreciation charge during the year	1.82	54.78	0.24	0.34	40.70	69.03	12.98	0.95	0.55	7.70	5.41	0.62	195.12	
Disposals	-	1.60	-	0.16	9.78	0.00	-	-	0.18	0.12	0.31	-	12.15	
Closing accumulated depreciation and impairment	10.40	249.88	1.48	3.04	170.56	306.34	78.40	3.46	2.42	35.03	28.98	2.68	892.67	
Net carrying amount as at March 31, 2021	63.49	736.49	3.10	1.81	303.94	1,038.09	147.93	4.97	4.58	55.51	17.36	4.84	2,382.11	8.96
Less: Provision for Retirement													10.72	
Net carrying amount after provision as at March 31, 2021													2,371.39	
Add:- Inventories for Capital Works including Goods in Transit (GIT) of ₹ 0.08 Crore														39.95
Less:- Provision for Obsolete / Non Moving / Slow Moving Inventories for Capital Works														(2.25)
Net CWIP including Capital Inventories														46.66

(i) Property, plant and equipment pledged as security
Tangible assets (including Capital work in progress) are subject to first pari passu charge to secure the Company's borrowings referred in notes as secured loan from financial institutions and banks in the current and previous year. (Refer Note 21 & 29).

(ii) Contractual obligations
Refer Note 50 for disclosure of contractual commitments for the acquisition of Property, Plant and Equipments.

(iii) The amount of borrowing costs capitalised to Gross Block of Fixed Assets during the year ended March 31, 2021 is ₹ 5.75 Crores (Year ended March 31, 2020: ₹ 2.76 Crores). The rate used to determine the amount of borrowing costs eligible for capitalisation for the year ended March 31, 2021 was 12.19 % (Year ended March 31, 2020 - 12.08%) which is weighted average interest rate of borrowing.

(iv) Property, Plant and Equipment contributed by customers
The Entity recognises any contribution towards property, plant and equipment made by various Govt. agencies/ others to be utilised in the transmission and distribution process and that meets the definition of an asset. The initial gross amount is estimated at fair value by reference to the market price of these assets on the date in which control is obtained. Refer Note 25 for amount that the Company has recognised as plant and equipment and Note 36 for revenue recognised during the year.

(v) CWIP Movement
Capital work in progress as at March 31, 2021 comprises expenditure for the Property, Plant and Equipment in the course of construction. Borrowing cost during the year ended March 31, 2021 amounting to ₹ 0.14 Crore (Year ended March 31, 2020 - ₹ 0.72 Crore) and personnel cost during the year ended March 31, 2021 amounting to ₹ 2.12 Crores (Year ended March 31, 2020 - ₹ 9.97 Crores) have been added to CWIP.

Amount in ₹ Crores

Particulars	Year	Opening	Addition	Capitalisation	Closing
CWIP Movement	2020-21	45.15	220.50	256.69	8.96
CWIP Movement	2019-20	24.34	191.50	170.69	45.15

(vi) Land
Under the provisions of Delhi Electricity Reforms (Transfer Scheme 2001) Rules, vide Delhi Gazette Notification dated November 20, 2001 the successor utility companies are entitled to use certain Lands as a licensee of the Government of Delhi, on "Right of Use" basis on payment of a consolidated amount of ₹ 1/- per month.

BSES YAMUNA POWER LIMITED

Notes to Financial Statements for the Year Ended March 31, 2021

Note- 4 Other Intangible Assets		Amount in ₹ Crores
Particulars	**Computer Software**	**Total**
Year ended March 31, 2020		
Gross carrying amount		
Opening gross carrying amount	17.33	17.33
Additions during the year	2.26	2.26
Disposals	-	-
Closing gross carrying amount	19.59	19.59
Accumulated amortisation and impairment	7.75	7.75
Amortisation charge for the year	2.26	2.26
Impairment charge	-	-
Closing accumulated amortisation and impairment	10.01	10.01
Net carrying amount as at March 31, 2020	9.58	9.58
Year ended March 31, 2021		
Gross carrying amount		
Opening gross carrying amount	19.59	19.59
Additions during the year	6.47	6.47
Disposals	-	-
Closing gross carrying amount	26.06	26.06
Accumulated amortisation and impairment	10.01	10.01
Amortisation charge for the year	2.34	2.34
Impairment charge	-	-
Closing accumulated amortisation and impairment	12.35	12.36
Net carrying amount as at March 31, 2021	13.71	13.71

(i) Internally generated Computer Softwares as at March 31, 2021 ₹ Nil (As at March 31, 2020 ₹ Nil).

(ii) Intangible assets are subject to first pari passu charge to secure the Company's borrowings referred in notes as secured loan from financial institutions and banks in the current and previous year. (Refer Note 21 & 29).

Note- 5 Right-of-Use Assets		Amount in ₹ Crores
Particulars	**Right-of-Use Assets**	**Total**
Year ended March 31, 2020		
Gross carrying amount		
Opening gross carrying amount	-	-
Additions during the year	3.58	3.58
Disposals	-	-
Closing gross carrying amount	3.58	3.58
Accumulated amortisation and impairment	-	-
Amortisation charge for the year	0.36	0.36
Impairment charge	-	-
Closing accumulated amortisation and impairment	0.36	0.36
Net carrying amount as at March 31, 2020	3.22	3.22
Year ended March 31, 2021		
Gross carrying amount		
Opening gross carrying amount	3.58	3.58
Additions during the year	-	-
Disposals	-	-
Closing gross carrying amount	3.58	3.58
Accumulated amortisation and impairment	0.36	0.36
Amortisation charge for the year	0.36	0.36
Impairment charge	-	-
Closing accumulated amortisation and impairment	0.72	0.72
Net carrying amount as at March 31, 2021	2.86	2.86

(i) During the year Company has paid/incurred ₹ 0.57 Crore towards Lease Assets (ROU) (March 31, 2020 ₹ 0.57 Crore)
(ii) The lease payments are discounted using the implicit interest rate @ 12.34% p.a for lease accounting.
(iii) The lease period for life of ROU has been considered till the license period i.e. March 31, 2029.
(iv) Refer Note No 1(h) for Lease Assets (ROU).

BSES YAMUNA POWER LIMITED
Notes to Financial Statements for the Year Ended March 31, 2021

Amount in ₹ Crores

Note- 6 Restricted Bank Deposits	As at March 31, 2021	As at March 31, 2020
Balance with Banks held as security against borrowings	88.07	105.81
Total	**88.07**	**105.81**

Nature
The restrictions are primarily on account of fixed deposits held as security against debt servicing coverage requirement and are to be maintained till the term loan is repaid in full.

Terms & Conditions
These FDRs with Bank can be withdrawn by the company at any point subject to compliance of restrictions.

Amount in ₹ Crores

Note- 7 Non Current Loans	As at March 31, 2021	As at March 31, 2020
Considered good - Unsecured		
Loans to Staff *	0.00	0.02
Total	**0.00**	**0.02**

* The sign '0.00' indicates amount of ₹ 47,272.00
For explanation on the Company credit risk management process (Refer Note 49).

Amount in ₹ Crores

Note- 8 Other Non Current Financial Assets	As at March 31, 2021	As at March 31, 2020
Recoverable from SVRS Trust {Refer Note 51(B)(j)}	0.18	0.30
Security Deposits	1.92	0.94
Total	**2.10**	**1.24**

For explanation on the Company credit risk management process (Refer Note 49)

Amount in ₹ Crores

Note- 9 Other Non Current Assets	As at March 31, 2021	As at March 31, 2020
Considered good - Unsecured		
Capital Advances	0.41	0.21
Income Tax Recoverable	59.63	-
Advance other than Capital Advance:-		
(i) Advance Tax	2.85	14.44
(ii) Income Tax deposited under protest	1.50	1.50
Total	**64.39**	**16.15**

Amount in ₹ Crores

Note- 10 Inventories	As at March 31, 2021	As at March 31, 2020
Stores & Spares {includes goods-in-transit as on March 31, 2021 ₹ 0.01 Crore (As on March 31, 2020 - ₹ 0.01 Crore)}	18.23	19.61
Inventories of REAP project	0.08	0.08
Less:- Provision for Obsolete / Non Moving / Slow Moving Inventories	(2.06)	(1.67)
Total	**16.25**	**18.02**

1.Inventories are subject to first pari passu charge to secure the Company's borrowings referred in notes as secured loan from financial institution and banks in the current and previous year. (Refer Note 21 & 29)
2. Inventories comprises stores and spares which are consumable in repair and maintenance of service lines and other equipments (Refer Note 42).
3. Provision of inventories on account of obsolete / non- moving / slow moving items for the year ended March 31, 2021 ₹ 0.39 Crore (Year ended March 31, 2020 - ₹ NIL). There is a write back of ₹ NIL for the year ended March 31, 2021 (Year ended March 31, 2020 - ₹ 2.28 Crores).

Amount in ₹ Crores

Note- 11 Current Trade Receivables	As at March 31, 2021	As at March 31, 2020
(A) Trade Receivables - Sale of Power		
(i) Considered good - Secured	130.94	124.38
(ii) Considered good - Unsecured	161.16	168.42
(iii) Trade Receivables which have significant increase in credit risk	88.71	81.20
	380.81	374.00
Less : Impairment for trade receivables *	88.71	81.20
	292.10	**292.80**
(B) Trade Receivables - Bulk Sale of Power		
Considered good - Unsecured	0.90	1.21
	0.90	**1.21**
(C) Trade Receivables - Open Access		
Considered good - Unsecured	0.08	1.24
	0.08	**1.24**
(D) Trade Receivables - Others		
Considered good - Unsecured	1.21	0.44
	1.21	**0.44**
Total	**294.29**	**295.69**

* The Company has measured Expected Credit Loss of trade receivables based on simplified approach as per Ind AS 109 "Financial Instruments". (Refer Note 49).

1.Trade Receivable are subject to second pari passu charge to secure the Company's borrowings referred in notes as secured loan from financial institution and banks in the current and previous year (Refer Note 21 & 29).

2. No Trade or other receivable are due from director or other officer of the Company and firms or private companies in which any director is a partner, a director or a member either jointly or severally with other persons except normal utility bills (Refer Note 48).

3. Trade receivables are non-interest bearing. The credit period for sale of power as mentioned in note 11(A) is 15 clear days. The Company charges LPSC as per the DERC directives after the due date.

4. For terms and condition of trade receivables owing from related parties (Refer Note 48).

5. For explanation on the Company credit risk management process (Refer Note 49).

Amount in ₹ Crores

Note- 12 Cash and Cash Equivalents	As at March 31, 2021	As at March 31, 2020
Balances with banks - Current accounts	15.79	24.49
Cheques, draft on hand and payment gateways	29.04	10.56
Cash on hand	0.57	0.02
Total	**45.40**	**35.07**

For explanation on the Company credit risk management process (Refer Note 49)

Amount in ₹ Crores

Note- 13 Bank balances other than Cash and Cash Equivalents	As at March 31, 2021	As at March 31, 2020
Balance with Banks held as margin money [1]	34.79	50.79
Balance with Banks for other commitments [2]	0.27	0.25
Total	**35.06**	**51.04**

1. The restrictions are primarily on account of fixed deposits held with Banks as a margin against the issuance of letter of credit (LC).

2. These represent fixed deposits maturing within 12 months and submitted with courts against various legal cases.

3. Terms & Conditions
These FDRs with Bank can be withdrawn by the company at any point of time subject to compliance of restrictions.\

4. For explanation on the Company credit risk management process (Refer Note 49).

Amount in ₹ Crores

Note- 14 Current Loans	As at March 31, 2021	As at March 31, 2020
Considered good - Unsecured		
Loans to Staff	0.29	0.96
Total	**0.29**	**0.96**

For explanation on the Company credit risk management process. (Refer Note 49).

Amount in ₹ Crores

Note- 15 Other Current Financial Assets	As at March 31, 2021	As at March 31, 2020
Considered good - Unsecured		
Recoverable from DVB ETBF 2002 Trust(Refer Note 51(B)(j))	45.12	45.00
Recoverable from SVRS Trust (Refer Note 51(B)(j))	0.13	0.11
Recoverable on account of GST (Refer Note 57)	0.55	0.55
Subsidy receivable from EE & REM	0.56	0.56
Amount Recoverable from Delhi Power Company Limited	1.12	1.09
Interest accrued but not due on Fixed Deposits	0.29	0.25
Subsidy receivable from GoNCTD * (Refer Note 34)	20.27	-
Unbilled Revenue [1]	111.05	137.43
Others	1.62	1.72
Total	**180.71**	**186.71**

1. Unbilled Revenue

(a) Unblled Revenue represents accrued income from sale of energy and open access from the last billed cycle upto the Balance Sheet date.

(b) Unbilled Revenue receivable includes ₹ 108.89 Crores (March 31, 2020 ₹ 136.28 Crores) towards sale of energy and 2.16 Crores (March 31, 2020 ₹ 1.15 Crores) towards open access income.

2. For explanation on the Company credit risk management process (Refer Note 49).

* Subsidy passed to the consumers as per the scheme announced by GoNCTD

Subsidy Account Statement	As at March 31, 2021	As at March 31, 2020
Opening Subsidy Receivable/(Received in Advance)	(7.26)	(23.31)
Subsidy passed to consumers [1]	824.71	657.07
Subsidy Received (Including rebate on subsidy)	(797.18)	(641.02)
Closing Balance	20.27	(7.26)

1. Subsidy passed to the consumers for the year ended March 31, 2021 is net off of subsidy disallowed by DERC amounting to ₹ 0.04 Crore.

Amount in ₹ Crores

Note- 16 Current Tax Assets	As at March 31, 2021	As at March 31, 2020
Income Tax Refund Receivable	1.22	1.22
Total	**1.22**	**1.22**

Amount in ₹ Crores

Note- 17 Other Current Assets	As at March 31, 2021	As at March 31, 2020
Advance other than Capital Advances:-		
Pension Trust Surcharge Recoverable (Refer Note 58)	22.60	22.60
Prepaid expenses	18.72	16.09
Advances to Suppliers and Others	6.67	8.56
Service Tax Receivable {Refer Note 51(B)(m)}	2.67	2.67
GST Recoverable	2.72	1.22
Recoverable for Barter Transaction	65.32	51.64
Contract Assets[1]	0.82	-
Total	**119.52**	**102.78**

1. It represents job work-in-progress in respect of execution of work under Mukhyamantri Sadak Punarnirman Yojna Scheme for providing Street lights at dark spots.

BSES YAMUNA POWER LIMITED

Notes to Financial Statements for the Year Ended March 31, 2021

Amount in ₹ Crores

Note- 18 Regulatory Deferral Account Balances		As at March 31, 2021	As at March 31, 2020
Tariff Adjustment Account		9,502.98	8,656.86
Deferred Tax associated with Regulatory Deferral Account Balances		-	-
		9,502.98	8,656.86
Tariff Adjustment Account			
Opening Balance	(A)	8,656.86	8,074.07
Revenue GAP during the year			
Cost			
Power purchase cost		3,032.91	3,621.08
Others		1,336.12	1,191.19
(Includes other costs and charges in accordance with MYT Regulations, Tariff Orders from DERC and orders of Appellate Authorities)			
Carrying Cost for the year		1,109.06	1,026.35
Less: Carrying cost recovered during the year through tariff		178.00	228.00
	(B)	**5,300.09**	**5,610.62**
Revenue			
Revenue Collected		4,045.23	4,572.21
Non Tariff Income		93.37	78.98
	(C)	**4,138.60**	**4,651.19**
Income recoverable/(reversible) from future tariff / Revenue gap for the year	(D)=(B)-(C)	1,161.49	959.43
8% surcharge collected during the year			
- Recovery towards opening balance*	(E)	315.37	376.64
Net movement during the year	**(F)= (D-E)**	**846.12**	**582.79**
Tariff Adjustment Account	**(A+F)**	**9,502.98**	**8,656.86**
Related Deferred Tax on Regulatory Deferral Account Balances [Refer Note 47]		**(953.75)**	**(682.73)**
Deferred Tax Associated with Regulatory Deferral Account Balances			
Opening :- Deferred Tax Liability		**(682.73)**	**(188.04)**
Add:- Deferred Tax (Liabilities) during the year		**(271.02)**	**(494.69)**
Less:- Recoverable from future tariff		**953.75**	**682.73**
	(G)	**-**	**-**
Balance as at the end of the Year	**TOTAL (A+F+G)**	**9,502.98**	**8,656.86**

The Company is a rate regulated entity. The Retail Supply Tariff (RST) chargeable to consumers by the Company is regulated by Delhi Electricity Regulatory Commission (DERC or Commission). These regulations provides for segregating of costs into controllable and uncontrollable costs. Financial losses arising out of the under-performance with respect to the targets specified by the DERC for the "controllable" parameters is to be borne by the Licensees.

On May 30, 2007, the DERC notified regulations specifying terms and conditions for determination of tariff for the period 2007 to 2011 (MYT Regulations, 2007). Subsequently, DERC vide its order dated May 10, 2011 extended the MYT Regulations 2007, and the Control Period for a further period of one year, i.e. upto March 31, 2012. Subsequent to the culmination of First Control Period, to March 31, 2012, DERC issued further MYT regulations vide notification dated January 19, 2012 and specified the terms and conditions for determination of tariff for regulated entities for Second Control Period (FY 2012-15) (MYT Regulations, 2011).

Further, DERC vide its Tariff Order dated July 13, 2012 specified the "controllable" parameters for the F.Y. 2012-13 to 2014-15. Subsequently, DERC vide its Order dated October 22, 2014 extended the MYT Regulations 2011 and the Control Period for a further period of one year up to March 31, 2016. DERC on January 31, 2017 notified the DERC (Terms & Conditions for determination of Tariff) Regulations, 2017 (MYT Regulations, 2017) wherein it was stated that the performance review and adjustment for FY 2016-17 would be considered in accordance with MYT Regulation 2011. In terms of MYT Regulations 2017, DERC on September 01, 2017 issued the DERC (Business Plan) Regulations, 2017 (Business Plan Regulations'17) which is in force for a period of three years upto FY 2019-20 and provides trajectory for various controllable parameters for the aforesaid period.

Further, DERC on December 27, 2019 issued the DERC (Business Plan) Regulations, 2019 (Business Plan Regulations'19) which is in force for a period of three years upto FY 2022-23 and provides trajectory for various controllable parameters for the aforesaid period.

The revenue gap/surplus is represented by balance of Regulated Deferral Account which is based on principle stated in respective MYT Regulations for that period, tariff orders and other applicable laws (except for certain disallowances**). In respect of such revenue gaps, appropriate adjustments have been made for the respective years in accordance with Ind AS 114 read with the Guidance Note on Regulatory Assets issued by the ICAI. Further, for the current year, self-truing up has been conducted in line with the principles laid down in the Business Plan Regulations.

** DERC has trued up revenue gap for period upto March 31, 2014 vide its Tariff Order dated September 29, 2015 with certain dis-allowances. The Company has preferred an appeal before Hon'ble Appellate Tribunal for Electricity (APTEL) against the said order, challenging issues that are contrary to statutory regulations, unjustified and arbitrary, DERC's own findings in previous tariff orders and regarding erroneous and/or non-implementation of previous APTEL Judgements. However, based on the legal opinion taken by the Company, the disallowances, which are subject matter of appeal, has not been accepted by the Company and the Company has, in accordance with Ind AS 114 (and it's predecessor AS) treated such amounts as they ought to be treated in terms of the accepted Regulatory Framework in the carrying value of Regulatory Deferral Account Balance as at March 31, 2021.

On same basis and duly supported by the legal opinion, impact of similar disallowances made by DERC while truing up for FY 2014-15, FY 2015-16, FY 2016-17, FY 2017-18 and FY 2018-19 in the subsequent Tariff Orders dated August 31, 2017, March 28, 2018, July 31, 2019 and August 28, 2020 have been treated in terms of the Ind AS 114 (and its predecessor AS) in carrying value of Regulatory Deferral Account Balance as at March 31, 2021. The Company has filed an appeal before Hon'ble APTEL against such disallowances.

* DERC has allowed recovery of 8% surcharge on the applicable tariff since July 13, 2012 towards Accumulated Regulatory Deferral Account Balance and carrying cost. DERC vide its true up order dated July 25, 2014, September 29, 2015, August 31, 2017, March 28, 2018, July 31, 2019 and August 28, 2020 has allowed adjustment of such recovery of surcharge only towards principal amount of Regulatory Assets and has separately allowed carrying cost in the Annual Revenue Requirement of the respective years. Accordingly, the same is being recovered from the consumers.

The percentage of existing surcharge towards recovery of accumulated Regulatory Assets is subject to review by DERC in the future tariff orders.

The Company has also taken up the matter of timely recovery of Accumulated Regulatory assets through a Writ Petition before the Hon'ble Supreme Court (Refer Note 53).

Accordingly, 8% surcharge of ₹ 315.37 Crores recovered during the year ended March 31, 2021 (Year ended March 31, 2020 - ₹ 376.64 Crores) has been adjusted against opening Regulatory Deferral Account Balance.

Regulatory deferral amount debit balances are subject to first pari-passu charge to secure the Company's borrowings referred in Notes as Secured Loan from Financial Institution and Banks in the current and previous year (Refer Note 21 & 29).

Regulatory Risk Management

Delhi Electricity Regulatory Commission (DERC) is the Regulator as per Electricity Act.

Market Risk

The Company is in the business of Supply of Electricity, being an essential and life line for consumers, therefore no demand risk is anticipated. There is regular growth in the numbers of consumers and demand of electricity from existing and new consumers.

Regulatory Risk

The Company is operating under regulatory environment governed by DERC. Tariff is subject to Rate Regulated Activities.
Refer note 1 (d) on Company policy relating to determination of regulatory assets/regulatory liabilities.

The Company's risk for Regulatory Assets is reviewed by the Risk Management Committee supported by regulatory team under policies approved by the Board of Directors and in terms of the relevant accounting standards. The team identifies, evaluates and makes plans to mitigate associated risks in close coordination with the Company's operating units and the same is quarterly submitted to the board / audit committee for their review.

Regulatory Assets recognized in the financial statements of the Company are subject to true up by DERC as per Regulation and disallowances of past assessments pending in courts /authorities.

DERC issued Tariff Order for FY 2017-18 on August 31, 2017 which was applicable from September 01, 2017 to March 31, 2018, then on March 28, 2018, DERC issued another Tariff Order for FY 2018-19 which was applicable from April 1, 2018 to July 31, 2019 and on July 31, 2019 DERC issued another Tariff Order for FY 2019-20 which was applicable from August 01, 2019 to August 31, 2020. On August 28, 2020, DERC issued Tariff Order for FY 2020-21 which is inforce from September 01, 2020 and will remain in force till replaced by a subsequent tariff order and/or is amended, reviewed or modified in accordance with the provisions of the Electricity Act, 2003 and the Regulations made there under.

Other Risk

For explanation on the Other risk management process (Refer Note 49).

Note- 19 Equity Share Capital

Particulars	As at March 31, 2021		As at March 31, 2020	
	No. of Shares (In Crores)	Amount (₹ In Crores)	No. of Shares (In Crores)	Amount (₹ In Crores)
Authorised				
Equity Shares of ₹ 10 each (Year ended March 31, 2020 - ₹ 10 each)	65.00	650.00	65.00	650.00
Issued, Subscribed & fully Paid Up				
Equity Shares of ₹ 10 each (Year ended March 31, 2020 - ₹ 10 each)	55.60	556.00	55.60	556.00
Total		**556.00**		**556.00**

(a) Reconciliation of Number of Shares outstanding at the beginning and at the end of the year

Particulars	No. of Shares (In Crores)	Amount (₹ In Crores)	No. of Shares (In Crores)	Amount (₹ In Crores)
Balance at the beginning of the year	55.60	556.00	55.60	556.00
Balance at the end of the year	**55.60**	**556.00**	**55.60**	**556.00**

(b) Rights, preferences and restrictions attached to Equity Shares

Voting

The Company has one class of equity shares having a par value of ₹10 per share. Each holder of equity shares is entitled to one vote per share held.

Dividend/ Liquidation

The Company has not declared/distributed any dividend in the current and previous year. In the event of liquidation of the Company, the holders of equity shares shall be entitled to receive all of the remaining assets of the Company, after distribution of all preferential amounts, if any. Such distribution amounts will be in proportion to the number of equity shares held by the shareholders.

(c) Shares held by holding company or ultimate holding company and their subsidiaries or associates

Name of Shareholder	As at March 31, 2021		As at March 31, 2020	
	No. of Shares (In Crores)	% of Shareholding	No. of Shares (In Crores)	% of Shareholding
Reliance Infrastructure Limited (Immediate and Ultimate Holding Company)	28.36	51.00%	28.36	51.00%
Total	28.36	51.00%	28.36	51.00%

(d) Details of Shares Held By Shareholders Holding More than 5% of the total equity shares of the Company

Name of Shareholder	As at March 31, 2021		As at March 31, 2020	
	No. of Shares (In Crores)	% of Shareholding	No. of Shares (In Crores)	% of Shareholding
Reliance Infrastructure Limited (Immediate and Ultimate Holding company)	28.36	51.00%	28.36	51.00%
Delhi Power Company Limited.	27.24	49.00%	27.24	49.00%

(e) As per the records of the Company, including its register of shareholders/ members, the above shareholding represents both legal and beneficial ownership of shares.

(f) No class of shares have been issued as bonus shares and shares issued for consideration other than cash and bought back by the company during the period of five years immediately preceding the reporting date.

BSES YAMUNA POWER LIMITED
Notes to Financial Statements for the Year Ended March 31, 2021

Amount in ₹ Crores

Note- 20 Other Equity	As at March 31, 2021	As at March 31, 2020
Retained Earnings	1,014.30	602.74
Total	1,014.30	602.74

Amount in ₹ Crores

Note- 21 Non Current Borrowings	As at March 31, 2021	As at March 31, 2020
Secured		
Term Loan from Others		
- Power Finance Corporation Limited (PFC)	833.66	867.43
- PFC Loan moratorium (Principal & Interest)	109.50	-
Total	943.16	867.43

1. Borrowings are netted off of Loan Processing charges amounting to ₹ 2.42 Crores for the year ended March 31, 2021 (Year ended March 31, 2020 ₹ 2.58 Crores)

2. **Term loans (from PFC)** are secured as under:-

(a) Primary Security

(i) First pari-passu charge on all movable and immovable properties and assets of the Company.

(ii) First pari-passu charge on the regulatory assets of the Company.

(iii) First pari-passu charge on present and future revenue of whatsoever nature and wherever arising.

(iv) Second pari-passu charge on the receivable of the Company.

(b) Collateral Security

(i) Pledge of 51% of ordinary equity shares of the Company.

(ii) Debt Service Reserve Account (DSRA) equivalent to interest and principal dues of ensuing one to two quarter (previous year equivalent to interest and principal dues of ensuing one quarter) in the form of fixed deposit.

(c) The interest rate for the year ended March 31, 2021 is 12.00% to 13.60% p.a. (Year ended March 31, 2020 - 12.00% to 14.00% p.a.).

(d) For the Term Loan amount of ₹ 127.34 Crores disbursed in F.Y. 20-21, the Company has completed the process of creating charge on securities such as hypothecation as per the sanction terms and submitted to PFC. Perfection of security creation is subject to confirmation from PFC, which is awaited.

(e) For the Term Loan amount of ₹ 109.69 Crores, Company availed relief under the RBI moratorium scheme for the installment of interest & principal repayment due during the period from April 2020 to August 2020. The Company is in the process of execution of loan documentation for the moratorium availed.

(f) As per the terms of "The BSES Yamuna Distribution and Retail Supply of Electricity License (License No. 3/DIST of 2004)", the Company is required to obtain permission of the DERC for creating charges for loans and other credit facilities availed by it. As on March 31, 2021 the required permission from DERC is sought and is under process.

Repayment terms of Term Loan from PFC:-

Name of financial institution	Loan Amount (Disbursed) (in ₹ Crores)	Year	No. of Installments	Installment Amount (in ₹ Crores)
Power Finance Corporation Limited *	1000	1st Year (F.Y. 18-19)	0	-
		2nd Year (F.Y. 19-20)	4	10.00
		3rd Year (F.Y.20-21)	2	30.00
		4th to 11th Year (F.Y. 21-22 onwards)	28	30.00
Power Finance Corporation Limited (Covid-19 Loan Moratorium) **	109.69	1st Year to 7th Year (F.Y. 20-21 to 26-27)	0	-
		8th Year (F.Y. 27-28)	1	39.99
			1	9.36
		9th Year (F.Y. 28-29)	1	9.68
			1	40.60
			1	10.07
Power Finance Corporation Limited ***	127.34	1st Year (F.Y. 20-21)	0	-
		2nd Year (F.Y. 21-22)	9	1.27
		3rd to 5th Year (F.Y. 22-23 to 24-25)	36	1.59
		6th Year (F.Y. 25-26)	12	1.91
		7th Year (F.Y. 26-27)	12	1.59
		8th Year (F.Y. 27-28)	4	1.59
			8	1.27

* Disbursement of loan amount of ₹ 1000 Crores was made in FY 2017-18. Quarterly repayment starting date: April 15, 2019.

** The Company has availed moratorium of ₹ 109.69 Crores for the installment of interest & principal repayment due during the period April 2020 to August 2020. Monthly Repayment starting date: February 15, 2028.

*** Disbursement of loan amount of ₹ 127.34 Crores was made in FY 2020-21. Monthly Repayment starting date: July 15, 2021.

Amount in ₹ Crores

Note- 22 Non Current Lease Liability	As at March 31, 2021	As at March 31, 2020
Lease Liability	2.58	2.81
Total	2.58	2.81

Refer Note 1(h) for Lease Liability.

Amount in ₹ Crores

Note- 23 Non Current Consumer Security Deposits	As at March 31, 2021	As at March 31, 2020
Consumer Security Deposits	471.90	465.07
Total	**471.90**	**465.07**

Consumer Security Deposit

i) Security deposit is an amount paid by consumer at the time of applying for new connection with the company for supply of power or subsequently in case of revision of load. The security deposit shall be returned/credited to the consumer only after the termination/disconnection of the agreement/reduction of load and after adjustment of outstanding dues, if any, within a period as prescribed by DERC from the date of termination.

ii) The amount of Consumer Security Deposit (CSD) transferred to the Company by virtue of Part II of Schedule E of the Transfer Scheme was ₹ 8.00 Crores. The Transfer Scheme as well as erstwhile Delhi Vidyut Board (DVB) did not furnish the consumer wise details of the amount transferred to it as CSD. The Company, compiled from the consumer records, the amount of security deposit as on June 30, 2002 which works out to ₹ 35.38 Crores. The Company is of the opinion that its liability towards CSD is limited to ₹ 8.00 Crores as per the Transfer Scheme. Therefore, the liability towards refund of consumer deposits in excess of ₹ 8.00 Crores and interest thereon is not to the account of the Company. The Company had also filed a petition during the year 2004-05 with the Delhi Electricity Regulatory Commission (DERC) to deal with the actual amount of CSD as on date of transfer and the DERC had advised the Government of NCT of Delhi (GoNCTD) to transfer the differential amount of ₹ 70.90 crores as deposits to the Company. The GoNCTD did not abide by the advice and hence the Company has filed a writ petition on March 24, 2008 (W.P.(C) 2417/2008) and the case is pending before Hon'ble High Court of Delhi. In the last hearing held on October 24, 2011 the matter was placed in the category of 'Rule' matters and the case shall get listed in due course. Pending outcome of this case and as per the instructions of DERC, the Company has been refunding the security deposit to DVB consumers.

iii) Interest is provided at MCLR (Marginal Cost of Fund Based) as notified by SBI prevailing on the April 01 of the respective year on consumer security deposit received from all consumers as per DERC Supply Code and Performance Standard Regulations, 2017. The MCLR rate as on April 01, 2020 @ 7.75 % (April 01, 2019 @ 8.55%). Accordingly, the Company has booked interest during the year ended March 31, 2021 amounting to ₹ 38.28 Crores (Year ended March 31, 2020 - ₹ 40.76 Crores). As mentioned in note (ii) above interest on deposit value in excess of ₹ 8 Crores would be recoverable from GoNCTD if the Company's contention is upheld by the Hon'ble High Court.

Amount in ₹ Crores

Note- 24 Non Current Provisions	As at March 31, 2021	As at March 31, 2020
Provision for Employee Benefits	41.79	51.59
Total	**41.79**	**51.59**

It represents Company's liability for sick leave, earned leave and SVRS Pension.

Amount in ₹ Crores

Note- 25 Consumer Contribution for Capital Works	As at March 31, 2021	As at March 31, 2020
Opening Balance	222.29	222.20
Add: Received during the year	33.67	17.02
Sub Total	255.96	239.22
Less: Transferred to Statement of Profit and Loss	17.84	16.93
Closing balance	**238.12**	**222.29**

Amount in ₹ Crores

Note- 26 Service Line Deposits	As at March 31, 2021	As at March 31, 2020
Opening Balance	151.63	154.17
Add: Received during the year	26.89	19.85
Sub Total	178.52	174.02
Less: Transferred to Statement of Profit and Loss	22.93	22.39
Closing balance	**155.59**	**151.63**

Amount in ₹ Crores

Note- 27 Grant-in-Aid	As at March 31, 2021	As at March 31, 2020
Under Accelerated Power Development & Reforms Programme of the Government of India (APDRP)		
Opening Balance	4.53	4.94
Less: Transferred to Statement of Profit and Loss	0.41	0.41
Closing balance	4.12	4.53
From Energy Efficiency & Renewable Energy Management Centre (EE & RM) *		
Opening Balance	0.77	0.96
Less: Transferred to Statement of Profit and Loss	0.19	0.19
Closing balance	0.58	0.77
Total	**4.70**	**5.30**

* Company has installed solar panels of 340 KW capacity at various location of company premises. Company is eligible for subsidy of ₹ 1.71 Crores (as per letter of EE&REM dated February 18, 2013) out of which ₹ 0.56 Crore is yet to be received.

BSES YAMUNA POWER LIMITED
Notes to Financial Statements for the Year Ended March 31, 2021

Amount in ₹ Crores

Note- 28 Other Non Current Liabilities	As at March 31, 2021	As at March 31, 2020
Consumer Contribution for Capital Works	55.68	76.62
Total	**55.68**	**76.62**

Amount in ₹ Crores

Note- 29 Current Borrowings	As at March 31, 2021	As at March 31, 2020
Secured		
From Bank		
Loans Repayable on Demand		
- Cash Credit	109.06	79.91
	109.06	79.91
Unsecured		
Book Overdrafts	0.58	0.52
Loan From Related Parties		
BSES Rajdhani Power Limited (Refer Note 48)	115.57	136.69
	116.15	137.22
Total	**225.21**	**217.13**

(A) Secured

i) The securities for the Cash Credit Facilities are being modified by consortium bankers and are as under -

(a) First pari-passu charge on all stores and spares of the Company.
(b) First pari-passu charge on all movable and immovable properties and assets of the Company.
(c) First pari-passu charge on the regulatory assets of the Company.
(d) First pari-passu charge on present and future revenue of whatsoever nature and wherever arising.
(e) Second pari-passu charge on the receivable of the Company.

ii)The interest rate range for the year ended March 31, 2021 is between 10.85% to 12.20% p.a. (Year ended March 31, 2020 - 11.75% to 14.45% p.a.) and is computed on monthly basis on the actual amount utilised.

(B) Unsecured : Loan from Related Parties

In term of agreement dated November 11, 2014 Advance from BSES Rajdhani Power Ltd. has been converted into interest bearing Short term loan repayable on demand. Interest rate for the year ended March 31, 2021 @ 12.34% p.a. (Year ended March 31, 2020 @ 13.38% p.a).

BSES YAMUNA POWER LIMITED
Notes to Financial Statements for the Year Ended March 31, 2021

Amount in ₹ Crores

Note- 30 Current Trade Payables		As at March 31, 2021	As at March 31, 2020
Dues of Micro and small enterprises	(A)	22.33	29.78
Dues of creditors other than Micro and small enterprises			
- Power Purchase Creditors		8,156.31	7,609.63
- Acceptances		126.29	349.04
- Others		52.00	41.12
	(B)	8,334.60	7,999.79
Total (A)+(B)		**8,356.93**	**8,029.57**

1. Other Creditors are non interest bearing and are normally settled in normal trade cycle.
2. For terms and conditions with related parties (Refer Note 48).
3. For explanation on the Company credit risk management process (Refer Note 49).
4. Refer Note 53 with regards to dues to Power Suppliers related parties.
5. Refer Note 60 with regards to dues to Micro, Small and Medium Enterprise (MSME).

Amount in ₹ Crores

Note- 31 Current Lease Liability	As at March 31, 2021	As at March 31, 2020
Current Lease Liability	0.57	0.57
Total	**0.57**	**0.57**

Refer Note 1(h) for Lease Liability.

Amount in ₹ Crores

Note- 32 Current Consumer Security Deposits	As at March 31, 2021	As at March 31, 2020
Consumer Security Deposits (Refer Note 23)	42.12	41.88
Total	**42.12**	**41.88**

Amount in ₹ Crores

Note- 33 Other Current Financial Liabilities	As at March 31, 2021	As at March 31, 2020
Current Maturities of Long Term Borrowings[1] (Refer Note 21)	130.75	89.23
Interest accrued but not due	6.15	6.07
Other Payables		
Payable on purchase of fixed assets	35.90	26.79
Other Creditors	26.29	13.36
Works and Earnest Money Deposits	0.33	0.02
Expenses payable	3.20	2.47
Employee benefits payable	35.76	0.43
Consumer contribution for capital works {Including interest payable of ₹ 5.48 Crores as on March 31, 2021 (As on March 31, 2020 ₹ 5.23 Crores) }	55.69	55.87
Total	**294.07**	**194.24**

1. Borrowings are netted off of Loan Processing charges for the year ended March 31, 2021 - ₹ 0.71 Crore (Year ended March 31, 2020 - ₹ 0.77 Crore)

BSES YAMUNA POWER LIMITED
Notes to Financial Statements for the Year Ended March 31, 2021

Amount in ₹ Crores

Note- 34 Other Current Liabilities	As at March 31, 2021	As at March 31, 2020
Advances from consumers	104.51	96.41
Other Advances	6.82	-
Subsidy received in advance (Refer Note 15)	-	7.26
Statutory Dues	148.22	95.27
Other payables[1]	28.59	19.91
Contract Liabilities	10.62	10.46
Total	**298.76**	**229.31**

1. Other Payables include Pension Trust Surcharge, the reconciliation of which is as under:

Particulars	As at March 31, 2021	As at March 31, 2020
Opening Balance	10.12	36.28
Collection in respect of Pension Trust Surcharge	172.59	178.16
Total Payable	**182.71**	**214.44**
Less : Amount Paid to Pension Trust	166.50	204.32
Net Payable	**16.21**	**10.12**

Amount in ₹ Crores

Note- 35 Current Provisions		As at March 31, 2021	As at March 31, 2020
Provision for employee benefits	(A)	**79.78**	**145.73**
Other Provisions			
Provision For legal claims			
Opening Balance		7.27	5.85
Provision made / (reversed) during the year		(3.63)	1.42
	(B)	3.64	7.27
Total (A)+(B)		**83.42**	**153.00**

BSES YAMUNA POWER LIMITED

Notes to Financial Statements for the Year Ended March 31, 2021

Amount in ₹ Crores

Note- 36 Revenue From Operations	**Year Ended March 31, 2021**	**Year Ended March 31, 2020**
A) Sale of Power		
Gross Revenue from Sale of Power	4,889.28	5,599.40
Less: Tax on Electricity	175.94	199.07
Less: Pension Trust Surcharge Recovery (Refer Note 58)	175.14	180.07
Net Revenue from Sale of Power	4,538.20	5,220.26
(During the year ended March 31, 2021, Net Revenue from Sale of Power includes ₹ 316.46 Crores (Year ended March 31, 2020 - ₹ 380.07 Crores) billed against 8% surcharge allowed for recovery of opening Revenue Gap).		
B) Bulk Sale Of Power	231.18	167.74
C) Open Access Income	17.04	11.31
D) Other Operating Revenue		
(i) Service Line Deposits and Development Charges	22.93	22.39
(ii) Delayed payment charges (LPSC)	21.84	16.55
(iii) Electricity Tax Collection Charges	5.26	5.90
(iv) Consumer Contribution For Capital Works and APDRP	18.44	17.53
(v) Miscellaneous Operating Income	4.16	6.71
Total (D)	**72.63**	**69.08**
Total (A+B+C+D)	**4,859.05**	**5,468.39**

Revenue for the year is net-off rebate of ₹ 0.82 Crore as per DERC order dated April 07, 2020 for early payment of bills for all consumers for the actual/provisional bills raised during the period of March 24, 2020 till June 30, 2020 and additional rebate of ₹ 20 per bill on furnishing of meter reading(s) by the consumers on its own.

Amount in ₹ Crores

Note- 37 Other Income	**Year Ended March 31, 2021**	**Year Ended March 31, 2020**
Interest		
- Fixed Deposits	7.54	9.04
- Others[1]	0.45	-
Total	7.99	9.04
Sale of Scrap	9.46	4.27
Street Light Maintenance & Material Charges (Net)[2]	0.21	2.61
Excess Provisions written back	3.62	-
Bad Debts Recovered	2.09	2.10
Profit on sale of fixed assets	7.90	7.56
Pole Rental Income	5.62	3.72
Other Miscellaneous Income	1.02	3.89
Total	**37.91**	**33.19**

1. During the year, the Company had received Income Tax refund for Assessment Year 2019-20 amounting to ₹ 6.05 Crores (plus interest of ₹ 0.45 Crore).

2. **Street Light Maintenance and Material Charges**

Income from Street Light Maintenance and Material Charges during the year ended March 31, 2021 is net of direct cost of ₹ 2.97 Crores relating to maintenance cost (Year ended March 31, 2020 - ₹ 5.05 Crores) and ₹ 0.42 Crore relating to Stores and Spares consumed (Year ended March 31, 2020 - ₹ 1.44 Crores).

BSES YAMUNA POWER LIMITED
Notes to Financial Statements for the Year Ended March 31, 2021

Amount in ₹ Crores

Note- 38 Cost of Power Purchased	Year Ended March 31, 2021	Year Ended March 31, 2020
Purchase of Energy	2,651.21	3,227.70
Transmission charges	666.23	624.43
Total	**3,317.44**	**3,852.13**

Power Purchase Cost

(a) The cost of long term power purchases are subject to revision based on tariff orders notified by Central Electricity Regulatory Commission (CERC) / Delhi Electricity Regulatory Commission (DERC) for respective Power Suppliers. However, such revision is accounted for as and when the revised bills/demands are received from the Power Suppliers.

b) Power purchase cost for the year is net of rebate of ₹ 38.32 Crores (Year ended March 31, 2020 - ₹ 7.27 Crores) including ₹ 34.86 Crores on account of rebate provided by Power Generation and Transmission utilities in line with MoP advisory dated May 15, 2020 and corrigendum dated May 16, 2020 due to COVID-19 pandemic.

c) Banking/ Exchange Of Power

1. The Company takes and returns back power under the banking arrangement and accounts for the same as power purchase (net) in the books of accounts at average power purchase cost of the portfolio, for year ended March 31, 2021 @ ₹ 4.61 per unit (Year ended March 31, 2020 @ ₹ 4.83 per unit) in accordance with the DERC Tariff Regulations, 2017.

As at March 31, 2021, the Company has to receive 137.15 Million Units (net) of energy under banking arrangement. (Year ended March 31, 2020 - 106.91 Million Units were receivable) which will be received back during subsequent year.

2. Power purchase cost is net of barter sale during the year ended March 31, 2021 ₹ 210.78 Crores (Year ended March 31, 2020 ₹ 354.51 Crores)

Amount in ₹ Crores

Note- 39 Employee Benefits Expense	Year Ended March 31, 2021	Year Ended March 31, 2020
Salaries and Wages	304.96	281.60
Contribution to provident and other funds	66.39	39.73
Staff Welfare expense	16.86	21.37
Total	**388.21**	**342.70**

i) Employee benefits expense for the year ended March 31, 2021 are net of ₹ 52.33 Crores (Year ended March 31, 2020 - ₹ 42.02 Crores) being amount capitalised/ charged to capital expenditure.

ii) Employee benefits expenses include GST ₹ 3.81 Crores (March 31, 2020 - ₹ 4.38 Crores) and year on year incremental impact of Minimum Wages as compared to immediate previous year for ₹ 0.06 Crore (March 31, 2020 - ₹ 0.06 Crore).

iii) The Company has incurred ₹ 0.18 Crore to meet the outbreak of Covid 19 pandemic during the financial year 2020-21. These expenses are incremental and directly attributable to COVID-19. These expenses incudes temporary hazard pay to field staff, additional medical expenses, additional insurance, expenses towards protection against Covid as a part of infection control or prevention etc.

iv) Staff welfare expenses are inclusive of Training expenses ₹ 0.17 Crore (March 31, 2020 - ₹ 0.56 Crore).

v) For disclosure under Ind AS-19 "Employee Benefits (Refer Note 63).

vi) 7th Pay Commission Recommendations

The Company has implemented the Wage Revision Committee (WRC) Report recommendations w.e.f. 01.01.2016 as accepted by DTL Board vide its office order HR/CC/2020-211208 dated October 15, 2020 for payment of 7th Pay Commission to the eligible employees of the erstwhile DVB during the year. The Company was paying Special Interim Relief to its eligible employees since FY 2017-18 based on recommendation of the WRC vide order no DTL/108/04/2017-HR(Policy)/101 dated July 28, 2017. The impact for FY 2020-21 is ₹ 154.76 Crores and the total impact including amount incurred in earlier years is ₹ 361.83 Crores. The Company has already paid ₹ 235.98 Crores (Including ₹ 107.94 Crores paid during FY 2020-21) and balance liability towards arrear of Leave Salary Contribution, Pension Contribution and Employee superannuated prior to January 2021 will be paid in due course.

BSES YAMUNA POWER LIMITED
Notes to Financial Statements for the Year Ended March 31, 2021

Amount in ₹ Crores

Note- 40 Finance Costs	Year Ended March 31, 2021	Year Ended March 31, 2020
Interest:-		
i) Term Loan [1]	116.53	117.30
ii) Cash Credit Account	8.37	8.52
iii) Inter Company Deposit	16.27	19.25
iv) Consumer Security Deposit	38.28	40.76
v) Lease Liability (RoU) [2]	0.35	0.37
vi) Others	2.17	1.69
Other Borrowing Costs:-		
i) Late Payment Surcharge (LPSC) on Power Purchase and Transmission charges [3]	911.52	865.28
ii) Others	18.45	12.47
Total	**1,111.94**	**1,065.64**

1. Interest on term loan for the year ended March 31, 2021 is net of ₹ 5.89 Crores (Year ended March 31, 2020 - ₹ 3.48 Crores) being amount capitalised/transferred to capital work-in-progress.

2. RBI vide its circular No. RBI/2021-22/17. DOR.STR.REC.4/21.04.048/2021-22 dated April 7, 2021 has advised to all lending institutions to put in place a Board approved policy to refund/adjust the interest on interest' charged to borrowers during the moratorium period, i.e. March 1, 2020 to August 31, 2020 in conformity with the judgement pronounced by Hon'ble Supreme Court in the matter of Small Scale Industrial Manufacturers Association vs. UOI & others and other connected matter on March 23, 2021. The Company has availed moratorium of ₹ 109.69 Crores (Interest - ₹ 49.69 Crores & Principal repayment - ₹ 60.00 Crores) for the installment of interest & principal repayment due during the period from April 2020 to August 2020 from PFC Ltd. Impact of the relief for interest on interest has not been considered in the books of account as amount of relief has not been confirmed by PFC Ltd. and the Company has taken up matter with PFC Ltd. The relief will be considered in books of accounts after confirmation from PFC Ltd.

3. The LPSC is recognized by the Company based on the allocation methodology as per Power Purchase Agreements (PPA), applicable regulations of CERC/DERC or reconciliation / agreed terms with Power Generators / Transmission companies. (Refer Note 51 (B) (n))

Amount in ₹ Crores

Note- 41 Depreciation & Amortisation Expense	Year Ended March 31, 2021	Year Ended March 31, 2020
Depreciation (Refer Note 3 and 4)	197.46	193.22
Depreciation on RoU (Refer Note 5)	0.36	0.36
Total	**197.82**	**193.58**

BSES YAMUNA POWER LIMITED

Notes to Financial Statements for the Year Ended March 31, 2021

Amount in ₹ Crores

Note- 42 Other Expenses	Year Ended March 31, 2021	Year Ended March 31, 2020
1) Repairs & Maintenance Expenses		
- Machinery	95.35	90.96
- Buildings	2.98	5.52
- Others	9.93	9.57
- Stores and Spares consumed (Net of recoveries) - Refer Note 37	21.48	22.76
	129.74	**128.81**
2) Administration Expenses		
Vehicle Hire and Running Expenses	22.83	22.98
Travelling, Conveyance, Boarding and Lodging	1.11	1.97
Insurance	4.41	2.79
Rates and Taxes [4]	4.29	4.01
Bill Collection Charges	13.64	12.31
Communication Expenses [5]	9.20	8.01
Printing and Stationery	3.14	3.26
Meter Reading and Bill Distribution Expenses	29.76	32.78
Call Centre Expenses	5.90	5.26
House Keeping Charges	9.44	8.58
Security Expenses	17.57	16.69
Advertisement Expenses	0.72	0.69
Legal Claims	0.21	1.43
Professional Consultancy Charges [6]	10.47	10.29
Legal Expenses [7]	14.55	17.85
Door Step Service Expenses	6.09	6.34
Misc Support Service (SLA)	36.25	36.94
Expenditure on Corporate Social Responsibility [9]	3.11	1.61
Remuneration to Auditors [10]	0.42	0.47
Directors' Sitting Fees	0.22	0.17
Bank Charges	0.55	0.47
Miscellaneous Expenses [8]	7.47	4.72
	201.35	**199.62**
3) Others		
Provisions For:		
- Retirement of Fixed Assets	-	4.68
- Obsolete / Non Moving / Slow Moving Inventories	0.78	0.86
- Credit Impairment	16.71	9.06
	17.49	**14.60**
Amount Written Off :		
Bad Debts Written Off	8.88	6.06
Less: Provision Made in Earlier Years	(8.88)	(6.06)
	-	-
Inventories Written Off	0.69	6.20
Less: Provision Made in Earlier Years	(0.12)	(4.40)
	0.57	**1.80**
Fixed Assets Retired/ Loss on Sale	11.63	17.89
Less: Provision Made in Earlier Years	(6.01)	(0.22)
	5.62	**17.67**
Total	**354.77**	**362.50**

Disclosure under Clause 87 of DERC (Terms & Conditions for Determination of Tariff) Regulations, 2017 of statutory levies and taxes :

As per the DERC (Terms & Conditions for Determination of Tariff) Regulations, 2017, Clause no 87 has defined the requirement for the disclosure of water charges, statutory levies and taxes separately. Management considers applicability of the following expenses as covered under Clause 87 as mentioned in point no 1 to 8.

1. **Effect due to increase in Minimum Wages**
Other expenses includes expenses related to manpower based contract which has an year on year incremental impact of minimum wages as compared to immediate previous year for ₹ 3.39 Crores (March 31, 2020 - ₹ 2.58 Crores).

2. Other expenses are inclusive of GST amounting to ₹ 43.34 Crores (March 31, 2020 - ₹ 45.53 Crores) (excluding GST on stores and spares consumed).

3. The Company has incurred ₹ 4.97 Crores to meet the outbreak of Covid 19 pandemic during the financial year 2020-21. These expenses are incremental and directly attributable to COVID-19. These expenses incudes temporary hazard pay to field staff, additional medical expenses, additional insurance, expenses towards protection against Covid as a part of infection control or prevention etc.

4. Rates & Taxes expense include Licence Fees paid to DERC ₹ 2.72 Crores (March 31, 2020 ₹ - 2.74 Crores) and Property Tax ₹ 1.18 Crores (March 31, 2020 - ₹ 1.18 Crores).

5. Communication expenses include SMS charges ₹ 1.31 Crores (March 31, 2020 - ₹ 0.45 Crore) and Toll Free charges (Toll Free No - 19122) ₹ 0.17 Crore (March 31, 2020 - ₹ 0.05 Crore)

6. Professional Consultancy Charges include Development and Sustainability Management Expenses ₹ 0.01 Crore (March 31, 2020 ₹ 0.04 Crore).

7. Legal Expenses include Ombudsman expenses ₹ 0.22 Crore (March 31, 2020 - ₹ 0.18 Crore).

8. Miscellaneous expenses are inclusive of Water charges ₹ 0.65 Crore (March 31, 2020 - ₹ 0.23 Crore), KYC expenses ₹ 0.03 Crore (March 31, 2020 - ₹ NIL), Development and Sustainability Management Expenses ₹ 0.77 Crore (March 31, 2020 - ₹ 0.80 Crore)

9. Expenditure on Corporate Social Responsibility
As per section 135 of the Companies Act, 2013, amount required to be spent by the Company during the year ended March 31, 2021 and 2020 is ₹ 3.08 Crore and ₹ 1.61 Crore, respectively, computed at 2% of its average net profit for the immediately preceding three financial years, on CSR. The Company focuses on sectors and issues mentioned in Schedule VII read with Section 135 of Companies Act, 2013. A CSR committee has been formed by the Company as per the Act. The Company incurred an amount of ₹ 3.11 Crores and ₹ 1.61 Crores during the year ended March 31, 2021 and 2020, respectively, towards CSR expenditure for the purposes other than construction / acquisition of any asset.

Amount in ₹ Crores

Particulars	Year Ended March 31, 2021	Year Ended March 31, 2020
Amount Paid		
Construction/acquisition of any asset	-	-
Other purposes	3.11	1.61
Amount yet to be paid		
Construction/acquisition of any asset	-	-
Other purposes	-	-
Total	**3.11**	**1.61**

Amount in ₹ Crores

	Year Ended March 31, 2021	Year Ended March 31, 2020
10. Remuneration To Auditors (Including GST)		
Statutory Audit Fees & Limited Review Fees	0.20	0.24
Tax Audit Fees	0.04	0.05
Certification Work	0.16	0.12
Taxation and Other Matters	-	0.04
Out of Pocket Expenses	0.02	0.02
Total	0.42	0.47

Excess provision made / expenses booked towards Auditor's Remuneration in Financial Year 2019-20 ₹ 0.03 Crore has been adjusted in Current Financial Year.

BSES YAMUNA POWER LIMITED
Notes to Financial Statements for the Year Ended March 31, 2021

Amount in ₹ Crores

Note- 43 Net movement in Regulatory Deferral Account Balances and related deferred tax balances	Year Ended March 31, 2021	Year Ended March 31, 2020
Net movement in Regulatory deferral account balances (Refer Note 18)	846.12	582.79
Net movement in Regulatory deferral account balances before OCI	840.36	577.01
Net movement in Regulatory deferral account balances related to items recognised in OCI	5.76	5.78

Amount in ₹ Crores

Note- 44 Current Tax	Year Ended March 31, 2021	Year Ended March 31, 2020
Income Tax for the current year	-	43.71
Income Tax for earlier years	0.03	(0.03)
Total	**0.03**	**43.68**

Amount in ₹ Crores

Note- 45 Income Tax Effect on OCI	Year Ended March 31, 2021	Year Ended March 31, 2020
Income Tax Effect on OCI	-	(0.11)
Total	**-**	**(0.11)**

Amount in ₹ Crores

Note- 46 Earnings per Equity Share	Year Ended March 31, 2021	Year Ended March 31, 2020
I Profit/ (Loss) for Earnings Per Share		
Profit for the year (After tax)	410.93	218.36
Profit/ (Loss) for the year (After tax) (Before Net movement in Regulatory Deferral Account balances)	(429.43)	(358.65)
II No. of Equity Shares (In Crores)		
Opening	55.60	55.60
Closing	55.60	55.60
Weighted Average No. of Equity Shares	55.60	55.60
III Earning per share		
Earning Per Share Basic (₹)	**7.39**	**3.93**
Earning Per Share Diluted (₹)	**7.39**	**3.93**
Earnings Per Share Basic (Before Net movement in Regulatory Deferral Account balance)	**(7.72)**	**(6.45)**
Earnings Per Share Diluted (Before Net movement in Regulatory Deferral Account balance)	**(7.72)**	**(6.45)**
Face Value of Equity Shares (₹)	10.00	10.00

BSES YAMUNA POWER LIMITED
Notes to Financial Statements for the Year Ended March 31, 2021

Note- 47 Income Tax Expense

Amount in ₹ Crores

	March 31, 2021	March 31, 2020
(a) Income tax expense:		
Current tax		
Current tax on profits for the year	-	43.82
Adjustments for current tax of earlier years	0.03	(0.03)
Total current tax expense	0.03	43.79
Deferred tax		
Decrease / (Increase) in deferred tax assets	979.00	281.11
(Decrease) / Increase in deferred tax liabilities	(707.98)	213.58
Total deferred tax expense/(benefit)	271.02	494.69
Less: Liability Payable/ (Income Recoverable) from future tariff	(271.02)	(494.69)
Net deferred tax expense/(benefit)	-	-
Income tax expense/(benefit)	0.03	43.79

(b) Reconciliation of tax expense and the accounting profit multiplied by India's tax rate:

		March 31, 2021	March 31, 2020
Profit as per Ind AS from continuing operations before income tax expense	(A)	367.77	262.67
Income tax rate applicable	(B)	25.17%	34.94%
Income tax expense	(A)*(B)	92.56	91.79
Tax effects of the items that are not deductable (taxable) while calculating taxable income :			
Tax Effect of Permanent timing differences		0.78	0.59
Movement in tax Losses (net of recoverable from future tariff)		(93.34)	(92.38)
Current tax on Profit for the year		-	43.82
Tax refund/adjustment for earlier years		0.03	(0.03)
Total tax expense		0.03	43.79

The balance comprises temporary differences attributable to:

	March 31, 2021	March 31, 2020
Deferred tax liability on account of:		
Depreciation difference	278.58	378.51
Regulatory Assets	2,325.63	2,933.31
Loan Processing Costs	0.79	1.17
Deferred tax asset on account of:		
Provision for Doubtful Debts	22.33	28.37
Provision for Retirement of Assets	2.70	5.85
Provision for Obsolete / Non moving / Slow moving Inventories	1.08	1.27
Provision for Leave Encashment	11.19	19.36
Unabsorbed losses (including depreciation)	1,613.95	2,575.41
Net deferred tax liability	953.75	682.73
Less: Recoverable from future tariff	(953.75)	(682.73)

(c) Movement in deferred tax balances:

	Depreciation difference (a)	Regulatory Assets (b)	Brought Forward losses (including Unabsorbed depreciation) (c)	Others (d)	Total (a+b-c-d)
As at March 31, 2019	368.28	2,729.65	2,858.08	51.80	188.04
(Charged)/credited:					
- to profit or loss	10.23	203.66	(282.67)	1.87	21.09
As at March 31, 2020	378.51	2,933.31	2,575.41	53.67	682.73
(Charged)/credited:					
- to profit or loss	(99.92)	(607.68)	(961.45)	(17.17)	271.02
As at March 31, 2021	278.59	2,325.63	1,613.96	36.50	953.75

Note: In line with the requirements of Ind AS 114, Regulatory Deferral Accounts, the entity presents the resulting deferred tax asset (liability) and the related movement in that deferred tax asset / (liability) with the related regulatory deferral account balances and movements in those balances, instead of within that presented above in accordance with Ind AS 12 Income Taxes. Refer Note 18 for disclosures as per Ind AS 114.

The Company has decided to avail the option to switch over to the new tax regime u/s 115BAA of the Income Tax Act, 1961 (Refer Note 61).

BSES YAMUNA POWER LIMITED
Notes to Financial Statements for the Year Ended March 31, 2021

Note- 48 Related party transactions

Key Management Personnel and Related parties with whom transactions have taken place during the year:	
i) Parent Company	Reliance Infrastructure Limited
ii) Company having Substantial interest	Delhi Power Company Limited
iii) Fellow Subsidiary Companies & Associates	BSES Rajdhani Power Limited Globalcom IDC Limited (Formerly Reliance IDC Limited) Reliance General Insurance Company Limited
iv) Companies over which director of our Investing Company is having significant influence	Sasan Power Limited
v) Post Employment Benefit Plans	BSES Yamuna Power Limited Employees Group Gratuity Assurance Scheme BSES Yamuna Power Limited Employees Superannuation Scheme

Key Management Personnel

Name	Category	Year
Shri Virendra Singh Verma	Non - Executive Director	2020-21 2019-20
Shri Angarai Natarajan Sethuraman (Appointed w.e.f. 24.10.2019)		2020-21 2019-20
Shri Partha Pratim Sarma (Appointed w.e.f. 15.11.2019)		2020-21 2019-20
Shri Jasmine Shah (Appointed w.e.f. 27.11.2019)		2020-21 2019-20
Shri Jagjeet Singh Deswal (Appointed w.e.f. 27.11.2019)		2020-21 2019-20
Shri Naveen ND Gupta (Appointed w.e.f. 27.11.2019)		2020-21 2019-20
Shri Lalit Jalan - Chairperson (Cessation w.e.f. 11.10.2019)		2019-20
Shri Suresh Madihally Rangachar (Appointed w.e.f. 10.04.2019) (Cessation w.e.f. 15.11.2019)		2019-20
Shri Punit Narendra Garg (Appointed w.e.f. 10.04.2019) (Cessation w.e.f. 09.10.2020)		2020-21 2019-20
Shri Rana Ranjit Rai (Cessation w.e.f. 10.04.2019)		2019-20
Shri Gopal K Saxena (Cessation w.e.f. 10.04.2019)		2019-20
Shri Ajit Keshav Ranade	Independent Director	2020-21 2019-20
Shri Anjani Kumar Sharma		2020-21 2019-20
Ms. Ryna Zaiwalla Karani		2020-21 2019-20
Shri Surinder Singh Kohli		2020-21 2019-20
Shri Anthony Jesudasan (Appointed w.e.f. 04.11.2020)	Additional Director	2020-21
Shri Prem R Kumar Reappointed w.e.f. February 01, 2020	Chief Executive Officer	2020-21 2019-20

(a) Key management personnel compensation — **Amount in ₹ Crores**

Particulars	March 31, 2021	March 31, 2020
Short - term employee benefits	1.41	1.59
Post - employment benefits	0.14	0.14
Long - term employee benefits	-	-
Director's sitting fees	0.22	0.17
Total compensation	**1.77**	**1.90**

b) Transactions with related parties
The following transactions occurred with related parties:

Amount in ₹ Crores

Particulars	March 31, 2021	March 31, 2020
Statement of profit and loss heads		
Income:		
Sale of Power		
- BSES Rajdhani Power Limited	31.89	8.28
Expenses:		
Purchase of Power (Including open access charges & Late payment surcharge)		
- BSES Rajdhani Power Limited	0.00*	0.00*
- Sasan Power Limited	357.41	361.96
Receiving of services		
- Globalcom IDC Limited (Formerly Reliance IDC Limited)	3.28	1.82
- Reliance General Insurance Company Limited	3.93	-
Interest Expenses		
- BSES Rajdhani Power Limited	16.27	19.25
Contribution to Post Employment Benefit Plans		
- BSES Yamuna Power Limited Employees Group Gratuity Assurance Scheme	10.32	9.65
- BSES Yamuna Power Limited Employees Superannuation Scheme	0.55	0.56

* The sign '0.00' indicates amount of ₹ 26,868.00 (Year ended March 31, 2020 - ₹ 29,031.00)

Securities - Pledge of 51 % Shares of the Company held by Reliance Infrastructure Limited (Refer Note 21)

c) Loans from related parties

Amount in ₹ Crores

	March 31, 2021	March 31, 2020
Loan repaid		
- BSES Rajdhani Power Limited	21.12	11.40

Amount in ₹ Crores

d) Balance sheet heads (Closing balances):	March 31, 2021	March 31, 2020
Current Borrowings		
- BSES Rajdhani Power Limited	115.57	136.69
Trade Payables		
- Sasan Power Limited	96.36	85.53
Other Current Financial Liabilities		
- Globalcom IDC Limited (Formerly Reliance IDC Limited)	0.19	0.60
Current Provisions		
- BSES Yamuna Power Limited Employees Group Gratuity Assurance Scheme	10.32	9.65
Trade Receivables		
- BSES Rajdhani Power Limited	-	0.06
Other Current Financial Assets		
- Delhi Power Company Limited	1.12	1.09
Other Current Assets		
- Globalcom IDC Limited (Formerly Reliance IDC Limited)- Prepaid expense	0.61	-
- Reliance General Insurance Company Limited	0.10	-

1. Terms & conditions

i) All outstanding balances are unsecured and repayable/recoverable on demand.

ii) The sales to and purchases from related parties are made on terms equivalent to those that prevail in arm's length transactions. Outstanding balances at the year-end are unsecured and interest free and settlement occurs in cash. There have been no guarantees provided or received for any related party receivables or payables. For the year ended March 31, 2021, the Company has not recorded any impairment of receivables relating to amounts owed by related parties (Year ended March 31, 2020: ₹ Nil). This assessment is undertaken each financial year through examining the financial position of the related party and the market in which the related party operates.

iii) For terms and conditions related to loan taken from BSES Rajdhani Power Limited (Refer Note 29).

2. The above disclosure does not include transactions with / as public utility service providers, viz. electricity, telecommunication, in the normal course of business.

Note- 49 : Financial Risk Management

The Company's business activities expose it to a variety of financial risks, namely liquidity risk, market risks and credit risk. The Company's senior management has overall responsibility for the establishment and oversight of the Company's risk management framework. The Company has constituted a Risk Management Committee, which is responsible for developing and monitoring the Company's risk management policies. The key risks and mitigating actions are also placed before the Audit Committee of the Company. The Company's risk management policies are established to identify and analyse the risks faced by the Company, to set appropriate risk limits and controls and to monitor risks and adherence to limits. Risk management policies and systems are reviewed regularly to reflect changes in market conditions and the Company's activities.

The Risk Management Committee of the Company is supported by the Finance team and experts of respective business divisions that provides assurance that the Company's financial risk activities are governed by appropriate policies and procedures and that financial risks are identified, measured and managed in accordance with the Company's policies and risk objectives. The activities are designed to:

- protect the Company's financial results and position from financial risks
- maintain market risks within acceptable parameters, while optimizing returns; and
- protect the Company's financial investments, while maximizing returns.

The Treasury department provides funding for the Company's operations. In addition to guidelines and exposure limits, a system of authorities and extensive independent reporting covers all major areas of treasury's activity.

This note explains the sources of risk which the entity is exposed to and how the entity manages the risk in the financial statements.

Risk	Exposure arising from	Measurement	Management
Credit Risk	Cash and cash equivalents, trade receivables, derivative financial instruments, financial assets measured at amortised cost.	Aging analysis Credit rating	Diversification of bank deposits, credit limits and letters of credit
Liquidity Risk	Borrowings, Trade Payable and other liabilities	Rolling cash flow forecasts	Monitoring of committed credit lines and borrowing facilities
Market risk – interest rate	Long-term borrowings at variable rates	Sensitivity analysis	Benchmarking of Interest rates

The Company's financial risk management is carried out by the treasury department (Company treasury).It identifies, evaluates financial risks in close cooperation with the Company's operating units,covering interest rate risk, credit risk, use of derivative financial instruments and non-derivative financial instruments, and investment of excess liquidity.

(A) Credit risk

Credit risk refers to the risk of default on its obligation by the counter party resulting in financial loss. Credit risk arises from cash and cash equivalents, investments carried at amortized cost or fair value through profit & loss and deposits with banks and financial institutions, as well as credit exposures to trade/non-trade customers including outstanding receivables.

Credit risk management

Credit risk is managed at Company level depending on the framework surrounding credit risk management.

The concentration of credit risk is limited since the customer base is large and widely dispersed and secured with security deposit. For banks and financial institutions, only high rated banks, institutions are accepted.

The maximum exposure to the credt risk at the reporting date is primarily from trade receivable. The Company follows simplified approach method wherein it recognises impairement loss allowance based on lifetime Expected Credit Loss (ECL) at reporting date.

Trade Receivable are written off when there is no reasonable expectation of recovery after disconnection and adjustment of security deposit with past dues, as per policy of the Company and debtors failing to engage in a repayment plan with the Company. However, the Company continues to engage in enforcement and recovery activity to attempt to recover the receivables due. Where recoveries are made, these are recognized in statement of profit and loss.

For trade receivable (except other receivables) the Company uses the provision matrix method under simplified approach. The provision matrix is based on its historically observed default rates over the expected life of these trade receivable and is adjusted for forward looking estimates. At every reporting date, the historically observed default rates are updated and changes in the forward looking estimates are analysed.

For recognition of impairment loss on loans and other financial assets and risk exposure, the Company determines that whether there has been a significant increase in the credit risk since initial recognition. If credit risk has not increase significantly, 12 month ECL is used to provide for impairment loss. However, if credit risk has increase significantly, lifetime ECL is used. If, in a subsequent period, credit quality of the instrument improves such that there is no longer a significant increase in credit risk since initial recognition, then the entity reverts to recognising impairment loss allowance based on 12 month ECL.

BSES YAMUNA POWER LIMITED

Notes to Financial Statements for the Year Ended March 31, 2021

Provision for Expected Credit Losses

Expected credit loss for trade receivable (except other receivables)

Amount in ₹ Crores

As at March 31, 2021

Aging	Not due	0-90 days past due	91 - 180 days past due	181 - 270 days past due	271 - 360 days past due	361 - 450 days past due	More than 450 days past due	Total
Gross carrying amount	156.39	56.59	26.07	17.96	6.72	9.00	87.91	360.64
Expected loss rate	0.35%	3.82%	12.49%	22.43%	30.58%	38.98%	83.22%	24.60%
Expected credit losses (Loss allowance provision)	0.54	2.16	3.26	4.03	2.05	3.51	73.16	88.71
Carrying amount of trade receivables (net of impairment)	**155.85**	**54.43**	**22.81**	**13.93**	**4.67**	**5.49**	**14.75**	**271.93**

As at March 31, 2020

Aging	Not due	0-90 days past due	91 - 180 days past due	181 - 270 days past due	271 - 360 days past due	361 - 450 days past due	More than 450 days past due	Total
Gross carrying amount	99.62	98.31	28.72	18.50	8.65	6.07	61.50	321.37
Expected loss rate	0.25%	3.11%	13.28%	22.00%	31.00%	39.48%	87.13%	21.74%
Expected credit losses (Loss allowance provision)	0.25	3.06	3.82	4.07	2.68	2.40	53.58	69.86
Carrying amount of trade receivables (net of impairment)	**99.37**	**95.25**	**24.90**	**14.43**	**5.97**	**3.67**	**7.92**	**251.51**

Amount in ₹ Crores

Reconciliation of loss allowance provision – Trade receivables

Reconciliation of loss allowance	Provision matrix method	Street light unmetered dues and others	Total
Loss allowance on April 1, 2019	**67.06**	**11.35**	**78.41**
Bad Debts written off	(6.27)	-	(6.27)
Changes in loss allowance	9.06	-	9.06
Loss allowance on March 31, 2020	**69.85**	**11.35**	**81.20**
Bad Debts written off	(9.20)	-	(9.20)
Changes in loss allowance	16.71	-	16.71
Loss allowance on March 31, 2021	**77.36**	**11.35**	**88.71**

Significant estimates and judgements
Impairment of financial assets

The impairment provisions for financial assets disclosed above are based on assumptions about risk of default and expected loss rates. The Company uses judgement in making these assumptions and selecting the inputs to the impairment calculation, based on the Company's past history, existing market conditions as well as forward looking estimates at the end of each reporting year.

The company do not anticipate any material credit risk for loans and other financial assets.

(B) Liquidity risk

Prudent liquidity risk management implies maintaining sufficient cash and marketable securities and the availability of funding through an adequate amount of committed credit facilities to meet obligations when due and to close out market positions. Due to the dynamic nature of the underlying businesses, Company treasury maintains flexibility in funding by maintaining availability under committed credit lines.

Management monitors rolling forecasts of the Company's liquidity position (comprising the undrawn borrowing facilities below) and cash and cash equivalents on the basis of expected cash flows. The Company's liquidity management policy involves projecting cash flows and considering the level of liquid assets necessary to meet these, monitoring balance sheet liquidity ratios against internal and external regulatory requirements and maintaining debt financing plans.

(i) Financing arrangements
The company had access to the following undrawn borrowing facilities at the end of the reporting year:

	March 31, 2021	March 31, 2020
Floating rate		
Term loans	1,072.66	-
Expiring within one year (cash credit)	11.91	41.12
	1,084.57	41.12

Subject to the continuance of satisfactory credit ratings, the bank loan facilities may be drawn at any time in INR.

(ii) Maturities of financial liabilities
The tables below analyse the Company's financial liabilities into relevant maturity based on their contractual maturities for all non-derivatives financial liabilities. The amounts are gross and undiscounted.

Contractual maturities of financial liabilities March 31, 2021	Carrying Value	within 1 year	more than 1 year	Total
Non-derivatives				
Non Current Borrowings (Includes current maturities of long term borrowings and contractual interest payments)	1073.91	254.05	1,330.02	1,584.07
Current Borrowings	225.21	225.21	-	225.21
Trade payables	8356.92	8,356.92	-	8,356.92
Lease Liability	3.15	0.57	2.58	3.15
Consumer Security Deposits	514.02	42.12	471.90	514.02
Creditors for capital expenditure	35.90	35.90	-	35.90
Other financial liabilities	127.41	127.41	-	127.41
Total non-derivative liabilities	10336.52	9,042.18	1,804.50	10,846.68

Contractual maturities of financial liabilities March 31, 2020	Carrying Value	within 1 year	more than 1 year	Total
Non-derivatives				
Non Current Borrowings (Includes current maturities of long term borrowings and contractual interest payments)	956.65	195.37	1,244.55	1,439.91
Current Borrowings	217.13	217.13	-	217.13
Trade payables	8,029.57	8,029.57	-	8,029.57
Lease Liability	3.38	0.57	2.81	3.38
Consumer Security Deposits	506.95	41.88	465.07	506.95
Creditors for capital expenditure	26.79	26.79	-	26.79
Other financial liabilities	78.22	78.22	-	78.22
Total non-derivative liabilities	9,818.70	8,589.53	1,712.43	10301.95

Amounts in ₹ Crores

(C) Market risk

(i) Foreign currency risk

Foreign exchange risk arises from future commercial transactions and recognised assets and liabilities denominated in a currency that is not the company's functional currency (INR). The Company operates in a business that have insignificant exposure to foreign exchanges/ foreign currency transactions.

Sensitivity

In view insignificant exposure to forex , Sensitivity Analysis on Foreign Exchange Risk is not required.

(ii) Cash flow and fair value interest rate risk

The Company's main interest rate risk arises from long-term borrowings with variable rates, which expose the Company to cash flow interest rate risk. During March 31, 2021 and March 31, 2020, the Company's borrowings at variable rate were primarily dominated in INR. In view of reduction in Bank Rate and improvement in Credit Rating, Company is not exposed to any material interest Rate Risk due to borrowing at Variable Rate. The Company's borrowings are carried at amortized cost.

Interest rate risk exposure

The exposure of the company's borrowing to interest rate changes at the end of the reporting year are as follows:

	March 31, 2021	March 31, 2020
Variable rate borrowings	1,298.54	1,173.26
Fixed rate borrowings	-	-
Total borrowings	1,298.54	1,173.26

Sensitivity

Profit or loss is sensitive to higher/lower interest expense from borrowings as a result of changes in interest rates.

	Impact on profit after tax	
	March 31, 2021	March 31, 2020
Interest rates – increase by 50 basis points (50 bps)*	(5.39)	(4.32)
Interest rates – decrease by 50 basis points (50 bps)*	5.39	4.32

**Holding all other variables constant*

(iii) Price risk

(a) Exposure

The Company does not have any investment in equity. Therefore there is no Price risk to the Company on Financial instruments. Tariff of the Company is regulated by DERC. Refer Note 18 about the Price risk management on account of determination of tariff.

(iv) Capital Risk Management

The Company considers the following components of Balance Sheet to manage Capital :

1 Total equity- retained earnings, general reserve and other reserves, share capital

2. Working Capital

The Company manages its capital so as to safeguard its ability to continue as a going concern and to optimise returns to our shareholders. The capital structure of the Company is based on management's judgement of the appropriate balance of key elements in order to meet its strategic and day-to-day needs. We consider the amount of capital in proportion to risk and manage the capital structure in light of changes in economic conditions and the risk characteristics of the underlying assets.

The Company's aim to translate profitable growth to superior cash generation through efficient capital management.

The Company's policy is to maintain a stable and strong capital structure with a focus on total equity so as to maintain investor, creditor, and market confidence and to sustain future development and growth of its business.

The Company's focus is on keeping strong total equity base to ensure independence, security, as well as a high financial flexibility for potential future borrowings, if required, without impacting the risk profile of the group. The Company will take appropriate steps in order to maintain, or if necessary adjust, its capital structure.

The management monitors the return on capital as well as the level of dividends to shareholders.

BSES YAMUNA POWER LIMITED
Notes to Financial Statements for the Year Ended March 31, 2021

(a) Fair Value Measurements

Amount in ₹ Crores

Particulars	Level	March 31, 2021		March 31, 2020	
		FVTPL	Amortised	FVTPL	Amortised
Financial assets					
Restricted Bank Deposits		-	88.07	-	105.81
Non current loans*	3	-	0.00	-	0.02
Other Non Current Financial Assets	3	-	2.10	-	1.24
Trade Receivables	3	-	294.29	-	295.69
Cash and cash equivalents		-	45.40	-	35.07
Bank balances other than cash and cash equivalents		-	35.06	-	51.04
Current loans	3	-	0.29	-	0.96
Other current financial assets	3	-	180.71	-	186.71
Total		-	**645.92**	-	**676.54**
Financial liabilities					
Non current borrowings	3	-	943.16	-	867.43
Current borrowings	3	-	225.21	-	217.13
Trade payables	3	-	8,356.92	-	8,029.57
Lease Liability	3	-	3.15	-	3.38
Consumer Security Deposit	3	-	514.02	-	506.95
Current Maturities of Long Term Borrowings	3	-	130.75	-	89.23
Employee related liabilities	3	-	35.76	-	0.43
Payable for expenses	3	-	3.20	-	2.47
Consumer Contribution for Capital Works	3	-	55.69	-	55.87
Other current financial liabilities	3	-	68.68	-	46.24
Total		-	**10,336.54**	-	**9,818.70**

* The sign '0.00' indicates amount of ₹ 47,272.00

Notes:

a. Fair valuation of financial assets and liabilities with short term maturities is considered as approximate to respective carrying amount due to the short term maturities of these instruments.

b. Fair Value of non current financial assets and liabilities has not been disclosed as there is no significant differences between the carrying value and fair value.

Level 1: It includes financial instruments measured using quoted prices.

Level 2: The fair value of financial instruments that are not traded in an active market is determined using valuation techniques which maximise the use of observable market data and rely as little as possible on entity specific estimates. If all significant inputs required to fair value an instrument are observable, the instrument is included in level 2.

Level 3: If one or more of the significant inputs is not based on observable market data, the instrument is included in level 3. The fair value of financial assets and liabilities included in Level 3 is determined in accordance with generally accepted pricing models based on discounted cash flow analysis using prices from observable current market transactions and dealer quotes of similar instruments.

There are no transfers between any levels during the year.

50 Commitment

Estimated amount of contracts remaining to be executed on capital account and not provided for during the year ended March 31, 2021 is ₹ 54.58 Crores (Year ended March 31, 2020 - ₹ 18.55 Crores).

The Company had entered into Long Term Power Purchase Agreements with various Power Generators in accordance with Capacity allocated to the Company by the Ministry of Power/GoNCTD for respective plants.

51 Contingent Liabilities

A) Bank Guarantee outstanding as on March 31, 2021 ₹ 2.97 Crores (As on March 31, 2020 - ₹ 0.30 Crore).

B) Claims not acknowledged as debts and other major matters under litigation.

Amount in ₹ Crores

a)

S. No.	Particulars	As at March 31, 2021	As at March 31, 2020
i	Legal Cases related to Consumers & others *	17.97	17.60
ii	Legal Cases related to Employees **	4.33	1.22
iii	Claim by DPCL on account of events relating to erstwhile DVB period ***	33.45	33.45
	Total	**55.75**	**52.27**

* **Legal cases related to consumers and others:**
Consumers in the ordinary course of business, challenge the conviction orders passed by the special courts seeking setting aside of orders and recovery of payment already made by them. Also in case of billing disputes, the consumers allege excess recovery and seek refund of the same. Apart from the above, the recovery cases are also filed against the Company by the vendors, third parties etc.

** **Legal cases related to employees:**
The aggrieved employees have filed cases before the various forums on account of denial of Time Bound Promotion scale, delay in promotion, setting aside of disciplinary proceedings with consequential benefits, etc.

*** **Claim filed by DPCL Vs BYPL (Suit no.1092/2013)**
A recovery suit has been filed by DPCL in 2013 against the Company before the Hon'ble High Court of Delhi for recovery of ₹ 34.41 Crores along with interest @ 18% p.a. This suit has been filed on the ground that the amounts were paid by DPCL directly on account of payments to the contractors, works, supplies, services, past employees and to the third party during the period of 2002-2006 for liabilities arising from events prior to July 01, 2002 (DVB period). It also includes the adjustments made by the Company for discharging such DVB liabilities (prior to July 01, 2002) from the amounts payable to DPCL (for revenue collected from consumers towards power supplied during the DVB period). The matter at present is before the Registrar of Delhi High Court. On May 07, 2019, BYPL has filed an affidavit for admission and denial of documents. The admitted documents were placed on record on August 21, 2019.Thereafter, matter was listed on various dates but no effective hearing took place. In the last hearing held on March 24, 2021 the matter was adjourned to July 26, 2021 for admission and denial of documents.

b) The Company had received claim from Delhi Transco Limited of ₹ 1.62 Crores (Year ended March 31, 2020 - ₹ 1.62 Crores) mainly on account of events relating to erstwhile DVB period. The same is disputed by the Company, and pending dispute/reconciliation the same has not been provided in the books.

c) The Company had received TDS assessment orders for Financial Years (F.Y.) 2007-08, 2008-09 and 2009-10 wherein a total demand of ₹ 2.24 Crores (P.Y. ₹ 2.24 Crores) was raised primarily on account of interest u/s 201 (1A) of the Income Tax Act, 1961 for non / late deduction of TDS on power transmission charges u/s 194J. The Company had contested this demand and had appealed against the said TDS assessment orders before the CIT(A). Appeal for F.Y. 2008-09 & 2009-10 have been decided by the CIT(A) in favour of the Company, whereby it was held that TDS u/s 194J is not applicable on payment of transmission/wheeling/open access charges etc. Appeal for FY 2007-08 against the demand of ₹ 1.00 Crore (P.Y. ₹ 1.00 Crore) in this regards is, still pending.

During pendency of aforesaid appeals, the Company had deposited entire demand of ₹ 2.24 Crores (P. Y. ₹ 2.24 Crores) under protest. Further, the Company had taken the decision in November 2009 to deduct and deposit TDS on power transmission charges from the FY 2009-10 onwards under protest. The Company is confident that appeal for FY 2007-08 will be decided in line with orders passed for FY's 2008-09 & 2009-10 and the entire demand will be reduced to Nil. Accordingly the Company has not provided for any liability in this regard in the books of accounts. Further, the Company is following up with the Income Tax Authorities for refund / adjustment of the amount paid against the demands for FY's 2008-09 & 2009-10.

In the meanwhile, the Income Tax Department appealed against the order of CIT(A) before ITAT for the FY's 2008-09 and 2009-10 contesting decision of CIT(A). These appeals of the department have been dismissed by ITAT and decided in favour of the Company.

The issue of applicability of section 194J on power transmission / wheeling charges has recently been set at rest by the Hon'ble Supreme Court, whereby a Special Leave Petition (SLP) filed by the Income Tax Department against a Delhi High Court decision in case no ITA No. 341 / 2015 pertaining to Delhi Transco Limited was dismissed. The High Court had held that the provisions of section 194J are not applicable on power transmission/ wheeling charges.

d) Income tax assessment for AY 2012-13 was concluded u/s 143(3) of the Income Tax Act, 1961. In the assessment order various additions were made and a demand of ₹ 14.8 Crores was raised. The Company has filed an appeal before CIT(A) against the said order. Meanwhile, the Company has received the CIT(A) order for A.Y. 2011-12, in which a loss of ₹ 1,293.77 Crores has been determined. Considering the carry forward loss of A.Y. 2011-12, the taxable income for the A.Y. 2012-13 has been revised to Nil and the related demand under normal provision of the Act has been reduced to Nil. However demand of ₹ 0.18 Crore has been raised under the MAT provisions. The issue relating to additions made under MAT provisions is covered in favour of the Company by the CIT (A) order's of earlier years. Accordingly, no provision has been made in the books of accounts against such demand.

e) The Income Tax Assessment of the Company for A.Y. 2013-14 was concluded u/s 143(3) of the Income Tax Act, 1961. In the assessment order, various additions were made and a demand of ₹ 77.23 Crores was raised. The Company's appeal before CIT(A), against the said order, has been partially allowed. The Company has filed an appeal before ITAT against the order of CIT(A) on the issues which have been decided against the company. Meanwhile, the Company has received CIT(A) order for A.Y. 2011-12, in which a loss of ₹ 1,293.77 Crores has been determined. Considering the carry forward loss of A.Y. 2011-12, the taxable income for the A.Y. 2013-14 has been revised to ₹ Nil after considering brought forward losses and the related demand under normal provision of the Act has been reduced to Nil. However a demand of ₹ 0.39 Crore has been raised under the MAT provisions. The issue relating to additions made under MAT provisions is covered in favour of the Company by the CIT (A) order's of earlier years. Accordingly, no provision has been made in the books of accounts against such demand.

f) Income Tax assessment for A.Y. 2014-15 was concluded 143(3) of the Income Tax Act, 1961. In the assessment order passed u/s 143(3), various additions were made and a demand of ₹ 63.48 Crores has been raised. The Company had filed an appeal before CIT(A) against the said order. The appeal has been decided and the majority of the issues have been decided in favour of the Company. Most of the additions/disallowances made in the assessment order will be deleted once the appeal effect is given. Meanwhile, the Company has received the CIT(A) order for A.Y. 2011-12, in which a loss of ₹ 1,293.77 Crores has been determined. Considering the carry forward loss of A.Y. 2011-12, the taxable income for the A.Y. 2014-15 has been revised to Nil after considering brought forward losses and the related demand under normal provision of the Act has been reduced to Nil. However demand of ₹ 0.50 crore has been raised under MAT. The issue relating to additions made under MAT provisions are covered in favour of the Company by the CIT(A) order's of earlier years. Accordingly, no provision has been made in the books of accounts against such demand.

g) Income Tax Assessment of the Company u/s 147 (re-opened assessment) of the Income Tax Act., 1961 for the AY 2009-10 has been concluded in which a demand of ₹ 0.40 Crore has been raised. The Company has filed an appeal before CIT(A) against the said order. The Company has also filed an application for stay of demand on the ground that the the issue on which the addition has been made is covered in favour of the Company in it's appeals for earlier years and after considering the such issues, the demand will be reduced to Nil. Accordingly, no provision has been made in the books of accounts against such demand.

h) Income Tax assessment for A.Y. 2015-16 is concluded u/s 143(3) of the Income Tax Act, 1961. In the assessment order passed u/s 143(3), various additions have been made and a demand of ₹ 34.94 Crores has been raised. The Company has filed an appeal before CIT(A) against the said order. Meanwhile, the Company has received the CIT(A) order for A.Y. 2011-12, in which a loss of ₹ 1,293.77 Crores has been determined. Considering the carry forward loss of A.Y. 2011-12, the taxable income for the A.Y. 2015-16 has been revised to ₹ Nil after considering brought forward losses and the related demand under normal provision of the Act has been reduced to Nil. However demand of ₹ 0.53 Crore has been raised under MAT. The issue relating to additions made under MAT provisions are covered in favour of the Company by the CIT (A) order's of earlier years. Accordingly, no provision has been made in the books of accounts against such demand.

i) The Income Tax assessment of the Company u/s 143(3) of the I.T. Act, has been concluded for A.Y. 2016-17. In the assessment order a demand of ₹ 35.07 Crores had been erroneously raised on the Company under the normal provisions in as much as relief for brought forward losses had not been allowed. The said demand has subsequently been rectified to ₹ Nil after allowing the relief for brought forward losses. However demand of ₹ 5.10 Crores has been raised under MAT. The issue relating to additions made under MAT provisions is covered in favour of the Company by the CIT (A) order's of earlier years. Accordingly, no provision has been made in the books of accounts against such demand. Further, the Company has filed an appeal before CIT(A) on the various issues on which additions/disallowances have been made in the assessment order.

j) The Company had in December-2003, announced a Special Voluntary Retirement Scheme (SVRS). The Company had taken the stand that terminal benefit to SVRS optees was the responsibility of DVB Employees Terminal Benefits Fund - 2002 Trust (DVB ETBF – 2002 or the Pension Trust) and the amount was not payable by the company. The DVB ETBF – 2002 Trust had contended that terminal benefits to the SVRS optees did not fall in its purview as the employees had not attained the age of superannuation.

For resolution of the issue through the process of law, the Company had filed a writ petition before the Hon'ble Delhi High Court. The Hon'ble Court has pronounced its judgement on this issue on July 02, 2007 whereby it has provided two options to the Discoms for paying terminal benefits and residual pension to the Trust :

I)Terminal benefits to the SVRS optees to be paid by Discoms which shall be reimbursed to Discoms by the Trust without interest on normal retirement / death (whichever is earlier) of such SVRS optees. In addition, the Discoms shall pay the Retiral Pension to SVRS optees till their respective dates of normal retirement, after which the Trust shall commence payment to such optees, OR;

II) The Trust to pay the terminal benefits of the SVRS optees on reimbursement by Discoms of 'Additional Contribution' required on account of premature payout by the Trust which shall be computed by an Arbitral Tribunal. The liability to pay residual pension i.e. monthly pension shall be borne by the company.

The Arbitral Tribunal shall be comprised of a nominee of the Institute of Actuaries Mumbai, a nominee from DISCOM and a nominee from GoNCTD & Pension Trust. The Institute of Actuaries and DISCOMS have appointed their respective nominees while GoNCTD & Pension Trust have not appointed their nominee and have filed their respective Appeals before the Divison Bench of the High Court of Delhi.

The Company has opted for option (II) above, which require determination of additional contribution to be funded by DISCOM as determined by the Arbitral Tribunal. However, the Company in order to mitigate the financial hardships being faced by the SVRS optees, pending determination and actuarial valuation and without prejudice to their rights, contentions and claims, opted to pay the terminal benefits to the SVRS optees and the same was taken on record by the High Court in its order dated January 25, 2008. As such, the Company has paid leave encashment, gratuity, and commuted pension amounting to ₹ 60.53 Crores (including interest of ₹ 14.90 Crores) (Previous Year - ₹ 60.53 Crores, including interest of ₹ 14.90 Crores.) vide Court direction dated January 25, 2008 and shown it as advance recoverable from the Trust. The company has adjusted ₹ 15.08 Crores from leave salary and pension contribution payable to the Trust, against amount recoverable in respect of the SVRS Optees who have expired or attained the age of superannuation till March 31, 2010.

On August 31, 2015, the Division Bench of Delhi High Court dismissed the Appeals filed by the GoNCTD/Pension Trust and directed constituting the Arbitral Tribunal.

DERC has approved the aforesaid retiral pension amount in its Annual Revenue Requirement (ARR) and the same has been charged to statement of profit and loss.

Both GoNCTD & Pension Trust have challenged the dismissal of their respective appeals by filing Special Leave Petitions no CC No. 11594/2016 and 18280/2016 before the Hon'ble Supreme Court of India. Both the SLPs came for hearing before the Hon'ble Supreme Court on January 02, 2017. wherein both the SLPs have been admitted. Thereafter matter was listed with Registrar on various dates, last date being December 18, 2019 when the Registrar has directed the matter to be listed before the Court. These SLPs will now come up for hearing on their turn, as and when listed by the Court.

k) Delhi Electricity Regulatory Commission (DERC) vide its letter dated December 3, 2009 directed all the Discoms to refund the unspent consumer contribution with interest @ 12% per annum from the date of completion of work as per Electrical Inspector's Certificate (EIC). The Licensee, aggrieved by the direction, submitted review Petition before DERC requesting to implement the principle of refunding the unspent consumer contribution prospectively as DERC itself has utilized the unspent consumer contribution as a means of finance in its various Tariff Orders.

DERC in its Interim Order dated August 23, 2012 directed the Discoms to refund the unutilized consumer contribution, scheme wise from F.Y. 2012-13 onwards to the consumers along with interest from the date of issuance of EIC. However, DERC vide its order dated March 11, 2014 observed that consumer contribution was considered as a means of finance by the Commission for the capital expenditure schemes in various Tariff Orders yet directed the licensee's to refund the unspent consumer contribution with interest @ 12% per annum from the date of completion of work as per EIC. The Licensee preferred an appeal before Appellate Tribunal for Electricity (ATE). The ATE, vide its judgment dated February 23, 2015 remanded the matter to DERC giving liberty to the Discoms to furnish the accounts showing that the excess amount of consumer's contribution has been duly considered in the ARRs from F.Y. 2002-03 onwards in reducing the retail supply tariffs. DERC in its order dated December 23, 2015 directed the Company to provide within the next two months the details of balance of consumer contribution in each case and from which date it has to be refunded and held that it would pass orders on refunds and recasting of the ARR's in the next tariff exercise. This has not happened so far. The Company had duly submitted such details to the DERC. Despite the previous orders, DERC vide letter dated January 12, 2017 directed Discoms (without allowing impact in ARR) to refund consumer contribution otherwise face penalty u/s-142 of Electricity Act, 2003. The Company challenged the aforesaid letter of DERC before ATE. In the judgment pronounced by APTEL on May 15, 2017 it has made it clear that the DERC should take into account the submissions made by the Discoms contending that since the entire amounts received by the Discoms against consumer contributions for capital works up to F.Y. 2006-07 had been considered as 'Means of Finance' by the DERC and therefore, the Commission cannot ask for the unutilized amounts to be refunded to the consumers without re-computing the ARR for those years. DERC was directed to comply with the earlier Judgment dated February 23, 2015. DERC filed a Civil Appeal before the Hon'ble Supreme Court of India against APTEL's judgment dated May 15, 2017. On maintainability, the said Appeal was dismissed in limine.

Despite all the above, DERC vide its order dated December 05, 2019, had again directed the Discoms to refund the balance of unspent/balance consumer contribution in respect of the capitalized assets to the respective consumers and file claim before DERC, which will be considered along with admissible consequential relief in future ARR. The said directions were to be complied within 2 months. The Company has preferred an Appeal before APTEL against the said directions of DERC in Appeal no. 34 of 2020. The APTEL was pleased to grant a stay against the direction of DERC for refund of such amount.

Therefore, pending the final order of APTEL, no interest has been provided in the books for unspent consumer contribution against deposits received till March 31, 2012. Since the period under dispute is between FY 2002-03 to FY 2011-12, the Company is refunding unspent consumer deposits pertaining to works executed against the deposits received after March 31, 2012 with interest.

l) (i) NDMC has sought to recover way leave charges from all service providers of services like Telecom, Water Supply etc. including the companies who are using the land / Property of NDMC whether underground or overhead to lay their cables including other electrical installation. NDMC has asked for payment of usage charges of ₹ 75,162/- per running meter up to 1 mtr. width, per annum..

The Company has informed NDMC that the imposition of license fees and way leave charges is misconceived and against the mandate of the transfer scheme. The matter was also raised with the Regulator and the GoNCTD..

DERC vide its letter dated November 16, 2015 has requested Secretary (Power), GoNCTD to take up the matter with NDMC to review the policy as imposition of aforesaid charges (license fee and way leave charges) would cost an additional burden on the power utilities which will result in increase in tariff..

NDMC revised the charges to ₹ 684/ - per meter(one time) in August 2016. The matter was brought to the knowledge of DERC and GoNCTD. GoNCTD has taken note of the same and has taken up the matter with NDMC in December 2016 stating that the proposed levy be withdrawn as it shall result in increasing tariff and create unnecessary burden on consumers. In the last co-ordination meeting held on February 03, 2017, it was agreed by NDMC to defer the demand / levy of way charges and allow the Discoms to carry out their work till the matter is sorted out.

NDMC vide letter dated June 18, 2020 has raised a demand of ₹ 1.16 Crores. The Company had filed a reply to NDMC on July 06, 2020 to withdraw the demand. But the NDMC has not withdrawn the demand, as per legal advice, the writ petition was filed before Delhi High Court.

On December 17, 2020 the Delhi High Court in a writ Petition (10508/2020) filed by BYPL, directed the NDMC to extend the reliefs as granted to Tata Power Delhi Distribution Ltd. i.e. the road cutting permissions will not be held up or delayed on account of non- payment of Way leave charges and the issue of way leave charges is subject to adjudication of the matter by the court. The matter was directed to be listed March 25, 2021. On this date NDMC has filed counter affidavit. Now the matter is listed on August 23, 2021.

On, December 07, 2020, Demand Letter No. D/EE (M-I)/CNZ/2020-21/652 issued by the Office of the Executive Engineer (M-I)/, Central Zone, SDMC. BYPL was directed to deposit Way Leave Charges amounting to ₹ 0.05 Crore @ ₹ 800 per meter.

On February 18, 2021, a letter was received by the Company from the Office of the Executive Engineer - M(IV) Shahdara, EDMC, demanding of way leave charge amounting to ₹ 0.03 Crore.

We are under legal advice to initiate legal action against the above said demands raised by EDMC & SDMC and interim orders are to be obtained on the similar lines as was done against NDMC on this issue as stated above.

(ii) Further, EDMC vide its letter dated December 31, 2015 had raised a demand on the Company for ₹ 133 Crores for the period starting from year 1994 till 2002 and ₹ 89 Crores for the period starting from year 2003 till December 31, 2015 aggregating to a total of ₹ 222 Crores approximately on account of rent for transformers installed on its land and subsequently has also issued Speaking Order dated February 19, 2016 in this regard.

BYPL filed a Writ petition no. 4676/2016 before Hon'ble High Court of Delhi where seeking direction for quashing the impugned Speaking Order dated February 19, 2016 and two letters both dated December 31, 2015. On May 19, 2016, Hon'ble court issued Notice to the Respondents and stayed demand raised by EDMC.

On May 08, 2018, Hon'ble Court adjourned the matter to October 23, 2018 with direction to DPCL for filing reply to the application filed by BYPL for impleadment of DPCL as a party. Pleadings in respect to the impleadment application have been completed and matter was listed for arguments on March 28, 2020. However, due to Covid -19 outbreak matter was listed on various dates but no effective hearing took place. Now as per roster order dated March 20, 2021 passed by High Court this matter is likely to be adjourned for June 01, 2021.

m) Based on the order dated August 10, 2015 of Hon'ble Supreme Court of India, in the case of Bombay Bar Association vs UOI & ORS, the Company had decided not to pay service tax under reverse charge on Lawyer's Fees w.e.f. October 2015. Accordingly, the Company had not deposited service tax on Lawyer's Fees under reverse charge for the period October 1, 2015 to June 30, 2017 amounting to ₹ 2.67 Crores. However, during the Financial Year 2018-19 an audit was conducted by the Service Tax Department during which the auditors had stated that Service Tax was applicable on these expenses under reverse charge and that the Company should deposit tax on the same forthwith. The Company reconsidered its stand on the matter and after detailed discussion with its professional consultant decided to deposit the Service Tax (without interest) under protest on Lawyer's Fees for the period October 1, 2015 to June 30, 2017 amounting to ₹ 2.67 Crores. The amount so paid has been shown as Service Tax receivable under the head 'Current Assets' in the books of account. Further, w.e.f July 01, 2017 GST has been implemented and Company is paying GST on the above under GST reverse charge mechanism.

n) **Late Payment Surcharge on Power Purchase Overdue**
Due to financial constraints, the company could not service dues of various Power Generators / Transmission companies on time. On account of such delays in payment, these Power Generators / Transmission companies are entitled to levy Late Payment Surcharge (LPSC) on the Company. The LPSC is recognized by the Company based on the allocation methodology as per Power Purchase Agreements (PPA), applicable regulations of CERC/DERC and / or reconciliation/ agreed terms with Power Generators / Transmission companies. There are differences in LPSC recognized in the books of account and LPSC as per some of the generators / transmitters. These differences, amounting to ₹ 1084.59 Crores (March 31, 2020 ₹ 637.89 Crores) are primarily on account of interpretation of applicable regulations of CERC/DERC or terms of PPA's where there are no defined payment allocation methodology.

o) In addition, the Company is subject to legal proceedings and claims, which have arisen in the ordinary course of business. The Company's management does not reasonably expect that these legal actions, when ultimately concluded and determined, will have a material and adverse effect on the Company's results of operations or financial condition.

Based on the interpretations of the provisions of the relevant statutes involved, the Company is of the view that the demands referred above are likely to be deleted or substantially reduced and penalty waived off by appellate authorities at higher levels and accordingly no further provision is required.

52 Legal Cases by the Company
The Company has a process of enforcement and booking cases of power theft to reduce AT&C losses and improve operational efficiency parameters. In pursuance of same and powers conferred under The Electricity Act, 2003, Company files cases in various legal forums for the recovery of dues from defaulters. The Company is hopeful of favourable outcome of such cases. However, the amount likely to be realized on settlement of such cases is currently not ascertainable. The Company does not expect any adverse impact on the financial position as a consequence of these legal cases. The Company has also taken insurance policy for electrocution cases. Any order of the Court directing Company to pay compensation is reimbursable by the Insurance Company.

53 NTPC and Other Generators Dues

The Company had received a notice from NTPC Limited on February 01, 2014 for regulation (suspension) of power supply due to delay in power purchase payments. The Company has filed a petition in the Hon'ble Supreme Court praying for keeping the regulation notice in abeyance, giving suitable direction to DERC to provide cost reflective tariff and to give a roadmap for liquidation of the accumulated Regulatory Assets. In the Interim Order dated March 26, 2014 & May 06, 2014 the Hon'ble Supreme Court had directed the Company to pay its current dues (w.e.f. January 01, 2014) by May 31, 2014 failing which the generating / transmission Companies may regulate supply. On July 03, 2014 the court took note that Company paid 100% payment of its current dues. All contentions and disputes were kept open to be considered later. Further, direction was made to pay the recurring amount as per earlier orders dated March 26, 2014 & May 06, 2014. In the meantime, an application has been filed before Hon'ble Supreme Court seeking modification of aforesaid orders so as to allow the Company to pay 70% of the current dues. All arguments were concluded on February 18 & 19, 2015.

Delhi Power Utilities had filed contempt case in January, 2015 against Senior Officials of the Company alleging non compliance of the Supreme Court order regarding payment of the dues. No notice has been issued so far, however, on an interim application filed by them praying for payment of outstanding dues, notice was issued in December, 2015. Thereafter, the matter was listed on various dates but was simply adjourned. However, on May 12, 2016, the Court directed the Company to pay 70% of the current dues till further orders. New contempt petitions have been filed by Delhi Power Utilities in November, 2016 alleging non compliance of order dated May 12, 2016. No notice has been issued so far. Thereafter, the matter was listed on various dates. In the last hearing on May 02, 2018, the Hon'ble Judge did not pronounce the judgement. Since then, both the Judges have retired. The matter shall be re-heard before another Bench. However, on April 11, 2019 new interim applications have been filed by Indraprastha Power Generation Company Limited (IPGCL) and Pragati Power Corporation Limited (PPCL) in pending contempt petitions of 2015 alleging non compliance of Supreme Court order regarding payment of current dues.

On November 28, 2019, Counsel for Delhi Power Utilities requested for early hearing of the Contempt Petitions. This matter along with, earlier Writ Petitions were listed for hearing on January 07, 2020 before the Hon'ble Court. The Hon'ble Court on the request of the Company directed that, all connected matters be tagged with the Writ and Contempt Petitions and the matters be listed in the month of March 2020.

However, as the matters did not get listed, an application for early hearing of appeals was filed and listed before Supreme Court on July 17, 2020 along with Writ Petition 104-05/2014. The Supreme Court directed to list the Appeals along with the connected matters in the month of December 2020. As the matters did not get listed till Feb 2021, another application has been filed for early hearing in March, 2021. The matter was mentioned before the Hon'ble Supreme Court on 19th April, 2021 and the court has directed for listing of application in July, 2021.

54 CAG Audit

Pursuant to the letter dated January 07, 2014 by Department of Power (GoNCTD), the Comptroller and Auditor General of India (CAG) commenced audit of all the three Electricity Distribution Companies of Delhi w.e.f. January 27, 2014. The Company has filed a writ petition in the Hon'ble High Court praying for staying the said audit, however, the said prayer has been declined by the Court. The Company has filed an appeal before the Division Bench of High Court against the said Order. Both writ petition and appeal have been tagged together along with PIL (Public Interest Litigation) filed by United Resident Welfare Association (URWA) on the same matter. All arguments were concluded on March 04, 2015.

During August / September, 2015, the Company filed interim applications in aforesaid appeals requesting for directions to CAG to not share the draft audit report with any third party and the same cannot be cited or acted upon in any manner whatsoever.CAG counsel submitted that they will take no action on the basis of the same. Further, consolidated draft report of all Discoms was furnished by CAG to BSES Discoms pursuant to direction of the Court.

Another set of applications were filed seeking breakup of alleged loss etc. as stated in draft audit report and stay on Exit Conference. The same were listed on October 01, 2015.The Court did not grant any stay on holding of Exit Conference and stated that the replies be submitted on whatever material is available to BSES Discoms and seek additional details in the Exit Conference and apprise the court on the next date of hearing i.e. October 15, 2015.

On October 15, 2015, the Company apprised the court that 1,412 pages have been provided for the first time at the Exit Conference held on October 14, 2015 and time is required to respond for the same.CAG counsel stated that this information has been shared in the past during the Audit process and therefore it is not a new information. The Court, after hearing the parties, recorded the submission and said that similar matter in the case of Tata Power Delhi Distribution Limited (TPDDL) is coming up on October 30, 2015. These applications along with the matter would be listed along with Writ on October 30, 2015.

The Court has also granted the time to the Company till October 30, 2015 to respond to the documents provided at the Exit Conference, if it so desires.

The matter was listed for October 30, 2015 and Hon'ble High Court has pronounced its judgement wherein Hon'ble High Court has concluded with "directions to set aside all actions taken pursuant to the January 07, 2014 order and all acts undertaken in pursuance thereof are infructuous".

CAG, GoNCTD and URWA have filed appeals in Supreme Court against the Hon'ble High Court judgement and the matter was listed on January 18, 2016 wherein notices were issued. BSES Discoms have submitted their replies. Matter was listed on July 25, 2016 and the Court directed the parties to complete the pleadings. The case was slated to be heard on October 19, 2016 but it did not figure in the cause list, hence, did not get listed on that date. It was heard on December 07, 2016 when parties were given further four weeks to complete the pleadings. Matter was listed on various dates in February / March 2017, last hearing being on March 09, 2017, when the Court had reserved its order on the issue whether it would like to hear the matter after the decision in the Constitution Bench matter or refer it to the constitutional bench where matter between GoNCTD powers vis-a-vis LG powers is pending. On July 03, 2017 the Bench opined that the instant appeals need not be referred to the Constitution Bench and adjudication of the appeals should not await the outcome of the decision of the Constitution Bench. In terms of the signed order, appeals were directed to be listed for hearing on merits. Next date of hearing is not yet fixed.

55 Operating Segments

The Company is engaged in the business of distribution and supply of electricity in the specified area in Delhi. Chief Operating Decision Maker (CODM) reviews the business as one operating Segment only. Therefore, Segmental disclosure as required by Ind AS 108 "Operating Segments" is not applicable.

There is no individual customer contributing more than 10 % of revenue. The company operates in certain areas of Delhi as per license issued by DERC and hold assets at one geographical area i.e. Delhi. The Company does not derive revenue from foreign countries on account of distribution business. The Company does not hold any non current asset in foreign country.

56 Service tax/ GST on Street Light Maintenance

The Company raises bills for Street Light Maintenance on the Municipal Corporation of Delhi (MCD) along-with the applicable service tax (till June 30, 2017) and GST thereafter (in line with provisions of notification Nos. 24/2017-Central Tax (Rate) (CT(R)) dated September 21, 2017 and 2/2018- CT (R) dated January 25, 2018). MCD has been split into South Delhi Municipal Corporation (SDMC), North Delhi Municipal Corporation (NDMC) & East Delhi Municipal Corporation (EDMC) based on their area of functionality in the different parts of Delhi. However, MCD is not adhering to its statutory obligation to bear the Service Tax/GST and has not been paying the Service Tax/GST component of the bills. Aggrieved by the actions of the MCD, the Company had filed a writ petition before the Delhi High Court on August 24, 2009 seeking directions against MCD for recovery of the service tax dues. The total amount of Service Tax claimed in the writ petition for the period from June 16, 2005 to June 30, 2009 was ₹ 3.24 Crores which is still pending adjudication and the total amount of Service Tax/GST recoverable from MCD in this regard is ₹ 12.30 Crores as on March 31, 2021 (Year ended March 31, 2020 ₹ 12.30 Crores) . The three Municipal Corporations (MCDs) have been impleaded in the Writ Petition. On April 03, 2018, the three MCDs were directed to file their respective Counter Affidavits. NDMC and SDMC have filed their Counter Affidavits against which the Company has filed its Rejoinders. EDMC has not filed its Counter Affidavit. In January, 2020, the Central Board of Indirect Taxes filed an Affidavit stating that street light maintenance is not exempted from Service Tax. The next date of hearing has been fixed for July 14, 2021.

57 Applicability of GST on Distribution Utilities Circular No 34/08/2018

The Govt. of India, Ministery of Finance, Department of revenue, Tax research Unit (TRU) has issued a circular bearing no. 34/08/2018 dated March 01, 2018 clarifying therein that some of the activities carried out by Discoms are chargeable to GST which is contrary to the spirit of law as the transmission and distribution of electricity has all along been a non taxable service. Therefore the Company along with other Discoms had filed a writ petition before the Delhi High Court to quash this circular and challenged the levy of GST on such services which are necessary adjunct of Distribution of electricity. Meanwhile, in a major development, the Gujarat High Court, in the case of Torrent Power Ltd., has struck down the above mentioned provisions of the Circular 34/08/2018 holding it as ultra vires the provisions of section 8 of the Central Goods and Service tax Act, 2017 as well as Notification No. 12/2017-CT (R) serial no. 25. The Department has filed an appeal before the Hon'ble Supreme Court against the said judgement of the Gujarat High Court. Since, the issues which will be adjudicated upon by the Hon'ble Supreme Court in Torrent's matter are similar to those which had been raised by the Company before the Hon'ble High Court of Delhi, therefore the Company filed a transfer petition before the Hon'ble Supreme Court seeking transfer of the matter from the Delhi High Court to the Supreme Court of India in terms of Article 139A of the Constitution of India and Order XLI of the Supreme Court Rules, 2013. On November 18, 2019 Supreme Court has issued notice on the Transfer Petition and it was tagged with Civil Appeal No. 6278/2019 in the case of Torrent Power Ltd. The Petition along with Civil Appeal 6278/2019 will now come up for hearing on their turn as and when listed by the court.. Further the Company has decided that till the matter is decided by Hon'ble Supreme Court, it will continue to charge GST in respect of these services and deposit the tax so collected with the authorities under protest.

58 Pension Trust Surcharge

As per DERC directives in the Tariff order dated August 28, 2020, a surcharge of 5.00% has been allowed w.e.f September 01, 2020 (earlier rate 3.80% w.e.f. April 01, 2018 and 3.70% w.e.f. September 01, 2017) towards recovery of Pension Trust surcharge of erstwhile DVB Employees/Pensioners as recommended by GoNCTD. Accordingly the Company is billing to the consumers and collecting the same from the consumers for onward payment to the Pension Trust on monthly basis. There was an under recovery of ₹ 22.60 Crores from consumers in FY 17-18 towards Pension Trust Surcharge based on the DERC directives in the Tariff Order dated August 31, 2017 on collection basis. In Tariff Order dated July 31, 2019 DERC while undertaking the true-up of FY 2017-18, has directed the Company to pay the balance amount of ₹ 22.60 Crores to Pension Trust within 30 days. The Company has challenged this directive in the Appeal which stands admitted as Appeal No. 105 of 2020. Without prejudice to the same, the Company has paid the amount of ₹ 22.60 Crores during FY 2019-20 which is not yet allowed by DERC. However, in the Tariff Order dated August 28, 2020 DERC has levied penalty of ₹ 1.14 Crores on account of the alleged delay beyond 30 days. The Company has challenged the incorrect levy of penalty in the Appeal bearing DFR No. 43 of 2021 filed on February 03, 2021 and has accordingly not considered any accounting adjustment in the books of accounts.

59 DERC vide its order dated September 18, 2019 has imposed a penalty under Sec-142 of Electricity Act 2003. The total amount of penalty till March 31, 2021 is ₹ 3.72 Crore on account of non-compliance of RPO for FY 2012-13 to FY 2014-15. This penalty will increase at the rate ₹ 5,000/- per day. Therefore, the total amount for non-compliance from FY 2012-13 to FY 2020-21 is ₹ 6.28 Crore. However the order dated September 18, 2019 has been challenged in the APTEL in Appeal No. 397 of 2019 and APTEL has directed DERC not to take any coercive steps till the matter is pending. The next date of hearing is August 12, 2021.

60 Disclosure under the Micro, Small and Medium Enterprises Development Act, 2006 (MSMED) :

(Amount in ₹ Crores)

S No	Particulars	2020-21	2019-20
a	the principal amount along with the interest due thereon remaining unpaid to any supplier at the end of each accounting year;	22.33	29.78
b	the amount of interest paid by the buyer in terms of section 16 of the Micro, Small and Medium Enterprises Development Act, 2006 (27 of 2006), along with the amount of the payment made to the suppliers beyond the appointed day during each accounting year;	Nil	Nil
c	the amount of interest due and payable for the period of delay in making payment (which has been paid but beyond the appointed day during the year) but without adding the interest specified under the Micro, Small and Medium Enterprises Development Act, 2006;	Nil	Nil
d	the amount of interest accrued and remaining unpaid at the end of each accounting year; and	Nil	Nil
e	the amount of further interest remaining due and payable even in the succeeding years, until such date when the interest dues above are actually paid to the small enterprise, for the purpose of disallowance of a deductible expenditure under section 23 of the Micro, Small and Medium Enterprises Development Act, 2006.	Nil	Nil

61 Switching under new tax regime u/s 115BAA of the Income Tax Act, 1961

A new section 115BAA has been inserted in the Income Tax Act with effect from Financial Year (FY) 2019-20. Section 115BAA allows every domestic company to avail an option to pay Income-tax at the rate of 22% (effective tax rate is 25.17% including surcharge and cess), subject to certain specified conditions. If the Company exercises the option to switch to pay tax u/s 115BAA, MAT will not be applicable to it. However, once the option is exercised, the Company cannot subsequently opt out from it. The Company has carried out the detailed analysis for switching over to section 115BAA and is of the view that since the company is presently not availing any deductions under the existing tax regime and due to the availability of substantial brought forward losses and unabsorbed depreciation, it will be beneficial to shift to the new tax regime u/s 115BAA. In view of the above, the Company has decided to avail the option to switch over to the new tax regime u/s 115BAA w.e.f. FY 2019-20.

62 Impact of COVID -19 pandemic

The Company has considered the possible effects that may result from the pandemic relating to Covid-19 in preparation of these financial statements, including but not limited to its assessment of, its business operations, demand for its products/services, profitability, capital and financial resources, assets, ability to service debt arrangements, liquidity and going concern assumptions.

The recent lockdown announced in Delhi, which is continuing as on the date of reporting of these financial statements, may impact the demand of electricity and also the consumer's ability to pay and hence the receivables and collection part would also get impacted. However, on a long term basis, the Company does not anticipate any major challenge in meeting its financial obligations. Further, being a rate regulated business having assured returns, deficit in revenue, if any, would be allowed by the regulatory authority as recoverable from future tariffs.

The Company has made aforesaid evaluation based on projections and estimations considering the external as well as internal information presently available and has concluded that there is no material impact on the Company's financial statements.

The impact of COVID-19 remains uncertain and may be different from what we have estimated as on the date of approval of these financial statements since the duration and extent of spread of Covid-19 in future cannot be predicted with certainty.

Notes to Financial Statements for the Year Ended March 31, 2021 Amount in ₹ Crores

63 Disclosure under Ind AS-19 "Employee Benefits"

The Company has classified various employee benefits as under:

a) Defined contribution plans

i.) Employees Provident fund

ii.) Superannuation fund

iii.) Pension and Leave Salary Contribution

Regular Employees i.e. other than from Erstwhile DVB Employees

The provident fund (including Family Pension Contribution) for 'regular' employees is deposited with the Regional Provident Fund Commissioner. The Superannuation fund contribution for 'regular' employees is deposited with the Trustees of the "BSES Yamuna Power Ltd Employees Superannuation Scheme" which is recognised by the Income Tax Authorities. Contribution to National Pension System (NPS) is voluntary for 'regular' employees and the same is deposited with HDFC Standard Life Insurance.

Erstwhile DVB Employees

Pension contribution and leave salary contributions applicable to erstwhile DVB employees, are paid to the DVB ETBF – 2002 Trust as per FRSR rules.

The Company has recognised the following amounts in the Statement of Profit and Loss for the year: (Refer Note 39)

S.NO	Particulars	March 31, 2021	March 31, 2020
a	Contribution to Provident Fund	3.29	3.22
b	Contribution to Employee's Superannuation Fund	0.55	0.56
c	Contribution to Pension, NPS and Leave Salary	56.45	29.87
	Total	60.29	33.65

b Defined benefit plans

i.) Gratuity

ii.) Leave encashment

Gratuity is payable to eligible employees as per the Company's policy and amount is paid as per the provisions of the Payment of Gratuity Act,1972. The Company makes contribution to Gratuity Fund (BSES Yamuna Power Limited Employees Group Gratuity Assurance Scheme) which is recognized by Income Tax authorities. The Trust has taken a group policy with ICICI Prudential Life Insurance Co. Ltd., SBI Life Insurance Company Ltd., Bajaj Allianz, India First Life Insurance, HDFC Standard Life Insurance and Reliance Nippon Life Insurance Company Ltd. to meets its obligation towards gratuity.

Earned leave and sick leave are payable to eligible employees who have accumulated leaves, during the employment and/or on separation as per the Company's policy.

Liability with respect to the gratuity, leave encashment and sick leave is determined based on an actuarial valuation done by an independent actuary at the year end and any differential between the fund amount and the actuarial valuation is charged to Statement of Profit and Loss .

Actuarial gains and losses comprise experience adjustments and the effects of changes in actuarial assumptions and are recognized immediately in the Statement of Profit and Loss as income or expense.

Principle Actuarial assumption at the Balance sheet date

S.NO	Particulars	March 31, 2021	March 31, 2020
a	Discount Rate (per annum)	6.30%-6.81%	6.54%-6.80%
b	Rate of increase in Compensation Levels	6.00%-11.00%	6.00%-10.00%
c	Expected rate of return on Plan Asset (in case of Gratuity)	6.38%	5.24%
d	Retirement age	58 - 60 Years	
e	Mortality Table	100% IALM(2012-14)	100% IALM(2012-14)
f	Average withdrawal rate	Withdrawal Rate	Withdrawal Rate
	a) Upto 30 Years	1%	1%
	b) From 31 to 44 Years	1%	1%
	c) Above 44 Years	0%	1%

The discount rate has been assumed at 6.30% to 6.81% p.a. (Previous year 6.54% to 6.80% p.a.) which is determined by reference to market yield at the balance sheet date on government securities for the remaining life of employees. The estimates of future salary increases, considered in actuarial valuation, take account of inflation, seniority, promotion and other relevant factors, such as supply and demand in the employment market on long term basis.

I) Changes in the present value of obligation

S.NO	Particulars	Year ended March 31, 2021		Year ended March 31, 2020	
		Leave Encashment	Gratuity (Funded)	Leave Encashment	Gratuity (Funded)
a	Present Value of Obligation as at the beginning of the year	55.39	45.92	54.61	34.99
b	Acquisition Adjustment	-	0.28	-	0.57
c	Interest Cost	3.70	3.12	4.14	2.68
d	Past Service Cost	-	-	-	-
e	Current Service Cost	2.51	4.54	3.76	3.76
f	Contribution by Plan Participants	-	-	-	-
g	Curtailment Cost/(Credit)	-	-	-	-
h	Settlement Cost/(Credit)	-	-	-	-
i	Benefit Paid	(2.37)	(0.57)	(4.99)	(1.35)
j	Actuarial (Gains)/Loss	(14.77)	5.52	(2.13)	5.27
k	Present Value of Obligation as at the end of the year	44.46	58.81	55.39	45.92
	Current Liability	2.70	2.25	3.88	1.79
	Non Current Liability	41.76	56.56	51.51	44.13
	Total	44.46	58.81	55.39	45.92

Notes to Financial Statements for the Year Ended March 31, 2021 Amount in ₹ Crores

ii) Changes in the Fair value of Plan Assets

S.NO	Particulars	Year ended March 31, 2021		Year ended March 31, 2020	
		Leave Encashment	Gratuity (Funded)	Leave Encashment	Gratuity (Funded)
a	Present Value of Plan Asset as at the beginning of the year	-	36.28	-	25.38
b	Acquisition Adjustment	-		-	
c	Expected Return on Plan Assets	-	2.47	-	1.94
d	Actuarial Gain/(Loss)	-	0.39	-	0.13
e	Fund transfer from others company		0.28		0.57
f	Employers Contribution	-	9.65	-	9.61
g	Employees Contribution	-	-	-	-
h	Benefit Paid	-	(0.58)	-	(1.35)
i	Fair Value of Plan Assets as at the end of the year	-	48.49	-	36.28

iii) Percentage of each Category of plan Assets to total Fair Value of Plan Assets as at the end of the year

S.NO	Particulars	Year ended March 31, 2021		Year ended March 31, 2020	
		Leave Encashment	Gratuity (Funded)	Leave Encashment	Gratuity (Funded)
a	Funds managed by Insurer	-	100%	-	100%

iv) Reconciliation of the Present Value of Defined Benefit Obligation and the Fair Value of Assets

S.NO	Particulars	Year ended March 31, 2021		Year ended March 31, 2020	
		Leave Encashment	Gratuity (Funded)	Leave Encashment	Gratuity (Funded)
a	Present Value of Funded Obligation as at the end of the year	-	58.81	-	45.92
b	Fair Value of Plan Assets as at the end of the year	-	48.49	-	36.28
c	Funded (Asset)/Liability recognised in the Balance Sheet	-	10.32	-	9.64
d	Present Value of Unfunded Obligation as at the end of the year	44.46	-	55.39	-
e	Unfunded Net Liability Recognised in the Balance Sheet	44.46	-	55.39	-

v) Expenses recognised in the Statement of Profit and Loss Account

S.NO	Particulars	Year ended March 31, 2021		Year ended March 31, 2020	
		Leave Encashment	Gratuity (Funded)	Leave Encashment	Gratuity (Funded)
a	Current Service Cost	2.51	4.54	3.76	3.76
b	Past Service Cost		-		-
c	Acquisition Adjustment		-		-
d	Interest Cost	3.70	3.12	4.14	2.68
e	Expected Return on Plan Assets	-	(2.47)	-	(1.94)
f	Curtailment Cost/(Credit)	-	-	-	-
g	Settlement Cost/(Credit)	-	-	-	-
h	Benefit Paid	-	-	-	-
i	Net actuarial (Gains)/Loss	(14.77)	-	(2.13)	-
j	Employees Contribution	-	-	-	-
k	Total Expenses recognised in the Profit and Loss Account	(8.56)	5.19	5.77	4.50

vi) Other Comprehensive Income (OCI)

S.NO.	Particulars	Gratuity (Funded) March 31, 2021	Gratuity (Funded) March 31, 2020
1	Net cumulative unrecognized actuarial gain/(loss) opening	(16.49)	(11.35)
2	Actuarial gain / (loss) for the year on PBO	(5.52)	(5.27)
3	Actuarial gain /(loss) for the year on Asset	0.39	0.13
4	Unrecognized actuarial gain/(loss) at the end of the year	(21.62)	(16.49)

vii) Experience Adjustment

S.NO.	Particulars	Year ended March 31, 2021		Year ended March 31, 2020	
		Leave Encashment	Gratuity (Funded)	Leave Encashment	Gratuity (Funded)
(i)	On Plan liabilities (Gain)/ Loss	(7.45)	1.53	(10.41)	(1.29)
(ii)	On Plan Assets (Gain)/ Loss	-	(0.39)	-	(0.13)
(iii)	Expected Employer Contribution for the next year	4.24	5.09	7.28	4.28

viii) Maturity Profile of Defined Benefit Obligation

S.No.	Year	Year ended March 31, 2021		Year ended March 31, 2020	
		Leave Encashment	Gratuity (Funded)	Leave Encashment	Gratuity (Funded)
a	0 to 1 Year	2.30	2.26	3.47	1.80
b	1 to 2 Year	0.23	1.04	3.81	1.01
c	2 to 3 Year	0.29	1.49	3.82	0.86
d	3 to 4 Year	0.27	1.63	4.12	1.27
e	4 to 5 Year	0.12	0.97	3.96	1.33
f	5 to 6 Year	0.16	1.06	3.62	0.73
g	6 Year onwards	11.79	50.37	8.11	38.93

Notes to Financial Statements for the Year Ended March 31, 2021 Amount in ₹ Crores

ix) Sensitivity Analysis of the Defined Benefit Obligation

S No	Particulars	Gratuity(Funded)	Leave Encashment
		2020-21	
1	Impact of change in discount rate		
	Present Value of obligation at the end of the year	58.81	44.46
	a) Impact due to increase of 0.50%	(2.01)	(2.52)
	b) Impact due to decrease of 0.50%	2.04	2.42
2	Impact of change in Salary rate		
	Present Value of obligation at the end of the year	58.81	44.46
	a) Impact due to increase of 0.50%	2.04	1.22
	b) Impact due to decrease of 0.50%	(2.05)	(1.28)

Description of Risk Exposures :

Valuations are based on certain assumptions, which are dynamic in nature and vary over time. As such company is exposed to various risks as follow -

A) Salary Increases- Actual salary increases will increase the Plan's liability. Increase in salary increase rate assumption in future valuations will also increase the liability.

B) Investment Risk – If Plan is funded then assets liabilities mismatch & actual investment return on assets lower than the discount rate assumed at the last valuation date can impact the liability.

C) Discount Rate - Reduction in discount rate in subsequent valuations can increase the plan's liability.

D) Mortality & disability – Actual deaths & disability cases proving lower or higher than assumed in the valuation can impact the liabilities.

E) Withdrawals – Actual withdrawals proving higher or lower than assumed withdrawals and change of withdrawal rates at subsequent valuations can impact Plan's liability.

BSES Yamuna Power Limited
Notes to Financial Statements for the Year Ended March 31, 2021

64 Category Wise Details of Revenue Billed and Revenue Collected During the Year 2020-21 and 2019-20 in compliance to Directive 6.10(I) specified in DERC Tariff Order Dated July 31, 2019 and August 28, 2020 are given in tables below:

(A) Financial Year 2020-21		REVENUE BILLED														
		Energy Sales	**Fixed Charges**	**Energy Charges**	**Other Charges**	**PPAC**	**RA Surcharge (Fixed)**	**RA Surcharge (Energy)**	**Pension Trust Surcharge (Fixed)**	**Pension Trust Surcharge (Energy)**	**Peak Surcharge**	**Off Peak Rebate**	**Subsidy**	**Electricity Tax**	**Total Revenue (Billed) Excl. Subsidy**	**Total Collection**
S. No	**Particulars**	MU	₹ Crs	₹ Crs	₹ Crs	₹ Crs	₹ Crs	₹ Crs	₹ Crs	₹ Crs	₹ Crs	₹ Crs	₹ Crs	₹ Crs	₹ Crs	₹ Crs
1	Domestic	3,963.33	184.64	1,582.08	(1.87)	151.84	14.77	126.46	8.24	68.18	-	-	824.23	91.92	2,226.26	1,425.40
2	Non - Domestic	1,221.16	473.86	1,035.43	(2.09)	136.12	37.95	82.53	21.36	46.50	10.75	(9.03)	0.50	58.84	1,892.22	1,912.65
3	Industrial	318.32	65.45	261.42	(0.84)	29.81	5.35	22.31	3.01	12.71	4.93	(3.71)	-	14.85	415.29	411.29
4	Agriculture & Mushroom Cultivation	0.27	0.05	0.05	0.00	0.01	0.00	0.00	0.00	0.00	-	-	0.03	0.00	0.11	0.07
5	Public Utilities (Public Lighting & DJB)	215.38	33.39	147.62	(2.51)	15.93	2.67	11.54	1.47	6.40	0.60	(1.18)	-	6.95	222.88	212.14
6	DIAL-Delhi International Airport Limited														-	
7	Railway Traction(Other than DMRC)														-	
8	DMRC-Delhi Metro Rail Corporation	69.50	11.17	43.49	(1.68)	4.97	1.58	5.80	0.88	3.47	0.50	(0.35)	-	-	69.83	71.83
9	Temporary (Refer Note D)	46.63	9.74	41.87	0.25	4.61	0.78	3.31	0.44	1.86	0.21	(0.21)	-	2.42	65.28	-
10	Advertisement & Hoardings	0.03	0.02	0.02	(0.02)	0.00	0.00	0.00	0.00	0.00	-	-	-	0.00	0.02	0.62
11	Self Consumption	8.59	(0.08)	(0.15)	0.04	(0.01)	(0.00)	(0.01)	0.00	(0.01)	0.14	(0.13)	-	(0.01)	(0.22)	
12	Enforcement	9.30	-	13.94	-	-	(0.00)	0.47	(0.00)	0.27	-	-	-	0.54	15.22	15.80
13	Charging Points for E-Rickshaw/Vehicle	13.05	(0.00)	5.87	(0.02)	0.56	-	0.94	-	0.36	-	-	-	0.35	8.06	8.18
	Sub Total	**5,865.56**	**778.24**	**3,131.64**	**(8.74)**	**343.84**	**63.10**	**253.35**	**35.40**	**139.74**	**17.13**	**(14.61)**	**824.76**	**175.86**	**4,914.95**	**4,057.98**
	Add (Deemed Collection):															
	SD Interest															38.28
	Adjustment of recoverable job deposit															16.36
	Subsidy															824.76
	Legal Claims															0.01
	SD Released															17.49
	Amount credited to Net Metering Consumers															1.19
	Rebate for Early Bill Payment & Self Reading															0.82
	Grand Total														**4,914.95**	**4,956.89**

Note:

(A) Net Metering Sales and amount collected are not considered based on Treatment of Net Metering sales by DERC in its Tariff Order dated 28.08.2020.

(B) The collection figure of ₹ 4956.89 Crores include the following:

1. ₹ 21.83 Crores & ₹ 0.02 Crore collected towards Late Payment Surcharge on account of Normal cases & Enforcement cases respectively and ₹ 174.91 Crores & ₹ 0.54 Crore collected towards Electricity Duty on account of normal cases & Enforcement cases respectively.

2. ₹ 314.43 Crores & ₹ 0.94 Crore collected towards RA surcharge for recovery of past accumulated deficit on account of Normal Cases & Enforcement cases respectively, and ₹ 172.22 Crores & ₹ 0.36 Crore towards Pension trust Surcharge approved by DERC vide its tariff order dated August 31, 2017.

(C) The collection figures mentioned above exclude the following:

1. Collection made on account of bulk sale of power i.e. trading energy.
2. Collection from consumers on account of non- energy collection.

(D) Collection against temporary connections is included in respective category of consumer.

(E) Total energy billed of 5865.57 MUs mentioned above includes 9.30 MUs billed against enforcement obtained on 2 ABR (twice of average billing rate) basis as per Hon'ble APTEL's judgement rendered in Appeal 61 & 62 of 2012.

(B) Financial Year 2019-20		REVENUE BILLED														
		Energy Sales	Fixed Charges	Energy Charges	Other Charges	PPAC	RA Surcharge (Fixed)	RA Surcharge (Energy)	Pension Trust Surcharge (Fixed)	Pension Trust Surcharge (Energy)	Peak Surcharge	Off Peak Rebate	Subsidy	Electricity Tax	Total Revenue (Billed) Excl. Subsidy	Total Collection
S. No	Particulars	MU	₹ Crs	₹ Crs	₹ Crs	₹ Crs	₹ Crs	₹ Crs	₹ Crs	₹ Crs	₹ Crs	₹ Crs	₹ Crs	₹ Crs	₹ Crs	₹ Crs
1	Domestic	4,057.24	298.06	1,655.83	(2.50)	80.22	23.85	132.27	11.32	62.83	-	-	656.57	92.40	2,354.29	1,716.26
2	Non - Domestic	1,736.70	519.34	1,464.26	(3.07)	79.80	41.56	117.20	19.72	55.64	22.01	(14.13)	0.44	79.87	2,382.21	2,328.19
3	Industrial	372.89	68.80	302.15	(1.23)	14.73	5.56	25.14	2.64	11.94	8.71	(4.77)	-	16.43	450.10	435.27
4	Agriculture & Mushroom Cultivation	0.22	0.04	0.04	0.00	0.00	0.00	0.00	0.00	0.00	-	-	0.06	0.00	0.09	0.04
5	Public Utilities (Public Lighting & DJB)	242.14	36.12	161.28	(2.34)	7.86	2.88	12.65	1.37	5.85	0.81	(1.35)	-	6.50	231.62	214.40
6	DIAL-Delhi International Airport Limited														-	
7	Railway Traction(Other than DMRC)														-	
8	DMRC-Delhi Metro Rail Corporation	150.36	13.98	90.13	(3.12)	4.00	1.39	11.03	0.66	5.24	7.24	(1.81)	-	-	128.75	130.03
9	Temporary (Refer Note D)	52.20	10.26	47.10	0.32	2.26	0.82	3.73	0.39	1.77	0.25	(0.18)	-	2.60	69.32	(0.00)
10	Advertisement & Hoardings	0.04	0.02	0.03	0.00	0.00	0.00	0.00	0.00	0.00	-	-	-	0.00	0.05	0.93
11	Self Consumption	13.29	(0.01)	0.09	0.02	0.01	0.00	0.01	0.00	0.00	0.22	(0.16)	-	0.01	0.20	-
12	Enforcement	13.31	-	19.53	-	-	-	1.34		0.38	-	-	-	0.75	22.00	22.03
13	Net Metering Units (Grossed up)	3.07	-	1.31	-	-	-				-	-	-	-	1.31	
14	Charging Points for E-Rickshaw/Vehicle	16.15	-	7.76	-	0.30	-	0.62	-	0.29	-	-	-	0.43	9.40	10.09
	Sub Total	**6,657.60**	**946.61**	**3,749.51**	**(11.93)**	**189.18**	**76.06**	**304.01**	**36.11**	**143.96**	**39.24**	**(22.40)**	**657.07**	**198.99**	**5,649.35**	**4,857.24**
	Add (Deemed Collection):															
	SD Interest															40.76
	Adjustment of recoverable job deposit															4.82
	Subsidy															657.07
	Legal Claims															0.00
	SD Released															25.17
	Amount credited to Net Metering Consumers															0.46
	Amount of Sales Grossed up for Net Metering consumers															1.31
	SLD Adjustment against energy bills															0.36
	Grand Total														**5,649.35**	**5,587.19**

Note:

(A) Net Metering Units grossed up in sales & collection:

1. According to Delhi Electricity Regulatory Commission (Net Metering for Renewable Energy) Regulations, 2014, during any billing cycle, the distribution licensee shall raise invoice for the net electricity consumption, as per applicable tariff, only after adjusting / netting off of the units injected by net metering consumers during the month & unadjusted energy credits of the previous billing cycle(s). Therefore such units adjusted at the time of billing during the financial year has been grossed up to arrive at the total sales made through BYPL's distribution system.

2. Electriciy Tax on this sales amount is already included in the respective category being recoverable from the consumer.

(B) The collection figure of ₹ 5587.19 Crores include the following:

1. ₹ 16.52 Crores & ₹ 0.03 Crore collected towards Late Payment Surcharge on account of Normal cases & Enforcement cases respectively and ₹ 195.97 Crores & ₹ 0.75 Crore collected towards Electricity Duty on account of normal cases & Enforcement cases respectively.

2. ₹ 375.30 Crores & ₹ 1.34 Crores collected towards RA surcharge for recovery of past accumulated deficit on account of Normal Cases & Enforcement cases respectively, and ₹ 177.78 Crores & ₹ 0.38 Crore towards Pension trust Surcharge approved by DERC vide its tariff order dated August 31, 2017.

(C) The collection figures mentioned above exclude the following:
1. Collection made on account of bulk sale of power i.e. trading energy.
2. Collection from consumers on account of non- energy collection.

(D) Collection against temporary connections is included in respective category of consumer.

(E)Total energy billed of 6657.62 MUs mentioned above includes 13.31 MUs billed against enforcement obtained on 2 ABR (twice of average billing rate) basis as per Hon'ble APTEL's judgement rendered in Appeal 61 & 62 of 2012.

BSES Yamuna Power Limited
Notes to Financial Statements for the Year Ended March 31, 2021

65 Quantitative Information :

(In Kwh million Units)

S.No.	Particulars	2020-21	2019-20
a	Purchase of Energy (Including UI Trading Units and Barter Exchange of Power)	7609 #	8126 #
b	Sale of Energy		
	Retail Sale		
	-Billed Units	5872 ##	6658 ##
	-Unbilled Units (Net) (Refer Table Below)	-28	-54
	-Bulk Sale excluding Barter Exchange of Power	947 #	687 #

\# Provisional data subject to finalisation by SLDC including net metering.
\## Billed units include Net metering and theft units.

(In Kwh million Units)

S No	Particulars	2020-21	2019-20
a	Closing Unbilled Units	135	163
b	Opening Unbilled Units	163	217
	Unbilled Units (Net) For The Year	-28	-54

Notes 1 to 65 form an integral part of the Financial Statements.

For and on behalf of the Board of Directors

As per our report of even date

For Ravi Rajan & Co. LLP
Chartered Accountants
ICAI Firm Registration No. 009073N/ N500320

Sachin Kumar Jindal
Partner
(M. No. 531700)

Anthony Jesudasan
Director
(DIN 00325390)

Surinder S Kohli
Director
(DIN 00169907)

Ryna Z Karani
Director
(DIN 00116930)

Ajit K Ranade
Director
(DIN 00918651)

Anjani K Sharma
Director
(DIN 01180722)

Virender S Verma
Director
(DIN 07843461)

Jasmine Shah
Director
(DIN 08621290)

Jagjeet S Deswal
Director
(DIN 07386612)

Naveen ND Gupta
Director
(DIN 00271748)

Prem R Kumar
CEO

Partha P Sarma
Director
(DIN 08245533)

Angarai N Sethuraman
Director
(DIN 01098398)

Surya Shankar Banerji
CFO
(FCA-420131)

Suresh Kumar Agarwal
Company Secretary
(FCS-7751)

Place : New Delhi
Date : May 10, 2021

BSES YAMUNA POWER LIMITED
STATEMENT OF PROFIT AND LOSS FOR THE QUARTER ENDED MARCH 31, 2021

Amount In ₹ Crores

Particulars		Quarter Ended March 31, 2021	Year Ended March 31, 2021	Quarter Ended March 31, 2020	Year Ended March 31, 2020
I. Revenue From Operations	36	1,115.38	4,859.05	990.01	5,468.39
II. Other Income	37	17.84	37.91	9.14	33.19
III. Total Income		**1,133.22**	**4,896.96**	**999.15**	**5,501.58**
IV. Expenses					
Cost of Power Purchased	38	719.31	3,317.44	790.96	3,852.13
Employee Benefits Expense	39	149.25	388.21	79.74	342.70
Finance Costs	40	277.49	1,111.94	271.37	1,065.64
Depreciation & Amortisation Expense	41	50.24	197.82	49.53	193.58
Other Expenses	42	80.35	354.77	80.13	362.50
Total Expenses		**1,276.64**	**5,370.18**	**1,271.73**	**5,816.55**
V. Profit/(Loss) before Income Recoverable from Future Tariff and Tax (III-IV)		(143.42)	(473.22)	(272.58)	(314.97)
VI. Net movement in Regulatory Deferral Account balances related to Profit & Loss and related Deferred Tax	43	185.41	840.36	343.29	577.01
VII. Profit Before Tax (V+VI)		41.99	367.14	70.71	262.04
VIII. Tax Expense					
(1) Tax for the period / year					
(i) Current Tax	44	0.03	0.03	9.18	43.68
(ii) Deferred Tax		-	-	-	-
(2) Tax reversed for earlier years (MAT)		-	(43.82)	-	-
		0.03	**(43.79)**	**9.18**	**43.68**
IX. Profit after tax for the period / year		**41.96**	**410.93**	**61.53**	**218.36**
X. Other Comprehensive Income (OCI)					
Items that will not be reclassified to Profit & Loss					
- Remeasurement of Post Employment Benefit Obligations		(1.27)	(5.13)	(0.97)	(5.15)
- Net movement in Regulatory Deferral Account balances related to OCI	43	1.54	5.76	1.20	5.78
- Income Tax relating to above items	45	-	-	(0.04)	(0.11)
Other Comprehensive Income		**0.27**	**0.63**	**0.19**	**0.52**
XI. Total Comprehensive Income for the Period / Year (IX+ X)		**42.23**	**411.56**	**61.72**	**218.88**
XII. Earnings Per Equity Share of ₹ 10 Each	46				
Basic (₹ per share)		0.76	7.39	1.11	3.93
Diluted (₹ per share)		0.76	7.39	1.11	3.93
Basic before Net Movement in Regulatory Deferral Account Balances (₹ per share)		(2.58)	(7.72)	(5.07)	(6.45)
Diluted before Net Movement in Regulatory Deferral Account Balances (₹ per share)		(2.58)	(7.72)	(5.07)	(6.45)

The above Statement of Profit and Loss should be read in conjunction with the accompanying note nos. 36 to 46.

For and on behalf of the Board of Directors

Anthony Jesudasan
Director
(DIN 00325390)

Surinder S Kohli
Director
(DIN 00169907)

Ryna Z Karani
Director
(DIN 00116930)

Ajit K Ranade
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Anjani K Sharma
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(DIN 00271748)

Prem R Kumar
CEO

Partha P Sarma
Director
(DIN 08245533)

Angarai N Sethuraman
Director
(DIN 01098398)

Place : New Delhi
Date : May 10, 2021

Surya Shankar Banerji
CFO
(FCA-420131)

Suresh Kumar Agarwal
Company Secretary
(FCS-7751)

BSES YAMUNA POWER LIMITED

Notes to Financial Statements for the quarter ended March 31, 2021

Amounts in ₹ Crores

Note- 36 Revenue From Operations	Quarter Ended March 31, 2021	Year Ended March 31, 2021	Quarter Ended March 31, 2020	Year Ended March 31, 2020
A] SALE OF POWER				
Gross Revenue from Sale of Power	1,081.81	4,889.28	995.51	5,599.40
Less: Tax on Electricity	38.56	175.94	34.65	199.07
Less: Pension Trust Surcharge Recovery	46.12	175.14	33.87	180.07
Net Revenue from Sale of Power	997.13	4,538.20	926.98	5,220.26
B) Bulk Sale Of Power	90.89	231.18	42.54	167.74
C) Open Access Income	5.92	17.04	3.32	11.31
D] OTHER OPERATING REVENUE				
(i) Service Line Deposits and Development Charges	6.29	22.93	5.73	22.39
(ii) Delayed payment charges (LPSC)	8.12	21.84	4.61	16.55
(iii) Electricity Tax Collection Charges	1.18	5.26	1.08	5.90
(iv) Consumer Contribution For Capital Works and APDRP	4.93	18.44	4.49	17.53
(v) Miscellaneous Operating Income	0.92	4.16	1.23	6.71
	21.44	72.63	17.14	69.08
Total	1,115.38	4,859.05	989.98	5,468.39

Amounts in ₹ Crores

Note- 37 Other Income	Quarter Ended March 31, 2021	Year Ended March 31, 2021	Quarter Ended March 31, 2020	Year Ended March 31, 2020
Interest on				
- Fixed Deposits	1.39	7.54	2.49	9.04
- Others	0.45	0.45	-	-
Total	1.84	7.99	2.49	9.04
Sale of Scrap	6.57	9.46	1.90	4.27
Street Light Maintenance & Material Charges (Net)	0.17	0.21	0.69	2.61
Excess Provisions written back	(0.28)	3.62	-	-
Bad Debts Recovered	0.52	2.09	0.32	2.10
Profit on sale of fixed assets	7.85	7.90	1.58	7.56
Pole Rental Income	1.00	5.62	0.50	3.72
Other Miscellaneous Income	0.17	1.02	1.66	3.89
Total	17.84	37.91	9.14	33.19

Amounts in ₹ Crores

Note- 38 Cost of Power Purchased	Quarter Ended March 31, 2021	Year Ended March 31, 2021	Quarter Ended March 31, 2020	Year Ended March 31, 2020
Purchase of Energy	533.63	2,651.21	663.35	3,227.70
Transmission charges	185.68	666.23	127.61	624.43
Total	719.31	3,317.44	790.96	3,852.13

Amounts in ₹ Crores

Note- 39 Employee Benefits Expense	Quarter Ended March 31, 2021	Year Ended March 31, 2021	Quarter Ended March 31, 2020	Year Ended March 31, 2020
Salaries and Wages	107.09	304.96	67.59	281.60
Contribution to provident and other funds	35.02	66.39	5.94	39.73
Staff Welfare expense	7.14	16.86	6.22	21.37
Total	149.25	388.21	79.75	342.70

Amounts in ₹ Crores

Note- 40 Finance Costs	Quarter Ended March 31, 2021	Year Ended March 31, 2021	Quarter Ended March 31, 2020	Year Ended March 31, 2020
Interest:-				
i) Term Loan	30.77	116.53	28.10	117.30
ii) Cash Credit Account	2.81	8.37	2.83	8.52
iii) Inter Company Deposit	3.65	16.27	4.57	19.25
iv) Consumer Security Deposit	9.91	38.28	10.64	40.76
v) Interest on Lease Liability (RoU)	0.09	0.35	0.10	0.37
vi) Others	(0.05)	2.17	(0.01)	1.69
Other Borrowing Costs:-				
i) Late Payment Surcharge (LPSC) on Power Purchase and Transmission charges	232.43	911.52	222.86	865.28
ii) Others	(2.10)	18.45	2.28	12.47
Total	277.61	1,111.94	271.38	1,065.64

Amounts in ₹ Crores

Note- 41 Depreciation & Amortisation Expense	Quarter Ended March 31, 2021	Year Ended March 31, 2021	Quarter Ended March 31, 2020	Year Ended March 31, 2020
Depreciation	50.14	197.46	49.45	193.22
Depreciation on RoU	0.09	0.36	0.09	0.36
Total	50.23	197.82	49.54	193.58

BSES YAMUNA POWER LIMITED
Notes to Financial Statements for the quarter ended March 31, 2021

Amounts in ₹ Crores

Note- 36 Revenue From Operations	Quarter Ended March 31, 2021	Year Ended March 31, 2021	Quarter Ended March 31, 2020	Year Ended March 31, 2020
A) SALE OF POWER				
Gross Revenue from Sale of Power	1,081.81	4,889.28	995.51	5,599.40
Less: Tax on Electricity	38.56	175.94	34.65	199.07
Less: Pension Trust Surcharge Recovery	46.12	175.14	33.87	180.07
Net Revenue from Sale of Power	997.13	4,538.20	926.98	5,220.26
B) Bulk Sale Of Power	90.89	231.18	42.54	167.74
C) Open Access Income	5.92	17.04	3.32	11.31
D) OTHER OPERATING REVENUE				
(i) Service Line Deposits and Development Charges	6.29	22.93	5.73	22.39
(ii) Delayed payment charges (LPSC)	8.12	21.84	4.61	16.55
(iii) Electricity Tax Collection Charges	1.18	5.26	1.08	5.90
(iv) Consumer Contribution For Capital Works and APDRP	4.93	18.44	4.49	17.53
(v) Miscellaneous Operating Income	0.92	4.16	1.23	6.71
	21.44	72.63	17.14	69.08
Total	1,115.38	4,859.05	989.98	5,468.39

Amounts in ₹ Crores

Note- 37 Other Income	Quarter Ended March 31, 2021	Year Ended March 31, 2021	Quarter Ended March 31, 2020	Year Ended March 31, 2020
Interest on				
- Fixed Deposits	1.39	7.54	2.49	9.04
- Others	0.45	0.45	-	-
Total	1.84	7.99	2.49	9.04
Sale of Scrap	6.57	9.46	1.90	4.27
Street Light Maintenance & Material Charges (Net)	0.17	0.21	0.69	2.61
Excess Provisions written back	(0.28)	3.62	-	-
Bad Debts Recovered	0.52	2.09	0.32	2.10
Profit on sale of fixed assets	7.85	7.90	1.58	7.56
Pole Rental Income	1.00	5.62	0.50	3.72
Other Miscellaneous Income	0.17	1.02	1.66	3.89
Total	17.84	37.91	9.14	33.19

Amounts in ₹ Crores

Note- 38 Cost of Power Purchased	Quarter Ended March 31, 2021	Year Ended March 31, 2021	Quarter Ended March 31, 2020	Year Ended March 31, 2020
Purchase of Energy	533.63	2,651.21	663.35	3,227.70
Transmission charges	185.68	666.23	127.61	624.43
Total	719.31	3,317.44	790.96	3,852.13

Amounts in ₹ Crores

Note- 39 Employee Benefits Expense	Quarter Ended March 31, 2021	Year Ended March 31, 2021	Quarter Ended March 31, 2020	Year Ended March 31, 2020
Salaries and Wages	107.09	304.96	67.59	281.60
Contribution to provident and other funds	35.02	66.39	5.94	39.73
Staff Welfare expense	7.14	16.86	6.22	21.37
Total	149.25	388.21	79.75	342.70

Amounts in ₹ Crores

Note- 40 Finance Costs	Quarter Ended March 31, 2021	Year Ended March 31, 2021	Quarter Ended March 31, 2020	Year Ended March 31, 2020
Interest:-				
i) Term Loan	30.77	116.53	28.10	117.30
ii) Cash Credit Account	2.81	8.37	2.83	8.52
iii) Inter Company Deposit	3.65	16.27	4.57	19.25
iv) Consumer Security Deposit	9.91	38.28	10.64	40.76
v) Interest on Lease Liability (RoU)	0.09	0.35	0.10	0.37
vi) Others	(0.05)	2.17	(0.01)	1.69
Other Borrowing Costs:-				
i) Late Payment Surcharge (LPSC) on Power Purchase and Transmission charges	232.43	911.52	222.86	865.28
ii) Others	(2.10)	18.45	2.28	12.47
Total	277.51	1,111.94	271.38	1,065.64

Amounts in ₹ Crores

Note- 41 Depreciation & Amortisation Expense	Quarter Ended March 31, 2021	Year Ended March 31, 2021	Quarter Ended March 31, 2020	Year Ended March 31, 2020
Depreciation	50.14	197.46	49.45	193.22
Depreciation on RoU	0.09	0.36	0.09	0.36
Total	50.23	197.82	49.54	193.58

BSES YAMUNA POWER LIMITED
Notes to Financial Statements for the quarter ended March 31, 2021

Amounts in ₹ Crores

Note- 42 Other Expenses	Quarter Ended March 31, 2021	Year Ended March 31, 2021	Quarter Ended March 31, 2020	Year Ended March 31, 2020
1) Repairs				
- Machinery	22.31	95.35	19.85	90.96
- Buildings	0.90	2.98	1.44	5.52
- Others	2.83	9.93	2.63	9.57
- Stores and Spares consumed (Net of recoveries)	5.94	21.48	4.73	22.76
	31.98	129.74	28.65	128.81
2) Administration Expenses				
Vehicle Hire and Running Expenses	5.93	22.83	5.64	22.98
Travelling, Conveyance, Boarding and Lodging	0.49	1.11	0.52	1.97
Insurance	1.33	4.41	0.87	2.79
Rates and Taxes	1.00	4.29	0.98	4.01
Bill Collection Charges	3.50	13.64	2.85	12.31
Communication Expenses	1.39	9.20	1.42	8.01
Printing and Stationery	1.23	3.14	0.78	3.26
Meter Reading and Bill Distribution Expenses	7.47	29.76	7.33	32.78
Call Centre Expenses	1.10	5.90	0.90	5.26
House Keeping Charges	2.15	9.44	2.27	8.58
Security Expenses	4.78	17.57	4.39	16.69
Advertisement Expenses	0.30	0.72	0.26	0.69
Legal Claims	0.21	0.21	0.10	1.43
Professional Consultancy Charges	3.61	10.47	3.71	10.29
Legal Expenses	3.72	14.55	6.45	17.85
Door Step Service Expenses	1.91	6.09	1.39	6.34
Administration Expenses (SLA)	10.03	36.25	9.07	36.94
Expenditure on Corporate Social Responsibility	1.55	3.11	0.59	1.61
Remuneration to Auditors	0.11	0.42	0.14	0.47
Directors' Sitting Fees	0.07	0.22	0.06	0.17
Bank Charges	0.15	0.55	(0.29)	0.47
Miscellaneous Expenses	2.22	7.47	0.58	4.72
	54.25	201.35	50.00	199.62
3) Others				
Provisions For:				
- Retirement of Fixed Assets	-	-	0.02	4.68
- Obsolete / Non Moving / Slow Moving Inventories	(0.21)	0.78	(2.96)	0.86
- Credit Impairment	(7.43)	16.71	(0.62)	9.06
	(7.64)	17.49	(3.55)	14.60
Amount Written Off :			-	
Bad Debts Written Off	8.88	8.88	6.06	6.06
Less: Provision Made in Earlier Years	(8.88)	(8.88)	(6.06)	(6.06)
Inventory Written Off	0.69	0.69	6.19	6.20
Less: Provision Made in Earlier Years	(0.12)	(0.12)	(4.40)	(4.40)
	0.57	0.57	1.80	1.80
Fixed Assets Retired/ Loss on Sale	2.57	11.63	3.42	17.89
Less: Provision Made in Earlier Years	(1.34)	(6.01)	(0.22)	(0.22)
	1.23	5.62	3.21	17.67
Total	80.39	354.77	80.11	362.50

Amounts in ₹ Crores

Note- 44 Net movement in Regulatory Deferral Account Balances and related deferred tax balances	Quarter Ended March 31, 2021	Year Ended March 31, 2021	Quarter Ended March 31, 2020	Year Ended March 31, 2020
Net movement in Regulatory Deferral Account Balances	186.93	846.12	344.49	582.79
Net movement in Regulatory deferral account balances before OCI	185.41	840.36	343.29	577.01
Net movement in Regulatory deferral account balances related to items recognised in OCI	1.54	5.76	1.20	5.78

Amounts in ₹ Crores

Note- 44 Current Tax	Quarter Ended March 31, 2021	Year Ended March 31, 2021	Quarter Ended March 31, 2020	Year Ended March 31, 2020
Income Tax for the current period	-	-	9.18	43.71
Income Tax for earlier years	0.03	0.03	-	(0.03)
Total	0.03	0.03	9.18	43.68

BSES YAMUNA POWER LIMITED
Notes to Financial Statements for the quarter ended March 31, 2021

Amounts in ₹ Crores

Note- 45 Income Tax Effect on OCI	Quarter Ended March 31, 2021	Year Ended March 31, 2021	Quarter Ended March 31, 2020	Year Ended March 31, 2020
Income Tax Effect on OCI	-	-	(0.04)	(0.11)
Total	**-**	**-**	**(0.04)**	**(0.11)**

Amounts in ₹ Crores

Note -46 Earnings per Equity Share	Quarter Ended March 31, 2021	Year Ended March 31, 2021	Quarter Ended March 31, 2020	Year Ended March 31, 2020
I Profit/ (Loss) for Earnings Per Share				
Profit for the period (After tax)	41.98	410.93	61.54	218.36
Profit/ (Loss) for the period (After tax) (Before Net movement in Regulatory Deferral Account balances)	(143.43)	(429.43)	(281.76)	(358.65)
II No. of Equity Shares (In Crores)				
Opening	55.60	55.60	55.60	55.60
Closing	55.60	55.60	55.60	55.60
Weighted Average No. of Equity Shares	55.60	55.60	55.60	55.60
III Earning per share				
Earning Per Share Basic (₹)	**0.76**	**7.39**	**1.11**	**3.93**
Earning Per Share Diluted (₹)	**0.76**	**7.39**	**1.11**	**3.93**
Earnings per share Basic (Before Net movement in Regulatory Deferral Account balance)	**(2.58)**	**(7.72)**	**(5.06)**	**(6.45)**
Earnings per share Diluted (Before Net movement in Regulatory Deferral Account balance)	**(2.58)**	**(7.72)**	**(5.06)**	**(6.45)**
Face Value of Equity Shares (₹)	10.00	10.00	10.00	10.00