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**ANNUAL REPORT
2019-20**

**Bihar State Power
Transmission Company Limited**



Reference Information

Bihar State Power Transmission Company Limited
CIN: U40102BR2012SGC018889

Corporate Office: 4th Floor, Vidyut Bhawan, Jawahar Lal Nehru Marg, Patna-800001	Chairman: Sri Sanjeev Hans, IAS Managing Director: Sri Sandeep Kumar R. Pudukalkatti, IAS
Website: www.bsptcl.in	
Contact No. 0612-250442	
For the financial year under review i.e 2019-20	
Statutory Auditor: M/s Ajay Kishore & Co. Chartered Accountants Firm Reg. No. 005899C Address: D-315, 3 rd Floor, Dumraon Place, Fraser Road, Patna- 800001	Cost Auditor: M/s A.J.S. & Associates, Cost Accountants 2 nd Floor, L.O. House, Exhibition Road, Patna- 800001
Tax Auditor: M/s SA & Co., Chartered Accountants 24B, SahdeoMahto Marg, Patna- 800001	Banker: Canara Bank Bank of India State Bank of India Punjab National Bank Indian Bank Bank of Maharashtra Bandhan Bank ICICI Bank Yes Bank Axis Bank Indusind Bank

**Vision and Mission:**

To establish ourselves as a model STU and transmission licensee with respect to planning, project implementation, operational capabilities, performance with emphasis on cost and quality consciousness, human resources development and corporate social responsibility.

Functions and Duties:***Functions of BSPTCL***

To undertake transmission of electricity through intra-State transmission system;

To discharge all functions of planning and co-ordination relating to intra-state transmission system with -

- Central Transmission Utility;
- State Governments;
- generating companies;
- Regional Power Committees;
- Authority;
- licensees;
- Any other person notified by the State Government in this behalf;

To ensure development of an efficient, co-ordinated and economical system of intra-State transmission lines for smooth flow of electricity from a generating station to the load centres;

Duties of BSPTCL

To build, maintain and operate an efficient, co-ordinated and economical inter-State transmission system or intra-State transmission and to comply with the directions of the Regional Load Despatch Centre and the State Load Despatch Centre.

Bihar State Power Transmission Company Limited

Balance Sheet as at 31st March, 2020

(₹ in Lakh)

Sr. No	Particulars	Note No	As at 31st March, 2020	As at 31st March, 2019
A	ASSETS			
1	Non-current assets			
	(a) Property, Plant and Equipment	2	7,45,228	5,93,602
	(b) Capital work-in-progress		2,22,899	2,48,196
	(c) Financial Assets			
	(i) Loans	3	44	35
	(d) Other non current assets	4	13,247	9,992
	Total Non-Current Assets		9,81,418	8,51,825
2	Current assets			
	(a) Inventories	5	10,553	11,612
	(b) Financial Assets			
	(i) Trade receivables	6	1,59,299	90,829
	(ii) Cash and cash equivalents	7	74,798	1,42,504
	(iii) Bank Balances other than (ii) above	8	28,713	35,131
	(iv) Others	9	1,884	309
	(c) Current Tax Assets	10	11,561	5,356
	(d) Other Current Assets	11	5,371	4,046
	Total Current Assets		2,92,179	2,89,785
	Total Assets		12,73,597	11,41,610
B	EQUITY AND LIABILITIES			
1	Equity			
	(i) Equity Share capital	12	7,58,923	7,24,537
	(ii) Other Equity	13	1,10,256	66,148
	Total Equity		8,69,179	7,90,685
2	Deferred Government Grant and Consumer	14	1,68,740	1,74,440
3	Liabilities			
3.1	Non-current liabilities			
	(a) Financial Liabilities			
	(i) Borrowings	15	96,403	38,847
	(b) Provisions	16	9,615	9,306
	(c) Deferred Tax Liabilities	17	49,608	62,164
	Total Non-current liabilities		1,55,626	1,10,317
3.2	Current Liabilities			
	(a) Financial Liabilities			
	(i) Others	18	71,888	52,737
	(b) Provisions	19	1,700	1,192
	(c) Other Current Liabilities	20	6,464	12,239
	Total Current Liabilities		80,052	66,168
	Total Liabilities		2,35,678	1,76,484
	Total Equity & Liabilities		12,73,597	11,41,610

The accompanying notes are an integral part of the Standalone Financial Statements.

As per our report of even date attached

For, Ajay Kishore & Co.
Chartered Accountants
Firm Reg. No. 005899C



Place: Patna
Date: 04/12/2020

For and on behalf of the board

Aftab Alam
Aftab Alam
Dy. General Manager (F&A)

Sandeep Kumar R. Pudakalkatti
Sandeep Kumar R. Pudakalkatti
Managing Director DIN-07387571

Sanjeev Hans
Sanjeev Hans
Chairman DIN -05342058

Bihar State Power Transmission Company Limited

Statement of Profit and Loss for the year ended 31st March, 2020

(₹ in Lakh)


Sr. No.	Particulars	Note No	For the year ended 31st March, 2020	For the year ended 31st March, 2019
I Income				
a)	Revenue from operations	21	1,03,308	96,588
b)	Other Income	22	14,270	16,266
	Total Income		1,17,578	1,12,854
II Expenses				
a)	Power Purchase cost		-	-
b)	Employee Benefit Expenses	23	23,613	16,284
c)	Finance Cost	24	3,985	1,976
d)	Depreciation and amortisation expense	25	39,859	29,900
e)	Other Expenses	26	9,575	8,724
	Total Expenses		77,033	56,884
III Profit (+)/ Loss (-) before tax (I - II)			40,546	55,970
IV Tax Expense				
a)	Current tax (Income Tax)		7,084	11,944
b)	Deferred tax		(5,470)	41,242
c)	MAT Credit Entitlement		(7,084)	(11,944)
V Profit (+)/ Loss (-) for the year (III - IV)			46,016	14,728
VI Other comprehensive income				
other comprehensive income				
A	Items that will not be reclassified to profit or loss			
	- Actuarial Gain/(Loss)		4,220	1,278
	- Recoverable From GoB/BSPHCL		(4,220)	(1,278)
	- Deferred Tax		-	-
VII Total Comprehensive income for the period			46,016	14,728
VIII Earnings per equity share:				
a)	Basic		0.61	0.20
b)	Diluted		0.61	0.20

As per our report of even date attached

For, Ajay Kishore & Co.
Chartered Accountants
Firm Reg. No. 005899C

For and on behalf of the board


Aftab Alam
Dy. General Manager (F&A)


Sandeep Kumar R. Pudakalkatti
Managing Director DIN-07387571


Sanjeev Hans
Chairman DIN -05342058



Place: Patna

Date: 04/12/2020

Ajay Kishore Jha
Membership No. 055086
Partner

Bihar State Power Transmission Company Limited

Statement of Cash Flow

(₹ in Lakh)

Sr. No.	Particulars	2020	2019
(A) Cash and Cash Equivalent from Operating Activities:			
	Net Profit before tax as per Profit & Loss Account	40,546	55,970
	Adjusted for:		
	Depreciation	39,859	29,900
	Interest Expenses	3,985	1,976
	Interest Income	(6,511)	(8,960)
	Deferred Income	(7,116)	(6,849)
	Prior Period Errors	(640)	35,986
	Tax Expenses	(1,614)	(53,186)
	Operating Profit before Working Capital Changes	68,510	54,837
	Adjusted for:		
	Change in Working Capital	(62,635)	(1,08,239)
Net Cash used in Operating Activities (A)		5,875	(53,402)
(B) Cash and Cash Equivalent from Investing Activities:			
	Investment in PPE	(1,94,601)	(1,22,372)
	Sale Proceeds of PPE	157	499
	Change in CWIP	25,298	49,119
	Disbursement / Realisation of Staff Loan	(9)	26
	Advances for Capital Supplies	(3,255)	94405
	Interest Income	6,511	8,960
	MAT Credit Entitlement	7,084	11,944
Net Cash from Investing Activities (B)		(1,58,815)	42,582
(C) Cash and Cash Equivalent from Financing Activities:			
	Fund Received from Consumers	1,416	4,806
	Issue of Share	36,076	97,249
	Raise / Adjustment of Loan	57,556	(17,781)
	Settlement of Terminal Benefit Liabilities	310	(86,746)
	Adjustment for Deferred Tax Liabilities	(12,555)	29,297
	Finance Cost	(3,985)	(1,976)
Net Cash from Financing Activities (C)		78,817	24,849
Net Increase/(Decrease) in cash and cash equivalents (A+B+C)		(74,122)	14,029
Cash and cash equivalents at the beginning of the year		1,77,634	1,63,605
Cash and cash equivalents at the end of the year		1,03,512	1,77,634

As per our report of even date attached

For, Ajay Kishore & Co.
Chartered Accountants
Firm Reg. No. 005899C



(Signature)
CA Ajay Kishore Jha
Membership No. 055086
Partner

Place: Patna
Date: 04/12/2020

For and on behalf of the board

(Signature)
Aftab Alam
Dy. General Manager (F&A)

(Signature)
Sandeep Kumar R. Pudakalkatti
Managing Director DIN-07387571

(Signature)
Sanjeev Hans
Chairman DIN -05342058

Bihar State Power Transmission Company Limited

Schedule Change in Working Capital

For the period ended March 31, 2020

(₹ in Lakh)

Particulars	Year		Change
	2020	2019	Increase/ (Decrease)
CURRENT ASSETS			
Inventories	10,553	11,612	(1,057)
Trade Receivables	1,59,299	90,829	68,470
Other Financial Assets	1,884	309	1,576
Current Tax Assets	11,561	5,356	6,205
Other Current Assets	5,371	4,046	1,326
Total	1,88,669	1,12,151	76,519
CURRENT LIABILITIES			
Other Financial Liabilities	71,888	52,737	(19,151)
Provisions	1,700	1,192	(508)
Other Current Liabilities	6,464	12,239	5,775
Total	80,052	66,168	(13,884)
Change in Working Capital			62,635



Bihar State Power Transmission Company Limited
Statement of Changes in Equity for the period ended March 31, 2020

A. Equity Share Capital

(₹ in Lakh)

Particulars	No of Shares	Amount
Balance as at March 31, 2019	7,24,53,73,608	7,24,537
Changes in equity share capital during the year	34,38,59,270	34,386
Balance as at March 31, 2020	7,58,92,32,878	7,58,923

B. Other Equity

(₹ in Lakh)

Particular	Other Equity			Other Items of OCI	Total
	Capital Reserve	Share Application Pending Allotment	Surplus in Statement of Profit & Loss		
Balance as per previous IGAAP March 31, 2019	-	34,386	31,762	-	66,148
(i) Changes in accounting policy or prior period errors	-	-	-3,598	-	(3,598)
(ii) Actuarial adjustment due to Ind AS	-	-	-	-	-
(iii) Addition / Profit for the year other than item (i) to (ii)	-	36,076	46,016	-	82,092
Addition during the year 2019-20	-	36,076	42,418	-	78,494
(iv) Other Comprehensive Income	-	-	-	-	-
Total Comprehensive Income	-	36,076	42,418	-	78,494
Allotment During the F.Y. 2019-20	-	(34,386)	-	-	(34,386)
Balance at the end of the reporting period March 31, 2020	-	36,076	74,181	-	1,10,257





Bihar State Power Transmission Company Limited

Notes to the Financial Statements for the year ended March 31, 2020

1. Company Information and Significant Accounting Policies

A. Company Information

Bihar State Power Transmission Company Limited is a company registered under the Companies Act 1956, applicable in India in July, 2012, to which the State Govt. through the Department of Energy has vested transmission undertakings existing within the territory of Bihar of the erstwhile Bihar State Electricity Board in accordance with the Bihar State Electricity Reforms Transfer Scheme, 2012 vide notification no. 17 dated 30.10.2012. The address of the Company's registered office is Vidyut Bhawan, Bailey Road, Patna - 800021. The Company is primarily involved in the Transmission of power. The Company is subsidiary of Bihar State Power (Holding) Company Limited which holds 100% shares in the company.

B. Basis of preparation and presentation

i. Statement of Compliance

These financial statements have been prepared in accordance with the Indian Accounting Standards (hereinafter referred to as the 'Ind AS') as notified by Ministry of Corporate Affairs pursuant to Section 133 of the Companies Act, 2013 ('Act') read with of the Companies (Indian Accounting Standards) Rules, 2015 as amended and other relevant provisions of the Act.

The accounting policies are applied consistently to all the periods presented in the financial statements.

ii. Basis of Measurement

These financial statements are prepared on the accounting principles of going concern on accrual basis of accounting, under historical cost convention except for certain financial instruments which are measured at fair value.

iii. Functional and presentation currency

These financial statements are presented in Indian Rupees (₹), which is the Company's functional currency. All financial information presented in (₹) has been rounded to nearest lakhs except as stated otherwise.

iv. Current and non-current classification

The Company presents assets and liabilities in the balance sheet based on current/non-current classification.

a) An asset is current when it is:

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

All other assets are classified as non-current.

b) A liability is current when:

- It is expected to be settled in normal operating cycle;
- It is held primarily for the purpose of trading;



- It is due to be settled within twelve months after the reporting period; or
 - There is no unconditional right to defer settlement of the liability for at least twelve months after the reporting period.
- All other liabilities are classified as non-current.

v. Use of estimates and judgment

The preparation of financial statements is in conformity with Ind AS which requires the management to make judgments, estimates and assumptions that affect the reported amounts of revenues, expenses, assets and liabilities and the accompanying disclosure/s, at the end of the reporting period. The estimates are based on the management's best knowledge of current events and actions, uncertainty about these assumptions and estimates could result in the outcomes requiring a material adjustment to the carrying amounts of assets or liabilities in future periods.

Estimates and underlying assumptions are reviewed on an ongoing basis. Revisions to accounting estimates are recognized in the period in which the estimates are revised and in any future periods affected.

C. Significant accounting policies

A summary of the significant accounting policies applied in the preparation of the financial statements are as given below. These accounting policies have been applied consistently to all periods presented in the financial statements.

1. Property, plant and equipment

1.1 Initial recognition and measurement

The company has adopted cost model of recognition under Ind AS 16 to measure the Property, Plant and Equipment. Consequently all the items of property, plant and equipment are carried at cost less accumulated depreciation and accumulated impairment losses if any. Cost includes expenditure that is directly attributable to bringing the asset to the location and condition necessary for it to be capable of operating in the manner intended by management.

Spares parts procured along with the Plant & Machinery or subsequently which meets the recognition criteria of Property, Plant and Equipment are capitalized and added in the carrying amount of such item. The carrying amount of spare parts that are replaced is derecognized when no future economic benefits are expected from their use or upon disposal. Other machinery spares are treated as "stores & spares" forming part of the inventory.

Stand-by equipment and servicing equipment are recognized in accordance with Ind AS 16 when they meet the definition of Property, Plant and Equipment. Otherwise, such items are classified as inventory.

In the case of commissioned assets, deposit works or cost plus contracts, where final settlement of bills with contractors is yet to be effected, capitalization is done on provisional basis subject to necessary adjustment in the year of final settlement.

The cost of land includes provisional deposits, payments/ liabilities towards compensation, rehabilitation and other expenses wherever possession of land is taken. Expenditure on leveling, clearing and grading of land is capitalized as part of cost of the related buildings.

1.2 Subsequent costs



Subsequent expenditure is recognized as an increase in the carrying amount of the asset when it is probable that future economic benefits deriving from the cost incurred will flow to the enterprise and the cost of the item can be measured reliably. The cost of replacing part of an item of property, plant and equipment is recognized in the carrying amount of the item if it is probable that the future economic benefits embodied within the part will flow to the Company and its cost can be measured reliably. The costs of the day-to-day servicing of property, plant and equipment are recognized in profit or loss as incurred.

1.3 Derecognition

Property, plant and equipment are derecognized when no future economic benefits are expected from their use or upon their disposal. Gains and losses on disposal of an item of property, plant and equipment are determined by comparing the proceeds from disposal with the carrying amount of property, plant and equipment, and are recognized in the statement of profit and loss.

1.4 Depreciation/amortization

With effect from 1 April 2014, Schedule II of the Companies Act, 2013 has been notified and in accordance with part B of schedule II, the rate or useful life given in CERC regulation are applied for computing depreciation on assets. however in case of assets where no useful life is prescribed in CERC regulations, the useful life and residual value as given in part C of Schedule II of the companies Act ,2013 is followed.

Depreciation is recognized in statement of profit and loss on a straight-line basis over the estimated useful lives of each part of an item of property, plant and equipment.

Depreciation on the assets of the transmission of electricity business is charged on straight line method following the rates and methodology notified by the CERC up to 90% of the original cost of assets after taking 10% as residual value referred below:

Asset Group	Rate
Buildings	3.34%
Hydraulic Works	5.28%
Others Civil Works	3.34%
Plant and Machinery	5.28%
Lines and Cable Network	5.28%
Vehicles	6.33%
Furniture and Fixtures	6.33%
Office Equipment	6.33%
Computer & Other Accessories	15.00%

Depreciation on additions to/deductions from property, plant & equipment during the year is charged on pro-rata basis from/up to the month in which the asset is available for use/disposed.

1.5 Capital work-in-progress

The cost of self-constructed assets includes the cost of materials & direct labour, any other costs directly attributable to bringing the assets to the location and condition necessary for it to be capable of operating in the manner intended by management and borrowing costs.

Expenses directly attributable to construction of property, plant and equipment incurred till they are ready for their intended use are identified and allocated on a systematic basis on the cost of related assets.



Capital works-in-progress includes the cost incurred on fixed assets that are not yet ready for the intended use and is capitalized up to the date these assets are ready to use. All expenditures incurred on project under construction are allocated on pro-rata basis to the additions made to respective project.

Claims for price variation are accounted for on their acceptance.

1.6 Capital Stores

Materials purchased for capital projects are classified as Capital stores and these are valued at cost.

2. Intangible assets and intangible assets under development

2.1 Initial recognition and measurement

Intangible assets are carried at cost less accumulated amortization and accumulated impairment losses, if any. Cost includes any directly attributable incidental expenses necessary to make the assets ready for its intended use.

In case of internally generated intangible asset, expenditure on research are recognised as an expense when it is incurred.

Expenditure incurred which are eligible for capitalizations under intangible assets are carried as intangible assets under development till they are ready for their intended use.

2.2 Derecognition

An intangible asset is derecognized when no future economic benefits are expected from their use or upon their disposal. Gains and losses on disposal of an item of intangible assets are determined by comparing the proceeds from disposal with the carrying amount of intangible assets and are recognized in the statement of profit and loss.

2.3 Amortization

Cost of software having finite life recognized as intangible asset, is amortized on straight line method using rates maintained in CERC. Other intangible assets having finite life, where no useful life is prescribed in CERC regulations are amortized on straight line method over the asset's future economic benefits are expected to be consumed by company, If that pattern cannot be determined reliably, the straight-line method are used. An intangible asset with an indefinite useful life are not be amortized.

3. Impairment of tangible and intangible assets

The carrying amounts of the Company's tangible and intangible assets are reviewed at each reporting date to determine whether there is any indication of impairment considering the provisions of Ind AS 36 'Impairment of Assets'. If any such indication exists, then the asset's recoverable amount is estimated.

The recoverable amount of an asset or cash-generating unit is the higher of its fair value less costs to disposal and its value in use. In assessing value in use, the estimated future cash flows are discounted to their present value using a pre-tax discount rate that reflects current market assessments of the time value of money and the risks specific to the asset. For the purpose of impairment testing, assets that cannot be tested individually are grouped together into the smallest group of assets that generates cash inflows from continuing use that are largely independent of the cash inflows of other assets or groups of assets (the "cash-generating unit", or "CGU").



An impairment loss is recognized if the carrying amount of an asset or its CGU exceeds its estimated recoverable amount. Impairment losses are recognized in profit or loss. Impairment losses recognized in respect of CGUs are reduced from the carrying amounts of the assets of the CGU.

Impairment losses recognized in prior periods are assessed at each reporting date for any indications that the loss has decreased or no longer exists. An impairment loss is reversed if there has been a change in the estimates used to determine the recoverable amount. An impairment loss is reversed only to the extent that the asset's carrying amount does not exceed the carrying amount that would have been determined, net of depreciation or amortization, if no impairment loss had been recognized.

4. Borrowing costs

Borrowing costs that are directly attributable to the acquisition, construction/exploration/ development or erection of qualifying assets are capitalized as part of cost of such asset until such time the assets are substantially ready for their intended use. Qualifying assets are assets which take a substantial period of time to get ready for their intended use or sale. When the Company borrows funds specifically for the purpose of obtaining a qualifying asset, the borrowing costs incurred are capitalized. When Company borrows funds generally and uses them for the purpose of obtaining a qualifying asset, the capitalization of the borrowing costs is computed based on the weighted average cost of general borrowing that are outstanding during the period and used for the acquisition, construction/exploration or erection of the qualifying asset. Capitalization of borrowing costs ceases when substantially all the activities necessary to prepare the qualifying assets for their intended uses are complete. Borrowing costs consist of interest and other costs that an entity incurs in connection with the borrowing of funds. Income earned on temporary investment of the borrowings pending their expenditure on the qualifying assets is deducted from the borrowing costs eligible for capitalization. Other borrowing costs are recognized as an expense in the year in which they are incurred.

5. Non-current assets held for sale

Non-current assets are classified as held for sale if their carrying amount will be recovered principally through a sale transaction rather than through continuing use and a sale is considered highly probable. They are measured at the lower of their carrying amount and fair value less costs to sell, except for assets such as deferred tax assets, assets arising from employee benefits, financial assets and contractual rights under insurance contracts, which are specifically exempt from this requirement.

Non-current assets are not depreciated or amortized while they are classified as held for sale.

6. Inventories

Inventories are valued at lower of cost determined on weighted average basis or net realizable value.

The cost of inventories comprise of all cost of purchase, costs of conversion and other costs incurred in bringing the inventories to their present location and condition. The cost of purchase consists of the purchase price including duties and taxes (other than those subsequently recoverable by the enterprise from the taxing authorities), freight inwards and other expenditure directly attributable to the acquisition.



The diminution in the value of obsolete, unserviceable and surplus stores and spares is ascertained on review and provided for.

7. Cash and cash equivalents

Cash equivalents are short-term balances (with an original maturity of three months or less from the date of acquisition), highly liquid investments that are readily convertible into known amounts of cash and which are subject to insignificant risk of changes in value.

8. Government grants

Government grants received are recognized initially as income when there is reasonable assurance that Company will comply with the conditions associated with the grant. These grants are classified as grants relating to assets and revenue based on the nature of the grant.

Grants that compensate the Company for the cost of an asset are recognized in profit or loss on a systematic basis over the useful life of the related asset. Grants that compensate the Company for expenses incurred are recognized over the period in which the related costs are incurred and are disclosed separately as Income in the statement of Profit and Loss.

Government grants with a condition to purchase, construct or otherwise acquire long term assets are initially recognized as deferred income. Once recognized as deferred income, such grants are recognized in the statement of profit and loss on a systematic basis over the useful life of the asset. Changes in estimates are recognized prospectively over the remaining life of the assets.

Grants related to non-depreciable assets may also require the fulfillment of certain obligations and would then be recognized in profit or loss over the periods that bear the cost of meeting the obligations.

9. Consumer Contributions

Consumer Contributions against which assets is created are recognized as deferred income and amortized in the proportion of depreciation every year for depreciable assets acquired.

10. Provisions and contingent liabilities

A provision is recognized when the company has a present obligation (Legal or Constructive) as a result of past event and it is probable that an outflow of resources will be required to settle the obligation in respect of which a reliable estimate can be made.

Contingent liabilities are not recognized but disclosed in Notes when the company has possible obligation due to past events and existence of the obligation depends upon occurrence or non-occurrence of future events not wholly within the control of the company.

Contingent liabilities are assessed continuously to determine whether outflow of economic resources have become probable. If the outflow becomes probable then relative provision is recognized in the financial statements.

11. Foreign currency transactions



Transactions in foreign currencies are initially recorded at the functional currency spot rates at the date the transaction first qualifies for recognition.

12. Revenue

Company's revenues arise from sale of power, Subsidy from state government and other income. Revenue from transmission of power is regulated and governed by the applicable BERC Tariff Regulations under Electricity Act, 2003. Revenue from other income comprises interest from banks, employees etc., sale of scrap, other miscellaneous income, etc.

12.1 Revenue from transmission of power

The Company records revenue from transmission of power based on tariff rates approved by the BERC, as per principles enunciated under Ind AS 18. Accordingly, the honorable BERC determines the tariff for the Company's based on the norms prescribed in the tariff regulations as applicable from time to time. Tariff is based on cost incurred that includes employee benefits expense, depreciation, return on equity, interest on working capital, repair & maintenance expenses, administration and general expenses and interest on loan.

Revenue from the transmission of power is measured at the fair value of the consideration received or receivable. Revenue is recognized when the amount of revenue can be reliably measured, it is probable that future economic benefit will flow to the entity and the recovery of the consideration is probable, the associated costs can be estimated reliably.

Delayed payment charges are accounted on actual basis.

12.2 Other income

- a) Income from sale of scrap is accounted for on the basis of actual realization.
- b) Insurance claims are accounted on accrual basis.
- c) Rental Income is recognized on time proportionate basis over the period of the rent.
- d) Interest is recognized on a time proportion basis taking into account the amount outstanding and the applicable interest rate.
- e) Other income except mentioned above is recognized on accrual basis except when ultimate realization of such income is uncertain.
- f) Amount in respect of unclaimed security deposit, earnest money deposit and misc. deposit of suppliers and contractors, stale cheques etc. which is pending for more than three years and which are not payable, is considered as income.

13. Employee benefits

Employee benefits include salaries & wages, General Provident Fund, Gratuity, Earned Leave Encashment, Group Saving Scheme, National Pension Scheme and other terminal benefits.

13.1 Defined contribution plans

Provisions towards Gratuity and Leave Encashment in respect of employees recruited by the company are made based on actuarial valuation using the projected unit credit method.

Remeasurement, comprising actuarial gains and losses, are recognized in the period in which they occur, directly in other comprehensive income.



Remeasurement gains and losses are included in retained earnings in the statement

The Company pays fixed contribution to Provident Fund, Gratuity, Leave encashment at predetermined rates to BSPHCL Master Trust Employees A/c a separate trust maintained with Bihar State Power (Holding) Co. Ltd. which invests the funds in permitted securities. The contributions to the fund for the year are recognized as expense and are charged to the profit or loss. The obligation of the Company is to make such fixed contributions.

The Company also pays fixed contribution to Contributory Pension Scheme at predetermined percentage of salary of employees govern by new pension scheme to BSPHCL Master Trust Employees A/c a separate trust maintained with Bihar State Power (Holding) Co. Ltd. which inter alia pays to NSDL for investment of funds in permitted securities. The contributions to the fund for the year are recognized as expense and are charged to the profit or loss. The obligation of the Company is to make such fixed contributions.

The Company does not contribute to Group Saving Schemes but Deductions on accounts GSS from eligible employees at predetermined rate is made are also remitted to BSPHCL Master Trust Employees A/c a separate trust maintained with Bihar State Power (Holding) Co. Ltd. The obligation of the Company is to make such remittance.

13.2 Short-term benefits

Short term employee benefits obligations are measured on an undiscounted basis and are expenses as the related services are provided. A liability is recognized for the amount expected to be paid under short-term employee benefits if the Company has a present legal or constructive obligation to pay this amount as a result of past service provided by the employee and the obligation can be estimated reliably.

14. Income tax

Income tax expense for the year represents the sum of the current tax and deferred tax. Current tax expenses is recognised in profit & loss except to the extent that it relates to items recognised directly in other comprehensive income or equity, in which case it is recognised in OCI or equity.

Current tax is the expected tax payable / receivable on the taxable income / loss for the year calculated using tax rates that have been enacted or substantively enacted by the end of the reporting period.

The provision for taxation is ascertained on the basis of assessable profits computed in accordance with the provision of the Income Tax act 1961. Accordingly, Minimum alternative tax (MAT) has been provided in the books during the year and has been shown under current "current tax" in the Statement of Profit & Loss

Deferred tax is recognised in respect of temporary differences between the carrying amounts of assets and liabilities in the financial statements and the corresponding amounts used for taxation purpose.

Deferred tax liability is generally recognized for all taxable temporary



differences.

Deferred tax asset is generally recognized only to the extent that it is probable that future taxable profits will be available against which the assets can be utilized. The carrying amount of deferred tax asset is reviewed at the end of each reporting period and reduced to the extent that it is no longer probable that the related tax benefit will be realized.

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

15. Segment Reporting

Operating segments are reported in a manner consistent with the internal reporting provided to the chief operating decision maker.

16. Material prior period errors

Pre-paid/ prior-period items up to Rs.10,00,000/- are accounted for to natural heads of account.

Material prior period(s) errors are corrected retrospectively by restating the comparative amounts for the prior periods to the extent practicable along with change in basic and diluted earnings per share. However, if the error relates to a period prior to the comparative period, opening balances of the assets, liabilities and equity of the comparative period presented are restated.

17. Earnings per share

Basic earnings per equity share are computed by dividing the net profit or loss attributable to equity shareholders of the Company by the weighted average number of equity shares outstanding during the financial year.

Diluted earnings per equity share is computed by dividing the net profit or loss attributable to equity shareholders of the Company by the weighted average number of equity shares considered for deriving basic earnings per equity share and also the weighted average number of equity shares that could have been issued upon conversion of all dilutive potential equity shares.

18. Cash flow statement

Cash flow statement is prepared in accordance with the indirect method prescribed in Ind AS 7 'Statement of Cash Flows'.

19. Financial instruments

A financial instrument is any contract that gives rise to a financial asset of one entity and a financial liability or equity instrument of another entity.

19.1 Financial assets

Financial assets are recognised when the Company becomes a party to the contractual provisions of the instrument and are initially recognised at fair value and directly attributable transaction costs towards acquisition or issue of the financial asset are added to or deducted from the fair value on initial recognition except for financial assets which are recognised at fair



value through profit and loss.

Financial assets are classified as those measured at:

- Amortized cost, where the financial assets are held solely for collection of cash flows arising from payments of principal and/or interest
- Fair value through other comprehensive income (FVTOCI), where the financial assets are held not only for collection of cash flows arising from payments of principal and/or interest but also from the sale of such assets. Such assets are subsequently measured at FVOCI.
- Fair value through profit or loss (FVTPL), where the financial assets are not classified either at amortized cost or FVTOCI.

Financial assets include trade receivables, advances, security deposits, cash and cash equivalents etc and are classified for measurement at amortised cost.

Management determines the classification of an asset at initial recognition depending on the purpose for which the assets were acquired.

Impairment of Financial Assets:

In accordance with Ind AS 109, the Company applies expected credit loss (ECL) model for measurement and recognition of impairment loss on the following financial assets and credit risk exposure:

- (a) Financial assets that are debt instruments, and are measured at amortized cost e.g., loans, debt securities, deposits, trade receivables and bank balance.
- (b) Financial assets that are debt instruments and are measured as at FVTOCI.
- (c) Lease receivables under Ind AS 17.
- (d) Trade receivables under Ind AS 18.
- (e) Loan commitments which are not measured as at FVTPL.
- (f) Financial guarantee contracts which are not measured as at FVTPL.

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

Derecognition of Financial Assets:

Financial assets are derecognized when the contractual right to receive cash flows from the financial assets expires, or company transfers the contractual rights of such financial assets to receive the cash flows from the asset.



19.2 Financial Liabilities

Borrowings, trade payables or other financial liabilities are initially recognised at the value of the respective contractual obligations. They are subsequently measured at amortised cost using the effective interest rate method.

Derecognition of financial liability:

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

Offsetting financial instruments:

Financial assets and liabilities are offset and the net amount is included in the Balance Sheet where there is a legally enforceable right to offset the recognised amounts and there is an intention to settle on a net basis or realize the asset and settle the liability simultaneously.

20. Recent accounting pronouncements

Ind AS 116:

On 30th March 2019, the Ministry of Corporate Affairs (MCA) has notified Ind AS 116 Leases, under Companies (Indian Accounting Standards) Amendment Rules, 2019 which is applicable with effect from 1st April, 2019.

Ind AS 116 sets out the principles for the recognition, measurement, presentation and disclosure of leases for both parties to a contract i.e., the lessee and the lesser. Ind AS 116 introduces a single lease accounting model for lessee and requires the lessee to recognize right of use assets and lease liabilities for all leases with a term of more than twelve months, unless the underlying asset is low value in nature. Currently, operating lease expenses are charged to the statement of profit and loss. Ind AS 116 substantially carries forward the lesser accounting requirements in AS 17.

As per Ind AS 116, the lessee needs to recognize depreciation on rights of use assets and finance costs on lease liabilities in the statement of profit and loss. The lease payments made by the lessee under the lease arrangement will be adjusted against the lease liabilities.

The Company is currently evaluating the impact on account of implementation of Ind AS 116 which might have significant impact on key profit & loss and balance sheet ratios i.e. Earnings before interest, tax, depreciation and amortization (EBITDA), Asset coverage, debt equity, interest coverage, etc.

20.1 Critical estimates and judgments-

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

This note provides an overview of the areas that involved a higher degree of judgment or complexity, and items which are more likely to be materially adjusted due to estimates and assumptions turning out to be different than those originally assessed. Detailed information about each of these estimates



and judgment is included in relevant notes together with information about the basis of calculation for each affected line item in the financial statements.

The areas involving critical estimates or judgment are:

- (i) Estimated useful life of PPE,
- (ii) Estimation of tax expenses and tax payable,
- (iii) Probable outcome of matter included under Contingent Liabilities &
- (iv) Estimation of Defined benefit obligation.



Bihar State Power Transmission Company Limited

Notes forming part of Balance Sheet

Note No 2 Property Plant & Equipment (Non-current)

Particular	Land	Buildings	Hydrolic works	Other civil works	Plant and Machinery	Lines and cables Network	Furniture and Fixtures	Office Equipment	Computers & Accessories	Total
Depreciation Rate		3.34%	5.28%	3.34%	5.28%	5.28%	6.33%	6.33%	15.00%	
Gross Block										
Balance as at 31 march, 2018	1,40,530	3,514	0.44	19,129	1,92,795	1,84,598	412	143	92	5,41,214
Additions	1,199	-	-	1,796	49,480	69,452	318	12	114	1,22,372
Less: Disposals/Sale/Transfer	228	-	-	-	35	1,919	-	-	2	2,184
Balance as at 31 march, 2019	1,41,501	3,514	0.44	20,925	2,42,240	2,52,132	730	155	204	6,61,402
Additions	5,476	49	-	2,769	1,18,209	67,866	94	64	74	1,94,601
Less: Disposals/Sale/Transfer	-	-	-	-	98	1,012	0	-	1	1,111
Balance as at 31 march, 2020	1,46,976	3,563	0.44	23,695	3,60,351	3,18,986	825	219	277	8,54,892
Accumulated Depreciation										
Balance as at 31 march, 2018	-	-	-	-	-	-	-	-	-	-
Depreciation expense	-	395	0.06	1,343	20,367	17,414	45	13	8	39,585
Less: Eliminated on disposals/Sale/Transfer	-	197	0.03	785	14,449	14,383	40	8	36	29,900
Balance as at 31 march, 2019	-	-	-	-	32	1,654	-	-	-	1,685
Depreciation expense	-	592	0.08	2,128	34,784	30,144	86	21	44	67,799
Less: Eliminated on disposals/Sale/Transfer	-	198	0.16	1,065	21,371	20,077	53	10	44	42,817
Balance as at 31 march, 2020	-	-	-	-	78	875	0	-	-	953
Carrying Amount										
As at 31 march, 2018	1,40,530	3,119	0.39	17,787	1,72,428	1,67,184	367	130	84	5,01,629
As at 31 March, 2019	1,41,501	2,922	0.36	18,797	2,07,455	2,21,988	645	134	160	5,93,602
As at 31 March, 2020	1,46,976	2,773	0.20	20,502	3,04,273	2,69,640	686	188	189	7,45,228

Requirement of componentization of Fixed Assets has not been met due to lack of support for maintaining Fixed Assets Register in the existing Accounting Software deployed by the Company. However, Company has initiated necessary steps for identification, valuation and preparation of Fixed Assets Register.

Note No 2

Capital Work-In-Progress(CWIP)

Particular	As at 31 March, 2020	As at 31 March, 2019	As at 31 March, 2018
Capital work in progress			
Cap Wip- RSVY	-	6,929	5,341
Cap WIP-ADB	14,361	50,984	50,401
Cap WIP- BRGF	14,770	51,268	47,820
Cap WIP- Deposit Scheme	13,197	12,182	11,419
Cap WIP- IRF	6,196	5,069	1,278
Cap WIP- PSDF	6,579	5,500	5,322
Cap WIP- State Plan	1,67,796	1,16,265	1,35,733
Total	2,22,899	2,48,196	2,97,316

Interest on loan accounting for fixed assets shown under Capital Work in Progress will be allocated to various assets at the time of capitalization of completed assets.



Bihar State Power Transmission Company Limited
Notes forming part of Balance Sheet

Note No 3

Financial Assets - Loans

(₹ in Lakh)

Particulars	As at 31st March, 2020	As at 31st March, 2019
Unsecured - Considered Good		
Loans to Staff	44	35
Total	44	35

Note No 3A

Financial Assets - Others

Particulars	As at 31st March, 2020	As at 31st March, 2019
Secured - Considered Good	-	-
Total	-	-

Note No 4

Other Non-Current Assets

Particulars	As at 31st March, 2020	As at 31st March, 2019
Unsecured - Considered Good		
Advances for Capital Works	13,246	9,991
Deposit	1	1
Total	13,247	9,992

Note No 5

Inventories

Particulars	As at 31st March, 2020	As at 31st March, 2019
Stock of material/ Consumables at Other Stores	10,084	11,080
Materials/ Consumables in Transit (ICT)	462	524
Other stock	7	7
Total	10,553	11,612

** Requirement of valuation of inventories and it's classification in capital and spare inventory has not been made due to lack of support for maintaining Inventory Register in the existing Accounting Software deployed by the Company. However, Company has initiated necessary steps for Identification and Valuation of Inventories*

Bihar State Power Transmission Company Limited
Notes forming part of Balance Sheet

Note No. 6

Financial Assets - Trade Receivables

(₹ in Lakh)

Particulars	As at 31st March, 2020	As at 31st March, 2019
- Secured, Considered good		
- Unsecured Considered Good	1,59,299	90,829
Less:- Provision for Doubtful dues from Consumers	-	-
Total	1,59,299	90,829

Note No. 7

Financial Assets - Cash And Cash Equivalents

Particulars	As at 31st March, 2020	As at 31st March, 2019
Cash in hand	4	3
Cash imprest with staff	1,453	2,772
Cash in Transit	-	-
Balance with bank		
(i) In Bank Accounts	73,315	1,39,699
(ii) In Deposit Accounts (with original maturity less than three months)	-	-
Cheque in Transit	26	30
Total	74,798	1,42,504

Note No 8

Financial Assets - Bank Balances (Other than Cash and Cash Equivalents)

Particulars	As at 31st March, 2020	As at 31st March, 2019
(i) Deposits with banks (with original maturity more than 3 months)		
(ii) Earmarked Bank Balance	28,713	35,131
Total	28,713	35,131

* Balance of INR 28713 lakh is kept in separate PLA account received from BSPHCL of Directly by Government of Bihar for capital projects.



Bihar State Power Transmission Company Limited
Notes forming part of Balance Sheet

Note No 9

Financial Assets - Others (Current)

(₹ in Lakh)

Particulars	As at 31st March, 2020	As at 31st March, 2019
Amount recoverable from employees	1	1
Other Claims and Receivables	1,882	307
Advance to Staff	0.99	0.34
Total	1,884	309

Note No 10 (A)

Other Current Tax Assets

Particulars	As at 31st March, 2020	As at 31st March, 2019
Advance Income Tax / deductions at source	37,707	24,416
Total	37,707	24,416

Note No 10 (B)

Other Current Tax Liabilities

Particulars	As at 31st March, 2020	As at 31st March, 2019
Provisions for income tax	26,145	19,060
Total	26,145	19,060
Net Balance (Note 10A-Note 10B)	11,561	5,356

Note No 11

Other Current Assets

Particulars	As at 31st March, 2020	As at 31st March, 2019
Advances for O & M Supplies/Works	537	309
Advances to Staff	70	59
Advance -		
Entry tax	1,000	-
BSEB Restructuring Balance	3,538	3,538
Pre Paid Expenses	215	132
Others Receivables	11	8
Total	5,371	4,046



Bihar State Power Transmission Company Limited
Notes forming part of Balance Sheet

Note No 12

Equity Share Capital

(₹ in Lakh)

Particulars	As at	
	31st March, 2020	31st March, 2019
(A). Authorised		
8,10,00,00,000 Equity Shares of Rs.10 each	8,10,000	8,10,000
(B). Issued, subscribed and fully paid up		
724,53,73,608 Equity Shares of Rs. 10 each on 31st March 2019 and 7,58,92,30,000 Equity Shares of Rs. 10 each on 31st March 2020	7,58,923	7,24,537
Total	7,58,923	7,24,537

Note No 12.1- The Company has only one class of equity share, having par value of ₹ 10/- per share.

12.2 Reconciliation of the number of shares outstanding:-

Particulars	As at 31 March 2020		As at 31 March 2019	
	No. of shares	Amount	No. of shares	Amount
Equity Shares at the beginning of the year	7,24,53,73,608	7,24,537	3,00,00,00,000	3,00,000
Add:- Shares issued during the year	34,38,59,270	34,386	4,24,53,73,608	4,24,537
Equity Shares at the end of the year	<u>7,58,92,32,878</u>	<u>7,58,923</u>	<u>7,24,53,73,608</u>	<u>7,24,537</u>

12.3 Details of the shares held by each shareholder holding more than 5% shares:-

Particulars	As at 31 March 2020		As at 31 March 2019	
	No. of shares	% held	No. of shares	% held
Bihar State Power (Holding) Company Ltd. and its nominees	7,58,92,32,878	100%	7,24,53,73,608	100%



Bihar State Power Transmission Company Limited
Notes forming part of Balance Sheet

Note No 13

Other Equity

(₹ in Lakh)

Particulars	As at 31st March, 2020	As at 31st March, 2019
Surplus in Statement of Profit & Loss		
Opening Balance	31,762	(18,953)
Add:- Profit/(Loss) during the year as per Statement of Profit &	46,016	14,728
Add: Changes in accounting policy or prior period errors	(3,598)	35,986
Less:- Appropriations during the year	-	-
Closing Balance	74,180	31,762
Share Application Pending Allotment		
Opening Balance	34,386	3,61,674
Add:- Funds received during the year	36,076	97,249
Less: Share capital Alloted	34,386	4,24,537
Closing Balance	36,076	34,386
	-	-
Total	1,10,256	66,148

Note No 14

Deferred Government Grant and Consumer Contribution

Particulars	As at 31st March, 2020	As at 31st March, 2019
Dererred Income - Non-Depreciable Assets		
Opening Balance	3,375	3,510
Add: Fund from State Government	-	-
Less: Deffered Income	135	135
Total (A)	3,240	3,375
Dererred Income - Depreciable Assets		
Opening Balance	1,21,393	1,28,107
Add: Fund from State Government	-	-
Less: Deffered Income	6,981	6,714
Total (B)	1,14,412	1,21,393
Consumer Contribution- Deferred Income		
Opening Balance	49,672	44,866
Add:- Addition during the Year	1,416	4,806
Deduction- Amortisation of Consumer Contribution	-	-
Total (C)	51,088	49,672
Total (A+B+C)	1,68,740	1,74,440



Bihar State Power Transmission Company Limited
Notes forming part of Balance Sheet

Note No 15

Financial Liabilities - Borrowings (Non-Current)

(₹ in Lakh)

Particulars	As at 31st March, 2020	As at 31st March, 2019
From Government of Bihar		
(a) Loan from Financial Institutions (Secured)	50,000	-
<i>Loan has been taken from Canara Bank and Interest is charged at MCLR+0.10%</i>	-	-
(b) Loan from BSPHCL - ADB (Unsecured)	46,403	38,847
<i>Interest is provisionally provided @13.00%.</i>	-	-
Sub total	96,403	38,847
Less:- Current Maturities of Long Term Debts	-	-
Total	96,403	38,847

Note No 16

Provisions

Particulars	As at 31st March, 2020	As at 31st March, 2019
Terminal Benefits Liabilities		
Company		
Pension	9,690	10,193
Gratuity	987	597
Leave Encashment	(1,061)	(1,484)
Total	9,615	9,306

For fair presentation of Non Current and Current liabilities, previous year's figures have been recasted. In Previous year all the Terminal benefit Liabilities were classified under Non-Current Part. Now, it has been re-classified under Non current and Current liability.

Note No 17

Tax Expense recognised in Statement of profit and loss

Particulars	As at 31st March, 2020	As at 31st March, 2019
Current income tax		
Current year	7,084	11,944
Less: MAT Credit	7,084	11,944
Sub Total (A)	-	-
Deferred tax expense		
Deffered tax liability / (asset)	5,470	(41,242)
Sub Total (B)	5,470	(41,242)
Total	5,470	(41,242)



Bihar State Power Transmission Company Limited
Notes forming part of Balance Sheet

Reconciliation of effective tax rates

(₹ in Lakh)

Particulars	As at 31st March, 2020	As at 31st March, 2019
Profit before tax	40,546	55,970
Enacted tax Rate	17.47%	21.34%
Computed Expected Tax Expenses	7,084	11,944
Deffered Tax	5,470	(41,242)
MAT Credit	(7,084)	(11,944)
Tax Expenses for the year	5,470	(41,242)

Recognised deferred tax assets and liabilities

Deferred tax assets and liabilities are attributable to the following:

Particulars	As at 31st March, 2020	As at 31st March, 2019
Deferred Tax Liability		
Property, plant and equipment	1,00,364	85,909
Sub Total	1,00,364	85,909
Deferred tax Assets	-	
Unabsorb Depreciation	20,657	549
Terminal Benefits	3,954	4,136
Sub Total	24,611	4,685
Net Deferred Tax Liabilities	75,753	81,224
MAT Credit Entitlement	26,145	19,060
Total	49,608	62,164

Note No 18

Financial Liabilities - Others (Current)

Particulars	As at 31st March, 2020	As at 31st March, 2019
		-
Interest Accured on borrowing from ADB	17,038	12,145
Terminal Benefits Liabilities	728	661
Staff Related Liability	1,574	1,253
Deposits and Retentions from Suppliers and Customers	46,271	33,418
Audit Fee Payable	995	995
Liability to Supplies/Works	3,790	4,075
Other Liability	1,491	191
Total	71,888	52,737



Bihar State Power Transmission Company Limited
Notes forming part of Balance Sheet

Note No 19

Provisions

(₹ in Lakh)

Particulars	As at 31st March, 2020	As at 31st March, 2019
Terminal Benefits Liabilities		
Pension	1,210	849
Gratuity	284	197
Leave Encashment	206	146
Total	1,700	1,192

Note No 20

Other Current Liabilities

Particulars	As at 31st March, 2020	As at 31st March, 2019
Statutory Dues	658	728
Entry Taxes	-	-
Inter Unit Accounts	1,402	1,402
Inter Company Balances	4,404	10,108
Total	6,464	12,239



Bihar State Power Transmission Company Limited
Notes forming part of Balance Sheet

Note No 21

Revenue from Operation

(₹ in Lakh)

Particulars	For the year ended 31st March, 2020	For the year ended 31st March, 2019
I. Revenue from Transmission Charges		
Revenue from NBPDC	45,501	42,971
Revenue from SBPDCL	53,414	50,445
Revenue from Other Transmission System Users	1,318	
Total	1,00,232	93,416
Less: - Discount Allowed	-	(26)
Net Operating Income	1,00,232	93,442
II. Other Operating Income		
SLDC Income:		
From NBPDC	176	197
From SBPDCL	207	231
From Other Users	19	11
Rebate for timely payment	(2)	(3)
STU Charges	82	-
Supervision Charges	641	1,307
Other Transmission Charges	1,952	1,403
Total Other Operating Income	3,076	3,146
Grand Total	1,03,308	96,588

Revenue from Transmission Charges and SLDC Charges has been accounted on the basis of tariff order of Bihar Electricity Regulatory Commission, Patna on dated 15th February 2019.

Note No 22

Other Income

Particulars	For the year ended 31st March, 2020	For the year ended 31st March, 2019
Interest Income		
Interest on Staff Loan & Advances	0.02	0.06
Interest from Banks	6,511	8,773
Interest from income tax refund	-	187
Total (A)	6,511	8,960
Other Income		
Income from scrap sale	553	265
Miscellaneous Receipts	80	164
Application fee Received	10	4
Lease Rental Income	-	24
Deferred Income	7,116	6,849
Total (B)	7,759	7,306
Total (A+B)	14,270	16,266



Bihar State Power Transmission Company Limited
Notes forming part of Balance Sheet

Note No 23

Employee Benefit Expenses

(₹ in Lakh)

Particulars	For the year ended 31st March, 2020	For the year ended 31st March, 2019
Salaries	12,719	10,883
Over Time	263	302
Dearness Allowance	1,822	981
Other Allowance	1,935	1,649
Medical Expenses Re-imbusement	62	64
Staff welfare Expenses	33	26
Terminal Benefits	6,780	2,379
Total	23,613	16,284

Note No 24

Finance Cost

Particulars	For the year ended 31st March, 2020	For the year ended 31st March, 2019
Interest on Capital Liabilities		
(a) Interest on State Government Loans		-
(b) Interest on PFC Loans		-
(c) Interest on ADB Loans	3,972	1,975
Total Interest on Capital Liabilities (a+b+c)	3,972	1,975
Other Interest and Finance charges		
Other Interest & Bank Charges	13	1
Total Other Interest & Bank Charges	13	1
Total	3,985	1,976

Note No 25

Depreciation and Amortisation Expense

Particulars	For the year ended 31st March, 2020	For the year ended 31st March, 2019
Depreciation	39,859	29,900
Total	39,859	29,900

Note No 26

Other Expenses

Particulars	For the year ended 31st March, 2020	For the year ended 31st March, 2019
Repairs and Maintenance of Assets		
Plant and Machinery	2,223	2,433
Building	179	209
Civil Works	256	361
Hydraulic Works	-	0
Line Cable Net Works	589	628
Vehicles	0	1
Furniture and Fixture	0	0
Office Equipment	13	10
Total (A)	3,260	3,643



Bihar State Power Transmission Company Limited
Notes forming part of Balance Sheet

(₹ in Lakh)

Particulars	For the year ended 31st March, 2020	For the year ended 31st March, 2019
Administration and General Expenses		
Rent, Rates & Taxes	201	143
Insurance	976	684
Telephone charges, Postage & Telex Charges	48	49
Legal Charges.	48	53
Audit Fees	4	4
Consultancy Charges	113	85
Director's Sitting Fee	1	1
Interest on Statutory Dues	0	0
Holding Charges	1,196	1,318
Other Professional Charges	8	9
Conveyance & Travel	1,090	591
Total (B)	3,686	2,936
Other Expenses		
Fees & Subscription	65	27
Books & Periodicals	5	2
Printing & Stationary	36	27
Advertisement	6	347
Expenditure on CSR	535	167
Electricity Charges	1,012	874
Entertainment Charges	37	27
Commission for sale of scrap	8	27
Home Guard/ Security Guard	852	605
Miscellaneous Expenses	62	43
Freight	-	1
Compensation for Injuries, Death and Damages	12	-
Total (C)	2,630	2,146
Total (A+B+C)	9,575	8,724

As directed by the Government of Bihar, the Company is in the process of obtaining all land records owned by it and paying Malgujari Tax on the land finalized during the year.



Bihar State Power Transmission Company Limited.
Notes to accounts for year ended March 31, 2020

1 Disclosures in respect of Prior Period Items

Year wise details of Prior Period Error (₹ in Lakh)

S.No.	Particulars	Booked in FY 2019-20	FY 2018-19	Prior to FY 2018-19
1	Depreciation	2,958	548	2,410
2	Statutory Dues	577	-	540
3	Audit Fee	0.40	-	0.40
4	Inventory	62	-	62
	Total	3,598	548	3,013

1.1 Extract from the Statement of Profit & Loss

S.No.	Particulars	March 31, 2020 Ind AS Figures	March 31, 2019 Ind AS Figures before Prior Period Errors Adjustment*
1	Revenue from Operation	96,587	96,587
2	Other Income	16,266	16,266
3	Employee Benefit Expenses	16,284	16,284
4	Finance Cost	1,976	1,976
5	Depreciation	32,858	29,900
6	All Other Expenses	9,364	8,724
	Profit before Tax	52,372	55,970

Note:

During the year 2018-19 Company has capitalized some assets for which ToC was issued prior to 31st March 2019. Accordingly, additional depreciation has been provided as Prior Period Adjustment.

During the year 2018-19 Company has booked income of ₹ 115.58 Crore in respect of interest expenses wrongly shown in Profit & loss Account during the FY 2014-15 to 2017-18 on Equity Fund. It has been rectified on the basis of qualification no. 3 in Statutory Auditor's report for FY 2017-18. In this regard at the time of filling revised return for FY 2014-15 during the assessment procedure, the CPC has determined ₹ 5.36 Crore as additional dues on account of non compliance of provisions of Advance Tax in 2014-15. Further, a sum of ₹ 37.57 Lakh has been paid against Service Tax liability under SVLDRS Scheme and ₹ 3.36 Lakh has been paid against Service Tax demand notice on supervision charges for FY 2013-14 to 2015-16. Same has been shown above as prior period adjustment.

Under Provisioning of Audit fee for ₹ 39,600/- in FY 2018-19 has been shown as Prior Period Adjustment.



Bihar State Power Transmission Company Limited.
Notes to accounts for year ended March 31, 2020

2 Disclosures in respect of Ind AS 107 - Financial Instruments

Financial Instruments by Categories

The carrying value and fair value of financial instruments by categories are as follows:

(₹ in Lakh)

Particulars	Total carrying value as at March 31, 2020	Financial assets/ liabilities at FVTPL as at March 31, 2020	Financial assets/ liabilities at fair value through OCI as at March 31, 2020	Amortized cost as at March 31, 2020	Total fair value as at March 31, 2020
Financial Assets:					
Trade Receivables	1,59,299			1,59,299	
Cash And Cash Equivalents	1,03,512			1,03,512	
Loans to Staff	44			44	
Others	1,884			1,884	
Total Financial Assets	2,64,739			2,64,739	
Financial Liabilities:					
Long term borrowings	96,403			96,403	
Interest Accrued on borrowing from ADB	17,038			17,038	
Deposits and Retentions from Suppliers and Customers	46,271			46,271	
Liability to Supplies/Works	3,790			3,790	
Staff Related Liability	1,574			1,574	
Audit Fee Payable	995			995	
Other Liability	1,491			1,491	
Total Financial Liabilities	1,67,564			1,67,564	

Particulars	Total carrying value as at March 31, 2019	Financial assets/ liabilities at FVTPL as at March 31, 2019	Financial assets/ liabilities at fair value through OCI as at March 31, 2019	Amortized cost as at March 31, 2019	Total fair value as at March 31, 2019
Financial Assets:					
Trade Receivables	90,829			90,829	
Cash And Cash Equivalents	1,77,635			1,77,635	
Loans to Staff	35			35	
Others	309			309	
Total Financial Assets	2,68,807			2,68,807	
Financial Liabilities:					
Long term borrowings	38,847			38,847	
Interest Accrued on borrowing	12,145			12,145	
Deposits and Retentions from Suppliers and Customers	33,418			33,418	
Liability to Supplies/Works	4,075			4,075	
Staff Related Liability	1,914			1,914	
Audit Fee Payable	995			995	
Other Liability	191			191	
Total Financial Liabilities	91,584			91,584	



Bihar State Power Transmission Company Limited.

Notes to accounts for year ended March 31, 2020

(₹ in Lakh)

3 Fair value of financial assets and financial liabilities measured at amortized cost

Particulars	March 31, 2020		March 31, 2019	
	Carrying Amount	Fair value	Carrying Amount	Fair value
Financial Assets:				
Trade Receivables	1,59,299	1,59,299	90,829	90,829
Cash And Cash Equivalents	1,03,512	1,03,512	1,77,635	1,77,635
Loans to Staff	44	44	35	35
Others	1,884	1,884	309	309
Total Financial Assets	2,64,739	2,64,739	2,68,807	2,68,807
Financial Liabilities:				
Long term borrowings	96,403	96,403	38,847	38,847
Interest Accrued on borrowing	17,038	17,038	12,145	12,145
Deposits and Retentions from Suppliers and Customers	46,271	46,271	33,418	33,418
Liability to Supplies/Works	3,790	3,790	4,075	4,075
Staff Related Liability	1,574	1,574	1,914	1,914
Audit Fee Payable	995	995	995	995
Other Liability	1,491	1,491	191	191
Total Financial Liabilities	1,67,564	1,67,564	91,584	91,584

(i) The carrying amount of current financial instruments such as trade receivables, other assets, cash and cash equivalents and other liabilities are considered to be the same as their fair values, due to their short-term nature.

4 Financial risk management

Financial risk factors

The Company's activities expose it to a variety of financial risks: market risk, credit risk and liquidity risk. The Company's primary focus is to foresee the unpredictability of financial markets and seek to minimize potential adverse effects on its financial performance.

Risk	Exposure arising from	Measurement	Management
Market risk- Interest rate	Long term borrowings at fixed rate of interest	Sensitivity analysis	The company obtains borrowings at fixed rate / Bank Rate of interest.
Credit risk	Cash and cash equivalent, trade receivables, financial instruments.	Ageing analysis Credit rating	Majority of receivable are on account of government undertaking. They are unsecured but considered good.
Liquidity risk	Borrowings and other liabilities	Rolling cash flow forecasts	Maintaining adequate cash and cash equivalent

a) Market Risk

Interest rate risk

The company obtains borrowings at bank rate. Company's borrowings are denominated in INR (₹) currency during March 31, 2020 and March 31, 2019.

The exposure of company's borrowings to interest rate changes at the end of reporting period are as follows:

Particulars	March 31, 2020	March 31, 2019
Variable rate borrowings	50,000	-
Fixed rate borrowings	46,403	38,847
Total borrowings	96,403	38,847



Bihar State Power Transmission Company Limited.
Notes to accounts for year ended March 31, 2020

Sensitivity

Profit or loss is sensitive to higher/lower expense from borrowings as a result of change in interest rates. The table summarizes the impact of increase/decrease in interest rates on Profit or loss.

Particulars	Impact on profit before tax	
	March 31, 2020	March 31, 2019
Interest rates- increase by 50 Bsc Pts	--NIL--	
Interest rates- decrease by 50 Bsc Pts		

As far as variable rate borrowings are concerned, the loan moratorium period is upto 31st March, 2022. Hence, the impact on Profit and Loss has not been calculated.

b) Credit Risk

Credit risk refers to the risk of default on its obligation by the counterparty resulting in a financial loss. The maximum exposure to the credit risk at the reporting date is primarily from trade receivables and unbilled revenue. Accordingly, credit risk from trade receivables has been separately evaluated from all other financial assets in the following paragraphs.

i) Trade Receivables

The company has outstanding trade receivables amounting to ₹ 663,69,68,846 (NBPDCI) & ₹ 929,28,94,740 (SBPDCL) as on March 31, 2020 and ₹ 415,78,58,801 (NBPDCI) & ₹ 492,50,12,572 (SBPDCL) as on March 31, 2019). Trade receivables are typically unsecured and are derived from revenue earned from customers.

Credit risk exposure

An analysis of age of trade receivables at each reporting date is summarized as follows:

Particulars	March 31, 2020		March 31, 2019	
	Gross Amount	Impairment	Gross Amount	Impairment
Not due	--NIL--			
Past due less than six months				
Past due more than six months				
Total				

Trade receivables are impaired when recoverability is considered doubtful based on the recovery analysis performed by the company for individual trade receivables. The company considers that all the above financial assets that are not impaired and past due for each reporting dates under review are of good credit quality.

The company does not hold any collateral or other enhancements to cover its credit risks associated with its financial assets.

ii) Other financial assets

The Company held cash and cash equivalents of ₹ 7,47,85,96,305.00 (March 31, 2020) & ₹ 14,21,65,13,808.00 (March 31, 2019). The cash and cash equivalents are held with public sector banks and high rated private sector banks and do not have any significant credit risk.

c) Liquidity Risk

The company's principal sources of liquidity are cash and cash equivalents, cash generated from operations.

Company manage our liquidity needs by continuously monitoring cash inflows and by maintaining adequate cash and cash equivalents. Net cash requirements are compared to available cash in order to determine any shortfalls.

Short term liquidity requirements consists mainly of sundry creditors, expense payable, other payable arising during the normal course of business as at each reporting date. Company maintain a sufficient balance in cash and cash equivalents to meet our short term liquidity requirements.

Company assess long term liquidity requirements on a periodical basis and manage them through internal accruals.

The table below provides details regarding the contractual maturities of non-derivative financial liabilities. The amount disclosed in the table is the contractual undiscounted cash flows. The table includes both principal & interest cash flows.

(₹ in Lakh)

Particulars	Less than 6 months	6 months to 1 year	1-5 years	More than 5 years	Total
As at March 31, 2020					
Short Term Borrowing	-	-	-	-	-
Long Term Borrowing*	-	-	-	96,403	-
Security Deposit	46,271	-	-	-	-



Bihar State Power Transmission Company Limited.
Notes to accounts for year ended March 31, 2020

(₹ in Lakh)

Particulars	Less than 6 months	6 months to 1 year	1-5 years	More than 5 years	Total
As at March 31, 2019					
Short Term Borrowing					
Long Term Borrowing*				38,847	
Security Deposit	33,418				
Other financial liability	19,319				

5 Capital Management

a) Risk Management:

The Company's objectives when managing capital are to:

1. Safeguard their ability to continue as a going concern, so that they can continue to provide returns for shareholders and benefits to other stakeholders, and
2. Maintain an optimal capital structure to reduce the cost of capital.

Consistent with others in the industry, the company monitors capital on the basis of the following ratio:

Net debt (total borrowings) divided by
Total 'Equity' as shown in the balance sheet.

The debt-equity ratio of the Company is as follows :

Particulars	As at March 31, 2020	As at March 31, 2019
Long term debt (net of cash and cash equivalent)	96,403	38,847
Equity (including capital reserve)	8,69,179	7,90,685
Debt-Equity Ratio	0.11	0.05

b) Dividend

Particulars	As at March 31, 2020	As at March 31, 2019
Dividend distributed		
Dividend declared but not paid		
		NIL

6 Disclosure in respect of Indian Accounting Standard (Ind AS)-23 "Borrowing Costs"

The amount capitalized with Property, Plant & Equipment's as borrowing cost is ₹ 5,796.72 lakh for the year ended March 31, 2020 as per policy of borrowing cost as mentioned in significant accounting policies.

7 Disclosure in respect of Indian Accounting Standard (Ind AS)-36 "Impairment of assets"

The company has not assessed impairment of Fixed Assets being classified under major heads such as Land, Building, Plant and Machinery, Lines & Cables, etc.



Bihar State Power Transmission Company Limited
Notes to accounts for year ended March 31, 2020

B Disclosure in respect of Indian Accounting Standard (Ind AS)-19 "Employee Benefits"

General description of the Company's Defined Employees Benefit Schemes are as under:

(a) Gratuity:

Gratuity liability of the Company is funded and managed by the Bihar State Electricity Employee Master Trust through LIC. It is computed on last drawn qualifying salary. Benefits of normal retirement is governed by the provisions of the Payment of Gratuity Act, 1972 as amended.

(b) Leave Encashment:

Leave Encashment represents Earned Leave Liability. It is computed on the last drawn qualifying salary. Yearly accrual is 30 days per annum restricted to a maximum of 300 days during the period of service. The Leave Encashment liability of the company is funded and managed by the Bihar State Electricity Employee Master Trust through LIC.

(c) Pension:

Pension liability of the Company includes Superannuation Pension and Family Pension. Family Pension is equivalent to 60% of the Original Pension. Pension of 50% is limited on last salary and Dearness Allowance subject to 20 years' of service and and the same is reduced proportionately for lesser service. In respect of the spouse, Pension is encashed on the expiry of a period of 7 years or the date when the spouse would have attained age of 67 years, whichever is earlier. The pension liability of the Company is funded and managed by Bihar State Electricity Employee Master Trust through LIC.

Summary of Membership Data

[₹ in Lakh]

Particulars	Gratuity		Leave Encashment	
	March 31, 2020	March 31, 2019	March 31, 2020	March 31, 2019
No. of regular Employees	2,380.00	1,781.00	2,380.00	1,781.00
Total Monthly Salary (Lakh)	1,169.74	937.34	1,169.74	937.34
Average past services (years)	10.94	11.26	10.94	11.26
Average age (years)	35.50	37.44	35.50	37.44
Average remaining working life (years)	24.50	22.56	24.50	22.56
Weighted average duration				
Leave balance considered on valuation date			2,76,853.00	1,25,831.00

Summary of Membership Data

Particulars	Pension	
	March 31, 2020	March 31, 2019
In Service Employees		
No. of Employees	580.00	555.00
Average past services (years)	26.50	26.34
Average age (years)	50.98	50.89
Average remaining working life (years)	9.02	9.11
Weighted average remaining working life		
Retired Employees		
No. of Retired Employees	1,122.00	1,107.00
Average age (years)	72.20	68.37
Spouse		
No. of Spouse	426.00	419.00
Average age (years)	66.85	66.13

Actuarial Assumption of Gratuity, Leave Encashment and Pension

Particulars	March 31, 2020	March 31, 2019
Method used	Projected Unit Credit (PUC) Method	Projected Unit Credit (PUC) Method
Discount rate	6.88%	7.77%
Rate of salary increase	Basic 3% and DA as per Govt. Rules	Basic 3% and DA as per Govt. Rules
Mortality basis for regular & active employees including disability	100% of Indian Assured Lives Mortality (2006-08)	100% of Indian Assured Lives Mortality (2006-08)



Bihar State Power Transmission Company Limited
Notes to accounts for year ended March 31, 2020

The summarized position of various defined benefits recognized in the Statement of Profit & Loss, Other Comprehensive Income (OCI) and Balance

Change in Benefit Obligation

(₹ in Lakhs)

Particulars	Gratuity (Non Funded) March 31, 2020	Earned Leave (Non Funded) March 31, 2020	Pension (Non Funded) March 31, 2020	Gratuity (Non Funded) March 31, 2019	Earned Leave (Non Funded) March 31, 2019	Pension (Non Funded) March 31, 2018
Present value of obligation as at the beginning of the period	2,353.01	2,228.12	14,091.12	1,815.55	1,955.66	12,532.61
Acquisition adjustment		375.85		-	198.67	
Interest Cost	156.78	149.83	898.38	140.14	151.41	971.22
Service Cost	272.47		180.09	160.12		171.51
Past Service Cost including curtailment Gains/Losses						
Benefits Paid	(121.91)	(75.22)	(2,066.50)	(23.89)	(14.13)	(46.09)
Total Actuarial (Gain)/Loss on Obligation	1,311.91	1,536.65	1,740.00	261.10	(63.48)	471.88
Present value of obligation as at the End of the period	3,972.26	4,215.22	14,843.09	2,353.01	2,228.12	14,091.12

Reconciliation of Opening & Closing of Plan Assets

(₹ in Lakhs)

Particulars	Gratuity (Non Funded) March 31, 2020	Earned Leave (Non Funded) March 31, 2020	Pension (Non Funded) March 31, 2020	Gratuity (Non Funded) March 31, 2019	Earned Leave (Non Funded) March 31, 2019	Pension (Non Funded) March 31, 2019
Fair Value of Plan Assets at end of prior year	1,558.35	3,566.19	1,049.10	929.83	2,764.66	2,997.61
Difference in Opening Value				-		
Employer Contribution	1,122.32	1,032.65	2,633.69	599.69	457.11	607.26
Expected Interest Income / Returns on Assets	140.81	276.67	228.95	91.12	232.02	107.91
Employer Direct Benefit Payments						
Plan Participant's Contributions						
Transfer In / Acquisitions						
Transfer Out / Divestitures						
Benefits Pay-outs from Employer						
Benefits Payouts from Plan	(121.91)	(75.22)	(2,066.50)	(23.89)	(14.13)	(46.09)
Settlements by Fund Manager						
Admin Expenses / Taxes paid from Plan Assets						
Effect of Change in Exchange Rates						
Insurance Premiums for Risk Benefits						
Actuarial Gain / (Loss)	1.84	270.89	108.03	51.60	126.52	121.92
Fair Value of Assets at the End	2,701.40	5,071.17	3,953.26	1,558.35	3,566.19	3,049.10
Actual Return on Plan Assets	142.64	358.54	309.03	142.72	294.45	221.53



Bihar State Power Transmission Company Limited
Notes to accounts for year ended March 31, 2020

Net Asset/(Liability) Recognized in Balance Sheet

(₹ in Lakhs)

Particulars	Gratuity (Non Funded) March 31, 2020	Earned Leave (Non Funded) March 31, 2020	Pension (Non Funded) March 31, 2020	Gratuity (Non Funded) March 31, 2019	Earned Leave (Non Funded) March 31, 2019	Pension (Non Funded) March 31, 2019
Present Value of Funded Obligation	3,972.26	4,215.22	14,843.09	2,353.01	2,228.32	14,091.12
Fair Value of Plan Assets	3,791.40	5,071.27	3,943.26	1,558.35	3,246.19	3,049.10
Present Value of Unfunded Obligation	-	-	-	-	-	-
Funded Status [Surplus/(Deficit)] - Para 64(a) of Ind AS-19	-1,278.86	855.95	-10,899.83	-794.66	1,338.07	-11,042.02
Unrecognised Past Service Costs	-	-	-	-	-	-
Amount not Recognised as an Asset [Limit in Para 64(b) of Ind AS-19]	-	-	-	-	-	-
Net Liability	-1,270.86	855.95	-10,899.83	-794.66	1,338.07	-11,042.02
Recognised in Balance Sheet	-1,270.86	855.95	-10,899.83	-794.66	1,338.07	-11,042.02
Net Balance Sheet Asset / Liability recognised at the end of the period	-1,270.86	855.95	-11,042.02	-794.66	1,338.07	-11,042.02
Present Value of Encashment Obligation	-	-	-	-	-	-
Present Value of Availment Obligation	-	-	-	-	-	-

Assumption on March 31, 2020: Discount Rate as per Para 144 of Ind AS-19: 7.77%

Current & Non-Current Bifurcation & Funded Status

Particulars	Gratuity (Non Funded) March 31, 2020	Earned Leave (Non Funded) March 31, 2020	Pension (Non Funded) March 31, 2020	Gratuity (Non Funded) March 31, 2019	Earned Leave (Non Funded) March 31, 2019	Pension (Non Funded) March 31, 2019
Present Value of Benefit Obligation - Current	-	-	-	1,030.80	369.45	486.42
Present Value of Benefit Obligation - Non-current	-	-	-	1,312.22	1,858.67	11,104.71
Funded Status [Surplus / (Deficit)] - Current	386.64	-	948.00	237.88	-	3,046.63
Funded Status [Surplus / (Deficit)] - Non-current	88.42	-	9,951.81	356.78	-	9,995.39

Reconciliation of Net Balance Sheet Liability

Particulars	Gratuity (Non Funded) March 31, 2020	Earned Leave (Non Funded) March 31, 2020	Pension (Non Funded) March 31, 2020	Gratuity (Non Funded) March 31, 2019	Earned Leave (Non Funded) March 31, 2019	Pension (Non Funded) March 31, 2019
Net Balance Sheet / (Liability) recognised at the beginning	(794.66)	1,338.07	(11,042.02)	(885.71)	809.00	(10,425.00)
Amount recognised in Accumulated Other Comprehensive Income / (Loss) at the beginning of the period	(403.61)	-	(874.52)	(196.31)	-	(524.55)
(Accrued) / Prepaid benefit cost (before adjustment) at the beginning of the period	(391.05)	1,338.07	(16,167.50)	(691.00)	889.00	(9,900.45)
Net Periodic Benefit (Cost) / Income for the period excluding Para 64(b) of Ind AS-19	(288.44)	(1,319.77)	(849.52)	(209.14)	71.95	(954.81)
Employer Contribution	1,112.32	1,032.65	2,623.69	309.69	457.11	687.76
Employers' Direct Benefits Payments	-	-	-	-	-	-
Amount not recognised as an Asset [Limit in Para 64(b) of Ind AS-19] - Opening Figure of March 31, 2018	-	-	-	-	-	-
(Accrued) / Prepaid benefit cost (Before Adjustment) at the end of the Period	442.83	855.95	(8,303.34)	(391.05)	1,338.07	(10,167.58)
Amount recognised in Accumulated Other Comprehensive Income / (Loss) at the end of the period	(1,713.68)	-	(2,586.48)	(403.61)	-	(874.52)
Acquisition / Divestitures / Transfer	-	-	-	-	-	-
Effect of the Limit in Para 64(b) of Ind AS-19	-	-	-	-	-	-
Net Balance Sheet Asset / Liability recognised at the end of the period	(1,270.86)	855.95	(10,899.83)	(794.66)	1,338.07	(11,042.02)



Bihar State Power Transmission Company Limited
Notes to accounts for year ended March 31, 2020

Amount Recognized in Statement of Profit and Loss

(₹ in Lakhs)

Particulars	Gratuity (Non Funded) March 31, 2020	Earned Leave (Non Funded) March 31, 2020	Pension (Non Funded) March 31, 2020	Gratuity (Non Funded) March 31, 2019	Earned Leave (Non Funded) March 31, 2019	Pension (Non Funded) March 31, 2019
Current service cost	272.47	375.85	190.09	160.12	198.67	171.51
Net Interest cost	15.97	1,138.92	669.44	49.02	(270.62)	785.30
Actuarial (gain)/loss on obligations						
Cost Recognized in P&L (A+B+C)	288.44	1,514.77	859.52	209.14	(71.95)	954.81

Amount recognized in Other Comprehensive Income (OCI)

(₹ in Lakhs)

Particulars	Gratuity (Non Funded) March 31, 2020	Earned Leave (Non Funded) March 31, 2020	Pension (Non Funded) March 31, 2020	Gratuity (Non Funded) March 31, 2019	Earned Leave (Non Funded) March 31, 2019	Pension (Non Funded) March 31, 2019
Opening Cumulative Other Comprehensive Income	403.61	0.00	874.52	194.11	-	524.55
Actuarial Loss / (Gain) on DBO	1,311.91	1,536.65	1,749.00	261.10	(63.48)	471.88
Actuarial Loss / (Gain) on Assets	(1.84)	(276.89)	(108.03)	(51.60)	(126.52)	(121.92)
Amortization Actuarial Loss / (Gain)		1265.76			(190.00)	
Net increasing in OCI	1,310.07		1,631.97	209.50	-	349.97
Total Recognized in Other Comprehensive Income	1,713.68	-	2,506.48	493.61	-	874.52



Bihar State Power Transmission Company Limited
Notes to accounts for year ended March 31, 2020

Sensitivity Analysis

Assumption	Gratuity			Earned Leave			Pension		
	Change in Assumption	Liability	Increase in DBO	Change in Assumption	Liability	Increase in DBO	Change in Assumption	Liability	Increase in DBO
<i>As at March 31, 2020</i>									
Discount Rate \pm 100 Basis Points	-12.42%	3,479.05	(493.21)	-13.96%	3,626.89	(588.33)	-4.56%	21,407.88	(1,022.84)
Salary Growth Rate \pm 100 Basis Points	15.48%	4,587.27	615.01	17.76%	4,963.76	748.54	4.32%	23,399.73	969.01
Attrition Rate \pm 100 Basis Points	-12.42%	3,478.72	(493.54)	-13.81%	3,632.91	(582.31)	-2.13%	21,952.95	(477.77)
Mortality Rate \pm 10% MP	-0.82%	3,939.53	(32.73)	-1.13%	4,167.80	(47.43)	-1.13%	22,177.26	(253.47)
	0.02%	3,972.86	0.61	0.02%	4,216.14	0.91	0.03%	22,437.90	7.18
<i>As at March 31, 2019</i>									
Discount rate	-7.04%	2,187.28	(165.74)	(0.08)	2,049.67	(178.46)	(0.04)	13,506.25	(584.77)
Medical Cost Rate	8.31%	2,548.44	195.43	0.10	2,443.52	215.39	0.05	14,733.81	642.69
Salary growth rate	5.84%	2,490.51	137.50	9.68%	2,443.78	215.66	4.13%	14,672.80	581.68
	-5.86%	2,215.09	(137.93)	-8.10%	2,047.58	(180.54)	-3.94%	13,535.66	(555.46)

Category of investment in Plan Assets

Category of Investment	% of fair value of plan assets
Funds managed by Insurer	100%

Change in Plan Assets

Maturity Profile of Deferred Benefit Obligation (at Discounted Values / Present Values)

Year	₹ in Lakhs					
	Gratuity (Non Funded) March 31, 2020	Earned Leave (Non Funded) March 31, 2020	Pension (Non Funded) March 31, 2020	Gratuity (Non Funded) March 31, 2019	Earned Leave (Non Funded) March 31, 2019	Pension (Non Funded) March 31, 2019
0 to 1 Year	284.16	205.54	1,204.89	197.40	146.17	1,375.32
1 to 2 Year	257.60	182.63	1,338.17	168.40	112.47	1,146.14
2 to 3 Year	202.40	155.43	1,356.92	147.98	108.85	1,026.61
3 to 4 Year	149.98	126.05	1,369.56	119.64	88.84	873.23
4 to 5 Year	146.62	128.21	1,371.28	83.91	63.69	648.72
5 to 6 Year						
6 Year onwards	2,931.49	3,417.36	8,197.26	1,635.67	1,708.11	9,021.08
Payoffs above 10 years						

The Company's liability towards long-term defined employee benefits - leave encashment, gratuity and pension have been determined through Actuarial Valuation by Independent Actuaries using the Projected Unit Cost Method. Vide Board Resolution No. 67-03, dated January 24, 2019 read with BSPHCL Letter No. 164, dated January 25, 2019, BSPHCL has set-up a dedicated Pension Section for centralized disbursement of terminal benefit obligations of the entire Group including BSPHCL. Accordingly, for facilitating proper comparison of the Company's Financial Statements on a year-on-year basis, the Company has recast its Terminal Benefit Obligations as per the latest Actuarial Report, dated August 06, 2019, duly factoring the changes having taken place on account of the aforesaid Centralization.



Bihar State Power Transmission Company Limited.
Notes to accounts for year ended March 31, 2020

9 Disclosure in respect of Indian Accounting standard (Ind AS)-108: "Operating Segments"

Based on the "management approach" as defined in Ind AS 108, the Chief Operating Decision Maker (CODM) evaluates the performance and allocates resources based on an analysis of various performance indicators by business segments. Accordingly, information has been presented for each business segment. The accounting principles used in the preparation of the financial statements are consistently applied to record revenue and expenditure in individual business segment, and are as set out in the significant accounting policies.

The company is primarily engaged in single segment business of Transmission of Power and SLDC functions.

9.1 Entity-Wide Disclosures-

1. Information about major customers

(₹ in Lakh)

Customer Name	Segment I	
	Year ended March 31, 2020	Year ended March 31, 2019
Customer I	45,501	42,971
Customer II	53,414	50,445

Above two customer contribute more than 85% of entity revenue.

2. Geographical Information

Revenue from external customers by location of operations and information about its non current assets by location of assets are as follow

Area	Revenue from external customers	
	31-03-2020	31-03-2019
India (Bihar)	1,03,308	96,588
Total	1,03,308	96,588

* Non-current assets for this purpose consist of property, plant

3. Revenue from major products

Revenue from external customers for each product and service are as follow:-

Particulars	March 31, 2020	March 31, 2019
Transmission	1,00,232	93,442
SLDC	400	435
STU	82	-
Supervision	641	1,307
Other Transmission Charges	1,952	1,403



Bihar State Power Transmission Company Limited.

Notes to accounts for year ended March 31, 2020

10 Disclosure in respect of Indian Accounting Standard (Ind AS)-20 "Accounting for Government

The break-up of total grant in aid received for various purposes is as under:-

(₹ in Lakh)		
Grant received for	2019-20	2018-19
Capital Grant	1,132.80	566.40

(i) Capital Grant & Subsidies (Unutilised)

Particulars	2019-20	2018-19
Opening balance	2,434.67	1,868.27
Add: Additions during the year	1,132.80	566.40
Less: Utilised / transferred during the year	3,567.47	-
Less: Refund of Grant	-	-
Closing balance (A)	-	2,434.67

(ii) Capital Reserve for Assets acquired out of Capital Grants & Subsidies (Utilised)

Particulars	2019-20	2018-19
Opening balance	(20,547)	(13,698)
Add: Additions during the year	-	-
Less :-Loss on Assets Acquired out of Grant/subsidies	-	-
Less :-Depreciation on Assets Acquired out of Grant/subsidies	7,116	6,849
Closing balance (B)	(27,663)	(20,547)
Gross Total (A+B)	(27,663)	(18,113)

Particulars	2019-20	2018-19
Current Portion	7,116	6,849
Non-Current Portion	(34,779)	(24,962)

11 Disclosure in respect of Indian Accounting Standard 24 "Related Parties Disclosures"

Disclosures for Other than Govt. Related Entities

a. Name of Related Parties and description of relationship:

Name	Designation
Sanjeev Hans	CMD BSPHCL
Sandeep Kumar R. Pudakalkatti	MD BSPTCL
Sanjeevan Sinha	Director BSPTCL
Renuka Kushwaha	Women Director , BSPTCL
Shiva Shankar Mishra	Director BSPTCL
Hare Ram Panday	Director BSPTCL
Uttam Kumar	Director BSPTCL
Bihar State Power Holding Company Limited	Holding Company
North Bihar Power Distribution Company Limited	Sister Concern
South Bihar Power Distribution Company Limited	Sister Concern
Bihar State Power Generation Company Limited	Sister Concern



Bihar State Power Transmission Company Limited.
Notes to accounts for year ended March 31, 2020

b. Compensation of key management personnel

(₹ in Lakh)

Particulars	RENUKA KUSHWAHA		HARE RAM PANDAY	
	For the year ended March 31, 2020	For the year ended March 31, 2019	For the year ended March 31, 2020	For the year ended March 31, 2019
Sitting Fee	1	1	-	-
Remuneration	-	-	13	22
Others	-	-	7	-
Post-employment benefits	-	-	-	-
Other long-term benefits	-	-	-	-
Termination benefits	-	-	-	-
Total	1	1	20	22

Particulars	UTTAM KUMAR	
	For the year ended March 31, 2020	For the year ended March 31, 2019
Sitting Fee	-	-
Remuneration	34	31
Others	8	-
Post-employment benefits	-	-
Other long-term benefits	-	-
Termination benefits	-	-
Total	41	31

c. Transactions with Related Parties

Particulars	Holding Company	
	For the year ended March 31, 2020	For the year ended March 31, 2019
Grant received from holding during the year	-	-
Loan received during the year	7,556	16,274
Sale of power	-	-
Share of Holding Expenses	1,196	1,318
Investment made during the year	-	-
Total	8,752	17,592

d. Outstanding balances arising from loan transaction

Particulars	Holding Company	
	For the year ended March 31, 2020	For the year ended March 31, 2019
Loan Payable:	46,403	38,847
Interest Payable:	17,038	12,145
	63,442	50,992



Bihar State Power Transmission Company Limited.

Notes to accounts for year ended March 31, 2020

12 Disclosure in respect of Indian Accounting standard (Ind AS) 17 "Leases"

As lessee

a) Finance Lease

- Net carrying value of leased business asset

(₹ in Lakh)

Particular	Gross Carrying value of Assets	Accumulated Depreciation	Net Carrying value of Assets	Dep. of Year
For March 31, 2020	---NIL---			
Lease hold Land				
For March 31, 2019				
Lease hold Land				

Operating Lease

- Future minimum lease payments under non-cancellable operating leases

Particulars	For the year ended March 31, 2020	For the year ended March 31, 2019
Not later than 1 year	-	23.56
Later than 1 year and not later than 5 years	-	24.00
More Than 5 Years	0	0

Agreement entered between Power Grid and BSPTCL. Property is obtained for the purpose of utilisation of optic fibre line. Lease tenure is of 5 years starting from february 10, 2015 to February 09, 2020. Yearly rental of INR 2,379,986 as on March, 2018 subject to escalation of 10% after every two year.

13 Disclosure in respect of Indian Accounting Standard (Ind AS)-33 "Earnings Per Share(EPS)"

i) Basic EPS

Basic EPS amounts are

Particulars	For the year ended March 31, 2020	For the year ended March 31, 2019
Profit (loss) for the year, attributable to the owners of the company	46,016	14,728
Earnings used in calculation of basic earnings per share(A)	46,016	14,728
Weighted average number of ordinary shares for the purpose of basic earnings per share(B)	75,892	72,454
Basic EPS(A/B)	0.61	0.20

ii) Diluted EPS

Diluted EPS amounts are

Particulars	For the year ended March 31, 2020	For the year ended March 31, 2019
Profit (loss) for the year, attributable to the owners of the company	46016	14728
Earnings used in calculation of basic earnings per share (A)	46016	14728
Profit attributable to equity holders of the owner adjusted for the effect of dilution	75892	72454
Weighted average number of Equity shares adjusted for the effect of dilution (B)	75892	72454
Diluted EPS(A/B)	0.61	0.20



Bihar State Power Transmission Company Limited.
Notes to accounts for year ended March 31, 2020

14 Quantitative details of Transmission lines, GSS and Personnel

Particulars	Quantity	Capacity
132 KV GSS	125 Nos	14,040
220 KV GSS	19 Nos	7,240
132 KV Line	329 Nos	12000.92 CKM
220 KV Line	89 Nos	4692.68 CKM
Total No. of Regular Employees	2380 Nos	-

15 Quantitative details of Pending Cases

Particulars	(₹ in Lakh)			
	No. of Cases Pending		Contingent Liability	
	As on 31.03.2020	As on 31.03.2019	As on 31.03.2020	As on 31.03.2019
CWJC	88	87	N.A.	N.A.
MJC	7	7	N.A.	N.A.
LPA	3	4	N.A.	N.A.
SLP	2	1	N.A.	N.A.
Income Tax	1	1	1138	1138
Service Tax	0	1	0	51

Note: CWJC, MJC, LPA and SLP pending are mostly related to Service Matters. Amount relating to such cases is not quantifiable.

16 Contingent Assets: No Contingent Assets reported as on Balance Sheet date.

17 Assets hypothecated as security

The carrying amount of assets hypothecated as security for current & non current borrowings are:

Particulars	For the year ended March 31, 2020	For the year ended March 31, 2019
Current		NIL
Financial Assets	0	
First Charge	0	
Non-Financial Assets	0	
Hypothecation	0	
Total Current assets	0	
Non Current		
Hypothecation	62500	
Total Non Current assets	62500	

18 Capital Commitment under State Plan (2017-22)

Scheme	Estimated Total Project Cost	Capital Commitment	
		2020-21	2021-22
13th State Plan (20% Equity and 80% Loan	6,71,089	3,691	671



Bihar State Power Transmission Company Limited.
Notes to accounts for year ended March 31, 2020

18 Corporate Social Responsibility Expenditure

Particulars	(₹ in Lakh)	
	2019-20	2018-19
Amount required to be spent as per section 135 of the Act	535	166
Amount spent during the year:		
1. Construction /Acquisition of Assets*	3	3
2. on the purpose other than 1 above	532	164

* Expenditure has been incurred against purchase of classroom furniture, Smartclass & camera for Ashadeep Rehabilitation Centre for Handicapped children.

19 Quantitative details of Transmission Loss

Particulars	2019-20	2018-19
Total Power Intake in KWH	31,53,98,96,770	29,70,91,76,005
Total Power Outgo in KWH	30,38,64,78,151	28,52,48,98,254
Transmission Loss in KWH	1,15,34,18,619	1,18,42,77,751
% Loss	3.66	3.99

For, Ajay Kishore & Co.
Chartered Accountants
Firm Reg. No. 005899C

For and on behalf of the board



AJAY KISHORE Jha
Membership No. 055086
Partner

Place: Patna

Date: 04/12/2020

Aftab Alam
Aftab Alam
Dy. General Manager (F&A)

Sandeep Kumar R. Pudakalkatti
Sandeep Kumar R. Pudakalkatti
Managing Director DIN-07387571

Sanjeey Hans
Sanjeev Hans
Chairman DIN -05342058