

# ***Shridhar & Associates***

## ***Chartered Accountants***

### **INDEPENDENT AUDITORS' REPORT**

**To the Members of BSES KERALA POWER LIMITED**

#### **Report on the Audit of the Financial Statements**

##### **Opinion**

We have audited the financial statements of **BSES KERALA POWER LIMITED** ("the Company"), which comprise the balance sheet as at March 31, 2022, and the statement of profit and loss (including other comprehensive income), statement of changes in equity and statement of cash flows for the year then ended, and notes to the financial statements, including a summary of the significant accounting policies and other explanatory information.

In our opinion and to the best of our information and according to the explanations given to us, the aforesaid financial statements give the information required by the Companies Act, 2013 ("Act") in the manner so required and give a true and fair view in conformity with the accounting principles generally accepted in India, of the state of affairs of the Company as at March 31, 2022, and profit/loss and other comprehensive income, changes in equity and its cash flows for the year ended on that date

##### **Basis for Opinion**

We conducted our audit in accordance with the Standards on Auditing (SAs) specified under section 143(10) of the Act. Our responsibilities under those SAs are further described in the *Auditor's Responsibilities for the Audit of the Financial Statements* section of our report. We are independent of the Company in accordance with the Code of Ethics issued by the Institute of Chartered Accountants of India together with the ethical requirements that are relevant to our audit of the financial statements under the provisions of the Act and the Rules thereunder, and we have fulfilled our other ethical responsibilities in accordance with these requirements 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.

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### Key Audit Matters

Key audit matters are those matters that, in our professional judgment, were of most significance in our audit of the financial statements of the current period. These matters were addressed in the context of our audit of the financial statements as a whole, and in forming our opinion thereon, and we do not provide a separate opinion on these matters.

#### Description of Key Audit Matter

Sr No	The key audit matter	How the matter was addressed in our audit
1	<b><u>Litigations and claims filed by the company</u></b> We refer to Note 1(a). wherein BKPL has submitted a claim of Rs 157.34 Crores (Fixed charge of Rs 76.74 Crores for the period from 01/11/2015 to 31/10/2017 and Variable Charges of Rs 69.6 Crores for the power exported in May /June '17) before the Hon'ble Commission. Total recovery allowed by KSERC against BKPL's claim of Rs 157.34 Crores is only Rs 19.8 Crores.	On 2nd November 2018, BKPL filed an appeal against the order of KSERC before the APTEL along with an interim prayer to direct KSEBL to release the amount of Rs 19.8 Cr as admitted by KSERC. The matter has been adjourned for hearing on 13th May 2022.
2	<b><u>Buyout of the plant by KSEBL</u></b> We refer to Note 1(b) wherein in a meeting convened by the Hon'ble Chief Minister of Kerala on 08/11/2017, as requested by BKPL to discuss the issues related to BKPL, it was decided to explore the possibility of buying out the plant by KSEBL at a value not exceeding depreciated rate as per norms.	The matter is still under negotiations between BKPL and KSEBL
3	<b><u>Trade receivable Rs 6526.30 Lakhs due from June 2017</u></b> We refer to Note No 12 wherein Trade receivable is of Rs 6526.30 Lakhs since June 2017	The same is due for sale of electricity to Government of Kerala and is expected to be realized as per management.

#### Other Information (or another title if appropriate, such as "Information Other than the Financial Statements and Auditors' Report Thereon")

The Company's management and Board of Directors are responsible for the other information. The other information comprises the information included in the Company's annual report, but does not include the financial statements and our auditors' report thereon.

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

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In connection with our audit of the financial statements, our responsibility is to read the other information and, in doing so, consider whether the other information is materially inconsistent with the financial statements or our knowledge obtained in the audit or otherwise appears to be materially misstated. If, based on the work we have performed, we conclude that there is a material misstatement of this other information, we are required to report that fact. We have nothing to report in this regard.

### **Management's Responsibility for the Financial Statements**

The Company's management and Board of Directors are responsible for the matters stated in section 134(5) of the Act with respect to the preparation of these financial statements that give a true and fair view of the state of affairs, profit/loss and other comprehensive income, changes in equity and cash flows of the Company in accordance with the accounting principles generally accepted in India, including the Indian Accounting Standards (Ind AS) specified under section 133 of the Act. This responsibility also includes maintenance of adequate accounting records in accordance with the provisions of the Act for safeguarding of the assets of the Company and for preventing and detecting frauds and other irregularities; selection and application of appropriate accounting policies; making judgments and estimates that are reasonable and prudent; and design, implementation and maintenance of adequate internal financial controls that were operating effectively for ensuring the accuracy and completeness of the accounting records, relevant to the preparation and presentation of the financial statements that give a true and fair view and are free from material misstatement, whether due to fraud or error.

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

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

### **Auditor's Responsibilities for the Audit of the Financial Statements**

Our objectives are to obtain reasonable assurance about whether the financial statements as a whole are free from material misstatement, whether due to fraud or error, and to issue an auditor's report that includes our opinion. Reasonable assurance is a high level of assurance, but is not a guarantee that an audit conducted in accordance with SAs will always detect a material misstatement when it exists. Misstatements can arise from fraud or error and are considered material if, individually or in the aggregate, they could reasonably be expected to influence the economic decisions of users taken on the basis of these financial statements.

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

- Identify and assess the risks of material misstatement of the financial statements, whether due to fraud or error, design and perform audit procedures responsive to those risks, and obtain audit evidence that is sufficient and appropriate to provide a basis for our opinion. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control.
- Obtain an understanding of internal control relevant to the audit in order to design audit procedures that are appropriate in the circumstances. Under section 143(3)(i) of the Act, we are also responsible for

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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 financial statements or, if such disclosures are inadequate, to modify our opinion. Our conclusions are based on the audit evidence obtained up to the date of our auditor's report. However, future events or conditions may cause the Company to cease to continue as a going concern.
- Evaluate the overall presentation, structure and content of the financial statements, including the disclosures, and whether the financial statements represent the underlying transactions and events in a manner that achieves fair presentation.
- Materiality is the magnitude of misstatements in the financial statements that, individually or in aggregate, makes it probable that the economic decisions of a reasonably knowledgeable user of the standalone financial statements may be influenced. We consider quantitative materiality and qualitative materiality and qualitative factors in (i) planning the scope of our audit work and in evaluating the results of our work and (ii) to evaluate the effect of any identified misstatements in the financial statements.

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

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

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

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

1. As required by the Companies (Auditors' Report) Order, 2020 ("the Order") issued by the Central Government in terms of section 143 (11) of the Act, we give in the "Annexure A" a statement on the matters specified in paragraphs 3 and 4 of the Order, to the extent applicable.

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(A) 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 financial statements comply with the Ind AS specified under section 133 of the Act.
- e) On the basis of the written representations received from the directors as on March 31, 2022 taken on record by the Board of Directors, none of the directors is disqualified as on March 31, 2022 from being appointed as a director in terms of Section 164(2) of the Act.
- f) 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 B".

(B) With respect to the other matters to be included in the Auditors' 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 as at March 31, 2022 on its financial position in its financial statements.
- ii. The Company did not have any long-term contracts including derivative contracts for which there were any material foreseeable losses.
- iii. There were no amounts which were required to be transferred to the Investor Education and Protection Fund by the Company during the year ended March 31, 2022.

(C) With respect to the matter to be included in the Auditors' Report under section 197(16):

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In our opinion and according to the information and explanations given to us, the remuneration paid by the company to its directors during the current year is in accordance with the provisions of Section 197 of the Act. The remuneration paid to any director is not in excess of the limit laid down under Section 197 of the Act. The Ministry of Corporate Affairs has not prescribed other details under Section 197(16) which are required to be commented upon by us.

**For SHRIDHAR & ASSOCIATES**  
Chartered Accountants  
Firm's Registration No. 134427W

Jitendra Sewjiani  
Partner  
(Membership No. 050980)  
Place: Mumbai,  
Date: 04<sup>th</sup> May 2022  
UDIN:22050980AITWQW8627

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### **Annexure "A" to Independent Auditors' Report**

**Referred to in paragraph 13 of the Independent Auditors' Report of even date to the members of BSES KERALA POWER LIMITED on the Ind AS financial statements as of and for the year ended March 31, 2022**

- (i) (a) The Company is maintaining proper records showing full particulars, including quantitative details and situation, of fixed assets.
- (b) The fixed assets of the Company have been physically verified by the Management during the year and no material discrepancies have been noticed on such verification. In our opinion, the frequency of verification is reasonable.
- (c) The title deeds of leasehold and immovable properties, as disclosed in Note 8 on Property, plant and Equipment to the financial statements, are held in the name of the Company.
- (d) The company does not have any proceedings initiated or are pending against the company for holding any benami property under the Benami Transactions (Prohibition) Act,
- (ii) The inventory has been physically verified by the management during the year. In our opinion, the frequency of such verification is reasonable. The discrepancies noticed on physical verification of inventory as compared to book records were not material.
- (iii) In our opinion and according to the information and explanations given to us, the Company has not granted any loans, secured or unsecured, to any company, firm, limited liability partnerships or other party covered in the register maintained under Section 189 of the Act.
- (iv) Based on the information and explanations given to us in respect of loans, investments, guarantees and securities, the Company has complied with the provisions of Section 185 and 186 of the Act, to the extent applicable.
- (v) In our opinion and according to the information and explanations given to us, the Company has not accepted any deposits from the public within the meaning the directives issued by the Reserve Bank of India, provisions of Section 73 to 76 of the Act, any other relevant provisions of the Act and the relevant rules framed thereunder.
- (vi) According to the information and explanations given to us, provisions relating to maintenance of cost records as prescribed under sub section (1) of section 148 of the act, are not applicable to the company.
- (vii) (a) According to the information and explanations given to us and the records of the Company examined by us, in our opinion, the Company is generally regular in depositing undisputed

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statutory dues in respect of tax deducted at source, goods and service tax, and is regular in depositing undisputed statutory dues, including provident fund, income tax, and other material statutory dues, as applicable, with the appropriate authorities.

(b) According to the information and explanations given to us, there are no undisputed dues in respect of provident fund, employees' state insurance, income tax, duty of customs, goods and services tax and cess as at March 31, 2022 which were outstanding for a period of more than six months from the date they became payable.

(c) According to the information and explanations given to us and the records of the Company examined by us, there are not any dues of income tax, as at March 31, 2022 and which have been deposited on account of a dispute.

(viii) According to the information and explanations given to us and based on examination of the records of the Company, no income has been surrendered or disclosed as income during the year.

(ix) (a) According to the information and explanations given to us and based on examination of the records of the Company, the Company has not defaulted in repayment of loans or borrowings to any financial institution or bank or dues to debenture holders except for the following instances of defaults in repayment of principal and interest amount. The Company did not have any loans or borrowings from government during the year.

(b) The Company is not declared a willful defaulter by any Bank or Financial Institution or other lender.

(c) The Company did not raise any money by way of initial public offer or further public Offer (including debt instruments) and in our opinion and according to the information and explanations given to us, the term loans have been applied for the purposes for which they were raised.

(d) As explained to us no funds were raised on short term basis have been utilized for long term purposes.

(e) As explained to us the company has taken funds interest free from its holding company on account of to give loans to one of the entities

(f) As explained to us the company has not raised loans during the year on the pledge of securities held in its subsidiaries, joint ventures or associate companies. Reference Note 31 The company has created a charge on its fixed assets against NCD issued by holding company (Reliance Infrastructure Ltd) in 2018-19.

(x) (a) The Company did not raise any money by way of initial public offer or further public offer (including debt instruments) and in our opinion and according to the information and



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explanations given to us, the term loans have been applied for the purposes for which they were raised.

(b) During the year, the Company has not made any preferential allotment or private placement of shares or fully or partly convertible debentures and hence the provisions of clause 3(xiv) of the Order are not applicable to the Company.

- (xi) According to the information and explanations given to us, in respect of whom we are unable to comment on any potential implications for the reasons described therein, no fraud by the Company or fraud on the Company by its officers and employees has been noticed or reported during the course of our audit.
- (xii) The Company has not paid managerial remuneration during the current year and therefore, the provisions clause (ix) of the order is not applicable to the Company.
- (xiii) In our opinion and according to the information and explanations given to us, the Company is not a Nidhi Company and accordingly the provisions of clause 3(xii) of the Order are not applicable.
- (xiv) According to the information and explanations given to us and based on our examination of the records of the Company transactions entered into by the Company with the related parties are in compliance with Sections 177 and 188 of the Act, where applicable and the details of related party transactions as required by the applicable accounting standards have been disclosed in the financial statements.
- (xv) According to the information and explanations given to us and based on our examination of the records of the Company in respect of which we are unable to comment on any potential implications for the reasons described therein, the Company has not entered into non-cash transactions with directors or persons connected with them. Accordingly, the provisions of clause 3(xv) of the Order are not applicable to the Company.
- (xvi) According to the information and explanations given to us, the Company is not required to be registered under Section 45-IA of the Reserve Bank of India Act, 1934. Accordingly, the provisions of clause 3(xvi) of the Order are not applicable to the Company.
- (xvii) According to the information and explanations given to us, the company has not incurred cash losses in the financial year and in the immediately preceding financial year.
- (xviii) There has not been any resignation of the statutory auditors during the year.
- (xix) According to the explanation and on the basis of the financial ratios, ageing and expected dates of realization of financial assets and payment of financial liabilities, other information accompanying the financial statements, and our knowledge of the Board of Directors and management plans, we are of the opinion that a material uncertainty does not exist as on the date of the audit report that

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company is not capable of meeting its liabilities existing at the date of balance sheet as and when they fall due within a period of one year from the balance sheet date.

- (xx) The company is not required to constitute a CSR committee as section 135 is not applicable.
- (xxi) The company is not a holding company and hence reporting under this clause is not applicable.

**For SHRIDHAR & ASSOCIATES**  
Chartered Accountants  
Firm's Registration No. 12427W

Jitendra Sawjani  
Partner  
(Membership No. 050980)  
Place: Mumbai,  
Date: 04<sup>th</sup> May 2022  
UDIN: :22050980AITWQW8627

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### **Annexure B to the Independent Auditor's Report on the financial statements of BSES KERALA POWER LIMITED for year ended March 31, 2022**

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**Report on the internal financial controls with reference to the aforesaid financial statements under Clause (i) of Sub-section 3 of Section 143 of the Companies Act, 2013**

**(Referred to in paragraph 2(A)(h) under 'Report on Other Legal and Regulatory Requirements' section of our report of even date)**

We were engaged to audit the internal financial controls with reference to financial statements of **BSES KERALA POWER LIMITED** as of March 31, 2022 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 Board of Directors are responsible for establishing and maintaining internal financial controls based on the internal financial controls 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 Controls over Financial Reporting ("Guidance Note") issued by the Institute of Chartered Accountants of India ("ICAI"). These responsibilities include the design, implementation and maintenance of adequate internal financial controls that were operating effectively for ensuring the orderly and efficient conduct of its business, including adherence to company's policies, the safeguarding of its assets, the prevention and detection of frauds and errors, the accuracy and completeness of the accounting records, and the timely preparation of reliable financial information, as required under the Companies Act, 2013 (hereinafter referred to as "the Act").

#### **Auditors' Responsibility**

Our responsibility is to express an opinion on the Company's internal financial controls with reference to financial statements based on our audit conducted in accordance with the Guidance Note on Audit of Internal Financial Controls Over Financial Reporting (the "Guidance Note") and the Standards on Auditing, to the extent applicable to an audit of internal financial controls, both issued by the Institute of Chartered Accountants of India.

Because of the matter described in the Disclaimer of Opinion section below, we were not able to obtain sufficient appropriate audit evidence to provide a basis for an audit opinion on internal financial controls system with reference to the financial statements of the Company.

#### **Meaning of Internal Financial controls with Reference to Financial Statements**

A company's internal financial controls 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 controls with reference to financial statements include 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

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authorizations of management and directors of the company; and (3) provide reasonable assurance regarding prevention or timely detection of unauthorized acquisition, use, or disposition of the company's assets that could have a material effect on the financial statements.

### **Inherent Limitations of Internal Financial Controls 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 control 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, an adequate internal financial controls system with reference to financial statements and such internal financial controls with reference to financial statements were operating effectively as at March 31, 2022, 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 issued by the ICAI.

### **For SHRIDHAR & ASSOCIATES**

Chartered Accountants

Firm's Registration No. 134427W

Jitendra Sawjany

Partner

(Membership No. 050980)

Place: Mumbai,

Date: 04<sup>th</sup> May 2022

UDIN: :22050980AITWQW8627

**BSES KERALA POWER LIMITED**  
Balance Sheet as at March 31, 2022

Rs. in lakhs

Particulars	Note	As at March 31, 2022	As at March 31, 2021
<b>Assets</b>			
<b>Non-current assets</b>			
Property, plant and equipment	8.1	9,705.78	10,133.93
Intangible assets	8.2	2.01	2.01
Deferred income tax assets			
<b>Financial assets:</b>			
Investments	13.1	-	-
Other financial assets	9.1	23.06	23.21
<b>Current assets</b>			
Inventories	10	959.36	959.36
<b>Financial assets:</b>			
Cash and cash equivalents	11.1	7.08	5.47
Trade receivables	12	6,526.30	6,526.30
Investment in fixed deposits	11.2	24.77	25.39
Investments	13.2	90.93	86.67
Other financial assets	9.2	1,495.76	1,181.77
Intercompany deposits	9.3	3,139.13	3,139.13
Other current assets	9.4	21.39	22.98
<b>Total assets</b>		<b>21,995.57</b>	<b>22,106.22</b>
<b>Equity and Liabilities</b>			
<b>Equity attributable to the Equity shareholders</b>			
Share capital	14	6,276.00	6,276.00
Other equity	15	14,886.46	15,136.28
<b>Liabilities</b>			
<b>Non-current liabilities</b>			
<b>Financial Liabilities:</b>			
Trade and other payables		-	-
Deferred income tax liabilities		-	-
Provisions	17.1	2.80	16.08
<b>Current liabilities</b>			
<b>Financial liabilities:</b>			
Borrowings	17.2	297.55	174.31
Trade and other payables	16	206.05	205.06
Provisions	17.3	4.49	0.24
Other current liabilities	18	322.22	298.24
<b>Total Equity and Liabilities</b>		<b>21,995.57</b>	<b>22,106.22</b>
Significant Accounting Policies	2		
Accompanying notes form an integral part of the financial statements.			
In terms of our report of even date attached.			

For Shridhar & Associates  
Chartered Accountants  
ICAI Firm Registration No. 134427W

For and on behalf of Board of Directors  
Robin Sebastian CEO/CFO  
DIN 05352385

Jitendra Sawjani  
Partner  
Membership No. 050980

Arup Ashok Gupta Director  
DIN 07406556  
Ravi Rajendra Jalan Company Secretary

Place: Mumbai  
Date : May 4, 2022

**BSES KERALA POWER LIMITED**  
**Statement of Profit and Loss for the period ended March 31, 2022**

Rs. in lakhs

Particulars	Note	Period ended	Year ended
		March 31, 2022	March 31, 2021
Revenue from operations	19	-	-
Other income	20	327.36	351.51
<b>Total Income</b>		<b>327.36</b>	<b>351.51</b>
<b>Expenses</b>			
Employee benefit expenses	21	59.46	60.23
Finance costs	22	0.05	0.06
Depreciation and amortization expenses	8	428.15	556.16
Other expenses	23	89.52	128.62
Loss on impairment of assets	5	-	-
<b>Total expenses</b>		<b>577.18</b>	<b>745.07</b>
<b>Profit / (Loss) before tax</b>		<b>(249.82)</b>	<b>(393.56)</b>
<b>Tax expense</b>			
Income Tax		-	-
Deferred Tax charge/(credit)		-	-
<b>Profit / (Loss) after tax</b>		<b>(249.82)</b>	<b>(393.56)</b>
<b>Other Comprehensive Income/(Loss)</b>			
- Items that will not be reclassified to profit or loss		-	-
Remeasurements of net defined plans		-	-
- Income tax relating to above		-	-
<b>Other Comprehensive Income / Loss</b>		<b>-</b>	<b>-</b>
<b>Total Comprehensive Income / Loss</b>		<b>(249.82)</b>	<b>(393.56)</b>
<b>Earning/ (Loss) per equity share ( Face value per share Rs. 10 each)</b>			
Basic & Diluted (In Rs.)	24	(0.40)	(0.63)
The accompanying notes form an integral part of the financial statements.			
In terms of our report of even date attached			

For Shridhar & Associates  
Chartered Accountants  
ICAI Firm Registration No. 134427W

Jitendra Sawlani  
Partner  
Membership No. 050980

Place: Mumbai  
Date : May 4, 2022

For and on behalf of Board of Directors..

Robin Sebastian CEO/CFO  
DIN 05352385

Arup Ashok Gupta Director  
DIN 07406556

Ravi Rajendra Jalan Company Secretary

**BSES KERALA POWER LIMITED**  
**Statement of Changes in Equity for the period ended March 31, 2022**

**A. EQUITY SHARE CAPITAL**

Rs. in lakhs

Particulars	Balance at the beginning of the year	Changes in equity share capital during the year	Balance at the end of the year
2020-21	6,276.00	-	6,276.00
2021-22	6,276.00	-	6,276.00

**B OTHER EQUITY**

Rs. in lakhs

Particulars	Retained Earnings	Other Reserves	Total
As at April 1, 2020	(18,172.29)	33,702.13	15,529.84
Comprehensive Income /(loss) for the year	(393.56)	-	(393.56)
Reversal of Deferred Tax Asset	-	-	-
<b>Total comprehensive income/ (loss) for the year</b>	<b>(393.56)</b>	<b>-</b>	<b>(393.56)</b>
Dividend distribution tax	-	-	-
<b>As at March 31, 2021</b>	<b>(18,565.85)</b>	<b>33,702.13</b>	<b>15,136.28</b>
Comprehensive income /(loss) for the year	(249.82)	-	(249.82)
<b>Total comprehensive income/ (loss) for the year</b>	<b>(249.82)</b>	<b>-</b>	<b>(249.82)</b>
<b>As at March 31, 2022</b>	<b>(18,815.67)</b>	<b>33,702.13</b>	<b>14,886.46</b>

In terms of our report of even date attached

For Shridhar & Associates  
Chartered Accountants  
ICAI Firm Registration No. 13442ZW

For and on behalf of Board of Directors,

Robin Sebastian CEO/CFO  
DIN 05352385

Jitendra Sawani  
Partner  
Membership No. 050980

Arup Ashok Gupta Director  
DIN 07406556

Ravi Rajendra Jalan Company Secretary

Place: Mumbai  
Date : May 4, 2022

**BSES KERALA POWER LIMITED**
**Cash Flow Statement for the period ended 31 March 2022**

Rs. in lakhs

Particulars	for the period ended Mar 31, 2022		for the year ended March 31, 2021	
<b>A. Cash flow from operating activities</b>				
Net Profit / (Loss) before extraordinary items and tax		(249.82)		(393.56)
<b>Adjustments for:</b>				
Depreciation and amortisation	428.15		556.16	
Diminution in value of inventory	0.00		-	
(Profit) / loss on sale / write off of assets - impairment of assets			0.00	
Finance costs	0.05		0.06	
Interest Income	(314.91)		(343.51)	
Net (gain) / loss on sale of Investments	-		-	
Liabilities / provisions no longer required written back	(8.18)		0.00	
Expenditure incurred on CWIP written off	-		-	
<b>Sub Total</b>	<b>105.11</b>		<b>212.71</b>	
Operating profit / (loss) before working capital changes		(144.71)		(180.85)
<b>Changes in working capital:</b>				
<b>Adjustments for (increase) / decrease in operating assets:</b>				
Inventories	0.00		0.00	
Trade receivables	0.00		0.00	
Short-term loans and advances	-		0.00	
Long-term loans and advances			0.00	
Other current assets			0.00	
Other non-current assets/current assets	(312.25)		(297.06)	
<b>Adjustments for increase / (decrease) in operating liabilities:</b>				
Trade payables	9.17		(1.31)	
Other current liabilities	23.97		(574.71)	
Short-term provisions	(13.28)		4.55	
Long-term provisions	4.25		0.07	
<b>Sub Total</b>		<b>(288.14)</b>		<b>(868.46)</b>
Cash generated from operations		(432.85)		(1049.31)
Net income tax (paid) / refunds		0.00		0.00
<b>Net cash flow from / (used in) operating activities (A)</b>		<b>(432.85)</b>		<b>(1049.31)</b>
<b>B. Cash flow from investing activities</b>				
Capital expenditure on fixed assets, including capital advances	-		0.00	
Inter-corporate deposits given/ closed	0.00		523.63	
Bank Deposits not considered as Cash and cash equivalents	0.00		0.00	
- Placed	-		-	
Current investments not considered as Cash and cash equivalents				
- Purchased	-		0.00	
- Proceeds from sale (Notional profit)	(4.26)		(6.41)	
Interest received				
- Others	314.91		343.51	
<b>Sub Total</b>		<b>310.65</b>		<b>860.73</b>
<b>Net cash flow from / (used in) investing activities (B)</b>		<b>310.65</b>		<b>860.73</b>
<b>C. Cash flow from financing activities</b>				
Proceeds from long-term borrowings				
Repayment of long-term borrowings	-		-	
Net increase / (decrease) in working capital borrowings	-		-	
Proceeds from other short-term borrowings	123.24		174.31	
Repayment of other short-term borrowings			0.00	
Finance cost	(0.05)		(0.06)	
Dividends paid	-		-	
Tax on dividend	0.00		0.00	
<b>Sub Total</b>	<b>123.19</b>		<b>174.25</b>	
Cash flow from extraordinary items		-		-
<b>Net cash flow from / (used in) financing activities (C)</b>		<b>123.19</b>		<b>174.25</b>
<b>Net increase / (decrease) in Cash and cash equivalents (A+B+C)</b>		<b>0.99</b>		<b>(14.33)</b>
Cash and cash equivalents at the beginning of the year		30.86		45.19
<b>Cash and cash equivalents at the end of the year</b>		<b>31.85</b>		<b>30.86</b>
Cash and cash equivalents (refer Note 11.1)		7.08		5.47
<b>Fixed deposits (refer Note 11.2)</b>		<b>24.77</b>		<b>25.39</b>
<b>Total</b>		<b>31.85</b>		<b>30.86</b>

In terms of our report of even date attached

 For Shridhar & Associates  
 Chartered Accountants  
 ICAI Firm Registration No. 134427W

For and on behalf of Board of Directors,

 Robin Sebastian    CEO/CFO  
 DIN    05352385

 Jitendra Sawlady  
 Partner  
 Membership No. 050980

 Arup Ashok Gupta    Director  
 DIN    07406555

Ravi Rajendra Jalan    Company Secretary

 Place: Mumbai  
 Date : May 4, 2022



**BSES KERALA POWER LIMITED**  
**NOTES TO THE FINANCIAL STATEMENTS FOR THE PERIOD ENDED MARCH 31, 2022**

**1 Corporate information**

1.a BSES Kerala Power Limited (BKPL) was incorporated on April 4, 1996 with registered office in Kochi, Kerala. The entire shares of BKPL is owned by Reliance Infrastructure Limited.

The Company is engaged in Electricity Generation and had a Power Purchase Agreement (PPA) with Kerala State Electricity Board Limited (KSEBL) which expired on October 31, 2015 and Government of Kerala had given in principle approval for extension of PPA for 2 years w.e.f. November 01, 2015. Both KSEBL & Govt. of Kerala (GoK) had issued formal letter/order for 2 year extension of PPA with BKPL w.e.f. 01.11.2015. As instructed by KSEBL, BKPL filed a petition for approval of PPA and tariff for the two years extended period before Kerala State Electricity Regulatory Commission (KSERC) in Oct '15, before expiry of the original PPA.

KSERC vide its order dated 26/10/2016 dismissed our petition stating that the petition filed by BKPL was not maintainable.

In Dec'16 upon a complaint filed by laid off contract workers of BKPL, District Collector in his capacity as Chairman, District Disaster Management Authority and citing safety concerns had directed BKPL to dispose off the Naphtha lying in its storage tanks within seven days. BKPL had challenged the orders of the Regulatory Commission dismissing its Petition for PPA extension and the order of the District Collector issued under Disaster Management Act before the Hon'ble High Court of Kerala through a Writ Petition.

The High Court had set aside the order of the District Collector. However in view of the apprehended disaster and in view of the impending expiry of BKPL's Explosive License by 31/12/2017, by an Interim order dated 04/04/2017 directed BKPL to exhaust the Naphtha stock at its premises and the premises of Indianoil (balance of the product brought by IOCL based on the firm indent given by BKPL in Nov '14) on or before 01/07/2017. Court had left all the issues raised by all the parties for consideration in the final Writ.

As directed by the Court, BKPL had operated the plant during the period May -June '17 whereby exhausting the Naphtha stock available at its premises and stored at the premises of IOCL. In the process BKPL had exported 62 million units of electricity to the grid of KSEBL.

The High Court in its final order dated 31/10/2017 in our Writ Petition had set aside the order of the Hon'ble Kerala State Electricity Commission dismissing our petition for approval of PPA for the two years extended period and remanded the matter to Commission for fresh consideration on merits. The Hon'ble High Court in its final judgement has also directed the Commission to adjudicate on the tariff for the power generated in May /June '17 pursuant to its interim order dated 04/04/2017.

As permitted by the Hon'ble Court, BKPL has submitted a claim of Rs 157.34 Crores (Fixed charge of Rs 76.74 Crores for the period from 01/11/2015 to 31/10/2017 and Variable Charges of Rs 69.6 Crores for the power exported in May /June '17) before the Hon'ble Commission. The Hon'ble State Electricity Regulatory Commission heard the matter on 23/01/2018. On 5th October 2018, KSERC disposed of the matter. The Commission allowed Fixed Charges only for the month of Nov '15 being last month of the PPA and thereafter no fixed charges need to be paid to BKPL. For the power supplied to KSEBL during the period May -June '17 pursuant to the HC direction, recovery was allowed only at the average Round the Clock (RTC) price in the Indian Energy Exchange (IEX Limited) during the period when power was supplied by BKPL to KSEBL. Total recovery allowed by KSERC against BKPL's claim of Rs 157.34 Crores is only Rs 19.8 Crores.

On 2nd November 2018, BKPL filed an appeal against the order of KSERC before the APTEL along with an interim prayer to direct KSEBL to release the amount of Rs 19.8 Cr as admitted by KSERC. The matter has been adjourned for hearing on 13th May 2022.

**1.b Buyout of the plant by KSEBL**

In a meeting convened by the Hon'ble Chief Minister of Kerala on 08/11/2017, as requested by BKPL to discuss the issues related to BKPL, it was decided to explore the possibility of buying out the plant by KSEBL at a value not exceeding depreciated rate as per norms.

Subsequent to the meeting convened by Hon'ble Chief Minister, on 9/11/2017 BKPL has conveyed its agreement to sell the plant to KSEBL at Rs 56 Crores, being 10% of the original capitalized project cost of Rs 561 Crores. As per KSERC/CERC Tariff Regulations depreciation through tariff is allowed only up to 90% of the approved capital cost.

Govt. has decided to further negotiate the price for buyout with BKPL and issued a Government Order dated 11/02/2018 constituting a committee under the Chairmanship of Principal Secretary (Power) for finalizing the details of buyout.

Principal Secretary (Power), Government of Kerala convened a meeting on 03/04/2018 of BKPL and the Committee constituted by the Government, to further discuss the buyout matter.

Multiple meetings were held thereafter between BKPL, Principal Secretary (Power), GoK and the Committee constituted by the Government to discuss and finalize the buyout. Govt./KSEBL is yet to formally communicate any decision regarding the price for buyout or the modalities for buyout.

**2 Significant accounting policies**

**2.1 Basis of accounting and preparation of financial statements**

The financial statements have been prepared to comply with all material respects with the prescribed accounting standards (Ind AS) notified under Section 133 of the Companies Act, 2013 ('the Act') and other relevant provisions of the Act. The financial statements have been prepared under the historical cost convention (except for certain fixed assets which are carried at revalued amount) on an accrual basis of accounting and in accordance with the generally accepted accounting principles in India. The accounting policies have been consistently applied by the Company and are consistent with those used in the previous year.

**2.2 Revenue Recognition Policy**

a) Sale of Electricity: Revenue from sale of power is accounted for on the basis of billing to Kerala State Electricity Board Limited (KSEBL) on the basis of recording of supply of energy by installed meters. Sale value includes both variable charges (fuel cost) and fixed charges. Fixed charges also include fixed charge on account of "deemed generation" as provided in the Power Purchase Agreement (PPA) with the bulk customer i.e. KSEBL.

b) Others: Insurance and other claims, including interest, are recognized as revenue on certainty of receipt on prudential basis.

## 2.3 Foreign Currency Transactions

### Functional and Presentation Currency

Items included in the financial statements of the Company are measured using the currency of the primary economic environment in which the Company operates ('the functional currency'). The financial statements are presented in Indian Rupee ( INR), which is Company's functional and presentation currency.

### 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 except in case of certain long term foreign currency monetary items where the treatment is as under:

The Company has availed an option of continuing the policy adopted for exchange differences arising from translation of long term foreign currency monetary items outstanding as on March 31, 2016 in accordance with Para 46A of AS-11 "The Effects of changes in Foreign Exchange Rates" of Previous GAAP. Accordingly, foreign exchange gain/losses on long term foreign currency monetary items relating to the acquisition of depreciable assets are added to or deducted from the cost of such assets and in other cases, such gains or losses are accumulated in a "Foreign Currency Monetary Item Translation Difference Account" to be amortised over the remaining life of the concerned monetary item.

Non monetary items which are carried at historical cost denominated in foreign currency are reported using the exchange rates at the dates of the transaction

## 2.4 Property Plant & Equipment

The gross block of Fixed Assets is stated at cost of acquisition or construction, including any cost attributable to bringing the assets to their working condition for their intended use.

All pre-operative expenditure and trial run expenditure (net of income) are accumulated as capital work-in-progress and is allocated to the relevant fixed assets on a pro-rata basis depending on the prime cost of the assets.

## 2.5 Depreciation:

Fixed assets are depreciated under the 'Straight line method' at the rates and in the manner prescribed under Central Electricity Regulatory Commission (CERC) notification except where the management estimate of useful life of the asset is shorter than that envisaged under CERC. The list of such assets is as follows:

<u>Name of the Asset</u>	<u>Rate per annum (%)</u>
Building	Over the lease period (Refer Note 4)
Office Equipment	12.71
Air conditioners	33.40
Vehicles	33.40
Furniture & Fixtures	12.71

Depreciation on additions/deletions of assets is provided on pro-rata basis. Depreciation on revalued assets is charged over the balance residual life of the assets.

Intangible assets comprising computer software are amortised over a period of 3 years

## 2.6 Inventories

Inventories are stated at lower of cost or net realizable value. In case of fuel, stores and spares "Cost" means weighted average cost. Unserviceable/damaged stores and spares are identified and written down based on technical evaluation. Net realisable value is the estimated selling price in the ordinary course of business, less estimated costs of completion and estimated costs necessary to make the sale.

## 2.7 Employee Benefits

### 2.7.1 Retirement benefit costs and termination benefits

Payments to defined contribution retirement benefit plans are recognised as an expense when employees have rendered service entitling them to the contributions.

For defined benefit plans, the cost of providing benefits is determined using the projected unit credit method, with actuarial valuations being carried out at the end of each annual reporting period. Remeasurement, comprising actuarial gains and losses, the effect of the changes to the asset ceiling (if applicable) and the return on plan assets (excluding net interest), is reflected immediately in the balance sheet with a charge or credit recognised in other comprehensive income in the period in which they occur. Remeasurement recognised in other comprehensive income is reflected immediately in retained earnings and is not reclassified to statement of profit and loss. Past service cost is recognised in the Statement of profit and loss in the period of a plan amendment. Net interest is calculated by applying the discount rate at the beginning of the period to the net defined benefit liability or asset. Defined benefit costs are categorised as follows:

- service cost (including current service cost, past service cost, as well as gains and losses on curtailments and settlements);
- net interest expense or income; and
- remeasurement

The company presents the first two components of defined benefit costs in the Statement of profit and loss in the line item 'Employee benefits expense'.

The retirement benefit obligation recognised in the balance sheet represents the actual deficit or surplus in the Company's defined benefit plans. Any surplus resulting from this calculation is limited to the present value of any economic benefits available in the form of refunds from the plans or reductions in future contributions to the plans.

### 2.7.2 Short-term and other long-term employee benefits

A liability is recognised for short-term employee benefits accruing to employees in respect of wages and salaries, annual and sick leave expected to be availed / encashed in the next 12 months. In the period the related service is rendered at the undiscounted amount of the benefits expected to be paid in exchange for that service.

Liabilities recognised in respect of short-term employee benefits are measured at the undiscounted amount of the benefits expected to be paid in exchange for the related service.

Liabilities recognised in respect of other long-term employee benefits are measured at the present value of the estimated future cash outflows expected to be made by the Company in respect of services provided by employees up to the reporting date.

## Note 2 Significant accounting policies (contd.)

### 2.8 Borrowing Costs

Borrowing cost includes interest, amortization of ancillary costs incurred in connection with the arrangement of borrowings and exchange differences arising from foreign currency borrowings to the extent they are regarded as an adjustment to the interest cost. Borrowing costs directly attributable to the acquisition, construction or production of an asset that necessarily takes a substantial period of time to get ready for its intended use or sale are capitalized as part of the cost of the respective asset. All other borrowing costs are expensed in the period they occur.

### 2.9 Taxation

Income tax expense represents the sum of the tax currently payable and deferred tax.

#### 2.9.1 Current tax

The tax currently payable is based on taxable profit for the year. Taxable profit differs from 'profit before tax' as reported in the statement of profit and loss because of items of income or expense that are taxable or deductible in other years and items that are never taxable or deductible. The Company's current tax is calculated using tax rates existing at the end of the reporting period.

#### 2.9.2 Deferred tax

Deferred tax is recognised on temporary differences between the carrying amounts of assets and liabilities in the financial statements and the corresponding tax bases used in the computation of taxable profit. Deferred tax liabilities are generally recognised for all taxable temporary differences. Deferred tax assets are generally recognised for all deductible temporary differences to the extent that it is probable that taxable profits will be available against which those deductible temporary differences can be utilised. Such deferred tax assets and liabilities are not recognised if the temporary difference arises from the initial recognition (other than in a business combination) of assets and liabilities in a transaction that affects neither the taxable profit nor the accounting profit.

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

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

The measurement of deferred tax liabilities and assets reflects the tax consequences that would follow from the manner in which the company expects, at the end of the reporting period, to recover or settle the carrying amount of its assets and liabilities.

#### 2.9.3 Current and deferred tax for the year

Current and deferred tax are recognised in the statement of profit and loss, except when they relate to items that are recognised in other comprehensive income or directly in equity, in which case, the current and deferred tax are also recognised in other comprehensive income or directly in equity respectively.

### 2.10 Policy for MAT Credit

Minimum Alternate Tax (MAT) credit is recognized, as an asset only when and to the extent there is convincing evidence that the Company will pay normal income tax during the specified period. MAT credit becomes eligible to be recognized as an asset in accordance with the recommendations contained in the Guidance Note issued by the Institute of Chartered Accountants of India, the said asset is created by way of credit to the Statement of Profit and Loss and shown as MAT credit entitlement. The Company reviews the same at each balance sheet and writes down the carrying amount of MAT credit entitlement to the extent there is no longer convincing evidence to the effect that Company will pay normal income tax during the specified year.

### 2.11 Provisions

Provisions are recognised when the Company has a present obligation (legal or constructive) as a result of a past event, it is probable that the Company will be required to settle the obligation, and a reliable estimate can be made of the amount of the obligation.

The amount recognised as a provision is the best estimate of the consideration required to settle the present obligation at the end of the reporting period, taking into account the risks and uncertainties surrounding the obligation. When a provision is measured using the cash flows estimated to settle the present obligation, its carrying amount is the present value of those cash flows (when the effect of the time value of money is material). The unwinding of the time value of money is recognised as a finance cost.

### 2.12 Impairment of Assets

The Company assesses at each balance sheet date whether there is any indication that an asset may be impaired. If any such indication exists, the Company estimates the recoverable amount of the assets. If the carrying amount of fixed assets / cash generating unit exceeds the recoverable amount on the reporting date, the carrying amount is reduced to the recoverable amount. The recoverable amount is measured as the higher of the net selling price and the value in use determined by the present value of estimated future cash flows.

### 2.13 Cash and bank balances

Cash and cash equivalents for the purposes of cash flow statement comprise cash at bank and in hand and short-term investments with an original maturity of three months or less.

### 2.14 Contingent Liabilities:

A contingent liability is a possible obligation that arise 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 financial statements.

### 2.15 Operating Cycle:

All assets and liabilities have been classified as current or non-current as per the company's normal operating cycle and other criteria set out in Schedule III to the Act.

## 2.16 Financial Instruments

Financial assets and financial liabilities are recognised when a company becomes a party to the contractual provisions of the instruments.

Financial assets and financial liabilities are initially measured at fair value. Transaction costs that are directly attributable to the acquisition or issue of financial assets and financial liabilities (other than financial assets and financial liabilities at fair value through statement of profit and loss) are added to or deducted from the fair value of the financial assets or financial liabilities, as appropriate, on initial recognition. Transaction costs directly attributable to the acquisition of financial assets or financial liabilities at fair value through statement of profit and loss are recognised immediately in the statement of profit and loss.

## 2.17. I Financial assets

### (i) Classification

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

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

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

### (ii) Measurement

#### Initial

At initial recognition, the Company measures a financial asset at its fair value plus, in the case of a financial asset not at fair value through profit or loss, transaction costs of financial assets carried at fair value through profit or loss are expensed in Statement of Profit and Loss.

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

#### Subsequent

##### A 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:

##### (a) Amortised 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 amortised cost. A gain or loss on a debt investment that is subsequently measured at amortised cost and is not part of a hedging relationship is recognised in Statement of Profit and Loss when the asset is derecognised or impaired. Interest income from these financial assets is included in finance income using the effective interest rate method.

##### (b) 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 the Statement of Profit and Loss. When the financial asset is derecognised, the cumulative gain or loss previously recognised in OCI is reclassified from equity to profit or loss and recognised in the Statement of Profit and Loss. Interest income from these financial assets is included in other income using the effective interest rate method.

##### (c) Fair Value through Profit or Loss (FVTPL)

Assets that do not meet the criteria for amortised 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 in the period in which it arises. Interest income from these financial assets is included in other income.

##### B 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.

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.

#### Investments in Subsidiaries, Associates and Joint-Ventures

The Company has accounted for its equity instruments in Subsidiaries, Associates and Joint-Ventures at cost except where Investments are accounted for at cost shall be accounted in accordance with Ind AS 105, wherein they are classified as assets held for sale.

### (iii) Impairment of Financial Assets

The Company assesses on a forward looking basis the expected credit losses associated with its assets carried at amortised cost and FVOCI debt instruments. The impairment methodology applied depends on whether there has been a significant increase in credit risk.

**(iv) De recognition of Financial Assets**

A financial asset is derecognised only when:

- Right to receive cash flow from assets have expired or
- The Company has transferred the rights to receive cash flows from the financial asset or
- It retains the contractual rights to receive the cash flows of the financial asset, but assumes a contractual obligation to pay the received cash flows in full without material delay to a third party under a "pass through" arrangement.

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 derecognised.

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 derecognised 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.

**2.17. II 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.

**Subsequent measurement**

Financial liabilities at amortized cost: After initial measurement, such financial liabilities are subsequently measured at amortized cost.

**(a) 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 amortised cost using the effective interest method.

**(b) Financial Guarantee Obligations**

The fair value of financial guarantees is determined as the present value of the difference in net cash flows between the contractual payments under the debt instrument and the payments that would be required without the guarantee, or the estimated amount that would be payable to a third party for assuming the obligations.

Where guarantees in relation to loans or other payables of subsidiaries, joint ventures or associates are provided for no compensation, the fair values as on the date of transition are accounted for as contributions and recognised as part of the cost of the equity investment

**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 and Loss.

**(c) 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 categorisation (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.

**(d) 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 realise 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.

**2.18 Earning per Share**

The Company reports basic and diluted Earnings per Share (EPS) in accordance with Ind AS 33 on Earnings per Share.

Basic EPS is computed by dividing the net profit or loss for the year attributable to equity shareholders by the weighted average number of equity shares outstanding during the year.

Diluted EPS is computed by dividing the net profit or loss for the year attributable to equity shareholders by the weighted average number of equity shares outstanding during the year as adjusted for the effects of all dilutive potential equity shares, except where the results are anti-dilutive.

**2.19** Figures for the previous year have been regrouped/reclassified wherever necessary to make them comparable to those for the current year. Figures in bracket indicate negative figures.

**3 Deferred Tax**

a The details of deferred tax are as under;

Particulars	Rs. In lakhs		
	As on March 31, 2021	For the year 2020-21	As on March 31 2022
Deferred tax assets			
Unabsorbed Losses and Depreciation	941.48	(32.39)	909.09
Provision for leave encashment	4.24	(2.35)	1.90
Difference between depreciation on block of assets	(600.78)	41.87	(558.91)
Net deferred tax asset	344.94	7.13	352.07

b The company has deferred tax asset of Rs. 352.07 lakhs as on 31.03.2022 (Rs. 344.94 lakhs) on account of deductible temporary differences and unused tax losses. The same has not been recognized during the year 2019-20 as the probability of taxable profit in foreseeable future against which the deductible temporary differences and unused tax losses can be utilized is little due to the matters mentioned in Note No. 1 of financial statements and the company expect taxable profit only in long run after implementation of further expansion of the plant or new projects. Based on the above reason, the company has derecognized the deferred tax assets disclosed in the financial statements of previous years.

c Income tax credit / (charge)

Particulars	Rs. In lakhs	
	2021-22	2020-21
(1) Current tax	-	-
(2) MAT Credit Utilised	-	-
(3) Deferred tax charge / (credit)	-	-
Total	-	-

**4 Land Lease Agreement**

The plant Building has been constructed on plot of land which has been leased to the Company for a period of 15 years and the same expired on 31st March 2012. The Lease Agreement provides for extension of the lease period as per mutual agreement between Lessor (TCCL) & the Company on the order of the Government of Kerala. This issue was considered by Govt. of Kerala and in the meeting convened by Additional Chief Secretary (Industries), GoK on 18th December, 2012, the matter was discussed and it was decided that the land lease agreement between the Company and TCCL is to be extended upto October 2015, i.e. till the expiry of PPA.

GoK vide its order dated 4th October, 2014 granted further permission to extend the lease agreement period upto 31st October, 2030 for the purpose of generation and supply of power to KSEBL. However, as explained in Note 1, pending renewal of PPA from KSEBL, the Company depreciated building at higher rate within the validity of PPA upto October 31, 2015.

There was a meeting on 13.11.2017 convened by the Chief Secretary regarding the issue related to non-payment of lease rent by BKPL to TCC Limited. The meeting decided that the lease rent would be payable to TCCL by BKPL only from 01.07.2016 to 31.10.2016.

**5 Impairment of fixed assets**

The company has carried out impairment testing of Property, plant and equipments and other assets considering overall situation and accordingly has provided for the Impairment of Rs. 12600 lakhs to the Statement of Profit and Loss for the year ended March 31, 2020.

**6 Segment Reporting: Basis of Preparation**

The Company has only one business segment and one geographical segment viz. Generation and Sale of Energy in Kerala State. In view of this, no further disclosures are required to be given in accordance with Ind AS.

**7 Movement of provision**

Nature of provision	Rs. in lakhs				
	Carrying amount at the beginning of the year	Additional provisions made in the year	Amount used during the year	Unused amounts reversed during the year	Closing balance as at the end of the year
Provision for Leave encashment	16.32	-	0.86	8.18	7.29
Provision for Superannuation	0.16	0.08	0.16	-	0.08
Provision for Income Tax	-	-	-	-	-





**BSES KERALA POWER LIMITED**  
Schedules forming part of financial statements

**Note 9.1 - Other non current financial assets**

Rs. in lakhs

Particulars	As at March 31, 2022	As at March 31, 2021
(Unsecured, Considered good unless otherwise stated)		
Long term deposits and advance	23.06	23.21
Total	23.06	23.21

**9.2 - Other Current Financial assets**

Particulars	As at March 31, 2022	As at March 31, 2021
(Unsecured, Considered good unless otherwise stated)		
Interest receivable	1,495.76	1,181.77
Total	1,495.76	1,181.77

**Note 9.3 - Intercompany Deposits**

Particulars	As at March 31, 2022	As at March 31, 2021
Intercompany deposits	3,139.13	3,139.13
Total	3,139.13	3,139.13

**Note 9.4 - Other current assets**

Particulars	As at March 31, 2022	As at March 31, 2021
Advances to Vendors	0.10	0.10
Prepaid expenses	1.23	2.62
TDS receivable	20.06	20.26
Total	21.39	22.98

**Note 10 - Inventories:**

Particulars	As at March 31, 2022	As at March 31, 2021
Fuel	13.44	13.44
Stores and Spares	945.92	945.92
Total	959.36	959.36

**Note 11 - Cash and Bank Balances:**

Particulars	As at March 31, 2022	As at March 31, 2021
11.1 Cash & Cash equivalents		
Balance with banks	7.06	5.45
Cash on hand	0.02	0.02
	7.08	5.47
11.2 Investment in fixed deposits		
Fixed Deposit Account	24.77	25.39
Total	24.77	25.39

**Note 12 - Trade Receivables**

Particulars	As at March 31, 2022	As at March 31, 2021
(Secured unless otherwise stated) Outstanding for a period less than six months from the date they are due for payment Considered good	-	-
Outstanding for a period exceeding six months from the date they are due for payment Considered good	6,526.30	6,526.30
<b>Total</b>	<b>6,526.30</b>	<b>6,526.30</b>

**Trade Receivables ageing schedule**

Particulars	Outstanding for following periods from due date of payment					Rs. in lakhs
	Less than 6 months	6 months - 1year	1-2 years	2-3 years	More than 3 years	Total
(i) Disputed Trade receivables – considered good	-	-	-	-	6,526.30	6,526.30

**Note 13 - Investments**

**13.1 - Non current Investments (Non-Trade)**

Particulars	As at March 31, 2022	As at March 31, 2021
Investment in equity shares	0.03	0.03
<b>Total</b>	<b>0.03</b>	<b>0.03</b>
Less : Provision for diminution in the value of Investments	0.03	0.03
<b>Total</b>	<b>-</b>	<b>-</b>

**Details of Non Current Investments**

Name of the Body Corporate	No. of Shares / Units		Rs. in lakhs		Basis of Valuation
	As at March 31, 2022	As at March 31, 2021	As at March 31, 2022	As at March 31, 2021	
<b>Investments in Equity shares</b>					
(i) North Eastern Electricity Supply Company of Orissa Limited 100 (100) Equity Shares of Rs. 10 each fully paid up	100.00	100.00	0.01	0.01	Provision for diminution in value created for full amount
ii) Western Electricity Supply Company of Orissa Limited 100 (100) Equity Shares of Rs. 10 each fully paid up	100.00	100.00	0.01	0.01	"
iii) Southern Electricity Supply Company of Orissa Limited 100 (100) Equity Shares of Rs. 10 each fully paid up	100.00	100.00	0.01	0.01	"
<b>Total</b>			<b>0.03</b>	<b>0.03</b>	

**13.2 - Current Investments (Non-trade)**

Particulars	As at March 31, 2022	As at March 31, 2021
Investments in Mutual Funds	90.93	86.67
<b>Total</b>	<b>90.93</b>	<b>86.67</b>

**Details of Current investments**

Name of the Body Corporate	No. of Shares / Units		Rs in Lakhs	
	As at March 31, 2022	As at March 31, 2021	As at March 31, 2022	As at March 31, 2021
<b>Investments in Nippon India Mutual Funds ( Former Reliance Mutual Fund)</b>				
Floating Short Term Fund-Growth option (NAV as on 31.03.2022 is Rs.90.93 lakhs and 31.03.2021 is Rs. 86.67 lakhs )	212,463.304	212,463.304	90.93	86.67
<b>Total</b>	<b>212,463.304</b>	<b>212,463.304</b>	<b>90.93</b>	<b>86.67</b>

	Market Value		Book Value	
	As at March 31, 2022	As at March 31, 2021	As at March 31, 2022	As at March 31, 2021
Aggregate value of Quoted Investments	90.93	86.67	90.93	86.67

**Nota 14 - Share Capital**

Particulars	As at March 31, 2022		As at March 31, 2021	
	Number	Rs in Lakhs	Number	Rs in Lakhs
<b>Authorised</b> 14,50,00,000 Equity Shares of Rs. 10 each	145,000,000	14,500.00	145,000,000	14,500.00
<b>Issued</b> 6,27,60,000 Equity Shares of Rs. 10 each	62,760,000	6,276.00	62,760,000	6,276.00
<b>Subscribed &amp; Paid up</b> 6,27,60,000 Equity Shares of Rs. 10 each fully paid	62,760,000	6,276.00	62,760,000	6,276.00
<b>Total</b>	<b>62,760,000</b>	<b>6,276.00</b>	<b>62,760,000</b>	<b>6,276.00</b>

**14.a Shares held by Holding Company and shareholders holding more than 5 % shares in the Company**

Name of Shareholder	As at March 31, 2022		As at March 31, 2021	
	No. of Shares held	% of Holding	No. of Shares held	% of Holding
Reliance Infrastructure Limited - Holding Company	62,760,000	100.00	62,760,000	100.00

The Company has only one class of equity shares having a par value of Rs.10 per share. Each holder of equity shares is entitled to one vote per share. In the event of liquidation of the Company, the holders of equity shares will be entitled to receive the remaining assets of the Company, after distribution of all preferential amounts. The distribution will be in proportion to the number of equity shares held by the shareholders.

The Company declares and pays dividends in Indian Rupees. The dividend proposed by the Board of Directors is subject to the approval of the shareholders in the ensuing Annual General Meeting.

Note 15 - Other Equity

Rs. in lakhs

Particulars	As at March 31, 2022	As at March 31, 2021
<b>Reserves &amp; Surplus</b>		
Opening balance	(18,565.85)	(18,172.29)
(+) Total Comprehensive income/(loss) for the year	(249.82)	(393.56)
(+) Reversal of deferred tax	-	-
(-) Tax on Dividend	-	-
(+) Closing Balance	(18,815.67)	(18,565.85)
<b>b. Revaluation reserve</b>		
(+) Opening Balance	31,438.38	31,438.38
(+) Addition during the year	-	-
(-) Reversal on Disposal of Asset	-	-
(-) Credit to General Reserve	-	-
(+) Closing Balance	31,438.38	31,438.38
<b>c. General reserve</b>		
(+) Opening Balance	2,263.75	2,263.75
(+) Addition during the year	-	-
(-) Credit to P&L account	-	-
(+) Closing Balance	2,263.75	2,263.75
<b>Total</b>	<b>14,886.46</b>	<b>15,136.28</b>

**Note 16 - Trade and other payables**

Particulars	As at	As at
	March 31, 2022	March 31, 2021
Trade and other payables	206.05	205.06
<b>Total</b>	<b>206.05</b>	<b>205.06</b>

**Trade Payables ageing schedule**

Particulars	Outstanding for following periods from due date of payment				Rs. in lakhs
	Less than 1 year	1-2 years	2-3 years	More than 3 years	Total
(i)MSME	-	-	-	-	-
(ii)Others	3.02	-	-	203.03	206.05

**Note 17 - Provisions**

Particulars	As at	As at
	March 31, 2022	March 31, 2021
<b>17.1 - Non-Current</b>		
Provision for leave encashment	2.80	16.08
<b>Total</b>	<b>2.80</b>	<b>16.08</b>
<b>17.2 - Current</b>		
<b>Financial Liabilities</b>		
Borrowings ( Inter Corporate Deposit from Rinfra & RVelocity)	297.55	174.31
	297.55	174.31
<b>17.3 - Current</b>		
Provision for Leave encashment	4.49	0.24
<b>Total</b>	<b>4.49</b>	<b>0.24</b>

Refer Note No. 7 for movement of provision

**Note 18 - Other current liabilities**

Particulars	As at	As at
	March 31, 2022	March 31, 2021
Outstanding Liability for Expenses	300.08	275.65
Employee Payments	16.42	17.59
Other employee benefits payable	0.08	0.16
Statutory Liabilities	2.18	1.38
Short Term Security Deposits of vendors	3.46	3.46
Advances	-	-
<b>Total</b>	<b>322.22</b>	<b>298.24</b>

**Note 19 - Revenue****Revenue from operations**

Particulars	for the period ended	for the year ended
	March 31, 2022	March 31, 2021
Sale of Electricity	-	-
Other Operating Income	-	-
<b>Total</b>	<b>-</b>	<b>-</b>

**Note 20 - Other income**

Particulars	for the period ended	for the year ended
	March 31, 2022	March 31, 2021
<b>Interest income</b>		
On Fixed Deposits	0.97	1.15
Others	313.94	342.36
Investment valued at fair value through FVTPL	4.25	6.42
Unclaimed liabilities written back	8.18	-
Profit on sale of assets	-	-
Insurance Claim on Fixed Assets	-	-
Other non-operating income	0.02	1.58
<b>Total</b>	<b>327.36</b>	<b>351.51</b>

**Note 21 - Employee Benefit Expense**

Particulars	for the period ended March 31, 2022	for the year ended March 31, 2021
Salaries and incentives	49.75	49.13
Contributions to Provident Fund and other funds	4.73	5.00
Staff welfare expenses	4.98	6.10
<b>Total</b>	<b>59.46</b>	<b>60.23</b>

**Note 22 - Finance Cost**

Particulars	for the period ended March 31, 2022	for the year ended March 31, 2021
Interest expense	-	-
Other finance charges	0.05	0.06
<b>Total</b>	<b>0.05</b>	<b>0.06</b>

**Note 23 - Other Expenses**

Particulars	for the period ended March 31, 2022	for the year ended March 31, 2021
Electricity charges	25.13	57.80
Rent (Refer Note 4)	-	-
Repairs to buildings	4.87	4.77
Repairs to machinery	0.80	0.96
Insurance	10.95	10.76
Rates and taxes, excluding taxes on income	0.09	0.03
Exchange Fluctuation Expenses	1.01	6.52
Miscellaneous expenses including payments to auditor	46.67	47.78
<b>Total</b>	<b>89.52</b>	<b>128.62</b>

**23.b Details of payments to the auditor**

Particulars	for the period ended March 31, 2022	for the year ended March 31, 2021
Audit fee including service tax for reimbursement of expenses	0.23 0.13	0.31 -
<b>Total</b>	<b>0.36</b>	<b>0.31</b>

**Note 24 - Earnings Per Equity Share**

Particulars	for the period ended March 31, 2022	for the year ended March 31, 2021
Net Profit / (Loss) after taxation (Rs in Lakhs)	(249.82)	(393.56)
Nominal Value of equity shares (in Rs.)	10	10
No of Equity shares (opening)	62,760,000	62,760,000
No of Equity shares (closing)	62,760,000	62,760,000
Weighted average number of Equity shares	62,760,000	62,760,000
Basic earnings per share (Rs.)	(0.40)	(0.63)
Diluted earnings per share (Rs.)	(0.40)	(0.63)

**25 Details of fuel Consumption/Diminution value** Rs in Lakhs

Particulars	2021-22	2020-21
Naphtha	-	-
Diminution in value of fuel	-	-
HSD	-	-
<b>Total</b>	-	-

**26 Value of components, stores and spare parts consumed: (including fuel consumed & diminution in value)**

Particulars	2021-22		2020-21	
	Rs in Lakhs	% to Total Consumption	Rs in Lakhs	% to Total Consumption
Imported	-	0.00%	-	0.00%
Indigenous	-	0.00%	-	0.00%
<b>Total</b>	-	0.00%	-	0.00%

**27 Particulars of derivative instruments:**

- a) No derivative instruments are acquired for hedging purposes
- b) No derivative instruments are acquired for speculation purposes
- c) Foreign currency exposures that are not hedged by derivative instrument or otherwise  
Rs. 35.33 lakhs ( P.Y. Rs.34.32 lakhs )

**BSES Kerala Power Limited**

**Note 28 - RELATED PARTY DISCLOSURES**

As per IND AS 24 Related Parties, the disclosures of transactions with the related parties as defined in the Accounting Standard are given below:

(i) List of related parties where control exists and related parties with whom transactions have taken place and relationships

Sr. No.	Name	Relationship
1	Reliance Infrastructure Limited	Holding Company
2	Reliance Velocity Limited	Fellow Subsidiary

(ii) Transactions during the year with related parties :

Sr. No.	Nature of transaction	Holding Company	Fellow Subsidiary	Key Managerial person	Others	Rs. in lakhs	
						Total	Total
1	Intercompany Deposits given	-	-	-	-	-	-
2	Interest accrued on Intercompany Deposits given	-	-	-	-	-	-
3	Intercompany Deposits received	46.34	76.90	-	-	-	123.24

(iii) Closing balance

Sr. No.	Nature of transaction	Holding Company	Fellow Subsidiary	Key Managerial person	Others	Rs. in lakhs	
						Total	Total
1	Intercompany Deposits given	-	-	-	-	-	-
2	Intercompany Deposits received	220.65	76.90	-	-	-	297.55



29. a Ind AS "Employee benefits" disclosure

(i) Defined contribution plans

a. Provident fund

b. Superannuation fund

c. State defined contribution plans

Employers' Contribution to Employees' State Insurance

Employers' Contribution to Employees' Pension Scheme 1995

The provident fund and the state defined contribution plan are operated by the Regional Provident Fund Commissioner, the superannuation fund is administered by the Trustees of the BSES Kerala Power Limited Officers' Superannuation Scheme Trust and the Gratuity fund is administered by the Trustees of the BSES Kerala Power Limited Employees Group Gratuity Assurance Scheme Trust. Under the schemes, the Company is required to contribute a specified percentage of payroll cost to the retirement benefit schemes to fund the benefits. These funds are recognized by the Income tax authorities.

The Company has recognised the following amounts in the Profit and Loss Account for the year ended:

Particulars	Rs. in lakhs	
	March 31, 2022	March 31, 2021
Contribution to Provident Fund	2.22	2.07
Contribution to Employee's Superannuation Fund	1.50	1.80
Contribution to Employee's State Insurance Scheme	-	-
Contribution to Employee's Pension Scheme 1995	0.65	0.72

(ii) Defined benefit plans

The Company offers the following employee benefit schemes to its employees:

i. Gratuity

ii. Leave Encashment

The following table sets out the funded status of the defined benefit schemes and the amount recognised in the financial statements:

Particulars	Rs in Lakhs			
	for the year ended March 31, 2022		for the year ended March 31, 2021	
	Gratuity	Leave Encashment	Gratuity	Leave Encashment
<b>Components of employer expense</b>				
Current service cost	1.46	0.00	1.82	0.00
Interest cost	1.80	1.03	1.73	0.76
Expected return on plan assets	(3.20)	0.00	(3.34)	0.00
Curtailment cost / (credit)	-	-	-	-
Settlement cost / (credit)	-	-	-	-
Past service cost	-	-	-	-
Actuarial losses/(gains)	0.10	(8.56)	(1.59)	3.87
<b>Total expense recognised in the Statement of Profit and Loss</b>	<b>0.15</b>	<b>(7.53)</b>	<b>(1.57)</b>	<b>4.63</b>
<b>Actual contribution and benefit payments for year</b>				
Actual benefit payments	0.00	0.00	(3.93)	0.00
Actual contributions	0.00	-	0.00	-
<b>Net (asset) / liability recognised in the Balance Sheet</b>				
Present value of defined benefit obligation	28.42	7.29	26.65	16.32
Fair value of plan assets	(50.70)	-	(47.35)	-
Funded status [Surplus / (Deficit)]	-	-	-	-
Unrecognised past service costs	-	-	-	-
<b>Net (asset) / liability recognised in the Balance Sheet</b>	<b>(22.28)</b>	<b>7.29</b>	<b>(20.70)</b>	<b>16.32</b>

Contd..

Note No.29 Contd...				
<b>Change in Defined Benefit Obligations (DBO) during the year</b>				
Present value of DBO at beginning of the year	28.42	16.32	26.65	11.70
Current service cost	1.46	0.00	1.62	0.00
Interest cost	1.80	1.03	1.73	0.76
Curtailment cost / (credit)	-	-	-	-
Settlement cost / (credit)	-	-	-	-
Plan amendments	-	-	-	-
Acquisitions	-	-	-	-
Actuarial (gains) / losses	3.23	(8.56)	(1.59)	3.87
Past service cost	-	-	-	-
Benefits paid	(15.50)	(1.51)	0.00	0.00
Present value of DBO at the end of the year	19.41	7.29	28.42	16.32
<b>Change in fair value of assets during the year</b>				
Plan assets at beginning of the year	50.70	-	47.35	-
Acquisition adjustment	-	-	-	-
Expected return on plan assets	3.20	-	3.34	-
Actual company contributions	0.00	-	0.01	-
Actuarial gain / (loss)	3.14	-	-	-
Benefits paid	(15.50)	-	-	-
Plan assets at the end of the year	41.55	-	50.70	-
Actual return on plan assets	-	-	-	-
<b>Composition of the plan assets is as follows:</b>				
Government bonds	-	-	-	-
Administered by Life Insurance Corporation Of India	100%	-	100%	-
Equity mutual funds	-	-	-	-
Others	-	-	-	-
<b>Actuarial assumptions</b>				
Discount rate	6.32%	6.32%	6.50%	6.50%
Expected return on plan assets	7.85%	0.00%	7.85%	0.00%
Salary escalation	7.50%	7.50%	7.50%	7.50%
Attrition	1.00%	1.00%	1.00%	1.00%
Mortality tables	-	-	-	-
Performance percentage considered	-	-	-	-
Estimate of amount of contribution in the Immediate next year	-	-	-	-

Sr. No	Particulars	Gratuity				
		2021-22	2020-21	2019-20	2018-19	2017-18
(i)	Present Value of the Defined Benefit Obligation	28.42	28.42	26.65	23.44	25.76
(ii)	Fair Value of the Plan Assets	(50.70)	(50.70)	(47.35)	(47.35)	(48.34)
(iii)	(Surplus)/Deficit in the plan	(22.28)	(22.28)	(20.70)	(23.91)	(22.58)
(iv)	Experience adjustments on Plan Liabilities (Gain)/Loss	(1.59)	(1.81)	2.40	(1.80)	93.27
(v)	Experience adjustments on Plan Assets (Gain)/Loss	0.00	0.00	0.00	0.00	0.00
Sr. No	Particulars	Leave Encashment				
		2021-22	2020-21	2019-20	2018-19	2017-18
(i)	Present Value of the Defined Benefit Obligation	7.29	16.32	11.70	14.99	22.98
(ii)	Fair Value of the Plan Assets	0	0	0	0	0
(iii)	(Surplus)/Deficit in the plan	7.29	16.32	11.70	14.99	22.98
(iv)	Experience adjustments on Plan Liabilities (Gain)/Loss	(8.71)	3.71	(1.05)	(7.15)	(14.02)

The estimates of future salary increases considered in the actuarial valuation take account of inflation, seniority, promotion and other relevant factors, such as supply and demand in the employment market.

NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED MARCH 31, 2022

Note-30 Key Financial Ratios					
Sr.No	Analytical Ratios	Numerator	Denominator	As at March 31, 2022	As at March 31, 2021
1	Current Ratio (in times)	Total Current Assets + Regulatory deferral accounts debit balances and related deferred tax balances	Total Current Liabilities	14.77	17.62
2	Debt-Equity Ratio (in times)	Long Term Borrowing + Short Term Borrowing	Total Equity = Shareholder's Fund+ Consumer Contribution for Capital Works+ Service Line Deposit +Grant in Aid	0.05	0.03
3	Debt Service Coverage Ratio (in times)	Earning for Debt Service = Net Profit after taxes + Non-cash operating expenses + Finance Cost + Other Non-cash adjustments	Debt service = Interest on Term Loan & Cash Credit + Accured Interest + Principal repayments	0.00	0.00
4	Return on Equity (ROE) (in %)	Profit for the year less Preference dividend (if any)	Average Total Equity	-2.00%	-3.00%
5	Trade Receivable Turnover Ratio (in times)	Net Credit Sale ( Energy Sale+ Open Access+ Bulk Sale)	Average Trade Receivables	0.00	0.00
6	Trade Payable Turnover Ratio (in times)	Net Credit Power Purchase	Average Trade Payables (Power Purchase)	0.00	0.00
7	Net Capital Turnover Ratio (in times)	Total Sale ( Energy Sale+ Open Access+ Bulk Sale)	Average Working Capital (Total Current Assets + Regulatory deferral accounts debit balances and related deferred tax balances Total current liabilities)	0.00	0.00
8	Net Profit Ratio (in %)	Net Profit after Tax	Total Sale ( Energy Sale+ Open Access+ Bulk Sale)	0.00%	0.00%
9	Return on Capital Employed (in %)	Net Profit before Interest and Tax	Capital employed = Total Equity + Total Debts+ Lease Liability - Intangible Assets	-4.00%	-6.00%

- 30 The company has written to all its creditors to confirm whether they fall under Micro, Small and Medium Enterprises Creditors category. From responses received and the information available with the Company, there are no dues payable to Micro Small and Medium Enterprises Creditors.

Particulars	2021-22	2020-21
	Rs in Lakhs	Rs in Lakhs
Principal amount outstanding as at 31st March	-	-
Interest due on (1) above and unpaid as at 31st March	-	-
Interest paid to the supplier	-	-
Payments made to the supplier beyond the appointed day during the year	-	-
Interest due and payable for the period of delay	-	-
Interest accrued and remaining unpaid as at 31st March	-	-
Amount of further interest remaining due and payable in succeeding year	-	-

- 31 Contingent liabilities and commitments (to the extent not provided for)

Particulars	for the year ended March 31, 2022	for the year ended March 31, 2021
<b>(i) Contingent Liabilities</b>		
(a) Guarantees / Counter guarantees		
(b) Wealth tax claim		
<b>(ii) Commitments</b>		
(a) Estimated amount of contracts remaining to be executed on capital account and not provided for	-	-
Total	-	-

During the year 2018-19, company has created charge on its movable plant and machinery and free hold land in favor of Axis Trustee Services Limited for a value of Rs 775 Crores for providing part of the additional security against the NCDs issued by holding company (Reliance Infrastructure Limited).

In terms of our report of even date attached

For and on behalf of Board of Directors

For Shridhar & Associates  
Chartered Accountants  
ICAI Firm Registration No. 134427W

Robin Sebastian CEO/CFO  
DIN 05352385

Jitendra Sawhney  
Partner  
Membership No. 050980

Arup Ashok Gupta Director  
DIN 07406556

Ravi Rajendra Jalan Company Secretary

Place: Mumbai  
Date : May 4, 2022