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# BSES Rajdhani Power Limited

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Annual Financial Statement

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2021-22

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**INDEPENDENT AUDITOR'S REPORT  
TO THE MEMBERS OF BSES RAJDHANI POWER LIMITED**

**Report on the Audit of the Ind AS Financial Statements**

**Opinion**

We have audited the accompanying Ind AS financial statements of **BSES Rajdhani Power Limited** ("the Company"), which comprise the Balance Sheet as at March 31, 2022, the Statement of Profit and Loss (including Other Comprehensive Income), the Statement of Changes in Equity and the Statement of Cash Flows for the year ended on March 31, 2022, and notes to the Ind AS financial statements including a summary of significant accounting policies and other explanatory information (hereinafter referred to as "Ind AS financial statements").

In our opinion and to the best of our information and according to the explanations given to us, the aforesaid Ind AS financial statements give the information required by the Companies Act, 2013 ("the act") in the manner so required and give a true and fair view in conformity with the Indian Accounting Standards prescribed under section 133 of the Act read with the Companies (Indian Accounting Standards) Rules, 2015, as amended, ("Ind AS") and other accounting principles generally accepted in India, of the state of affairs of the Company as at March 31, 2022, its profit(including other comprehensive income), changes in equity and its cash flows for the year ended on that date.

**Basis For Opinion**

We conducted our audit of the Ind AS financial statements in accordance with Standards on Auditing ("SA")s specified under section 143(10) of the Act. Our responsibilities under those Standards are further described in the Auditor's Responsibilities for the Audit of the Ind AS financial statements section of our report. We are independent of the Company in accordance with the Code of Ethics issued by the Institute of Chartered Accountants of India ("ICAI") together with the ethical requirements that are relevant to our audit of the Ind AS financial statements under the provisions of the Act and Rules made there under, and we have fulfilled our other ethical responsibilities in accordance with these requirements and the ICAI's Code of Ethics. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion on the Ind AS financial statements.

**Emphasis of Matter**

1. We draw attention to Note No. 18 of the Ind AS financial statements, with regard to Company's preferred appeals before Hon'ble Appellate Tribunal for Electricity ("APTEL") against disallowances by Delhi Electricity Regulatory Commission ("DERC") in various Tariff Orders. As stated in the said note, and on the basis of legal opinion obtained by the Company, in accordance with Ind AS 114 "Regulatory Deferral Accounts" (and its predecessor AS) the Company has treated such amounts, as they ought to be treated in terms of the accepted Regulatory Framework, in the carrying value of Regulatory Deferral Account Balance as at March 31, 2022.
2. We draw attention to Note No. 50 of the Ind AS financial statements, with regard to outstanding balances payable to Delhi State Utilities and timely recovery of Accumulated Regulatory Deferral Account Balance, for which matter is pending before Hon'ble Supreme Court;

Our opinion is not modified in respect of these matters.

### **Other Information**

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

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

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

If, based on the work we have performed, we conclude that there is a material misstatement of this other information, we are required to report that fact. We have nothing to report in this regard.

### **Responsibilities of Management and Those Charged with Governance for the Ind AS financial statements**

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

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

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

### **Auditor's Responsibilities for the Audit of the Ind AS financial statements**

Our objectives are to obtain reasonable assurance about whether the Ind AS financial statements as a whole are free from material misstatement, whether due to fraud or error, and to issue an auditor's report that includes our opinion. Reasonable assurance is a high level of assurance, but is not a guarantee that an audit

conducted in accordance with SAs will always detect a material misstatement when it exists. Misstatements can arise from fraud or error and are considered material if, individually or in the aggregate, they could reasonably be expected to influence the economic decisions of users taken on the basis of this Ind AS financial statements.

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

- Identify and assess the risks of material misstatement of the Ind AS financial statements, whether due to fraud or error, design and perform audit procedures responsive to those risks, and obtain audit evidence that is sufficient and appropriate to provide a basis for our opinion. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control.
- Obtain an understanding of internal financial control relevant to the audit in order to design audit procedures that are appropriate in the circumstances. Under section 143(3)(i) of the Act, we are also responsible for expressing our opinion on whether the Company has adequate internal financial controls with reference to financial statements in place and the operating effectiveness of such controls.
- Evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by management.
- Conclude on the appropriateness of management's use of the going concern basis of accounting and, based on the audit evidence obtained, whether a material uncertainty exists related to events or conditions that may cast significant doubt on the Company's ability to continue as a going concern. If we conclude that a material uncertainty exists, we are required to draw attention in our auditor's report to the related disclosures in the Ind AS financial statements or, if such disclosures are inadequate, to modify our opinion. Our conclusions are based on the audit evidence obtained up to the date of our auditor's report. However, future events or conditions may cause the Company to cease to continue as a going concern.
- Evaluate the overall presentation, structure and content of the Ind AS financial statements, including the disclosures, and whether the Ind AS financial statements represent the underlying transactions and events in a manner that achieves fair presentation.

Materiality is the magnitude of misstatements in the Ind AS financial statements that, individually or in aggregate, makes it probable that the economic decisions of a reasonably knowledgeable user of the Ind AS financial statements may be influenced. We consider quantitative materiality and qualitative factors in (i) planning the scope of our audit work and in evaluating the results of our work; and (ii) to evaluate the effect of any identified misstatements in the Ind AS 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.

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

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

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

- a. We have sought and obtained all the information and explanations which to the best of our knowledge and belief were necessary for the purposes of our audit;
- b. In our opinion, proper books of account as required by law have been kept by the Company so far as it appears from our examination of those books;
- c. The Balance Sheet, the Statement of Profit and Loss (including Other Comprehensive Income), the Statement of Changes in Equity and the Statement of Cash Flows dealt with by this report are in agreement with the books of account;
- d. In our opinion, the aforesaid Ind AS financial statements comply with the Ind AS prescribed under section 133 of the Act read with the Companies (Indian Accounting Standards) Rules, 2015, as amended;
- e. The matters described in paragraph (1) and (2) under the Emphasis of Matter para given above, in our opinion, may have an adverse effect on the cash flows and consequently on the functioning of the Company;
- f. On the basis of the written representations received from the directors as on March 31, 2022, and 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;
- g. With respect to the adequacy of the internal financial controls with reference to financial reporting of the Company and the operating effectiveness of such controls, refer to our separate report in "Annexure 2". Our report expresses an unmodified opinion on the adequacy and operating effectiveness of the Company's internal financial controls over financial reporting.
- h. With respect to the other matters to be included in the Auditor's Report in accordance with the requirements of section 197(16) of the Act, as amended:

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

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

- (i) The Company has disclosed the impact of pending litigations on its financial position in its Ind AS financial statements Refer Note No. 48 on Contingent Liabilities and Note No. 49 on other matters under litigation to the Ind AS financial statements;
- (ii) The Company did not have any long-term contracts including derivative contracts. Hence, the question of any material foreseeable losses does not arise; and
- (iii) There were no amounts which were required to be transferred to the Investor Education and Protection Fund by the Company,
- (iv) With respect to reporting of Rule 11(e) and Rule 11(f) of the Companies (Audit and Auditors) Rules, 2014
  - (a) The Management has represented to us that, to the best of its knowledge and belief, during the year, no funds (which are material either individually or in the aggregate) have been advanced or loaned or invested (either from borrowed funds or share premium or any other sources or kind of funds) by the Company to or in any other person or entity, including foreign entity ("Intermediaries"), with the understanding, whether recorded in writing or otherwise, that the Intermediary shall, whether, directly or indirectly lend or invest in other persons or entities identified in any manner whatsoever by or on behalf of the Company ("Ultimate Beneficiaries") or provide any guarantee, security or the like on behalf of the Ultimate Beneficiaries;
  - (b) The Management has represented, that, to the best of its knowledge and belief, during the year, no funds (which are material either individually or in the aggregate) have been received by the Company from any person or entity, including foreign entity ("Funding Parties"), with the understanding, whether recorded in writing or otherwise, that the Company shall, whether, directly or indirectly, lend or invest in other persons or entities identified in any manner whatsoever by or on behalf of the Funding Party ("Ultimate Beneficiaries") or provide any guarantee, security or the like on behalf of the Ultimate Beneficiaries;
  - (c) Based on the audit procedures that have been considered reasonable and appropriate in the circumstances, nothing has come to our notice that has caused us to believe that the representations under sub-clause (i) and (ii) of Rule 11(e), as provided under (a) and (b) above, contain any material misstatement.
  - (d) The Company has not declared any dividend during the year. Hence reporting under this clause is not applicable to the Company.

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

**Prashant Bhatia**  
**Partner**  
**Membership No. 508452**  
**UDIN: 22508452AISWJH4473**  
**Date: 10<sup>th</sup> May, 2022**  
**Place: New Delhi**



**ANNEXURE "I" TO THE INDEPENDENT AUDITOR'S REPORT**

[Referred to in paragraph 1 under 'Report on Other Legal and Regulatory Requirements' section in the Independent Auditor's Report of even date to the members of BSES Rajdhani Power Limited on the Ind AS financial statements for the year ended March 31, 2022].

we report that:

- i.
  - a) The Company has maintained proper records showing full particulars, including quantitative details and situation of Property, Plant and Equipment and relevant details of right-of-use assets.
  - b) The Company has maintained proper records showing full particulars of intangible assets.
  - c) The Company has a program of physical verification of Property, Plant and Equipment and right-of-use assets, other than underground cables and overhead lines due to technical reasons, to cover all the items in a phased manner over a period of three to five years, which, in our opinion, is reasonable having regard to the size of the Company and the nature of its assets. Pursuant to the program, certain Property, Plant and Equipment were due for verification during the year and accordingly, were physically verified by the Management. Based on information and explanations given to us, no material discrepancies were noticed on such verification.
  - d) According to the information and explanations given to us, immovable properties comprising buildings recorded in the books of account of the Company were transferred to, and vested in, the Company pursuant to unbundling of Delhi Vidyut Board and in accordance with Delhi Electricity Reform (Transfer Scheme) Rules, 2001 read with the Delhi Electricity-Reform Act, 2000. As represented by the Company, no title deeds in respect of these immovable properties were handed over by the Government of the NCT of Delhi to the Company at the time of such unbundling.
  - e) The Company has not revalued any of its Property, Plant and Equipment (including right-of-use assets) and intangible assets during the year.
  - f) Neither any proceedings have been initiated during the year nor any is pending against the Company as at March 31, 2022 for holding any benami property under the Benami Transactions (Prohibition) Act, 1988 (as amended in 2016) and rules made thereunder.
- ii.
  - a) Verification of inventory has been conducted at reasonable intervals by the management and, in the opinion, the coverage and procedure of such verification by the management is appropriate. No material discrepancies in the aggregate for each class of inventory were noticed.
  - b) The Company has been sanctioned working capital limits in excess of five crore rupees from banks on the basis of security of current asset. Quarterly returns or statements filed by the company with such banks agree with the books of account of the Company.
- iii. The Company has not provided any loans or advances in the nature of loans or stood guarantee, or provided security to any other entity during the year, and hence reporting under clause (iii)(a) to (iii)(f) of the Order is not applicable to the Company.
- iv. The Company has not granted any loans, or made any investments or provided any guarantee or securities to the parties covered under Section 185 and 186 of the Act during the year and hence reporting under paragraph 3(iv) of the Order is not applicable to the Company
- v. The Company has not accepted any deposit or amounts which are deemed to be deposits. Hence, reporting under clause 3(v) of the Order is not applicable to the company.

- vi. The maintenance of cost records has been specified by the Central Government under subsection (1) of section 148 of the Act and rules there under. We have broadly reviewed such records and are of the opinion that prima facie, the prescribed accounts and records have been made and maintained, we have not, however, made a detailed examination of the records with a view to determine whether they are accurate or complete.
- vii.
- a) In our opinion, the Company has generally been regular in depositing undisputed statutory dues, including Goods and Services tax, Provident Fund, Employees' State Insurance, Income Tax, Sales Tax, Service Tax, duty of Custom, duty of Excise, Value Added Tax, Cess and other material statutory dues applicable to it with the appropriate Authorities.

There were no undisputed amounts payable in respect of Goods and Service tax, Provident Fund, Employees' State Insurance, Income Tax, Sales Tax, Service Tax, duty of Custom, duty of Excise, Value Added Tax, Cess and other material statutory dues in arrears as at March 31, 2022 for a period of more than six months from the date they became payable

- b) Details of statutory dues referred to in sub-clause (a) above which have not been deposited as on March 31, 2022 on account of disputes are given below:

Amount in Rs. Crore

Name of Statute	Nature of Dues	Amount of Demand	Amount paid under protest	Period to which the Amount Relates	Forum where dispute is pending
Income Tax Act, 1961	Interest u/s 2010 IA)	1.20	1.20	AY 2008-09	Commissioner of Income Tax (Appeals)
	Demand u/s 143(3)	4.62	4.62	AY 2011-12	Commissioner of Income Tax (Appeals)
	Demand u/s 154/143(3)	0.92	-	AY 2013-14	Income Tax Appellate Tribunal
	Demand u/s 154/143(3)	1.33	-	AY 2015-16	Commissioner of Income Tax (Appeals)
	Demand u/s 154/143(3)	5.98	0.01	AY 2016-17	Commissioner of Income Tax (Appeals)
	Demand u/s 154/143(3)	4.10	-	AY 2017-18	Commissioner of Income Tax (Appeals)

**AY=Assessment Year**

- viii. There were no transactions relating to previously unrecorded income that have been surrendered or disclosed as income during the year in the tax assessments under the Income Tax Act, 1961 (43 of 1961). Hence, reporting under clause 3(viii) of the Order is not applicable.
- ix.
- a) The Company has not defaulted in repayment of loans or other borrowings or in the payment of interest thereon to any lender.



- b) The Company has not been declared willful defaulter by any bank or financial institution or other lender.
  - c) Term loans were applied for the purpose for which the loans were obtained.
  - d) On an overall examination of the financial statements of the Company, funds raised on short term basis have, prima facie, not been used during the year for long-term purposes by the Company.
  - e) The Company did not have any subsidiaries, associates or joint ventures, during the year, hence, reporting under clause 3(ix) (e)& (f) of the Order is not applicable.
- x.
- a) The Company has not raised moneys by way of initial public offer or further public offer (including debt instruments) during the year and hence reporting under clause 3(x)(a) of the Order is not applicable.
  - b) During the year, the Company has not made any preferential allotment or private placement of shares or convertible debentures (fully or partly or optionally) and hence reporting under clause 3(x)(b) of the Order is not applicable.
- xi.
- a) As per information and explanation given to us by the management and on the basis of records of the Company, no fraud by the Company and no material fraud on the Company has been noticed or reported during the year.
  - b) As per information and explanation given to us by the management and on the basis of records of the Company, no report under sub-section (12) of section 143 of the Companies Act has been filed in Form ADT-4 as prescribed under rule 13 of Companies (Audit and Auditors) Rules, 2014 with the Central Government, during the year and upto the date of this report.
  - c) As per information and explanation given to us by the management and on the basis of records of the Company, no whistle blower complaints received by the Company during the year.
- xii. The Company is not a Nidhi Company and hence reporting under clause (xii) of the Order is not applicable
- xiii. All transactions entered into by the Company with the related parties are in compliance with sections 177 and 188 of Act, where applicable, and the details have been disclosed in the Ind AS financial statements as 'required by the applicable accounting standards
- xiv.
- a) In our opinion the Company has an adequate internal audit system commensurate with the size and the nature of its business.
  - b) We have considered, the internal audit reports for the year under audit, issued to the Company during the year, in determining the nature, timing and extent of our audit procedures.
- xv. In our opinion during the year the Company has not entered into any non-cash transactions with its directors or persons connected with its directors. And hence provisions of section 192 of the Companies Act, 2013 are not applicable to the Company.
- xvi.
- a) In our opinion, the Company is not required to be registered under section 45-IA of the Reserve Bank of India Act, 1934. Hence, reporting under clause 3(xvi)(a), (b) and (c) of the Order is not applicable.
  - b) In our opinion, there is no core investment company within the Group (as defined in the Core Investment Companies (Reserve Bank) Directions, 2016) and accordingly reporting under clause 3(xvi)(d) of the Order is not applicable

- xvii. The Company has not incurred cash losses during the financial year covered by our audit and the immediately preceding financial year.
- xviii. We are the auditors of the Company since 24<sup>th</sup> Oct'2020 and it is our 2<sup>nd</sup> year for the audit of the Company accordingly reporting under clause 3(xviii) of the Order is not applicable.
- xix. On the basis of the financial ratios, ageing and expected dates of realization of financial assets and payment of financial liabilities, other information accompanying the financial statements and our knowledge of the Board of Directors and Management plans and based on our examination of the evidence supporting the assumptions, nothing has come to our attention, which causes us to believe that any material uncertainty exists as on the date of the audit report indicating that Company is not capable of meeting its liabilities existing at the date of balance sheet and when they fall due within a period of one year from the balance sheet date, assuming timely recovery of regulatory assets. We, however, state that this is not an assurance as to the future viability of the Company. We further state that our reporting is based on the facts up to the date of the audit report and we neither give any guarantee nor any assurance that all liabilities falling due within a period of one year from the balance sheet date, will get discharged by the Company as and when they fall due.
- xx.
- a) There are no unspent amounts towards Corporate Social Responsibility (CSR) on other than ongoing projects requiring a transfer to a Fund specified in Schedule VII to the Companies Act in compliance with second proviso to sub-section (5) of Section 135 of the said Act. Accordingly, reporting under clause 3(xx) (a) of the Order is not applicable for the year.
- b) In respect of ongoing projects, the Company has transferred unspent Corporate Social Responsibility (CSR) amount as at the end of the previous financial year, to a Special account within a period of 30 days from the end of the said financial year in compliance with the provision of section 135(6) of the Act.

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

**Prashant Bhatia**  
**Partner**  
**Membership No. 508452**  
**UDIN: 22508452AISWJH4473**  
**Date: 10<sup>th</sup> May, 2022**  
**Place: New Delhi**



## ANNEXURE 2 TO THE INDEPENDENT AUDITOR'S REPORT

[Referred to in paragraph 2 under 'Report on Other Legal and Regulatory Requirements' section in our Independent Auditor's Report of even date to the members of BSES Rajdhani Power Limited on the financial statements for the year ended March 31, 2022]

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

We have audited the internal financial controls with reference to financial statements of BSES Rajdhani Power Limited ("the Company") as of March 31, 2022 in conjunction with our audit of the Ind AS financial statements of the Company for the year ended on that date.

### **Management's Responsibility for Internal Financial Controls**

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

### **Auditor's Responsibility**

Our responsibility is to express an opinion on the Company's internal financial controls with reference to financial statements based on our audit. We conducted our audit in accordance with the Guidance Note and the Standards on Auditing specified under section 143(10) of the Act to the extent applicable to an audit of internal financial controls, both issued by the ICAI. Those Standards and the Guidance Note require that we comply with ethical requirements and plan and perform the audit to obtain reasonable assurance about whether adequate internal financial controls with reference to financial statements was established and maintained and if such controls operated effectively in all material respects.

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

Our audit of internal financial controls with reference to financial statements included obtaining an understanding of internal financial controls with reference to financial statements, assessing the risk that a material weakness exists, and testing and evaluating the design and operating effectiveness of internal controls based on the assessed risk. The procedures selected depend on the auditor's judgement, including the assessment of the risks of material misstatement of the financial statements, whether due to fraud or error.

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

#### **Meaning of Internal Financial Controls with reference to Financial Statements**

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

#### **Inherent Limitations of Internal Financial Controls with reference to Financial Statements**

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

#### **Opinion**

In our opinion, to the best of our information and according to the explanations given to us, the Company has, in all material respects, an adequate internal financial controls system 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 criteria for internal financial control with reference to financial statements established by the Company considering the essential components of internal controls stated in the Guidance Note on Audit of Internal Financial Controls Over Financial Reporting issued by the ICAI.

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

**Prashant Bhatia**  
**Partner**  
**Membership No. 508452**  
**UDIN: 22508452AISWJH4473**  
**Date: 10<sup>th</sup> May, 2022**  
**Place: New Delhi**

**BSES RAJDHANI POWER LIMITED**  
**BALANCE SHEET AS AT MARCH 31, 2022**

Particulars	Note	As at March 31, 2022 (₹) In Crores	As at March 31, 2021 (₹) In Crores
<b>Assets</b>			
<b>Non - Current Assets</b>			
(a) Property, Plant and Equipment	3	4,733.15	4,579.34
(b) Capital Work In Progress		150.21	157.64
(c) Other Intangible Assets	4	11.92	14.93
(d) Right-of-Use Assets	5	58.78	67.18
<b>(e) Financial Assets</b>			
i) Restricted Bank Deposits	6	171.14	137.97
ii) Loans	7	46.89	0.36
iii) Other Financial Assets	8	4.41	0.67
(f) Other Non Current Assets	9	36.51	70.05
		<b>5,213.01</b>	<b>5,028.14</b>
<b>Current Assets</b>			
(a) Inventories	10	19.41	21.09
<b>(b) Financial Assets</b>			
i) Trade Receivables	11	720.11	628.02
ii) Cash and Cash Equivalents	12	457.13	266.67
iii) Bank Balances other than (ii) above	13	83.40	101.70
iv) Loans	14	45.34	116.92
v) Other Financial Assets	15	311.81	231.28
(c) Current Tax Assets	16	45.28	20.79
(d) Other Current Assets	17	241.41	134.96
		<b>1,923.89</b>	<b>1,521.43</b>
<b>Total Assets Before Regulatory Assets</b>		<b>7,136.90</b>	<b>6,549.57</b>
Regulatory deferral accounts debit balances and related deferred tax balances	18	10,855.93	10,891.68
<b>Total Assets</b>		<b>17,992.83</b>	<b>17,441.25</b>
<b>Equity &amp; Liabilities</b>			
<b>Equity</b>			
(a) Equity Share Capital	19	1,040.00	1,040.00
(b) Other Equity	20	4,144.40	3,759.83
<b>Total Equity</b>		<b>5,184.40</b>	<b>4,799.83</b>
<b>Liabilities</b>			
<b>Non Current Liabilities</b>			
<b>(a) Financial Liabilities</b>			
i) Borrowings	21	1,321.35	1,562.13
ii) Lease Liability	22	61.05	60.50
iii) Other Financial Liabilities	23	872.98	832.94
<b>(b) Provisions</b>			
(c) Consumer Contribution for Capital Works	24	53.08	51.09
(d) Service Line Deposits	25	747.87	687.38
(e) Grant-In-Aid	26	326.10	290.99
(f) Other Non Current Liabilities	27	7.24	7.61
	28	216.99	224.99
		<b>3,606.66</b>	<b>3,717.63</b>
<b>Current Liabilities</b>			
<b>(a) Financial Liabilities</b>			
i) Borrowings	29	366.36	318.22
ii) Lease Liability	30	6.72	13.26
iii) Trade Payable			
- dues of micro and small enterprises		48.26	19.15
- dues of other than micro and small	31	7,803.77	7,566.54
iv) Other Financial Liabilities	32	408.26	372.43
(b) Other Current Liabilities	33	486.52	499.51
(c) Provisions	34	81.88	134.68
		<b>9,201.77</b>	<b>8,923.79</b>
<b>Total Equity and Liabilities</b>		<b>17,992.83</b>	<b>17,441.25</b>

Refer Note 59 on restatement of Financial Statement for the year ended March 31, 2021.

The above Balance Sheet should be read in conjunction with the accompanying note nos. 1 to 63.

For and on behalf of the Board of Directors

As per our report of even date

Vijayalakshmy Gupta  
Director  
(DIN 08636754)

Surinder S Kohli  
Director  
(DIN 00169907)

Naveen ND Gupta  
Director  
(DIN 00271748)

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

Virendra S Verma  
Director  
(DIN 07843461)

Ajit K Ranade  
Director  
(DIN 00918651)

Jasmlne Shah  
Director  
(DIN 08621290)

Prashant Bhatla  
Partner  
(M. No. 508452)

Sateesh Seth  
Director  
(DIN 00004631)

Punit N Garg  
Director  
(DIN 00004407)

Umesh K Tyagi  
Director  
(DIN 07655990)

Anam K Sharma  
Director  
(DIN 01180722)

Amal Sinha  
Director  
(DIN 07407776)

Rajesh Bansal  
CEO

Place : New Delhi  
Date : May 10, 2022

Surya S Banerji  
CFO  
(FCA - 420131)

Pankaj Tandon  
Company Secretary  
(FCS- 7248)

**BSES RAJDHANI POWER LIMITED**  
**STATEMENT OF PROFIT AND LOSS FOR THE YEAR ENDED MARCH 31, 2022**

Particulars	Notes	YEAR ENDED	
		March 31, 2022 (₹) in Crores	March 31, 2021 (₹) in Crores
I. Revenue From Operations	35	10,164.08	8,945.32
II. Other Income	36	112.11	2,011.31
III. Total Income (I+II)		10,276.19	10,956.63
IV. Expenses			
Cost of Power Purchased	37	7,310.57	7,021.77
Employee Benefits Expense	38	547.57	547.84
Finance Costs	39	1,060.47	1,452.64
Depreciation and Amortization Expense	40	389.54	368.43
Other Expenses	41	501.19	501.46
Total Expenses (IV)		9,809.34	9,892.14
V. Profit/(Loss) before Rate Regulated Activities and Tax (III-IV)		466.85	1,064.49
VI. Net movement in Regulatory deferral account balances and related deferred tax	42	(81.68)	1,613.25
VII. Profit before tax (V+VI)		385.17	2,677.74
VIII. Tax Expense :			
(1) Tax for the year			
(i) Current Tax		-	-
(ii) Deferred Tax (Refer Note 44)		-	-
(2) Tax reversed for earlier years (Refer Note 44)		-	(40.32)
		-	(40.32)
IX. Profit for the year (VII-VIII)		385.17	2,718.06
X. Other Comprehensive Income (OCI)			
Items that will not be reclassified to Profit & Loss			
- Re-measurement of defined benefit plan : Gains/(Loss)	42	4.96	(15.71)
- Net movement in Regulatory deferral account balances related to items recognized in OCI		(5.56)	17.72
- Income Tax relating to above items		-	-
Other Comprehensive Income		(0.60)	2.01
XI. Total Comprehensive Income for the year (IX+X)		384.57	2,720.07
XII. Earnings Per Equity Share of ₹10 Each	43		
Basic (₹ per share)		3.70	26.14
Diluted (₹ per share)		3.70	26.14
Basic before Net movement in Regulatory Deferral Account balances (₹ per share)		4.49	10.62
Diluted before Net movement in Regulatory Deferral Account balances (₹ per share)		4.49	10.62

Refer Note 59 on restatement of Financial Statement for the year ended March 31, 2021.

The above Statement of Profit and Loss should be read in conjunction with the accompanying note nos. 1 to 63.

For and on behalf of the Board of Directors

As per our report of even date	<b>Vijayalakshmy Gupta</b> Director (DIN 08636754)	<b>Surinder S Kohli</b> Director (DIN 00169907)	<b>Naveen ND Gupta</b> Director (DIN 00271748)
For Ravi Rajan & Co. LLP Chartered Accountants ICAI Firm Registration No. 009073N / N500320	<b>Virendra S Verma</b> Director (DIN 07843461)	<b>Ajit K Ranade</b> Director (DIN 00918651)	<b>Jasmine Shah</b> Director (DIN 08621290)
<b>Prashant Bhatia</b> Partner (M. No. 508452)	<b>Sateesh Seth</b> Director (DIN 00004631)	<b>Punit N Garg</b> Director (DIN 00004407)	<b>Umesh K Tyagi</b> Director (DIN 07655990)
	<b>Jani K Sharma</b> Director (DIN 01180722)	<b>Amal Sinha</b> Director (DIN 07407776)	<b>Rajesh Bahsal</b> CEO
Place : New Delhi Date : May 10, 2022		<b>Surya S Banerji</b> CFO (FCA - 420131)	<b>Pankaj Tandon</b> Company Secretary (FCS- 7248)

**BSES RAJDHANI POWER LIMITED**  
**STATEMENT OF CASH FLOWS FOR THE YEAR ENDED MARCH 31, 2022**

Amount ( ₹ ) in Crores

Particulars	March 31, 2022	March 31, 2021
<b>A. Cash Flow From Operating Activities</b>		
Profit Before Income Tax	385.17	2677.74
<b>Adjustments For :</b>		
Depreciation and Amortization Expense	381.14	360.03
Depreciation on ROU	8.40	8.40
Interest Income	(51.03)	(24.11)
Net Loss on Sale of Property, Plant and Equipment	(2.65)	15.24
Transfer from Consumer Contribution for Capital Work	(50.39)	(45.02)
Transfer from Service Line Deposit	(45.16)	(42.96)
Provision for Doubtful Debts	12.52	21.63
Provision for Retirement of Fixed Assets	1.14	-
Excess Provisions Written Back	(1.29)	(0.11)
Liabilities Written Back	-	(1,948.76)
Inventory Written Off	-	0.25
Adjustment for Regulatory Deferral Account Balances	30.19	(1,613.25)
Adjustment for Other Comprehensive Income	4.96	(15.71)
Adjustment for Loan Processing Fees	1.75	0.83
Interest on Lease Liability	7.26	7.90
Interest and Finance Charges	280.79	212.65
LPSC on Power Purchase	770.67	1,231.26
<b>Operating Profit Before Working Capital Changes</b>	<b>1,733.47</b>	<b>846.01</b>
<b>Adjustments for (Increase)/Decrease in Assets</b>		
Inventories	1.07	(4.83)
Trade Receivables	(104.61)	(60.06)
Other Current and Non Current - Financial Assets	(93.03)	10.15
Other Current and Non Current Assets	(70.76)	(38.47)
<b>Adjustments for Increase / (Decrease) in Liabilities</b>		
Other Current and Non Current - Financial Liabilities	10.10	58.04
Service Line Deposit	80.27	37.07
Other Current and Non Current Liabilities	(12.99)	204.66
Trade Payables	(504.33)	(1,120.65)
Provisions	(50.75)	(84.36)
<b>Adjustments for (Increase)/Decrease in Assets and Liabilities</b>	<b>(745.03)</b>	<b>(998.45)</b>
<b>Cash Generated From Operations</b>	<b>988.44</b>	<b>(152.44)</b>
Income Tax Paid, Net of Refund (Including Tax deducted at source)	(11.20)	35.41
<b>Net Cash from / (used in) Operating Activities (I)</b>	<b>999.64</b>	<b>(187.85)</b>
<b>B. Cash Flow From Investing Activities :-</b>		
Purchase of Property, Plant and Equipment	(473.30)	(448.07)
Sale of Property, Plant and Equipment	20.89	2.84
Consumer Contribution for Capital Works	96.07	62.23
Term Deposit not considered as Cash and Cash Equivalents	(14.87)	(94.02)
Interest Received	49.16	23.72
<b>Net Cash (used in) Investing Activities (II)</b>	<b>(322.05)</b>	<b>(453.30)</b>
<b>C. Cash Flow From Financing Activities :-</b>		
Interest Charges	(279.49)	(210.27)
Net (Repayment)/ Proceeds from Cash credit	0.10	90.56
Proceeds/(Repayment) of Long Term Borrowings **	(194.49)	790.52
Payment of Lease Liability	(13.25)	(13.25)
<b>Net Cash From Financing Activities (III)</b>	<b>(487.13)</b>	<b>657.56</b>
<b>Total (I+II+III)</b>	<b>190.46</b>	<b>16.41</b>
Cash and Cash Equivalents as at the commencement of the year	266.67	250.26
Cash and Cash Equivalents as at the end of the year	457.13	266.67
<b>Net Increase as disclosed above</b>	<b>190.46</b>	<b>16.41</b>

Refer Note 59 on restatement of Financial Statement for the year ended March 31, 2021.

**BSES RAJDHANI POWER LIMITED**  
**STATEMENT OF CASH FLOWS FOR THE YEAR ENDED MARCH 31, 2022**

Amount (₹) in Crores

**Disclosure of changes in liabilities arising from financing activities**

Particulars	Term Loans including current maturities	Short Term Loans- CC/WCL	Interest
Opening Balance as at April 01, 2021	1,753.79	126.56	8.30
Add:- Proceeds from borrowings/ Interest accrued during the year**	-	0.10	280.79
Less:- Repayment of borrowings / Interest payment during the year**	194.49	-	279.49
<b>Non Cash items :-</b>			
i) Amortization	1.75	-	-
ii) Foreign exchange movements	-	-	-
iii) Fair value changes	-	-	-
<b>Closing Balance as at March 31, 2022</b>	<b>1,561.05</b>	<b>126.66</b>	<b>9.60</b>

Particulars	Term Loans including current maturities	Short Term Loans- CC/WCL	Interest
Opening Balance as at April 01, 2020	962.44	36.00	5.92
Add:- Proceeds from borrowings/ Interest accrued during the year	850.92	90.56	212.65
Less:- Repayment of borrowings / Interest payment during the year	60.40	-	210.27
<b>Non Cash items :-</b>			
i) Amortization	0.83	-	-
ii) Foreign exchange movements	-	-	-
iii) Fair value changes	-	-	-
<b>Closing Balance as at March 31, 2021</b>	<b>1,753.79</b>	<b>126.56</b>	<b>8.30</b>

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

The above Statement of Cash Flow should be read in conjunction with the accompanying note nos. 1 to 63.

As per our report of even date

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

Prashant Bhatia  
Partner  
(M. No. 508452)

Vijayalakshmy Gupta  
Director  
(DIN 08636754)

Virendra S Verma  
Director  
(DIN 07843461)

Sateesh Seth  
Director  
(DIN 00004631)

Anjani K Sharma  
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Surinder S Kohli  
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Surya S Banerji  
CFO  
(FCA - 420131)

Naveen ND Gupta  
Director  
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Jasmine Shah  
Director  
(DIN 08621290)

Umesh K Tyagi  
Director  
(DIN 07655990)

Rajesh Bansal  
CEO

Pankaj Tandon  
Company Secretary  
(FCS- 7248)

Place : New Delhi  
Date : May 10, 2022



**BSES RAJDHANI POWER LIMITED**  
**STATEMENT OF CHANGES IN EQUITY FOR THE YEAR ENDED MARCH 31, 2022**

Amount ₹ in Crores

**A. Equity share capital**

Year Ended March 31, 2022				
Balance as at April 01, 2021	Changes in Equity share capital due to prior period error	Restated balance as at April 01, 2021	Changes in Equity share capital during the year	Balance as at March 31, 2022
1,040.00	-	-	-	1,040.00

Year Ended March 31, 2021				
Balance as at April 01, 2020	Changes in Equity share capital due to prior period error	Restated balance as at April 01, 2020	Changes in Equity share capital during the year	Balance as at March 31, 2021
1,040.00	-	-	-	1,040.00

**B. Other equity**

Particulars	Other Reserves	Retained Earnings	Total
<b>Year Ended March 31, 2022</b>			
Balance as at April 01, 2021	-	3,759.83	3,759.83
Changes in accounting policy or prior period errors	-	-	-
<b>Restated Balance as at April 01, 2021</b>	-	<b>3,759.83</b>	<b>3,759.83</b>
Profit for the year	-	385.17	385.17
Other Comprehensive Income for the year	-	(0.60)	(0.60)
<b>Total Comprehensive Income for the year</b>	-	<b>384.57</b>	<b>384.57</b>
<b>Balance as at March 31, 2022</b>	-	<b>4,144.40</b>	<b>4,144.40</b>

<b>Year Ended March 31, 2021</b>			
Balance as at April 01, 2020	-	1,039.76	1,039.76
Changes in accounting policy or prior period errors	-	-	-
<b>Restated Balance as at April 01, 2020</b>	-	<b>1,039.76</b>	<b>1,039.76</b>
Profit for the year	-	2,718.06	2,718.06
Other Comprehensive Income for the year	-	2.01	2.01
<b>Total Comprehensive Income for the year</b>	-	<b>2,720.07</b>	<b>2,720.07</b>
<b>Balance as at March 31, 2021</b>	-	<b>3,759.83</b>	<b>3,759.83</b>

Refer Note 59 on restatement of Financial Statement for the year ended March 31, 2021.

The above Statement of Change in Equity should be read in conjunction with the accompanying note nos. 1 to 63.

For and on behalf of the Board of Directors

As per our report of even date

Vijayalakshmy Gupta  
 Director  
 (DIN 08636754)

Surinder S Kohli  
 Director  
 (DIN 00169907)

Naveen ND Gupta  
 Director  
 (DIN 00271748)

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

Virendra S Verma  
 Director  
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Ajit K Ranade  
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Jasmine Shah  
 Director  
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Prashant Bhatia  
 Partner  
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Sateesh Seth  
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Punit N Garg  
 Director  
 (DIN 00004407)

Umesh K Tyagi  
 Director  
 (DIN 07655990)

Anjani K Sharma  
 Director  
 (DIN 01180722)

Amal Sinha  
 Director  
 (DIN 07407776)

Rajesh Bansal  
 CEO

Place : New Delhi  
 Date : May 10, 2022

Surya S Banerji  
 CFO  
 (FCA - 420131)

Pankaj Banerji  
 Company Secretary  
 (FCS-7248)

**Corporate Information**

BSES RAJDHANI POWER LIMITED ( "BRPL" or " The Company " ) is a limited Company incorporated in India having registered office at BSES Bhawan, Nehru Place, New Delhi - 110019.

The Delhi Electricity Distribution Model is a unique model based on Public Private Partnership (between Reliance Infrastructure Limited and Government of National Capital Territory of Delhi) (hereinafter referred to as "GoNCTD") acclaimed by various International bodies like World Bank, ADB, USAID etc. The GoNCTD initiated an enabling and futuristic step of privatizing the erstwhile Delhi Vidyut Board (DVB) with effect from July 1, 2002. Result of the privatization culminated in formation of BRPL, under the provisions of the then Companies Act, 1956, which also is, inter-alia, a distribution licensee within the ambit of the Electricity Act, 2003 (hereinafter referred to as "Electricity Act") which ensured that provisions of the enactments specified in the Delhi Electricity Reforms Act, 2000 (hereinafter referred to as "DERA") (Delhi Act No. 2 of 2001), not inconsistent with the provisions of the Electricity Act remained applicable to Delhi, as it was part of the Schedule referred to in Section 185 of the Electricity Act.

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

Since the privatization, BRPL has traversed a long and successful journey to become one of the most respected utilities in the country. Over a period of time, BRPL had been awarded certifications as per latest International Organization for Standardization i.e ISO 9001:2015 (QMS), ISO 14001:2015 (EMS) & ISO 45001:2018 (OHSMS) while becoming an entity to be reckoned with. BRPL today serves over 28.68 lakh satisfied consumers in South and West Delhi. BRPL was awarded Diversity & Inclusion Excellence Award by Assocham, National Energy Award for EV charging by CII and Best Green Procurement Initiatives by CII during the current year. BRPL was awarded first position for excellence in Cost Management in Power Distribution and Transmission category in year 2021 by The Institute of Cost Accountant of India.

These Financial Statement of the Company for the year ended March 31, 2022 are authorized for issue by the Board of Directors on May 10, 2022.

**Note-1 Significant Accounting Policies**

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

**a) Basis of Preparation**

**(i) Statement of Compliance**

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

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

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

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

**(ii) Basis of Measurement**

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

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

**(iii) New standards and interpretations**

Ministry of Corporate Affairs ("MCA") notifies new standard or amendments to the existing standards.

On March 23, 2022, MCA amended the Companies (Indian Accounting Standards) Amendment Rules, 2022, applicable from April 1, 2022, as below:

**Ind AS 103 – Business Combinations (Reference to Conceptual Framework)**

The amendments specify that to qualify for recognition as part of applying the acquisition method, the identifiable assets acquired and liabilities assumed must meet the definitions of assets and liabilities in the Conceptual Framework for Financial Reporting under Indian Accounting Standards (Conceptual Framework) issued by the Institute of Chartered Accountants of India at the acquisition date. The Company has evaluated the amendment and there will be no impact on its financial statements.

**Ind AS 16 – Property, Plant & Equipment (Proceeds before intended use)**

The amendment clarifies that excess of net sale proceeds of items produced over the cost of testing, if any, shall not be recognized in the profit or loss but deducted from the directly attributable costs considered as part of cost of an item of property, plant, and equipment. The Company has evaluated the amendment and there will be no impact on its financial statements.

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

The amendment specifies that the 'cost of fulfilling' a contract comprises the 'costs that relate directly to the contract'. Costs that relate directly to a contract can either be incremental costs of fulfilling that contract (examples would be direct labour, materials) or an allocation of other costs that relate directly to fulfilling contracts (an example would be the allocation of the depreciation charge for an item of property, plant and equipment used in fulfilling the contract). The Company has evaluated the amendment and there will be no impact on its financial statements.

**(iv) Others**

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

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

**b) Current versus Non-Current Classification**

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

An asset is treated as current when it is:

- Expected to be realized or intended to be sold or consumed in normal operating cycle.
- Expected to be realized within twelve months after the reporting period, or
- Cash or cash equivalent unless restricted from being exchanged or used to settle a liability for at least twelve months after the reporting period.
- held primarily for the purpose of trading.

All other assets are classified as non-current.

A liability is current when:

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

All other liabilities are classified as non-current.

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

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

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

**c) Foreign Currency Translation**

**(i) Functional and Presentation Currency**

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

**(ii) Transactions and Balances**

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

**d) Revenue Recognition**

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

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

**Revenue from sale of power**

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

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

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

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

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

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

#### **Consumer Contribution for capital works and Service Line deposit**

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

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

#### **Other Income:**

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

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

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

Revenue from street light maintenance is recognized on the basis of numbers of points maintained for Municipal Corporations of Delhi (MCD) and other Civic agencies.

#### **e) Banking Arrangements of Power**

The Company enters into banking arrangements of powers with other power utilities to bank power and vice - versa and take back or return the banking power over agreed period. The power banking transactions both way are recorded in conformity with the rates promulgated by DERC directives as applicable. (Refer Note 37)

#### **f) Government Grants**

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

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

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

#### **g) Income Tax**

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

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

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

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

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

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

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

The Company has also adopted the other amendments in "Ind AS 12 - Income Tax" in connection with accounting for dividend distribution taxes.

#### **h) Leases**

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

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

A contract is, or contains, a lease if the contract conveys the right to control the use of an identified asset for a period of time in exchange for consideration.

##### *As a lessee*

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

The payments included in the measurement of the lease liability include fixed payments less any lease incentives receivable variable lease payments that depend on an index or a rate, initially measured using the index or rate as at the commencement date, residual value guarantees, exercise price of a purchase option where the Company is reasonably certain to exercise that option and payments of penalties for terminating the lease, if the lease term reflects the lessee exercising an option to terminate the lease. GST liability is included in the measurement of the lease liability.

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

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

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

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

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

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

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

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

(b) Not to reassess whether a contract is or contains a lease, accordingly the definition of lease in accordance with Ind AS 17 will continue to be applied to those leases entered or modified before date of transition.

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

(d) Excluded the initial direct costs from measurement of the ROU asset.

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

**i) Impairment of Non-Financial Assets**

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

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

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

**j) Cash and cash equivalents**

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

**k) Trade Receivables**

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

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

**l) Inventories**

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

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

**m) Financial Instruments**

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

**Financial Assets**

**(i) Classification**

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

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

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

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

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

**(ii) Measurement**

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

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

**Subsequent**

**Debt Instruments**

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

- **Amortized cost:** Assets that are held for collection of contractual cash flows where those cash flows represent solely payments of principal and interest are measured at amortized cost. A gain or loss on a debt investment that is subsequently measured at amortized cost and is not part of a hedging relationship is recognized in the statement of profit and loss when the asset is derecognized or impaired. Interest income from these financial assets is included in other income using the effective interest rate method.
- **Fair value through other comprehensive income (FVOCI):** Assets that are held for collection of contractual cash flows and for selling the financial assets, where the assets' cash flows represent solely payments of principal and interest, are measured at fair value through other comprehensive income (FVOCI). Movements in the carrying amount are taken through OCI, except for the recognition of impairment gains or losses, interest revenue and foreign exchange gains and losses which are recognized in the statement of profit and loss. When the financial asset is derecognized, the cumulative gain or loss previously recognized in OCI is reclassified from equity to profit or loss and recognized in other gains/ (losses). Interest income from these financial assets is included in other income using the effective interest rate method. At present no financial assets fulfill this condition.
- **Fair value through profit or loss:** Assets that do not meet the criteria for amortized cost or FVOCI are measured at fair value through profit or loss. A gain or loss on a debt investment that is subsequently measured at fair value through profit or loss and is not part of a hedging relationship is recognized in the statement of profit and loss and presented net in the statement of profit and loss within other gains/(losses) in the period in which it arises. Interest income from these financial assets is included in other income.

**Equity Instruments**

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

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

**(iii) Impairment of Financial Assets**

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

For trade receivables only, the Company applies the simplified approach permitted by Ind AS 109 "Financial Instruments", which requires expected credit loss allowance to be recognized for initial recognition of the receivable. The Company has also used a practical expedient i.e provision matrix for their determination as per Ind AS 109.

**(iv) Derecognition of Financial Assets**

A financial asset is derecognized only when:

- The Company has transferred the rights to receive cash flows from the financial asset, or
- retains the contractual rights to receive the cash flows of the financial asset, but assumes a contractual obligation to pay the cash flows to one or more recipients.

Where the entity has transferred an asset, the Company evaluates whether it has transferred substantially all risks and rewards of ownership of the financial asset. In such cases, the financial asset is derecognized.

Where the entity has neither transferred a financial asset nor retains substantially all risks and rewards of ownership of the financial asset, the financial asset is derecognized if the Company has not retained control of the financial asset. Where the Company retains control of the financial asset, the asset is continued to be recognized to the extent of continuing involvement in the financial asset.

**n) Financial Liabilities****Initial recognition and measurement**

All financial liabilities are recognized initially at fair value and in the case of loans and borrowings and payables, net of directly attributable transaction costs. The Company's financial liabilities include trade and other payables, loans and borrowings including bank overdrafts.

**Subsequent measurement****Financial liabilities at amortized cost**

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

**i) Borrowings**

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

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

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

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

**ii) Trade and other payables**

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

**Derecognition**

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

**o) Fair Value Measurement**

Fair value is the price that would be received to sell an asset or paid to transfer a liability in an orderly transaction between market participants at the measurement date. The fair value measurement is based on the presumption that the transaction to sell the asset or transfer the liability takes place either:

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

The principal or the most advantageous market must be accessible by the Company.

The fair value of an asset or a liability is measured using the assumptions that market participants would use when pricing the asset or liability, assuming that market participants act in their economic best interest.

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

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

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

Level 1 - Quoted (unadjusted) market prices in active markets for identical assets or liabilities.

Level 2- Valuation techniques for which the lowest level input that is significant to the fair value measurement is directly or indirectly observable.

Level 3 -Valuation techniques for which the lowest level input that is significant to the fair value measurement is unobservable.

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

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

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



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

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

**p) Derivatives**

**(i) Derivatives that are not designated as hedges**

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

**(ii) Embedded derivatives**

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

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

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

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

**q) Offsetting financial Instruments**

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

**r) Property, Plant and Equipment**

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

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

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

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

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

**s) Intangible Assets**

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

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

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

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

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

Based on DERC regulations, residual value is taken at the rate of 10% of assets (other than Computer Hardware & Software where residual value is considered as Nil). Further, residual value is taken at the rate of 5% where useful life is considered based on independent Valuers certificate (other than Mobile phones where residual value is considered as Nil).

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

Description of Assets	Useful Life of Asset (In Years)
<b>I. Buildings:</b>	
a) Buildings & Pucca Roads	50
b) Temporary Structures	Nil
<b>II. Plant &amp; Machinery :</b>	
a) Transformers & Switchgears	25
b) Lightening Arrestors	25
c) Batteries	5
d) Energy Meters*	10
e) Distribution Systems :	
- Overhead Lines	25
- Underground Cables	35
<b>III. Furniture &amp; Fixtures</b>	10
<b>IV. Office Equipments</b>	
a) Communication Equipments*	
i) Mobile Phones	3
ii) Other Communication Equipments	10
b) Office Equipments & Others	10
<b>V. Computers</b>	
a) Hardware	6
b) Software, Servers & Networking Equipment **	6
<b>VI. Vehicles</b>	10

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

\*\* Useful life of assets is considered by the Company as 6 years. Where ever the life of the assets is less than 6 years, the same is considered accordingly.

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

Assets Class	Rate*** ( for initial 12 years)
Transformer, Switchgear, Lightening Arrestors and Overhead Lines including cable supports	5.83%
Underground cable including joint boxes and disconnected boxes	5.83%

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

**Depreciation/ amortization methods, estimated useful lives and residual value**

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

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

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

**u) Borrowing Costs**

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

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

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

**v) Provisions**

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

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

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

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

**w) Contingent Liabilities and Contingent Assets:**

A contingent liability is a possible obligation that arises from past events whose existence will be confirmed by the occurrence or non occurrence of one or more uncertain future events beyond the control of the Company or a present obligation that is not recognized 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 recognized because it cannot be measured reliably. The Company does not recognize a contingent liability but discloses its existence in the notes to financial statements. A contingent asset is not recognized in financial statements, however, the same is disclosed where an inflow of economic benefit is probable.

**x) Employee Benefits :**

**(i) Short-term obligations**

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

**(ii) Other long-term employee benefit obligations**

**Employees other than Erstwhile DVB Employees**

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

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

**Erstwhile DVB Employees**

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

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

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

**(iii) Post-employment obligations**

**Employees other than Erstwhile DVB Employees**

The Company operates the following post-employment schemes:

- (a) defined benefit plans such as gratuity, leave encashment; and
- (b) defined contribution plans such as provident fund, superannuation fund etc.

**Defined benefit plans****Gratuity obligations**

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

**Leave encashment**

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

**Defined Contribution plans**

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

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

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

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

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

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

**y) Contributed equity**

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

**z) Earnings Per Share**

Basic Earnings Per Share (BEPS) is computed by dividing the net profit attributable to equity shareholders of the Company by the weighted average number of equity shares outstanding during the financial year.

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

Both BEPS and DEPS have been calculated with and without considering income from rate regulated activities in the net profit attributable to equity shareholders.

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

**Note-2 Critical estimates and judgements**

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

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

The areas involving critical estimates and judgements are:

***i. Useful life of Property, Plant and Equipment***

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

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

***ii. Recoverable amount of Property, Plant and Equipment***

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

***iii. Estimation of defined benefit obligation***

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

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

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

***v. Impairment of Trade Receivables***

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

***vi. Regulatory Assets***

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

***vii. Late Payment Surcharge on Power Purchase (LPSC)***

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

***viii. Lease Assets (ROU)***

Ind AS 116 requires lessees to determine the lease term as the non-cancellable period of a lease adjusted with any option to extend or terminate the lease, based on assessment on a lease by lease basis, if the use of such option is reasonably certain.

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

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

***ix. Estimation of Unbilled Revenue ( Refer Note 11 )***

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

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

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

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

**BSES RAJDHANI POWER LIMITED**  
**Notes to Financial Statements for the Year Ended March 31, 2022**

**Note-3: Property, Plant and Equipment**

Amount in ₹ Crores

Particulars	BUILDINGS	PLANT & EQUIPMENTS						FURNITURE AND FIXTURES	OFFICE EQUIPMENTS		COMPUTERS	VEHICLES	TOTAL	CAPITAL WORK IN PROGRESS	
		TRANSFORMERS & SWITCHGEARS	LIGHTENING ARRESTOR	BATTERIES	ENERGY METERS	UNDERGROUND CABLE	OVERHEAD LINES		COMMUNICATION EQUIPMENT	OTHER OFFICE EQUIPMENTS					
<b>Year ended March 31, 2021</b>															
Gross carrying amount															
Opening gross carrying amount	192.25	1,777.64	12.36	7.95	735.97	2,101.23	650.45	31.35	3.43	26.51	41.94	15.42	5,596.50		
Additions during the year	4.21	190.40	0.52	2.24	58.49	151.81	77.47	0.70	0.25	6.35	4.33	5.48	502.35		
Additions on account of interest/overhead	1.24	47.48	0.13	0.45	1.27	38.71	22.88	0.06	-	1.61	0.77	0.73	115.23		
Disposals	12.13	5.72	0.17	0.01	9.84	0.19	-	-	0.16	0.11	0.01	0.38	28.71		
<b>Closing gross carrying amount</b>	<b>185.57</b>	<b>2,009.80</b>	<b>12.84</b>	<b>10.63</b>	<b>785.89</b>	<b>2,291.66</b>	<b>750.80</b>	<b>32.11</b>	<b>3.53</b>	<b>34.26</b>	<b>47.03</b>	<b>21.25</b>	<b>6,185.37</b>		
Accumulated depreciation and impairment															
Opening accumulated depreciation and impairment	21.44	386.96	2.97	4.28	246.77	400.52	130.27	10.79	0.84	8.12	24.86	5.72	1,243.52		
Depreciation charged during the year	5.29	109.01	0.78	1.09	66.97	120.25	40.64	1.30	0.32	3.20	4.64	1.47	354.96		
Disposals	2.53	1.89	0.04	-	5.40	0.07	-	-	0.05	0.06	0.01	0.30	10.35		
<b>Closing accumulated depreciation and impairment</b>	<b>24.20</b>	<b>494.08</b>	<b>3.71</b>	<b>5.35</b>	<b>308.34</b>	<b>520.70</b>	<b>170.91</b>	<b>12.09</b>	<b>1.11</b>	<b>11.26</b>	<b>29.49</b>	<b>6.89</b>	<b>1,588.13</b>		
<b>Net carrying amount as at March 31, 2021</b>	<b>161.37</b>	<b>1,515.72</b>	<b>9.13</b>	<b>5.28</b>	<b>477.55</b>	<b>1,770.96</b>	<b>579.89</b>	<b>20.02</b>	<b>2.42</b>	<b>23.00</b>	<b>17.54</b>	<b>14.36</b>	<b>4,597.24</b>	<b>123.80</b>	
Less: Provision for Retirement														17.90	
<b>Net carrying amount after provision as at March 31, 2021</b>														<b>4,579.34</b>	<b>111.71</b>
Add:- Inventory for Capital Works including Goods in Transit (GIT)															47.80
Less:- Provision for Capital Inventories															1.87
<b>Net CWIP including Capital Inventory</b>															<b>157.64</b>
<b>Year ended March 31, 2022</b>															
Gross carrying amount															
Opening gross carrying amount	185.57	2,009.80	12.84	10.63	785.89	2,291.66	750.80	32.11	3.53	34.26	47.03	21.25	6,185.37		
Additions during the year	9.70	148.34	0.95	5.81	77.42	125.27	77.44	0.45	0.28	4.30	2.95	4.68	457.59		
Additions on account of interest/overhead	3.18	34.76	0.25	1.14	0.64	30.12	19.47	0.08	-	0.84	0.78	-	91.26		
Disposals	-	18.31	1.77	0.07	13.72	0.03	0.01	0.51	0.46	0.76	0.06	0.27	35.97		
<b>Closing gross carrying amount</b>	<b>198.45</b>	<b>2,174.59</b>	<b>12.27</b>	<b>17.51</b>	<b>850.23</b>	<b>2,447.02</b>	<b>847.70</b>	<b>32.13</b>	<b>3.35</b>	<b>38.64</b>	<b>50.70</b>	<b>25.66</b>	<b>6,698.25</b>		
Accumulated depreciation and impairment															
Opening accumulated depreciation and impairment	24.20	494.08	3.71	5.35	308.34	520.70	170.91	12.09	1.11	11.26	29.49	6.89	1,588.13		
Depreciation charged during the year	4.92	116.42	0.63	1.51	71.08	126.36	41.98	1.40	1.48	3.60	5.70	1.73	376.81		
Disposals	-	9.29	1.32	0.05	7.05	0.01	0.01	0.31	0.23	0.43	0.05	0.14	18.89		
<b>Closing accumulated depreciation and impairment</b>	<b>29.12</b>	<b>601.21</b>	<b>3.02</b>	<b>6.81</b>	<b>372.37</b>	<b>647.05</b>	<b>212.88</b>	<b>13.18</b>	<b>2.36</b>	<b>14.43</b>	<b>35.14</b>	<b>8.48</b>	<b>1,946.05</b>		
<b>Net carrying amount as at March 31, 2022</b>	<b>169.33</b>	<b>1,573.38</b>	<b>9.25</b>	<b>10.70</b>	<b>477.86</b>	<b>1,799.97</b>	<b>634.82</b>	<b>18.95</b>	<b>0.99</b>	<b>24.21</b>	<b>15.56</b>	<b>17.18</b>	<b>4,752.20</b>	<b>119.60</b>	
Less: Provision for Retirement														19.05	
<b>Net carrying amount after provision as at March 31, 2022</b>														<b>4,733.15</b>	<b>107.51</b>
Add:- Inventory for Capital Works including Goods in Transit (GIT)															43.87
Less:- Provision for Capital Inventories															1.17
<b>Net CWIP including Capital Inventory</b>															<b>150.21</b>

## Notes to Financial Statements for the Year Ended March 31, 2022

## (I) Property, plant and equipment pledged as security

a) Tangible assets (including capital work- in- progress) are subject to first pari passu charge to secure the Company's borrowings referred in notes as secured loan from financial institution and bank in the current and previous year (Refer Note 21 & 29).

b) The second pari passu charge on Tangible assets (including capital work in progress) are in favour of working capital lender's issuing Stand By Letter of Credit/ Letter of Credit (SBLC/LC) limits .

## (II) Contractual obligations

Refer Note 47 for disclosure of contractual commitments for the acquisition of Property, Plant and Equipments.

(III) The amount of borrowing costs capitalized to gross block of fixed assets during the year ended is ₹ 9.82 Crores ( March 31, 2021 ₹ 20.69 Crores). The rate used to determine the amount of borrowing costs eligible for capitalization for the year ended March 31, 2022 is 12.69% (March 31, 2021- 12.73%) which is weighted average interest rate of borrowing.

## (IV) Property, Plant and Equipment contributed by customers

The Entity recognizes any contribution including taking over of self-constructed assets by consumers towards property, plant and equipment made by various Govt. agencies/ others to be utilized in the transmission and distribution process and that meets the definition of an asset. The initial gross amount is estimated at fair value by reference to the market price of these assets on the date in which control is obtained. Refer Note 25 for amount that the Company has recognized as property, plant and equipment and Note 35 for revenue recognized during the year. PPE includes cost of ₹ 4.28 Crores Gross Value , Accumulated depreciation of ₹ 3.20 Crores towards consumer contribution of self-constructed assets transferred by CGHS customer through transfer agreement (Previous Year March 31, 2021 Gross Value of ₹ 27.50 Crores, Accumulated Depreciation of ₹ 10.36 Crores from M/s Delhi International Airport Pvt. Ltd ). The same has been recognized as PPE through consumer contribution during the year as required under DERC (Supply code and Performance Standard) Regulation, 2017.

## (v) CWIP Movement

Capital work in progress as at March 31, 2022 comprises expenditure for the Property, plant and equipment in the course of construction. Borrowing cost amounting to ₹ 1.53 Crores ( March 31, 2021 ₹ 3.34 Crores) and personnel cost amounting to ₹ 17.73 Crores (March 31, 2021 ₹ 19.97 Crores) have been added to CWIP.

Particulars	Year	Opening	Addition	Capitalization	Closing
CWIP Movement	2021-22	123.80	438.31	442.51	119.60
CWIP Movement	2020-21	274.73	371.98	522.91	123.80

## (vi) Ageing schedule of Capital Work-in-Progress

As at March 31, 2022 CWIP	Amount of CWIP for a period of				Total
	Less than 1 year	1-2 Years	2-3 Years	More than 3 Years	
Projects in process	98.04	6.40	1.41	0.37	106.22
Projects temporary suspended	0.26	0.08	0.01	0.94	1.29
<b>Total*</b>	<b>98.30</b>	<b>6.48</b>	<b>1.42</b>	<b>1.31</b>	<b>107.51</b>

\* Excluding amount of ₹ 12.09 Crores HVDS Projects against which 100% provision has been made by the Company and capital inventory of ₹ 42.70 Crores.

As at March 31, 2021 CWIP	Amount of CWIP for a period of				Total
	Less than 1 year	1-2 Years	2-3 Years	More than 3 Years	
Projects in process	84.98	10.88	12.21	1.99	110.06
Projects temporary suspended	0.08	0.01	0.34	1.22	1.65
<b>Total*</b>	<b>85.06</b>	<b>10.89</b>	<b>12.55</b>	<b>3.21</b>	<b>111.71</b>

\* Excluding amount of ₹ 12.09 Crores HVDS Projects against which 100% provision has been made by the Company and capital inventory of ₹ 45.93 Crores.

1. Projects execution plans are based on assessment and requirement of the Company and are also submitted to DERC. Projects are executed based on annual rolling plans. Such annual rolling plans including revised approved projects plan are re-submitted to the DERC and not considered for determining variation while making disclosure.

2. The Company does not have any projects which have exceeded its cost compared to its original cost.

## Time overrun/ Temporary Suspended expected completion Schedule as on March 31, 2022

CWIP (Scheme No)	To be completed in				Total
	Less than 1 year	1-2 Years	2-3 Years	More than 3 Years	
ES08GS4025	-	0.59	-	-	0.59
ES10GS4022	0.09	-	-	-	0.09
EW16MS4022	0.03	-	-	-	0.03
EW18GS4010	0.00	0.02	-	-	0.02
JF18SH1085	0.01	-	-	-	0.01
KP16MS4097	0.04	-	-	-	0.04
MH18SH1265	0.04	-	-	-	0.04
MN18SS4061	0.05	-	-	-	0.05
SV08NF4064	-	0.32	-	-	0.32
VK14SS4057	0.05	-	-	-	0.05
VK15NF4045	0.04	-	-	-	0.04
<b>Total</b>	<b>0.36</b>	<b>0.93</b>	<b>-</b>	<b>-</b>	<b>1.29</b>
<b>Previous Year</b>	<b>-</b>	<b>0.95</b>	<b>0.70</b>	<b>-</b>	<b>1.65</b>

## (vii) Land

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

## (viii) Immovable Property

In exercise of the power conferred by section 60 read with section 15 and section 16 of the Delhi Electricity Reform Act 2000 (Delhi Act No. 2 of 2001), immovable assets (other than land) were inter alia transferred under Notification No. F.11(99)/2001 by the Government of the National Capital Territory of Delhi to BSES Rajdhani Power Ltd.

**BSES RAJDHANI POWER LIMITED**

Notes to Financial Statements for the Year Ended March 31, 2022

**Property, Plant and Equipment (Additional disclosure as per previous Ind GAAP)**

Particulars	BUILDINGS	PLANT & EQUIPMENTS						OFFICE EQUIPMENTS			COMPUTERS	VEHICLES	TOTAL	
		TRANSFORMERS & SWITCHGEARS	LIGHTENING ARRESTOR	BATTERIES	ENERGY METERS	UNDERGROUND CABLE	OVERHEAD LINES	FURNITURE AND FIXTURES	COMMUNICATION EQUIPMENT	OTHER OFFICE EQUIPMENTS				
<b>Year ended March 31, 2021</b>														
Gross carrying amount														
Opening gross carrying amount	294.29	2,329.63	26.33	14.15	1,022.66	2,658.16	1,136.05	60.62	4.02	33.04	86.19	30.81	7,584.85	
Additions during the year	4.21	190.40	0.52	2.24	58.49	181.91	77.47	0.70	0.25	8.35	4.33	5.48	602.35	
Additions on account of interest/overhead	1.24	47.48	0.13	0.45	1.27	38.71	22.88	0.06	-	1.51	0.77	0.73	115.23	
Disposals	27.60	9.70	0.73	0.07	13.64	0.26	-	0.14	0.16	0.10	0.01	0.78	63.17	
<b>Closing gross carrying amount</b>	<b>272.14</b>	<b>2,556.71</b>	<b>26.26</b>	<b>16.77</b>	<b>1,068.78</b>	<b>2,748.63</b>	<b>1,238.40</b>	<b>51.24</b>	<b>4.12</b>	<b>40.80</b>	<b>91.28</b>	<b>36.24</b>	<b>8,149.26</b>	
Accumulated depreciation and impairment														
Opening accumulated depreciation and impairment	123.48	937.85	16.94	10.46	533.46	857.45	616.57	30.08	1.43	14.65	69.11	21.11	3,231.87	
Depreciation charged during the year	5.29	109.01	0.78	1.09	66.97	120.25	40.64	1.30	0.32	3.20	4.64	1.47	364.96	
Disposals	18.00	5.87	0.60	0.06	9.20	0.13	-	0.14	0.05	0.05	0.01	0.70	34.81	
<b>Closing accumulated depreciation and impairment</b>	<b>110.77</b>	<b>1,040.99</b>	<b>17.12</b>	<b>11.49</b>	<b>591.23</b>	<b>977.67</b>	<b>656.61</b>	<b>31.22</b>	<b>1.70</b>	<b>17.80</b>	<b>73.74</b>	<b>21.88</b>	<b>3,652.02</b>	
<b>Net carrying amount as at March 31, 2021</b>	<b>161.37</b>	<b>1,515.72</b>	<b>9.13</b>	<b>5.28</b>	<b>477.55</b>	<b>1,770.96</b>	<b>879.89</b>	<b>20.02</b>	<b>2.42</b>	<b>23.00</b>	<b>17.54</b>	<b>14.36</b>	<b>4,597.24</b>	
Less: Provision for Retirement													17.90	
<b>Net carrying amount after provision as at March 31, 2021</b>													<b>4,579.34</b>	
<b>Year ended March 31, 2022</b>														
Gross carrying amount														
Opening gross carrying amount	272.14	2,556.71	26.26	16.77	1,068.78	2,748.63	1,236.40	51.24	4.12	40.80	91.28	36.24	8,149.26	
Additions during the year	9.70	148.34	0.95	5.81	77.42	125.27	77.44	0.45	0.28	4.30	2.95	4.68	457.59	
Additions on account of interest/overhead	3.18	34.76	0.25	1.14	0.64	30.12	19.47	0.08	-	0.84	0.78	-	91.26	
Disposals	-	31.78	3.26	0.23	16.87	0.03	0.01	2.19	0.52	2.17	5.13	1.45	63.74	
<b>Closing gross carrying amount</b>	<b>285.02</b>	<b>2,708.03</b>	<b>24.19</b>	<b>23.49</b>	<b>1,129.87</b>	<b>2,903.89</b>	<b>1,333.30</b>	<b>49.58</b>	<b>3.88</b>	<b>43.77</b>	<b>89.88</b>	<b>39.47</b>	<b>8,634.37</b>	
Accumulated depreciation and impairment														
Opening accumulated depreciation and impairment	110.77	1,040.99	17.12	11.49	591.23	977.67	656.61	31.22	1.70	17.80	73.74	21.88	3,652.02	
Depreciation charged during the year	4.92	116.42	0.63	1.51	71.08	126.36	41.88	1.40	1.48	3.60	5.70	1.73	376.81	
Disposals	-	22.76	2.81	0.21	10.30	0.01	0.01	1.99	0.29	1.64	5.12	1.32	46.66	
<b>Closing accumulated depreciation and impairment</b>	<b>115.69</b>	<b>1,134.65</b>	<b>14.94</b>	<b>12.79</b>	<b>652.01</b>	<b>1,103.92</b>	<b>698.48</b>	<b>30.63</b>	<b>2.89</b>	<b>19.66</b>	<b>74.32</b>	<b>22.29</b>	<b>3,682.17</b>	
<b>Net carrying amount as at March 31, 2022</b>	<b>169.33</b>	<b>1,573.38</b>	<b>9.25</b>	<b>10.70</b>	<b>477.86</b>	<b>1,789.97</b>	<b>634.82</b>	<b>18.95</b>	<b>0.99</b>	<b>24.21</b>	<b>15.66</b>	<b>17.18</b>	<b>4,762.20</b>	
Less: Provision for Retirement													19.05	
<b>Net carrying amount after provision as at March 31, 2022</b>													<b>4,733.16</b>	



## Notes to Financial Statements for the Year Ended March 31, 2022

## Note-4: Other Intangible Assets

Particular	Computer Software	Total
<b>Year ended March 31, 2021</b>		
<b>Gross carrying amount</b>		
Opening gross carrying amount	33.37	33.37
Additions during the year	3.00	3.00
<b>Closing gross carrying amount</b>	<b>36.37</b>	<b>36.37</b>
<b>Accumulated amortization and impairment</b>	<b>16.37</b>	<b>16.37</b>
Amortization charge for the year	5.07	5.07
<b>Closing accumulated amortization and impairment</b>	<b>21.44</b>	<b>21.44</b>
<b>Net carrying amount as at March 31, 2021</b>	<b>14.93</b>	<b>14.93</b>
<b>Year Ended March 31, 2022</b>		
<b>Gross carrying amount</b>		
Opening gross carrying amount	36.37	36.37
Additions during the year	1.32	1.32
<b>Closing gross carrying amount</b>	<b>37.69</b>	<b>37.69</b>
<b>Accumulated amortization and impairment</b>	<b>21.44</b>	<b>21.44</b>
Amortization charge for the year	4.33	4.33
<b>Closing accumulated amortization and impairment</b>	<b>25.77</b>	<b>25.77</b>
<b>Net carrying amount as at March 31, 2022</b>	<b>11.92</b>	<b>11.92</b>
(i) Internally generated Computer Softwares as at March 31, 2022 ₹ Nil (March 31, 2021 ₹ Nil)		
(ii) Intangible assets are subject to first charge to secure the Company's borrowings referred in notes as secured loan from financial institution and bank in the current and previous year. (Refer Note 21 & 29)		
(iii) The second pari passu charge on Intangible assets are in favour of working capital lender's issuing Stand By Letter of Credit/ Letter of Credit (SBLC/LC) limits .		

## Other Intangible Assets (Additional disclosure as per previous Ind GAAP)

Particular	Computer Software	Total
<b>Year ended March 31, 2021</b>		
<b>Gross carrying amount</b>		
Opening gross carrying amount	41.10	41.10
Additions during the year	3.00	3.00
<b>Closing gross carrying amount</b>	<b>44.10</b>	<b>44.10</b>
<b>Accumulated amortization and impairment</b>	<b>24.10</b>	<b>24.10</b>
Amortization charge for the year	5.07	5.07
<b>Closing accumulated amortization and impairment</b>	<b>29.17</b>	<b>29.17</b>
<b>Net carrying amount as at March 31, 2021</b>	<b>14.93</b>	<b>14.93</b>
<b>Year Ended March 31, 2022</b>		
<b>Gross carrying amount</b>		
Opening gross carrying amount	44.10	44.10
Additions during the year	1.32	1.32
Disposals	-	-
<b>Closing gross carrying amount</b>	<b>45.42</b>	<b>45.42</b>
<b>Accumulated amortization and impairment</b>	<b>29.17</b>	<b>29.17</b>
Amortization charge for the year	4.33	4.33
<b>Closing accumulated amortization and impairment</b>	<b>33.50</b>	<b>33.50</b>
<b>Net carrying amount as at March 31, 2022</b>	<b>11.92</b>	<b>11.92</b>

<b>Note-5 : Right-of-Use Assets</b>		
<b>Particular</b>	<b>Right-of-Use Assets</b>	<b>Total</b>
<b>Year ended March 31, 2021</b>		
<b>Gross carrying amount</b>		
Opening gross carrying amount	82.14	82.14
Additions during the year	1.65	1.65
<b>Closing gross carrying amount</b>	<b>83.79</b>	<b>83.79</b>
<b>Accumulated amortization and impairment</b>	<b>8.21</b>	<b>8.21</b>
Amortization charge for the year	8.40	8.40
<b>Closing accumulated amortization and impairment</b>	<b>16.61</b>	<b>16.61</b>
<b>Net carrying amount as at March 31, 2021</b>	<b>67.18</b>	<b>67.18</b>
<b>Year Ended March 31, 2022</b>		
<b>Gross carrying amount</b>		
Opening gross carrying amount	83.79	83.79
Additions during the year	-	-
<b>Closing gross carrying amount</b>	<b>83.79</b>	<b>83.79</b>
<b>Accumulated amortization and impairment</b>	<b>16.61</b>	<b>16.61</b>
Amortization charge for the year	8.40	8.40
<b>Closing accumulated amortization and impairment</b>	<b>25.01</b>	<b>25.01</b>
<b>Net carrying amount as at March 31, 2022</b>	<b>58.78</b>	<b>58.78</b>
(i) During the year Company has paid / incurred ₹ 13.25 Crores towards Lease Assets (ROU) (March 31, 2021 ₹ 13.25 Crores)		
(ii) The lease payments are discounted using the implicit interest rate @ 12% p.a for lease accounting.		
(iii) The lease period for life of ROU has been considered till the license period i.e. March 31, 2029.		
(iv) Refer Note No 1(h) for Lease Assets (ROU).		

## Notes to Financial Statements for the Year Ended March 31, 2022

Note-6 Restricted Bank Deposits	As at March 31, 2022	As at March 31, 2021
Balance with banks held as securities against borrowings	171.14	137.97
<b>Total</b>	<b>171.14</b>	<b>137.97</b>
<b>Nature</b>		
The restrictions are primarily on account of fixed deposits held as security against debt servicing coverage requirement and margin for issuance of bank guarantees. These fixed deposits are to be maintained till the term loan is repaid in full and bank guarantees are discharged.		
<b>Terms &amp; Conditions</b>		
These FDRs with bank can be withdrawn by the Company at any point subject to compliance of restrictions.		

Note-7 Non Current Loans	As at March 31, 2022	As at March 31, 2021
<b>Unsecured, considered good</b>		
Loans to Staff	0.32	0.36
Loans to Related Party <sup>1</sup>	46.57	-
<b>Total</b>	<b>46.89</b>	<b>0.36</b>
1. For Loans given to related party. (Refer Note 14 & 45)		
2. For explanation on the Company credit risk management process Refer Note 46.		

Note-8 Other Non Current Financial Assets	As at March 31, 2022	As at March 31, 2021
Recoverable from SVRS Trust ((Refer Note 48 B (e))	0.22	0.31
Security Deposits	4.19	0.36
<b>Total</b>	<b>4.41</b>	<b>0.67</b>
For explanation on the Company credit risk management process Refer Note 46.		

Note-9 Other Non Current Assets	As at March 31, 2022	As at March 31, 2021
<b>Unsecured</b>		
Capital Advances	4.43	2.28
Advance other than Capital Advance :-		
i) Income Tax Recoverable	30.38	66.07
ii) Income Tax deposited under protest (Refer Note 48 B (c & d))	1.70	1.70
<b>Total</b>	<b>36.51</b>	<b>70.05</b>

Note-10 Inventories	As at March 31, 2022	As at March 31, 2021
Stores & Spares	19.98	22.17
(includes Goods in Transit ₹ 0.08 Crore (March 31, 2021 ₹ 0.27 Crore))		
Less: Provision for Inventories	0.72	1.25
	<b>19.26</b>	<b>20.92</b>
Loose Tools	0.15	0.17
<b>Total</b>	<b>19.41</b>	<b>21.09</b>

- Inventories are subject to first pari passu charge to secure the Company's borrowings referred in notes as secured loan from financial institution and banks in the current and previous year (Refer Note 21 & 29).
- The second pari passu charge on Inventories are in favour of working capital lender's issuing Stand By Letter of Credit/ Letter of Credit (SBLC/LC) limits .
- Inventories comprises stores & spares and loose tools which are consumable in repair and maintenance of service lines and other equipments (Refer Note 41).
- There is a write back of provision of ₹ 0.53 Crores during the year ended March 31, 2022 in view of movement in inventory of non moving and slow moving items (March 31, 2021 write back of provision of ₹ 0.05 Crore).

## Notes to Financial Statements for the Year Ended March 31, 2022

Note-11 Current Trade Receivables	As at March 31, 2022	As at March 31, 2021
<b>Trade Receivables - Sale of Power</b>		
(i) Considered good - Secured	256.81	223.21
(ii) Considered good - Unsecured	205.14	220.51
(iii) Trade Receivable which have significant increase in credit risk	149.72	143.48
	<b>611.67</b>	<b>587.20</b>
Less : Impairment for trade receivables*	149.72	143.48
	<b>(A) 461.95</b>	<b>443.72</b>
<b>Trade Receivables - Open Access</b>		
(i) Unsecured Considered good	11.71	0.59
Less : Impairment for trade receivables	-	-
	<b>(B) 11.71</b>	<b>0.59</b>
<b>Trade Receivables - Bulk Sale of Power</b>		
(i) Unsecured Considered good	0.09	1.75
Less : Impairment for trade receivables	-	-
	<b>(C) 0.09</b>	<b>1.75</b>
<b>Trade Receivables - Unbilled Revenue</b>	<b>(D) 246.36</b>	<b>181.96</b>
<b>Total</b>	<b>(A+B+C+D) 720.11</b>	<b>628.02</b>

\* The Company has measured Expected Credit Loss of trade receivable based on simplified approach as per Ind AS 109 "Financial Instruments". (Refer note 46)

- Trade Receivable are subject to first pari passu charge in favour of working capital lender's issuing SBLC/ LC limits.
- Trade Receivable are subject to second pari passu charge to secure the Company's borrowings referred in notes as secured loan from financial institution and banks in the current and previous year (Refer Note 21 & 29).
- No Trade or other receivable are due from director or other officer of the Company and firms or private companies in which any director is a partner, a director or a member either jointly or severally with other persons except normal utility bills. (Refer Note 45)
- Trade receivables are non-interest bearing. The credit period for sale of power as mentioned in note 11(A) is 15 clear days. The Company charge LPSC as per the DERC directives after the due date.
- Unbilled Revenue**
  - Unbilled Revenue represents accrued income from sale of power and open access from the last billed cycle upto the reporting date.
  - Unbilled trade receivable includes ₹ 230.49 Crores (March 31, 2021 ₹ 174.59 Crores) towards sale of power and ₹ 15.87 Crores (March 31, 2021 ₹ 7.37 Crores) towards open access.
- For information on receivables from Struck Off Companies. (Refer Note 58)
- For terms and condition of trade receivable owing from related parties. (Refer Note 45)
- For explanation on the Company credit risk management process. (Refer Note 46)

## 9. Trade Receivables Ageing Schedule

Year ended March 31, 2022

Particulars	Not Due	Outstanding for following periods from due date of payment					Total
		Less than 6 Months	6 Months - 1 Year	1-2 years	2-3 years	More than 3 Years	
(i) Undisputed Trade Receivables - Considered Good							
a) Sale of Power	334.18	60.50	23.03	9.00	1.71	-	428.42
b) Open Access	0.00	11.71	0.00	0.00	0.00	-	11.71
c) Bulk Sale of Power	0.09	-	-	-	-	-	0.09
(ii) Undisputed Trade Receivables - which have significant increase in credit risk	3.67	4.87	11.87	16.30	21.93	60.55	119.19
(iii) Disputed Trade Receivables - Considered Good	0.15	1.71	1.67	8.74	2.68	18.58	33.53
(iv) Disputed Trade Receivables - which have significant increase in credit risk	0.00	0.16	0.44	0.86	2.22	26.85	30.53
<b>Total</b>	<b>(A) 338.09</b>	<b>78.95</b>	<b>37.01</b>	<b>34.90</b>	<b>28.54</b>	<b>105.98</b>	<b>623.47</b>
Trade Receivables - Unbilled Revenue	<b>(B) 246.36</b>	-	-	-	-	-	246.36
<b>Total</b>	<b>(A+B) 584.45</b>	<b>78.95</b>	<b>37.01</b>	<b>34.90</b>	<b>28.54</b>	<b>105.98</b>	<b>869.83</b>

Year ended March 31, 2021

Particulars	Not Due	Outstanding for following periods from due date of payment					Total
		Less than 6 Months	6 Months - 1 Year	1-2 years	2-3 years	More than 3 Years	
(i) Undisputed Trade Receivables - Considered Good							
a) Sale of Power	289.75	90.73	16.33	11.74	2.85	0.15	411.55
b) Open Access	0.30	0.15	0.07	0.07	-	-	0.59
c) Bulk Sale of Power	1.75	-	-	-	-	-	1.75
(ii) Undisputed Trade Receivables - which have significant increase in credit risk	2.32	8.74	8.14	21.84	22.53	52.29	115.86
(iii) Disputed Trade Receivables - Considered Good	0.19	2.84	6.47	3.62	1.58	17.47	32.17
(iv) Disputed Trade Receivables - which have significant increase in credit risk	-	0.04	0.19	1.10	6.99	18.30	27.62
<b>Total</b>	<b>(A) 294.31</b>	<b>102.50</b>	<b>31.20</b>	<b>38.37</b>	<b>33.95</b>	<b>89.21</b>	<b>589.54</b>
Trade Receivables - Unbilled Revenue	<b>(B) 181.96</b>	-	-	-	-	-	181.96
<b>Total</b>	<b>(A+B) 476.27</b>	<b>102.50</b>	<b>31.20</b>	<b>38.37</b>	<b>33.95</b>	<b>89.21</b>	<b>771.50</b>

Note-12 Cash and Cash Equivalents	As at March 31, 2022	As at March 31, 2021
Balances with Banks in Current Accounts	110.39	197.82
Balances with Banks in Fixed Deposits	298.47	-
Cheques, draft on hand and payment gateways	47.87	68.42
Cash on hand	0.40	0.43
<b>Total</b>	<b>457.13</b>	<b>266.67</b>

1. For explanation on the Company credit risk management process (Refer Note 46).

Note-13 Bank Balances other than Cash and Cash Equivalents	As at March 31, 2022	As at March 31, 2021
Balance with banks held as margin money <sup>1</sup>	83.08	101.46
Restricted Balance with Bank - For Roof Top Solar Installation <sup>2</sup>	0.07	-
Balance with banks for other commitments <sup>3</sup>	0.25	0.24
<b>Total</b>	<b>83.40</b>	<b>101.70</b>

1. The restriction are primarily on account of fixed deposit receipts held with banks as margin against the issuance of Letter of Credit (LC). These FDRs with bank can be withdrawn by the Company at any point of time subject to compliance of restrictions.

2. The Company has received of ₹ 1.11 Crores from Ministry of New and Renewal Energy as advance for central finance assistance deposit for allocation of 10MW capacities towards implementation of Grid Connected Roof top Solar Project out of which ₹ 1.04 Crores were disbursed to the Vendors by the Company during the year.

3. These represents fixed deposits to be matured within twelve months and are submitted with the courts against various legal cases.

4. For explanation on the Company credit risk management process (Refer Note 46).

Note-14 Current Loans	As at March 31, 2022	As at March 31, 2021
Considered good - Unsecured		
Loans & Advances to Staff	0.34	1.35
Loans to Related Party <sup>1</sup>	45.00	115.57
<b>Total</b>	<b>45.34</b>	<b>116.92</b>

1. The interest is charged from BSES Yamuna Power Limited for the year ended March 31, 2022 @ 12.52% p.a. (March 31, 2021 @ 12.34% p.a.) (Refer Note 7 & 45)

2. For Loans given to related party (Refer Note 7 & 45).

3. For explanation on the Company credit risk management process (Refer Note 46).

Note-15 Other Current Financial Assets	As at March 31, 2022	As at March 31, 2021
<b>(Unsecured considered good)</b>		
Subsidy Receivable from GoNCTD*	220.39	136.71
Recoverable from DVB ETBF 2002 Trust ((Refer Note 48 B (e))	66.57	66.40
Recoverable from SVRS Trust ((Refer Note 48 B (e))	0.09	0.15
Claims Receivable - Insurance	0.75	0.02
Recoverable on account of GST (Refer Note 54)	4.06	13.72
Receivable - Others	7.17	5.36
Security Deposit	8.29	6.85
Interest accrued but not due on Fixed Deposits	3.27	1.40
Contract Assets <sup>1</sup>	1.22	0.67
<b>Total</b>	<b>311.81</b>	<b>231.28</b>

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

2. For explanation on the Company credit risk management process (Refer Note 46).

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

Subsidy Account Statement	As at March 31, 2022	As at March 31, 2021
Opening Subsidy Receivable	136.71	8.29
Subsidy passed to consumers**	1,513.34	1,440.33
Subsidy Received	1,429.66	1,311.91
<b>Closing Subsidy Receivable</b>	<b>220.39</b>	<b>136.71</b>

\*\* Subsidy passed to the consumer for the year ended March 31, 2021 is net off of subsidy disallowed by DERC amounting to ₹ 0.02 Crore.

Note-16 Current Tax Assets	As at March 31, 2022	As at March 31, 2021
Advance Taxes & TDS	43.54	19.05
TDS Refund Receivable	1.74	1.74
<b>Total</b>	<b>45.28</b>	<b>20.79</b>

Note-17 Other Current Assets	As at March 31, 2022	As at March 31, 2021
Advance other than Capital Advance :-		
Pension Trust Surcharge Recoverable (Refer Note 55)	9.44	60.93
Prepaid Expenses	38.79	34.86
Advances to Suppliers and Others	38.40	2.06
Service Tax Recoverable (Refer Note 48 B(h))	3.76	0.76
Input Tax Recoverable (Input Tax Credit)	3.97	29.84
Receivable for Barter Transaction	147.05	29.84
<b>Total</b>	<b>241.41</b>	<b>158.29</b>

Note-18 Regulatory deferral account balances		As at March 31, 2022	As at March 31, 2021
Tariff Adjustment Account		10,855.93	10,891.68
Deferred Tax associated with Regulatory deferral account balances		-	-
		<b>10,855.93</b>	<b>10,891.68</b>
<b>Tariff Adjustment Account</b>			
Opening Balance	(A)	10,891.68	9,260.71
<b>Revenue GAP during the year</b>			
<b>Cost</b>			
Power Purchase Cost		7,115.24	6,868.72
Others		1,500.37	2,376.39
(Includes other costs & charges in accordance with MYT Regulations, tariff orders from DERC and orders of Appellate Authorities)			
Carrying Cost for the year		1,213.57	1,243.61
	(B)	<b>9,829.18</b>	<b>10,488.72</b>
<b>Revenue</b>			
Revenue collected *		9,056.66	8,092.04
Non Tariff Income		215.66	153.37
	(C)	<b>9,272.32</b>	<b>8,245.41</b>
Income recoverable/(reversible) from future tariff /Revenue gap for the year		556.86	2,243.31
	D=(B-C)		
8% Surcharge collected during the year			
- Recovery towards opening balance **	(E)	(644.10)	(612.34)
Net movement during the year	F= (D-E)	(87.24)	1,630.97
Add:- Adjustment of Pension Trust Surcharge	G	51.49	-
Tariff Adjustment Account	(A+F+G)	<b>10,855.93</b>	<b>10,891.68</b>
Related Deferred Tax on Regulatory deferral account balances (Refer Note 46 )		(2,059.24)	(1,933.15)
Deferred Tax associated with Regulatory deferral account balances <sup>1</sup>			
Opening :- Deferred Tax Liability		(1,933.15)	(957.49)
Add:- Deferred Tax (Liabilities) during the year		(126.09)	(975.66)
Less:- Recoverable from future tariff		2,059.24	1,933.15
	(H)	-	-
<b>Balance as at the end of the year TOTAL</b>	<b>(A+F+G+H)</b>	<b>10,855.93</b>	<b>10,891.68</b>

1.Refer Note 59

The Company is a rate regulated entity where the Retail Supply Tariff (RST) chargeable to consumers by the Company is determined by Delhi Electricity Regulatory Commission (DERC or Commission) based on the prevailing Regulations which provides for segregation of costs into controllable and uncontrollable costs. Financial losses arising out of the under-performance with respect to the targets specified by the DERC for the "controllable" parameters is to be borne by the Licensee.

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

The revenue gap/surplus is represented by balance of Regulated Deferral Account which is based on principle stated in respective MYT Regulations for that period, tariff orders and other applicable laws (except for certain disallowances\*\*\*). In respect of such revenue gaps, appropriate adjustments have been made for the respective years in accordance with Ind AS 114 read with the Guidance Note on Regulatory Assets issued by the ICAI. Further, for the current year, self-truing up has been conducted in line with the principles laid down in the Business Plan Regulations, 2019 read with Tariff Regulations, 2017.

\*\*\* DERC has trued up revenue gap for period upto March 31, 2014 vide its Tariff Order dated September 29, 2015 with certain disallowances. The Company has preferred an appeal before Hon'ble Appellate Tribunal for Electricity (APTEL) against the said order, challenging issues that are contrary to statutory regulations, unjustified and arbitrary, DERC's own findings in previous tariff orders and regarding erroneous and/or non-implementation of previous APTEL Judgements. However, based on the legal opinion taken by the Company, the disallowances which are subject matter of appeal, has not been accepted by Company and the Company has, in accordance with Ind AS 114 (and its predecessor AS) treated such amounts as they ought to be treated in terms of the accepted Regulatory Framework in the carrying value of Regulatory Deferral Account Balance as at March 31, 2022.

On same basis and duly supported by the legal opinion, impact of similar disallowances made by DERC while truing up for FY 2014-15, FY 2015-16, FY 2016-17, FY 2017-18, FY 2018-19 and FY 2019-20 in the subsequent Tariff Orders dated August 31, 2017, March 28, 2018, July 31, 2019, August 30, 2020 and September 30, 2021 have been treated in terms of Ind AS 114 (and its predecessor AS) in carrying value of Regulatory Deferral Account Balance as at March 31, 2022. The Company has filed an appeal before Hon'ble APTEL against such disallowances.

## Notes to Financial Statements for the Year Ended March 31, 2022

In the latest Tariff Order dated September 30, 2021, DERC has trued up Regulatory Deferral Account Balance upto March 31, 2020 at ₹ 4189.46 Crores.

On December 01, 2021, Hon'ble Supreme Court (SC) dismissed DERC Civil Appeals (No. 884 & 980 of 2010, 9003-9004 of 2011 and 1854-1855 of 2014) challenging APTEL Orders decided in favour of BSES and directed DERC to comply with the directions of APTEL contained in the Orders within a period of three months. DERC filed the compliance report before Hon'ble SC in Civil Appeal No. 9003 of 2011 on March 23, 2022. Later, the Company filed an application on April 04, 2022 objecting DERC submissions in the Compliance Report. Further, DERC issued compliance order dated April 12, 2022 and submitted compliance report before Hon'ble SC on April 22, 2022 in Civil Appeal No. 884 of 2010. The Company is analysing the Order to take up the matter before the Hon'ble SC.

\* Revenue collected includes carrying cost allowed by DERC in the Annual Revenue Requirement for the year ended March 31, 2022 of ₹ 366.16 Crores (March 31, 2021 ₹ 258.43 Crores).

\*\* DERC has continued to allow recovery through 8% Surcharge towards principal amount of Regulatory Assets. Accordingly, the same is being recovered from the consumers.

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

The Company has also taken up the matter of timely recovery of Accumulated Regulatory assets through a Writ Petition before the Hon'ble Supreme Court (Refer Note 50).

Accordingly, 8% surcharge of ₹ 644.10 Crores recovered during the year (March 31, 2021 ₹ 612.34 Crores) has been adjusted against opening Regulatory Deferral Account Balance.

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

Regulatory deferral amount debit balances are subject to second pari-passu charge in favour of working capital lender for issuing SBLC/LC limits.

#### Regulatory Risk Management

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

#### Market Risk

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

#### Regulatory Risk

The Company is operating under regulatory environment governed by DERC. Tariff is subject to Rate Regulated Activities.

Refer note 1 (d) on Company policy relating to determination of regulatory assets/regulatory liabilities.

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

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

DERC issued Tariff Order dated August 28, 2020 for FY 2020-21, which was applicable from September 01, 2020 to September 30, 2021. Thereafter DERC issued Tariff Order dated September 30, 2021 for FY 2021-22 which is in-force from October 01, 2021 and will remain in-force till replaced by a subsequent tariff order and/or is amended, reviewed or modified in accordance with the provisions of the Electricity Act, 2003 and the Regulations made there under.

#### Other Risk

For explanation on the Other risk management process (Refer Note 46).

Note-19 Equity Share Capital Particulars	As at March 31, 2022		As at March 31, 2021	
	No. of Shares (In Crores)	Amount	No. of Shares (In Crores)	Amount
<b>Authorized</b>				
Equity Shares of ₹ 10 each (March 31, 2021 ₹ 10 each) Issued, Subscribed & Fully Paid Up	120.00	1,200.00	120.00	1,200.00
Equity Shares of ₹ 10 each (March 31, 2021, ₹10 each)	104.00	1,040.00	104.00	1,040.00
<b>Total</b>		<b>1,040.00</b>		<b>1,040.00</b>

**(a) Reconciliation of number of shares outstanding at the beginning and at the end of the year**

Particulars	No. of Shares (In Crores)	Amount	No. of Shares (In Crores)	Amount
Balance at the beginning of the year	104.00	1,040.00	104.00	1,040.00
Add: Shares issued during the year	-	-	-	-
Balance at the end of the year	<b>104.00</b>	<b>1,040.00</b>	<b>104.00</b>	<b>1,040.00</b>

**(b) Rights, preference and restrictions attached to Equity Shares**

**Voting**

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

**Dividend/ Liquidation**

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

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

Name of Shareholder	As at March 31, 2022		As at March 31, 2021	
	No. of Shares (In Crores)	% of Shareholding	No. of Shares (In Crores)	% of Shareholding
Reliance Infrastructure Limited (Immediate and Ultimate Holding Company)	53.04	51.00%	53.04	51.00%
<b>Total</b>	<b>53.04</b>	<b>51.00%</b>	<b>53.04</b>	<b>51.00%</b>

**(d) Details of shares held by shareholders holding more than 5% of the total equity shares of the Company**

Name of Shareholder	As at March 31, 2022		As at March 31, 2021	
	No. of Shares (In Crores)	% of Shareholding	No. of Shares (In Crores)	% of Shareholding
Reliance Infrastructure Limited (Immediate and Ultimate Holding Company)	53.04	51.00%	53.04	51.00%
Delhi Power Company Limited	50.96	49.00%	50.96	49.00%

**(e) Details of Shares held by Promoters of the Company**

Name of Promoter	As at March 31, 2022		As at March 31, 2021	
	No. of Shares	% of Shareholding	No. of Shares	% of Shareholding
Reliance Infrastructure Limited	53,03,99,995	51.00%	53,03,99,995	51.00%
Delhi Power Company Limited	50,95,99,996	49.00%	50,95,99,996	49.00%
Chief Secretary	1	0.00%	1	0.00%
Principal Secretary(Finance)	1	0.00%	1	0.00%
Principal Secretary(Home)	1	0.00%	1	0.00%
Secretary(Power)	1	0.00%	1	0.00%
Nandkumar Deo jointly with Reliance Infrastructure Limited	1	0.00%	1	0.00%
Alok Roy jointly with Reliance Infrastructure Limited	1	0.00%	1	0.00%
Gopal Saxena jointly with Reliance Infrastructure Limited	1	0.00%	1	0.00%
Udita Kumar jointly with Reliance Infrastructure Limited	1	0.00%	1	0.00%
Vijay Mathur jointly with Reliance Infrastructure Limited	1	0.00%	1	0.00%
<b>Total</b>	<b>1,04,00,00,000</b>	<b>100.00%</b>	<b>1,04,00,00,000</b>	<b>100.00%</b>

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

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



Note-20 Other Equity	As at March 31, 2022	As at March 31, 2021
Retained Earnings*	4,144.40	3,759.83
<b>Total</b>	<b>4,144.40</b>	<b>3,759.83</b>

\* Refer Note 59

Note-21 Non Current Borrowings	As at March 31, 2022	As at March 31, 2021
<b>Secured</b>		
Term Loan from Other		
- Power Finance Corporation Limited (PFC)	1,321.35	1,562.13
<b>Total</b>	<b>1,321.35</b>	<b>1,562.13</b>

1. Borrowings are netted off of loan processing charges amounting to ₹ 2.92 Crores as at March 31, 2022 (March 31, 2021 ₹ 4.76 Crores).

2. Term Loans (From PFC) are secured as under:-

**(a) Primary Security**

- (i) First pari-passu charge on all movable and immovable properties and assets of the Company.
- (ii) First pari-passu charge on regulatory assets of the Company.
- (iii) First pari-passu charge on present and future revenue of whatsoever nature and wherever arising.
- (iv) Second pari-passu charge on the receivable of Company.

**(b) Collateral Security**

- (i) Pledge of 51% of ordinary equity share of the Company.
- (ii) Debt Service Reserve Account (DSRA) equivalent to interest and principal dues of ensuing one to two quarter (previous year equivalent to interest and principal dues of ensuing one to two quarter) in the form of fixed deposit.

(c) The interest rate for the year is 12.00% to 13.60% p.a (Year ended March 31, 2021 12.00% to 13.00% p.a).

(d) As per the terms of "The BSES Rajdhani Distribution and Retail Supply of Electricity License (License No. 2/DIST of 2004)", the Company is required to obtain permission of the DERC for creating charges for loans and other credit facilities availed by it. As on March 31, 2022, the required permission from DERC is sought and is under process.

**Repayment terms of Term Loan from PFC**

Name of Financial Institution	Loan Amount (Disbursed)	Year	No. of Installments	Installment amount
Power Finance Corporation Limited *	987.96	1st Year (F.Y. 18-19)	0	Nil
		2nd Year (F.Y. 19-20)	4	5.38
		3rd to 11th Year (F.Y. 20-21 onwards)	32	30.20
Power Finance Corporation Limited ( Covid-19 Moratorium Loan **)	110.52	1st Year to 7th Year (F.Y. 20-21 to 26-27)	0	Nil
		8th Year (F.Y. 27-28)	1	40.48
			1	9.65
		9th Year (F.Y. 28-29)	1	9.75
			1	40.69
Power Finance Corporation Limited ***	802.27	1st Year (F.Y. 20-21)	0	Nil
		2nd Year (F.Y. 21-22)	9	8.02
		3rd to 5th Year (F.Y. 22-23 to 24-25)	36	10.03
		6th Year (F.Y. 25-26)	12	12.03
		7th Year (F.Y. 26-27)	12	10.03
		7th Year (F.Y. 27-28)	4	10.03
			8	8.02

\* Disbursement of loan amount of ₹ 537.96 Crores was made in FY 2017-18 and of ₹ 450 Crores was made in FY 2019-20.

Quarterly repayment starting date: April 15, 2019 for loan amount of ₹ 537.96 Crores and April 15, 2020 for loan amount of ₹ 450 Crores.

\*\* The Company had availed moratorium of ₹ 110.52 Crores for the installment of interest & principal repayment due during the period April 2020 to August 2020. Monthly Repayment starting date : February 15, 2028.

\*\*\* Disbursement of loan amount of ₹ 802.27 Crores was made in FY 2020-21. Monthly Repayment starting date : July 15, 2021.

## Notes to Financial Statements for the Year Ended March 31, 2022

Note-22 Non Current Lease Liability	As at March 31, 2022	As at March 31, 2021
Lease Liability	61.05	60.50
<b>Total</b>	<b>61.05</b>	<b>60.50</b>
Refer Note 1(h) for Lease Liability		

Note-23 Non Current Financial Liability	As at March 31, 2022	As at March 31, 2021
Consumer Security Deposit	872.98	832.94
<b>Total</b>	<b>872.98</b>	<b>832.94</b>

**Consumer Security Deposit**

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

ii) The amount of Consumer Security Deposit (CSD) transferred to the Company by virtue of Part II of Schedule E of the Transfer Scheme was ₹ 11.00 Crores. The Transfer Scheme as well as erstwhile Delhi Vidyut Board (DVB) did not furnish consumer wise details of amount transferred to it as CSD. The Company, compiled from the consumer records, the amount of security deposit as on June 30, 2002 which works out to ₹ 90.43 Crores. The Company is of the opinion that its liability towards CSD is limited to ₹ 11.00 Crores as per the Transfer Scheme. Therefore, the liability towards refund of consumer deposits in excess of ₹ 11.00 Crores and interest thereon is not to the account of the Company. The Company had also filed a petition during the year 2004-05 with the Delhi Electricity Regulatory Commission (DERC) to deal with the actual amount of CSD as on date of transfer and the DERC had advised the Government of NCT of Delhi (GoNCTD) to transfer the differential amount of ₹ 97.48 Crores as deposits to the Company. The GoNCTD did not abide by the advice and hence the Company has filed a writ petition on March 24, 2008 (W.P.(C) 2396/2008) and the case is pending before Hon'ble High Court of Delhi. In the last hearing held on October 24, 2011 the matter was placed in the category of 'Rule' matters and the case shall get listed in due course. Pending outcome of this case and as per the instructions of DERC, the Company has been refunding the security deposit to DVB consumers.

iii) Interest is provided at MCLR (Marginal Cost of Fund Based Lending Rate) as notified by SBI prevailing on the April 01 of respective year on consumer security deposit received from all consumers as per DERC Supply Code and Performance Standard Regulations, 2017. The MCLR rate as on April 01, 2021 is @ 7.00 % (April 01, 2020 @ 7.75%). Accordingly, the Company has booked interest amounting to ₹ 64.03 Crores (March 31, 2021 ₹ 69.00 Crores). As mentioned in note (ii) above, interest on deposit value in excess of ₹ 11 Crores would be recoverable from GoNCTD if the Company's contention is upheld by the Hon'ble High Court.

Note-24 Non Current Provisions	As at March 31, 2022	As at March 31, 2021
Provision for employee benefits *	53.08	51.09
<b>Total</b>	<b>53.08</b>	<b>51.09</b>

\* It represents Company's liability for sick leave, earned leave and SVRS pension.

Note-25 Consumer Contribution for Capital Works	As at March 31, 2022	As at March 31, 2021
Opening Balance	687.38	587.50
Add: Capitalized during the year	110.51	144.52
Less: Transferred to the Statement of Profit and Loss	50.02	44.64
<b>Closing Balance</b>	<b>747.87</b>	<b>687.38</b>

Note-26 Service Line Deposits	As at March 31, 2022	As at March 31, 2021
Opening Balance	290.99	296.88
Add: Received during the year	80.27	37.07
Less: Transferred to the Statement of Profit and Loss	45.16	42.96
<b>Closing Balance</b>	<b>326.10</b>	<b>290.99</b>

## Notes to Financial Statements for the Year Ended March 31, 2022

<b>Note-27 Grant-In-Aid</b>	<b>As at March 31, 2022</b>	<b>As at March 31, 2021</b>
Under Accelerated Power Development & Reforms Programme of Govt. of India (APDRP)		
Opening Balance	7.61	7.99
Less: Transferred to the Statement of Profit and Loss	0.37	0.38
<b>Closing Balance</b>	<b>7.24</b>	<b>7.61</b>

<b>Note-28 Other Non Current Liabilities</b>	<b>As at March 31, 2022</b>	<b>As at March 31, 2021</b>
Consumer Contribution for Capital Works	216.66	224.55
Contract Liability	0.33	0.44
<b>Total</b>	<b>216.99</b>	<b>224.99</b>

<b>Note-29 Current Borrowings</b>	<b>As at March 31, 2022</b>	<b>As at March 31, 2021</b>
<b>Secured</b>		
<b>From Bank</b>		
<b>Loan Repayable on Demand*</b>		
- Working Capital Loan	68.40	68.40
- Cash Credit	58.26	58.16
<b>From Others (PFC)</b>		
-Current Maturities of Long Term Borrowings <sup>3</sup> (Refer Note 21)	239.70	191.66
<b>Total</b>	<b>366.36</b>	<b>318.22</b>

\* Working capital has been divided by bank into working capital loan and cash credit in terms of RBI Guidelines vide notification no. RBI/2018-19/87 dated December 05, 2018.

1. Working Capital Loan and Cash credit are fund based working capital facilities, availed from consortium of bankers, are secured by :-

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

2. The interest rate range for above borrowings is between 10.30% p.a. to 11.70% p.a. (March 31, 2021 between 10.80% p.a. to 12.10% p.a.) and is computed on daily balance at monthly rest on the actual amount utilized.

3. The Company has filed periodic statements of stock & trade receivables with banks for computation of drawing power of working capital facilities and same are in conformity with the financial statement except for minor variations which are not material.

4. Borrowings are netted off of Loan processing charges as at March 31, 2022 ₹ 1.45 Crores (As at March 31, 2021 ₹ 1.35 Crores).

<b>Note-30 Current Lease Liability</b>	<b>As at March 31, 2022</b>	<b>As at March 31, 2021</b>
Lease Liability	6.72	13.26
<b>Total</b>	<b>6.72</b>	<b>13.26</b>
Refer Note 1(h) for Lease Liability		

## Notes to Financial Statements for the Year Ended March 31, 2022

Note-31 Current Trade Payable	As at March 31, 2022	As at March 31, 2021
Outstanding dues of micro enterprises and small enterprises (A)	48.26	19.15
Outstanding dues of enterprises other than micro enterprises and small enterprises		
- Power Purchase Creditors* 4	7,452.88	6,932.46
- Others	68.24	103.28
(B)	7,521.12	7,035.74
Unbilled Dues (Power Purchase) (C)	282.65	530.80
D= (B+C)	7,803.77	7,566.54
<b>Total (A+D)</b>	<b>7,852.03</b>	<b>7,585.69</b>

\* Refer Note 59

1. Other Creditors are non interest bearing and are normally settled in normal trade cycle.
2. For terms and conditions with related parties (Refer Note 45).
3. For explanation on the Company credit risk management process (Refer Note 46).
4. Refer Note 50 with regards to dues to Power utilities.

**5. Trade Payables ageing Schedule**

As at March 31, 2022

Particulars	Not Due	Outstanding for following periods from due date of payment				Total
		Less than 1 year	1-2 years	2-3 years	More than 3 years	
(i) MSME	48.24	0.02	-	-	-	48.26
(ii) Others						-
a) Power Purchase Creditors	150.09	691.94	708.60	737.42	5,048.67	7,336.72
b) Other Creditors	61.34	6.01	0.13	0.17	0.59	68.24
(iii) Unbilled - Power Purchase Creditors	282.65					282.65
(iv) Disputed Dues -						-
- Power Purchase Creditors	-	-	-	-	116.16	116.16
<b>Total</b>	<b>542.32</b>	<b>697.97</b>	<b>708.73</b>	<b>737.59</b>	<b>5,165.42</b>	<b>7,852.03</b>

As at March 31, 2021

Particulars	Not Due	Outstanding for following periods from due date of payment				Total
		Less than 1 year	1-2 years	2-3 years	More than 3 years	
(i) MSME	19.15	-	-	-	-	19.15
(ii) Others						-
a) Power Purchase Creditors	135.41	717.83	737.45	532.01	4,693.60	6,816.30
b) Other Creditors	96.90	6.06	-	0.32	-	103.28
(iii) Unbilled - Power Purchase Creditors	530.80					530.80
(iv) Disputed Dues -						-
- Power Purchase Creditors	-	-	-	-	116.16	116.16
<b>Total</b>	<b>782.26</b>	<b>723.89</b>	<b>737.45</b>	<b>532.33</b>	<b>4,809.76</b>	<b>7,585.69</b>

**6. Disclosure under section 22 of the Micro, Small and Medium Enterprises Development Act, 2006 (MSMED) under the chapter on delayed payments to MSMED :**

S No	Particulars	As at March 31, 2022	As at March 31, 2021
A	The principal amount and the interest due thereon remaining unpaid to any supplier as at the end of each accounting year.	48.26	19.15
B	The amount of interest paid by the buyer under MSMED Act, 2006 along with the amount of the payment made to the suppliers beyond the appointed day during each accounting year.	Nil	Nil
C	The amount of interest due and payable for the period of delay in making payments (which has been paid but beyond the appointed day during the year) but without adding the interest specified under the MSMED Act, 2006.	Nil	Nil
D	The amount of interest accrued and remaining unpaid at the end of accounting year.	Nil	Nil
E	The amount of further interest remaining due and payable even in the succeeding years. On such date when the interest dues as above are actually paid to the small enterprises for the purpose of disallowance as a deductible expenditure under section 23 of the MSMED Act, 2006.	Nil	Nil

## Notes to Financial Statements for the Year Ended March 31, 2022

Note-32 Other Current Financial Liabilities	As at March 31, 2022	As at March 31, 2021
Interest Accrued but not due	9.60	8.30
<b>Other Payables</b>		
Payable on purchase of Fixed Assets	130.79	59.88
Other Creditors	25.41	27.86
Works and Earnest Money Deposits	0.67	0.60
Expenses Payable	4.23	4.03
Employee Benefits Payable	12.44	42.29
Consumer Security Deposit (Refer Note 23)	70.52	70.42
Unspent Expenditure on Corporate Social Responsibility (CSR) {Refer note 41(9)}	2.56	-
Interest Payable for DTC Charging Station	-	0.57
Consumer Contribution for Capital Works	152.04	158.48
<b>Total</b>	<b>408.26</b>	<b>372.43</b>

Note-33 Other Current Liabilities	As at March 31, 2022	As at March 31, 2021
Advances from Consumers	255.23	244.95
Other advances	4.54	5.00
Statutory dues	138.97	176.28
Other Payables <sup>1</sup>	81.00	64.82
Contract Liability	6.75	8.46
Creditors for Barter Transactions	0.03	-
<b>Total</b>	<b>486.52</b>	<b>499.51</b>

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

Particular	As at March 31, 2022	As at March 31, 2021
Opening Balance	36.97	22.25
Collection in respect of Pension Trust Surcharge	460.51	333.49
<b>Total Payable</b>	<b>497.48</b>	<b>355.74</b>
Amount paid to Pension Trust	448.44	318.77
<b>Net Payable</b>	<b>49.04</b>	<b>36.97</b>

Note-34 Current Provisions	As at March 31, 2022	As at March 31, 2021
Provision for Employee Benefits (A)	79.22	132.13
Provision for Legal Claims		
Opening Balance	2.55	2.25
Provision made during the year	0.11	0.30
(B)	2.66	2.55
<b>Total (A+B)</b>	<b>81.88</b>	<b>134.68</b>

Note-35 Revenue from Operations	Year Ended March 31, 2022	Year Ended March 31, 2021
A) Sale of Power		
Gross Revenue from Sale of Power <sup>1</sup>	10,511.79	9,322.11
Less: Tax on Electricity	376.08	340.42
Less: Pension Trust Surcharge Recovery (Refer Note 55)	466.42	338.91
Net Revenue from Sale of Power	9,669.29	8,642.78
{Net revenue from sale of power includes ₹ 643.31 Crores, (March 31, 2021 ₹ 613.57 Crores) billed against 8% surcharge allowed for recovery of opening Revenue Gap}		
B) Bulk Sale of Power	181.06	89.24
C) Open Access Income	155.08	70.99
D) Other Operating Revenues		
i) Service Line Deposits & Development Charges	45.16	42.96
ii) Delayed Payment Charges (LPSC)	41.39	35.65
iii) Electricity Tax Collection Charges	11.35	10.15
iv) Consumer Contribution for Capital Works & APDRP	50.39	45.02
v) Miscellaneous Operating Income <sup>2</sup>	10.36	8.53
<b>Total (D)</b>	<b>158.65</b>	<b>142.31</b>
<b>Total (A+B+C+D)</b>	<b>10,164.08</b>	<b>8,945.32</b>
1.Revenue for the year is net-off rebate of ₹ Nil Crore (March 31, 2021 ₹ 2.03 Crores).		
2. Miscellaneous Operating Income includes bad debts recovered during the year ₹ 1.44 Crores. (March 31, 2021 ₹ 1.54 Crores).		

Note-36 Other Income	Year Ended March 31, 2022	Year Ended March 31, 2021
Interest on :-		
i) Fixed Deposits	12.45	7.77
ii) Loans to related party	13.07	16.27
iii) Others <sup>1</sup>	25.51	0.07
Sale of Scrap	7.42	5.82
Street Light Maintenance & Material Charges (Net) <sup>2</sup>	15.16	15.04
Excess Provisions Written Back	1.29	0.11
Liabilities Written Back (Refer Note 59)	-	1,948.76
Profit on Sale of Fixed Assets	15.28	0.77
Other Miscellaneous Income <sup>3</sup>	21.93	16.70
<b>Total</b>	<b>112.11</b>	<b>2,011.31</b>
1.Other interest include :-		
a) It includes Interest of ₹ 20.62 Crores, during the year ended March 31, 2022, from NTPC Ltd. pursuant to the APTEL's judgement dated February 08, 2022. (Refer Note 48(B)(I))		
b) During the year the Company had received interest on Income Tax refund for Assessment Year 2020-21 amounting to ₹ 4.68 Crores (March 31, 2021 ₹ NIL Crore).		
2. <u>Street Light Maintenance &amp; Material Charges</u>		
Income from Street Light Maintenance & Material Charges during the year is net off direct cost of ₹ 5.51 Crores relating to maintenance cost (March 31, 2021 ₹ 5.88 Crores) and ₹ 1.42 Crores relating to Stores and Spares consumed (March 31, 2021 ₹ 1.67 Crores).		
3. Other Miscellaneous Income includes Pole Rental Income of ₹ 12.45 Crores (March 31, 2021 ₹ 6.85 Crores) and other Non Tariff income of ₹ (2.79) Crores (March 31, 2021 ₹ 1.92 Crores) under Section 51 of the Electricity Act, 2003. It also includes MNRE incentive (Net) of ₹ 2.67 Crores (March 31, 2021 ₹ Nil).		

Note-37 Cost of Power Purchased	Year Ended March 31, 2022	Year Ended March 31, 2021
Purchase of Energy	6,179.38	5,852.00
Transmission Charges	1,131.19	1,169.77
<b>Total</b>	<b>7,310.57</b>	<b>7,021.77</b>
<b>Power Purchase Cost</b>		
a. The cost of long term power purchases are subject to revision based on tariff orders notified by Central Electricity Regulatory Commission (CERC) / Delhi Electricity Regulatory Commission (DERC) for respective Power Suppliers. However, such revision is accounted for as and when the revised bills/demands are received from the Power Suppliers.		
b. Power Purchase cost for the year is net off rebate of ₹ 64.98 Crores including ₹ Nil Crore on account of rebate provided by power utilities in line with MoP advisory dated May 15, 2020 and corrigendum dated May 16, 2020 due to Covid-19 pandemic (March 31, 2021 ₹ 131.56 Crores including ₹ 75.56 Crores on account of MoP rebate).		

**c. Banking/ Exchange of Power**

(i) The Company takes and returns back power under the banking arrangement and accounts for the same as power purchase (net) in the books of accounts at average power purchase cost of the portfolio in accordance with the DERC Tariff Regulations, 2017. Accordingly, the average power purchase cost the year ended March 31, 2022 @ ₹ 5.48 per unit (year ended March 31, 2021 @ ₹ 5.62 per unit).

As at March 31, 2022 the Company has to receive 272.89 Million Units considering mark-up (net) of energy under banking arrangement. (Year ended March 31, 2021, 55.36 Million Units were receivable) which will be received back/returned during subsequent year.

(ii) Power Purchase cost is net off barter sale ₹ 568.86 Crores during the year. (March 31, 2021 ₹ 428.04 Crores).

Note-38 Employee Benefits Expense	Year Ended March 31, 2022	Year Ended March 31, 2021
Salaries and wages	456.29	437.37
Contribution to provident and other funds	65.67	89.71
Staff welfare expense	25.61	20.76
<b>Total</b>	<b>547.57</b>	<b>547.84</b>

i) Employee benefits expense are net off ₹ 79.29 Crores (Year ended March 31, 2021 ₹ 81.76 Crores) being amount capitalized / charged to the capital expenditure.

ii) Staff welfare expenses are inclusive of Training expenses ₹ 0.52 Crore (March 31, 2021 ₹ 0.25 Crore).

iii) The Company has incurred ₹ 1.83 Crores to meet the outbreak of Covid-19 pandemic during the year (March 31, 2021 ₹ 2.02 Crores). These expenses are incremental and directly attributable to Covid-19. These expenses includes temporary hazard pay to field staff, additional medical expenses, additional insurance expenses towards protection against Covid-19 as a part of infection control or prevention etc.

iv) For disclosure under Ind AS-19 "Employee Benefits (Refer Note 60)

**v) 7th Pay Commission Recommendations**

The Company has implemented the recommendations of Wage Revision Committee (WRC) Report during financial year 2020-21 for payment of 7th Pay commission benefits to the eligible employees of erstwhile DVB which were duly adopted by DTL vide its Office order No. HR/CC/2020-21/208 dated October 15, 2020. Prior to this, the Company had been paying Special Interim relief to its eligible employees based on the recommendation of DTL order reference DTL/108/04/2017-HR(Policy)/101 dated July 28, 2017 since 2017-18. The total impact including upto FY 2020-21 was ₹ 416.82 Crores out of which ₹ 266.93 Crores was paid upto FY 2020-21. Further, an amount of ₹ 118.93 Crores has been paid in FY 2021-22 and balance liability towards arrear of Leave Salary Contribution, Pension Contribution and SVRS employees will be paid going forward in due course.

Note-39 Finance Costs	Year Ended March 31, 2022	Year Ended March 31, 2021
<b>Interest :-</b>		
i) Term Loan <sup>(1)</sup>	201.34	120.24
ii) Cash Credit account	8.62	8.85
iii) Consumer Security Deposit	64.03	69.00
iv) Lease Liability (ROU) <sup>3</sup>	7.26	7.90
v) Others	0.15	0.83
<b>Other Borrowing Costs :-</b>		
i) Late Payment Surcharge (LPSC) on Power Purchase & Transmission Charge <sup>2</sup>	770.67	1,231.26
ii) Others	8.40	14.56
<b>Total</b>	<b>1,060.47</b>	<b>1,452.64</b>

1) Interest on term loan for the year is net off ₹ 8.00 Crores (March 31, 2021 ₹ 13.20 Crores) being amount capitalized / transferred to capital work-in-progress.

2) The LPSC is recognized by the Company based on the allocation methodology as per terms of Power Purchase Agreements (PPA), applicable regulations / orders of CERC/DERC, as the case may be, Electricity (Late Payment Surcharge) Rules 2021 / orders / advisory issued by Ministry of Power from time to time and / or reconciliation / agreed terms with Power Generators / Transmission companies, as the case may be. (Refer Note 48 B (i))

3) Refer Note 1(h) for Interest on Lease Liability.

Note-40 Depreciation and Amortization Expense	Year Ended March 31, 2022	Year Ended March 31, 2021
Depreciation (Refer Note 3 & 4)	381.14	360.03
Depreciation on ROU (Refer Note 5)	8.40	8.40
<b>Total</b>	<b>389.54</b>	<b>368.43</b>

Note-41 Other Expenses	Year Ended March 31, 2022	Year Ended March 31, 2021
<b>1) Repair &amp; Maintenance Expenses</b>		
- Machinery	143.57	143.76
- Buildings	5.47	14.51
- Others	14.37	16.56
- Stores and Spares consumed (Net of recoveries) - Refer Note 36	32.10	30.34
	<b>195.51</b>	<b>205.17</b>
<b>2) Administration Expenses</b>		
Vehicle Hire & Running Expenses	37.50	35.64
Travelling, Conveyance, Boarding & Lodging	5.71	5.82
Insurance	6.25	6.82
Rates and Taxes <sup>1</sup>	10.37	11.40
Bill Collection Charges	7.09	5.99
Communication Expenses <sup>2</sup>	7.77	7.91
Printing and Stationery	7.55	6.76
Meter Reading & Bill Distribution Expenses	50.07	46.80
Call Centre Expenses <sup>3</sup>	16.55	17.57
House Keeping Charges	16.24	16.28
Security Expenses	27.97	27.13
Advertisement Expenses <sup>4</sup>	1.81	1.49
Legal Claims	0.76	0.53
Professional Consultancy Charges <sup>5</sup>	18.90	16.79
Legal Expenses <sup>6</sup>	23.31	16.77
Miscellaneous Support Service (SLA)	24.29	22.48
Expenditure on Corporate Social Responsibility <sup>9</sup>	9.01	5.55
Remuneration to Auditors <sup>10</sup>	0.68	0.43
Directors' Sitting Fees	0.21	0.22
Bank Charges	0.24	0.21
Miscellaneous Expenses <sup>7</sup>	7.11	5.81
	<b>279.39</b>	<b>258.40</b>
<b>3) Others</b>		
Provisions For :		
- Retirement of Fixed Assets	1.14	-
- Credit impairment	12.52	21.63
	<b>13.66</b>	<b>21.63</b>
Amount Written Off :		
Bad Debts Written Off	6.08	4.51
Less: Provision made in earlier years	6.08	4.51
	<b>-</b>	<b>-</b>
Inventory Written Off	1.23	0.30
Less: Provision made in earlier years	1.23	0.05
	<b>-</b>	<b>0.25</b>
Fixed Assets Retired/ Loss on Sale	12.63	16.28
Less: Provision made in earlier years	-	0.27
	<b>12.63</b>	<b>16.01</b>
<b>Total</b>	<b>501.19</b>	<b>501.46</b>

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

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

1. Rates & Taxes includes License fees paid for Plots ₹ Nil Crores ( March 31, 2021 ₹ 3.24 Crores) (Also Refer Note 5), Licence Fees paid to DERC ₹ 4.52 Crores (March 31, 2021 ₹ 5.22 Crores) and Property Tax ₹ 5.77 Crores (March 31, 2021 ₹ 2.35 Crores).

2. Communication expenses includes SMS charges ₹ 2.07 Crores (March 31, 2021 ₹ 2.30 Crores) and whatsapp messages & E mail services of ₹ 0.08 Crore (March 31, 2021 ₹ 0.01 Crore).



3. Call Centre expenses includes Toll Free charges (Toll Free No-19123) ₹ 1.55 Crores (March 31, 2021 ₹ 0.70 Crore).  
4. Advertisement expenses includes Development and Sustainability Management (DSM) charges ₹ 1.75 Crores (March 31, 2021 ₹ 1.46 Crores).  
5. Professional Consultancy Charges includes Geo-Spatial fees ₹ 0.30 Crore (March 31, 2021 ₹ 0.30 Crore).  
6. Legal Expenses includes Ombudsman expenses ₹ 0.40 Crore (March 31, 2021 ₹ 0.33 Crore).  
7. Miscellaneous expenses are inclusive of Water charges (pertaining to DJB) ₹ 1.80 Crores (March 31, 2021 ₹ 1.85 Crores) and rebate on account of A.C./ Fan scheme ₹ 0.98 Crore (March 31, 2021 ₹ 0.86 Crore).  
8. The Company has incurred ₹ 4.14 Crores to meet the outbreak of Covid-19 pandemic during the year (March 31, 2021 ₹ 4.08 Crores). These expenses are incremental and directly attributable to Covid-19. These expenses includes temporary hazard pay to field staff, additional medical expenses, additional insurance expenses towards protection against Covid-19 as a part of infection control or prevention etc.

**9. Expenditure on Corporate Social Responsibility (CSR)**

Particulars	Year Ended March 31, 2022	Year Ended March 31, 2021
i. Amount required to be spent by the Company during the year	9.01	5.23
ii. Amount of expenditure incurred on:		
(a) Construction/acquisition of any asset	-	-
(b) On purposes other than (i) above	6.44	5.23
iii. Shortfall at the end of the year	2.57	-
iv. Total of previous years shortfall	-	0.32
v. Reason for shortfall	Committed for ongoing project *	-
vi. Nature of CSR activities	Covid Relief plan, Public Health in Partnership With Delhi Govt, Education and Skill Development, Sanitation, Tree Plantation, Health Care/Medical facility & Administrative Overheads	
vii. Details of related party transactions in relation to CSR expenditure as per relevant Accounting Standard in relation to CSR expenditure:	-	-
viii. Amount to be deposited in a separate bank account in relation to ongoing project upto April 30, 2022 (Deposit on April 28, 2022).	2.57	-

\* **Commitment for ongoing projects** :- Project name "Zero Fatality Traffic Junction" which aims to support study of Traffic Junction along with behavioral education of residents of the area to convert the junction in to Zero Fatality Traffic Junction was delayed due to Covid-19 pandemic and could not be completed in current year. Hence, this project was declared as "Ongoing Project" as per amendment to CSR provisions Amendment Rule 2021. So the balance amount of ₹ 2.57 Crores has been deposited in a separate bank account -"Unspent CSR Account".

**10. Remuneration to Auditors (Including GST)**

Particulars	Year Ended March 31, 2022	Year Ended March 31, 2021
Statutory Audit & Limited Review Fees	0.25	0.23
Tax Audit Fees	0.05	0.05
Certification Work	0.35	0.13
Out of Pocket Expenses	0.03	0.02
<b>Total</b>	<b>0.68</b>	<b>0.43</b>

**Note-42 Net movement in Regulatory Deferral Account Balances and related deferred tax balances**

	Year Ended March 31, 2022	Year Ended March 31, 2021
Net movement in regulatory deferral account balance (Refer Note 18)	(87.24)	1,630.97
Net movement in regulatory deferral account balance before OCI	(81.68)	1,513.25
Net movement in regulatory deferral account balances related to items recognized in OCI	(5.56)	17.72

**Note-43 Earnings per Equity Share**

	Year Ended March 31, 2022	Year Ended March 31, 2021
I Profit/(Loss) for Earning Per Share		
Profit for the year (After Tax)	385.17	2,718.06
Profit for the year (After Tax) (Before net movement in Regulatory Deferral Account balances)	466.85	1,104.81
II No. of Equity Shares (In Crores)		
Opening	104.00	104.00
Closing	104.00	104.00
Weighted Average No. of Equity Shares	104.00	104.00
Earning Per Share Basic (₹)	3.70	26.14
Earning Per Share Diluted (₹)	3.70	26.14
Earning per share Basic (Before net movement in Regulatory Deferral Account balances)	4.49	10.62
Earning per share Diluted (Before net movement in Regulatory Deferral Account balance)	4.49	10.62
Face Value of Equity Shares (₹)	10.00	10.00

Note-44 Income tax expense

	As at March 31, 2022	As at March 31, 2021
(a) Income tax expense		
Current tax		
Current tax on profits for the year	-	-
Adjustments for current tax of earlier years	-	(40.32)
<b>Total current tax expense</b>	-	(40.32)
Deferred tax		
(Increase)/Decrease in deferred tax assets	(128.28)	1,582.15
Increase/(Decrease) in deferred tax liabilities	2.19	(606.49)
<b>Total deferred tax expense/(benefit)</b>	(126.09)	975.66
<b>Less: Liability/Income Payable/Recoverable from future tariff</b>	126.09	(975.66)
<b>Net deferred tax expense/(benefit)</b>	-	-
<b>Income tax expense</b>	-	(40.32)

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

	As at March 31, 2022	As at March 31, 2021
Profit as per Ind AS from continuing operations before income tax expense (A)	384.57	2,679.76
Income tax rate applicable (B)	25.17%	25.17%
Income tax expense (A)*(B)	96.79	674.44
<b>Tax effects of the items that are not deductible (taxable) while calculating taxable income :</b>		
Tax effect of permanent timing differences	2.27	5.53
Movement in tax losses (net of recoverable from future tariff)	(99.06)	(679.97)
Current tax on profit for the year	-	-
Tax refund/adjustment for the earlier years	-	(40.32)
<b>Total tax expense</b>	-	(40.32)

The balance comprises temporary differences attributable to:

	As at March 31, 2022	As at March 31, 2021
<b>Deferred tax liability on account of:</b>		
Depreciation difference	463.48	456.23
Regulatory Assets	2,523.88	2,532.88
Loan processing costs	1.10	1.54
<b>Deferred tax asset on account of:</b>		
Provision for doubtful debts	37.68	36.12
Provision for retirement of assets	7.84	7.55
Provision for obsolete/non moving/slow moving inventories	0.48	0.79
Provision for leave encashment	15.07	14.35
Unabsorbed losses (including depreciation)	868.15	998.69
<b>Net deferred tax liability</b>	<b>2,059.24</b>	<b>1,933.15</b>
<b>Less: Recoverable from future tariff</b>	<b>(2,059.24)</b>	<b>(1,933.15)</b>

(c) Movement in deferred tax balances:

	Depreciation difference (a)	Regulatory Assets (b)	Brought forward losses (including unabsorbed depreciation) (c)	Others (d)	Total (a+b-c-d)
<b>As at March 31, 2020</b>	648.94	2,946.80	2,555.92	82.33	957.49
(Charged)/credited:					
- to profit or loss	(192.71)	(413.92)	(1,557.23)	(25.07)	975.66
<b>As at March 31, 2021</b>	456.23	2,532.88	998.69	57.26	1,933.15
(Charged)/credited:					
- to profit or loss	7.25	(9.00)	(130.54)	2.70	126.09
<b>As at March 31, 2022</b>	463.48	2,523.88	868.15	59.96	2,059.24

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

**Switching under new regime u/s 115BAA of the Income Tax Act, 1961:-**

A new Section 115BAA has been inserted in the Income Tax Act, 1961 with effect from Financial Year (FY) 2019-20. Section 115BAA allows every domestic company to avail an option to pay Income Tax at the rate of 22 percent (effective tax rate is 25.17 percent including surcharge and cess), subject to certain specified conditions. If the Company exercises the option to switch to pay tax u/s 115BAA, MAT will not be applicable to it. However, once the option is exercised, the Company cannot subsequently opt out from it. The Company has carried out the detailed analysis for switching over to section 115BAA and is of the view that since the Company is presently not availing any deductions under the existing tax regime and due to the availability of substantial brought forward losses and unabsorbed depreciation, it will be beneficial to shift to the new tax regime u/s 115BAA. In view of the above, the Company has decided to avail the option to switch over to the new tax regime u/s 115BAA w.e.f. F.Y. 2019-20.

**Note-45 : Related party transactions**

Related parties with whom transactions have taken place during the year:

i) Parent Company	Reliance Infrastructure Limited
ii) Company having Substantial Interest	Delhi Power Company Limited
iii) Fellow Subsidiary Companies & Associates	BSES Yamuna Power Limited Reliance General Insurance Company Limited**
iv) Companies over which director of our Investing Company is having significant influence	Sasan Power Limited
v) Post Employment Benefit Plan	BSES Rajdhani Power Limited Employees Group Gratuity Assurance Scheme BSES Rajdhani Power Limited Employees Superannuation Scheme

Name	Category	Period
Shri Virendra Singh Verma	Non-Executive Director	2021-22 2020-21
Shri Naveen ND Gupta		2021-22 2020-21
Shri Umesh Kumar Tyagi		2021-22 2020-21
Shri Jasmine Shah		2021-22 2020-21
Shri Partha Pratim Sarma (cessation w.e.f. July 01, 2021)		2021-22 2020-21
Shri Angaraj Natarajan Sethuraman (cessation w.e.f. July 01, 2021)		2021-22 2020-21
Shri Sateesh Seth (Appointed w.e.f. July 01, 2021)		2021-22
Shri Punit Narendra Garg (cessation w.e.f. October 09, 2020 & reappointed w.e.f. July 01, 2021)		2021-22 2020-21
Shri Anthony Jesudasan (w.e.f. November 04, 2020 upto July 01, 2021)	Non-Executive Additional Director	2021-22 2020-21
Shri Amal Sinha (Appointed w.e.f. July 01, 2021)	Executive Director	2021-22
Shri Ajit Keshav Ranade	Independent Director	2021-22 2020-21
Shri Anjan Kumar Sharma		2021-22 2020-21
Ms. Ryna Zaiwalla Karanl (cessation w.e.f. October 08, 2021)		2021-22 2020-21
Shri Surinder Singh Kohli		2021-22 2020-21
Dr. Vijayalakshmy Gupta (Appointed w.e.f. October 25, 2021)		2021-22
Shri Amal Sinha (cessation w.e.f. July 01, 2021)	Chief Executive Officer	2021-22 2020-21
Shri Rajesh Bansal (Appointed w.e.f. July 01, 2021)		2021-22

**(a) Key Management Personnel (KMP) Compensation**

Particulars	Year Ended March 31, 2022	Year Ended March 31, 2021
Short - term employee benefits	2.74	1.40
Post - employment benefits	0.19	0.11
Long - term employee benefits	0.74	0.15
Director sitting fee	0.21	0.22
<b>Total KMP Compensation</b>	<b>3.88</b>	<b>1.88</b>

**b) Transactions with related parties**

The following transactions occurred with related parties:

Particulars	Year Ended March 31, 2022	Year Ended March 31, 2021
<b>Statement of profit and loss heads</b>		
<b>1. Income:</b>		
<i>Sale of Power</i>		
- BSES Yamuna Power Limited **	0.25	0.00
<i>Interest earned</i>		
- BSES Yamuna Power Limited	13.07	16.27
<i>Reimbursement of Expenses Claimed</i>		
- BSES Yamuna Power Limited	-	-
- Reliance Infrastructure Limited	-	0.15

## Notes to Financial Statements for the Year Ended March 31, 2022

<b>2. Expenses:</b>		
<i>Purchase of Power (Including open access charges - Net of rebate)</i>		
- BSES Yamuna Power Limited	30.36	31.89
- Sasan Power Limited	72.01	72.75
<i>Receiving of services</i>		
- Reliance Infrastructure Limited	0.14	0.28
- Reliance General Insurance Company Limited*	9.00	3.80
<i>Trust Contribution</i>		
- BSES Rajdhani Power Limited Employees Group Gratuity Assurance Scheme	5.76	25.24
- BSES Rajdhani Power Limited Employees Superannuation Scheme	1.18	1.05
For Securities - Pledge of 51% Share of the Company held by Reliance Infrastructure Limited (Refer Note 21)		
** The sign '0.00' indicates amount of ₹ 26,868.00 during year ended March 31, 2021).		

## c) Loans to related parties

	Year Ended March 31, 2022	Year Ended March 31, 2021
<i>Loan repaid</i>		
- BSES Yamuna Power Limited	(24.01)	(21.12)

d) Balance sheet heads (Closing balances):	As at March 31, 2022	As at March 31, 2021
<b>Payable:-</b>		
<i>Other Current Liabilities</i>		
- Delhi Power Company Limited	1.28	1.28
<i>Trade Payables</i>		
- BSES Yamuna Power Limited	0.08	-
- Sasan Power Limited	3.21	3.39
<i>Current Provision</i>		
- BSES Rajdhani Power Limited Employees Group Gratuity Assurance Scheme	5.76	25.24
<i>Other Current Financial Liabilities</i>		
- BSES Rajdhani Power Limited Employees Superannuation Scheme	0.10	0.10
<b>Receivable:-</b>		
<i>Non Current Loans</i>		
- BSES Yamuna Power Limited	46.57	-
<i>Other Current Assets</i>		
- Reliance General Insurance Company Limited*	4.32	0.05
<i>Financial Assets</i>		
- BSES Yamuna Power Limited	45.00	115.57

\* Reliance General Insurance Company Limited cease to be a related party w.e.f. November 29, 2021.

## 1 Terms &amp; conditions.

- i) For terms and condition relating to Loan to BSES Yamuna Power Limited, Refer Note 7 and 14.
- ii) All outstanding balances are unsecured. These are repayable/ recoverable on demand (except loan to BSES Yamuna Power Limited).
- iii) The sales to and purchases from related parties are made on terms equivalent to those that prevail in arm's length transactions. Outstanding balances at the year end are unsecured and interest free and settlement occurs in cash. There have been no guarantees provided or received for any related party receivables or payables. For the year ended March 31, 2022, the Company has not recorded any impairment of receivables relating to amounts owed by related parties (Year ended March 31, 2021 : ₹ Nil). This assessment is undertaken each financial year through examining the financial position of the related party and the market in which the related party operates.

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

**Note-46 Financial Risk Management**

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

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

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

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

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

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

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

**(A) Credit risk**

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

**(i) Credit risk management**

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

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

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

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

For trade receivable - Sale of power and Others (including Open access and Bulk sale) (except as mentioned below), the Company uses the provision matrix method under simplified approach. The provision matrix is based on its historically observed default rates over the expected life of these trade receivable and is adjusted for forward looking estimates. At every reporting date, the historically observed default rates are updated and changes in the forward looking estimates are analyzed. For some portion of sale of power, in addition to recognizing impairment loss provision under lifetime expected credit loss model, specific provision is made on the basis of assessment by the Company.

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

## Notes to Financial Statements for the Year Ended March 31, 2022

## Provision for expected credit losses (Provision matrix method)

## Expected credit loss for trade receivable- Sale of Power

As at March 31, 2022 :

Ageing	Within payment terms	0-90 days past due	91 - 180 days past due	181 - 270 days past due	271 - 360 days past due	361 - 450 days past due	More than 450 days past due	Total
Gross carrying amount	338.00	43.97	22.63	28.59	7.67	7.82	123.33	572.01
Expected loss rate	1.09%	3.79%	14.88%	32.10%	40.85%	52.97%	93.65%	24.59%
Expected credit losses (Loss allowance provision)	3.67	1.67	3.37	9.18	3.13	4.14	115.50	140.66
Carrying amount of trade receivable-sale of power (net of impairment)	334.33	42.30	19.26	19.41	4.54	3.68	7.83	431.35

As at March 31, 2021 :

Ageing	Within payment terms	0-90 days past due	91 - 180 days past due	181 - 270 days past due	271 - 360 days past due	361 - 450 days past due	More than 450 days past due	Total
Gross carrying amount	292.27	65.65	34.42	18.95	6.09	9.09	122.34	548.81
Expected loss rate	0.80%	3.69%	18.48%	29.82%	44.02%	53.72%	89.99%	24.49%
Expected credit losses (Loss allowance provision)	2.32	2.42	6.36	5.65	2.68	4.88	110.10	134.41
Carrying amount of trade receivable-sale of power (net of impairment)	289.95	63.23	28.06	13.30	3.41	4.21	12.24	414.40

**Reconciliation of loss allowance provision – Trade receivables**

Reconciliation of loss allowance	Provision matrix method	Provision matrix method- Other Receivables	Street light unmetered dues and others	Total
Loss allowance as on April 1, 2020	117.51	-	9.06	126.57
Bad debts written off	(4.68)	-	-	(4.68)
Changes in loss allowance	21.60	0.03	-	21.63
Loss allowance as on March 31, 2021	134.43	0.03	9.06	143.52
Bad debts written off	(6.29)	-	-	(6.29)
Changes in loss allowance	12.52	(0.03)	-	12.49
Loss allowance as on March 31, 2022	140.66	-	9.06	149.72

**Significant estimates and judgements**

**Impairment of financial assets**

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

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

**(B) Liquidity risk**

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

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

**(i) Financing arrangements**

The Company had access to the following undrawn borrowing facilities at the end of the year :

Particulars	March 31, 2022	March 31, 2021
<b>Floating rate</b>		
Term Loan	197.73	197.73
Cash Credit (Expiring within one year)	47.34	47.44
<b>Total</b>	<b>245.07</b>	<b>245.17</b>

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

**(ii) Maturities of financial liabilities**

\*The tables below analyse the Company's financial liabilities into relevant maturity based on their contractual maturities for all non-derivative financial liabilities. The amounts are grossed and undiscounted.

Contractual maturities of financial liabilities as at March 31, 2022	Carrying Value	within 1 year	*more than 1 year	Total
<b>Non-derivatives</b>				
Non current borrowings (includes current maturities of long term borrowings and contractual interest payments)	1,561.05	415.27	1,777.12	2,192.39
Current borrowings	126.66	126.66	-	126.66
Consumer security deposit	943.50	70.52	872.98	943.50
Trade payables	7,852.03	7,852.03	-	7,852.03
Creditors for capital expenditure	130.79	130.79	-	130.79
Lease Liability	67.77	6.72	61.05	67.77
Other financial liabilities	206.95	206.95	-	206.95
<b>Total non-derivative liabilities</b>	<b>10,888.75</b>	<b>8,808.94</b>	<b>2,711.15</b>	<b>11,520.09</b>

## Notes to Financial Statements for the Year Ended March 31, 2022

Contractual maturities of financial liabilities as at March 31, 2021	Carrying Value	within 1 year	*more than 1 year	Total
<b>Non-derivatives</b>				
Non current borrowings (includes current maturities of long term borrowings and contractual interest payments)	1,753.79	392.21	2,201.99	2,594.20
Current borrowings	126.56	126.56	-	126.56
Consumer security deposit	903.36	70.42	832.94	903.36
Trade payables	7,585.69	7,585.69	-	7,585.69
Creditors for capital expenditure	59.88	59.88	-	59.88
Lease Liability	73.76	13.26	60.50	73.76
Other financial liabilities	242.13	242.13	-	242.13
<b>Total non-derivative liabilities</b>	<b>10,745.17</b>	<b>8,490.15</b>	<b>3,095.43</b>	<b>11,585.58</b>

**(C) Market risk****(i) Foreign currency risk**

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

**Sensitivity**

In view of insignificant exposure to forex, sensitivity analysis on Foreign exchange risk is not required.

**(ii) Cash flow and fair value interest rate risk**

The Company's main interest rate risk arises from long-term borrowings with variable rates, which exposes the Company to cash flow interest rate risk. During the year ended March 31, 2022 and March 31, 2021, the Company's borrowings were at variable rate primarily dominated in INR. In view of reduction in bank rate, the Company is not exposed to any material interest rate risk due to borrowing at Variable Rate. The Company's borrowings are carried at amortized cost.

**Interest rate risk exposure**

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

Particulars	March 31, 2022	March 31, 2021
Variable rate borrowings	1,687.71	1,880.35
Fixed rate borrowings	-	-
<b>Total borrowings</b>	<b>1,687.71</b>	<b>1,880.35</b>

**Sensitivity**

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

Particulars	Impact on profit after tax	
	March 31, 2022	March 31, 2021
Interest rates – increase by 50 basis points (50 bps)*	(8.69)	(5.72)
Interest rates – decrease by 50 basis points (50 bps)*	8.69	5.72

\*Holding all other variables constant

**(iii) Price risk****(a) Exposure**

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

**(iv) Capital Risk Management**

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

- 1 Total equity- retained profit, general reserve and other reserve, share capital
2. Working Capital

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

The Company's aim to translate profitable growth to superior cash generation through efficient capital management. The Company's policy is to maintain a stable and strong capital structure with a focus on total equity as to maintain investor, creditor, and market confidence and to sustain future development and growth of its business.

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

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



## Notes to Financial Statements for the Year Ended March 31, 2022

## (a) Fair Value measurements

Particulars	Level	March 31, 2022		March 31, 2021	
		FVTPL	Amortized	FVTPL	Amortized
<b>Financial assets</b>					
Restricted bank deposits		-	171.14	-	137.97
Non current loans	3	-	46.89	-	0.36
Other non current financial assets	3	-	4.41	-	0.67
Trade receivables	3	-	720.11	-	628.02
Cash and cash equivalents		-	457.13	-	266.67
Bank balances other than cash and cash equivalents		-	83.40	-	101.70
Current loans	3	-	45.34	-	116.92
Other current financial assets	3	-	311.81	-	231.28
<b>Total</b>		-	<b>1,840.23</b>	-	<b>1,483.59</b>
<b>Financial liabilities</b>					
Non current borrowings	3		1,321.35		1,562.13
Consumer Security Deposit	3		943.50		903.36
Current borrowings	3		366.36		318.22
Lease Liability	3		67.77		73.76
Trade payables	3	-	7,852.03	-	7,585.69
Employee related liabilities	3	-	12.44	-	42.29
Payable for expenses	3	-	4.23	-	4.03
Others	3	-	169.03	-	97.21
Consumer contribution for capital works	3	-	152.04	-	158.48
<b>Total</b>		-	<b>10,888.75</b>	-	<b>10,745.17</b>

**Notes:**

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

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

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

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

There are no transfers between any levels during the year.

**BSES Rajdhani Power Limited****Notes to Financial Statements for the Year Ended March 31, 2022****47. Commitment**

Estimated amount of contracts remaining to be executed on capital account and not provided for is ₹ 252.80 Crores (March 31, 2021 ₹ 185.29 Crores).

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

**48. Contingent Liabilities.**

A) Bank Guarantee outstanding as on March 31, 2022 ₹ 6.18 Crores (March 31, 2021 ₹ 2.35 Crores).

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

a) (Amount in ₹Crores)

S No	Particulars	As at March 31, 2022	As at March 31, 2021
i	Legal cases related to consumers and others*	38.16	38.91
ii	Legal cases related to employees**	4.17	1.44
iii	Claim by DPCL on account of events relating to erstwhile DVB period***	92.59	92.59

**\* Legal cases related to consumers and others**

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

**\*\* Legal cases related to employees**

The aggrieved employees have filed cases before the various forums on account of denial of time bound promotion scale, delay in promotion, setting aside of disciplinary proceedings with consequential benefits, etc.

**\*\*\* Claim filed by DPCL Vs BRPL (Suit no.1093/2013)**

A recovery suit has been filed by DPCL in 2013 against the Company before the Hon'ble High Court of Delhi for recovery of ₹ 92.59 Crores along with interest @ 18% p.a.. DPCL has claimed that it has made payments from 2002-2006 for liabilities arising from events prior to July 01, 2002 (DVB period). DPCL has alleged that the Company also made adjustments against the amounts receivable by it from the revenue collected from consumers towards power supplied during the DVB period. The matter is pending before the Registrar Court at the stage of admission/denial of documents filed by the parties. On May 08, 2019, the Company has filed affidavit for admission and denial of documents. The admitted documents were placed on record on August 21, 2019. The matter is now listed on July 20, 2022.

- b) The Company had received claim from Delhi Transco Limited of ₹ 2.38 Crores (March 31, 2021 ₹ 2.38 Crores) mainly on account of events relating to erstwhile DVB period. The same is disputed by the Company, and pending dispute/reconciliation, the same has not been provided in the books of account.
- c) A demand of ₹ 2.95 Crores (Previous Year ₹ 2.95 Crores) was raised on the Company in the TDS assessment orders for FYs 2007-08 to 2009-10 primarily on account of interest u/s 201(1A) of the Income Tax Act, 1961 for non/late deduction of TDS on power transmission charges u/s 194J. The Company had appealed against the said TDS assessment orders before the CIT(A). Appeals for F.Y. 2008-09 & 2009-10 have been decided by the CIT(A), whereby it was held that TDS u/s 194J is not applicable on payments for transmission /wheeling/ open access charges etc. The appeal for F.Y. 2007-08 against demand of ₹ 1.20 Crores (Previous Year ₹ 1.20 Crores) is still pending. Further, the appeals filed by the Income Tax Department against the orders of CIT(A) for FYs 2008-09 and 2009-10 have been dismissed by ITAT and decided in favour of the Company.

The Company is confident that the appeal for F.Y. 2007-08 will be decided in line with orders passed for F.Y.'s 2008-09 & 2009-10 and entire demand will be reduced to Nil. Accordingly, the Company has not provided for any liability in this regard in the books of accounts.

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

- d) In the Income tax assessment orders of the Company passed u/s 143(3) of the Income Tax Act, 1961, for A.Y.s '2013-14' & '2015-16 to 2017-18' various additions/disallowances were made resulting in demands (as per column (ii) in table below) being initially raised under the normal provisions (except AYs 2016-17). These demands were subsequently reduced to 'Nil' after rectification of mistakes/allowing relief for brought forward losses. However, certain demands (as per column (iv) in the table below) were raised against the Company in respect of additions made under the MAT provisions in these years. The issue of such additions is covered in favour of the Company by the appellate orders of earlier years and therefore the demands are not recoverable. Accordingly, no provision has been made in the books of account in respect of these demands. Further, the Company has filed appeals against the various additions/disallowances made in these years, both under the normal provisions and the MAT provisions and the appeals are pending before CIT(Appeals)/ITAT. The details of the demands raised and status of the Company's appeals are as tabulated below:-

(Amount in ₹ Crores)

S. No.	Assessment Year	Initial Demand raised under normal provisions	Revised demand under normal provisions after rectification of mistakes/allowing relief for brought forward losses	Demand under MAT provisions	Forum where Appeal is pending
	(i)	(ii)	(iii)	(iv)	(v)
1	2013-14	119.25	Nil	0.92	ITAT, Delhi
2	2015-16	41.24	Nil	1.33	CIT(A)
3	2016-17	Nil	N.A.	5.97	CIT(A)
4	2017-18	507.63	Nil	4.10	CIT(A)

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

For resolution of the issue through the process of law, the Company had filed a writ petition before the Hon'ble Delhi High Court. The Hon'ble Court has pronounced its Judgement on this issue on July 02, 2007 whereby it has provided the following two options to the BSES Discoms for paying terminal benefits and residual pension to the SVRS RTBF 2004 Trust (SVRS Trust) :-

- I) Terminal benefits to the SVRS optees to be paid by Discoms which shall be reimbursed to Discoms by the Trust without interest on normal retirement / death (whichever is earlier) of such SVRS optees. In addition, the Discoms shall pay the Retiral Pension to SVRS optees till their respective dates of normal retirement, after which the Trust shall commence payment to such optees, OR
- II) The Trust to pay the terminal benefits of the SVRS optees on reimbursement by Discoms of 'Additional Contribution' required on account of premature payout by the Trust which shall be computed by an Arbitral Tribunal. The liability to pay residual pension i.e. monthly pension shall be borne by the Company.

As per the aforesaid judgment, the Arbitral Tribunal shall be comprised of a nominee of the Institute of Actuaries Mumbai, a nominee from Discom and a nominee each from GoNCTD & Pension Trust. Institute of Actuaries and Discom have appointed their respective nominees while GoNCTD & Pension Trust have not appointed their nominee and have filed their respective Appeals before the Division Bench of the High Court of Delhi.

The Company has opted for option (II) above, which requires determination of additional contribution to be funded by Discom as determined by the Arbitral Tribunal. Though the constitution of Arbitral Tribunal was pending, BRPL in order to mitigate the hardship faced by SVRS optees paid the amount due to them, ~~without prejudice~~ to its rights and contentions.

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

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

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

- f) DERC vide its order dated December 05, 2019, had directed the Discoms to refund within two months, the unspent/balance of consumer contribution in respect of the capitalized assets to the respective consumers and file claim before DERC, which will be considered along with admissible consequential relief in future ARR. The Company challenged the said direction of DERC in Appeal no. 34 of 2020 before Appellate Tribunal of Electricity (ATE).

The ATE was pleased to grant a stay against the said direction of DERC. Finally, ATE vide its Judgment dated August 31, 2021 partly allowed Company's appeal and directed DERC to allow the unspent Consumer Contribution to be refunded by the DISCOMs as an expenditure in the subsequent Tariff Order, which will be recovered through Tariff first and thereafter be refunded to the identified consumers by the DISCOMs within the same Financial Year.

In compliance with the above direction of ATE, the Company has submitted requisite information of consumer contribution towards capital works to DERC. However, due to lack of time of scrutiny, DERC in its Tariff Order dated September 30, 2021 has decided to consider the same in the subsequent Tariff Order. Pending implementation of ATE's directions by DERC, Company is refunding unspent consumer deposits pertaining to works executed against the deposits received after March 31, 2012 with interest.

- g) **Way Leave charges imposed by MCD's**

On June 19, 2015, North Delhi Municipal Corporation (NDMC) raised an aggregate demand of ₹ 173 Crores on the Company for the years 2007 to 2015 on account of the License fee of transformers allegedly installed on NDMC's land and also towards security equivalent to three months License fee at the current rate.

NDMC has also sought to recover Way Leave charges for use of its land (for overhead and underground installations). The charges @ ₹ 75,162/- per running meter upto one meter width per annum was revised in August 2016 to ₹ 684/- per meter (one time). The issues of Way Leave charges and License Fee were raised before the DERC and the Delhi Government. In the co-ordination meeting held on February 03, 2017, NDMC agreed to defer the demand / levy of way charges and allow the Discoms to carry out

their work till the matter is sorted out. However, NDMC has raised various demands (₹ 4.10 lakhs and ₹ 1.36 lakhs in September 2019 and September 2020). The demands were responded by the Company from time to time.

In December 2020, the Company filed Writ Petitions against NDMC (10515/2020) and SDMC (10006/2020). The Hon'ble Delhi High Court directed the NDMC and SDMC not to deny Road Cutting permissions for non-payment of Way Leave Charges and the issue of Way Leave Charges is subject to adjudication of the matter by the Court. The matters were listed on January 21, 2022, wherein the parties were directed to file brief note of submissions before next date of hearing and also to file counter affidavit /rejoinder, if not filed. The matter was last listed on April 18, 2022 and adjourned to September 16, 2022.

- h) Pursuant to the order dated August 10, 2015 of Hon'ble Supreme Court of India, in the case of Bombay Bar Association vs UOI & ORS, the Company had not deposited service tax on Lawyer's Fees under reverse charge for the period October 01, 2015 to June 30, 2017 amounting to ₹ 3.76 Crores.

However, during the Financial Year 2018-19 an audit was conducted by the Service Tax Department during which the department had stated that Service Tax was applicable on these expenses under reverse charge and that the Company should deposit tax on the same forthwith. The Company reconsidered its stand on the matter and after detailed discussion with its professional consultant decided to deposit the said Service Tax amount (without interest) under protest. The amount so paid has been shown as Service Tax recoverable under the head 'Other Current Assets' in the books of account. Further, w.e.f. July 01, 2017 GST has been implemented and the Company is regularly paying GST on the above under GST reverse charge mechanism.

- i) **Late Payment Surcharge (LPSC) on Power Purchase Overdue**

Due to financial constraints not attributable to the Company, the Company could not timely service its dues towards various Power Generators / Transmission Companies (Power Utilities) within the timelines provided under the applicable Regulations of CERC or DERC /terms of Power Purchase Agreements (PPA). On account of such delay in payments, these Power Utilities are entitled to levy LPSC on the Company. The Company has recognized LPSC based on the allocation methodology as per the applicable Regulations of CERC /DERC as the case may be, terms of PPAs, Electricity (Late Payment Surcharge) Rules 2021 / Orders / Advisory issued by Ministry of Power (MoP) from time to time and / or reconciliation / agreed terms with Power Utilities, as the case may be. However, there are differences in the LPSC recognized by the Company in its books of account versus LPSC as per some of the generators / transmitters including LPSC differential owing to reversal of LPSC based on MoP Advisory and DERC Order dated May 13, 2019, subject to final settlement between the parties. These differences, amounting to ₹ 3,911.97 Crores (March 31, 2021 (Restated) ₹ 3,108.57 Crores) are primarily on account of differences in interpretation of BRPL and Power Generators/ Transmission Companies of applicable Regulations of CERC or DERC/ MoP LPSC Rules, 2021 / MoP Advisory dated August 20, 2020 as regards reduced rates of LPSC or terms of PPAs.

**j) Claims by/on Maithon Power Limited**

Maithon Power Limited (MPL) had filed a claim against the Company for energy, capacity and other charges for the period April 2011 to March 2012 before CERC on December 30, 2016 for ₹ 109 Crores (out of which ₹ 103.23 Crores has not been booked by the Company). The Company has contested this claim on the ground that the power generation plant was not commissioned on its scheduled time i.e. October 2010. It was delayed for the period of eleven months, power was provided by MPL from alternate sources during the period April 2011 to August 2011, and after commissioning of the plant its power generation was not stable, due to which, the Company stopped considering it for power scheduling, hence no such charges are payable. The Company has also filed a counter claim against MPL of ₹ 212 Crores on September 13, 2017 (amendment application on February 14, 2019) invoking the penalty provisions of the PPA for scheduling power below the contracted minimum. In the matter, CERC has allowed counter claim amendment application of the Company vide its order dated January 06, 2020 & the matter will be listed for hearing on merit in due course.

**k) Energy / Transmission Charges billed by the Utilities**

Power Generators / Transmission Companies have raised invoices as per their interpretation of the applicable Regulations / orders of the CERC or DERC / terms of PPAs. The Company has accounted for the power purchase / transmission cost, based on its interpretation of the applicable regulations / orders of the CERC or DERC / terms of PPAs. However, there are differences in the power purchase / transmission costs recognized by the Company in its books of account versus bills raised by some of the generators / transmitters. These differences amounting to ₹ 38.19 Crores as on March 31, 2022 (March 31, 2021 ₹ 41.31 Crores) are primarily on account of such differences in interpretation of the Company and Power Generators/ Transmission Companies of applicable Regulations/ Orders of CERC or DERC/ terms of PPAs and are summarized as under :-

**(Amount in ₹ Crores)**

<b>S.No.</b>	<b>Party Name</b>	<b>As at March 31, 2022</b>	<b>As at March 31, 2021</b>
i)	Indraprastha Power Generation Company Limited (IPGCL)	38.17	41.29
ii)	PTC India Limited (PTC)	0.02	0.02
	<b>Total</b>	<b>38.19</b>	<b>41.31</b>

**l) Exit from Dadri –I station of NTPC Ltd.**

Dadri-I station of NTPC completed 25 years from its Commercial date of Operation (CoD) on November 30, 2020. The Company exercised its option to exit from the PPA qua Dadri-I under Regulation 17 of the CERC (Terms and Conditions for Determination of Tariff) Regulations, 2019 w.e.f. December 01, 2020. However, NTPC continued to raise bills towards capacity charges and other ancillary charges of Dadri-I station.

The Company filed Petition No. 65/MP/2021 before CERC seeking adjudication of disputes with NTPC. CERC upheld the Company's first right of refusal under Regulation 17(2), however CERC held that the said right would become effective once the Ministry of Power (MoP) de-allocates the share of the Company from Dadri-I station.

The Company filed Appeal before APTEL No. 239/2021 against the order of CERC. Through its interim order dated August 26, 2021, APTEL stayed the recovery of the impugned demand (Capacity Charges). Till the issuance of interim stay, the Company has already accounted and paid ₹219.74 Crores under protest to NTPC towards capacity charges from December 2020 to June 2021 and ancillary charges of Dadri-I station for the period from December 2020 to January 2022. Pursuant to Order dated August 26, 2021, BRPL has neither accounted nor paid capacity charges towards Dadri-I station.

On September 15, 2021, NTPC filed Civil Appeal No. 5974 of 2021 before the SC against the APTEL's order dated August 26, 2021. By order dated January 05, 2022, SC directed APTEL to dispose the matter in accordance with law.

Consequently, after hearing the parties on January 24, 2022 and January 25, 2022, APTEL pronounced the Judgment on February 08, 2022 wherein it: (a) allowed BRPL to exit the PPA, (b) directed NTPC not to raise any invoices with respect to any charges qua Dadri- I station w.e.f. December 01, 2020, and (c) directed NTPC to immediately refund the payment made by BRPL under protest along with interest as specified in the PPA / Supplementary PPA.

NTPC has filed Civil Appeals No. 1877 of 2022 before SC against APTEL Judgment dated February 08, 2022. However, the Civil Appeal has not yet been listed before the SC. As per the website, the Civil Appeal is likely to be listed on May 18, 2022.

Since NTPC was not complying with the direction contained in the APTEL Judgment regarding refund of excess amounts along with interest in terms of the PPA/ SPPA, BRPL filed Execution Petition No. 97 of 2022 before the APTEL on March 21, 2022 for non-compliance of APTEL order dated February 08, 2022. The matter is next listed on May 11, 2022.

Meanwhile, in the bill dated April 06, 2022 raised for consumption of March 2022, NTPC has passed the credit towards the amounts paid by the Company under protest against Dadri-I station along with interest at the rate of 10.50% / 11.25% p.a. against the interest rate of 15% p.a. as per the PPA/SPPA. BRPL shall seek directions against NTPC to make payment with interest of 15% p.a. from APTEL in Execution Petition No. 97 of 2022.

Apart from the above, NTPC had filed Writ Petition (W.P. (C) No. 10698 of 2021) before the Hon'ble Delhi High Court on September 08, 2021 on the applicability or operation of Regulation 17. The Writ Petition was listed on September 23, 2021 but no stay has been granted. The matter is next listed for hearing on September 14, 2022.

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



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

**49. Legal Cases by the Company**

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

**50. Power Utilities Dues**

On February 01, 2014, NTPC issued Notice of Regulation (suspension) of Power Supply due to delay in power purchase payments. The Company has filed a Writ Petition in the Hon'ble Supreme Court (SC) praying for keeping the regulation notice in abeyance, giving suitable direction to DERC to provide cost reflective tariff and to give a roadmap for liquidation of the accumulated Regulatory Asset. In the Interim Order dated March 26, 2014 & May 06, 2014, SC directed the Company to pay its current dues (w.e.f. January 01, 2014) failing which the generating / transmission Companies may regulate supply. In the meantime, an application for seeking modification of the aforesaid order so as to allow the Company to pay 70% of the current dues has been filed before SC. Arguments were concluded on February 18 & 19, 2015 and judgment was reserved. However, judgment was not pronounced and both the Judges have retired. The matter is now listed before the bench and would be re-heard.

Delhi Power Utilities had filed Contempt Petitions in January 2015 against senior officials of the Company alleging non-compliance of SC Order dated March 26, 2014 regarding payment of current dues. On May 12, 2016, SC by an Order passed in the Contempt Petitions filed by Delhi Utilities directed the Company to pay 70% of the current dues till further orders. New Contempt Petitions have been filed by Delhi Power Utilities in November 2016 alleging non-compliance of Order dated May 12, 2016.

On April 19, 2021, SC directed matters to be listed in July, 2021. However, as the matters did not get listed for quite some time, an application was filed by the Company in November 2021 for early hearing of two Tariff Appeals (884/2010 and 9003/2011 - Filed by DERC) and other matters connected with the Writ Petition. The appeals filed by DERC were heard on November 30, 2021 and December 01, 2021. SC by Order dated December 01, 2021 dismissed the aforesaid Tariff Appeals and another Civil Appeal filed by DERC, holding that no substantial questions of law are involved. Further, DERC was directed to comply with the directions contained in the APTEL Judgments within a period of three months, if not complied earlier and submit a compliance report before the SC within two weeks thereafter. Rest of the matters were directed to be listed after six weeks from date of the Order dated December 01, 2021 i.e. in third week of ~~January 2022~~ January 2022.

As the matter did not get listed in the third week of January 2022, the Company mentioned the same before SC on January 18, 2022. Another Tariff Appeals (4324 of 2015) was heard in February and March 2022 and Judgment has been reserved. In the meantime, DERC (a) filed Application in Civil Appeal 884 of 2010 seeking extension of six weeks to comply with Order dated December 01, 2021. Application was listed on March 11, 2022, SC by an Order allowed four weeks' time to DERC to comply with the Order dated December 01, 2021 and two weeks thereafter to file Compliance Report (b) on March 23, 2022, DERC filed Compliance Report in Civil Appeal no.9003 of 2011, to which the Company has filed a Miscellaneous Application and Objections and the same was listed on April 08, 2022. The Court directed DERC to file its reply. The matter was listed on May 06, 2022 and got adjourned. Now, SC matters are listed on May 10, 2022. DERC also has filed Compliance Report in Civil Appeal no.884 of 2010. Company is in process of filing its objections to the same.

#### **51. CAG Audit**

The three private electricity distribution Companies (DISCOMs) in the NCT of Delhi preferred a Writ Petition before Hon'ble High Court of Delhi challenging Government of NCT of Delhi's communication dated January 07, 2014 directing the Comptroller and Auditor General of India (CAG) to conduct audit of the DISCOMs. On October 30, 2015, the Hon'ble Court pronounced its Judgement wherein Hon'ble Court "set aside all actions taken pursuant to the January 07, 2014 order". The Hon'ble Court further directed that "all acts undertaken in pursuance thereof are infructuous".

CAG, GoNCTD and United Resident Welfare Association (URWA) filed Special Leave Petitions before Hon'ble Supreme Court (SC). On January 18, 2016 notices were issued. BSES discoms have submitted their replies. Tata Power Delhi Distribution Ltd. also filed an SLP challenging the High Court Judgment on limited aspects. All the Petitions were admitted. The hearing in the Petitions was last held on March 09, 2017, when the Hon'ble Court had reserved its order on the issue as to whether it would like to hear the matter after the decision in the Constitution Bench matter or refer it to the constitution bench where matter between GoNCTD powers vis -a- vis LG powers is pending. On July 03, 2017, the Hon'ble Supreme Court passed an order that the instant appeals need not be referred to the Constitution Bench and adjudication of the appeals should not await the outcome of the decision of the Constitution Bench. The Appeals were directed to be listed for hearing on merits. Next date of hearing is not yet fixed.

#### **52. Operating Segments**

The Company is engaged in the business of distribution and supply of electricity in the specified area in Delhi. There is no individual customer contributing more than 10% of revenue. The Company operates in certain areas of Delhi as per license issued by DERC and hold assets at one geographical area i.e. Delhi. The Company does not derive revenue from foreign countries on account of distribution business. The Company does not hold any non-current asset in foreign country. Chief Operating Decision Maker (CODM) reviews the business as one operating segment only. Therefore, segmental disclosure as required by Ind AS 108 "Operating Segments" is not applicable.

**53. Service Tax / GST on Street Light Maintenance**

The Company raises bills for street light maintenance on the Municipal Corporation of Delhi (MCD) along with the applicable service tax (till June 30, 2017) and GST thereafter (in line with provisions of notification Nos. 24/2017-CT(R) dated September 21, 2017 and 2/2018-CT(R) dated January 25, 2018). However, MCD is not adhering to its statutory obligation to bear the Service Tax/GST and has not been paying the Service Tax/GST component of the bills.

Aggrieved by the actions of the MCD, the Company had filed a writ petition before Hon'ble Delhi High Court on August 24, 2009 seeking directions against MCD for recovery of the service tax dues which is still pending adjudication. Similarly, the Company had filed a separate writ petition before Hon'ble Delhi High Court on May 07, 2021 for recovery of the GST amount applicable from July 01, 2017. The total amount of Service Tax and GST recoverable from MCD in this regard is ` 30.60 Crores as at March 31, 2022 (March 31, 2021 ` 29.33 Crores). All the three Municipal Corporations (MCDs) namely South Delhi Municipal Corporation (SDMC), North Delhi Municipal Corporation (NDMC) & East Delhi Municipal Corporation (EDMC) have been impleaded in the Writ Petition. In January, 2020, the Central Board of Indirect Taxes filed an Affidavit stating that street light maintenance is not exempted from service tax. The matter was last heard on February 23, 2022 wherein the Service Tax writ petition was adjourned to be next heard on August 24, 2022 whereas the GST writ petition was adjourned to September 08, 2022.

In January, 2020, the Central Board of Indirect Taxes filed an Affidavit stating that street light maintenance is not exempted from service tax. The matter was last heard on February 23, 2022 wherein the Service Tax writ petition was adjourned to be next heard on August 24, 2022 whereas the GST writ petition was adjourned to September 08, 2022.

**54. Applicability of GST on Distribution Utilities Circular No. 34/08/2018**

The Govt. of India, Ministry of Finance, Department of revenue, Tax Research Unit (TRU) had issued a circular bearing no. 34/08/2018 dated March 01, 2018 clarifying therein that some of the activities carried out by Discoms are chargeable to GST. The Company is of the view that the said provisions of the circular are contrary to the spirit of law as the transmission and distribution of electricity has all along been a non-taxable service. Therefore, the Company along with other Discoms has filed a writ petition before Hon'ble Delhi High Court to quash this circular and challenged the levy of GST on such services which are necessary adjunct of Distribution of electricity. Meanwhile, in a major development, the Gujarat High Court, in the case of Torrent Power Limited, has struck down the above mentioned provisions of the Circular 34/08/2018 holding it as ultra-virus the provisions of section 8 of the Central Goods and Service Tax Act, 2017 as well as Notification No. 12/2017-CT (R) serial no. 25. The Department has filed an appeal before the Hon'ble Supreme Court against the said judgement of Hon'ble Gujarat High Court. Since, the issues before the Hon'ble Supreme Court in Torrent's matter are similar to those which had been raised by the Company before the Hon'ble High Court of Delhi, therefore the Company filed a transfer petition before the Hon'ble Supreme Court seeking transfer of the matter from the Delhi High Court to the Supreme Court of India in terms of Article 139A of the Constitution of India and Order XLI of the Supreme Court Rules, 2013. The Supreme Court has permitted the transfer petition and tagged the same with the

departmental appeal in the case of Torrent Power Limited. Further, the Company has decided that till the matter is decided by Hon'ble Supreme Court, it will continue to charge GST in respect of these services and deposit the tax so collected with the authorities under protest. Next date of hearing is not yet fixed.

**55. Pension Trust Surcharge**

DERC in its Tariff order dated September 30, 2021 has allowed surcharge of 7% w.e.f. October 01, 2021 (earlier rate 5% w.e.f. September 01, 2020 and 3.80% w.e.f. April 01, 2018) towards recovery of Pension Trust surcharge of erstwhile DVB Employees/Pensioners as recommended by GoNCTD. Accordingly, the Company is billing to the consumers and collecting the same from the consumers for onward payment to the Pension Trust on monthly basis. There was an under recovery of ₹ 60.93 Crores from consumers in FY 2017-18 towards Pension Trust Surcharge based on the DERC directives in the Tariff Order dated August 31, 2017 on collection basis. DERC in Tariff Order dated July 31, 2019, while undertaking true-up of FY 2017-18, has allowed Pension trust surcharge deficit of ₹ 51.43 Crores on billed basis instead of collection basis and has added the same as a part of Regulatory Assets instead of allowing its adjustment through Pension Trust Surcharge of FY 2019-20. The Company has challenged this treatment in Appeal No. 376 of 2019 before ATE. The Company has adjusted ₹ 51.49 Crores against Pension Surcharge Recoverable and shown balance of ₹ 9.44 Crores still recoverable through Pension Trust Surcharge in the books of account.

56. DERC vide its Order dated September 18, 2019 has imposed a penalty under Section 142 of Electricity Act, 2003. The total amount of penalty till FY 2021-22 is ₹ 4.27 Crores on account of non-compliance of RPO for FY 2012-13 to FY 2014-15. This penalty will increase at the rate ₹ 5,000/- per day. Therefore, the total amount of non-compliance from FY 2012-13 to FY 2021-22 is ₹ 8.03 Crores. However, the Order dated September 18, 2019 has been challenged in the APTEL in Appeal No. 397 of 2019 and APTEL have directed DERC not to take any coercive steps till matter is pending. The next date of hearing is awaited.

**57. Impact of Covid-19**

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

However, on a long term basis, the Company does not anticipate any major challenge in meeting its financial obligations. Further, being a rate regulated business having assured returns, deficit in revenue, if any, would be allowed by the regulatory authority as recoverable from future tariffs.

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

**BSES Rajdhani Power Limited****Notes to Financial Statements for the Year Ended March 31, 2022**

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

**58. Relationship with Struck off Companies:****(Amount in ₹)**

<b>Name of the struck off company</b>	<b>Relationship with the struck off company</b>	<b>Nature of transactions with struck off company</b>	<b>Transactions during the year ended March 31, 2022</b>	<b>Balance Outstanding as at March 31, 2022</b>	<b>Balance Outstanding as at March 31, 2021</b>
Aequom Ventures Private Limited	Supply of Electricity	Sale of Power	2,43,070	7,575	(4,839)
		Security Deposit	-	67,500	67,500
Graphic Footwear Private Limited	Supply of Electricity	Sale of Power	63,99,893	7,329	5,66,543
		Security Deposit	-	750	750
Hemkunt Stock Broking Private Limited	Supply of Electricity	Sale of Power	15,671	890	675
		Security Deposit	-	6,000	6,000
Laurel Wood Private Limited	Supply of Electricity	Sale of Power	-	4,35,564	4,35,564
Megha Menu Online Private Limited	Supply of Electricity	Sale of Power	23,716	4,981	2,706
		Security Deposit	-	16,500	16,500
Metro Safety Instruments Private Limited	Supply of Electricity	Sale of Power	2,30,617	31,921	12,579
		Security Deposit	-	60,000	60,000
Mucon Footwear Limited	Supply of Electricity	Sale of Power	52,89,622	2,40,962	2,26,319
		Security Deposit	-	85,500	85,500
Vridhhi Textiles Private Limited	Supply of Electricity	Sale of Power	3,83,239	32,226	34,649

**59. Disclosure as per Ind AS 8 – 'Accounting Policies, Changes in Accounting Estimates and Errors' and Ind AS 1 - Presentation of Financial Statements'**

The Company had booked Late Payment Surcharge (LPSC) @ 15% / 18% p.a. till F.Y 2020-21 based on the terms of respective Power Purchase Agreement (PPA), applicable regulations of Central Electricity Regulatory Commission (CERC)/ Delhi Electricity Regulatory Commission (DERC) and /or agreed terms with power generators/ transmitters.

DERC vide its order dated May 13, 2019 on the issue of rate of LPSC has stated that DERC may not have any objection to a bilateral settlement between Delhi Utilities and BSES Discoms. With a view to provide financial relief to the distribution sector, the Ministry of Power (MoP), Govt. of India vide its advisory dated August 20, 2020 had advised central generating and transmission companies to charge LPSC at a rate not exceeding 1% p.m for settlement of past dues.

Based on Ministry of Power (MoP), Government of India's Advisory dated August 20, 2020 to reduce the rate of LPSC to 12% p.a and views of DERC that it may not have any objection to a bilateral settlement between Delhi Utilities and BSES Discoms and since BRPL is also a similarly placed Discom, the LPSC has been reworked @12% p.a. for the prior period. Accordingly, the Company has written back excess LPSC expense of ₹ 1,948.76 Crores, booked till March, 2021, in Q4 of FY 2021-22. In accordance with Ind AS 8 "Accounting Policies, Changes in Accounting Estimates and Errors" and Ind AS 1 "Presentation of Financial Statements", while preparing its financial statements for FY 2021-22, the Company has restated its Balance Sheet, Statement of Profit and Loss and Statement of Cash Flow and Statement of Change in Equity for the year ended March 31, 2021 for the reasons as stated above. Infact, Electricity (Late Payment Surcharge) Rules, 2021 (LPSC Rules notified by MoP on February 22, 2021 (though not strictly applicable for past dues) statutorily recognize the softening of interest rates in the country.

The restatement of the financial statement for the year ended March 31, 2021 has resulted in increase in Other Income by ₹ 1,948.76 Crores due to reversal of LPSC and reduction in trade payables accordingly. Resultantly, there is an increase in Profit after Tax and Total Comprehensive Income for the FY 2020-21 by ₹ 1,948.76 Crores and consequently there is an increase in Earning per share from ₹ 7.40 per share to ₹ 26.14 per share and increase in Earning per Share before Net movement in Regulatory deferral account balances from ₹ 8.12 (Loss) per share to ₹ 10.62 per share.

The restatement of the financial statement as at March 31, 2021 has no impact on Net Cash from Operating, Investing and Financing Activities for the year ended March 31, 2021.

Necessary changes in the working of deferred tax liability is also done in the restated financial statement for FY 2020-21. However, there is no financial impact of the same on the Statement of Profit and Loss & Balance Sheet for FY 2020-21.

**(i) Reconciliation of restated items of the Balance Sheet as at March 31, 2021**

Particulars	Note no.	As at March 31, 2021		
		As previously reported	Adjustments	As restated
Other equity	20	1,811.07	1,948.76	3,759.83
Trade Payables	31	9,515.30	(1,948.76)	7,566.54
- dues of creditors other than micro enterprises and small enterprises				

**(ii) Reconciliation of restated items of Statement of Profit and Loss for the year ended March 31, 2021**

Particulars	Note no.	Year Ended March 31, 2021		
		As previously reported	Adjustments	As restated
Other Income	36	62.55	1,948.76	2,011.31
Profit/(Loss) before Rate Regulated Activities and Tax		(884.27)	1,948.76	1,064.49
Profit before tax		728.98	1,948.76	2,677.74
Profit for the year		769.30	1,948.76	2,718.06
Total Comprehensive Income for the year		771.31	1,948.76	2,720.07
Earnings per share (Basic and Diluted) (in ₹)	43	7.40	18.74	26.14
Earnings per share before net movement in regulatory deferral account balances (Basic and Diluted) (in ₹)		(8.12)	18.74	10.62

**(iii) Reconciliation of restated items of Statement of Cash Flows for the year ended March 31, 2021**

Particulars	As at March 31, 2021		
	As previously reported	Adjustments	As restated
Profit before Income Tax	728.98	1,948.76	2,677.74
Liabilities Written Back	-	(1,948.76)	(1,948.76)

**(iv) Reconciliation of restated items of Statement of Changes in Equity for the year ended March 31, 2021**

Particulars	As at March 31, 2021		
	As previously reported	Adjustments	As restated
B. Other Equity			
Profit as per Statement of Profit and Loss for the year	769.30	1,948.76	2,718.06
Total Comprehensive Income for the year	771.30	1,948.76	2,720.06
Balance as at March 31, 2021	1,811.07	1,948.76	3,759.83

**(v) Reconciliation of restated items of Regulatory deferral account balances for the year ended March 31, 2021**

Particulars	As at March 31, 2021		
	As previously reported	Adjustments	As restated
Related Deferred Tax on Regulatory deferral account balances	(1,442.69)	(490.46)	(1,933.15)
Deferred Tax (Liabilities) during the year	(485.20)	(490.46)	(975.66)
Recoverable from future tariff	1,442.69	490.46	1,933.15

## Notes to Financial Statements for the Year Ended March 31, 2022

## Note-60 Disclosure under Ind AS-19 "Employee Benefits"

The Company has classified various employee benefits as under:

- a) Defined Contribution Plans
  - i.) Employees Provident Fund
  - ii.) Superannuation Fund
  - iii.) Pension and Leave Salary Contribution

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

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

**Erstwhile DVB Employees**

Pension contribution and Leave Salary contributions which are applicable to Erstwhile DVB employees, are paid to the DVB ETBF – 2002 Trust as per FRSR rules.

The Company has recognized the following amounts in the statement of profit and loss for the year. (Refer Note 38)

S No	Particulars	March 31, 2022	March 31, 2021
a	Contribution to Provident Fund	7.18	6.39
b	Contribution to Employee's Superannuation Fund	1.18	1.05
c	Contribution to Pension and Leave Salary	44.00	71.45
	<b>Total</b>	<b>52.36</b>	<b>78.89</b>

## b Defined benefit plans

- i.) Gratuity
- ii.) Leave encashment

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

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

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

Actuarial gains and losses comprise experience adjustments and the effects of changes in actuarial assumptions and are recognized immediately in the statement of profit and loss as income or expense.

**Principal Actuarial Assumption as at Balance Sheet date**

S. No.	Particulars	March 31, 2022	March 31, 2021
a	Discount rate (per annum)	6.69% - 7.35%	6.30% - 6.93%
b	Rate of increase in compensation levels	6.00% - 10.50%	6.00% - 11.00%
c	Expected rate of return on plan asset ( in case of Gratuity)	6.00%	6.50%
d	Retirement age	58-60 years	
e	Mortality table	100% of IALM (2012-14)	100% of IALM (2012-14)
f	Average withdrawal rate	Withdrawal rate	Withdrawal rate
	a) Upto 30 Years	1%	1%
	b) From 31 to 44 Years	2%	1%
	c) Above 44 Years	1%	1%

The discount rate has been assumed at 6.69 % to 7.35 % p.a. (March 31, 2021 6.30 % to 6.93 % p.a.) which is determined by reference to market yield at the balance sheet date on government securities for remaining life of employees. The estimates of future salary increases, considered in actuarial valuation, take account of inflation, seniority, promotion and other relevant factors, such as supply and demand in the employment market on long term basis.

## Notes to Financial Statements for the Year Ended March 31, 2022

## i) Changes in the Present Value of Obligation

S. No.	Particulars	Year Ended March 31, 2022		Year Ended March 31, 2021	
		Leave Encashment	Gratuity (Funded)	Leave Encashment	Gratuity (Funded)
a	Present value of obligation as at the beginning of the year	57.00	110.72	79.37	79.89
b	Acquisition adjustment	-	0.05	-	-
c	Interest cost	3.79	7.67	5.33	5.43
d	Past service cost	-	-	-	-
e	Current service cost	3.11	8.98	3.60	8.37
f	Contribution by plan participants	-	-	-	-
g	Curtailment cost/(credit)	-	-	-	-
h	Settlement cost/(credit)	-	-	-	-
i	Benefit paid	(4.29)	(2.25)	(3.75)	(0.79)
j	Actuarial (gains)/loss	0.27	(4.21)	(27.56)	17.82
k	Present value of obligation as at the end of the year	59.89	120.96	57.00	110.72
l	Current liability	6.81	5.91	5.91	3.62
m	Non current liability	53.08	115.04	51.09	107.10

## ii) Changes in the Fair value of Plan Assets

S. No.	Particulars	Year Ended March 31, 2022		Year Ended March 31, 2021	
		Leave Encashment	Gratuity (Funded)	Leave Encashment	Gratuity (Funded)
a	Present value of plan asset as at the beginning of the year	-	85.47	-	62.85
b	Acquisition adjustment	-	0.05	-	-
c	Expected return on plan assets	-	5.92	-	4.27
d	Actuarial gain/(loss)	-	0.76	-	2.11
e	Employers contribution	-	25.24	-	17.03
f	Employees contribution	-	-	-	-
g	Benefit paid	-	(2.25)	-	(0.79)
h	Fair value of plan assets as at the end of the year	-	115.17	-	85.46

## iii) Percentage of each Category of Plan Assets to total fair value of Plan Assets as at the end of the year

S. No.	Particulars	Year Ended March 31, 2022		Year Ended March 31, 2021	
		Leave Encashment	Gratuity (Funded)	Leave Encashment	Gratuity (Funded)
a	Fund managed by insurance company	-	100%	-	100%

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

S. No.	Particulars	Year Ended March 31, 2022		Year Ended March 31, 2021	
		Leave Encashment	Gratuity (Funded)	Leave Encashment	Gratuity (Funded)
a	Present value of funded obligation as at the end of the year	-	120.96	-	110.72
b	Fair value of plan assets as at the end of the year	-	115.17	-	85.46
c	Funded (asset)/liability recognized in the balance sheet	-	5.76	-	25.24
d	Present value of unfunded obligation as at the end of the year	59.89	-	57.00	-
e	Unfunded (net) liability recognized in the balance sheet	59.89	-	57.00	-



## Notes to Financial Statements for the Year Ended March 31, 2022

## v) Expenses recognized in the Statement of Profit and Loss Account

S. No.	Particulars	Year Ended March 31, 2022		Year Ended March 31, 2021	
		Leave Encashment	Gratuity (Funded)	Leave Encashment	Gratuity (Funded)
a	Current service cost	3.11	8.98	3.60	8.37
b	Past service cost	-	-	-	-
c	Acquisition adjustment	-	-	-	-
d	Interest cost	3.79	7.67	5.33	5.43
e	Expected return on plan assets	-	(5.92)	-	(4.27)
f	Curtailment cost/(credit)	-	-	-	-
g	Settlement cost/(credit)	-	-	-	-
h	Benefit paid	-	-	-	-
i	Net actuarial (gains)/loss	0.27	-	(27.56)	-
j	Employers contribution	-	-	-	-
k	Total expenses recognized in the statement of profit and loss	7.18	10.73	(18.62)	9.52

## vi) Other Comprehensive Income (OCI)

S. No.	Particulars	Year Ended March 31, 2022	Year Ended March 31, 2021
		Gratuity (Funded)	Gratuity (Funded)
a	Net cumulative unrecognized actuarial gain/(loss) opening	(45.69)	(29.97)
b	Actuarial gain / (loss) for the year on Projected benefit obligation	4.21	(17.82)
c	Actuarial gain /(loss) for the year on asset	0.76	2.11
d	Unrecognized actuarial gain/(loss) at the end of the year	(40.73)	(45.70)

## vii) Experience Adjustment:

S. No.	Particulars	Year Ended March 31, 2022		Year Ended March 31, 2021	
		Leave Encashment	Gratuity (Funded)	Leave Encashment	Gratuity (Funded)
a	On plan liability (gain)/ loss	1.56	2.92	(19.78)	4.50
b	On plan assets (gain) / loss	-	(0.76)	-	(2.11)
c	Expected employer contribution for the next year	7.56	8.66	5.54	9.84

## viii) Maturity Profile of Defined Benefit Obligation

S. No.	Years	Year Ended March 31, 2022		Year Ended March 31, 2021	
		Leave Encashment	Gratuity (Funded)	Leave Encashment	Gratuity (Funded)
a	0 to 1 Year	6.32	5.91	5.47	3.62
b	1 to 2 Year	0.96	4.54	0.59	2.68
c	2 to 3 Year	0.51	3.51	0.54	3.07
d	3 to 4 Year	0.65	4.44	0.40	2.68
e	4 to 5 Year	0.59	4.23	0.52	3.54
f	5 to 6 Year	0.62	4.87	0.48	3.39
g	6 Year onwards	23.63	93.44	23.91	91.72

## ix) Sensitivity Analysis of the Defined Benefit Obligation:-

S. No.	Particulars	Leave Encashment	Gratuity (Funded)
		2021-22	
1	Impact of change in discount rate		
	Present value of obligation at the end of the year	59.89	120.95
	a) Impact due to increase of 0.50%	(3.15)	(6.96)
	b) Impact due to decrease of 0.50%	3.30	6.87
2	Impact of change in salary rate		
	Present value of obligation at the end of the year	59.89	120.95
	a) Impact due to increase of 0.50%	3.27	6.83
	b) Impact due to decrease of 0.50%	(3.16)	(6.94)

## Description of risk exposures:

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

- Salary increases - Actual salary increase will increase the plan's liability. Increase in salary increase rate assumption in future valuations will also increase the liability.
- Investment Risk – If plan is funded then assets liabilities mismatch & actual investment return on assets lower than the discount rate assumed at the last valuation date can impact the liability.
- Discount Rate – Reduction in discount rate in subsequent valuations can increase the plan's liability.
- Mortality & disability – Actual deaths & disability cases proving lower or higher than assumed in the valuation can impact the liabilities.
- Withdrawals – Actual withdrawals proving higher or lower than assumed withdrawals and change of withdrawal rates at subsequent valuations can impact plan's liability.

Note-61 :- Category Wise details of Revenue Billed and Revenue Collected during the year 2021-22 and 2020-21 In compliance to Directive 6.10 (j) specified in DERC Tariff Order dated September 30, 2021 are given in tables below :

(1) Financial Year 2021-22		REVENUE BILLED													Total Collection	
		Energy Sales	Fixed Charges	Energy Charges	Other Charges	PPAC	RA Surcharge (Fixed)	RA Surcharge (Energy)	PT Surcharge (Fixed)	PT Surcharge (Energy)	Peak Surcharge	Off Peak Rebate	Subsidy	Electricity Duty	Total Revenue Billed	Total Collection
S. No	Particulars	MU	₹ Crs	₹ Crs	₹ Crs	₹ Crs	₹ Crs	₹ Crs	₹ Crs	₹ Crs	₹ Crs	₹ Crs	₹ Crs	₹ Crs	₹ Crs	₹ Crs
1	Domestic	7,627.98	466.74	3,188.17	(4.60)	609.44	37.36	254.78	27.81	180.87	-	-	1,508.00	198.54	4,959.09	3,485.29
2	Non - Domestic	2,478.00	716.53	2,138.80	(18.16)	474.53	57.93	178.00	43.01	130.05	37.86	(25.18)	1.29	130.62	3,863.99	3,964.53
3	Industrial	461.04	85.05	384.26	(3.72)	78.34	6.97	32.68	5.17	24.24	8.77	(5.80)	-	23.87	639.83	639.63
4	Agriculture & Mushroom Cultivation	19.59	5.20	3.23	0.10	1.41	0.42	0.26	0.31	0.19	-	-	3.98	0.20	11.32	7.26
5	Public Utilities (Public Lighting & DJB)	358.04	51.17	249.21	(3.34)	49.14	4.09	19.49	3.02	14.48	2.00	(2.70)	-	11.61	398.17	368.77
6	DIAL-Delhi International Airport Limited	26.03	3.55	20.22	(0.81)	3.85	0.91	11.86	0.67	8.71	0.30	(0.16)	-	1.22	50.32	46.55
7	Railway Traction (Other than DMRC)	-	-	(0.35)	-	-	-	-	-	-	-	-	-	-	(0.35)	-
8	DMRC-Delhi Metro Rail Corporation	288.31	29.24	185.90	(8.80)	34.77	3.47	21.31	2.60	15.73	4.06	(2.70)	-	1.29	286.87	267.09
9	Temporary (Refer Note D)	115.34	26.60	108.43	(0.54)	22.28	2.13	8.58	1.54	6.24	1.52	(1.33)	0.09	6.67	182.12	-
10	Advertisement & Hoardings	0.88	0.29	0.76	-	0.17	0.02	0.06	0.02	0.05	-	-	-	0.05	1.42	2.56
11	Self Consumption	16.10	(0.08)	(0.30)	-	(0.03)	-	(0.02)	-	(0.01)	0.22	(0.17)	-	(0.02)	(0.41)	-
12	Charging Points for E- Rickshaw / Vehicle	25.43	-	11.41	(0.01)	1.90	-	0.91	-	0.68	0.01	-	-	0.71	15.61	24.89
13	Enforcement	69.38	-	29.75	-	-	-	2.12	-	1.04	-	-	-	1.32	34.23	34.34
	<b>Sub Total</b>	<b>11,486.12</b>	<b>1,384.29</b>	<b>6,319.49</b>	<b>(39.88)</b>	<b>1,275.60</b>	<b>113.30</b>	<b>630.01</b>	<b>84.15</b>	<b>382.27</b>	<b>64.74</b>	<b>(38.04)</b>	<b>1,513.34</b>	<b>376.08</b>	<b>10,442.21</b>	<b>8,840.91</b>
	<b>Add (Deemed Collection):</b>															
	Subsidy															1,513.34
	SD Interest															64.03
	SD Adjustment with Arrears															24.90
	Adjustment of recoverable job deposit															13.14
	Amount credited to Net Metering consumers															6.14
	Differential amount of APPC (Trued up upto FY 2019-2020)- credit to Net Metering consumers															0.65
	TDS on energy bills deducted by consumers															0.61
	<b>Grand Total</b>														<b>10,442.21</b>	<b>10,463.72</b>

Note:

(A) As per Delhi Electricity Regulatory Commission (Net Metering for Renewable Energy) Regulations, 2014 , any net credits units which remain unadjusted at the end of each financial year shall be paid for by the distribution licensee to the consumers on Average Power Purchase Cost. Therefore, an amount of ₹ 6.14 Crores and ₹ 0.65 Crores credited to Net Metering consumers is included in collection.

(B) The collection figure of ₹ 10,463.72 Crores includes the following :-

- ₹ 41.3 Crores collected towards Late Payment Surcharge (normal consumers) and ₹ 376.9 Crores collected towards Electricity Duty.
- ₹ 642.0 Crores collected towards RA surcharge for recovery of past accumulated deficit ₹ 459.5 Crores collected towards Pension Trust surcharge.
- ₹ 34.3 Crores collected by the Company against the bills raised by "Enforcement Department." The amount of ₹ 30.8 Crores includes Late Payment Surcharge of ₹ 0.11 Crore, Electricity Duty of ₹ 1.32 Crores, RA surcharge of ₹ 2.12 Crores and Pension Trust surcharge of ₹ 1.04 Crores.
- The amount of collections through cheques which were in hand or in clearing as on March 31, 2022.

(C) The collection figures mentioned above excludes the following :-

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

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

(E) Total energy billed of 11486.12 MU mentioned above includes 69.38 MU billed against enforcement.

(2) Financial Year 2020-21		REVENUE BILLED													Total Collection	
		Energy Sales	Fixed Charges	Energy Charges	Other Charges	PPAC	RA Surcharge (Fixed)	RA Surcharge (Energy)	PT Surcharge (Fixed)	PT Surcharge (Energy)	Peak Surcharge	Off Peak Rebate	Subsidy	Electricity Duty	Total Revenue Billed	Total Collection
S. No	Particulars	MU	₹ Crs	₹ Crs	₹ Crs	₹ Crs	₹ Crs	₹ Crs	₹ Crs	₹ Crs	₹ Crs	₹ Crs	₹ Crs	₹ Crs	₹ Crs	₹ Crs
1	Domestic	7,667.10	465.96	3,224.90	(4.49)	355.93	37.27	257.70	20.81	139.26	-	-	1,435.23	189.32	4,686.67	3,258.59
2	Non - Domestic	2,200.47	700.80	1,914.15	(17.75)	266.39	56.88	159.43	31.96	89.00	26.16	(23.09)	1.08	110.15	3,314.08	3,408.47
3	Industrial	420.50	84.39	353.40	(3.79)	45.96	6.92	30.24	3.88	17.12	6.08	(5.21)	-	20.72	559.71	563.34
4	Agriculture & Mushroom Cultivation	22.70	5.36	3.69	0.16	0.95	0.43	0.30	0.24	0.17	-	-	3.94	0.22	11.52	6.03
5	Public Utilities (Public Lighting & DJB)	374.03	50.82	251.61	(3.24)	31.25	4.06	19.71	2.25	11.11	1.55	(2.68)	-	11.08	377.52	374.31
6	DIAL-Delhi International Airport Limited	15.28	3.54	11.88	(0.48)	1.50	0.79	9.56	0.45	5.36	0.31	(0.29)	-	0.67	33.29	33.30
7	Railway Traction (Other than DMRC)	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
8	DMRC-Delhi Metro Rail Corporation	187.23	29.33	119.67	(5.40)	16.21	3.48	13.77	1.97	8.28	0.85	(1.16)	-	0.58	187.58	184.07
9	Temporary (Refer Note D)	108.81	27.86	102.78	0.03	13.48	2.23	8.12	1.27	4.56	0.89	(1.06)	0.10	6.02	166.18	-
10	Advertisement & Hoardings	0.57	0.30	0.49	0.01	0.09	0.02	0.04	0.01	0.02	-	-	-	0.03	1.01	1.90
11	Self Consumption	15.74	(0.05)	(0.32)	0.02	(0.05)	-	(0.04)	-	(0.02)	0.16	(0.16)	-	(0.02)	(0.48)	-
12	Net Metering	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
13	Charging Points for E- Rickshaw / Vehicle	19.44	-	8.74	(0.01)	0.98	-	0.70	-	0.41	-	-	-	0.51	11.33	17.70
14	Enforcement	45.53	-	25.64	-	1.21	-	1.95	-	0.80	-	-	-	1.14	30.74	30.77
	<b>Sub Total</b>	<b>11,077.40</b>	<b>1,368.31</b>	<b>6,016.63</b>	<b>(34.94)</b>	<b>733.90</b>	<b>112.08</b>	<b>501.48</b>	<b>62.84</b>	<b>276.07</b>	<b>36.00</b>	<b>(33.65)</b>	<b>1,440.35</b>	<b>340.42</b>	<b>9,379.15</b>	<b>7,878.47</b>
	<b>Add (Deemed Collection):</b>															
	SD Interest															69.00
	Subsidy (OTSS, Lawyers & GBI)															207.40
	Subsidy															1,232.95
	SD adjustment															27.90
	SLD adjustment															0.04
	Rebate for Early Bill Payment & Self Reading															2.03
	Amount credited to Net Metering consumers															5.42
	Adjustment of recoverable job deposit															8.29
	Credit Note Adjustment															0.24
	<b>Grand Total</b>														<b>9,379.15</b>	<b>9,431.73</b>

Note :-

(A) Net Metering Sales and amount collected are not considered based on treatment of Net Metering sales by DERC in its Tariff Order dated August 28, 2020.

(B) The collection figure of ₹ 9,431.73 Crores Includes the following :-

- ₹ 35.6 Crores collected towards Late Payment Surcharge (normal consumers) and ₹ 337.1 Crores collected towards Electricity Duty.
- ₹ 610.4 Crores collected towards RA surcharge for recovery of past accumulated deficit ₹ 332.7 Crores collected towards Pension Trust surcharge.
- ₹ 30.8 Crores collected by the Company against the bills raised by "Enforcement Department." The amount of ₹ 30.8 Crores includes Late Payment Surcharge of ₹ 0.03 Crore, Electricity Duty of ₹ 1.14 Crores, RA surcharge of ₹ 1.95 Crores and Pension Trust surcharge of ₹ 0.80 Crore.
- As per Delhi Electricity Regulatory Commission (Net Metering for Renewable Energy) Regulations, 2014, any credit units which remain unadjusted at the end of each financial year shall be paid for by the distribution licensee to the consumers on Average Power Purchase Cost. Therefore, an amount of ₹ 5.42 Crores credited to Net Metering consumers is included in collection.
- The amount of collections through cheques which were in hand or in clearing as on March 31, 2021.

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

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

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

(E) Total energy billed of 11077.40 MU mentioned above includes 45.53 MU billed against enforcement.

**Note-62 Key Financial Ratio**

S.No.	Analytical Ratios	Numerator	Denominator	Year Ended March 31, 2022	Year Ended March 31, 2021	Variance %	Remarks
1	Current Ratio (in times)	Total Current Assets + Regulatory deferral accounts debit balances and related deferred tax balances	Total Current Liabilities	1.39	1.39	0.00%	
2	Debt-Equity Ratio (in times)	Non Current Borrowing + Current Borrowing	Total Equity = Shareholder's Fund+ Consumer Contribution for Capital Works+ Service Line Deposit +Grant in Aid	0.27	0.32	-15.63%	
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 + Movement in accrued Interest + Principal repayments	4.53	22.85	-80.18%	Refer Note-(i)
4	Return on Equity (ROE) (in %)	Profit for the year less Preference dividend (if any)	Average Total Equity	6.00%	56.00%	-89.29%	Refer Note-(ii)
5	Trade Receivable Turnover Ratio (in times)	Net Credit Sale ( Gross Energy Sale+ Open Access+ Bulk Sale)	Average Trade Receivables	11.05	12.19	-9.35%	
6	Trade Payable Turnover Ratio (in times)	Net Credit Power Purchase	Average Trade Payables (Power Purchase)	0.87	0.79	10.13%	
7	Net Capital Turnover Ratio (in times)	Total Sale ( Gross 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)	3.03	2.72	11.40%	
8	Net Profit Ratio (in %)	Net Profit after Tax	Total Sale (Gross Energy Sale+ Open Access+ Bulk Sale)	4.00%	29.00%	-86.21%	Refer Note-(iii)
9	Return on Capital Employed (in %)	Net Profit before Interest and Tax	Capital employed = Total Equity + Total Debts+ Lease Liability - Intangible Assets	18.00%	54.00%	-66.67%	Refer Note-(iv)

- i The variance in Debt Service Coverage ratio is primarily due to write back of liability of ₹ 1948.76 Crores (restated in the previous year) and higher interest & principal repayment in current year as compared to previous year.
- ii The variance in Return on Equity ratio is primarily due to write back of liability ₹ 1948.76 Crores (restated in the previous year).
- iii The variance in Net Profit ratio is primarily due to write back of liability of ₹ 1948.76 Crores (restated in the previous year).
- iv The variance in Return on Capital Employed ratio is due to write back of liability of ₹ 1948.76 Crores (restated in the previous year) and increase in Shareholder Equity.

**BSES Rajdhani Power Limited****Notes to Financial Statements for the Year Ended March 31, 2022****63. Quantitative Information:****(In KWh Million Units)**

S. No.	Particulars	2021-22	2020-21
A	Purchase of Energy (Including UI Trading Units and Barter Exchange of Power)	13571 #	12826 #
B	Sale of Energy		
	Retail Sale		
	-Billed Units	11443 ##	11052 ##
	-Unbilled Units (Net) (Refer Table Below)	64	(92)
	Bulk Sale excluding Barter Exchange of Power	607 #	423 #

# Provisional data subject to finalization by SLDC including Net Metering.

## Billed units include Net Metering and excluding theft units.

**(In KWh Million Units)**

S. No.	Particulars	2021-22	2020-21
A	Closing Unbilled Units	265	201
B	Opening Unbilled Units	201	293
	Unbilled Units (Net) for the Year	64	(92)

**Notes 1 to 63 form an integral part of the Financial Statements****For and on behalf of the Board of Directors**

As per our report of even date

**Vijayalakshmy Gupta**  
Director  
(DIN 08636754)

**Surinder S Kohli**  
Director  
(DIN 00169907)

**Naveen ND Gupta**  
Director  
(DIN 00271748)

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

**Virendra S Verma**  
Director  
(DIN 07843461)

**Ajit K Ranade**  
Director  
(DIN 00918651)

**Jasmine Shah**  
Director  
(DIN 08621290)

Prashant Bhatia  
Partner  
M. No. 508452

**Sateesh Seth**  
Director  
(DIN 00004631)

**Punit N Garg**  
Director  
(DIN 00004407)

**Umesh K Tyagi**  
Director  
(DIN 07655990)

**Anjani K Sharma**  
Director  
(DIN 01180722)

**Amal Sinha**  
Director  
(DIN 07407776)

**Rajesh Bansal**  
CEO

Place : New Delhi  
Date : May 10, 2022

**Surya S Banerji**  
CFO  
(FCA - 420134)

**Pankaj Tandon**  
Company Secretary  
(FCS- 7248)