

INDEPENDENT AUDITOR'S REPORT

To the Members of **Malegaon Power Supply Limited** (formerly known as Nalanda Power Company Limited)

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

We have audited the accompanying Ind AS financial statements of **Malegaon Power Supply Limited** (formerly known as Nalanda Power Company Limited) ("the Company"), which comprise the Balance sheet as at March 31 2021, the Statement of Profit and Loss, including the statement of Other Comprehensive Income, the Cash Flow Statement and the Statement of Changes in Equity for the year then ended, and notes to the Ind AS 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 Ind AS financial statements give the information required by the Companies Act, 2013, as amended ("the Act") in the manner so required and give a true and fair view in conformity with the accounting principles generally accepted in India, of the state of affairs of the Company as at March 31, 2021, its loss including other comprehensive income, its cash flows and the changes in equity for the year ended on that date.

Basis for Opinion

We conducted our audit of the Ind AS financial statements in accordance with the Standards on Auditing (SAs), as 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 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 Ind AS financial statements.

Other Information

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 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 such 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.



Responsibility of Management 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, cash flows and

changes in equity of the Company in accordance with the accounting principles generally accepted in India, including the Indian Accounting Standards (Ind AS) specified under section 133 of the Act 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 the 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.

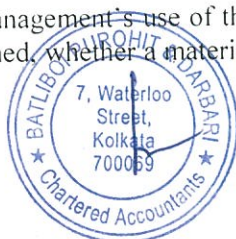
Those Board of Directors are also responsible for overseeing the Company's financial reporting process.

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 these Ind AS financial statements.

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

- Identify and assess the risks of material misstatement of the Ind AS financial statements, whether due to fraud or error, design and perform audit procedures responsive to those risks, and obtain audit evidence that is sufficient and appropriate to provide a basis for our opinion. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control.
- Obtain an understanding of internal control relevant to the audit in order to design audit procedures that are appropriate in the circumstances. Under section 143(3)(i) of the Act, we are also responsible for expressing our opinion on whether the Company has adequate internal financial controls with reference to financial statements in place and the operating effectiveness of such controls.
- Evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by management.
- Conclude on the appropriateness of management's use of the going concern basis of accounting and, based on the audit evidence obtained, whether a material uncertainty exists related to events



or conditions that may cast significant doubt on the Company's ability to continue as a going concern. If we conclude that a material uncertainty exists, we are required to draw attention in our auditor's report to the related disclosures in the financial statements or, if such disclosures are inadequate, to modify our opinion. Our conclusions are based on the audit evidence obtained up to the date of our auditor's report. However, future events or conditions may cause the Company to cease to continue as a going concern.

- Evaluate the overall presentation, structure and content of the Ind AS financial statements, including the disclosures, and whether the Ind AS financial statements represent the underlying transactions and events in a manner that achieves fair presentation.

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

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

Report on Other Legal and Regulatory Requirements

1. As required by the Companies (Auditor's Report) Order, 2016 ("the Order"), issued by the Central Government of India in terms of sub-section (11) of section 143 of the Act, we give in the "Annexure 1" a statement on the matters specified in paragraphs 3 and 4 of the Order.
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 the Statement of Other Comprehensive Income, the Cash Flow Statement and Statement of Changes in Equity 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 Accounting Standards specified under Section 133 of the Act, read with Companies (Indian Accounting Standards) Rules, 2015, as amended;
 - (e) On the basis of the written representations received from the directors as on March 31, 2021 taken on record by the Board of Directors, none of the directors is disqualified as on March 31, 2021 from being appointed as a director in terms of Section 164 (2) of the Act;
 - (f) With respect to the adequacy of the internal financial controls over financial reporting of the Company with reference to these Ind AS financial statements and the operating effectiveness of such controls, refer to our separate Report in "Annexure 2" to this report;
 - (g) In our opinion, the managerial remuneration for the year ended March 31, 2021 has been paid / provided by the Company to its directors in accordance with the provisions of section 197 read with Schedule V to 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 **Batliboi, Purohit & Darbari**
Chartered Accountants
ICAI Firm Registration Number: 303086E


CA Hemal Mehta
Partner

Membership Number: 063404
UDIN: 21063404AAAAGH3707



Place: Kolkata
Date: 9th June, 2021

ANNEXURE 1 TO THE INDEPENDENT AUDITORS' REPORT OF MALEGAON POWER SUPPLY LIMITED, FOR THE YEAR ENDED 31ST MARCH 2021
(Referred to in paragraph 1 under 'Report on Other Legal and Regulatory Requirements' section of our report of even date)

- (i) (a) The Company is maintaining proper records showing full particulars, including quantitative details and situation of Fixed assets.
- (b) The fixed assets of the Company have been physically verified by the Management during the year and no material discrepancies have been noticed on such verification. In our opinion, the frequency of verification is reasonable.
- (c) The Company does not own any immovable properties. Therefore, the provisions of Clause 3(i)(c) of the said Order are not applicable to the Company.
- (ii) The management of the Company has physically verified its inventory during the year. In our opinion the frequency of verification is reasonable. No material discrepancies were notified on such physical verification. There are no inventories lying with the third parties.
- (iii) According to the information and explanations given to us, the Company has not granted any loans, secured or unsecured to companies, firms, Limited Liability Partnerships or other parties covered in the register maintained under section 189 of the Companies Act, 2013. Accordingly, the provisions of clause 3(iii)(a), (b) and (c) of the Order are not applicable to the Company and hence not commented upon.
- (iv) In our opinion and according to the information and explanations given to us, there are no loans, investments, guarantees, and securities given in respect of which provisions of section 185 and 186 of the Companies Act 2013 are applicable and hence not commented upon.
- (v) The Company has not accepted any deposits within the meaning of Sections 73 to 76 of the Act and the Companies (Acceptance of Deposits) Rules, 2014 (as amended). Accordingly, the provisions of clause 3(v) of the Order are not applicable.
- (vi) To the best of our knowledge and as explained, the Central Government has not specified the maintenance of cost records under Section 148(1) of the Companies Act, 2013, for the products/services of the Company.
- (vii) (a) According to the records of the Company, the Company is regular in depositing the undisputed statutory dues like Provident Fund, Income Tax, GST and other statutory dues with the appropriate authorities during the year.
- According to the information and explanation given to us, no undisputed amounts payable in respect of Provident Fund, Income Tax, GST and other statutory dues at 31st March 2021, for a period of more than six months from the date they become payable;
- (b) According to the information and explanation given to us and examination of the records of the Company, there are no dues of Provident Fund, Income Tax and GST which have not been deposited on account of any dispute.
- (viii) The Company did not have any outstanding loans or borrowing dues in respect of a financial institution or bank or to government or dues to debenture holders during the year, and accordingly the provisions of Clause 3(viii) of the Order are not applicable to the Company.



(ix) According to the information and explanations given by the management, the Company has not raised any money way of initial public offer / further public offer / debt instruments and term loans hence, reporting under clause (ix) is not applicable to the Company and hence not commented upon.

(x) Based upon the audit procedures performed for the purpose of reporting the true and fair view of the financial statements and according to the information and explanations given by the management, we report that no fraud by the company or no material fraud on the company by the officers and employees of the Company has been noticed or reported during the year.

(xi) According to the information and explanations provided to us, the company has paid/provided for managerial remuneration in accordance with requisite approvals mandated by the provisions of Section 197 read with Schedule V to the Act.

(xii) In our opinion, the Company is not a nidhi company. Therefore, the provisions of clause 3(xii) of the order are not applicable to the Company and hence not commented upon.

(xiii) According to the information and explanations given by the management, the company has entered into transactions with related parties in compliance with the provisions of section 177 and 188 of Companies Act, 2013 where applicable. The details of such related party transactions have been disclosed in the Ind AS financial statements as required by the applicable accounting standards.

(xiv) According to the information and explanations given to us and on an overall examination of the balance sheet, the company has not made any preferential allotment or private placement of shares or fully or partly convertible debentures during the year under review and hence, reporting requirements under clause 3(xiv) are not applicable to the company and, not commented upon


(xv) According to the information and explanations given by the management, the Company has not entered into any non-cash transactions with directors or persons connected with him as referred to in section 192 of Companies Act, 2013.

(xvi) According to the information and explanations given to us, the provisions of section 45-IA of the Reserve Bank of India Act, 1934 are not applicable to the Company.

For **Batliboi, Purohit & Darbari**

Chartered Accountants

ICAI Firm Registration Number: 303086E



CA Hemal Mehta

Partner

Membership Number: 063404

UDIN: 21063404AAAAGH3707



Place: Kolkata

Date: 9th June, 2021

ANNEXURE 2 TO THE INDEPENDENT AUDITOR'S REPORT OF EVEN DATE ON THE FINANCIAL STATEMENTS OF Malegaon Power Supply Limited

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 **Malegaon Power Supply Limited** ("the Company") as of March 31, 2021 in conjunction with our audit of the financial statements of the Company for the year ended on that date.

Management's Responsibility for Internal Financial Controls

The Company's Management is responsible for establishing and maintaining internal financial controls based on the internal control 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. 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 the 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.

Auditor's Responsibility

Our responsibility is to express an opinion on the Company's internal financial controls over financial reporting with reference to these financial statements 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 as specified under section 143(10) of the Companies Act, 2013, to the extent 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 with reference to these 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 over financial reporting with reference to these financial statements and their operating effectiveness. Our audit of internal financial controls over financial reporting included obtaining an understanding of internal financial controls over financial reporting with reference to these financial statements, 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 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 internal financial controls over financial reporting with reference to these financial statements.



Meaning of Internal Financial Controls Over Financial Reporting with Reference to these Financial Statements

A company's internal financial control over financial reporting with reference to these 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 over financial reporting with reference to these 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 Over Financial Reporting with Reference to these Financial Statements

Because of the inherent limitations of internal financial controls over financial reporting with reference to these 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 over financial reporting with reference to these financial statements to future periods are subject to the risk that the internal financial control over financial reporting with reference to these financial statements may become inadequate because of changes in conditions, or that the degree of compliance with the policies or procedures may deteriorate.

Opinion

In our opinion, the Company has, in all material respects, adequate internal financial controls over financial reporting with reference to these financial statements and such internal financial controls over financial reporting with reference to these financial statements were operating effectively as at March 31, 2021, 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.

For **Batliboi, Purohit & Darbari**

Chartered Accountants

ICAI Firm Registration Number: 303086E


CA Hemal Mehta

Partner

Membership Number: 063404

UDIN: 21063404AAAAGH3707



Place: Kolkata

Date: 9th June, 2021

MALEGAON POWER SUPPLY LIMITED

(Formerly known as Nalanda Power Company Limited)

Registered Office: CESC House, Chowringhee Square, Kolkata-700001

CIN: U40104WB2008PLC125228

Telephone: +91 33 2225 6040

E-mail: secretarial@rpsg.in

Balance Sheet as at 31st March, 2021

Particulars	Note No.	₹ In lakhs	
		As at 31st March, 2021	As at 31st March, 2020
ASSETS			
Non-current Assets			
Property, Plant and Equipment	4	1,339.09	103.78
Capital work-in-progress		298.49	227.53
Intangible Assets	5	15.96	0.65
Financial Assets			
Loans	6	8.54	7.90
Other Non current Assets	7	9.41	4.45
	(A)	1,671.49	344.31
Current Assets			
Inventories	8	268.49	296.57
Financial Assets			
Trade receivables	9	10,874.00	1,322.62
Cash and cash equivalents	10	401.35	2,385.43
Bank balances other than above	10A	1,660.00	-
Other current Assets	11	10.11	122.84
	(B)	13,213.95	4,127.46
TOTAL ASSETS	(A+B)	14,885.44	4,471.77
EQUITY AND LIABILITIES			
Equity			
Equity Share capital	12	8,035.00	735.00
Other Equity	13	(4,104.53)	(98.05)
	(C)	3,930.47	636.95
Liabilities			
Non-current Liabilities :			
Financial Liabilities			
Other financial liabilities	14	189.68	-
Provisions	15	12.92	-
Other non current liabilities	16	6.89	-
	(D)	209.49	-
Current Liabilities			
Financial Liabilities			
Trade Payables	17		
(a) Total outstanding dues to micro enterprise & small enterprises		184.60	-
(b) Total outstanding dues to creditors other than micro enterprise & small enterprises		9,953.10	3,711.04
Other financial liabilities	18	305.91	110.47
Other current liabilities	19	301.79	8.53
Provisions	20	0.08	4.77
	(E)	10,745.48	3,834.82
TOTAL EQUITY & LIABILITIES	(C+D+E)	14,885.44	4,471.77

Notes forming part of Financial Statements

1 - 35

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

For Batliboi, Purohit & Darbari
Chartered Accountants
Firm Registration No.: 303086E

Hemal Mehta
Partner

Membership No: 063404
Kolkata, 09th June 2021



For and on behalf of Board of Directors

SB
Director

Senup
Director

Secretary
COMPANY SECRETARY

MALEGAON POWER SUPPLY LIMITED

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Statement of Profit and Loss for the year ended 31st March, 2021

₹ in lakhs

Particulars	Note No.	2020-21	2019-20
Revenue from operations	22	44,979.40	2,313.62
Other income	23	139.06	0.24
Total Income		45,118.46	2,313.86
Expenses			
Cost of electrical energy purchased	24	43,009.21	3,803.08
Employee benefit expenses	25	372.80	87.24
Finance costs		1,825.72	86.26
Depreciation and amortisation expenses		51.57	8.57
Other expenses	26	2,165.52	292.88
Total expenses		47,424.82	4,278.03
Profit / (Loss) before tax		(2,306.36)	(1,964.17)
Tax expense			
Current tax		-	-
Deferred tax		-	-
Profit / (Loss) after tax		(2,306.36)	(1,964.17)
Other comprehensive income			
<i>Items that will not be reclassified to profit or loss</i>			
Remeasurement of defined benefit plans		(0.12)	-
Total comprehensive income for the year		(2,306.48)	(1,964.17)
Earnings per equity share			
Basic & Diluted (Face value of ₹ 10 per share)	31	(7.67)	(102.80)
Notes forming part of Financial Statements	1 - 35		

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

For Batliboi, Purohit & Darbari
Chartered Accountants
Firm Registration No.: 303086E

Hemal Mehta
Partner
Membership No: 063404
Kolkata, 09th June 2021



For and on behalf of Board of Directors

[Signature]
Director

[Signature]
Director

[Signature]
COMPANY SECRETARY

MALEGAON POWER SUPPLY LIMITED

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Registered Office: CESC House, Chowringhee Square, Kolkata-700001

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Cash Flow Statement for the year ended 31st March, 2021

Particulars	₹ in lakhs	
	For the period ended 31st March 2021	For the year ended 31st March 2020
A. Cash flow from Operating Activities		
Profit before Taxation	(2,306.36)	(1,964.17)
Adjustments for :		
Depreciation and amortisation expenses	51.57	8.57
Finance costs	1,825.72	86.26
Operating Profit before Working Capital changes	(429.07)	(1,869.34)
Adjustments for :		
Trade & other receivables	(9,444.25)	(1,457.80)
Inventories	28.08	(296.57)
Trade and other payables	7,098.03	3,830.05
Net cash flow from Operating Activities	(2,747.21)	206.34
B. Cash flow from Investing Activities		
Purchase of Property, Plant and Equipment / Capital Work-in-Progress	(1,373.15)	(340.53)
Net cash used in Investing Activities	(1,373.15)	-340.53
C. Cash flow from Financing Activities		
Share issue Expenses		
Proceeds from Issue of Share Capital	5,300.00	600.00
Proceeds from Share Application Money pending allotment	300.00	2,000.00
Finance Costs paid	(1,803.73)	(82.29)
Net Cash flow from Financing Activities	3,796.27	2,517.71
Net Increase / (decrease) in cash and cash equivalents	(324.08)	2,383.51
Cash and Cash equivalents - Opening Balance [Refer Note (c) below]	2,385.43	1.92
Cash and Cash equivalents - Closing Balance [Refer Note (c) below]	2,061.35	2,385.43

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

For Batliboi, Purohit & Darbari
Chartered Accountants
Firm Registration No.: 303086E

Hemal Mehta
Partner
Membership No: 063404
Kolkata, 09th June 2021



For and on behalf of Board of Directors

[Signature]
Director

[Signature]
Director

[Signature]
COMPANY SECRETARY

MALEGAON POWER SUPPLY LIMITED

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Statement of changes in equity for the year ended 31st March, 2021**A Equity Share Capital**

₹ In lakhs

Particulars	Balance at the beginning of the reporting period	Changes in equity share capital during the year	Balance at the end of the reporting period
As at 31 March 2020	135	600	735
As at 31 March 2021	735	7,300	8,035

B Other Equity

₹ in lakhs

Particulars	Share application money pending allotment	Reserves and Surplus	Total
		Retained Earnings	
Balance as at 1 April, 2019	-	(133.88)	(133.88)
Profit/ (Loss) for the year	-	(1,964.17)	(1,964.17)
Other Comprehensive Income/(expense) for the year	-	-	-
Total Comprehensive Income for the year	-	(2,098.05)	(2,098.05)
Adjustments			
Share Application money received	2,000.00	-	2,000.00
Balance as at 31 March, 2020	2,000.00	(2,098.05)	(98.05)

Particulars	Share application money pending allotment	Reserves and Surplus	Total
		Retained Earnings	
Balance as at 1 April, 2020	2,000.00	(2,098.05)	(98.05)
Profit/ (Loss) for the year	-	(2,306.36)	(2,306.36)
Other Comprehensive Income/(expense) for the year	-	(0.12)	(0.12)
Total Comprehensive Income for the year	2,000.00	(4,404.52)	(2,404.53)
Adjustments			
Share Application money received	300.00	-	300.00
Share Allotment	(2,000.00)	-	(2,000.00)
Balance as at 31st March 2021	300.00	(4,404.52)	(4,104.53)

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

For Batliboi, Purohit & Darbari
Chartered Accountants
Firm Registration No.: 303086E

Hemal Mehta
Partner
Membership No: 063404
Kolkata, 09th June 2021



For and on behalf of Board of Directors

SR
Director

Ram
Director

Pratibha
COMPANY SECRETARY

NOTE-1

The Company, earlier known as Nalanda Power Company Limited, changed its name with effect from 16 January 2019. The Company has entered into a Distribution Franchise Agreement (DFA) on 29 May 2019, with Maharashtra State Electricity Distribution Company Limited (MSEDCL) and CESC Limited for distribution of electricity in Malegaon City, situated in the state of Maharashtra.

NOTE-2

The operations of the Company, which started with effect from 1 March 2020, are governed by the Electricity Act, 2003 and various Regulations and / or Policies framed thereunder by the appropriate authorities read with the aforesaid DFA. Accordingly, in preparing the financial statements the relevant provisions of the said Act, Regulations, DFA etc. have been duly considered.

NOTE-3A SIGNIFICANT ACCOUNTING POLICIES

These financial statements have been prepared to comply in all material aspects with Indian Accounting Standards ("Ind AS") notified under the Companies (Indian Accounting Standards) Rules, 2015 and Companies (Indian Accounting Standards) Amendment Rules, 2016 notified under Section 133 of the Companies Act, 2013 and other provisions of the Companies Act, 2013 and the regulations under the Electricity Act, 2003 to the extent applicable. A summary of important accounting policies which have been applied consistently are set out below.

(a) Basis of Accounting

The financial statements have been prepared on the historical cost convention except for certain financial assets and liabilities which are measured at fair value.

(b) Use of estimate

The preparation of financial statements in conformity with Ind AS requires management to make judgments, estimates and assumptions that affect the application of accounting policies and the reported amounts of assets, liabilities, income and expenses. Actual results may differ from these estimates. Estimates and underlying assumptions are reviewed on a periodic basis. Revisions to accounting estimates are recognized in the period in which the estimates are revised and in any future periods affected.

(c) Property, plant and equipment**i) Tangible Asset**

Tangible Assets are stated at cost of acquisition together with any incidental expenses related to acquisition. Repairs and maintenance cost relating to such assets are recognised in profit and loss as incurred. An impairment loss is recognized, where applicable, when the carrying value of tangible assets of cash generating unit exceed its market value or value in use, whichever is higher.

Useful Life of Tangible Assets is as follows:

Particulars	Useful Life of Assets
Buildings and Structures	20-30 Years
Distribution System	15-25 Years
Furniture and Fittings	15-20 Years
Metering Equipment	15-25 Years
Office Equipment	6-20 Years
Plant, Machinery and Equipment	15-25 Years

ii) Depreciation

In terms of applicable Regulations under MERC, depreciation on tangible assets is provided on straight line method on a prorata basis at the rates specified therein.

iii) Capital work in progress

Capital work in progress represents capital expenditure incurred for creation of tangible assets which are yet to be used for commercial operation.

iv) Intangible Asset & Amortisation

Intangible assets comprising computer software expected to provide future enduring economic benefits are stated at cost of acquisition / implementation / development less accumulated amortisation. An impairment loss is recognized where applicable, when the carrying value of intangible assets of cash generating unit exceed its market value or value in use, whichever is higher.

Amortisation Cost of intangible assets, comprising computer software related expenditure, are amortised in three years based on the estimated useful life such assets.



(d) Financial asset

The financial assets are classified in the following categories:

- 1) financial assets measured at amortised cost
- 2) financial assets measured at fair value through profit and loss.

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

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

Financial assets measured at amortised cost

Assets that are held for collection of contractual cash flows where those cash flows represent solely payments of principal and interest are measured at amortised cost. 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 i) (*Note on Financial risk management - credit Risk*)

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) 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. Inventory of capital goods are reclassified and disclosed under capital work in progress.

(f) Cash and cash equivalents

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.

(g) Financial liabilities

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

(h) Segment reporting

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



(i) **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, and are accounted on accrual basis.

(j) **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.

(k) **Purchase of Electrical Energy**

Cost of electrical energy purchased represents power purchased by the Company computed as per the methodology provided in the DFA.

(l) **Employee Benefits**

Employee benefits include cost incurred on human resources deployed by the Company through direct employment, deputation, secondment / transfer by the holding Company / fellow subsidiaries. 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, where applicable, are recognised in the statement of Profit and Loss.

(m) **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.

(n) **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.

(o) **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-3B 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) (iv)
Estimates used in Actuarial Valuation of Employee benefits -Note-21



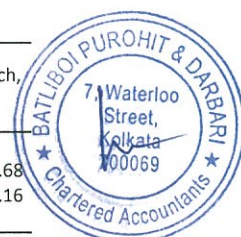
NOTE - 4 PROPERTY PLANT AND EQUIPMENT												
PARTICULARS	GROSS BLOCK AT COST OR VALUATION					DEPRECIATION / AMORTISATION					NET BLOCK	
	As at 31st March, 2020	Additions/ Adjustments	Withdrawals/ Adjustments	As at 31st March, 2021	As at 31st March, 2020	Additions/ Adjustments	Withdrawals/ Adjustments	As at 31st March, 2021	As at 31st March, 2021	As at 31st March, 2020	As at 31st March, 2020	
	₹	₹	₹	₹	₹	₹	₹	₹	₹	₹	₹	
Plant and Machinery		46.10	-	46.10	-	1.70	-	1.70	44.40	-	-	
Building & Structures	99.60	-	-	99.60	8.35	19.83	-	28.18	71.42	91.25	91.25	
Distribution System	-	907.10	-	907.10	-	22.85	-	22.85	884.25	-	-	
Meters and Other Apparatus on Consumers' Premises	-	281.73	-	281.73	-	4.71	-	4.71	277.02	-	-	
Furniture and Fixtures	12.65	20.48	-	33.13	0.12	1.47	-	1.59	31.54	12.53	12.53	
Office Equipment	-	31.41	-	31.41	-	0.96	-	0.96	30.46	-	-	
Total	112.25	1,286.82	-	1,399.07	8.47	51.52	-	59.99	1,339.09	103.78	103.78	
Previous Year		112.25	-	112.25	-	8.47	-	8.47	103.78	-	-	

Building & Structures pertains to Right Of Use - IND AS 116

NOTE - 5 INTANGIBLE ASSETS												
PARTICULARS	GROSS BLOCK AT COST OR VALUATION					DEPRECIATION / AMORTISATION					NET BLOCK	
	As at 31st March, 2020	Additions/ Adjustments	Withdrawals/ Adjustments	As at 31st March, 2021	As at 31st March, 2020	Additions/ Adjustments	Withdrawals/ Adjustments	As at 31st March, 2021	As at 31st March, 2021	As at 31st March, 2020	As at 31st March, 2020	
	₹	₹	₹	₹	₹	₹	₹	₹	₹	₹	₹	
Computer Software	0.75	15.35	-	16.10	0.10	0.04	-	0.14	15.96	0.65	0.65	
Total	0.75	15.35	-	16.10	0.10	0.04	-	0.14	15.96	0.65	0.65	
Previous Year		0.75	-	0.75	-	0.10	-	0.10	0.65	-	-	



NOTE - 6		NON CURRENT - LOANS		₹ in lakhs
Particulars		As at 31st March, 2021	As at 31st March, 2020	
Considered Good- Unsecured				
Security deposit on rented Properties		8.54	7.90	
		8.54	7.90	
NOTE - 7		OTHER NON CURRENT ASSETS		₹ in lakhs
Particulars		As at 31st March, 2021	As at 31st March, 2020	
Capital Advance		9.41	4.45	
		9.41	4.45	
NOTE - 8		INVENTORIES		₹ in lakhs
Particulars		As at 31st March, 2021	As at 31st March, 2020	
Stores and spares		268.49	296.57	
		268.49	296.57	
NOTE - 9		TRADE RECEIVABLES		₹ in lakhs
Particulars		As at 31st March, 2021	As at 31st March, 2020	
Other Receivables				
- Unsecured , considered good		10,874.00	1,322.62	
		10,874.00	1,322.62	
NOTE- 10		CASH AND CASH EQUIVALENTS		₹ in lakhs
Particulars		As at 31st March, 2021	As at 31st March, 2020	
a)	Balances with banks			
	- In current accounts	401.33	2,385.41	
b)	Cheques , drafts on hand	-	-	
b)	Cash on hand	0.02	0.02	
		401.35	2,385.43	
NOTE-10A		BANK BALANCES OTHER THAN CASH AND CASH EQUIVALENTS		₹ in lakhs
Particulars		As at 31st March, 2021	As at 31st March, 2020	
a)	Balances with banks	-	-	
	- deposits	1,660.00	-	
		1,660.00	-	
NOTE- 11		OTHER CURRENT ASSETS		₹ in lakhs
Particulars		As at 31st March, 2021	As at 31st March, 2020	
Advance to Contractors		6.12	30.68	
Others		3.99	92.16	
		10.11	122.84	



NOTE -12	EQUITY	₹ in lakhs	
Particulars	As at 31st March, 2021	As at 31st March, 2020	
a) Authorised Share Capital 100000000 (31.03.2019:5000000) Equity Shares of ₹10 each	10000	1000	
b) Issued ,Subscribed and paid up Capital 80350000 (31.03.2020 : 7350000) Equity Shares of ₹ 10/- each fully paid	8035	735	
c) Reconciliation of the shares outstanding at the beginning and at the end of the reporting period			

Particulars	As at 31st March, 2021		As at 31st March, 2020	
	No. of shares	Amount ₹ lakhs	No. of shares	Amount ₹ lakhs
Balance at the beginning of the year	7350000	735.00	1350000	135.00
Add : Share issued and allotted during the year	73000000	7,300.00	6000000	600.00
Closing Balance	80350000	8,035.00	7350000	735.00

d) Terms /rights attached to equity shares :

The Company has only one class of equity shares having a par value of Rs 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

Name of shareholder	As at 31st March, 2021		As at 31st March, 2020	
	No. of shares	% of holding	No. of shares	% of holding
CESC Limited	80350000.00	100	7350000	100

NOTE - 13 OTHER EQUITY ₹ in lakhs

Particulars	As at 31st March, 2021	As at 31st March, 2020
Retained Earnings		
Balance at the beginning of the year	(2,098.05)	(2,098.05)
Add : Profit/ (Loss) for the year	(2,306.48)	-
		(4,404.53)
Share Application money pending allotment		2,000.00
Balance at the beginning of the year	2,000.00	
Share Allotment	(2,000.00)	
Share Application money pending allotment	300.00	
		300.00
	(4,104.53)	(98.05)

NOTE - 14 NON CURRENT - OTHER FINANCIAL LIABILITIES ₹ in lakhs

Particulars	As at 31st March, 2021	As at 31st March, 2020
Meter Security Deposit	189.68	-
	189.68	-

NOTE - 15 NON CURRENT - PROVISIONS ₹ in lakhs

Particulars	As at 31st March, 2021	As at 31st March, 2020
Provision For Leave Encashment	7.64	-
Provision For Gratuity	5.28	-
	12.92	-

NOTE - 16 OTHER NON CURRENT LIABILITIES ₹ in lakhs

Particulars	As at 31st March, 2021	As at 31st March, 2020
Others	6.89	-
	6.89	-



NOTE - 17 TRADE PAYABLES

₹ in lakhs

Particulars	As at 31st March, 2021	As at 31st March, 2020
(a) Total outstanding dues to micro enterprise & small enterprises	184.60	
(b) Total outstanding dues to creditors other than micro enterprise & small enterprises	9,953.10	3,711.04
	10,137.70	3,711.04

Nil (31.03.2020 – Nil), Nil (31.03.2020 – Nil), Nil (31.03.2020 – Nil) and Nil (31.03.2020 – Nil), Nil (31.03.2020- Nil) Representing interest due to amount outstanding as at the year end, interest paid along with amount of payment made beyond the appointed day, interest due and payable for the period of delay in making payment during the year, amount of interest accrued and remaining unpaid at the year end, amount of further interest remaining due and payable in the succeeding years, respectively due to Micro and Small Enterprises, as defined in the Micro, Small and Medium Enterprises Development Act, 2006 on information available with the Company.

NOTE- 18 OTHER CURRENT FINANCIAL LIABILITIES

₹ in lakhs

Particulars	As at 31st March, 2021	As at 31st March, 2020
Advance from Holding Company	-	
Payable towards miscellaneous services to		
-Related parties	59.40	-
Others	232.51	110.47
Security Deposit from Collection Center	14.00	
	305.91	110.47

NOTE- 19 OTHER CURRENT LIABILITIES

₹ in lakhs

Particulars	As at 31st March, 2021	As at 31st March, 2020
a) Liability towards taxes, duties etc.	18.82	3.36
b) Other liability	282.97	5.17
	301.79	8.53



NOTE -20	CURRENT PROVISIONS	₹ in lakhs	
	Particulars	As at 31st March, 2021	As at 31st March, 2020
	Provision For Leave Encashment	0.06	2.85
	Provision For Gratuity	0.02	1.92
		0.08	4.77

NOTE-21 CONTINGENT LIABILITIES AND COMMITMENTS

Money for which the company is contingently liable :

(i) Standby Letter of Credit from SBI : Rs. 6622 lakh (Previous year -Rs. 4812 lakh)

NOTE 22	REVENUE FROM OPERATIONS	₹ in lakhs	
	Particulars	2020-21	2019-20
a)	Earnings from sale of electricity (Net of rebate Rs 341.62 lakh ; previous year- Rs 4.89 lakh)	43,963.02	2,313.30
b)	Other Operating Revenue		
	Meter Rent	56.84	0.32
	Late Payment Surcharge	171.93	
	Interest on Consumer dues	537.93	
	Others	249.67	-
		44,979.40	2,313.62

NOTE- 23	OTHER INCOME	₹ in lakhs	
	Particulars	2020-21	2019-20
	Miscellaneous income	139.06	0.24
		139.06	0.24

NOTE 24	COST OF ELECTRICAL ENERGY PURCHASED	₹ in lakhs	
	Particulars	2020-21	2019-20
	Cost of electrical energy purchased	43,009.21	3,803.08
		43,009.21	3,803.08

NOTE 25	EMPLOYEE BENEFIT EXPENSES	₹ in lakhs	
A	Particulars	2020-21	2019-20
a)	Salaries, wages and bonus	334.26	74.59
b)	Contribution to provident and other funds	15.84	4.49
c)	Employees' welfare expenses	22.70	8.16
		372.80	87.24



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. The Company also makes annual contribution to independent trust, who in turn, invests in the Employees Group Gratuity Scheme of eligible agencies for qualifying employees. 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 Net Liability / (Asset) recognized in the Balance Sheet:

₹ in lakhs

	For the year ended 31st March, 2021		For the year ended 31st March, 2020	
	Gratuity	Leave Encashment	Gratuity	Leave Encashment
Present value of funded obligation	5.30	7.70	1.92	2.85
Fair Value of Plan Assets	-	-	-	-
	5.30	7.70	1.92	2.85
Present value of un-funded obligation	-	-	-	-
Unrecognised past service cost	-	-	-	-
Net Liability/(Asset)	5.30	7.70	1.92	2.85

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

₹ in lakhs

	For the year ended 31st March, 2021		For the year ended 31st March, 2020	
	Gratuity	Leave Encashment	Gratuity	Leave Encashment
Current Service Cost	3.37	4.86	1.10	2.85
Interest Cost	0.13	0.19	0.82	-
Expected Return on Plan Assets	-	-	-	-
Actuarial loss/(gain)	-	-0.20	-	-
Total	3.50	4.85	1.92	2.85

Other Comprehensive income

₹ in lakhs

	For the year ended 31st March, 2021		For the year ended 31st March, 2020	
	Gratuity	Leave Encashment	Gratuity	Leave Encashment
Return on Plan Assets	-	-	-	-
Actuarial loss/(gain)	(0.12)	-	-	-
Total	(0.12)	-	-	-

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

₹ in lakhs

	For the year ended 31st March, 2021		For the year ended 31st March, 2020	
	Gratuity	Leave Encashment	Gratuity	Leave Encashment
Opening defined benefit obligation	1.92	2.85	-	-
Current Service Cost	3.37	4.86	1.10	2.85
Past Service Cost	-	-	-	-
Interest Cost	0.13	0.19	0.82	-
Plan Amendments	-	-	-	-
Actuarial loss/(gain)	(0.12)	(0.20)	-	-
Benefits paid	-	-	-	-
Closing Defined Benefit Obligation	5.30	7.70	1.92	2.85

Reconciliation of Opening and Closing Balances of fair value of plan assets:

₹ in lakhs

	For the year ended 31st March, 2021		For the year ended 31st March, 2020	
	Gratuity	Leave Encashment	Gratuity	Leave Encashment
Opening fair value of Plan Assets	-	-	-	-
Interest Income on Plan Assets	-	-	-	-
Actual Company Contributions	-	-	-	-
Actuarial gain/(loss)	-	-	-	-
Benefits paid	-	-	-	-
Closing Fair Value on Plan Assets	-	-	-	-

₹ in lakhs

	For the year ended 31st March, 2021		For the year ended 31st March, 2020	
	Gratuity	Leave Encashment	Gratuity	Leave Encashment
Movements in net liability/(asset):				
Opening balance - Net liability/(asset)	1.92	2.85	-	-
Mov. in inc./-(decrease) in scope of consolidation				
Mov. in benefits paid				
Mov. in curtailments and settlements				
Mov. in contributions by the employer	-	-	-	-
Mov. in contributions by the plan participants				
Mov. in reimbursement rights				
Expenses (income) recognized in income statement	3.50	4.85	1.92	2.85
Expense (income) recognized in OCI	-0.12	-	-	-
Net liability/(assets) - Status	5.30	7.70	1.92	2.85



₹ in lakhs

Sensitivity	For the year ended 31st March, 2021		For the year ended 31st March, 2020	
	Gratuity	Leave Encashment	Gratuity	Leave Encashment
DBO at 31.3 with discount rate +1%	4.62	6.71	1.72	2.54
Corresponding service cost	2.87	4.15	0.97	2.54
DBO at 31.3 with discount rate -1%	6.12	8.91	2.16	3.22
Corresponding service cost	3.98	5.74	1.27	3.22
DBO at 31.3 with +1% salary escalation	6.13	8.92	2.16	3.22
Corresponding service cost	3.98	5.75	1.27	3.22
DBO at 31.3 with -1% salary escalation	4.60	6.68	1.71	2.53
Corresponding service cost	2.86	4.14	0.96	2.53
DBO at 31.3 with +50% withdrawal rate	5.28	7.74	1.92	2.86
Corresponding service cost	3.36	4.89	1.10	2.86
DBO at 31.3 with -50% withdrawal rate	5.31	7.66	1.92	2.84
Corresponding service cost	3.38	4.83	1.11	2.84
DBO at 31.3 with +10% mortality rate	5.30	7.71	1.92	2.85
Corresponding service cost	3.37	4.87	1.10	2.85
DBO at 31.3 with -10% mortality rate	5.29	7.69	1.92	2.85
Corresponding service cost	3.36	4.86	1.10	2.85

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 lakhs

Major categories of total plan assets	For the year ended 31st March, 2021		For the year ended 31st March, 2020	
	Gratuity	Leave Encashment	Gratuity	Leave Encashment
Cash- & cash equivalents	-	-	-	-
thereof non-quoted market price	-	-	-	-
Equity instruments	-	-	-	-
thereof non-quoted market price	-	-	-	-
Debt instruments	-	-	-	-
thereof non-quoted market price	-	-	-	-
Real estate investments	-	-	-	-
thereof non-quoted market price	-	-	-	-
All other instruments	-	-	-	-
thereof non-quoted market price	-	-	-	-
Total	-	-	-	-

₹ in lakhs

Estimated Cash Flows (Undiscounted)	For the year ended 31st March, 2021		For the year ended 31st March, 2020	
	Gratuity	Leave Encashment	Gratuity	Leave Encashment
1st Year	0.02	0.06	0.01	0.02
2 to 5 Years	0.13	0.29	0.05	0.10
6 to 10 Years	4.26	5.72	2.39	3.26
More than 10 Years	12.95	19.32	2.20	3.82

Actuarial assumptions	For the year ended 31st March, 2021		For the year ended 31st March, 2020	
	Gratuity	Leave Encashment	Gratuity	Leave Encashment
Discount rate current year (%)	6.95	6.95	6.62	6.62
Expected rate for salary increases (%)	5.00	5.00	5.00	5.00
Pension trend (%)	0	0	0	0
Number of insured employees	44	44	24	24
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)	16.40	16.68	13.00	13.61



₹ in lakhs

NOTE - 26 OTHER EXPENSES

	2020-21	2019-20
a) Consumption of stores and spares	12.71	1.00
b) Repairs		
Building	-	10.38
Distribution System	1,268.28	91.30
	1,268.28	101.68
c) Insurance	2.51	2.49
d) Rent	0.81	0.30
e) Rates and taxes	-	-
f) Audit Fees - as statutory auditor	1.30	1.18
- tax auditor	0.68	0.50
g) Telephone & Internet	9.23	3.71
h) Printing & stationery	0.78	-
i) Travelling	12.14	35.11
j) Car Hire	47.65	9.58
k) Legal & other consultant fees	85.68	25.37
l) Advertisement	0.31	-
m) Security	36.62	2.48
n) Generator Hire charges	-	-
o) Meter reading & collection	371.57	0.05
p) Technical, commercial & call centre charges	74.07	4.04
q) Miscellaneous expenses	241.18	105.39
	2,165.52	292.88



NOTE-27 Fair value measurements

- a) The carrying value and fair value of financial instruments by categories as at March 31, 2021 & March 31, 2020 is as follows:

₹ in lakh

	31-03-2021			31-03-2020		
	Amortized cost	FVTOCI	FVTPL	Amortized cost	FVTOCI	FVTPL
<i>Financial assets</i>						
Trade Receivables	10,874.00	-	-	1,322.62	-	-
Cash and cash equivalents	401.35	-	-	2,385.43	-	-
Other Bank balances	1,660.00	-	-	-	-	-
Security Deposit	8.54	-	-	7.90	-	-
Total financial assets	12,943.90	-	-	3,715.95	-	-
<i>Financial liabilities</i>						
Trade Payables	10,137.70	-	-	3,711.04	-	-
Consumer Security Deposit	189.68	-	-	-	-	-
Others	305.91	-	-	110.47	-	-
Total financial liabilities	10,633.29	-	-	3,821.51	-	-

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

- i. The carrying amounts of trade receivables, trade payables, cash and cash equivalents, are considered to be the same as their fair values, due to their short term nature.
- ii. Security deposit is based on discounted cash flows using a current borrowing rate. Carrying value is same as fair value.
- iii. For financial assets and liabilities that are measured at fair value, the carrying amounts are equal to their fair value.



NOTE- 28 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 Company do not use derivative financial instruments to hedge any risk exposures.

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

i) Credit risk

Credit risk is the risk that companies and other parties will be unable to meet their obligations to the Company resulting in financial loss to the Company. The Company has adopted the policy of dealing with customers with an appropriate credit history as a means of mitigating the credit risk exposures. The Company has no significant concentrations of credit risk and cash is placed with reliable financial institution.

ii) Liquidity risk

The Company monitors its liquidity risk and maintains a level of cash and bank balances deemed adequate by management to finance the Company's operations and to mitigate the effects of fluctuations in cash flows. Typically the Company ensures that it has sufficient cash on demand to meet expected operational expenses including the servicing of financial obligations.

iii) Market risk

a) Interest rate risk

The company's income and operating cash flows are substantially independent of changes in market interest rates.

b) Currency risk

The Company has no foreign currency risk exposure.

NOTE- 29 Capital Management

i) Risk 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.

ii) Dividends

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



NOTE- 30

The major components of Deferred Tax Assets / (Liabilities) based on the timing difference as at 31st March, 2021 are as under :

Particulars	₹ In lakh	
	As at 31st March, 2021	As at 31st March, 2020
Liabilities		
Excess of tax depreciation over book depreciation	101.27	0.17
TOTAL	101.27	0.17
Assets		
Business loss and Unabsorbed depreciation	1,762.35	684.17
Others	6.72	2.36
TOTAL	1,769.07	686.53
Net Deferred Tax Assets (Liability)	1,667.80	686.36

Net Deferred Tax Assets of Rs 1667.80 lakh as above has not been recognised

NOTE- 31

Earnings per share:

Computation of Earnings per share

Particulars	₹ In lakh	
	2020-21	2019-20
Profit/ (Loss) After Tax (₹ in lakh) (A)	(2,306.36)	(1,964.17)
No of shares outstanding	8,03,50,000	73,50,000
Weighted Average no. of shares for Earnings per share (B)	3,00,76,027	19,10,656
Basic and Diluted Earnings per share of ₹ 10/- (₹)	(7.67)	(102.80)



Note - 32

Effective 1st April'19 the Company has adopted IndAs 116 "Leases". The Company has used "modified retrospective approach" for transition from the previous standard IndAS 17 and consequently the comparatives for previous periods have not been retrospectively adjusted.

₹ in lakhs

<u>Right-of-use assets recognised and the movements during the period</u>		
<u>Particulars</u>	<u>Building</u>	<u>Total</u>
1st April 2020		
Minimum Lease Obligation*	91.25	91.25
Addition:		
IND AS -116		-
Deletion	-	-
Amortisation	19.83	19.83
31st March 2021	71.42	71.42

<u>Lease liabilities and the movements during the period:</u>		₹ in lakhs
<u>Particulars</u>	<u>Total</u>	
1st April 2020		
Minimum Lease Obligation*	93.24	
Addition:		
IND AS -116	-	
Deletion	-	
Interest expenses incurred during the period	9.77	
Payment of lease liabilities	25.38	
31st March 2021	77.63	
Current lease liabilities	21.88	
Non-current lease liabilities	55.75	

* Erstwhile under IndAS 17

Future minimum lease payments during next one year Rs 21.89 lacs, later than one year but not later than five years Rs 55.76 lacs and later than five years NIL

<u>The following are the amounts recognised in profit or loss:</u>		₹ in lakhs
<u>Particulars</u>	<u>Total</u>	
Depreciation expense of right-of-use assets	19.83	
Interest expense on lease liabilities	9.77	
Total amount recognised in profit or loss	29.60	



NOTE-33 RELATED PARTY - 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
CESC Projects Limited	Fellow Subsidiary
Bantal Singapore Pte. Limited	Fellow Subsidiary
Ranchi Power Distribution Company Limited	Fellow Subsidiary
Pachi Hydropower Projects Limited	Fellow Subsidiary
Papu Hydropower Projects Limited	Fellow Subsidiary
Au Bon Pain Café India Limited	Fellow Subsidiary
Haldia Energy Limited	Fellow Subsidiary
Dhariwal Infrastructure Limited	Fellow Subsidiary
Kota Electricity Distribution Limited	Fellow Subsidiary
Bikaner Electricity Supply Limited	Fellow Subsidiary
Bharatpur Electricity Services Limited	Fellow Subsidiary
Crescent Power Limited	Fellow Subsidiary
CESC Green Power Limited	Fellow Subsidiary
Jharkhand Electric Company Limited	Fellow Subsidiary
Jarong Hydro-Electric Power Company Limited	Fellow Subsidiary
Eminent Electricity Distribution Limited	Fellow Subsidiary
Noida Power Company Limited (w.e.f 10.2.2021) (67.73% - 10.2.2021 & 72.73% - 30.3.2021)	Fellow Subsidiary
Mahuagarhi Coal Company Private Limited	Joint Venture of Holding Company

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

₹ in lakhs

Name	Nature of Transaction	Amount of transaction	
		2020-21	2019-20
Holding Company	Share Application money received pending allotment	300.00	2,000.00
	Equity shares issued during the year	7,300.00*	600.00
	Expense Payable	(64.91)	-
	Paid/adjusted During the year	0.01	-
RPSG Ventures Ltd	Expense Payable	(35.40)	-
Remuneration of Key Managerial Personnel	Short Term Employee Benefits	0.49	-
	Retirement Benefits	0.07	-

*include Rs. 20 Cr allotment money received in 2019-20



NOTE- 34 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- 35 The Company has reclassified previous year's figures to conform to this year's classification along with other regrouping / rearrangement wherever necessary. The figures of current year (for 12 Months) are not comparable with the previous year as the operation of the company started from Mar-20 (for 1 month)

For Batliboi , Purohit & Darbari

Chartered Accountants

Firm Registration No: 303086E

Hemal Mehta
Hemal Mehta

Partner

Membership No: 063404

Kolkata, 09th June 2021



For and on behalf of Board of Directors

SB
Director

Samir
Director

bs mead alysa
COMPANY SECRETARY