

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)

(₹ in Lakh)

Particular	Land	Buildings	Hydrolic works	Other civil works	Plant and Machinery	Lines and cables Network	Furniture and Fixtures	Office Equipment	Computers & IT Equipment	Total
Depreciation Rate	0.00%	3.34%	5.28%	3.34%	5.28%	5.28%	6.33%	6.33%	15.00%	
Gross Block										
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
Additions	3,331	1,039	3.07	4,761	44,268	17,915	140	53	823	72,332
Less: Disposals/Sale/Transfer	-	0.02	-	3	15	339	3	6	-	366
Balance as at 31 march, 2021	1,50,307	4,602	4	28,453	4,04,604	3,36,561	962	265	1,100	9,26,858
Accumulated Depreciation										
Balance as at 31 march, 2020	-	790	0.24	3,193	56,078	49,346	138	31	88	1,09,663
Depreciation expense	-	335	0.16	1,430	25,141	20,764	62	34	24	47,792
Less: Eliminated on disposals/Sale/Transfer	-	-	-	-	14	87	-	-	-	101
Balance as at 31 march, 2021	-	1,125	0.40	4,623	81,205	70,023	201	65	112	1,57,354
Carrying Amount										
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
As at 31 March, 2021	1,50,307	3,477	3.11000	23,829	3,23,398	2,66,539	762	200	988	7,69,504

1- 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.

2- Gross block of Assets has been adjusted with Accumulated Depreciation for the purpose of IND-AS adoption in FY 2017-18.

Capital Work-In-Progress(CWIP)

Particular	As at 31 March, 2021	As at 31 March, 2020
Capital work in progress		
Cap WIP-ADB	13,238	14,361
Cap WIP- BRGF	7,454	14,770
Cap WIP- Deposit Scheme	12,055	13,197
Cap WIP- IRF	5,275	6,196
Cap WIP- PSDF	6,888	6,579
Cap WIP- State Plan	2,35,972	1,67,796
Total	2,80,881	2,22,899

Interest on loan shown under Capital Work in Progress has been allocated to various assets at the time of capitalization of related 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, 2021	As at 31st March, 2020
Unsecured - Considered Good		
Loans to Staff	60	44
Total	60	44

Note No 3A

Financial Assets - Others

Particulars	As at 31st March, 2021	As at 31st March, 2020
Secured - Considered Good	-	-
Total	-	-

Note No 4

Other Non-Current Assets

Particulars	As at 31st March, 2021	As at 31st March, 2020
Unsecured - Considered Good		
Advances for Capital Works	7,874	13,280
Deposit	1	1
Total	7,875	13,281

Note No 5

Inventories

Particulars	As at 31st March, 2021	As at 31st March, 2020
Stock of Moving Items	6,112	10,084
Stock of Non- Moving Items	882	462
Stock of Scrap	2,512	7
Un-Identified Stock	1,070	-
Total	10,576	10,553

* Company has initiated necessary steps for Identification and Valuation of Inventories lying at different circle Stores. During FY 2020-21 in course of verification and valuation (Lower of Cost or NRV), the items has been categorised into three major heads i.e Moving, Non Moving and Scrap. The difference value of books of accounts and store ledger has been transferred to un-identified ledger which will be dully reconciled in FY 2021-22.

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, 2021	As at 31st March, 2020
- Secured, Considered good		
- Unsecured Considered Good	2,25,284	1,59,299
Less:- Provision for Doubtful dues from Consumers	-	-
Total	2,25,284	1,59,299

Note No. 7

Financial Assets - Cash And Cash Equivalents

Particulars	As at 31st March, 2021	As at 31st March, 2020
Cash in hand	7	4
Cash imprest with staff	1,310	1,465
Cash in Transit		-
Balance with bank		
(i) In Bank Accounts	1,14,347	73,315
(ii) In Deposit Accounts (with original maturity less then three months)		-
Cheque in Transit	93	26
Total	1,15,757	74,809

Note No 8

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

Particulars	As at 31st March, 2021	As at 31st March, 2020
(i) Deposits with banks (with original maturity more than 3 months)		
(ii) Earmarked Bank Balance	29,391	28,713
Total	29,391	28,713

* Balance of ₹ 29391 lakh is kept in separate PLA account received from BSPHCL OR 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, 2021	As at 31st March, 2020
Amount recoverable from employees	1	1
Other Claims and Receivables	2,028	1,882
Advance to Staff	0.04	0.99
Total	2,029	1,884

Note No 10 (A)

Other Current Tax Assets

Particulars	As at 31st March, 2021	As at 31st March, 2020
Advance Income Tax / deductions at source	30,570	37,707
Total	30,570	37,707

Note No 10 (B)

Other Current Tax Liabilities

Particulars	As at 31st March, 2021	As at 31st March, 2020
Provisions for income tax	28,684	26,145
Total	28,684	26,145
Net Balance (Note 10A+Note 10B)	1,886	11,562

Note No 11

Other Current Assets

Particulars	As at 31st March, 2021	As at 31st March, 2020
Advances for O & M Supplies/Works	317	537
Advances to Staff	66	70
Advance -		
Entry tax	1,000	1,000
BSEB Restructuring Balance	3,538	3,538
Pre Paid Expenses	353	215
Total	5,274	5,360

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, 2021	As at 31st March, 2020
(A). Authrised		
8,10,00,00,000 Equity Shares of ₹10 each	8,10,000	8,10,000
(B). Issued, subscribed and fully paid up		
7,58,92,32,878 Equity Shares of ₹ 10 each on 31st March 2020 and 31st March 2021.	7,58,923	7,58,923
Total	7,58,923	7,58,923

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 2021		As at 31 March 2020	
	No. of shares	Amount	No. of shares	Amount
Equity Shares at the beginning of the year	7,58,92,32,878	7,58,923	7,24,53,73,608	7,24,537
Add:- Shares issued during the year	-	0	34,38,59,270	34,386
Equity Shares at the end of the year	7,58,92,32,878	7,58,923	7,58,92,32,878	7,58,923

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

Particulars	As at 31 March 2021		As at 31 March 2020	
	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, 2021	As at 31st March, 2020
<u>Surplus in Statement of Profit & Loss</u>		
Opening Balance	74,180	31,762
Add:- Profit/(Loss) during the year as per Statement of Profit & Loss	9,141	46,016
Add: Changes in accounting policy or prior period errors	22,528	(3,598)
Less:- Appropriations during the year	(4,634)	-
Closing Balance	1,01,214	74,180
<u>Share Application Pending Allotment</u>		
Opening Balance	36,076	34,386
Add:- Funds received during the year	12,683	36,076
Less: Share capital Allotted	-	34,386
Closing Balance	48,759	36,076
<u>Self Insurance Reserve</u>		
Opening Balance	-	-
Add:- Addition during the year	4,634	-
Less: Deduction during the year	-	-
Closing Balance	4,634	-
Total	1,54,607	1,10,257

"Self Insurance Scheme Reserve" (SIS Reserve) is created @ 0.50% on Gross Block of fixed assets as at the close of the each financial year to meet the future losses which may arise from the uninsured risk of assets, not insured externally.

Note No 14

Deferred Government Grant and Consumer Contribution

Particulars	As at 31st March, 2021	As at 31st March, 2020
Deferred Income - Non-Depreciable Assets		
Opening Balance	3,240	3,375
Add: Fund from State Government	-	-
Less: Deferred Income	135	135
Total (A)	3,105	3,240
Deferred Income -Depreciable Assets		
Opening Balance	1,14,679	1,21,393
Add: Fund from State Government	-	-
Less: Deferred Income	6,714	6,714
Total (B)	1,07,965	1,14,679

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

(₹ in Lakh)

Consumer Contribution- Deferred Income		
Opening Balance	50,821	49,672
Add:- Addition during the Year	2,221	1,416
Deduction- Amortization of Consumer Contribution	377	267
Total '(C)	52,664	50,821
Total (A+B+C)	1,63,734	1,68,740

Note No 15

Financial Liabilities - Borrowings (Non-Current)

Particulars	As at 31st March, 2021	As at 31st March, 2020
(a) Loan from Financial Institutions (Secured)	1,75,000	50,000
<i>Loan has been taken from consortium of Financial Institutions lead by Canara Bank and Interest is charged at MCLR. This loan is taken under state plan (20:80) Scheme, where 20% fund is received from GoB as equity and 80% fund is borrowed from Financial Institutions under the guarantee of GoB.</i>	-	-
(b) Loan from BSPHCL - ADB (Unsecured)	46,413	46,403
<i>Interest is provisionally provided @13.00%.</i>		
Sub total	2,21,413	96,403
Less:- Current Maturities of Long Term Debts	-	-
Total	2,21,413	96,403

Note No 16

Provisions

Particulars	As at 31st March, 2021	As at 31st March, 2020
Terminal Benefits Liabilities		
Company		
Pension	11,012	9,690
Gratuity	644	987
Leave Encashment	(2,183)	(1,061)
Total	9,473	9,615

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

Note No 17

Tax Expense recognized in Statement of profit and loss

(₹ in Lakh)

Particulars	As at 31st March, 2021	As at 31st March, 2020
Current income tax		
Current year	2,538	7,084
Less: MAT Credit	2,538	7,084
Sub Total (A)	-	-
Deferred tax expense		
Deferred tax liability / (asset)	(5,388)	5,470
Sub Total (B)	(5,388)	5,470
Total	(5,388)	5,470

Reconciliation of effective tax rates

Particulars	As at 31st March, 2021	As at 31st March, 2020
Profit before tax	14,528	40,546
Enacted tax Rate	17.47%	17.47%
Computed Expected Tax Expenses	2,538	7,084
Deferred Tax	(5,388)	5,470
MAT Credit	(2,538)	(7,084)
Tax Expenses for the year	(5,388)	5,470

Recognized deferred tax assets and liabilities

Deferred tax assets and liabilities are attributable to the following:

Particulars	As at 31st March, 2021	As at 31st March, 2020
Deferred Tax Liability		
Property, plant and equipment	1,11,824	1,00,364
Sub Total	1,11,824	1,00,364
Deferred tax Assets	-	
Unabsorbed Depreciation	26,742	20,657
Terminal Benefits	3,941	3,954
Sub Total	30,683	24,611
Net Deferred Tax Liabilities	81,141	75,753
MAT Credit Entitlement	28,683	26,145
Total	52,458	49,608

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

Note No 18

Financial Liabilities - Others (Current)

(₹ in Lakh)

Particulars	As at 31st March, 2021	As at 31st March, 2020
Interest Accrued on borrowing from BSPHCL (ADB)	22,309	17,038
Terminal Benefits Liabilities	725	728
Staff Related Liability	1,790	1,574
Deposits and Retentions from Suppliers and Customers	40,464	46,271
Audit Fee Payable	996	995
Liability to Supplies/Works	4,034	3,825
Other Liability	2,098	1,491
Total	72,415	71,922

Note No 19

Provisions

Particulars	As at 31st March, 2021	As at 31st March, 2020
Terminal Benefits Liabilities		
Pension	1,269	1,210
Gratuity	326	284
Leave Encashment	210	206
Total	1,805	1,699

Note No 20

Other Current Liabilities

Particulars	As at 31st March, 2021	As at 31st March, 2020
Statutory Dues	683	658
Inter Unit Accounts	1,402	1,402
Inter Company Balances	11,604	4,404
Total	13,689	6,464

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, 2021	For the year ended 31st March, 2020
I.Revenue from Transmission Charges		
Revenue from NBPDC	39,044	45,501
Revenue from SBPDCL	45,834	53,414
Revenue from Other Transmission System Users	2,213	1,318
Total	87,090	1,00,232
Less: - Discount Allowed	-	-
Net Operating Income	87,090	1,00,232
II.Other Operating Income		
SLDC Income:		
From NBPDC	321	176
From SBPDCL	378	207
From Other Users	56	19
Rebate for timely payment	-	(2)
STU Charges	208	82
Supervision Charges	553	641
Other Transmission Charges	74	1,952
Total Other Operating Income	1,590	3,076
Grand Total	88,680	1,03,308

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

Note No 22

Other Income

Particulars	For the year ended 31st March, 2021	For the year ended 31st March, 2020
Interest Income		
Interest on Staff Loan & Advances	-	0.02
Interest from Banks	3,544	6,511
Interest from income tax refund	771	-
Total (A)	4,315	6,511
Other Income		
Income from scrap sale	693	553
Miscellaneous Receipts	79	80
Application fee Received	17	10
Lease Rental Income	29	-
Deferred Income	7,226	7,116
Total (B)	8,044	7,759
Total (A+B)	12,359	14,270

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, 2021	For the year ended 31st March, 2020
Salaries	13,707	12,719
Over Time	680	263
Dearness Allowance	2,306	1,822
Other Allowance	2,137	1,935
Medical Expenses Re-imbursement	55	62
Staff welfare Expenses	38	33
Terminal Benefits	4,079	6,780
Total	23,003	23,613

Note No 24

Finance Cost

Particulars	For the year ended 31st March, 2021	For the year ended 31st March, 2020
Interest on Capital Liabilities		
(a) Interest on Loan from Financial Institutions	1,094	-
(b) Interest on BSPHCL Loans - ADB	4,858	3,972
Total Interest on Capital Liabilities (a+b+c)	5,953	3,972
Other Interest and Finance charges		
Other Interest & Bank Charges	123	13
Total Other Interest & Bank Charges	123	13
Total	6,076	3,985

Note No 25

Depreciation and Amortisation Expense

Particulars	For the year ended 31st March, 2021	For the year ended 31st March, 2020
Depreciation	44,608	39,859
Total	44,608	39,859

Note No 26

Other Expenses

Particulars	For the year ended 31st March, 2021	For the year ended 31st March, 2020
Repairs and Maintenance of Assets		
Plant and Machinery	3,260	2,223
Building	283	179
Civil Works	504	256
Line Cable Net Works	869	589
Vehicles	0.23	0.06
Furniture and Fixture	1	0.16
Office Equipment	37	13
Total (A)	4,953	3,260

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

(₹ in Lakh)

Particulars	For the year ended 31st March, 2021	For the year ended 31st March, 2020
Administration and General Expenses		
Rent, Rates & Taxes	101	201
Insurance	697	976
Telephone charges, Postage & Telex Charges	57	48
Legal Charges.	11	48
Audit Fees	5	4
Consultancy Charges	100	113
Director's Sitting Fee	1	1
Interest on Statutory Dues	1	0.26
Holding Charges	1,144	1,196
Other Professional Charges	0.10	8
Conveyance & Travel	1,145	1,090
Total (B)	3,262	3,686
Other Expenses		
Fees & Subscription	160	65
Books & Periodicals	1	5
Printing & Stationary	36	36
Advertisement	91	6
Expenditure on CSR	805	535
Electricity Charges	1,547	1,012
Entertainment Charges	15	37
Commission for sale of scrap	26	8
Home Guard/ Security Guard	1,254	852
Miscellaneous Expenses	69	62
Donation to CM Relief Fund	500	-
Loss / Compensation in extra ordinary cases	106	12
Total (C)	4,610	2,630
Total (A+B+C)	12,825	9,575

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

Bihar State Power Transmission Company Limited.

Notes to accounts for year ended March 31, 2021

1 Disclosures in respect of Prior Period Items

Year wise details of Prior Period Error

(₹ in Lakh)

S.No.	Particulars	Booked in FY 2020-21	FY 2019-20	Prior to FY 2019-20
1	Revenue from operation	26,022	-	26,022
2	Depreciation	(3,180)	(1,315)	(1,865)
3	Advertisement	(129)	(64)	(65)
4	Interest on Loan	(185)	(185)	-
Total		22,528	(1,564)	27,952

1.1 Extract from the Statement of Profit & Loss

S.No.	Particulars	March 31, 2020 Ind AS Figures	March 31, 2020 Ind AS Figures before Prior Period Errors Adjustment*
1	Revenue from Operation	1,29,330	1,03,308
2	Other Income	14,270	14,270
3	Employee Benefit Expenses	23,613	23,613
4	Finance Cost	4,170	3,985
5	Depreciation	43,039	39,859
6	All Other Expenses	9,704	9,575
Profit before Tax		63,074	40,546

Note:

1- During the year 2020-21 Company has reconciled the CWIP and capitalized some assets for which ToC was issued prior to 31st March 2020. Accordingly, additional depreciation and Interest expense on loan has been provided as Prior Period Adjustment.

2- Utilization of advance given to IPRD, Bihar for publication of advertisements has been submitted by the concerned authority in FY 2020-21. The actual expenditure is related to prior period.

3- BERC had approved transmission charges of ₹1194.38 Crore for FY 2018- 19 in Tariff Order dated 07.03.2018 to be recovered from DISCOMs (NBPDC and SBPDC). According to the audited annual accounts for FY 2018-19, the petitioner has recognized ₹ 934.16 Crore towards transmission charges from DISCOMs (NBPDC ₹ 429.71 Cr and SBPDC ₹ 504.45 Cr) during FY 2018-19. The revenue to be recovered in FY 2018-19 is adjusted in line with the Annual Transmission Charges approved in APR of FY 2018-19 in Tariff Order dated 15.02.2019. The Commission re-determined the Annual Transmission Charges to ₹ 934.16 Crore in annual performance review (APR) for FY 2018-19 in Tariff order dated 15.02.2019. BSPTCL has submitted that revenue of ₹ 934.16 Crore is considered and booked in the annual accounts for FY 2018-19 by giving credit notes to NBPDC and SBPDC in March 2019, due to the following reasons:

a- There is no timely payment of transmission charges by Discoms (NBPDC and SBPDC)