



INDEPENDENT AUDITORS' REPORT

To
The Members of
Bharatpur Electricity Services Limited

Report on the Audit of the Financial Statements

We have audited the accompanying financial statements of **Bharatpur Electricity Services Limited** ('the Company'), which comprise the Balance Sheet as at 31st March, 2019, the Statement of Profit and Loss (including other comprehensive income), Statement of changes in equity, and Statement of Cash Flow for the year then ended and Notes to the financial statements, including a summary of significant accounting policies and other explanatory information.

In our opinion and to the best of our information and according to the explanations given to us, the aforesaid financial statements give the information required by the Companies Act, 2013 ("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) Rule, 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, 2019, its profit and total comprehensive income, the changes in equity and its cash flows for the year ended on that date.

Basis for Opinion

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



Information other than the Financial Statements and Auditor’s Report thereon

The Company’s Board of Directors is responsible for the other information. The other information comprises the information included in the Annual Report, but does not include the financial statements and our auditor’s report thereon.

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

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

Responsibilities of Management and Those Charged with Governance for the 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 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 the Accounting Standards (Ind AS) specified under Section 133 of the Act. This responsibility also includes maintenance of adequate accounting records in accordance with the provisions of the Act for safeguarding 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 misstatements, whether due to fraud or error.

In preparing the 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.

Those Board of Directors are also responsible for overseeing the company’s financial reporting process.



Auditor's Responsibilities for the Audit of the Financial Statements

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

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

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



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

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

Report on Other Legal and Regulatory Requirements

1. As required by the Companies (Auditor's Report) Order, 2016 (the Order) issued by the Central Government of India in terms of section 143(11) of the Act, we give in Annexure – I, 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, based on our audit 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, Statement of Changes in Equity and the Cash Flow Statement dealt with by this Report are in agreement with the books of account;
 - d. in our opinion, the aforesaid financial statements comply with the Accounting Standards specified under section 133 of the Act, read with the Companies (Indian Accounting Standards) Rule, 2015, as amended.
 - e. on the basis of written representations received from the Directors as on 31st March, 2019 and taken on record by the Board of Directors, none of the Directors is disqualified as on 31st March, 2019 from being appointed as a Director in terms of Section 164(2) of the Act;
 - f. With respect to the adequacy of internal financial controls over financial reporting of the Company and the operating effectiveness of such controls, refer to our separate Report in "Annexure II".
 - g. 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 by the Company to its directors during the year is in accordance with the provisions of section 197 of the Act.



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

i) The Company does not have any pending litigations which would impact its financial position.

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

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



For **GKSS & ASSOCIATES**
Chartered Accountants
Firm Registration No. 329049E

(Somnath Bhattacharya)
Partner
Membership No. 051455

Place: Kolkata,
Date: 15th May, 2019

ANNEXURE – I TO THE INDEPENDENT AUDITORS' REPORT

(Referred to in Paragraph 1 under the heading “ Report on Other Legal and Regulatory Requirements” section of our Report of even date to the members of Bharatpur Electricity Services Limited on the financial statements as of and for the yearended 31stMarch, 2019)

1. In respect of the Company's fixed assets:
 - a. The Company has maintained proper records showing full particulars, including quantitative details and situation of fixed assets.
 - b. The fixed assets of the Company were physically verified during the year and no material discrepancies were noticed on such verification. In our opinion, this periodicity of physical verification is reasonable having regard to the size of the Company and the nature of its assets.
 - c. Since the Company does not hold any immovable property which requires title deeds, the clause 3(i)(c) of the Order is not applicable to the Company.
2. The management of the Company has physically verified its inventory during the year. In our opinion the frequency of verification is reasonable and no material discrepancies were noticed by the management on such verification.
3. The company has not granted any loans, secured or unsecured to companies, firms, Limited Liability Partnership or other parties covered in the register maintained under section 189 of the Act. Therefore, the provisions of Clause 3(iii)(a), 3(iii)(b) and 3(iii)(c) of the said Order are not applicable to the company.
4. In respect of loans, investments, guarantees, and security provided by the Company, provisions of section 185 and 186 of the Act have been complied with.
5. The Company has not accepted any deposit from public and, therefore, the directives issued by the Reserve Bank of India and the provisions of Section 73 to 76 or any other relevant provisions of the Act and the rules framed there under are not applicable.
6. Pursuant to the rules made by the Central Government of India, the Company is required to maintain cost records as specified under sub-section (1) of section 148 of the Act. We have broadly reviewed the same, and are of the opinion that, prima facie, the prescribed accounts and records have been made and maintained by the Company.
7. (a) According to the records of the Company, the Company is regular in depositing the undisputed statutory dues like Provident Fund, Income Tax, GST, Service Tax, Cess and other statutory dues with the appropriate authorities during the year.

(b) According to the information and explanation given to us and the records of the Company examined by us, there are no dues of income-tax, Sales Tax, Service Tax, duty of Customs, duty of Excise and Value added tax which have not been deposited on account of any dispute.



8. According to the information and explanations given to us and the records of the Company examined by us, the Company has not defaulted in repayment of loans or borrowing to the financial institution, bank, Government or dues to the debenture holders.
9. In our opinion, and according to the information and explanations given to us, the Company has not raised any money by way of initial public offer or further public offer (including debt instruments) during the year. The Company has not raised moneys through term loans during the year.
10. During the course of our examination of the books and records of the Company, carried out in accordance with the generally accepted auditing practices in India and according to the information and explanations given to us, we have neither come across nor we have been informed by the management any instance of fraud by the Company nor any fraud on the Company by its officers or employees.
11. According to the information and explanations given to us and based on our examination of the records, the Company has paid/ provided for managerial remuneration in accordance with the requisite approvals mandated by the provisions of section 197 read with Schedule V to the Act.
12. In our opinion and according to the information and explanations given to us, the Company is not a nidhi company. Accordingly, paragraph 3(xii) of the Order is not applicable.
13. According to the information and explanations given to us and based on our examination of the records of the Company, transactions with the related parties are in compliance with sections 177 and 188 of the Act where applicable and details of such transactions have been disclosed in the financial statements as required by the applicable accounting standards.
14. According to the information and explanations given to us and based on our examination of the records of the Company, the Company has not made any preferential allotment or private placement of shares or fully or partly convertible debentures during the year.
15. According to the information and explanations given to us and the records of the Company examined by us, the Company has not entered into any non-cash transactions with the directors or persons connected with them.



16. According to the information and explanations given to us and the records of the Company examined by us, the Company is not required to be registered under section 45-IA of the Reserve Bank of India Act, 1934. .



Place: Kolkata,
Date: 15th May, 2019.

For GKSS & ASSOCIATES
Chartered Accountants
Firm Registration No. 329049E

A handwritten signature in black ink, appearing to read "S. Bhattacharya".

(Somnath Bhattacharya)
Partner
Membership No. 051455

ANNEXURE –II TO THE INDEPENDENT AUDITOR’S REPORT

(Referred to in Paragraph 2(f) under the heading “Report on Other Legal and Regulatory Requirements” section of **our Report of even date to the members of Bharatpur Electricity Services Limited on the financial statements as of and for the yearended 31st March, 2019**)

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

We have audited the internal financial controls over financial reporting of **Bharatpur Electricity Services Limited** (“the Company”) as of 31 March 2019 in conjunction with our audit of the financial statements of the Company for the year ended on that date.

Management’s Responsibility for Internal Financial Controls

The Board of Directors of the Company is responsible for establishing and maintaining internal financial controls based on the internal control over financial reporting criteria established by the Company considering the essential components of internal control stated in the Guidance Note on Audit of Internal Financial Controls Over Financial Reporting issued by the Institute of Chartered Accountants of India (‘ICAI’). These responsibilities include the design, implementation and maintenance of adequate internal financial controls that were operating effectively for ensuring the orderly and efficient conduct of its business, including adherence to company’s policies, the safeguarding of its assets, the prevention and detection of frauds and errors, the accuracy and completeness of the accounting records, and the timely preparation of reliable financial information, as required under the Companies Act, 2013.

Auditors’ Responsibility

Our responsibility is to express an opinion on the Company's internal financial controls over financial reporting based on our audit. We conducted our audit in accordance with the Guidance Note on Audit of Internal Financial Controls over Financial Reporting (the “Guidance Note”) and the Standards on Auditing, issued by ICAI and deemed to be prescribed under section 143(10) of the Companies Act, 2013, to the extent applicable to an audit of internal financial controls, both applicable to an audit of Internal Financial Controls and, both issued by the Institute of Chartered Accountants of India. Those Standards and the Guidance Note require that we comply with ethical requirements and plan and perform the audit to obtain reasonable assurance about whether adequate internal financial controls over financial reporting was established and maintained and if such controls operated effectively in all material respects.

Our audit involves performing procedures to obtain audit evidence about the adequacy of the internal financial controls system over financial reporting and their operating effectiveness. Our audit of internal financial controls over financial reporting included obtaining an understanding of internal financial controls over financial reporting, assessing the risk that a material weakness exists, and testing and evaluating the design and operating effectiveness of internal control based on the assessed risk. The procedures selected depend on the auditor’s judgment, including the assessment of the risks of material misstatement of the Ind AS financial statements, whether due to fraud or error.



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

Meaning of Internal Financial Controls Over Financial Reporting

A company's internal financial control over financial reporting is a process designed to provide reasonable assurance regarding the reliability of financial reporting and the preparation of financial statements for external purposes in accordance with generally accepted accounting principles. A company's internal financial control over financial reporting includes those policies and procedures that (1) pertain to the maintenance of records that, in reasonable detail, accurately and fairly reflect the transactions and dispositions of the assets of the company; (2) provide reasonable assurance that transactions are recorded as necessary to permit preparation of financial statements in accordance with generally accepted accounting principles, and that receipts and expenditures of the company are being made only in accordance with 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 Over Financial Reporting

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

Opinion

In our opinion, to the best of our information and according to the explanations given to us, the Company has, in all material respects, an adequate internal financial controls system over financial reporting and such internal financial controls over financial reporting were operating effectively as at 31 March 2019, based on the internal control over financial reporting criteria established by the Company considering the essential components of internal control stated in the Guidance Note on Audit of Internal Financial Controls Over Financial Reporting issued by the Institute of Chartered Accountants of India.

Place: Kolkata,
Date: 15th May, 2019



For GKSS & ASSOCIATES
Chartered Accountants
Firm Registration No. 329049E

← (Somnath Bhattacharya)
Partner
Membership No. 051455

BHARATPUR ELECTRICITY SERVICES LIMITED

Balance Sheet as at 31st March, 2019

Particulars	Note No.	₹ In lakh	
		As at 31st March, 2019	As at 31st March, 2018
ASSETS			
Non-current Assets			
Property, Plant and Equipment	4	2,580.03	1,732.22
Capital work-in-progress		601.15	36.72
Intangible Assets	5	1.36	3.00
Financial Assets			
Loans	6	0.15	1.09
Other Non-current Assets	7	98.19	134.32
	(A)	<u>3,289.67</u>	<u>2,107.11</u>
Current Assets			
Inventories	8	171.28	141.17
Financial Assets			
Trade receivables	9	2,393.74	3,240.80
Cash and cash equivalents	10	163.89	818.33
Bank balances other than Cash and cash equivalents	11	2,507.71	2,508.14
Others	12	1.37	1.73
Other current Assets	13	170.85	213.72
	(B)	<u>5,408.60</u>	<u>7,000.89</u>
TOTAL ASSETS	(A+B)	<u><u>8,698.27</u></u>	<u><u>9,108.10</u></u>
EQUITY AND LIABILITIES			
Equity			
Equity Share capital	14	2,000.00	2,000.00
Other Equity	15	-720.51	-875.64
	(C)	<u>1,284.49</u>	<u>1,129.36</u>
Liabilities			
Non-current Liabilities			
Financial Liabilities			
Other Financial Liabilities	16	7.26	4.10
Provisions	17	35.29	24.77
Deferred Tax Liabilities (Net)	18	-	-
Other non-current Liabilities	18	35.43	149.51
	(D)	<u>89.93</u>	<u>178.47</u>
Current Liabilities			
Financial Liabilities			
Borrowings	19	3,084.80	2,950.07
Trade Payables	20		
(a) Total outstanding dues to Micro Enterprise & Small Enterprises		49.48	51.09
(b) Total outstanding dues to Creditors other than Micro Enterprise & Small Enterprises		3,616.39	4,434.19
Other Financial Liabilities	21	282.25	510.55
Other current Liabilities	22	375.13	488.58
Provisions	23	0.22	0.19
	(E)	<u>7,338.25</u>	<u>7,800.27</u>
TOTAL EQUITY & LIABILITIES	(C+D+E)	<u><u>8,698.27</u></u>	<u><u>9,108.10</u></u>

Notes form part of Financial Statements

I - 38

This is the Balance Sheet referred to in our Report of even date.

For GKSS & Associates
Chartered Accountants
Firm Registration Number - 329040E

Somnath Bhattacharya
Partner
Membership No.: US1485
Kolkata, 15 May, 2019



For and on behalf of Board of Directors

Chandrashekhar Singh
Managing Director

Ramkrishna Banerjee
Director

CFO *A. Jeyaraj*

BHARATPUR ELECTRICITY SERVICES LIMITED

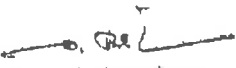
Statement of Profit and Loss for the year ended 31st March, 2019

₹ in lakh

Particulars	Note No.	2018-19	2017-18
Revenue from operations	25	17,479.43	16,947.97
Other income	26	17.84	188.49
Total Income		17,497.27	17,136.46
Expenses			
Cost of electrical energy purchased	27	15,378.16	15,375.90
Employee benefit expenses	28	423.87	479.84
Finance costs		308.25	290.03
Depreciation and amortisation expenses		120.14	28.09
Other expenses	29	1,040.09	1,863.70
Total expenses		17,300.81	17,541.26
Profit / (Loss) before tax		196.46	(404.80)
Tax expense			
Current tax		(10.73)	-
Profit / (Loss) after tax		185.73	(404.80)
Other comprehensive income <i>Items that will not be reclassified to profit or loss</i>			
Remeasurement of defined benefit plan		(0.76)	(7.59)
Income tax on above		0.16	-
Total comprehensive income/(loss) for the year		185.13	(412.39)
Earnings per equity share	35		
Basic & Diluted (Face value of ₹ 10 per share)	(₹)	0.78	(3.84)
Notes forming part of Financial Statements	1-38		

This is the Statement of Profit and Loss referred to in our Report of even date.

For GKSS & Associates
Chartered Accountants
Firm Registration Number - 329049E


Somnath Bhattacharya
Partner
Membership No.: 091459
Kolkata, 15th May, 2019

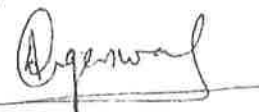


For and on behalf of Board of Directors


Managing Director


Director

CFO



Statement of changes in equity for the year ended 31st March, 2019

A Equity Share Capital

Particulars	Balance at the beginning of the reporting period	Changes in equity share capital during the year	₹ In lakh
			Balance at the end of the reporting period
As at 31 Mar 2018	5.00	2,000.00	2,005.00
As at 31 Mar 2019	2,005.00	-	2,005.00

B Other Equity

Particulars	Share application money pending allotment	Reserves and Surplus	Total
		Retained Earnings	
Balance as at 1 April, 2017	2,000.00	(465.25)	1,538.75
Loss for the year	-	(404.80)	(404.80)
Other Comprehensive expense for the year	-	(7.59)	(7.59)
Total Comprehensive Income for the year	2,000.00	(875.64)	1,124.36
Adjustments			
Share Allotment	(2,000.00)	-	(2,000.00)
Balance as at 31 March, 2018	-	(875.64)	(875.64)

Particulars	Share application money pending allotment	Reserves and Surplus	Total
		Retained Earnings	
Balance as at 1 April, 2018	-	(875.64)	(875.64)
Profit for the year	-	155.73	155.73
Other Comprehensive expense for the year	-	(0.80)	(0.60)
Total Comprehensive Income for the year	-	(720.51)	(720.51)
Adjustments			
Balance as at 31 March, 2019	-	(720.51)	(720.51)

This is the Statement of Changes in Equity referred to in our Report of even date.

For GK&S & Associates
Chartered Accountants
Firm Registration Number - 329049E

Sornath Bhattacharya
Partner
Membership No.: 051455
Kolkata, 15 May, 2019



For and on behalf of Board of Directors

[Signature]
Managing Director

CFO

[Signature]
Director

Director

BHARATPUR ELECTRICITY SERVICES LIMITED

CASH FLOW STATEMENT FOR THE YEAR ENDED 31ST MARCH 2019

Particulars	₹ in lakh	
	2018-19	2017-18
A. Cash flow from Operating Activities		
Profit before Taxation	108.46	(404.00)
Adjustments for:		
Depreciation and amortisation expenses	120.14	78.09
Gain on sale of current investments (net)	(0.52)	(18.10)
Finance costs	330.25	290.93
Operating Profit before Working Capital changes	654.33	(100.14)
Adjustments for:		
Trade & other receivables	1,174.68	(3,181.12)
Inventories	(30.11)	(70.18)
Trade and other payables	(1,317.66)	2,551.53
Cash generated from Operations	466.24	(787.91)
Income Tax paid	406.24	(787.91)
Net cash flow from Operating Activities		
B. Cash flow from Investing Activities		
Purchase of Property, Plant and Equipment / Capital Work-in-Progress	(2,530.72)	(700.00)
Sale/purchase of Current Investments (net)	0.52	718.37
Net cash used in Investing Activities	(2,530.20)	7.37
C. Cash flow from Financing Activities		
Net Increase / (decrease) in Short Term Borrowings	484.73	(60.85)
Receipt from customers for Capital Jobs, Motor Security deposits	218.00	110.82
Finance Costs paid	(338.23)	(290.93)
Net Cash flow from Financing Activities	302.48	(232.36)
Net Increase / (decrease) in cash and cash equivalents	168.48	(1,017.70)
Cash and Cash equivalents - Opening Balance	045.33	1,858.03
Cash and Cash equivalents - Closing Balance	103.85	048.33

Changes in Liabilities arising from financing activities

Particulars	01-Apr-18	Cash Flows	Other	31-Mar-19
Current borrowings	2,550.07	484.73	-	3,034.80
Non-Current borrowings (Including Current Maturities)				
Total liabilities from financing activities	2,550.07	484.73	-	3,034.80

This is the Cash Flow Statement referred to in our Report of even date.

For GKSS & Associates
Chartered Accountants
Firm Registration Number - 320040E
Sourinath Bhattacharya
Partner
Membership No.: 051455
Kolkata, 15 May, 2019



For and on behalf of Board of Directors

(Signature)
Managing Director

(Signature)
Director

GFO *(Signature)*

Assets that are held for collection of contractual cash flows where those cash flows represent solely payments of principal and interest are measured at amortised cost. After initial measurement, such financial assets are subsequently measured at amortised cost using the effective interest rate method. The losses arising from impairment are recognised in the profit or loss.

Financial instruments measured at fair value through profit and loss

Financial instruments included within fair value through profit and loss category are measured initially as well as at each reporting period at fair value plus transaction costs as applicable. Fair value movements are recorded in statement of profit and loss.

Impairment of financial assets

The Company assesses on a forward looking basis the expected credit losses associated with its assets carried at amortised cost. The impairment methodology applied depends on whether there has been a significant increase in credit risk. (Refer Note 31)

For trade receivables the simplified approach of expected lifetime losses has been recognised from initial recognition of the receivables as required by Ind AS 109 Financial Instruments.

(e) Investments

Investments in mutual funds are measured at fair value through profit and loss.

(f) Lease

As a lessee, lease payments under operating leases are recognised as an expense on straight line basis in the statement of profit and loss over the lease term except where the lease payments are structured to increase in line with expected general inflation.

(g) Inventories

Inventories are valued at lower of cost and net realizable value. Cost is calculated on weighted average basis and comprises expenditure incurred in the normal course of business in bringing such inventories to their location and condition. Obsolete, slow moving and defective inventories are identified at the time of physical verification of inventories and where necessary, adjustment is made for such items.

(h) Cash and cash equivalents

Cash and cash equivalents in the balance sheet comprise cash at banks and on hand and term deposits. For the purpose of presentation in the Statement of Cash Flows, cash and cash equivalent includes cash, cheques and draft on hand, balances with banks which are unrestricted for withdrawal/usages and highly liquid financial investments that are readily convertible to known amount of cash which are subject to an insignificant risk of changes in value. Bank overdraft are shown within borrowing in current liabilities in the balance sheet.

(i) Financial liabilities

Financial liabilities are measured at amortised cost using the effective interest method.

(j) Segment reporting

Operating segments are reported in a manner consistent with the internal reporting provided to the Chief Operating Decision Maker (CODM).

(k) Revenue from Operations

Revenue from Operations include earning from sale of electricity and other operating income and is recognised following the revenue recognition principles as appropriate.

Earning from sale of electricity is net of discount for prompt payment of bills and do not include taxes and duties payable.

Other operating income represents income earned which are incidental to distribution of electricity, like meter rental etc., and are accounted on accrual basis.

The contribution received from consumers in accordance with the Regulations which is being used for property, plant & equipment in order to connect the consumers to power distribution network are recognised as revenue when the service is performed.

(l) Other Income

Income from investments and deposits etc. is accounted for on accrual basis inclusive of related tax deducted at source, where applicable. Interest income arising from financial assets is accounted for using amortised cost method.

Late payment surcharge, as a general practice is determined and recognised on a receipt of overdue payment from consumers.



(m) **Purchase of Electrical Energy**

Cost of electrical energy purchased represents power purchased from JVVNL by the Company computed as per the methodology provided in the DFA. Such cost is net of incentive for prompt payment of bills.

(n) **Employee Benefits**

Employee benefits include cost incurred on human resources deployed by the Company through direct employment, deputation from JVVNL, secondment. The salaries and wages, contributions to Provident Fund and Contributory Pension Fund are accounted for on accrual basis. Provident Fund contributions are made to a fund administered through the office of the Regional Provident Fund Commissioner. The Company, as per its schemes, extend employee benefits current and/or post retirement, which are accounted for on accrual basis and includes actuarial valuation as at the Balance Sheet date in respect of gratuity and leave encashment to the extent applicable, made by independent actuary. Actuarial gain and losses are recognised in Other Comprehensive Income/ Profit and Loss account as the case may be.

(o) **Finance Costs**

Finance Costs comprise interest expenses and other borrowing costs. Such Finance Costs is charged off to revenue. Interest expense arising from financial liabilities is accounted for in effective interest rate method.

(p) **Taxes**

Current tax represents the amount payable based on computation of tax as per prevailing taxation laws under the Income Tax Act, 1961.

Provision for deferred taxation is made using liability method on temporary difference arising between the tax bases of assets and liabilities and their carrying amounts in the financial statements using tax rates (and laws) that have been enacted or substantially enacted by the end of the reporting period and are expected to apply when the related deferred tax asset is realised or the deferred tax liability is settled. Deferred Tax Assets are recognized subject to the consideration of prudence and are periodically reviewed to reassess realization thereof. Deferred Tax Liability or Asset will give rise to actual tax payable or recoverable at the time of reversal thereof.

Current and Deferred tax relating to items recognised outside profit or loss, that is either in other comprehensive income (OCI) or in equity, is recognised along with the related items

(q) **Provisions and contingent liabilities**

Provisions are recognised when the Company has a present obligation as a result of a past event, it is probable that an outflow of resources embodying economic benefits will be required to settle the obligation and a reliable estimate can be made of the amount of the obligation.

A disclosure for contingent liabilities is made when there is a possible obligation arising from past events, the existence of which 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 or a present obligation that arises from past events where it is either not probable that an outflow of resources embodying economic benefits will be required to settle or a reliable estimate of the amount cannot be made.

NOTE-4A SUMMARY OF SIGNIFICANT JUDGEMENTS AND ASSUMPTIONS

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

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.

The areas involving critical estimates or judgements are :-

Estimated useful life of Intangible Assets -Note -3A (c) (ii)

Estimates used in Actuarial Valuation of Employee benefits -Note- 29B

NOTE-4B NEW STANDARDS THAT ARE NOT YET EFFECTIVE

1 INDAS 116 – Leases

Ind AS 116 Leases was notified in March 2019 and it replaces Ind AS 17 Leases. Ind AS 116 is effective for annual periods beginning on or after 1 April 2019. It sets out the principles for the recognition, measurement, presentation and disclosure of leases and requires lessees to account for all leases under a single on-balance sheet model similar to the accounting for finance leases under Ind AS 17. Lessor accounting under Ind AS 116 is substantially unchanged from today's accounting under Ind AS 17. Ind AS 116 requires lessees and lessors to make more extensive disclosures than under Ind AS 17. The Company is in the process of evaluating the requirements of the standard and its impact on its financial statements.

2 Changes in Accounting Policy

Ind AS 115 was issued on March 28, 2018 and supercedes Ind AS 11 "Construction Contracts" and Ind AS 18 "Revenue" and it applied, with limited exception, to all revenue arising from contract with customers. The Company has adopted Ind AS 115 using the modified retrospective method of adoption with the initial application date of April 1, 2018. However, the application of standard does not have any impact on the recognition and measurement of revenue and related items.

Several other amendments and interpretations apply for the first time in March 2019, but do not have an impact on the financial statements of the Company. The Company has not early adopted any standards or amendments that have been issued but are not yet effective.



NOTE - 4 PROPERTY, PLANT AND EQUIPMENT

PARTICULARS	GROSS BLOCK AT COST				DEPRECIATION			NET BLOCK	
	As at 1st April 2018	Additions/ Adjustments	Withdrawals/ Adjustments	As at 31st March, 2019	As at 1st April 2018	Additions/ Adjustments	Withdrawals/ Adjustments	As at 31st March, 2019	As at 31st March, 2018
Buildings & Structures	99.40			99.40	2.16	2.53		94.71	97.24
Plant and Equipment	156.02	12.97		168.99	3.00	8.63		157.36	153.02
Distribution System	1,059.29	828.94		1,888.23	16.40	77.59		1,794.24	1,042.89
Meters and Other Apparatus on Consumers' Premises	354.53	120.93		475.46	6.27	21.86		447.33	348.26
Furniture and Fixtures	56.04	0.74		56.78	1.48	3.57		51.73	54.56
Office Equipment	37.59	2.72		40.31	1.34	4.31		34.66	36.25
Total	1,762.87	966.30	-	2,729.17	30.65	118.49	-	2,580.03	1,732.22
Previous year	607.46	1,155.41		1,762.87	2.36	28.29		1,732.22	

NOTE - 5 INTANGIBLE ASSETS

PARTICULARS	GROSS BLOCK AT COST			AMORTISATION			NET BLOCK		
	As at 1st April 2018	Additions/ Adjustments	Withdrawals/ Adjustments	As at 1st April 2018	Additions/ Adjustments	Withdrawals/ Adjustments	As at 31st March, 2019	As at 31st March, 2018	
Computer Software	5.40			5.40	2.40	1.65	4.05	1.35	3.00
Total	5.40	-	-	5.40	2.40	1.65	4.05	1.35	3.00
Previous year	5.40			5.40	1.80	0.60	2.40	3.00	



NOTE - 6		NON CURRENT - LOANS		₹ In lakh
Particulars	As at 31st March,2019	As at 31st March,2018		
Considered Good - Unsecured Security deposit for rented premises	3.15	1.05		
	3.15	1.05		

NOTE - 7		OTHER NON CURRENT ASSETS		₹ In lakh
Particulars	As at 31st March,2019	As at 31st March,2018		
Capital Advance	0.08	3.32		
Others	98.11	330.80		
	98.19	334.12		

NOTE - 8		INVENTORIES		₹ In lakh
Particulars	As at 31st March,2019	As at 31st March,2018		
Stores and spares	171.28	141.17		
	171.28	141.17		

NOTE - 9		TRADE RECEIVABLES		₹ in lakh
Particulars	As at 31st March,2019	As at 31st March,2018		
Considered Good - Unsecured	2,333.74	3,240.90		
	2,333.74	3,240.90		

Refer note on Credit Risk [Note no 32 (i)]



NOTE- 10 CASH AND CASH EQUIVALENTS

		₹ in lakh	
Particulars	As at 31st March,2019	As at 31st March,2018	
a) Balances with banks			
- In current accounts	141.50	445.13	
- deposits with original maturity upto 3 months	-	400.00	
b) Cheques , drafts on hand	8.31	-	
c) Cash on hand	14.04	0.20	
	163.85	845.33	

NOTE-11 BANK BALANCES OTHER THAN CASH AND CASH EQUIVALENTS

		₹ In lakh	
Particulars	As at 31st March,2019	As at 31st March,2018	
Balance in Escrow Account	2,567.71	2,558.14	
	2,567.71	2,558.14	

(As security for payment of the Secured Obligations in accordance with the DFA, the Company, in the capacity of Distribution Franchisee as the legal and/or beneficial owner of the secured Amounts has hypothecated by way of first ranking charge of the aforesaid Escrow Account in favour of JVVNL.)

NOTE- 12 OTHER FINANCIAL ASSETS

		₹ in lakh	
Particulars	As at 31st March,2019	As at 31st March,2018	
Unsecured, considered good			
Advance to Employees	1.37	1.73	
	1.37	1.73	

NOTE- 13 OTHER CURRENT ASSETS

		₹ in lakh	
Particulars	As at 31st March,2019	As at 31st March,2018	
Receivable from related party	-	42.00	
Others	170.85	171.72	
	170.85	213.72	



NOTE 14 EQUITY

₹ In lakh

Particulars	₹ In lakh	
	As at 31st March, 2019	As at 31st March, 2018
a) Authorised Share Capital 5,00,00,000 Equity Shares of ₹10 each	5,000.00	5,000.00
b) Issued, Subscribed and paid up Capital 20050000 (31.03.2018 : 200550000) fully paid up Equity Shares of ₹ 10/- each	2,005.00	2,005.00
c) Reconciliation of the shares outstanding at the beginning and at the end of the reporting period		

Particulars	As at 31st March, 2019		As at 31st March, 2018	
	No. of shares	Amount ₹ lakh	No. of shares	Amount ₹ lakh
Balance at the beginning of the year	20050000	2,005.00	50000	5.00
Add : Share issued and allotted during the year	-	-	20000000	2,000.00
Closing Balance	20050000	2,005.00	20050000	2,005.00

d) Terms /rights attached to equity shares :

The Company has only one class of equity shares having a par value of ₹ 10 per share fully paid up. Holders of equity shares are entitled to one vote per share. In the event of liquidation of the Company, the holders of equity shares will be entitled to receive the sale proceeds from remaining assets of the Company after distribution of all preferential amounts. The distribution will be in proportion to the number of equity shares held by the shareholders.

e) Details of shareholders holding more than 5% shares in the Company and shares held by holding co.

Name of shareholder	As at 31st March, 2019		As at 31st March, 2018	
	No. of shares	% of holding	No. of shares	% of holding
CESC Limited alongwith nominees (Holding Company)	20050000	100	20050000	100



NOTE -15	OTHER EQUITY	₹ In lakh	
	Particulars	As at 31st March,2019	As at 31st March,2018
	Retained Earnings		
	Surplus/(Deficit) at the beginning of the year	(875.64)	(463.25)
	Add : Profit/ (Loss) for the year	155.13	(412.39)
		(720.51)	
		(720.51)	(875.64)

NOTE -16	NON CURRENT - OTHER FINANCIAL LIABILITIES	₹ In lakh	
	Particulars	As at 31st March,2019	As at 31st March,2018
	Meter Security Deposit	7.26	4.19
		7.26	4.19

NOTE -17	NON CURRENT - PROVISIONS	₹ In lakh	
	Particulars	As at 31st March,2019	As at 31st March,2018
	Provision for employee benefits	31.24	24.77
		31.24	24.77

NOTE -18	OTHER NON CURRENT LIABILITIES	₹ In lakh	
	Particulars	As at 31st March,2019	As at 31st March,2018
	Receipt from consumers for capital jobs	31.43	149.51
		31.43	149.51



NOTE 19		CURRENT - BORROWINGS		₹ In lakh
Particulars		As at 31st March, 2019	As at 31st March, 2018	
Secured				
Overdraft from banks (Repayable on demand)		3,034.80	2,550.07	
		3,034.80	2,550.07	

Overdraft facilities from banks are secured, ranking pari passu inter se, by hypothecation of the Company's current assets, as a second charge

NOTE - 20		TRADE PAYABLES		₹ In lakh
Particulars		As at 31st March, 2019	As at 31st March, 2018	
Trade Payables				
(a) Total outstanding dues to Micro Enterprise & Small Enterprise		49.48	51.09	
(b) Total outstanding dues to Creditors other than Micro Enterprise & Small Enterprises		3,646.39	4,414.19	
		3,695.87	4,465.28	

There is no delay in payment to MSME parties dues, hence, no interest is paid/accrued to micro, small and medium enterprises

NOTE- 21		OTHER FINANCIAL LIABILITIES		₹ in lakh
Particulars		As at 31st March, 2019	As at 31st March, 2018	
Payable towards miscellaneous services to				
-Related parties		251.55	296.13	
Others		30.68	20.22	
		282.23	316.35	

NOTE- 22		OTHER CURRENT LIABILITIES		₹ In lakh
Particulars		As at 31st March, 2019	As at 31st March, 2018	
a)	Liability towards taxes, duties etc.	70.52	7.39	
b)	Others	254.61	460.99	
		325.13	468.38	



NOTE - 23 CURRENT PROVISIONS ₹ In lakh

Particulars	As at 31st March,2019	As at 31st March,2018
Provison for employee beneflts	0.22	0.19
Provison for Doubtful debts	-	-
	0.22	0.19

NOTE -24 CONTINGENT LIABILITIES AND COMMITMENTS

- a) Commitments of the Company on account of estimated amount of contracts remaining to be executed on capital account and not provided for ₹1591 lakh. (Previous year - ₹2969 lakh)

NOTE - 25 REVENUE FROM OPERATIONS ₹ In lakh

Particulars	2018-19	2017-18
a) Earnings from sale of electrlicity - Net of rebate ₹46.23 lakh (31.03.2018: ₹30.93 lakh)	16,995.36	16,661.40
b) Other Operatlng Revenue		
Meter Rent	100.08	97.94
Others (Refer Note 31)	383.99	188.63
	17,479.43	16,947.97

NOTE - 26 OTHER INCOME ₹ In lakh

Particulars	2018-19	2017-18
Interest income	3.43	10.26
Gain on sale of Current Investment(net)	0.52	15.16
Miscellaneous income	13.89	163.07
	17.84	188.49

NOTE - 27 COST OF ELECTRICAL ENERGY PURCHASED ₹ In lakh

Particulars	2018-19	2017-18
Cost of electrical energy purchased	15,378.46	15,375.90
	15,378.46	15,375.90

[Cost of electrical energy purchased is computed as per terms of DFA based on provisional Average Billing Rate(ABR) which may necessitate adjustments on finalisation.]



NOTE - 28
A

EMPLOYEE BENEFIT EXPENSES

₹ in lakh

Particulars	2018-19	2017-18
a) Salaries, wages and bonus	401.19	470.40
b) Contribution to provident and other funds	12.21	4.66
c) Employees' welfare expenses	10.47	4.78
	423.87	479.84

B Employee Benefits

The Company makes contributions for provident fund and pension towards retirement benefit plans for eligible employees. Under the said plans, the Company is required to contribute a specified percentage of the employees' salaries to fund the benefits. Liabilities at the year-end for gratuity and leave encashment have been determined on the basis of actuarial valuation carried out by an independent actuary, based on the method prescribed in Ind AS 19 - "Employee Benefits" of the Companies (Indian Accounting Standards) Rules 2018

Net Liability / (Asset) recognized in the Balance Sheet:

	₹ in lakh		₹ in lakh	
	As at 31st March, 2019		As at 31st March, 2018	
	Gratuity	Leave Encashment	Gratuity	Leave Encashment
Present value of funded obligation	18.18	13.29	14.08	10.87
Fair Value of Plan Assets	-	-	-	-
	18.18	13.29	14.08	10.87
Present value of un-funded obligation	-	-	-	-
Unrecognised past service cost	-	-	-	-
Net Liability/(Asset)	18.18	13.29	14.08	10.87

Expenditure shown in the Note to Statement of Profit and Loss as follows:

	₹ in lakh		₹ in lakh	
	For the year ended 31st March, 2019		For the year ended 31st March, 2018	
	Gratuity	Leave Encashment	Gratuity	Leave Encashment
Current Service Cost	2.25	0.92	1.66	2.13
Interest Cost	1.09	0.84	0.55	0.37
Actuarial loss/(gain)	-	0.66	-	-
Total	3.34	2.42	2.21	2.50

Other Comprehensive Income

	₹ in lakh		₹ in lakh	
	For the year ended 31st March, 2019		For the year ended 31st March, 2018	
	Gratuity	Leave Encashment	Gratuity	Leave Encashment
Actuarial loss/(gain)	0.76	-	4.39	3.20
Total	0.76	-	4.39	3.20

Reconciliation of Opening and Closing Balances of the present value of obligations:

	₹ in lakh		₹ in lakh	
	For the year ended 31st March, 2019		For the year ended 31st March, 2018	
	Gratuity	Leave Encashment	Gratuity	Leave Encashment
Opening defined benefit obligation	14.08	10.87	7.48	5.16
Current Service Cost	2.25	0.92	1.66	2.13
Past Service Cost	-	0.84	-	0.38
Interest Cost	1.09	-	0.55	-
Actuarial loss/(gain)	0.76	0.66	4.39	3.20
Closing Defined Benefit Obligation	18.18	13.29	14.08	10.87

	₹ in lakh		₹ in lakh	
	For the year ended 31st March, 2019		For the year ended 31st March, 2018	
	Gratuity	Leave Encashment	Gratuity	Leave Encashment
Movements in net liability/(asset):				
Opening balance - Net liability/(asset)	14.08	10.87	7.48	5.16
Mov. in inc/(decrease) in scope of consolidation	-	-	-	-
Mov. in benefits paid	-	-	-	-
Mov. in curtailments and settlements	-	-	-	-
Mov. in contributions by the employer	-	-	-	-
Expenses (income) recognized in income statement	3.34	2.42	2.21	2.51
Expense (income) recognized in OCI	0.76	-	4.39	3.20
Net liability/(assets) - Status	18.18	13.29	14.08	10.87

	₹ in lakh		₹ in lakh	
	For the year ended 31st March, 2019		For the year ended 31st March, 2018	
Sensitivity	Gratuity	Leave Encashment	Gratuity	Leave Encashment
DBO at 31.3 with discount rate +1%	15.89	11.50	12.25	9.37
Corresponding service cost	1.92	0.74	1.43	1.81
DBO at 31.3 with discount rate -1%	20.87	15.42	16.25	12.65
Corresponding service cost	2.65	1.14	1.95	2.53



DBO at 31.3 with +1% salary escalation	20.91	15.45	16.29	12.69
Corresponding service cost	2.65	1.14	1.96	2.53
DBO at 31.3 with -1% salary escalation	15.81	11.44	12.19	9.33
Corresponding service cost	1.90	0.74	1.42	1.80
DBO at 31.3 with +50% withdrawal rate	18.23	13.36	14.14	10.93
Corresponding service cost	2.25	0.93	1.67	2.15
DBO at 31.3 with -50% withdrawal rate	18.12	13.22	14.03	10.81
Corresponding service cost	2.24	0.90	1.66	2.12
DBO at 31.3 with +10% mortality rate	18.20	13.31	14.10	10.89
Corresponding service cost	2.25	0.92	1.67	2.14
DBO at 31.3 with -10% mortality rate	18.15	13.27	14.07	10.86

The above sensitivity analyses are based on a change in an assumption while holding all other assumptions constant. In practice, this is unlikely to occur, and changes in some of the assumptions may be correlated. When calculating the sensitivity of the defined benefit obligation to significant actuarial assumptions the same method (present value of the defined benefit obligation calculated with the projected unit credit method at the end of the reporting period) has been applied as when calculating the defined benefit liability recognised in the balance sheet.



	₹ in lakh		₹ in lakh	
	For the year ended 31st March, 2019		For the year ended 31st March, 2018	
Estimated Cash Flows (Undiscounted)	Gratuity	Leave Encashment	Gratuity	Leave Encashment
1st Year	0.13	0.10	0.10	0.09
2 to 5 Years	0.62	0.47	0.49	0.39
6 to 10 Years	1.26	0.87	0.95	0.70
More than 10 Years	55.99	44.69	45.61	37.69

	₹ in lakh		₹ in lakh	
	For the year ended 31st March, 2019		For the year ended 31st March, 2018	
Actuarial assumptions	Gratuity	Leave Encashment	Gratuity	Leave Encashment
Discount rate current year (%)	7.64	7.64	7.72	7.72
Expected rate for salary increases (%)	5.00	5.00	5.00	5.00
Pension trend (%)	0	0	0	0
Number of insured employees	27	27	16	16
Number of insured retired persons	0	0	0	0
Number of defined contribution plans	0	0	0	0
Number of defined benefit plans	1	1	1	1
thereof number of defined benefit funded	0	0	0	0
thereof number of defined benefit unfunded	1	1	1	1
Expected contributions to be paid for next year	0	0	0	0
Weighted average duration of the defined benefit plan (in years)	15.50	16.65	16.04	16.95

Mortality Rate

Mortality rates prior to retirement for the valuation as at 31 March 2019 were taken from the standard table – Indian Assured Lives Mortality (2006-08) ultimate. The same for the valuation as at 31 March 2018 were also taken from the same standard table – Indian Assured Lives Mortality (2006-08) ultimate.

Risks to which the plan exposes the entity i.e. the valuation results may go wrong:

Credit Risk: If the scheme is insured and fully funded on PUC basis there is a credit risk to the extent the insurer(s)/is/ are unable to discharge their obligations including failure to discharge in timely manner

Pay-as-you-go Risk: For unfunded schemes financial planning could be difficult as the benefits payable will directly affect the revenue and this could be widely fluctuating from year to year. Moreover there may be an opportunity cost of better investment returns affecting adversely the cost of the scheme.

Discount Rate risk: The Company is exposed to the risk of fall in discount rate. A fall in discount rate will eventually increase in the ultimate cost of providing the above benefit thereby increasing the value of the liability.

Liquidity Risk: This risk arises from the short term asset and liability cash-flow mismatch thereby causing the company being unable to pay the benefits as they fall due in the short term. Such a situation could be the result of holding large illiquid assets disregarding the results of cash-flow projections and cash outgo inflow mismatch. (Or it could be due to insufficient assets/cash.)

Future Salary Increase Risk: The Scheme cost is very sensitive to the assumed future salary escalation rates for all final salary defined benefit Schemes. If actual future salary escalations are higher than that assumed in the valuation actual Scheme cost and hence the value of the liability will be higher than that estimated.

Demographic Risk: In the valuation of the liability certain demographic (mortality and attrition rates) assumptions are made. The Company is exposed to this risk to the extent of actual experience eventually being worse compared to the assumptions thereby causing an increase in the scheme cost.

Regulatory Risk: Gratuity Benefit must comply with the requirements of the Payment of Gratuity Act, 1972 (as amended up-to-date). There is a risk of change in the regulations requiring higher gratuity payments (e.g. raising the present ceiling of Rs.20,00,000, raising accrual rate from 15/26 etc.)

The above is a set of risk exposures relating to Gratuity Scheme in general. It is strongly advised that the Company should carefully examine the above list and add more risks if appropriate while preparing its financial disclosure statements.



NOTE - 29	OTHER EXPENSES	₹ In lakh	
		2018-19	2017-18
a)	Consumption of stores and spares	32.48	8.07
b)	Repairs		
	Plant and Machinery	-	182.85
	Distribution System	386.70	634.22
	Others	2.44	1.18
		389.14	818.25
c)	Insurance	6.91	2.98
d)	Rent	20.22	19.61
e)	Rates and taxes	-	-
f)	Audit Fees - as statutory auditor	0.59	0.59
g)	Audit Fees - as tax auditor	0.24	
h)	Communication Expense	24.25	9.94
i)	Printing & stationery	4.97	2.62
j)	Travelling	14.13	19.31
k)	Car Hire	38.98	36.35
l)	Legal & other fees	1.92	1.18
m)	Advertisement	5.50	1.71
n)	Security	32.17	29.64
o)	Generator Hire charges	5.71	10.77
p)	Meter reading & collection expenses	140.40	224.69
q)	Miscellaneous expenses	322.48	179.99
		1,040.09	1,365.70



NOTE-30 Fair value measurements

- a) The carrying value and fair value of financial Instruments by categories as at March 31 2019 & March 31, 2018 is as follows:

	31-Mar-19			31-Mar-18		
	Amortized cost	FVTOCI	FVTPL	Amortized cost	FVTOCI	FVTPL
₹ in lakh						
Financial assets						
Investments	-	-	-	-	-	-
- Loans	-	-	-	-	-	-
Trade Receivables	2,333.74	-	-	3,240.90	-	-
Cash and cash equivalents	163.85	-	-	845.33	-	-
Other Bank balances	2,567.71	-	-	2,558.14	-	-
Security Deposit	3.15	-	-	1.05	-	-
Other Financial Assets	1.37	-	-	1.73	-	-
Total financial assets	5,069.82	-	-	6,647.15	-	-
Financial liabilities						
Borrowings	3,034.80	-	-	2,550.07	-	-
Trade Payables	3,695.87	-	-	4,465.28	-	-
Consumer Security Deposit	7.26	-	-	4.19	-	-
Others	282.23	-	-	316.35	-	-
Total financial liabilities	7,020.16	-	-	7,335.89	-	-

The different levels have been defined below:

Level 1: financial instruments measured using quoted price. The fair value of all equity Instruments which are traded in the stock exchanges is valued using the closing price.

Level 2: inputs other than quoted prices included within Level 1 that are observable for the asset or liability, either directly (i.e., as prices) or indirectly (i.e., derived from prices)

Level 3: inputs for the asset or liability that are not based on observable market data.

- b) The following methods and assumptions were used to estimate the fair values

i. The carrying amounts of trade receivables, trade payables, other bank balances, cash and cash equivalents, current borrowings are considered to be the same as their fair values, due to their short term nature.

ii. Security deposit on rented premises is based on discounted cash flows using a current borrowing rate.

iii. Fair value of financing Instruments which is determined on the basis of discounted cash flow analysis, considering the nature, risk profile and other

NOTE-31 For the year ended 31.03.2019, Other under Revenue from Operations include ₹ 331.00 lakh being contribution from consumers related to such capital jobs which are completed within 31.03.2019



NOTE- 32**Financial risk management**

The Company's activities expose it to credit risk, liquidity risk, capital risk and market risk (Including interest rate risk and currency risk). The Company's overall risk management strategy seeks to minimise adverse effects from the unpredictability of the financial markets on the Company's financial performance.

The Board of Directors is responsible for setting the objectives and underlying principles of financial risk management for the Company.

i) Credit risk

In order to manage credit risk arising from sale of electricity, multipronged approach is followed like precipitation of action against defaulting consumers, obtaining support of the administrative authority. The trade receivables are secured by the security deposits obtained and maintained by the Jaipur Vidyut Vitran Nigam Limited from consumers.

ii) Liquidity risk

The Company manages its liquidity risk on financial liabilities by maintaining healthy working capital and liquid fund position keeping in view the maturity profile of its borrowings and other liabilities as disclosed in the respective notes.

III) Market risk**a) Interest rate risk**

The Company is exposed to interest rate risk because it borrows fund at both fixed and floating interest rates. The risk is managed by the Company by maintaining an appropriate mix between fixed and floating rate borrowing

b) Currency risk

The Company has no foreign currency risk exposure.

NOTE- 33**Capital Management**

For the purposes of the Company's capital management, capital includes issued capital and all the other equity reserves. The primary objective of the Company's capital management is to maximize shareholder value. The Company manages its capital structure and makes adjustments in the light of changes in economic environment and the requirements of the financial covenants, if any.

The Company has not declared or paid any dividends during the year (Previous Year: Nil).



NOTE- 34

The major components of Deferred Tax Assets / (Liabilities) based on the timing difference as at 31st March, 2018 are as under :

Particulars	₹ In lakh	
	As at 31st March, 2019	As at 31st March, 2018
Liabilities		
Excess of tax depreciation over book depreciation	297.47	131.79
TOTAL	297.47	131.79
Assets		
Business loss and Unabsorbed depreciation	412.11	266.06
Others	29.61	20.42
TOTAL	441.72	286.48
Net Deferred Tax Assets (Liability)	144.25	154.69

Net Deferred Tax Assets of ₹ 144.25 lakh as above has not been recognised

Particulars	₹ In lakh	
	2018-19	2017-18
Income tax expense		
i) Income tax recognised In profit or loss		
Current tax expense	40.73	-
Deferred tax expense	-	-
ii) Income tax recognised In Other Comprehensive Income (OCI)		
Current tax expense	(0.16)	-
Deferred tax expense	-	-
Total Income Tax Expense	40.57	-

Reconciliation of tax expense and accounting profit

Particulars	₹ In lakh	
	2018-19	2017-18
Accounting profit before tax after Comprehensive Income	195.70	NA
Tax using the Company's domestic tax rate (Current year 27.82%)	54.44	NA
Income/expenses not considered for tax purpose including difference in depreciation	-127.42	NA
MAT & Other Adjustment Adjustments	113.55	NA
INCOME TAX EXPENSE	40.57	-

NOTE- 35

Earnings per share:

Particulars		₹ In lakh	
		2018-19	2017-18
Computation of Earnings per share			
Profit / (Loss) After Tax (₹ in lakh)	(A)	155.73	(412.39)
Weighted Average no. of shares	(B)	20050000	1,07,34,932
Basic and Diluted Earnings per share of ₹ 10/- (₹)	A/B	0.78	(3.84)



BHARATPUR

NOTE 36 RELATED PARTY TRANSACTIONS - DISCLOSURE

A Parent: under de facto control as defined in Ind AS -110
Rainbow Investments Limited

B Holding Company
CESC Limited

C. Entities under Common Control

Name	Relationship
Surya Vidyut Limited	Fellow Subsidiary
Malegaon Power Supply Limited (Formerly known as Nalanda Power Company Limited)	Fellow Subsidiary
CESC Projects Limited	Fellow Subsidiary
Banttal Singapore Pte. Limited	Fellow Subsidiary
Ranchi Power Distribution Company Limited	Fellow Subsidiary
Pachi Hydropower Projects Limited	Fellow Subsidiary
Papri Hydropower Projects Limited	Fellow Subsidiary
Crescent Power Limited (CPL)	Fellow Subsidiary
Bikaner Electricity Supply Limited (BKEESL)	Fellow Subsidiary
Kota Electricity Distribution Limited (KEDL)	Fellow Subsidiary
CESC Green Power Limited	Fellow Subsidiary
Jharkhand Electric Company Limited	Fellow Subsidiary
Jarong Hydro-Electric Power Company Limited	Fellow Subsidiary
Au Bon Pain Café India Limited	Fellow Subsidiary
Haldia Energy Limited (HEL)	Fellow Subsidiary
Dharwal Infrastructure Limited (DIL)	Fellow Subsidiary
Mahuagarhi Coal Company Private Limited	Joint Venture of Holding Company
Noida Power Company Limited	Associate
NPCL Solar Energy Pvt. Ltd	Associate

D Other Related Parties having transaction during the year

(i) Entities under common control

CESC ventures Limited

(ii) Key Management Personnel (KMP)

Name	Relationship
MR. A N SINGH	Managing Director

E. Details of transactions between the Company and related parties and status of outstanding balances

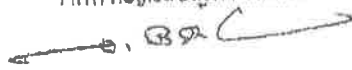
Name	Nature of Transaction	Amount of transaction (₹Lakh)		Outstanding Balance	
		2018-19	2017-18	31-Mar-19	31-Mar-18
Holding Company	Share application money received		2,000.00		
	Advance against Issue of Equity Share		7,840.00		
	Refund of advance		-2,840.00		
	Allotment of Equity share		-2,000.00		
	Expense recoverable/ (payable)	-118.45	-294.40	-108.42	-294.40
	Paid/adjusted during the year	294.40			
Entities under Common Control	Expense recoverable/ (payable)	-154.13	42.00	-143.13	42.00
	Paid during the year	-42.00			
	Advance payable	1.73	-1.73		-1.73
	Stock Transfer		7.95		7.95
Remuneration of Key Managerial Personnel	Short Term Employee Benefits	13.37	13.80		
	Retirement Benefits	-	-		



NOTE-37 The Company is engaged in distribution of electricity and does not operate in any other reportable segments. The reportable business segments are in line with the segment wise information which is being presented to the CODM. There are no reportable geographical segments, since all business is within India.

NOTE-38 The Company has reclassified previous year's figures to conform to this year's classification along with other regrouping / rearrangement wherever necessary.

For GKSS & Associates
Chartered Accountants
Firm Registration Number - 329049B



Somnath Bhattacharya
Partner
Membership No. 051455
Kolkata, 15 May, 2019



For and on behalf of Board of Directors


Managing Director


Director

CFO

