BSES Rajdhani Power Limited

Annual Financial Statement

2022-23

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

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, 2023, the Statement of Profit and Loss (including Other Comprehensive Income), the Statement of Changes in Equity and the Statement of Cash Flows for the year then ended, and notes to the Ind AS financial statements including a summary of significant accounting policies and other explanatory information (hereinafter referred to as "Ind AS financial statements").

In our opinion and to the best of our information and according to the explanations given to us, the aforesaid Ind AS financial statements give the information required by the Companies Act, 2013 ("the act") in the manner so required and give a true and fair view in conformity with the 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, 2023, 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 explained in the said note, 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, 2023.

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;

3. We draw attention to Note No. 48(B)(i) of the Ind AS financial statements, with regard to contingent liability in respect to Late Payment Surcharge (LPSC). We would further like to inform

that the company has received a letter from the Govt. of National Capital Territory of Delhi which mentions certain facts regarding treatment of LPSC done by the company and the same has been duly circulated/ informed to the Board of Directors and taken on record. The management has also placed certain facts before the Board of Directors and same have been taken on record.

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), (2) and (3) 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, 2023, and taken on record by the Board of Directors, none of the directors is disqualified as on March 31, 2023 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;

(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.

(v) As proviso to rule 3(1) of the Companies (Accounts) Rules, 2014 is applicable for the Company only with effect from 1 April 2023, reporting under Rule 11 (g) of the Companies (Audit and Auditors) Rules, 2014 is not applicable

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

Prashant Bhatia
Partner
Membership No. 508452
UDIN: 23508452BGPXWR2627
Date: May 29, 2023
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, 2023].

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 re-valued 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, 2023 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 assets. 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, 2023 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, 2023 on account of disputes are given below:

Amount in Rs. Crore

Name of Statute	Nature of Dues	Amount Not Deposited	Period to which the Amount Relates	Forum where dispute is pending
Income Tax Act, 1961	Interest u/s 2010 IA)	0.00*	Assessment Year 2008-09	Commissioner of Income Tax (Appeals)
	Demand u/s 154/143(3)	1.33	Assessment Year 2015-16	Commissioner of Income Tax (Appeals)
	Demand u/s 154/143(3)	5.97**	Assessment Year 2016-17	Commissioner of Income Tax (Appeals)

*Demand for A.Y. 2008-09 is net of Rs.1.20 Crores paid under protest.

**Demand for A.Y. 2016-17 is net of Rs. 0.01 Crore paid under protest.

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 wilful 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 24thOct'2020 and it is our 3rdyear 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: 23508452BGPXWR2627
Date: May 29, 2023
Place: New Delhi

ANNEXURE 2 TO THE INDEPENDENT AUDITOR'S REPORT

[Referred to in paragraph 2 under 'Report on Other Legal and Regulatory Requirements' s n 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, 2023]

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, 2023 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, 2023, 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: 23508452BGPXWR2627
Date: May 29, 2023
Place: New Delhi

BSES RAJDHANI POWER LIMITED
BALANCE SHEET AS AT MARCH 31, 2023

Particulars	Note	As at March 31, 2023 (₹) in Crores	As at March 31, 2022 (₹) in Crores
Assets			
Non - Current Assets			
(a) Property, Plant and Equipment	3	5,047.46	4,733.15
(b) Capital Work In Progress		164.96	150.21
(c) Other Intangible Assets	4	16.62	11.92
(d) Right-of-Use Assets	5	45.76	58.78
(e) Financial Assets			
i) Restricted Bank Deposits	6	174.55	171.14
ii) Loans	7	-	46.89
iii) Other Financial Assets	8	4.35	4.41
(f) Other Non Current Assets	9	14.23	36.51
		5,467.93	**5,213.01**
Current Assets			
(a) Inventories	10	20.20	19.41
(b) Financial Assets			
i) Trade Receivables	11	748.65	720.11
ii) Cash and Cash Equivalents	12	116.12	457.13
iii) Bank Balances other than (ii) above	13	130.19	83.40
iv) Loans	14	47.21	45.34
v) Other Financial Assets	15	126.25	311.81
(c) Current Tax Assets	16	4.65	45.28
(d) Other Current Assets	17	179.85	241.41
		1,373.12	**1,923.89**
Total Assets Before Regulatory Assets		6,841.05	7,136.90
Regulatory deferral accounts debit balances and related deferred tax balances	18	12,172.74	10,855.93
Total Assets		**19,013.79**	**17,992.83**
Equity & Liabilities			
Equity			
(a) Equity Share Capital	19	1,040.00	1,040.00
(b) Other Equity	20	5,243.83	4,144.40
Total Equity		**6,283.83**	**5,184.40**
Liabilities			
Non Current Liabilities			
(a) Financial Liabilities			
i) Borrowings	21	1,081.28	1,321.35
ii) Lease Liability	22	47.44	61.05
iii) Other Financial Liabilities	23	988.90	872.98
(b) Provisions	24	48.50	53.08
(c) Consumer Contribution for Capital Works	25	766.16	747.87
(d) Service Line cum Development Charges	26	344.04	326.10
(e) Grant-In-Aid	27	6.87	7.24
(f) Other Non Current Liabilities	28	270.62	216.99
		3,553.81	**3,606.66**
Current Liabilities			
(a) Financial Liabilities			
i) Borrowings	29	361.40	366.36
ii) Lease Liability	30	6.67	6.72
iii) Trade Payables			
- dues of micro and small enterprises	31	41.62	48.26
- dues of other than micro and small enterprises		7,893.74	7,803.77
iv) Other Financial Liabilities	32	374.02	408.26
(b) Other Current Liabilities	33	419.17	486.52
(c) Provisions	34	79.53	81.88
		9,176.15	**9,201.77**
Total Equity and Liabilities		**19,013.79**	**17,992.83**

The above Balance Sheet should be read in conjunction with the accompanying note nos. 1 to 61.

For and on behalf of the Board of Directors

As per our report of even date

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

Prashant Bhatia
Partner
(M. No. 508452)

Surinder S Kohli Director (DIN 00169907)	**Ajit K Ranade** Director (DIN 00918651)	**Anjani K Sharma** Director (DIN 01180722)
Vijayalakshmy Gupta Director (DIN 08636754)	**Shurbir Singh** Director (DIN 07331962)	**Ashish C Verma** Director (DIN 00260070)
Virendra S Verma Director (DIN 07843461)	**Sateesh Seth** Director (DIN 00004631)	**Punit N Garg** Director (DIN 00004407)
Amar Sinha Director (DIN 07407776)		**Vineet Sikka** CEO
Surya S Banerji CFO (FCA - 420131)		**Pankaj Tandon** Company Secretary (FCS- 7248)

Place : New Delhi
Date : May 29, 2023

BSES RAJDHANI POWER LIMITED
STATEMENT OF PROFIT AND LOSS FOR THE YEAR ENDED MARCH 31, 2023

Particulars	Note	YEAR ENDED March 31, 2023 (₹) in Crores	YEAR ENDED March 31, 2022 (₹) in Crores
I. Revenue From Operations	35	11,770.95	10,142.93
II. Other Income	36	109.62	112.11
III. Total Income (I+II)		**11,880.57**	**10,255.04**
IV. Expenses			
Cost of Power Purchased	37	9,476.83	7,289.42
Employee Benefits Expense	38	541.38	547.57
Finance Costs	39	1,122.05	1,060.47
Depreciation and Amortization Expense	40	422.42	389.54
Other Expenses	41	539.46	501.19
Total Expenses (IV)		**12,102.14**	**9,788.19**
V. Profit/(Loss) before Rate Regulated Activities and Tax (III-IV)		(221.57)	466.85
VI. Net movement in Regulatory deferral account balances and related deferred tax	42	1,321.48	(81.68)
VII. Profit before tax (V+VI)		**1,099.91**	**385.17**
VIII. Tax Expense :			
Tax for the year			
(i) Current Tax	44	-	-
(ii) Deferred Tax		-	-
		-	-
IX. Profit for the year (VII-VIII)		**1,099.91**	**385.17**
X. Other Comprehensive Income/ (Expense) (OCI)			
Items that will not be reclassified to Profit & Loss			
- Re-measurement of defined benefit plan : Loss		4.15	4.96
- Net movement in Regulatory deferral account balances related to items recognized in OCI	42	(4.63)	(5.56)
- Income Tax relating to above Items		-	-
Other Comprehensive Income / (Expense)		**(0.48)**	**(0.60)**
XI. Total Comprehensive Income for the year (IX+X)		**1,099.43**	**384.57**
XII. Earnings Per Equity Share of ₹10 Each	43		
Basic (₹ per share)		10.58	3.70
Diluted (₹ per share)		10.58	3.70
Basic before Net movement in Regulatory Deferral Account balances (₹ per share)		(2.13)	4.49
Diluted before Net movement in Regulatory Deferral Account balances (₹ per share)		(2.13)	4.49

The above Statement of Profit and Loss should be read in conjunction with the accompanying note nos. 1 to 61.

For and on behalf of the Board of Directors

As per our report of even date

Surinder S Kohli
Director
(DIN 00169907)

Ajit K Ranade
Director
(DIN 00918651)

Anjani K Sharma
Director
(DIN 01180722)

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

Vijayalakshmy Gupta
Director
(DIN 08636754)

Shurbir Singh
Director
(DIN 07331962)

Ashish C Verma
Director
(DIN 00260070)

Prashant Bhatia
Partner
(M. No. 508452)

Virendra S Verma
Director
(DIN 07843461)

Sateesh Seth
Director
(DIN 00004631)

Punit N Garg
Director
(DIN 00004407)

Amar Sinha
Director
(DIN 07407776)

Vineet Sikka
CEO

Place : New Delhi
Date : May 29, 2023

Surya S Banerji
CFO
(FCA - 420131)

Pankaj Tandon
Company Secretary
(FCS- 7248)

BSES RAJDHANI POWER LIMITED
STATEMENT OF CASH FLOWS FOR THE YEAR ENDED MARCH 31, 2023

	Particulars		March 31, 2023 (₹) in Crores	March 31, 2022 (₹) in Crores
A.	**Cash Flow From Operating Activities**			
	Profit Before Income Tax		1,099.91	385.17
	Adjustments For :			
	Depreciation and Amortization Expense		422.42	389.54
	Interest Income		(45.22)	(51.03)
	Loss on Sale of Property, Plant and Equipment (Net)		5.51	(2.65)
	Profit on surrender of Lease Assets (RoU)		(2.32)	-
	Transfer from Consumer Contribution for Capital Work & Grant-in-Aid		(55.42)	(50.39)
	Transfer from Service Line cum Development Charges		(48.25)	(45.16)
	Provision for Doubtful Debts		7.33	12.52
	Provision for Retirement of Fixed Assets		0.15	1.14
	Excess Provisions Written Back		(0.04)	(1.29)
	Adjustment for Loan Processing Fees		1.45	1.75
	Interest on Lease Liability		6.54	7.26
	Interest and Finance Charges **		247.42	280.79
	LPSC on Power Purchase		866.64	770.67
	Operating Profit Before Working Capital Changes		**2,506.12**	**1,698.32**
	Adjustments for (Increase)/Decrease in Assets			
	Inventories		(0.87)	1.07
	Trade Receivables		(35.87)	(104.61)
	Other Current and Non Current - Financial Assets		212.99	(93.03)
	Other Current and Non Current Assets		80.71	(70.76)
	Adjustment for Regulatory Deferral Account Balances		(1,321.44)	30.19
	Adjustments for Increase / (Decrease) in Liabilities			
	Other Current and Non Current - Financial Liabilities		107.57	16.54
	Transfer from Service Line cum Development Charges		66.19	80.27
	Other Current and Non Current Liabilities		(67.35)	(12.99)
	Trade Payables		(630.98)	(282.87)
	Provisions		(2.84)	(45.79)
	Adjustments for Working Capital Changes		**(1,591.89)**	**(481.98)**
	Cash Generated From Operating Activities		**914.23**	**1,216.34**
	Income Tax Paid, Net of Refund (Including Tax deducted at source)		(59.78)	(11.20)
	Net Cash from Operating Activities *	**(I)**	**974.01**	**1,227.54**
B.	**Cash Flow From Investing Activities :-**			
	Purchase of Property, Plant and Equipment & Intangible Assests (Including Capital Work in Progress)		(778.49)	(473.30)
	Sale of Property, Plant and Equipment		4.53	20.89
	Consumer Contribution for Capital Works		126.98	89.63
	Creation of Term deposits (margin money, security and other commitments)		(50.20)	(14.87)
	Interest Received		43.67	49.16
	Net Cash (used in) Investing Activities	**(II)**	**(653.51)**	**(328.49)**
C.	**Cash Flow From Financing Activities :-**			
	Interest and Finance Charges		(249.46)	(279.49)
	LPSC on Power Purchase		(152.33)	(221.46)
	Net (Repayment)/ Proceeds from short term borrowing **		(5.33)	0.10
	Repayment of Long Term Borrowings ***		(241.15)	(194.49)
	Payment of Lease Liability		(13.24)	(13.25)
	Net Cash (used in) Financing Activities	**(III)**	**(661.51)**	**(708.59)**
	Net Increase /(Decrease) in Cash and Cash Equivalents	**(I+II+III)**	**(341.01)**	**190.46**
	Cash and Cash Equivalents as at the commencement of the year		457.13	266.67
	Cash and Cash Equivalents as at the end of the year		116.12	457.13
	Net Increase/(Decrease) as disclosed above		**(341.01)**	**190.46**

* Refer note 41(9) for amount spent during the year ended March 31, 2023 and March 31, 2022 relating to CSR activities.

BSES RAJDHANI POWER LIMITED
STATEMENT OF CASH FLOWS FOR THE YEAR ENDED MARCH 31, 2023

Disclosure of changes in liabilities arising from financing activities

Amount (₹) in Crores

Particulars	Long Term Loans including current maturities	Short Term Borrowings	Interest
Opening Balance as at April 01, 2022	1,561.05	126.66	9.60
Add:- Proceeds from borrowings/ Interest accrued during the year **	-	(5.33)	247.42
Less:- Repayment of borrowings / Interest payment during the year ***	241.15	-	249.46
Non Cash items :-			
- Amortization	1.45	-	-
Closing Balance as at March 31, 2023	**1,321.35**	**121.33**	**7.56**

Particulars	Long Term Loans including current maturities	Short Term Borrowings	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
Non Cash items :-			
- Amortization	1.75	-	-
Closing Balance as at March 31, 2022	**1,561.05**	**126.66**	**9.60**

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 61.

For and on behalf of the Board of Directors

As per our report of even date

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

Prashant Bhatia
Partner
(M. No. 508452)

Surinder S Kohli
Director
(DIN 00169907)

Ajit K Ranade
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Amal Sinha
Director
(DIN 07407776)

Vineet Sikka
CEO

Surya S Banerji
CFO
(FCA - 420131)

Pankaj Tandon
Company Secretary
(FCS- 7248)

Place : New Delhi
Date : May 29, 2023

BSES RAJDHANI POWER LIMITED
STATEMENT OF CHANGES IN EQUITY FOR THE YEAR ENDED MARCH 31, 2023

Amount ₹ in Crores

A. Equity share capital

Year Ended March 31, 2023		
Balance as at April 01, 2022	**Changes in equity share Capital during the year**	**Balance as at March 31, 2023**
1,040.00	-	1,040.00

Year Ended March 31, 2022		
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

B. Other equity

Year Ended March 31, 2023

Particulars	Retained Earnings	Total
Balance as at April 01, 2022	4,144.40	4,144.40
Profit for the year	1,099.91	1,099.91
Other Comprehensive expense for the year	(0.48)	(0.48)
Total Comprehensive Income for the year	**1,099.43**	**1,099.43**
Balance as at March 31, 2023	**5,243.83**	**5,243.83**

Year Ended March 31, 2022

Particulars	Retained Earnings	Total
Balance as at April 01, 2021	3,759.83	3,759.83
Profit for the year	385.17	385.17
Other Comprehensive expense for the year	(0.60)	(0.60)
Total Comprehensive income for the year	**384.57**	**384.57**
Balance as at March 31, 2022	**4,144.40**	**4,144.40**

The above Statement of Change in Equity should be read in conjunction with the accompanying note nos. 1 to 61.

For and on behalf of the Board of Directors

As per our report of even date

Surinder S Kohli
Director
(DIN 00169907)

Ajit K Ranade
Director
(DIN 00918651)

Anjani K Sharma
Director
(DIN 01180722)

For Ravi Rajan & Co. LLP
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Amal Sinha
Director
(DIN 07407776)

Vineet Sikka
CEO

Place : New Delhi
Date : May 29, 2023

Surya S Banerji
CFO
(FCA - 420131)

Pankaj Tandon
Company Secretary
(FCS- 7248)

BSES RAJDHANI POWER LIMITED

Notes to Financial Statements for the year ended March 31, 2023

Corporate Information

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

It is a subsidiary of Reliance Infrastructure Limited. ("the Holding Company").

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, Asian Development Bank, United States Agency for International Development etc. The GoNCTD initiated an enabling and futuristic step of privatizing the erstwhile Delhi Vidyut Board (hereinafter referred to as "DVB") with effect from July 01, 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 Delhi Electricity Regulatory Commission (hereinafter referred to as "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 [illegible]ies in the country. Over a period of time, BRPL had been awarded certifications like ISO 9001:2015 (QMS), ISO 14001:2015 (EMS), ISO 45001:2018 (OHSMS) & ISO 27001:2013 (ISMS), while becoming an entity to be reckoned with. BRPL was awarded "Best Performing Distribution Company" by Independent Power Producer Association of India (IPPAI) & Central Board of Irregation & Power (CBIP), "Greentech Quality & Innovation Award" by Greentech Foundation and "Safety Innovation Award" by Institute of Engineers India during the current year. BRPL today serves over 29.89 lakh satisfied consumers in South and West Delhi.

These financial statements of the Company for the year ended March 31, 2023 are authorized for issue by the Board of Directors on May 29, 2023.

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 (hereinafter referred to as "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.

These financial statements have been prepared in accordance with the presentation and disclosure requirements mandated by Schedule III of the Act, 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. The amounts which are less than One Lakh in Indian rupees are reported as 0.00.

(ii) Basis of Measurement

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

- Certain Financial Assets and Liabilities 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 standards or amendments to the existing standards under Companies (Indian Accounting Standards) Rules as issued from time to time.

On March 31, 2023, MCA notified the Companies (Indian Accounting Standards) Amendment Rules, 2023. The effective date for adoption of these amendments is annual periods beginning on or after April 01, 2023. Details as below:-

Ind AS 1 - Presentation of Financial Statements

This amendment requires the entities to disclose their material accounting policies rather than their significant accounting policies. Accounting policy information, together with other information, is material when it can reasonably be expected to influence decisions of primary users of general purpose financial statements. The Company does not expect the amendment to have any significant impact in its financial statements.

Ind AS 8 - Accounting Policies, Changes in Accounting Estimates and Errors

This amendment has introduced a definition of 'accounting estimates' and included amendments to Ind AS 8 to help entities distinguish changes in accounting policies from changes in accounting estimates. The Company is in the process of evaluating the impact, if any, in its financial statements.

Ind AS 12 - Income Taxes

This amendment has narrowed the scope of the initial recognition exemption so that it does not apply to transactions that give rise to equal and offsetting temporary differences. The Company does not expect the amendment to have any significant impact in 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 statements. Accordingly, these financial statements are prepared on standalone basis.

b) Current versus Non-Current Classification

The Company presents assets and liabilities except Regulatory Assets in the financial statements based on current/ non-current classification.

An asset is treated as current when it is:

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

All other assets are classified as non-current.

A liability is current when:

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

All other liabilities are classified as non-current.

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

The operating cycle is the time between the acquisition of assets for processing and their 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
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 denominated in foreign currencies at the reporting date exchange rates are recognized in the statement of profit and loss.

Non-monetary assets and liabilities that are measured in terms of historical cost in foreign currencies are not retranslated.

d) Revenue Recognition
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 recognised for each unit of electricity delivered at the pre-determined rate determined by the DERC based on the Tariff Regulations, which is inclusive of Power Purchase Adjustment Charges (PPAC) and is net of applicable taxes/surcharges which the Company collects from the customer on behalf of the Government/State Authorities.

Revenue from sale of power is accounted on the basis of billing to consumers based on billing cycles followed by the Company and includes unbilled revenue. 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 up to the end of reporting period, which is billed to the respective consumers in the future billing cycle.

Revenue from Open Access is determined on the basis of billing made to the consumers based on units consumed and includes unbilled revenue accrued upto the end of the reporting period.

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's business is rate regulated business. 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.

A separate line item is presented in the statement of profit and loss for the net movement in Regulatory deferral account balances.

Consumer Contribution for capital works and Service Line cum Development Charges

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 cum Development Charges 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 Civic agencies and other Authorities.

e) Banking Arrangements of Power

The Company enters into banking arrangements of power with other power utilities to bank power and vice - versa and take back or return the banked power over agreed period. The power banking transactions both ways are recorded in conformity with the rates promulgated by DERC regulations/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 in 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 life of the related assets and presented in other operating revenue.

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.

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.

With effect from 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.

Current Tax

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 ever appropriate, on the basis of amounts expected to be paid to the tax authorities.

Current income tax assets and liabilities are offset if a legally enforceable right exists to settle the same.

Deferred Tax

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

Deferred tax assets are 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.

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.

h) Leases

At the inception of a contract, the Company assesses whether a contract is, or contains, a lease. 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.

The Company recognises a right-of-use asset and a lease liability at the lease commencement date except for leases with a term of twelve months or less (short-term leases) and low value leases. For these short-term and low value leases, the lease payments associated with these leases are charged to the statement of profit and loss as an expense on a straight-line basis over the lease term.

Lease term is a non-cancellable period together with periods covered by an option to extend the lease if the Company is reasonably certain to exercise that option; and periods covered by an option to terminate the lease if the Company is reasonably certain not to exercise that option.

The Company recognises right-of-use assets at the commencement date of the lease (i.e., the date the underlying asset is available for use). Right-of-use assets are measured at cost, less any accumulated depreciation and impairment losses, and adjusted for any re-measurement of lease liabilities. The cost of right-of-use assets includes the amount of lease liabilities recognised, initial direct costs incurred, and lease payments made at or before the commencement date less any lease incentives received. Unless the Company is reasonably certain to obtain ownership of the leased asset at the end of the lease term, the recognised right-of-use assets are depreciated on a straight-line basis over the shorter of its estimated useful life and the lease term. Right-of-use assets are subject to impairment.

The lease liability is initially measured at the present value of the lease payments to be paid over the lease term at the commencement date, discounted using the interest rate implicit in the lease or, if that rate cannot be readily determined, the Company's incremental borrowing rate. Generally, the Company uses its incremental borrowing rate as the discount rate. Subsequently, the lease liability is measured at amortised cost using the effective interest method.

Above Lease accounting is applicable for the land 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.

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.

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.

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 to 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.

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 is generally non-interest bearing, if paid within the due date. However, the Company charges Late Payment Surcharge (LPSC) if paid after due dates as per DERC regulations/directives.

l) Inventories

Inventories comprise of stores & spares and loose tools, and are stated at the lower of cost and 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 purchase of inventories are determined after deducting rebates and discounts. Net realizable value is the estimated selling price in the ordinary course of business less the estimated costs of completion and the estimated costs necessary to make the sale.

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

m) Financial Instruments

A financial instrument is any contract that gives rise to a financial asset of one entity and a financial liability or equity instrument of another entity. The Company recognizes financial assets and liabilities when it becomes a party to the contractual provisions of the instrument.

Financial Assets

(i) Initial measurement

All financial assets are recognised initially at fair value plus, in the case of financial assets not recorded at fair value through profit or loss (FVTPL), transaction costs that are attributable to the acquisition of the financial asset. Transaction costs of financial assets carried at FVTPL are expensed in the statement of profit and loss.

(ii) Subsequent measurement

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 FVOCI. Movements in the carrying amount are taken through Other Comprehensive Income (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.

- **Fair value through profit or loss (FVTPL):** Assets that do not meet the criteria for amortized cost or FVOCI are measured at FVTPL. A gain or loss on a debt investment that is subsequently measured at FVTPL 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 year in which it arises. Interest income from these financial assets is included in other income.

Equity instruments
All equity investments in the scope of Ind AS 109 are measured at fair value. For all other equity instruments, the Company may make an irrevocable election to present in other comprehensive income subsequent changes in the fair value. The Company makes such election on an instrument-by- instrument basis. The classification is made on initial recognition and is irrevocable. If the Company decides to classify an equity instrument as at FVOCI, then all fair value changes on the instrument, excluding dividends, are recognized in the OCI. There is no recycling of the amounts from OCI to statement of profit and loss, even on sale of investment. However, the Company may transfer the cumulative gain or loss within equity. Equity instruments included within the FVTPL category are measured at fair value with all changes recognized in 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. 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, the Company measures the loss allowance at an amount equal to lifetime expected credit losses using the simplified approach permitted by Ind AS 109 "Financial Instruments", which requires Expected Credit Loss (ECL) 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 which takes into account historical credit loss experience and adjusted for forward-looking information.

ECL impairment loss allowance (or reversal) recognized during the period is recognized as expenses/ (income) in the statement of profit and loss.

(iv) De-recognition of Financial Assets.
A financial asset (or, where applicable, a part of a financial asset) is primarily de-recognised (i.e. removed from the Company's Balance Sheet) when:

- The contractual rights to receive cash flows from the asset has expired, or
- The Company has transferred its contractual rights to receive cash flows from the financial asset or has assumed an obligation to pay the received cash flows in full without material delay to a third party under a 'pass-through' arrangement; and either (a) the Company has transferred substantially all the risks and rewards of the asset, or (b) the Company has neither transferred nor retained substantially all the risks and rewards of the asset, but has transferred control of the asset.

Financial Liabilities

(i) Initial measurement

All financial liabilities are classified, at initial recognition, as financial liabilities at FVTPL and in the case of loans and borrowings and payables, net of directly attributable transaction costs. The Company's financial liabilities includes trade and other payables, loans and borrowings including bank overdrafts.

(ii) Subsequent measurement

Financial liabilities at amortized cost

Borrowings

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 Effective Interest Rate (EIR) method. The EIR amortisation is included as finance costs in the statement of profit and loss.

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.

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.

(iii) De-recognition of financial liabilities

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 de-recognition of the original liability and the recognition of a new liability. The difference in the respective carrying amounts is recognized in the statement of profit and loss.

n) Reclassification of financial assets and liabilities

The Company determines classification of financial assets and liabilities on initial recognition. After initial recognition, no reclassification is made for financial assets which are equity instruments and financial liabilities. For financial assets which are debt instruments, a reclassification is made only if there is a change in the business model for managing those assets. Changes to the business model are expected to be infrequent. If the Company reclassifies financial assets, it applies reclassification prospectively from the reclassification date which is the first day of the immediately next reporting period following the change in business model. The Company does not restate any previously recognised gains, losses (including impairment gains or losses) or interest.

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.

p) 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.

q) Property, Plant and Equipment

Property, Plant and Equipment 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.

Gains or losses arising from de-recognition of assets are measured as the difference between the net disposal proceeds and the carrying amount of the assets and are recognised in the statement of profit and loss when the assets is derecognised.

r) 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.

s) Depreciation and Amortization

In accordance with Part B of Schedule II of the Act, 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 as given in Part C of Schedule II of the Act 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 Act, 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.

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)**
I. Buildings:	
a) Buildings & Pucca Roads	50
b) Temporary Structures	Nil
II. Plant & Machinery :	
a) Transformers & Switchgears	25
b) Lightening Arrestors	25
c) Batteries	5
d) Energy Meters*	10
e) Distribution Systems :	
- Overhead Lines	25
- Underground Cables	35
III. Furniture & Fixtures	10
IV. Office Equipments	
a) Communication Equipments*	
i) Mobile Phones, I-pads and Tablets	3
ii) Other Communication Equipments	10
b) Office Equipments & Others	10
V. Computers	
a) Hardware	6
b) Software, Servers & Networking Equipment **	6
VI. Vehicles	10

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

*** 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.

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, based on Independent valuer's certificate, residual value is taken as 10% for Meters and Communication equipment and 'Nil' for Mobile phones, Tabs and I-Pads.

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.

t) 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.

Capitalisation of borrowing cost is suspended in the period during which active development is delayed due to interruption (other than temporary). Other borrowings costs are recognised as an expense in the statement of profit and loss in the period in which they are incurred.

u) 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.

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 the Company expects some or all of a provision to be reimbursed by another party, the reimbursement is recognised as a separate asset, but only when the reimbursement is virtually certain. The expense relating to a provision is presented in the statement of profit and loss net of reimbursements, if any.

Provisions are reviewed at the end of each reporting period and adjusted to reflect the current best estimate. If it is no longer probable that an outflow of resources would be required to settle the obligation, the provision is reversed.

v) 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. In this case the Company does not recognize a contingent liability but discloses its existence in the notes to the financial statements.

Contingent Asset, where it is probable that future economic benefit will flow to the Company, are not recognised but disclosed in the financial statements. However, when the realisation of income is virtually certain, the related asset is no longer a contingent asset, but it is recognised as an asset.

w) Employee Benefits :

(i) Short-term obligations

Liabilities for salaries and wages, 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 financial statements.

(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 reporting period in which the employees render the related service 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. Re-measurements 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 financial statement 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 (SVRS) 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 statements in respect of defined benefit gratuity plans is the difference between the present value of the defined benefit obligation at the end of the reporting period and 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. Re-measurement 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 statements. Changes in the present value of the defined benefit obligation resulting from plan amendments or curtailments are recognized immediately in statement of profit and 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 IRDA approved Insurance companies. The Company makes monthly contributions based on a specified percentage of each eligible employee's salary.

Employees of Erstwhile Delhi Vidyut Board (DVB) (presently employees of the Company)
In accordance with the stipulation made by the GoNCTD in its notification dated January 16, 2001 the contributions on account of the general provident fund, pension, gratuity and earned leave as per the Financial Rules and Service Rules (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.

x) 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.

y) 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 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.

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 the 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 residual value thereof 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 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 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 truing up process

vii. Late Payment Surcharge on Power Purchase (LPSC) (Refer Note 31 and 39)

The Company has long term Power Purchase Agreement ("PPA") / Bulk Power Transmission Agreement ("BPTA") with various generators and transmission utilities ("Power Utilities"). As per Central Electricity Regulatory Commission (CERC) / DERC regulations / Ministry of Power (MoP) advisory and / or MoP Rules (including Electricity (Late Payment Surcharge and related matters) Rules, 2022) / terms of PPA / BPTA; these Power utilities are liable to charge LPSC on delayed payments. The determination of LPSC is dependent upon interpretation of applicable regulations of CERC / DERC, MoP advisory, MoP Rules, the orders / judgements of Hon'ble SC and the pending litigations in relation thereto before various Fora, terms of PPAs' / BPTAs' with Power utilities / other applicable laws 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 the orders / judgements of Hon'ble SC, and the pending litigations in relation thereto before various Fora and terms of PPA / BPTA / other applicable laws, 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.

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, 2023

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 (CWIP)
		TRANSFORMERS & SWITCHGEARS	LIGHTENING ARRESTOR	BATTERIES	ENERGY METERS	UNDERGROUND CABLE	OVERHEAD LINES		COMMUNICATION EQUIPMENT	OTHER OFFICE EQUIPMENTS				
Year Ended March 31, 2022														
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	0.96	5.81	77.42	125.27	77.44	0.45	0.28	4.30	2.95	4.68	457.69	
Additions on account of interest/overhead	3.18	34.76	0.26	1.14	0.64	30.12	19.47	0.08	-	0.84	0.78	-	91.26	
Less: 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	
Closing gross carrying amount	198.45	2,174.59	12.27	17.51	850.23	2,447.02	847.70	32.13	3.35	38.64	50.70	25.66	6,698.25	
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	1,586.13	
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	
Less: Disposals	-	9.29	1.32	0.05	7.05	0.01	0.01	0.31	0.23	0.43	0.05	0.14	16.89	
Closing accumulated depreciation and impairment	29.12	601.21	3.02	6.81	372.37	647.05	212.88	13.18	2.36	14.43	35.14	8.48	1,946.05	
Net carrying amount as at March 31, 2022	169.33	1,573.38	9.25	10.70	477.86	1,799.97	634.82	18.95	0.99	24.21	15.56	17.18	4,752.20	119.60
Less: Provision for Retirement													19.05	12.09
Net carrying amount after provision as at March 31, 2022													4,733.15	107.51
Add:- Inventories for Capital Works														43.60
Add:- Goods in Transit (GIT) for Capital Works														0.27
Less:- Provision for Obsolete/ Non moving/ Slow moving Capital Inventories														1.17
Net CWIP including Capital Inventories														150.21
Year Ended March 31, 2023														
Gross carrying amount														
Opening gross carrying amount	198.45	2,174.59	12.27	17.51	850.23	2,447.02	847.70	32.13	3.35	38.64	50.70	25.66	6,698.25	
Additions during the year	9.84	220.28	0.59	1.44	72.35	193.39	116.07	1.83	0.75	4.34	4.91	2.11	627.90	
Additions on account of interest/overhead	2.18	37.14	0.13	0.29	0.56	41.55	21.96	0.21	-	0.74	-	0.36	105.12	
Less: Disposals	-	9.27	0.29	0.08	13.58	0.02	-	-	0.53	0.15	0.31	-	24.23	
Closing gross carrying amount	210.47	2,422.74	12.70	19.16	909.56	2,681.94	985.73	34.17	3.57	43.57	55.30	28.13	7,407.04	
Accumulated depreciation and impairment														
Opening accumulated depreciation and impairment	29.12	601.21	3.02	6.81	372.37	647.05	212.88	13.18	2.36	14.43	35.14	8.48	1,946.05	
Depreciation charged during the year	5.10	126.01	0.66	2.21	75.17	137.60	48.56	1.45	0.47	4.06	5.55	1.93	408.67	
Less: Disposals	-	4.69	0.21	0.04	7.73	-	-	-	0.51	0.12	0.28	-	13.58	
Closing accumulated depreciation and impairment	34.22	722.53	3.47	8.98	439.81	784.65	261.44	14.63	2.32	18.37	40.41	10.41	2,341.14	
Net carrying amount as at March 31, 2023	176.25	1,700.21	9.23	10.18	469.75	1,897.39	724.29	19.54	1.25	25.20	14.89	17.72	5,065.90	99.16
Less: Provision for Retirement													18.44	12.09
Net carrying amount after provision as at March 31, 2023													5,047.46	87.07
Add:- Inventories for Capital Works														77.98
Add:- Goods in Transit (GIT) for Capital Works														1.05
Less:- Provision for Obsolete/ Non moving/ Slow moving Capital Inventories														1.14
Net CWIP including Capital Inventories														164.96

(i) Property, plant and equipment pledged as security

a) Property, plant & equipments (including CWIP) 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 Property, plant & equipments (including CWIP) 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) Borrowing cost capitalized

The amount of borrowing costs capitalized to gross block of fixed assets during the year ended March 31, 2023 is ₹ 15.12 Crores (Year ended March 31, 2022 ₹ 9.82 Crores). The rate used to determine the amount of borrowing costs eigible for capitalization for the year ended March 31, 2023 is 12.23% (Year ended March 31, 2022 - 12.69%) which is weighted average interest rate of borrowing.

(iv) Property, Plant and Equipment (PPE) 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 ₹ 4.03 Crores Gross Value, Accumulated depreciation of ₹ 1.69 Crores towards consumer contribution of self-constructed assets transferred by CGHS & SPG training centre customer through transfer agreement (Year Ended March 31, 2022 Gross Value of ₹ 4.28 Crores, Accumulated Depreciation of ₹ 3.20 Crores from CGHS customers). 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

CWIP as at March 31, 2023 comprises expenditure for the Property, plant and equipment in the course of construction. Borrowing cost amounting to ₹ 1.03 Crores (As at March 31, 2022 ₹ 1.53 Crores) and personnel cost amounting to ₹ 11.31 Crores (As at March 31, 2022 ₹ 17.73 Crores) have been added to CWIP.

Particulars	Year	Opening	Addition	Capitalization	Closing
CWIP Movement	2022-23	119.60	607.82	628.26	99.16
CWIP Movement	2021-22	123.80	438.31	442.51	119.60

(vi) Ageing schedule of CWIP

As at March 31, 2023	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	83.13	0.32	1.35	1.30	86.10
Projects temporary suspended	-	0.01	0.02	0.94	0.97
Total*	**83.13**	**0.33**	**1.37**	**2.24**	**87.07**

* Excluding amount of ₹ 12.09 Crores HVDS Projects against which 100% provision has been made by the Company and capital inventory of ₹ 77.89 Crores (Net of provisions).

As at March 31, 2022	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
Total*	**98.30**	**6.48**	**1.42**	**1.31**	**107.51**

* 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 (Net of provisions).

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 variaton while making disclosure.

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

Expected completion schedule of Time overrun/ Temporary suspended CWIP as at March 31, 2023

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
EW16MS4022	-	0.02	-	-	0.02
MH18SH1265	-	0.04	-	-	0.04
SV08NF4064	-	0.32	-	-	0.32
Total	-	**0.97**	-	-	**0.97**
Year ended March 31, 2022	**0.36**	**0.93**	-	-	**1.29**

vii) Details of Immovable property included in Property, plant and equipment not held in the name of the Company.

As at 31 March, 2023

Relevant line item in the Balance Sheet	Description of item of property	Gross carrying value	Title deeds held in the name of	Whether title deed holder is a promoter, director or relative of promoter/ director or employee of promoter/ director	Property held since which date	Reason for not being held in the name of the Company
Property Plant & Equipment	Land	Nil	Government of National Capital Territory of Delhi (GoNCTD)	No	July 2002	Refer vii(a)
	Buildings	210.47				Refer vii(b)

As at 31 March, 2022

Relevant line item in the Balance Sheet	Description of item of property	Gross carrying value (₹ Crores)	Title deeds held in the name of	Whether title deed holder is a promoter, director or relative of promoter/ director or employee of promoter/ director	Property held since which date	Reason for not being held in the name of the Company
Property Plant & Equipment	Land	Nil	Government of National Capital Territory of Delhi (GoNCTD)	No	July 2002	Refer vii(a)
	Buildings	198.45				Refer vii(b)

a) 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.

b) Buildings (Immovable assets other than land) :-

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. It also includes additions made by the Company susbequent to the date of transfer.

BSES RAJDHANI POWER LIMITED
Notes to Financial Statements for the Year Ended March 31, 2023

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

Amount in ₹ Crores

Particulars	BUILDINGS	PLANT & EQUIPMENTS						FURNITURE AND FIXTURES	OFFICE EQUIPMENTS		COMPUTERS	VEHICLES	TOTAL
		TRANSFORMERS & SWITCHGEARS	LIGHTENING ARRESTOR	BATTERIES	ENERGY METERS	UNDERGROUND CABLE	OVERHEAD LINES		COMMUNICATION EQUIPMENT	OTHER OFFICE EQUIPMENTS			
Year Ended March 31, 2022													
Gross carrying amount													
Opening gross carrying amount	272.14	2,556.71	26.25	16.77	1,068.78	2,748.53	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
Less: Disposals	-	31.78	3.26	0.23	16.97	0.03	0.01	2.19	0.52	2.17	5.13	1.45	63.74
Closing gross carrying amount	285.02	2,708.03	24.19	23.49	1,129.87	2,903.89	1,333.30	49.58	3.88	43.77	89.88	39.47	8,634.37
Accumulated depreciation and Impairment													
Opening accumulated depreciation and impairment	110.77	1,040.99	17.12	11.49	591.23	977.57	656.51	31.22	1.70	17.80	73.74	21.88	3,552.02
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
Less: Disposals	-	22.76	2.81	0.21	10.30	0.01	0.01	1.99	0.29	1.84	5.12	1.32	46.66
Closing accumulated depreciation and Impairment	115.69	1,134.65	14.94	12.79	652.01	1,103.92	698.48	30.63	2.89	19.56	74.32	22.29	3,882.17
Net carrying amount as at March 31, 2022	169.33	1,573.38	9.25	10.70	477.86	1,799.97	634.82	18.95	0.99	24.21	15.56	17.18	4,752.20
Less: Provision for Retirement													19.05
Net carrying amount after provision as at March 31, 2022													4,733.15
Year Ended March 31, 2023													
Gross carrying amount													
Opening gross carrying amount	285.02	2,708.03	24.19	23.49	1,129.87	2,903.89	1,333.30	49.58	3.88	43.77	89.88	39.47	8,634.37
Additions during the year	9.84	220.28	0.59	1.44	72.35	193.39	116.07	1.83	0.75	4.34	4.91	2.11	627.90
Additions on account of interest/overhead	2.18	37.14	0.13	0.29	0.56	41.55	21.96	0.21	-	0.74	-	0.36	105.12
Less: Disposals	-	14.81	0.51	0.57	16.37	0.04	-	0.20	0.54	0.09	0.53	-	33.66
Closing gross carrying amount	297.04	2,950.64	24.40	24.65	1,186.41	3,138.79	1,471.33	51.42	4.09	48.76	94.26	41.94	9,333.73
Accumulated depreciation and Impairment													
Opening accumulated depreciation and impairment	115.69	1,134.65	14.94	12.79	652.01	1,103.92	698.48	30.63	2.89	19.56	74.32	22.29	3,882.17
Depreciation charged during the period	5.10	126.01	0.66	2.21	75.17	137.50	48.56	1.45	0.47	4.06	5.55	1.93	408.67
Less: Disposals	-	10.23	0.43	0.53	10.52	0.02	-	0.20	0.52	0.06	0.50	-	23.01
Closing accumulated depreciation and Impairment	120.79	1,250.43	15.17	14.47	716.66	1,241.40	747.04	31.88	2.84	23.56	79.37	24.22	4,267.83
Net carrying amount as at March 31, 2023	176.25	1,700.21	9.23	10.18	469.75	1,897.39	724.29	19.54	1.25	25.20	14.89	17.72	5,065.90
Less: Provision for Retirement													18.44
Net carrying amount after provision as at March 31, 2023													5,047.46

Amount in ₹ Crores

Note-4: Other Intangible Assets

Particular	Computer Software	Total
Year Ended March 31, 2022		
Gross carrying amount		
Opening gross carrying amount	36.37	36.37
Additions during the year	1.32	1.32
Closing gross carrying amount	**37.69**	**37.69**
Accumulated amortization and impairment	21.44	21.44
Amortization charge for the year	4.33	4.33
Closing accumulated amortization and impairment	**25.77**	**25.77**
Net carrying amount as at March 31, 2022	**11.92**	**11.92**
Year Ended March 31, 2023		
Gross carrying amount		
Opening gross carrying amount	37.69	37.69
Additions during the year	10.05	10.05
Closing gross carrying amount	**47.74**	**47.74**
Accumulated amortization and impairment	25.77	25.77
Amortization charge for the year	5.35	5.35
Closing accumulated amortization and impairment	**31.12**	**31.12**
Net carrying amount as at March 31, 2023	**16.62**	**16.62**

1. Internally generated Computer Softwares as at March 31, 2023 ₹ Nil (March 31, 2022 ₹ Nil)

2. 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)

3.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 .

4. Other Intangible Assets (Additional disclosure as per previous GAAP)

Particular	Computer Software	Total
Year Ended March 31, 2022		
Gross carrying amount		
Opening gross carrying amount	44.10	44.10
Additions during the year	1.32	1.32
Closing gross carrying amount	**45.42**	**45.42**
Accumulated amortization and impairment	29.17	29.17
Amortization charge for the year	4.33	5.07
Closing accumulated amortization and impairment	**33.50**	**33.50**
Net carrying amount as at March 31, 2022	**11.92**	**11.92**
Year Ended March 31, 2023		
Gross carrying amount		
Opening gross carrying amount	45.42	45.42
Additions during the year	10.05	10.05
Closing gross carrying amount	**55.47**	**55.47**
Accumulated amortization and impairment	33.50	33.50
Amortization charge for the year	5.35	5.35
Closing accumulated amortization and impairment	**38.85**	**38.85**
Net carrying amount as at March 31, 2023	**16.62**	**16.62**

Amount in ₹ Crores

Note-5 : Right-of-Use Assets		
Particular	**Right-of-Use Assets**	**Total**
Year Ended March 31, 2022		
Gross carrying amount		
Opening gross carrying amount	83.79	83.79
Additions during the year	-	-
Closing gross carrying amount	**83.79**	**83.79**
Accumulated amortization and impairment	16.61	16.61
Amortization charge for the year	8.40	8.40
Closing accumulated amortization and impairment	**25.01**	**25.01**
Net carrying amount as at March 31, 2022	**58.78**	**58.78**
Year Ended March 31, 2023		
Gross carrying amount		
Opening gross carrying amount	83.79	83.79
Additions during the year	-	-
Less: Disposals	11.89	11.89
Closing gross carrying amount	**71.90**	**71.90**
Accumulated amortization and impairment	25.01	25.01
Amortization charge for the year	8.40	8.40
Less: Disposals	7.27	7.27
Closing accumulated amortization and impairment	**26.14**	**26.14**
Net carrying amount as at March 31, 2023	**45.76**	**45.76**

1. During the year Company has paid / incurred ₹ 13.25 Crores towards Lease Assets (ROU) (March 31, 2022 ₹ 13.25 Crores)

2. The lease payments are discounted using the implicit interest rate @ 12% p.a for lease accounting.

3. The lease period for life of ROU has been considered till the license period i.e. March 31, 2029.

4. Refer Note No 1(h) for Lease Assets (ROU).

Note-6 Restricted Bank Deposits	As at March 31, 2023	As at March 31, 2022
Balance with banks held as security/margin	174.55	171.14
Total	**174.55**	**171.14**

1. Nature

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.

2. Terms & Conditions

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, 2023	As at March 31, 2022
Unsecured, considered good		
Loans to Staff	-	0.32
Loans to Related Party [1]	-	46.57
Total	-	**46.89**

1. For Loans given to related party. (Refer Note 14 & 45)

Note-8 Other Non Current Financial Assets	As at March 31, 2023	As at March 31, 2022
Recoverable from SVRS Trust ((Refer Note 48 B (e))	0.16	0.22
Security Deposits	4.19	4.19
Total	**4.35**	**4.41**

Note-9 Other Non Current Assets	As at March 31, 2023	As at March 31, 2022
Unsecured, considered good		
Capital Advances	1.30	4.43
Tax Assets :-		
i) Income Tax Recoverable	11.23	30.38
ii) Income Tax deposited under protest (Refer Note 48 B (c & d))	1.70	1.70
Total	**14.23**	**36.51**

Note-10 Inventories	As at March 31, 2023	As at March 31, 2022
Stores & Spares	20.71	19.98
(includes Goods in Transit ₹ 0.12 Crore (March 31, 2022 ₹ 0.08 Crore))		
Less: Provision for Obsolete/ Non moving/Slow Moving Inventories[4]	0.65	0.72
	20.06	**19.26**
Loose Tools	0.14	0.15
Total	**20.20**	**19.41**

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

2. 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 .

3. Inventories comprises stores & spares and loose tools which are consumable in repair and maintenance of service lines and other equipments (Refer Note 41).

4.There is a write back of provision of ₹ 0.07 Crore during the year ended March 31, 2023 in view of movement in inventory of non moving and slow moving items (Year ended March 31, 2022 write back of provision of ₹ 0.53 Crore).

Note-11 Current Trade Receivables		**As at March 31, 2023**	**As at March 31, 2022**
A. Trade Receivables - Sale of Power			
(i) Considered good - Secured		226.10	256.81
(ii) Considered good - Unsecured		205.50	205.14
(iii) Trade Receivable which have significant increase in credit risk		149.72	149.72
		581.32	**611.67**
Less : Impairment for trade receivables*		149.72	149.72
	(A)	**431.60**	**461.95**
B. Trade Receivables - Open Access			
(i) Considered good - Unsecured		**2.44**	**11.71**
(ii) Trade Receivable which have significant increase in credit risk		-	-
	(B)	**2.44**	**11.71**
C. Trade Receivables - Bulk Sale of Power			
(i) Considered good - Unsecured		**0.04**	**0.09**
(ii) Trade Receivable which have significant increase in credit risk		-	-
	(C)	**0.04**	**0.09**
D. Trade Receivables - Unbilled Revenue	**(D)**	**314.57**	**246.36**
Total	**(A+B+C+D)**	**748.65**	**720.11**

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

1. Trade Receivable are subject to first pari passu charge in favour of working capital lender's issuing SBLC/ LC limits.

2. 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).

3. No Trade receivable are due from director or other officer of the Company and firms or private companies in which any director is a partner, director or member either jointly or severally with other persons except normal utility bills. (Refer Note 45)

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

5. Unbilled Revenue

a) Unbilled Revenue represents accrued income from sale of power and open access from the last billed cycle upto the balance sheet date.

b) Unbilled trade receivable as at March 31, 2023 includes ₹ 304.72 Crores (As at March 31, 2022 ₹ 228.63 Crores) towards sale of power, ₹ 7.68 Crores (As at March 31, 2022 ₹ 15.87 Crores) towards open access and ₹ 2.17 Crores (As at March 31, 2022 ₹ 1.86 Crores) towards street light Maintenance.

6. For information on receivables from Struck Off Companies. (Refer Note 57)

7. For terms and condition of trade receivable owing from related parties. (Refer Note 45)

Amount in ₹ Crores

8. Trade Receivables Ageing Schedule

As at March 31, 2023

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	290.82	105.03	14.45	11.09	1.55	-	422.94
b) Open Access	-	2.41	-	0.03	-	-	2.44
c) Bulk Sale of Power	-	0.04			-	-	0.04
(ii) Undisputed Trade Receivables - which have significant increase in credit risk	1.74	5.96	6.56	22.67	15.67	67.48	120.08
(iii) Disputed Trade Receivables - Considered Good	0.15	1.48	1.16	1.47	4.40	-	8.66
(iv) Disputed Trade Receivables - which have significant increase in credit risk	-	0.03	0.09	0.29	0.50	28.73	29.64
Total (A)	**292.71**	**114.95**	**22.26**	**35.55**	**22.12**	**96.21**	**583.80**
Trade Receivables - Unbilled Revenue (B)	314.57	-	-	-	-	-	314.57
Total (A+B)	**607.28**	**114.95**	**22.26**	**35.55**	**22.12**	**96.21**	**898.37**
Less : Impairment for Trade Receivables							149.72
Trade Receivables net of impairment							**748.65**

As at 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	-	11.71	-	-	-	-	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	-	0.16	0.44	0.86	2.22	26.85	30.53
Total (A)	**338.09**	**78.95**	**37.01**	**34.90**	**28.54**	**105.98**	**623.47**
Trade Receivables - Unbilled Revenue (B)	246.36	-	-	-	-	-	246.36
Total (A+B)	**584.45**	**78.95**	**37.01**	**34.90**	**28.54**	**105.98**	**869.83**
Less : Impairment for Trade Receivables							149.72
Trade Receivables net of impairment							**720.11**

Note-12 Cash and Cash Equivalents	As at March 31, 2023	As at March 31, 2022
Balances with Banks in Current Accounts	50.96	110.39
Balances with Banks in Fixed Deposits	55.00	298.47
Cheques, draft on hand and payment gateways	9.55	47.87
Cash on hand	0.61	0.40
Total	**116.12**	**457.13**

Note-13 Bank Balances other than Cash and Cash Equivalents	As at March 31, 2023	As at March 31, 2022
Balance with banks held as margin money [1]	129.93	83.08
Restricted Balance with Bank - For Roof Top Solar Installation [2]	-	0.07
Balance with banks for other commitments [3]	0.26	0.25
Total	**130.19**	**83.40**

1. The restriction are primarily on account of fixed deposits 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 had received of ₹ 1.11 Crores from Ministry of New and Renewal Energy (MNRE) as advance for central finance assistance deposit for allocation of 10MW capacities towards implementation of Grid Connected Roof top Solar Project out of which ₹ 1.11 Crores (As at March 31, 2022 ₹ 1.04 Crores) were disbursed to the Vendors by the Company.

3. These represents fixed deposits maturing within twelve months and submitted with the courts against various legal cases.

Note-14 Current Loans	As at March 31, 2023	As at March 31, 2022
Considered good - Unsecured		
Loans & Advances to Staff	0.64	0.34
Loans to Related Party [1]	46.57	45.00
Total	**47.21**	**45.34**

1. The interest is charged from M/s BSES Yamuna Power Limited for the year ended March 31, 2023 @ 12.61% p.a. (Year ended March 31, 2022 @ 12.52% p.a). (Refer Note 7 & 45)
2. For Loans given to related party (Refer Note 7 & 45).

Note-15 Other Current Financial Assets	As at March 31, 2023	As at March 31, 2022
Considered good - Unsecured		
Subsidy Receivable from GoNCTD*	39.41	220.39
Recoverable from DVB ETBF 2002 Trust ((Refer Note 48 B (e))	66.66	66.57
Recoverable from SVRS Trust ((Refer Note 48 B (e))	0.07	0.09
Claims Receivable - Insurance	-	0.75
Recoverable on account of GST (Refer Note 54)	3.41	4.06
Receivable - Others	8.31	7.17
Security Deposits	2.90	8.29
Interest accrued but not due on Fixed Deposits	4.82	3.27
Contract Assets [1]	0.67	1.22
Total	**126.25**	**311.81**

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.

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

Subsidy Account Statement	As at March 31, 2023	As at March 31, 2022
Opening Subsidy Receivable	220.39	136.71
Add:- Subsidy passed to consumers	1,373.77	1,513.34
Less:- Subsidy Received	1,554.75	1,429.66
Closing Subsidy Receivable	**39.41**	**220.39**

Note-16 Current Tax Assets	As at March 31, 2023	As at March 31, 2022
Advance Taxes & TDS	2.91	43.54
TDS Refund Receivable	1.74	1.74
Total	**4.65**	**45.28**

Note-17 Other Current Assets	As at March 31, 2023	As at March 31, 2022
Advance other than Capital Advance :-		
Pension Trust Surcharge Recoverable (Refer Note 55)	9.48	9.44
Prepaid Expenses	36.41	38.79
Advances to Suppliers and Others	48.01	38.40
Service Tax Recoverable (Refer Note 48 B(h))	3.76	3.76
GST Recoverable (Input Tax Credit)	3.07	3.97
Recoverable for Barter Transaction	79.12	147.05
Total	**179.85**	**241.41**

Note-18 Regulatory deferral account balances		As at March 31, 2023	As at March 31, 2022
Tariff Adjustment Account		12,172.74	10,855.93
Deferred Tax associated with Regulatory deferral account balances		-	-
		12,172.74	10,855.93
Tariff Adjustment Account			
Opening Balance	(A)	10,855.93	10,891.68
Revenue GAP during the year			
Cost			
Power Purchase Cost		9,215.37	7,115.24
Others (Includes other costs & charges in accordance with MYT Regulations, Tariff orders from DERC and orders of Appellate Authorities)		2,279.27	1,500.37
Carrying Cost for the year		1,257.30	1,213.57
	(B)	12,751.94	9,829.18
Revenue			
Revenue collected		10,419.63	8,901.58
Non Tariff Income (Including Open Access Income)		284.36	370.74
	(C)	10,703.99	9,272.32
Income recoverable from future tariff /Revenue gap for the year	D=(B-C)	2,047.95	556.86
8% Surcharge collected during the year towards opening balance [6]	(E)	(731.10)	(644.10)
Net movement during the year	**F= (D-E)**	**1,316.85**	**(87.24)**
Add:- Recovery of Pension Trust Surcharge from tariff (Refer Note 55)	G	(0.04)	51.49
Tariff Adjustment Account	H = (A+F+G)	**12,172.74**	**10,855.93**
Deferred Tax associated with Regulatory deferral account balances (Refer Note 44)			
Opening :- Deferred Tax Liability		**(2,059.24)**	**(1,933.15)**
Add:- Deferred Tax (Liabilities) during the year		**(501.26)**	**(126.09)**
Less:- Recoverable from future tariff		**2,560.50**	**2,059.24**
	(I)	-	-
Balance as at the end of the year	**TOTAL (H+I)**	**12,172.74**	**10,855.93**

1. The Company records regulatory deferral account balance as at the reporting date based on principles stated in respective Tariff Regulations, Tariff Orders, various judgments given by judicial authorities, past practices, opinion of legal experts and other applicable laws. Any change in the regulatory deferral account balance in respect of past periods due to changes in regulatory guidelines and their interpretation consequent to Orders/ judgements of Regulator, Judicial authorities, etc. are recorded in the period of such change.

2. 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.

3. In the latest Tariff Order dated September 30, 2021, DERC has trued up Regulatory Deferral Account Balance upto March 31, 2020 at ₹ 4,189.46 Crores (DERC has not issued any tariff order for True up of FY 2020-21 and FY 2021-22). DERC has trued up the revenue gap with certain disallowances in various Tariff Orders. The Company has preferred appeals before Hon'ble Appellate Tribunal for Electricity (APTEL) against respective Tariff Orders, 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, have not been accepted by the Company and the Company has, in accordance with Ind AS 114, 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, 2023.

4. Hon'ble Supreme Court (Hon'ble SC) by Order dated December 01, 2021 dismissed DERC Tariff Appeals of 2010 and 2011 and directed it to comply with the directions contained in the APTEL Judgements and submit a compliance report. DERC filed compliance reports, which were objected to by the Company by filing Misc. Applications. Hon'ble SC vide Order dated December 15, 2022 (uploaded on January 03, 2023) rejected DERC compliance affidavits and issued specific directions to DERC for implementation of the APTEL judgments.

DERC has filed applications seeking extension of time for compliance and also for modification & clarification of Hon'ble SC order dated December 15, 2022. The Company has also filed contempt petitions against DERC for non-compliance of Hon'ble SC Order and these matters were listed before Hon'ble SC on May 02, 2023, wherein DERC applications are disposed of as withdrawn. Contempt Petitions are directed to be listed on July 11, 2023.
Hon'ble SC by Judgement dated October 18, 2022 allowed appeals (Civil Appeal No 4324 of 2015) filed by the Company against APTEL order (in Appeal No 61 Of 2012). The said judgment is yet to be implemented by DERC.

5. The Company has also taken up the matter of timely recovery of accumulated Regulatory Assets before the Hon'ble SC. Refer Note 50 for update on this matter.

6. DERC has continued to allow recovery through 8% Surcharge towards principal amount of Regulatory Assets in the Annual Revenue Requirement of current year. 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.

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

Note-19 Equity Share Capital	**As at March 31, 2023**		**As at March 31, 2022**	
Particulars	**No. of Shares (In Crores)**	**Amount**	**No. of Shares (In Crores)**	**Amount**
Authorized Equity Shares of ₹ 10 each (Year Ended March 31, 2022 ₹ 10 each)	120.00	1,200.00	120.00	1,200.00
Issued, Subscribed & Fully Paid Up Equity Shares of ₹ 10 each (Year Ended March 31, 2022 ₹ 10 each)	104.00	1,040.00	104.00	1,040.00
Total		**1,040.00**		**1,040.00**

1. 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	**104.00**	**1,040.00**	**104.00**	**1,040.00**

2. Rights, preference and restrictions attached to Equity Shares

a) 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.

b) 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.

3. Shares held by holding company or ultimate holding company and their subsidiaries or associates.

Name of Shareholder	**As at March 31, 2023**		**As at March 31, 2022**	
	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%
Total	**53.04**	**51.00%**	**53.04**	**51.00%**

4. 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, 2023**		**As at March 31, 2022**	
	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%

5. Details of shares held by Promoters of the Company

Name of Promoter	**As at March 31, 2023**		**As at March 31, 2022**	
	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%
Gopal Saxena jointly with Reliance Infrastructure Limited	1	0.00%	1	0.00%
Rakesh Kumar Yadav jointly with Reliance Infrastructure Limited	1	0.00%	-	0.00%
Angarai Natarajan Sethuraman jointly with Reliance Infrastructure Limited	1	0.00%	-	0.00%
Arvind Kumar jointly with Reliance Infrastructure Limited	1	0.00%	-	0.00%
Partha Pratim Sarma jointly with Reliance Infrastructure Limited	1	0.00%	-	0.00%
Nandkumar Deo jointly with Reliance Infrastructure Limited	-	0.00%	1	0.00%
Alok Roy jointly with Reliance Infrastructure Limited	-	0.00%	1	0.00%
Udita Kumar jointly with Reliance Infrastructure Limited	-	0.00%	1	0.00%
Vijay Mathur jointly with Reliance Infrastructure Limited	-	0.00%	1	0.00%
Total	**1,04,00,00,000**	**100.00%**	**1,04,00,00,000**	**100.00%**

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

7. 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, 2023	As at March 31, 2022
Retained Earnings	5,243.83	4,144.40
Total	**5,243.83**	**4,144.40**

Note-21 Non Current Borrowings	As at March 31, 2023	As at March 31, 2022
Secured		
Term Loan from Other		
- Power Finance Corporation Limited (PFC)	1,081.28	1,321.35
Total	**1,081.28**	**1,321.35**

1. Borrowings are netted off of loan processing charges amounting to ₹ 1.84 Crores as at March 31, 2023 (As at March 31, 2022 ₹ 2.92 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 receivable of the 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 in the form of fixed deposit.

(c) The interest rate for the year is 11.50% to 12.75% p.a (Year Ended March 31, 2022 12.00% to 13.60% 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, 2023, 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
			1	9.95
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 ₹ 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.

Note-22 Non Current Lease Liability	As at March 31, 2023	As at March 31, 2022
Lease Liability	47.44	61.05
Total	**47.44**	**61.05**
Refer Note 1(h) for Lease Liability		

Note-23 Other Non Current Financial Liability	As at March 31, 2023	As at March 31, 2022
Consumer Security Deposit	988.90	872.98
Total	**988.90**	**872.98**

Consumer Security Deposit

1. 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.

2. 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 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 DERC to deal with the actual amount of CSD as on date of transfer and the DERC had advised the 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.

3. Interest is provided at MCLR (Marginal Cost of Fund Based Lending Rate) as notified by SBI prevailing on the April 01 of the respective year on CSD received from all consumers as per DERC Supply Code and Performance Standard Regulations, 2017. The MCLR rate as on April 01, 2022 is @ 7.00 % (April 01, 2021 @ 7.00%). Accordingly, the Company has booked interest amounting to ₹ 68.36 Crores during the current year (Year ended March 31, 2022 ₹ 64.03 Crores). As mentioned in 23(2) 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 of Delhi.

Note-24 Non Current Provisions	As at March 31, 2023	As at March 31, 2022
Provision for employee benefits *	48.50	53.08
Total	**48.50**	**53.08**
* It represents Company's liability for sick leave and earned leave.		

Note-25 Consumer Contribution for Capital Works	As at March 31, 2023	As at March 31, 2022
Opening Balance	747.87	687.38
Add: Capitalized during the year	73.35	110.51
Less: Transferred to the statement of profit and loss	55.06	50.02
Closing Balance	**766.16**	**747.87**

Note-26 Service Line cum Development Charges	As at March 31, 2023	As at March 31, 2022
Opening Balance	326.10	290.99
Add: Received during the year	66.19	80.27
Less: Transferred to the statement of profit and loss	48.25	45.16
Closing Balance	**344.04**	**326.10**

Note-27 Grant-In-Aid	As at March 31, 2023	As at March 31, 2022
Under Accelerated Power Development & Reforms Programme of Govt. of India (APDRP)		
Opening Balance	7.24	7.61
Less: Transferred to the statement of profit and loss	0.37	0.37
Closing Balance	**6.87**	**7.24**

Note-28 Other Non Current Liabilities	As at March 31, 2023	As at March 31, 2022
Consumer Contribution for Capital Works	270.62	216.66
Contract Liabilities	-	0.33
Total	**270.62**	**216.99**

Note-29 Current Borrowings	As at March 31, 2023	As at March 31, 2022
Secured		
From Bank		
Loan Repayable on Demand [1 & 2]		
- Working Capital Loan	68.39	68.40
- Cash Credit	52.94	58.26
From Others (PFC)		
-Current Maturities of Term Loan (from PFC) [3] (Refer Note 21)	240.07	239.70
Total	**361.40**	**366.36**

1. 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.

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

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

ii. The interest rate range for the year is between 8.95% p.a. to 12.25% p.a. (Year ended March 31, 2022 between 10.30% p.a. to 11.70% p.a.) and is computed on daily balance at monthly rest on the actual amount utilized.

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

3. Borrowings are netted off of Loan processing charges as at March 31, 2023 amounting to ₹ 1.07 Crores (As at March 31, 2022 ₹ 1.45 Crores).

Note-30 Current Lease Liability	As at March 31, 2023	As at March 31, 2022
Lease Liability	6.67	6.72
Total	**6.67**	**6.72**
Refer Note 1(h) for Lease Liability		

Amount in ₹ Crores

Note-31 Current Trade Payables		As at March 31, 2023	As at March 31, 2022
Outstanding dues of micro enterprises and small enterprises	(A)	41.62	48.26
Outstanding dues of enterpreises other than micro enterprises and small enterprises			
- Power Purchase Credtiors [3]		7,722.73	7,452.88
- Other Creditors		63.50	68.24
	(B)	7,786.23	7,521.12
Unbilled Dues (Power Purchase)	(C)	107.51	282.65
	D= (B+C)	7,893.74	7,803.77
Total	**(A+D)**	**7,935.36**	**7,852.03**

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. Refer Note 50 with regards to dues to Power utilities.

4. Trade Payables ageing schedule

As at March 31, 2023

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	41.62	-	-	-	-	**41.62**
(ii) Others						
a) Power Purchase Creditors	85.51	779.32	701.30	621.38	5,425.08	**7,612.59**
b) Other Creditors	60.72	2.14	0.29	0.18	0.17	**63.50**
(iii) Unbilled - Power Purchase Creditors	107.51	-	-	-	-	**107.51**
(iv) Disputed Dues -						
- Power Purcahse Creditors	-	-	-	-	110.14	**110.14**
Total	**295.36**	**781.46**	**701.59**	**621.56**	**5,535.39**	**7,935.36**

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 Purcahse Creditors	-	-	-	-	116.16	**116.16**
Total	**542.32**	**697.97**	**708.73**	**737.59**	**5,165.42**	**7,852.03**

BSES RAJDHANI POWER LIMITED Amount in ₹ Crores

5. The Company is required to estimate liabilities on the Balance Sheet date as per the provisions of the Companies Act and applicable Accounting Standards to give true and fair view of its financial statements considering the prevailing facts and available information as on the Balance Sheet date.

In line with the applicable Accounting Standards, background facts and prevailing circumstances, the Company had re-categorised / re-classified the estimated and disputed LPSC Liability payable to Delhi Utilities during the financial year ending March 31, 2022. Accordingly, for estimation of trade payables, the Company computed the LPSC liability for F.Y. 2022-23 i.e. @ 12% p.a. by appropriating payments made by the Company, since the date of default, towards outstanding LPSC amount (including billed and not billed by such utilities) and subsequently towards outstanding Principal Energy / Transmission dues. This treatment has been duly supported by expert opinions taken during the period.

Further, the aforesaid accounting treatment is realistic, fair and justified even if compared with the treatment adopted by Delhi Utilities for accounting of outstanding dues in their books of accounts i.e. treating the outstanding dues primarily on the basis of appropriation of payments received for supply of power (no bills have been raised by them in respect of LPSC after May 2015).
Hence, even if LPSC liability is computed at the rate of 15%/18% p.a. as applicable since first day of default, with appropriation of payments first towards LPSC Bills as and when raised by Delhi Utilities followed by Principal Energy / Transmission bills raised, then the total trade payables including LPSC liability would be in similar range of the trade payables of Delhi Utilities computed @ 12% as explained above.

Comparing the liabilities under the above two approaches, BRPL has recognized the LPSC liability of Delhi Utilities @ 12% p.a. (as against 15%/18% p.a.) in these financial statements, on a prudent and conservative basis by evaluating all background facts as stated above and on the basis of accounting principle that the fair value of the financial liability should be estimated at the amount probable (i.e. more likely than not) to settle the same.{Refer Note 39(3)}

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, 2023	As at March 31, 2022
A	The principal amount and the interest due thereon remaining unpaid to any supplier as at the end of each accounting year.	41.62	48.26
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 until such date when the interest dues as above are actually paid to the small enterprise, for the purpose of disallowance as a deductible expenditure under section 23 of the MSMED Act, 2006.	Nil	Nil

BSES RAJDHANI POWER LIMITED Amount in ₹ Crores

Note-32 Other Current Financial Liabilities	As at March 31, 2023	As at March 31, 2022
Interest Accrued but not due	7.56	9.60
Other Payables		
Payable on purchase of Fixed Assets	106.94	130.79
Other Admin Creditors	21.03	25.41
Works and Earnest Money Deposits	0.63	0.67
Expenses Payable	3.21	4.23
Employee Benefits Payable	1.98	12.44
Consumer Security Deposits (Refer Note 23)	64.86	70.52
Unspent Expenditure on Corporate Social Responsibility (CSR) {Refer Note 41(9)}	16.95	2.56
Consumer Contribution for Capital Works	150.86	152.04
Total	**374.02**	**408.26**

Note-33 Other Current Liabilities	As at March 31, 2023	As at March 31, 2022
Advances from Consumers	270.86	255.23
Other Advances	1.97	4.54
Insurance Claim received in Advance	0.20	-
Statutory Dues	96.47	138.97
Other Payables[1]	42.92	81.00
Contract Liabilities	6.75	6.75
Creditors for Barter Transaction	-	0.03
Total	**419.17**	**486.52**

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

Particular	As at March 31, 2023	As at March 31, 2022
Opening Balance	49.04	36.97
Add:- Collection of Pension Trust Surcharge during the year	637.26	460.51
Total Payable	**686.30**	**497.48**
Less:- Amount paid to Pension Trust	675.15	448.44
Net Payable	**11.15**	**49.04**

Note-34 Current Provisions		As at March 31, 2023	As at March 31, 2022
Provision for Employee Benefits	**(A)**	**77.13**	**79.22**
Provision for Legal Claims			
Opening Balance		2.66	2.55
Provision (reversed)/made during the year		(0.26)	0.11
	(B)	**2.40**	**2.66**
Total	**(A+B)**	**79.53**	**81.88**

Note-35 Revenue from Operations	Year Ended March 31, 2023	Year Ended March 31, 2022
A) Sale of Power		
Gross Revenue from Sale of Power	12,416.28	10,511.79
Less: Tax on Electricity	454.50	376.08
Less: Pension Trust Surcharge Recovery (Refer Note 55)	635.11	466.42
Net Revenue from Sale of Power	**11,326.67**	**9,669.29**
{Net revenue from sale of power for the year includes ₹ 726.72 Crores, (March 31, 2022 ₹ 643.31 Crores) billed against 8% surcharge allowed for recovery of opening revenue gap}		
B) Bulk Sale of Power	**203.52**	**159.91**
C) Open Access Income	**89.17**	**155.08**
D) Other Operating Revenues		
i) Service Line cum Development Charges	48.25	45.16
ii) Delayed Payment Charges (LPSC) [1]	19.30	41.39
iii) Electricity Tax Collection Charges	14.08	11.35
iv) Consumer Contribution for Capital Works & Grant-in-Aid	55.42	50.39
v) Miscellaneous Operating Income [2]	14.54	10.36
Total	**151.59**	**158.65**
Total (A+B+C+D)	**11,770.95**	**10,142.93**

1. Delayed Payment Charges (LPSC) is net off ₹ 14.27 Crores paid to Municipal Corporation of Delhi in respect of LPSC on Electricity Tax collected during the year (Year Ended March 31, 2022 - ₹ Nil) .

2. Miscellaneous Operating Income for the year includes bad debts recovered during the year of ₹ 2.48 Crores (Year Ended March 31, 2022 ₹ 1.44 Crores).

Note-36 Other Income	Year Ended March 31, 2023	Year Ended March 31, 2022
Interest on :-		
i) Fixed Deposits	34.31	12.45
ii) Loans to related party	8.35	13.07
iii) Others[1]	2.56	25.51
Sale of Scrap	4.52	7.42
Street Light Maintenance & Material Charges (Net)[2]	18.64	15.16
Excess Provisions Written Back	0.04	1.29
Profit on Sale of Fixed Assets	2.88	15.28
Pole Rental Income	17.06	12.45
Non Tariff Income [3]	6.95	(0.12)
Other Miscellaneous Income	14.31	9.60
Total	**109.62**	**112.11**

1. Other interest includes:-

a) Interest received from NTPC Ltd. pursuant to the APTEL's judgement dated February 08, 2022 of ₹ Nil Crore during the year. (Year Ended March 31, 2022 ₹ 20.62 Crores).

b) The Company has received interest amounting to ₹ 2.60 Crores on Income Tax refund for Assessment Year 2021-22 & 2022-23 during the year (Year Ended March 31, 2022 Interest of ₹ 4.68 Crores received for Assessment Year 2020-21).

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

i) Income from Street Light Maintenance & Material Charges is net off direct cost of ₹ 6.69 Crores relating to maintenance cost (March 31, 2022 ₹ 5.51 Crores) and ₹ 1.59 Crores relating to Stores and Spares consumed (March 31, 2022 ₹ 1.42 Crores) during the year.

ii) Street light Income for the year includes Street light Incentive of ₹ 0.27 Crore (Year Ended March 31, 2022 of ₹ 0.13 Crore)

3. Non Tariff income for the year includes MNRE incentive (net) of ₹ 1.39 Crores (Year Ended March 31, 2022 ₹ 2.67 Crores).

Note-37 Cost of Power Purchased	Year Ended March 31, 2023	Year Ended March 31, 2022
Purchase of Energy	8,519.82	6,158.23
Transmission Charges	957.01	1,131.19
Total	**9,476.83**	**7,289.42**

1. The cost of long term power purchase is 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.

2. Cost of power purchased for the year is net off rebate of ₹ 101.32 Crores (Year Ended March 31, 2022 ₹ 64.98 Crores).

3. **Banking/ Exchange of Power**

(a) The Company takes and returns back power and vice-versa 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 for the year ended March 31, 2023 is considered @ ₹ 6.25 per unit (Year Ended March 31, 2022 @ ₹ 5.48 per unit).

As at March 31, 2023 the Company has 132.92 Million Units receivable considering the mark-up (net) of energy under banking arrangement. (Year ended March 31, 2022, 272.89 Million Units were receivable) which will be received back during the subsequent year.

(b) Power Purchase cost is net off barter sale of ₹ 527.28 Crores during the year. (Year Ended March 31, 2022 ₹ 568.86 Crores).

4. **Unscheduled Interchange (UI) :**
The Power purchase cost is based on bills raised by generating companies for energy actually scheduled by the Company, whereas the energy drawal from the grid for supplies to consumers are as per actual demand on real time basis. Difference between actual schedule and drawal of power at real time is Unscheduled Interchange (UI). Power purchase cost is net off UI sale of ₹ 41.61 Crores for the year ended March 31, 2023. (Year ended March 31, 2022 ₹ 21.15 Crores).

Note-38 Employee Benefits Expense	Year Ended March 31, 2023	Year Ended March 31, 2022
Salaries and wages	454.67	456.29
Contribution to provident and other funds	61.11	65.67
Staff welfare expense [2]	25.60	25.61
Total	**541.38**	**547.57**

1. Employee benefits expense for the year are net off ₹ 83.69 Crores (Year ended March 31, 2022 ₹ 79.29 Crores) being amount capitalized / charged to the CWIP.

2. Staff welfare expense is inclusive of Training expenses ₹ 0.54 Crore (Year ended March 31, 2022 ₹ 0.52 Crore).

3. Employee benefits expense includes GST of ₹ 19.68 Crores (Year ended March 31, 2022 ₹ 19.19 Crores).

4. For disclosure under Ind AS-19 "Employee Benefits" (Refer Note 58).

5. **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 their 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 toal impact upto FY 2021-22 was ₹ 417.67 Crores (₹ 416.06 Crores upto FY 2020-21 & additional liability of ₹ 1.61 Crores during FY 2021-22). The Company has already paid ₹ 266.93 Crores upto FY 2020-21. Further, an amount of ₹ 120.54 was paid during FY 2021-22 and ₹ 28.77 Crores has been paid during FY 2022-23. The balance liability towards arrear of SVRS employees will be paid going forward in due course.

Note-39 Finance Costs	Year Ended March 31, 2023	Year Ended March 31, 2022
A. Interest :-		
i) Term Loan [(1)]	161.81	201.34
ii) Cash Credit account	7.92	8.62
iii) Consumer Security Deposit	68.36	64.03
iv) Lease Liability (ROU)[2]	6.54	7.26
v) Others	(0.59)	0.15
B. Other Borrowing Costs :-		
i) Late Payment Surcharge (LPSC) on Power Purchase & Transmission Charges [3]	866.64	770.67
ii) Others	11.37	8.40
Total	**1,122.05**	**1,060.47**

1. Interest on term loan for the year is net off ₹ 14.62 Crores (Year ended March 31, 2022 ₹ 8.00 Crores) being amount capitalized / transferred to CWIP.

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

3. The LPSC is recognized by the Company as per applicable regulations of CERC / DERC, MoP advisory, MoP Rules, the orders / judgements of Hon'ble SC and the pending petitions in relation thereto before various Fora, terms of PPAs' / BPTAs with Power utilities / applicable laws and / or reconciliation / agreed terms with Power Generators / Transmission companies, as the case may be. {Refer note 5[illegible] and 48B(i)}

Note-40 Depreciation and Amortization Expense	Year Ended March 31, 2023	Year Ended March 31, 2022
Depreciation (Refer Note 3 & 4)	414.02	381.14
Depreciation on RoU (Refer Note 5)	8.40	8.40
Total	**422.42**	**389.54**

Note-41 Other Expenses		Year Ended March 31, 2023	Year Ended March 31, 2022
1) Repair & Maintenance Expenses			
Machinery		147.14	143.57
Buildings		11.32	5.47
Others		17.17	14.37
Stores and Spares consumed (Net of recoveries) - Refer Note 36		30.17	32.10
	(A)	**205.80**	**195.51**
2) Administration Expenses			
Vehicle Hire & Running Expenses		40.04	37.50
Travelling, Conveyance, Boarding & Lodging Expenses		5.58	5.71
Insurance Expenses		6.41	6.25
Rates and Taxes[1]		20.19	10.37
Bill Collection Charges		7.80	7.09
Communication Expenses[2]		7.50	7.77
Printing and Stationery		9.54	7.55
Meter Reading & Bill Distribution Expenses		55.39	50.07
Call Centre Expenses[3]		13.38	16.55
House Keeping Charges		16.55	16.24
Security Expenses		29.47	27.97
Advertisement Expenses[4]		2.32	1.81
Legal Claims		0.31	0.76
Professional Consultancy Charges[5]		19.68	18.90
Legal Expenses[6]		30.21	23.31
Miscellaneous Support Service (SLA) Expenses		24.90	24.29
Expenditure on Corporate Social Responsibility[9]		22.62	9.01
Remuneration to Auditors[10]		0.66	0.68
Directors' Sitting Fees		0.27	0.21
Bank Charges		0.27	0.24
Miscellaneous Expenses[7]		4.70	7.11
	(B)	**317.79**	**279.39**
3) Others			
a. Provisions For :			
- Retirement of Fixed Assets		0.15	1.14
- Credit impairment		7.33	12.52
	(C)	**7.48**	**13.66**
b. Amount Written Off :			
Bad Debts Written Off		7.10	6.08
Less: Provision made in earlier years		7.10	6.08
	(D)	-	-
c. Inventory Write Off			
Inventory Written Off		0.10	1.23
Less: Provision made in earlier years		0.10	1.23
	(E)	-	-
d. Loss on sale/retirement of fixed assets			
Fixed Assets Retired/ Loss on Sale		8.39	12.63
Less: Provision made in earlier years		-	-
	(F)	**8.39**	**12.63**
Total	(A+B+C+D+E+F)	**539.46**	**501.19**

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

Clause no 87 of the DERC (Terms & Conditions for Determination of Tariff) Regulations, 2017, 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 for the year includes License fees paid to DERC ₹ 3.31 Crores (Year ended March 31, 2022 ₹ 4.52 Crores) and Property Tax ₹ 16.74 Crores (Year ended March 31, 2022 ₹ 5.77 Crores).

2. Communication expenses for the year includes SMS charges ₹ 1.26 Crores (Year Ended March 31, 2022 ₹ 2.07 Crores) and whatsup messages & E-mail services of ₹ Nil Crore (Year ended March 31, 2022 ₹ 0.08 Crore).

3. Call Centre expenses for the year includes Toll Free charges (Toll Free No-19123) ₹ 1.42 Crores (Year ended March 31, 2022 ₹ 1.55 Crores).

4. Advertisement expenses for the year includes Development and Sustainability Management (DSM) charges ₹ 2.07 Crores (Year ended March 31, 2022 ₹ 1.75 Crores).

5. Professional Consultancy Charges for the year includes Geo-Spatial fees ₹ 0.30 Crore (Year ended March 31, 2022 ₹ 0.30 Crore).

6. Legal Expenses for the year includes Ombudsman expenses ₹ 0.44 Crore (Year ended March 31, 2022 ₹ 0.40 Crore).

7. Miscellaneous expenses for the year are inclusive of Water charges (pertaining to DJB) ₹ 0.82 Crore (Year ended March 31, 2022 ₹ 1.80 Crores) and rebate on account of A.C./ Fan scheme ₹ Nil Crore (Year ended March 31, 2022 ₹ 0.98 Crore).

8. Other expenses for the year are inclusive of GST amounting ₹ 63.37 Crores (March 31, 2022 ₹ 59.54 Crores) (excluding GST on Stores & Spare Consumed).

9. Expenditure on Corporate Social Responsibility (CSR)

Particulars	**Year Ended March 31, 2023**	**Year Ended March 31, 2022**
i. Amount required to be spent by the Company during the year	22.62	9.01
ii. Amount of expenditure incurred on:		
(a) Construction/acquisition of any asset	-	-
(b) On purposes other than (a) above	5.67	6.44
iii. Unspent CSR balance to be used for approved ongoing projects*	16.95	2.57
iv. Shortfall at the end of the year	-	-
v. Total of previous years shortfall	-	-
vi. Reason for shortfall	-	-
vii. Nature of CSR activities	Covid Relief plan, Public Health in Partnership With Delhi Govt, Education and Skill Development, Sanitation, Energy Conservation and Environment,Tree Plantation, Health Care/Medical facility & Administrative Overheads	
viii. Details of related party transactions in relation to CSR expenditure as per relevant Accounting Standard in relation to CSR expenditure:	-	-
ix. Provision made with respect to a liability incurred by entering into a contractual obligation	-	-
x. Amount to be deposited in a separate bank account in relation to ongoing project upto 30th April of subsequent year : a) For F.Y. 2022-23 ₹ 0.50 Crore deposited on April 21, 2023 & ₹ 16.45 Crores on April 27, 2023) b) For F.Y. 2021-22 ₹ 2.57 Crores deposited on April 28, 2022.	16.95	2.57

* **Commitment for ongoing projects** :- During the year, the Company has declared two projects as "Ongoing Project" as per amendment to Companies (CSR Policy) Admendment Rule 2021. So the balance amount of ₹ 16.95 Crores has been deposited in a separate bank account -"Unspent CSR Account" :-
a) ₹ 0.50 Crore to be spent towards Pradhanmantri TB Mukt Bharat Abhiyan. This project shall be completed in FY 2023-24.
b) ₹ 16.45 Crores to be spent towards establishment of Multi Specialty Hospital followed by Medical College, Paramedical College and allied infrastructure. The amount shall be spent over a period of 3 years i.e. up to F.Y. 2025-26.

(Project name "Zero Fatility Traffic Junction" which could not be spent in F.Y. 2021-22 and was deposited in "Unspent CSR Account" amounting to ₹ 2.57 Crores has been spent during the current year).

10. Remuneration to Auditors (Including GST)

Particulars	**Year Ended March 31, 2023**	**Year Ended March 31, 2022**
Statutory Audit & Limited Review Fees	0.25	0.25
Tax Audit Fees	0.05	0.05
Certification Work	0.33	0.35
Out of Pocket Expenses	0.03	0.03
Total	**0.66**	**0.68**

Note-42 Net movement in Regulatory Deferral Account Balances and related deferred tax balances	**Year Ended March 31, 2023**	**Year Ended March 31, 2022**
Net movement in regulatory deferral account balance (Refer Note 18)	1,316.85	(87.24)
Net movement in regulatory deferral account balance before OCI	1,321.48	(81.68)
Net movement in regulatory deferral account balances related to items recognized in OCI	(4.63)	(5.56)

Note-43 Earnings per Equity Share	**Year Ended March 31, 2023**	**Year Ended March 31, 2022**
I Profit/(Loss) for Earnings Per Share		
Profit for the year (After Tax)	1,099.91	385.17
Profit for the year (After Tax) (Before net movement in Regulatory Deferral Account balances)	(221.57)	466.85
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
III Earnings Per Share		
Earnings Per Share Basic (₹)	10.58	3.70
Earnings Per Share Diluted (₹)	10.58	3.70
Earnings per share Basic (Before net movement in Regulatory Deferral Account balances)	(2.13)	4.49
Earnings per share Diluted (Before net movement in Regulatory Deferral Account balance)	(2.13)	4.49
Face Value of Equity Shares (₹)	10.00	10.00

Amount in ₹ Crores

Note-44 Income Tax Expense		
Particulars	**As at March 31, 2023**	**As at March 31, 2022**
1. Income tax expense		
(i) Current tax		
Current tax on profits for the year	-	-
Adjustments for current tax of earlier years	-	-
Total current tax expense (i)	-	-
(ii) Deferred tax		
Decrease in deferred tax assets	148.57	128.28
Increase / (Decrease) in deferred tax liabilities	352.69	(2.19)
Total deferred tax expense/(benefit)	501.26	126.09
Less: (Income Recoverable) from future tariff	(501.26)	(126.09)
Net deferred tax expense/(benefit) (ii)	-	-
Income tax expense (i)+(ii)	-	-

2. Reconciliation of tax expense and the accounting profit multiplied by applicable tax rate:

Particulars		**As at March 31, 2023**	**As at March 31, 2022**
Profit as per Ind AS from continuing operations before income tax expense	(A)	1,099.43	384.57
Income tax rate applicable	(B)	25.17%	25.17%
Income tax expense	(A)*(B)	276.70	96.79
Tax effects of the items that are not deductible (taxable) while calculating taxable income :			
Tax effect of permanent timing differences		5.69	2.27
Movement in tax losses (net of recoverable from future tariff)		(282.39)	(99.06)
Total tax expense		-	-

The balance comprises temporary differences attributable to:

Particulars	**As at March 31, 2023**	**As at March 31, 2022**
Deferred tax liability on account of:		
Depreciation difference	473.60	463.48
Regulatory Assets	2,855.30	2,523.88
RoU Assests	11.52	-
Loan processing costs	0.73	1.10
Deferred tax asset on account of:		
Provision for doubtful debts	37.68	37.68
Provision for retirement of assets	7.65	7.84
Provision for obsolete/non moving/slow moving inventories	0.45	0.48
Provision for leave encashment	14.20	15.07
Lease Liability	13.62	-
Unabsorbed losses (including depreciation)	707.05	868.15
Net deferred tax liability	**2,560.50**	**2,059.24**
Less: Recoverable from future tariff	**(2,560.50)**	**(2,059.24)**

3. Movement in deferred tax balances:

Particulars	**Depreciation difference (a)**	**Regulatory Assets (b)**	**Brought forward losses (including unabsorbed depreciation) (c)**	**Others (d)**	**Total (a+b-c-d)**
As at March 31, 2021	456.23	2,532.88	998.69	57.27	1,933.15
Charged/(Credited):					
- to profit or loss	7.25	(9.00)	(130.54)	2.70	126.09
As at March 31, 2022	463.48	2,523.88	868.15	59.97	2,059.24
Charged/(Credited):					
- to profit or loss	10.12	331.42	(161.10)	1.38	501.26
As at March 31, 2023	473.60	2,855.30	707.05	61.35	2,560.50

Note: In line with the requirements of Ind AS 114 on Regulatory Deferral Accounts, the Company presents the deferred tax assets (liabilities) and the related movement in those deferred tax assets / (liabilities) along-with the related Regulatory deferral account balances, instead of showing it as part of the deferred tax assets (liabilities) and the Tax expense as per Ind AS 12 on Income Taxes. Refer to Note 18 for disclosures as per Ind AS 114.

BSES RAJDHANI POWER LIMITED Amounts in ₹ Crores

Note-45 : Related party transactions

Related parties and Key Management Personnel 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 Plans :	BSES Rajdhani Power Limited Employees Group Gratuity Assurance Scheme BSES Rajdhani Power Limited Employees Superannuation Scheme

Key Management Personnel

Name	Category	Year
Shri Surinder Singh Kohli	Independent Director	2022-23 2021-22
Shrii Ajit Keshav Ranade	Independent Director	2022-23 2021-22
Shri Anjani Kumar Sharma	Independent Director	2022-23 2021-22
Dr. Vijayalakshmy Gupta- (Appointed w.e.f. October 25, 2021)	Independent Director	2022-23 2021-22
Ms. Ryna Zaiwalla Karani (cessation w.e.f. October 08, 2021)	Independent Director	2021-22
Shri Virendra Singh Verma	Non-Executive Director	2022-23 2021-22
Shri Sateesh Seth (Appointed w.e.f. July 01, 2021)	Non-Executive Director	2022-23 2021-22
Shri Punit Narendra Garg (Appointed w.e.f. July 01, 2021)	Non-Executive Director	2022-23 2021-22
Shri Naveen ND Gupta (cessation w.e.f February 15, 2023)	Non-Executive Director	2022-23 2021-22
Shri Umesh Kumar Tyagi (cessation w.e.f December 23, 2022)	Non-Executive Director	2022-23 2021-22
Shri Jasmine Shah (cessation w.e.f December 23, 2022)	Non-Executive Director	2022-23 2021-22
Shri Partha Pratim Sarma (cessation w.e.f July 01, 2021)	Non-Executive Director	2021-22
Shri Angarai Natarajan Sethuraman (cessation w.e.f July 01, 2021)	Non-Executive Director	2021-22
Dr. Ashish Chandra Verma, IAS (Appointed w.e.f March 06, 2023)	Non-Executive Additional Director	2022-23
Shri Shurbir Singh, IAS (Appointed w.e.f February 28, 2023)	Non-Executive Additional Director	2022-23
Shri Anthony Jesudasan (cessation w.e.f. July 01, 2021)	Non-Executive Additional Director	2021-22
Shri Amal Sinha (Appointed w.e.f. July 01, 2021)	Executive Director	2022-23 2021-22
Shri Vineet Sikka (Appointed w.e.f August 09, 2022)	Chief Executive Officer	2022-23
Shri Rajesh Bansal (w.e.f July 01, 2021 to July 31, 2022)	Chief Executive Officer	2022-23 2021-22
Shri Amal Sinha (cessation w.e.f. July 01, 2021)	Chief Executive Officer	2021-22

(a) Key Management Personnel Compensation

Particulars	Year Ended March 31, 2023	Year Ended March 31, 2022
Short - term employee benefits	2.49	2.74
Post - employment benefits	0.21	0.19
Long - term employee benefits	0.07	0.74
Directors sitting fees	0.27	0.21
Total	**3.04**	**3.88**

BSES RAJDHANI POWER LIMITED Amounts in ₹ Crores

b) Transactions with related parties

The following transactions occurred with related parties:

Particulars	Year Ended March 31, 2023	Year Ended March 31, 2022
Statement of profit and loss heads		
1. Income:		
Sale of Power		
- BSES Yamuna Power Limited	-	0.25
Interest earned		
- BSES Yamuna Power Limited	8.35	13.07
Reimbursement of Expenses Claimed		
- BSES Yamuna Power Limited	2.63	0.01
2. Expenses:		
Purchase of Power (Including open access charges - Net of rebate)		
- BSES Yamuna Power Limited	32.78	30.36
- Sasan Power Limited	66.21	72.01
Receiving of services		
- Reliance Infrastructure Limited	-	0.14
- Reliance General Insurance Company Limited*	-	9.00
Reimbursement of Expenses Paid		
- BSES Yamuna Power Limited	0.01	-
Trust Contribution		
- BSES Rajdhani Power Limited Employees Group Gratuity Assurance Scheme	4.96	5.76
- BSES Rajdhani Power Limited Employees Superannuation Scheme	1.33	1.18
For Securities - Pledge of 51% Share of the Company held by Reliance Infrastructure Limited (Refer Note 21)		

c) Loans to related parties

	Year Ended March 31, 2023	Year Ended March 31, 2022
Loan repaid		
- BSES Yamuna Power Limited	(45.00)	(24.01)

d) Balance sheet heads (Closing balances):	As at March 31, 2022	As at March 31, 2022
Payable:-		
Other Current Liabilities		
- Delhi Power Company Limited	1.28	1.28
Trade Payables		
- BSES Yamuna Power Limited	0.50	0.08
- Sasan Power Limited	1.17	3.21
Current Provision		
- BSES Rajdhani Power Limited Employees Group Gratuity Assurance Scheme	4.96	5.76
Other Current Financial Liabilities		
- BSES Rajdhani Power Limited Employees Superannuation Scheme	0.11	0.10
Non Current Loans		
- BSES Yamuna Power Limited	-	46.57
Other Current Assets		
- Reliance General Insurance Company Limited *	-	4.32
Financial Assets		
- BSES Yamuna Power Limited	46.57	45.00

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

1 Terms & conditions.

a) For terms and condition relating to Loan to BSES Yamuna Power Limited, Refer Note 7 and 14.

b) All outstanding balances are unsecured. These are repayable/ recoverable on demand (except loan to M/s BSES Yamuna Power Limited).

c) 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, 2023, the Company has not recorded any impairment of receivables relating to amounts owed by related parties (Year ended March 31, 2022 : ₹ 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 etc, 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 credit risk, liquidity risk and market 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, financial assets measured at amortized cost.	Ageing analysis Credit rating	Diversification of bank deposits, credit limits and letters of credit
Liquidity risk	Borrowings, trade payables 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 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 to the Company. The Company is exposed to credit risk from its operating activities (primarily trade receivables and unbilled revenue) and from its financial activities, including deposits with banks and financial institutions and other financial instruments.

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 and institutions are accepted.

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

Trade receivables 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.

Amounts in ₹ Crores

Provision for expected credit losses (Provision matrix method)

Expected credit loss for trade receivables- Sale of Power

As at March 31, 2023

Ageing	Within credit period	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	292.71	94.32	17.18	13.61	7.68	6.37	141.82	573.69
Expected loss rate	0.59%	3.78%	14.10%	26.91%	38.88%	49.95%	93.19%	26.10%
Expected credit losses (Loss allowance provision)	1.74	3.57	2.42	3.66	2.99	3.18	132.16	149.72
Carrying amount of trade receivables- sale of power (net of impairment)	**290.97**	**90.75**	**14.76**	**9.95**	**4.69**	**3.19**	**9.66**	**423.97**

As at March 31, 2022

Ageing	Within credit period	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	132.39	581.07
Expected loss rate	1.09%	3.79%	14.88%	32.10%	40.85%	52.97%	94.08%	25.77%
Expected credit losses (Loss allowance provision)	3.67	1.67	3.37	9.18	3.13	4.14	124.56	149.72
Carrying amount of trade receivables- sale of power (net of impairment)	**334.33**	**42.30**	**19.26**	**19.41**	**4.54**	**3.68**	**7.83**	**431.35**

* Excludes ₹ 7.63 Crores on account of GST for the year (Year ended March 31, 2022 ₹ 30.60 Crores on account of Service Tax and GST) in relation to an ongoing legal matter.

Amounts in ₹ Crores

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, 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**
Bad debts written off	(7.33)	-	-	(7.33)
Changes in loss allowance	7.33	-	-	7.33
Loss allowance as on March 31, 2023	**140.66**	-	**9.06**	**149.72**

The impairment provisions for Trade receivables 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 period.

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	As at March 31, 2023	As at March 31, 2022
Floating rate		
Term Loan	197.73	197.73
Cash Credit (Expiring within one year)	52.67	47.34
Total	**250.40**	**245.07**

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 financial liabilities. The amounts are grossed and undiscounted.

Contractual maturities of financial liabilities as at March 31, 2023	Carrying Value	within 1 year	more than 1 year	Total
Non-derivatives				
Non current borrowings (includes current maturities of long term borrowings and Interest accured but not due)*	1,328.91	381.05	1,370.61	1,751.66
Current borrowings	121.33	121.33	-	121.33
Consumer security deposits	1,053.76	64.86	988.90	1,053.76
Trade payables	7,935.36	7,935.36	-	7,935.36
Creditors for capital expenditure	106.94	106.94	-	106.94
Lease Liability	54.11	6.67	47.44	54.11
Other financial liabilities	194.66	194.66	-	194.66
Total non-derivative liabilities	**10,795.07**	**8,810.87**	**2,406.95**	**11,217.82**

Amounts in ₹ Crores

Contractual maturities of financial liabilities as at March 31, 2022	Carrying Value	within 1 year	more than 1 year	Total
Non-derivatives				
Non current borrowings (includes current maturities of long term borrowings and Interest accured but not due)*	1,570.65	415.27	1,777.12	2,192.39
Current borrowings	126.66	126.66	-	126.66
Consumer security deposits	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	197.35	197.35	-	197.35
Total non-derivative liabilities	**10,888.75**	**8,799.34**	**2,711.15**	**11,510.49**

* It also includes Contractual Interest payments based on Interest rate prevailing at the end of the reporting period

(C) Market risk

Market risk is the risk that the fair value of future cash flows of a financial instrument will fluctuate because of changes in market prices. Market risk comprises three types of risk: Foreign currency risk, Interest rate risk and Price 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.

(ii) Interest rate risk

Interest rate risk is the risk that the fair value or future cash flows of a financial instrument will fluctuate because of changes in market interest rates. The Company's main interest rate risk arises from long-term borrowings with variable rates, which expose the Company to interest rate risk. During the year ended March 31, 2023 and March 31, 2022, the Company's borrowings at variable rate were primarily dominated in INR.

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	As at March 31, 2023	As at March 31, 2022
Variable rate borrowings	1,442.68	1,687.71
Fixed rate borrowings	-	-
Total borrowings	**1,442.68**	**1,687.71**

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	
	Year ended March 31, 2023	Year ended March 31, 2022
Interest rates – increase by 50 basis points (50 bps)*	(7.54)	(8.69)
Interest rates – decrease by 50 basis points (50 bps)*	7.54	8.69

**Holding all other variables constant*

(iii) Price risk

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 risk management on account of determination of tariff.

BSES RAJDHANI POWER LIMITED Amounts in ₹ Crores

(D) Capital Management

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

1. Total equity- comprising issued capital, retained earnings and other reserves
2. Debt - comprising Non-current borrowings (including current maturities) and Current borrowings

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 so as to maintain investor, creditor, and market confidence and to sustain future development and growth of its business.

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

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

(E) Fair Value measurements

Particulars	Level	March 31, 2023		March 31, 2022	
		Fair value	Carrying value	Fair value	Carrying value
Financial assets (at amortised cost)					
Restricted Bank Deposits		174.55	174.55	171.14	171.14
Non Current Loans	3	-	-	46.89	46.89
Other Non Current Financial Assets	3	4.35	4.35	4.41	4.41
Trade Receivables	3	748.65	748.65	720.11	720.11
Cash and cash equivalents		116.12	116.12	457.13	457.13
Bank balances other than cash and cash equivalents		130.19	130.19	83.40	83.40
Current Loans	3	47.21	47.21	45.34	45.34
Other Current Financial Assets	3	126.25	126.25	311.81	311.81
Total		**1,347.32**	**1,347.32**	**1,840.23**	**1,840.23**
Financial liabilities (at amortised cost)					
Non current borrowings	3	1,081.28	1,081.28	1,321.35	1,321.35
Current borrowings	3	361.40	361.40	366.36	366.36
Consumer Security Deposits	3	1,053.76	1,053.76	943.50	943.50
Lease Liability	3	54.11	54.11	67.77	67.77
Trade payables	3	7,935.36	7,935.36	7,852.03	7,852.03
Employee related liabilities	3	1.98	1.98	12.44	12.44
Payable for expenses	3	3.21	3.21	4.23	4.23
Consumer contribution for capital works	3	150.86	150.86	152.04	152.04
Others	3	153.11	153.11	169.03	169.03
Total		**8,244.52**	**10,795.07**	**10,888.75**	**10,888.75**

Notes:

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

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

c) There are no transfers between any levels during the year.

47. **Commitment**

Estimated amount of contracts remaining to be executed on capital account and not provided for as at March 31, 2023 is ₹ 207.07 Crores (As at March 31, 2022 ₹ 252.80 Crores).

The Company had entered into Long Term PPAs 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 at March 31, 2023 ₹ 4.75 Crores (As at March 31, 2022 ₹ 6.18 Crores).

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

a) **(Amount in ₹Crores)**

Sl. No	Particulars	As at March 31, 2023	As at March 31, 2022
i	Legal cases related to consumers and others*	39.41	38.16
ii	Legal cases related to employees**	2.99	4.17
iii	Claim by DPCL on account of events relating to erstwhile DVB period***	92.59	92.59
	Total	**134.99**	**134.92**

* **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 by the Company 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 Delhi High Court 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. Next date of hearing is October 09, 2023.

b) The Company had received a claim from Delhi Transco Limited of ₹ 2.38 Crores (March 31, 2022 ₹ 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 for in the books of accounts.

c) A demand of ₹ 1.20 Crores (Previous Year ₹ 1.20 Crores) was raised on the Company in the TDS assessment orders for FY 2007-08 on account of interest u/s 201(1A) of the Income Tax Act, 1961, for non-deduction of TDS on power transmission charges u/s 194J. The Company had appealed against the said TDS assessment order before the CIT (A), which is yet to be fixed for hearing.

Since, the Company has received favourable orders on the same matter from the appellate authorities in appeals pertaining to FY 2008-09 and 2009-10, the Company has not provided for any liability in this regard as at March 31, 2023.

Further, the issue of applicability of Section 194J of the Income Tax Act, 1961 on power transmission/ wheeling charges has been set at rest by the Hon'ble SC, whereby a Special Leave Petition (SLP) filed by the Income Tax Department against the Hon'ble Delhi High Court decision in case 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) Tax demands of ₹ 1.33 Crores (Previous Year ₹ 1.33 Crores) and ₹ 5.97 Crores (Previous Year ₹ 5.97 Crores) were raised on the Company for A.Y.s '2015-16 and 2016-17' respectively under the MAT provisions of the Income Tax Act, 1961. The Company had filed appeals before CIT (A) / ITAT against the said demands which are still pending.

As the issue of such additions is covered in favour of the Company by the appellate orders of earlier years, the Company has not provided for any liability in this regard as at March 31, 2023.

Further, it may be noted that no amount has been considered as a contingent liability in cases where the Income Tax Department has preferred an appeal against issues already decided in favour of the Company.

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.

The Company had filed a writ petition before the Hon'ble Delhi High Court (Hon'ble HC) which pronounced its Judgement on July 02, 2007 and provided the following two options to the BSES Discoms for paying terminal benefits and residual pension to the SVRS RBF 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 to SVRS optees shall be borne by the Company till their respective dates of normal retirement, after which the Trust shall commence payment to such optees.

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.

GoNCTD and Pension Trust have not appointed their nominee to Arbitral Tribunal and have appealed before the Division Bench of the Hon'ble HC of Delhi which was dismissed by the Court and directed constituting the Arbitral Tribunal.

The matter was further challenged by GoNCTD and Pension Trust before Hon'ble SC. Civil Appeals are pending for adjudication. However no interim relief has been granted by the Hon'ble SC.

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 directions of DERC in Appeal no. 34 of 2020 before Appellate Tribunal for Electricity (APTEL). The APTEL vide its Judgement 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 APTEL's direction, information sought by DERC has been submitted by the Company. However, DERC in its Tariff Order dated September 30, 2021, has decided to consider the same in the subsequent Tariff Order. Pending implementation of APTEL's directions by DERC, Company is refunding unspent consumer deposits pertaining to works executed against the deposits received after March 31, 2012 with interest.

Further, the Company has filed Civil Appeal No. 41-43 of 2022 before Hon'ble SC against the aforesaid APTEL Judgement dated August 31, 2021 limited to Para 132 to 135 (rejecting Company's claim for recasting of ARR of previous years) which is next listed for hearing on July 18, 2023.

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

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 were 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 leave charges and allow the Discoms to carry out their work till the matter is sorted out. However, NDMC has raised various demands w.r.t. way leave charges accumulating to ₹ 0.05 Crore and the same were responded by the Company.

In December 2020, the Company filed Writ Petitions against NDMC and SDMC. The Hon'ble HC 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 Hon'ble HC. The matter is now listed on November 07, 2023.

h) **Service Tax on Lawyer's Fees**

Pursuant to the order dated August 10, 2015 of Hon'ble SC 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 mechanism and that the Company should deposit tax on the same forthwith. The Company reconsidered its stand on the matter and decided to deposit the 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 financial statements. Post migration to GST regime w.e.f July 01, 2017 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 and beyond the reasonable control of the Company, which have arisen primarily due to under-recovery of actual expenses incurred by the Company through the tariff approved by DERC, it could not 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 PPA/ BPTA. On account of such delay in payments, these Power Utilities may be entitled to raise a claim of LPSC on the Company under applicable regulations of CERC/DERC, and/or provisions of PPA/BPTA, (MoP) advisory and / or MoP Rules (including Electricity (Late Payment Surcharge and related matters) Rules, 2022). The Company has recognized LPSC as per the applicable Regulations of CERC/DERC as the case may be, terms of PPAs/BPTAs, Electricity (Late Payment Surcharge and related matters) Rules, 2022 [though not strictly applicable due to subject dues not being covered by the definition of 'outstanding dues' in the Rules], Orders / Advisory issued by Ministry of Power (MoP) from time to time, the orders/judgements of Hon'ble SC and the pending petitions in relation thereto before various Fora and reconciliation / agreed terms with Power Utilities, as the case may be. However, computation of LPSC involves a number of interpretational issues and propositions due to which there are differences in the amount of LPSC recognized by the Company in its books of accounts versus LPSC that is being claimed by some of the Generators / Transmission Companies as below :--

<u>Central Generating / Transmission Utilities (Central Utilities):</u> Disputed amount of LPSC aggregates to ₹ 62.42 Crores {as at March 31, 2022 - ₹ 55.19 Crores}. These are primarily on account of unilateral change in the payment appropriation methodology adopted by some of the Generating Utilities. The differences are also on account of interpretational issues between BRPL and Power Generating Companies in respect of applicable Regulations of CERC / MoP LPSC Rules / MoP Advisory or terms of PPAs as also the disputes regarding unilateral change to the past practice being followed between the parties. This is subject to the outcome of the proceedings pending before the various Fora.

<u>Delhi State Generating / Transmission Utilities (Delhi Utilities):</u> Disputed amount of LPSC aggregates to ₹ 5,004.04 Crores {as at March 31, 2022 - ₹ 3,856.78 Crores}. These are primarily on account of re-assessment of the LPSC liability undertaken by the Company in the above background and also in view of a reasonable expectation of a settlement in terms of DERC's Order dated May 13, 2019, MoP Advisory issued in 2020-21 laying down cap for Central Genco/Transco, requiring them to charge LPSC at a rate not exceeding 1% p.m. (i.e.12% p.a.) for all payments made under the Liquidity Infusion Scheme of PFC and REC under Atmanirbhar Bharat and related communications of GoNCTD endorsing BRPL's requests, the settlements arrived at with some Central Generating Utilities granting relief

with consequential impact on LPSC liability, fact that the Delhi Utilities are (a) not raising LPSC Bills since April' 2015, (b) appropriating payments towards Principal first by Delhi Utilities and (c) not offering the LPSC income (on accrual basis) in their Aggregate Revenue Requirement (ARR) etc. Further, it is noteworthy that there is a general trend of reducing LPSC rates in the country recognized in the LPSC Rules 2021 (now superseded, though not strictly applicable) and LPSC Rules 2022 [though not strictly applicable due to subject dues not being covered by the definition of 'outstanding dues' in the Rules] and also there are several proceedings pending before various Fora including Hon'ble SC.

The Company has made several proposals for settlement of the power purchase overdues with Delhi Utilities, which have not fructified. It was only for the first time in September 2022 that the Delhi Utilities rejected the proposal to discuss a possible settlement. On that basis, the IA filed by BRPL in Review Petition No. 60 of 2019 was disposed off. However, the Review Petition is currently sub-judice before DERC.

The above is subject to the outcome of the proceedings pending before APTEL, the Hon'ble SC and other Fora.

BRPL has recognized the LPSC liability of Delhi Utilities @ 12% p.a. (as against 15%/18% p.a. earlier, which is under dispute) in these financial results, on a prudent and conservative basis by evaluating all background facts as stated above and on the basis of accounting principle that the fair value of the financial liability should be estimated at the amount probable (i.e. more likely than not) to settle the same. The exact obligation arises from past events whose existence will be confirmed only by the occurrence or non-occurrence of one or more uncertain future events, not wholly within the control of the Company.

j) **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/BPTAs. 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/BPTAs. However, there are differences in the power purchase / transmission bills recognized by the Company in its books of account versus bills raised by some of the generators / transmission Companies. These differences amounting to ₹ 35.35 Crores as at March 31, 2023 (March 31, 2022 ₹ 38.19 Crores) are primarily on account of such differences in the interpretation of BRPL and Power Generators/ Transmission Companies of applicable Regulations/ Orders of CERC or DERC/ terms of PPAs/BPTAs as also the dispute regarding unilateral change to the past practice being followed between the parties and are summarized as under:-

Amount in ₹ Crores)

S. No.	Party Name	As at March 31, 2023	As at March 31, 2022
I	Indraprastha Power Generation Company Limited (IPGCL)	35.33	38.17
Ii	PTC India Limited (PTC)	0.02	0.02
	Total	**35.35**	**38.19**

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

On November 30, 2020, the Company exercised its option to exit from the PPA in respect of Dadri-I Station as permitted under Regulation 17(2) 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 before CERC wherein CERC by Order dated July 01, 2021 ("CERC Order") upheld the Company's first right of refusal under Regulation 17(2). However, held that the Company's right would become effective once the Ministry of Power (MoP) de-allocates the share of the Company from Dadri-I Station.

The Company had filed Appeal before APTEL against the CERC Order. On August 26, 2021, APTEL stayed the recovery of Capacity charges. Thereafter, by Judgment dated February 08, 2022, ("APTEL Judgement") APTEL (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.

Thereafter, on March 21, 2022, the Company filed Execution Petition before APTEL for execution of APTEL Judgement. The Company had paid ₹ 219.74 Crores under protest to NTPC towards capacity charges from December 2020 to June 2021 (thereafter not paid as per the interim order dated August 26, 2021 of the APTEL) and ancillary charges from December 2020 to January 2022. As per BRPL, the total amount to be credited was ₹ 245.85 Crores.

In the bill for March 2022 consumption, NTPC had passed on the credit of ₹ 234.75 Crores towards the amounts paid by the Company under protest along with interest @ 10.50% / 11.25% p.a. against the interest @ 15% p.a. as per the PPA / SPPA as held in APTEL Judgment.

BRPL is seeking directions against NTPC to make payment of the remaining amount of ₹ 11.10 Crores (including differential rebate of ₹ 1.34 Crores by applying NTPC Rebate Scheme) from APTEL in its Execution Petition. The matter is next listed on July 06, 2023.

NTPC has filed Civil Appeal before Hon'ble SC against the aforesaid APTEL Judgement which is pending adjudication. During the hearing on April 13, 2023, NTPC's Counsel submitted that in pursuance of the APTEL judgement, NTPC has refunded ₹ 260 Crores to BSES (out of which ₹ 234 Crores to BRPL). NTPC Counsel also stated that various other entities have filed applications before the State Electricity Regulatory Commissions seeking to resile from the PPAs quoting the APTEL's judgement. By the Order dated April 13, 2023, while noting aforesaid submissions of NTPC Counsel, the Hon'ble SC stayed the operation of the APTEL's judgement, till further orders, and directed that no fresh disputes shall be decided on the basis of the APTEL judgment. The matter was last listed on May 09, 2023. However, the matter could not reach because of paucity of time. Now the matter is tentatively listed on July 11, 2023 (Computer Generated).

NTPC has also filed Writ Petition before the Hon'ble Delhi High Court on September 08, 2021 challenging the CERC Order, or in the alternative, striking down Regulation 17 of Tariff Regulations, 2019. No stay was granted in the said Writ Petition. The matter is next listed for hearing on July 11, 2023.

l) 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 favourable outcome of such cases. However, the amount likely to be realized on settlement of such cases is currently not ascertainable. The Company does not expect any adverse impact on the financial position as a consequence of these legal cases. The Company has also taken insurance policy for electrocution cases. Any order of the Court directing Company to pay compensation is reimbursable by the Insurance Company.

50. Power Utilities Dues

On February 01, 2014, NTPC issued Notice of Regulation (Suspension) of Power Supply to the Company due to delay in power purchase payments. The Company had filed a Writ Petition 104 of 2014 ("Writ Petition") in the Hon'ble SC (Hon'ble SC) praying for keeping the regulation notice in abeyance, giving suitable direction to DERC to provide cost reflective tariff, and to provide appropriate mechanism for adjusting the dues owed by the Company to power suppliers from the amounts due and owed to the Company. The Company also submitted that DERC has not implemented the Judgements of APTEL in favour of the Company as DERC has preferred an appeal against the APTEL orders (884/2010 and 9003/2011).

In the Interim Order dated March 26, 2014 & May 06, 2014, Hon'ble SC directed the Company to pay its current dues (w.e.f. January 01, 2014) failing which the generating / transmission companies may regulate supply.

Delhi Power Utilities had also filed Contempt Petitions in January 2015 against senior officials of the Company alleging non-compliance of Hon'ble SC Order regarding payment of current dues. On May 12, 2016, Hon'ble SC by an Order passed in the Contempt Petitions filed by Delhi Utilities directed the Company to pay 70% of the current dues to them till further orders.

New Contempt Petitions have been filed by Delhi Power Utilities in November 2016 alleging non-compliance of Hon'ble SC Orders regarding payment of current dues.

The Hon'ble SC on the request of the Company directed that, all connected matters be tagged with the Writ Petition and Contempt petitions.

Subsequently, 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. Hon'ble SC by Order dated December 01, 2021 dismissed the aforesaid Tariff Appeals and directed DERC to comply with the directions contained in the APTEL Judgements and submit a compliance report. Refer Note 18 for update on this matter.

Batch of matters including Writ Petition were listed in May'22 and Order was reserved in Tariff Appeal (Civil Appeal no. 4324 of 2015). Order in the said Appeal was passed by Hon'ble SC on October 18, 2022 in favour of the Company.

The Company also filed interim applications in the Writ Petition on September 28, 2022 pursuant to several communications from GoNCTD and Delhi Utilities inter-alia threatening regulation of supply in case dues are not paid. Hon'ble SC by Order dated September 28, 2022 directed the parties to maintain status quo until further orders and directed the IA along with other connected matters to be listed after eight weeks.

Batch matters including Writ Petition was last listed before Hon'ble SC on April 26, 2023 and next date of hearing is awaited.

51. CAG Audit

The three private electricity distribution Companies (Discoms) in the NCT of Delhi preferred a Writ Petition before Hon'ble HC challenging GoNCTD 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 HC pronounced its Judgement wherein Hon'ble HC "set aside all actions taken pursuant to the January 07, 2014 order". The Hon'ble HC further directed that "all acts undertaken in pursuance thereof are infructuous".

CAG, GoNCTD and United Resident Welfare Association (URWA) filed Special Leave Petitions (SLP) before Hon'ble SC. Tata Power Delhi Distribution Ltd. also filed an SLP challenging the Hon'ble HC Judgement on limited aspects. On July 03, 2017, the Hon'ble SC 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 yet to be fixed.

52. Operating Segments

The Company is engaged in the business of distribution and supply of electricity in the specified area in Delhi. Chief Operating Decision Maker (CODM) reviews the financial information of the Company as a whole for decision making and accordingly the Company has single reportable segment in terms of Ind AS 108 "Operating Segments".

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.

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

The Company has been raising 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. However, MCD did not adhere 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 HC seeking directions against MCD for recovery of the service tax dues which has been decided in favour of the Company vide order dated August 24, 2022. Accordingly, the Company has sought reimbursement of the related Service Tax amount of ₹ 24.75 Crores from MCD. Further, the SLP filed by the MCD against the Hon'ble HC decision has been dismissed by the Hon'ble SC on January 30, 2023.

Further, the Company had also filed a writ petition before Hon'ble HC on May 07, 2021 for recovery of the GST amount applicable from July 01, 2017 which is still pending and the next date of hearing is fixed for August 14, 2023. The amount of GST recoverable in this regard is ₹ 7.61 Crores as on March 31, 2023 (March 31, 2022 ₹ 5.85 Crores). Being a similar matter, it is expected that this writ will also be decided in favour of the Company.

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

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 HC 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 Hon'ble 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-vires the provisions of Section 8 of the Central Goods and Service Tax Act, 2017 as well as Notification No. 12/2017-CT (R) serial no. 25. The Department has filed an appeal before the Hon'ble SC against the said judgement of Hon'ble Gujarat High Court. Since, the issues adjudicated before the Hon'ble SC in Torrent's matter are similar to those which had been raised by the Company, the Company obtained an order from the Hon'ble SC permitting tagging of Company matter with the departmental appeal in the case of Torrent Power Limited. Further, the Company has decided that till the matter is decided by the Hon'ble SC, 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 in the Hon'ble SC in the matter of Torrent Power is fixed for July 05, 2023.

55. **Pension Trust Surcharge**

DERC in its Tariff order dated September 30, 2021 has allowed surcharge of 7% w.e.f. October 01, 2021 (5% w.e.f. September 01, 2020) 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 ₹ 51.45 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, which is currently sub-judice. The Company has adjusted ₹ 51.45 Crores against Pension Surcharge Recoverable (excluding carrying cost) and shown balance of ₹ 9.48 Crores (not including carrying cost) still recoverable through Pension Trust Surcharge in the books of accounts.

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 2022-23 is ₹ 4.81 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. Accordingly, the total amount for non-compliance from FY 2012-13 to FY 2022-23 is ₹ 9.67 Crores. However, the DERC Order dated September 18, 2019 has been challenged

Notes to Financial Statements for the Year Ended March 31, 2023 Amount (In ₹ Crores)

in the APTEL in Appeal No. 397 of 2019 and APTEL has directed DERC not to take any coercive steps till the matter is pending. The next date of hearing is yet to be fixed.

57. **Relationship with Struck off Companies:-**

(Amount in ₹)

Name of the struck off company	Relationship with the struck off company	Nature of transactions with struck off company	Transactions during the year ended March 31, 2023	Balance Outstanding as at March 31, 2023	Balance Outstanding as at March 31, 2022
Aeiquom Ventures Private Limited	Supply of Electricity	Sale of Power	2,34,939	15,615	7,575
		Interest paid on CSD	4,725	-	-
		Consumer Security Deposit	-	67,500	67,500
Graphic Footwear Private Limited	Supply of Electricity	Sale of Power	57,88,937	5,554	7,329
		Interest paid on CSD	53	-	-
		Consumer Security Deposit	-	750	750
Hemkunt Stock Broking Private Limited	Supply of Electricity	Sale of Power	14,502	(420)	890
		Interest paid on CSD	420	-	-
		Consumer Security Deposit	-	6,000	6,000
Laurel Wood Private Limited	Supply of Electricity	Sale of Power	-	4,35,564	4,35,564
		Interest paid on CSD	420	-	-
Megha Menu Online Private Limited	Supply of Electricity	Sale of Power	27,440	8,132	4,981
		Interest paid on CSD	115	-	-
		Consumer Security Deposit	-	16,500	16,500
Metro Safety Instruments Private Limited	Supply of Electricity	Sale of Power	3,88,399	29,420	31,921
		Interest paid on CSD	4,200	-	-
		Consumer Security Deposit	-	60,000	60,000
Mucon Footwear Limited	Supply of Electricity	Sale of Power	53,11,355	2,16,882	2,40,962
		Interest paid on CSD	5,985	-	-
		Consumer Security Deposit	-	85,500	85,500
Vriddhi Textiles Private Limited	Supply of Electricity	Sale of Power	5,83,362	-	32,226

BSES RAJDHANI POWER LIMITED Amounts in ₹ Crores

Note-58 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.

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, 2023	March 31, 2022
a	Contribution to Provident Fund	7.93	7.18
b	Contribution to Employee's Superannuation Fund	1.33	1.18
c	Contribution to Pension, NPS and Leave Salary	40.19	44.00
	Total	**49.45**	**52.36**

b Defined benefit plans

i) Gratuity

ii) Leave encashment

Gratuity is payable to eligible employees as per the Company's policy and 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 Limted, Bajaj Allianz Life Insurance Company Limited, SBI Life Inurance Co. Ltd, India First Life Insurance, Aditya Birla Sun Life Insurance Capital Limited, HDFC Life and Reliance Nippon Life Insurance Company Limited to meets its obligation towards gratuity.

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

Liability with respect to the gratuity, leave encashment and sick leave is determined based on an actuarial valuation done by an independent actuary at the year end and any differential between the fund amount and the actuarial valuation is charged to 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, 2023	March 31, 2022
a	Discount rate (per annum)	7.22% - 7.52%	6.69% - 7.35%
b	Rate of increase in compensation levels	6.00% - 10.50%	6.00% - 10.50%
c	Expected rate of return on plan asset (in case of Gratuity)	6.00%	6.00%
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	3%	2%
	c) Above 44 Years	1%	1%

The discount rate has been assumed at 7.22 % to 7.52 % p.a. (Year ended March 31, 2022 6.69 % to 7.35 % p.a.) which is determined by reference to market yield at the balance sheet date on government securities for the remaining life of employees.The estimates of future salary increases, considered in actuarial valuation, take account of inflation, seniority, promotion and other relevant factors, such as supply and demand in the employment market on long term basis.

Amounts in ₹ Crores

i) Changes in the Present Value of Obligation

S. No.	Particulars	Year Ended March 31, 2023		Year Ended March 31, 2022	
		Leave Encashment	Gratuity (Funded)	Leave Encashment	Gratuity (Funded)
a	Present value of obligation as at the beginning of the year	59.89	120.95	57.00	110.72
b	Acquisition adjustment	-	-	-	0.05
c	Interest cost	4.23	8.89	3.79	7.67
d	Past service cost	-	-	-	-
e	Current service cost	2.86	8.68	3.11	8.98
f	Contribution by plan participants	-	-	-	-
g	Curtailment cost/(credit)	-	-	-	-
h	Settlement cost/(credit)	-	-	-	-
i	Benefit paid	(3.04)	(2.36)	(4.29)	(2.25)
j	Actuarial (gains)/loss	(7.52)	(5.21)	0.27	(4.21)
k	Present value of obligation as at the end of the year	56.42	130.95	59.89	120.95
l	Current liability	7.91	9.18	6.81	5.91
m	Non current liability	48.51	121.77	53.08	115.04

ii) Changes in the Fair value of Plan Assets

S. No.	Particulars	Year Ended March 31, 2023		Year Ended March 31, 2022	
		Leave Encashment	Gratuity (Funded)	Leave Encashment	Gratuity (Funded)
a	Present value of plan asset as at the beginning of the year	-	115.18	-	85.47
b	Acquisition adjustment	-	-	-	0.05
c	Expected return on plan assets	-	8.47	-	5.92
d	Actuarial gain/(loss)	-	(1.06)	-	0.76
e	Employers contribution	-	5.76	-	25.24
f	Employees contribution	-	-	-	-
g	Benefit paid	-	(2.36)	-	(2.25)
h	Fair value of plan assets as at the end of the year	-	125.98	-	115.17

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, 2023		Year Ended March 31, 2022	
		Leave Encashment	Gratuity (Funded)	Leave Encashment	Gratuity (Funded)
a	Fund managed by insurer	-	100%	-	100%

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

S. No.	Particulars	Year Ended March 31, 2023		Year Ended March 31, 2022	
		Leave Encashment	Gratuity (Funded)	Leave Encashment	Gratuity (Funded)
a	Present value of funded obligation as at the end of the year	-	130.95	-	120.96
b	Fair value of plan assets as at the end of the year	-	125.99	-	115.17
c	Funded (asset)/liability recognized in the balance sheet	-	4.96	-	5.76
d	Present value of unfunded obligation as at the end of the year	56.41	-	59.89	-
e	Unfunded net liability recognized in the balance sheet	56.41	-	59.89	-

Amounts in ₹ Crores

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

S. No.	Particulars	Year Ended March 31, 2023		Year Ended March 31, 2022	
		Leave Encashment	Gratuity (Funded)	Leave Encashment	Gratuity (Funded)
a	Current service cost	2.86	8.68	3.11	8.98
b	Past service cost	-	-	-	-
c	Acquisition adjustment	-	-	-	-
d	Interest cost	4.23	8.89	3.79	7.67
e	Expected return on plan assets	-	(8.47)	-	(5.92)
f	Curtailment cost/(credit)	-	-	-	-
g	Settlement cost/(credit)	-	-	-	-
h	Benefit paid	-	-	-	-
i	Net actuarial (gains)/loss	(7.52)	-	0.27	-
j	Employers contribution	-	-	-	-
k	Total expenses recognized in the statement of profit and loss	(0.43)	9.10	7.18	10.73

vi) Other Comprehensive Income (OCI)

S. No.	Particulars	Year Ended March 31, 2023	Year Ended March 31, 2022
		Gratuity (Funded)	Gratuity (Funded)
a	Net cumulative unrecognized actuarial gain/(loss) at the beginning of the year	(40.72)	(45.69)
b	Actuarial gain / (loss) for the year on Projected benefit obligation	5.21	4.21
c	Actuarial gain /(loss) for the year on asset	(1.06)	0.76
d	Unrecognized actuarial gain/(loss) at the end of the year	(36.57)	(40.73)

vii) Experience Adjustment:

S. No.	Particulars	Year Ended March 31, 2023		Year Ended March 31, 2022	
		Leave Encashment	Gratuity (Funded)	Leave Encashment	Gratuity (Funded)
a	On plan liability (gain)/ loss	(6.71)	(3.69)	1.56	2.92
b	On plan assets (gain) / loss	-	(1.06)	-	(0.76)
c	Expected employer contribution for the next year	5.86	8.71	7.56	8.66

viii) Maturity Profile of Defined Benefit Obligation

S. No.	Years	Year Ended March 31, 2023		Year Ended March 31, 2022	
		Leave Encashment	Gratuity (Funded)	Leave Encashment	Gratuity (Funded)
a	0 to 1 Year	7.42	9.18	6.32	5.91
b	1 to 2 Year	0.73	4.47	0.96	4.54
c	2 to 3 Year	0.78	5.43	0.51	3.51
d	3 to 4 Year	0.67	5.10	0.65	4.44
e	4 to 5 Year	0.71	5.69	0.59	4.23
f	5 to 6 Year	0.37	3.66	0.62	4.87
g	6 Year onwards	20.15	97.42	23.63	93.44

Amounts in ₹ Crores

ix) Sensitivity Analysis of the Defined Benefit Obligation:-

S. No.	Particulars	Leave Encashment	Gratuity (Funded)
		2022-23	
1	Impact of change in discount rate		
	Present value of obligation at the end of the year	56.41	130.94
	a) Impact due to increase of 0.50%	(3.04)	(7.28)
	b) Impact due to decrease of 0.50%	2.88	7.27
2	Impact of change in salary rate		
	Present value of obligation at the end of the year	56.41	130.94
	a) Impact due to increase of 0.50%	2.89	7.30
	b) Impact due to decrease of 0.50%	(3.04)	(7.30)

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 below-

a) 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.

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

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

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

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

Note-59 :- Category Wise details of Revenue Billed and Revenue Collected during the financial year 2022-23 and 2021-22 in compliance to Directive 6.10 (j) specified in DERC Tariff Order dated September 30, 2021 are given in tables below :

(1) Financial Year 2022-23			REVENUE BILLED													
		Energy Sales	Fixed Charges	Energy Charges	Other Charges	PPAC	RA Surcharge (Fixed)	RA Surcharge (Energy)	Pension Trust Surcharge (Fixed)	Pension Trust Surcharge (Energy)	Peak Surcharge	Off Peak Rebate	Electricity Tax	Total Revenue (Billed)	Subsidy Disbursed	Total Collection
S. No	Particulars	MU	₹ Crs	₹ Crs	₹ Crs	₹ Crs	₹ Crs	₹ Crs	₹ Crs	₹ Crs	₹ Crs	₹ Crs	₹ Crs	₹ Crs	₹ Crs	₹ Crs
1	Domestic	8,447.44	471.00	3,598.28	(5.03)	797.32	37.69	287.55	32.97	251.60	-	-	229.31	5,700.69	1,369.21	4,355.67
2	Non - Domestic	3,160.61	723.35	2,713.03	(24.19)	674.46	58.09	220.44	50.81	192.87	51.59	(34.21)	170.05	4,796.29	1.35	4,921.22
3	Industrial	547.44	86.12	453.29	(4.07)	106.44	6.94	37.11	6.07	32.52	10.45	(6.96)	28.86	756.77	-	751.07
4	Agriculture & Mushroom Cultivation	23.47	5.48	3.87	0.15	1.85	0.44	0.31	0.38	0.27	-	-	0.25	13.00	3.17	9.70
5	Public Utilities (Public Lighting & DJB)	356.61	50.52	246.02	(3.12)	57.60	4.04	19.36	3.53	16.92	1.96	(2.62)	12.19	406.60	-	407.55
6	DIAL-Delhi International Airport Limited	47.11	3.28	37.73	(1.58)	7.78	0.89	13.26	0.78	11.60	0.09	(0.08)	2.13	75.88	-	74.90
7	Railway Traction (Other than DMRC)	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
8	DMRC-Delhi Metro Rail Corporation	303.04	27.14	194.67	(9.25)	42.51	3.22	21.85	2.81	19.12	5.01	(3.58)	1.23	304.93	-	336.38
9	Temporary (Refer Note D)	125.06	22.64	118.29	(0.89)	27.60	1.81	9.35	1.59	8.19	1.65	(1.43)	7.45	196.25	0.04	-
10	Advertisement & Hoardings	0.88	0.24	0.75	-	0.20	0.02	0.06	0.02	0.05	-	-	0.05	1.39	-	3.06
11	Self Consumption	23.20	0.12	0.09	(0.19)	0.34	0.02	0.12	0.01	0.11	0.22	(0.16)	0.03	0.69	-	-
12	Charging Points for E- Rickshaw / Vehicle	48.23	-	21.24	(0.12)	4.23	-	1.69	-	1.48	0.12	(0.02)	1.36	29.98	-	30.88
13	Enforcement	66.36	-	31.79	-	3.38	-	2.46	-	1.40	-	-	1.59	40.62	-	40.64
	Sub Total	**13,149.47**	**1,389.89**	**7,419.25**	**(48.29)**	**1,723.91**	**113.16**	**613.56**	**98.97**	**536.13**	**71.09**	**(49.08)**	**454.50**	**12,323.09**	**1,373.77**	**10,931.07**
	Add (Deemed Collection):															
	Subsidy															1,373.77
	SD Interest															68.36
	SD Adjustment with Arrears															55.59
	Adjustment of recoverable job deposit															8.16
	Amount credited to Net Metering consumers															3.56
	TDS on energy bills deducted by consumers															0.90
	Grand Total													**12,323.09**		**12,441.41**

Note:

(A) Net Metering Sales and amount collected are not considered based on Treatment of Net Metering by DERC in its Tariff Order dated 30.09.2021.

1. 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 ₹ 3.56 Crores credited to Net Metering consumers is included in collection.

2. Electricity Duty on the sales amount is already included in the respective category being recoverable from the consumer.

(B) The collection figure of ₹ 12,441.41 Crores includes the following :-

1. ₹ 33.5 Crores collected towards Late Payment Surcharge (normal consumers) and ₹ 452.8 Crores collected towards Electricity Duty.

2. ₹ 728.6 Crores collected towards RA surcharge for recovery of past accumulated deficit ₹ 635.9 Crores collected towards Pension Trust surcharge.

3. ₹ 40.6 Crores collected by the Company against the bills raised by "Enforcement Department." The amount of ₹ 40.6 Crores includes Late Payment Surcharge of ₹ 0.03 Crore, Electricity Duty of ₹ 1.59 Crores, RA surcharge of ₹ 2.46 Crores and Pension Trust surcharge of ₹ 1.40 Crores.

4. The amount of collections through cheques which were in hand or in clearing as on March 31, 2023 and were credited to bank account of the Company subsequent to March 31, 2023.

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

1. Collection made on account of bulk sale of power i.e. trading energy.

2. Collection from consumers on account of non- energy collection.

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

(E) Total energy billed of 13149.47 MU mentioned above includes 66.36 MU billed against enforcement.

(2) Financial Year 2021-22			REVENUE BILLED													
		Energy Sales	Fixed Charges	Energy Charges	Other Charges	PPAC	RA Surcharge (Fixed)	RA Surcharge (Energy)	Pension Trust Surcharge (Fixed)	Pension Trust Surcharge (Energy)	Peak Surcharge	Off Peak Rebate	Electricity Tax	Total Revenue (Billed)	Subsidy Disbursed	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	254.76	27.81	180.87	-	-	198.54	4,959.09	1,508.00	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)	130.62	3,863.99	1.29	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	639.63	-	639.63
4	Agriculture & Mushroom Cultivation	19.59	5.20	3.23	0.10	1.41	0.42	0.26	0.31	0.19	-	-	0.20	11.32	3.96	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	6.71	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)	6.67	182.12	0.09	-
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
	Sub Total	11,486.12	1,384.29	6,319.49	(39.88)	1,275.80	113.30	530.01	84.15	382.27	54.74	(38.04)	376.08	10,442.21	1,513.34	8,840.91
	Add (Deemed Collection):															
	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
	Grand Total													10,442.21		10,463.72

Note :-

(A) Net Metering Sales and amount collected are not considered based on Treatment of Net Metering by DERC in its Tariff Order dated 30.09.2021.

1. 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 Crore credited to Net Metering consumers is included in collection.

2. Electricity Duty on the sales amount is already included in the respective category being recoverable from the consumer.

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

1. ₹ 41.3 Crores collected towards Late Payment Surcharge (normal consumers) and ₹ 376.9 Crores collected towards Electricity Duty.

2. ₹ 642.0 Crores collected towards RA surcharge for recovery of past accumulated deficit and ₹ 459.5 Crores collected towards Pension Trust surcharge.

3. ₹ 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 Crore.

4. 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:

1. Collection made on account of bulk sale of power i.e. trading energy.

2. Collection from consumers on account of non- energy collection.

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

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

Note-60 Key Financial Ratio

S.No.	Analytical Ratios	Numerator	Denominator	Year Ended March 31, 2023	Year Ended March 31, 2022	Variance %	Remarks
1	Current Ratio (in times)	Total Current Assets + Regulatory deferral accounts debit balances and related deferred tax balances	Total Current Liabilities	1.48	1.39	6.47%	
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	0.19	0.27	-29.63%	Refer Note -i
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 accured Interest + Principal repayments	5.98	4.30	39.07%	Refer Note -ii
4	Return on Equity (ROE) (in %)	Net Profit after Tax less Preference dividend (if any)	Average Total Equity	16.00%	6.00%	166.67%	Refer Note -ii
5	Trade Receivable Turnover Ratio (in times)	Net Credit Sale = Gross Energy Sale + Open Access+ Bulk Sale (Non-Cash)	Average Trade Receivables	12.46	11.03	12.96%	
6	Trade Payable Turnover Ratio (in times)	Net Credit Power Purchase	Average Trade Payables (Power Purchase)	1.05	0.87	20.69%	
7	Net Capital Turnover Ratio (in times)	Total Sale (Net 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)	2.66	2.79	-4.66%	
8	Net Profit Ratio (in %)	Net Profit after Tax	Total Sale (Net Energy Sale+ Open Access+ Bulk Sale)	9.00%	4.00%	125.00%	Refer Note -ii
9	Return on Capital Employed (in %)	Net Profit before Finance cost and Tax	Capital employed = Total Equity + Total Debts - Intangible Assets	25.00%	18.00%	38.89%	Refer Note -ii

i The variance in Debt- Equity ratio is primarily due to repayment of term loan by ₹ 245 Crores and increase in total equity due to retained earings.

ii The variance in mainly due to increase in Profit for the year.

iii Inventory Turnover Ratio and Return on Investment are not given as the same are not applicable to the Company.

iv Previous year ratios have been recomputed in agreement with current year ratios.

Notes to Financial Statements for the Year Ended March 31, 2023 Amount (In ₹ Crores)

61. Quantitative Information:

(In KWh Million Units)

S. No.	Particulars	2022-23	2021-22
a	Purchase of Energy (Including UI Trading Units and Barter Exchange of Power)		
	-Purchase Units #	15181	13429
	-Net Metering	40	39
b	Sale of Energy		
	Retail Sale		
	-Billed Units ##	13083	11417
	-Net Metering	33	26
	-Unbilled Units (Net) (Refer Table Below)	63	64
	Bulk Sale excluding Barter Exchange of Power #	383	504

Provisional data subject to finalization by SLDC.
Billed units excluding theft units.

Unbilled Units (In KWh Million Units)

S. No.	Particulars	2022-23	2021-22
A	Closing Unbilled Units	328	265
B	Opening Unbilled Units	265	201
	Unbilled Units (Net) for the Year	63	64

Notes 1 to 61 form an integral part of the Financial Statements

For and on behalf of the Board of Directors

As per our report of even date

Surinder S Kohli
Director
(DIN 00169907)

Ajit K Ranade
Director
(DIN 00918651)

Anjani K Sharma
Director
(DIN 01180722)

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

Vijayalakshmy Gupta
Director
(DIN 08636754)

Shurbir Singh
Director
(DIN 07331962)

Ashish C Verma
Director
(DIN 00260070)

Prashant Bhatia
Partner
(M. No. 508452)

Virendra S Verma
Director
(DIN 07843461)

Sateesh Seth
Director
(DIN 00004631)

Punit N Garg
Director
(DIN 00004407)

Amal Sinha
Director
(DIN 07407776)

Vineet Sikka
CEO

Place : New Delhi
Date : May 29, 2023

Surya S Banerji
CFO
(FCA - 420131)

Pankaj Tandon
Company Secretary
(FCS- 7248)