



R.N. SINGH & CO.

Chartered Accountants
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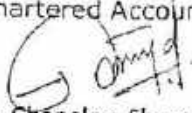
ANNEXURE OF INDEPENDENT AUDITOR'S REPORT

Referred to in paragraph 1 of our report of even date and Direction under section 143(5) of the Companies Act, 2013.

On the basis of checking, we considered appropriate and according to the information and explanations given to us during audit, we report that:

- The company has system in place to process all the accounting transactions through IT system. And there are no implications of processing of accounting transactions outside IT system on the integrity of the accounts along with the financial implications except some accounting transactions are not properly entered in IT Software which is a lack of financial control.
- There is no restructuring of an existing loan or cases of waiver/write off of debts /loans/interest etc. made by a lender to the company due to the company's inability to repay the loan.
- There are no funds received / receivable for specific schemes from central/ state agencies which were not properly accounted for/ utilized as per its term and conditions.

For R.N. SINGH & CO.
Chartered Accountants


CA Chanakya Shree
Partner.

ICAI Membership No: 079322
FRN 322066E

UDIN: 21079322AAAARR5707

Place: - Patna

Date: - 15-12-2021



Bihar State Power Transmission Company Limited
Balance Sheet as at 31st March, 2021

(₹ in Lakh)

Sr. No	Particulars	Note No	As at 31st March, 2021	As at 31st March, 2020
A	ASSETS			
1	Non-current assets			
	(a) Property, Plant and Equipment	2	7,69,504	7,45,228
	(b) Capital work-in-progress		2,80,881	2,22,899
	(c) Financial Assets			
	(i) Loans	3	60	44
	(d) Other non current assets	4	7,875	13,281
	Total Non-Current Assets		10,58,320	9,81,452
2	Current assets			
	(a) Inventories	5	10,576	10,553
	(b) Financial Assets			
	(i) Trade receivables	6	2,25,284	1,59,299
	(ii) Cash and cash equivalents	7	1,15,757	74,809
	(iii) Bank Balances other than (ii) above	8	29,391	28,713
	(iv) Others	9	2,029	1,884
	(c) Current Tax Assets	10	1,886	11,562
	(d) Other Current Assets	11	5,274	5,360
	Total Current Assets		3,90,198	2,92,180
	Total Assets		14,48,517	12,73,632
B	EQUITY AND LIABILITIES			
1	Equity			
	(i) Equity Share capital	12	7,58,923	7,58,923
	(ii) Other Equity	13	1,54,607	1,10,257
	Total Equity		9,13,530	8,69,180
2	Deferred Government Grant and Consumer	14	1,63,734	1,68,740
3	Liabilities			
3.1	Non-current liabilities			
	(a) Financial Liabilities			
	(i) Borrowings	15	2,21,413	96,403
	(b) Provisions	16	9,473	9,615
	(c) Deferred Tax Liabilities	17	52,458	49,608
	Total Non-current liabilities		2,83,343	1,55,627
3.2	Current Liabilities			
	(a) Financial Liabilities			
	(i) Others	18	72,415	71,922
	(b) Provisions	19	1,805	1,699
	(c) Other Current Liabilities	20	13,689	6,464
	Total Current Liabilities		87,909	80,085
	Total Liabilities		3,71,253	2,35,712
	Total Equity & Liabilities		14,48,517	12,73,632

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

As per our report of even date attached

For, R. N. Singh & Co.
Chartered Accountants
Firm Reg. No. 322066E

(Signature)

CA Chanakya Shree
Membership No. 079322
Partner

Place: Patna
Date: 15-12-21



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

For and on behalf of the board

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

(Signature)
Sandeep Hans
Chairman DIN-05342058

(Signature)

Bihar State Power Transmission Company Limited
Statement of Profit and Loss for the year ended 31st March, 2021

(₹ in Lakh)

Sr. No.	Particulars	Note No	For the year ended 31st March, 2021	For the year ended 31st March, 2020
I	Income			
a)	Revenue from operations	21	88,680	1,03,308
b)	Other Income	22	12,359	14,270
	Total Income		1,01,039	1,17,578
II	Expenses			
a)	Power Purchase cost		-	-
b)	Employee Benefit Expenses	23	23,003	23,613
c)	Finance Cost	24	6,076	3,985
d)	Depreciation and amortisation expense	25	44,608	39,859
e)	Other Expenses	26	12,825	9,575
	Total Expenses		86,511	77,032
III	Profit (+)/ Loss (-) before tax (I - II)		14,528	40,546
IV	Tax Expense			
a)	Current tax (Income Tax)		2,538	7,084
b)	Deferred tax		5,388	(5,470)
c)	MAT Credit Entitlement		(2,538)	(7,084)
V	Profit (+)/ Loss (-) for the year (III - IV)		9,141	46,016
VI	Other comprehensive income			
	other comprehensive Income			
A	Items that will not be reclassified to profit or loss			
	- Actuarial Gain/(Loss)		5,702	4,220
	- Recoverable From GoB/BSPHCL		(5,702)	(4,220)
VII	Total Comprehensive Income for the period		9,141	46,016
VIII	Earnings per equity share:			
a)	Basic		0.12	0.61
b)	Diluted		0.12	0.61

As per our report of even date attached

For, R.N. Singh & Co.
Chartered Accountants
Firm Reg. No. 322066E

CA Chanakya Shree
Membership No. 079322
Partner

Place: Patna 15-12-20
Date:



Arbab Alam
Dy. General Manager (F&A)

For and on behalf of the board

Sandeep Kumar R. Pudakalkatti
Managing Director DIN-07387571

Sanjeev Hans
Chairman DIN-05342058

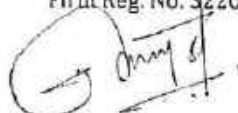
Bihar State Power Transmission Company Limited
Statement of Cash Flow as at 31st March, 2021

(₹ in Lakh)

Sr. No.	Particulars	As at 31st March, 2021	As at 31st March, 2020
(A)	Cash and Cash Equivalent from Operating Activities:		
	Net Profit before tax as per Profit & Loss Account	14,528	40,546
	Adjusted for:		
	Depreciation	44,608	39,859
	Interest Expenses	6,076	3,985
	Interest Income	(4,315)	(6,511)
	Deferred Income	(7,226)	(7,116)
	Prior Period Errors	25,712	(640)
	Tax Expenses	(7,926)	(1,614)
	Deferred Tax	2,849	(12,555)
	<i>Operating Profit before Working Capital Changes</i>	74,305	55,954
	Change in Working Capital	(48,569)	(62,624)
	Net Cash used in Operating Activities (A)	25,736	(6,670)
(B)	Cash and Cash Equivalent from Investing Activities:		
	Investment in PPE	(72,332)	(1,94,601)
	Sale Proceeds of PPE	265	157
	Change in CWIP	(57,982)	25,298
	Disbursement / Realisation of Staff Loan	(16)	(9)
	Advances for Capital Supplies	5,406	(3,255)
	Interest Income	4,315	6,511
	MAT Credit Entitlement	2,538	7,084
	Net Cash from Investing Activities (B)	(1,17,806)	(1,58,815)
(C)	Cash and Cash Equivalent from Financing Activities:		
	Fund Received from Consumers	2,221	1,416
	Issue of Share	12,683	36,076
	Raise / Adjustment of Loan	1,25,009	57,556
	Settlement of Terminal Benefit Liabilities	(142)	310
	Finance Cost	(6,076)	(3,985)
	Net Cash from Financing Activities (C)	1,33,695	91,373
	Net Increase/(Decrease) in cash and cash equivalents (A+B+C)	41,625	(74,112)
	Cash and cash equivalents at the beginning of the year	1,03,522	1,77,634
	Cash and cash equivalents at the end of the year	1,45,147	1,03,522

As per our report of even date attached

For, R. N. Singh & Co.
Chartered Accountants
Firm Reg. No. 322066E



CA Chanakya Shree
Membership No. 079322
Partner

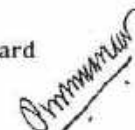
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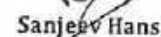
For and on behalf of the board


Aftab Alam

Dy. General Manager (F&A)



Sandeep Kumar R. Pudukalkatti
Managing Director DIN-07387571


Sanjeev Hans

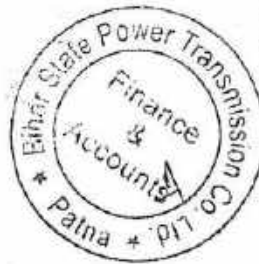
Chairman DIN -05342058



Bihar State Power Transmission Company Limited
 Schedule Change in Working Capital
 For the period ended March 31, 2021

(₹ in Lakh)

Particulars	Year		Change
	2021	2020	Increase/ (Decrease)
CURRENT ASSETS			
Inventories	10,576	10,553	24
Trade Receivables	2,25,284	1,59,299	65,986
Other Financial Assets	2,029	1,884	145
Current Tax Assets	1,886	11,562	(9,676)
Other Current Assets	5,274	5,360	(86)
Total	2,45,050	1,88,658	56,394
CURRENT LIABILITIES			
Other Financial Liabilities	72,415	71,922	(493)
Provisions	1,805	1,699	(106)
Other Current Liabilities	13,689	6,464	(7,225)
Total	87,909	80,085	(7,825)
Change In Working Capital			48,569



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Bihar State Power Transmission Company Limited
Statement of Changes in Equity for the period ended March 31, 2021

A. Equity Share Capital

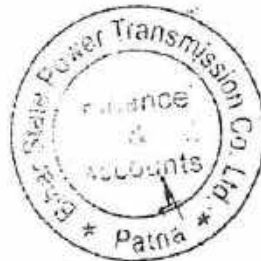
(₹ in Lakh)

Particulars	No of Shares	Amount
Balance as at March 31,2020	7,58,92,32,878	7,58,923
Changes in equity share capital during the year		0
Balance as at March 31,2021	7,58,92,32,878	7,58,923

B. Other Equity

(₹ in Lakh)

Particular	Other Equity			Other Items of OCI	Total
	Self Insurance Reserve	Share Application Pending Allotment	Surplus in Statement of Profit & Loss		
Balance as per previous IGAAP March 31, 2020	-	36,076	74,180	-	1,10,257
(i) Changes in accounting policy or prior period errors	-	-	22,528	-	22,528
(ii) Actuarial adjustment due to Ind AS	-	-	-	-	-
(iii) Addition / Profit for the year other than item (i) to (ii)	4,634	12,683	9,141	-	26,458
Addition during the year 2020-21	4,634	12,683	31,668	-	48,986
(iv) Other Comprehensive Income	-	-	-	-	-
Total Comprehensive Income	4,634	12,683	31,668	-	48,986
Transfer during the F.Y. 2020-21	-	-	(4,634)	-	(4,634)
Balance at the end of the reporting period March 31, 2021	4,634	48,759	1,01,214	-	1,54,608



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Bihar State Power Transmission Company Limited

Notes to the Financial Statements for the year ended March 31, 2021

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.

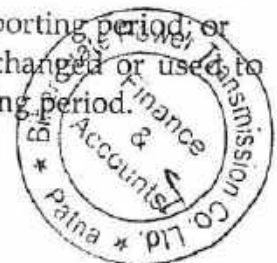
iv. Current and non-current classification

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.

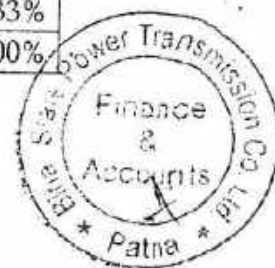
1.4 Depreciation/amortization

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 liferecognized 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 is 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 BEREC 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 BEREC, as per principles enunciated under Ind AS 18. Accordingly, the honorable BEREC 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

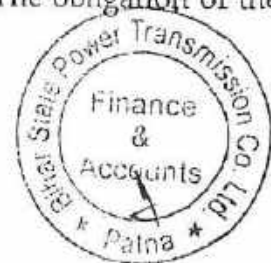
Provisions towards Gratuity and Leave Encashment in respect of employees recruited by the company are made based on actuarial valuation using the projected unit credit method.

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.

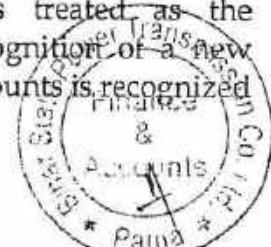
19.2 Financial Liabilities

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

Re



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.

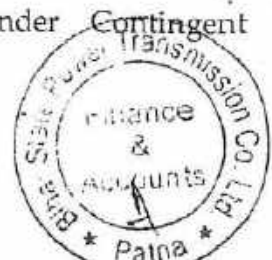
20.1 Critical estimates and judgments-

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
Function wise analysis of Revenue and Expenditure for FY 2020-21

(₹ in Lakh)

Sr. No.	Particulars	Transmission Business	SLDC Business	Total
I	Income			
	a) Revenue from operations	87,925	755	88,680
	b) Other Income	12,317	41	12,359
	Total Income	1,00,243	796	1,01,039
II	Expenses			
	a) Power Purchase cost	-	-	-
	b) Employee Benefit Expenses	22,383	620	23,003
	c) Finance Cost	6,075	0.01	6,076
	d) Depreciation and amortisation expense	44,584	24	44,608
	e) Other Expenses	12,797	28	12,825
	Total Expenses	85,839	672	86,511
III	Profit (+)/ Loss (-) before tax (I - II)	14,404	125	14,528
IV	Tax Expense (MAT)	2,517	22	2,538



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 & 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	0.4	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	7,45,221
As at 31 March, 2021	1,50,307	3,477	3,11,000	23,829	3,23,398	2,66,539	762	200	988	7,69,504

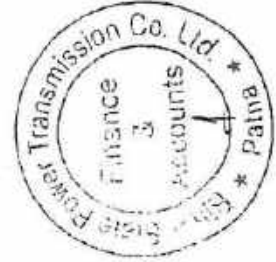
1- Requirement of componentization of Fixed Assets has not been met due to lack of support for maintaining Fixed Assets Register in the existing Accounting Software deployed by the Company. However, Company has initiated necessary steps for Identification, Valuation and Preparation of Fixed Assets Register.

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 duly reconciled in FY 2021-22.

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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

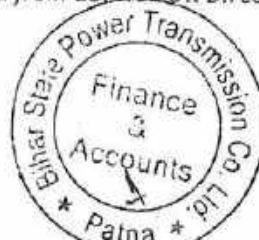
Particulars	As at 31st March, 2021	As at 31st March, 2020
Cash in hand	7	4
Cash imprest with staff	1,310	1,465
Cash in Transit		-
Balance with bank		
(i) In Bank Accounts	1,14,347	73,315
(ii) In Deposit Accounts (with original maturity less than three months)		-
Cheque in Transit	93	26
Total	1,15,757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

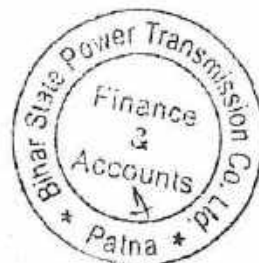
Particulars	As at 31st March, 2021	As at 31st March, 2020
Provisions for income tax	28,684	26,145
Total	28,684	26,145
Net Balance (Note 10A-Note 10B)	1,886	11,562

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

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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). Authorised		
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%



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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
Surplus in Statement of Profit & Loss		
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
Share Application Pending Allotment		
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
Self Insurance Reserve		
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

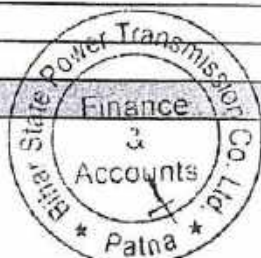
"Self Insurance Scheme Reserve" (SIS Reserve) is created @ 0.50% on Gross Block of fixed assets as at the close of the each financial year to meet the future losses which may arise from the uninsured risk of assets, not insured externally.

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

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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

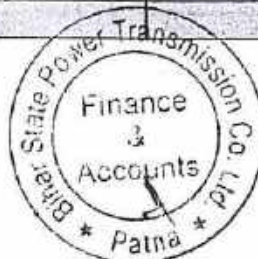
Financial Liabilities - Borrowings (Non-Current)

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

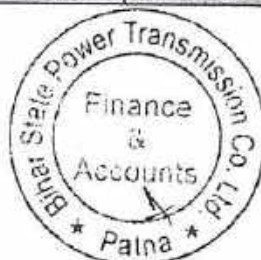
Reconciliation of effective tax rates

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

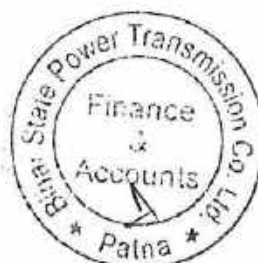
Provisions

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)

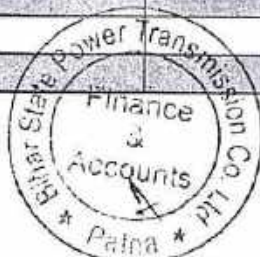
Particulars	For the year ended 31st March, 2021	For the year ended 31st March, 2020
I.Revenue from Transmission Charges		
Revenue from NBPDC	39,044	45,501
Revenue from SBPDCL	45,834	53,414
Revenue from Other Transmission System Users	2,213	1,318
Total	87,090	1,00,232
Less: - Discount Allowed	-	-
Net 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-imburement	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

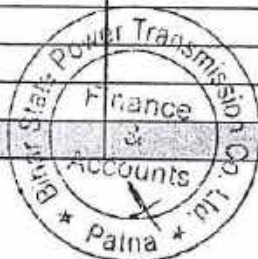
Depreciation and Amortisation Expense

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

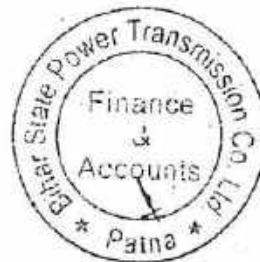


Bihar State Power Transmission Company Limited
Notes forming part of Balance Sheet

(₹ 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:

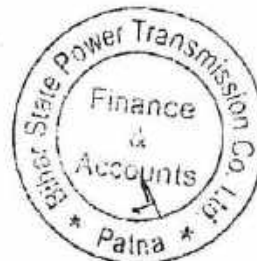
1- During the year 2020-21 Company has reconciled the CWIP and capitalized some assets for which ToC was issued prior to 31st March 2020. Accordingly, additional depreciation and Interest expense on loan has been provided as Prior Period Adjustment.

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)

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b- If BSPTCL continued to recover higher Transmission Charges from NBPDC and SBPDCL in FY 2018-19, at the time of Truing-up, BSPTCL would be liable to give a refund to NBPDC and SBPDCL along with holding cost, for the amounts, which have not even been received from the Distribution Companies.

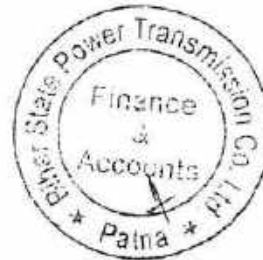
c- For the overall benefit of the consumer, it was necessary that in case there is a benefit in tariff which can be passed on to the consumers, the same shall be taken up immediately, rather than wait for the true-up to be completed.

d- Hence, for overall benefit of the consumers of the State of Bihar and for the benefit of BSPTCL to avoid unnecessary refunds with carrying cost at the time of True-up, BSPTCL adjusted the revenue to be recovered for FY 2018-19 in line with the Transmission Charges approved by the Commission in APR of FY 2018-19 in Tariff Order dated 15.02.2019.

Accordingly, BSPTCL has requested the Commission to approve Revenue from Transmission charges of ₹ 934.16 Crore for Truing-up of FY 2018-19. The Commission has examined the submission made by the BSPTCL in support of revenue of ₹ 934.16 Crore recognized in the books of accounts as well as in the tariff petition for truing up for FY 2018-19 and adjudicate it appropriate to consider the transmission charges at the same level (i.e ₹ 1194.38 Crore) as approved in ARR for FY 2018-19 in truing up also. The Commission, accordingly, has approved revenue Surplus in truing-up for FY 2018-19 and carried forward the revenue surplus arising out of truing up for FY 2018-19 in the ARR for FY 2020-21. Hence, ₹ 260.22 Crore has been recognised in FY 2020-21 as prior period income.



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Bihar State Power Transmission Company Limited.

Notes to accounts for year ended March 31, 2021

2 Disclosures in respect of Ind AS 107 - Financial Instruments

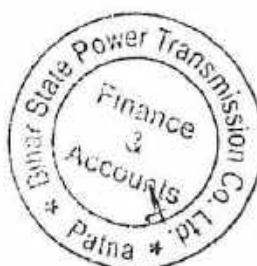
Financial Instruments by Categories

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

(₹ in Lakh)

Particulars	Total carrying value as at March 31, 2021	Financial assets/ liabilities at FVTPL as at March 31, 2021	Financial assets/ liabilities at fair value through OCI as at March 31, 2021	Amortized cost as at March 31, 2021	Total fair value as at March 31, 2021
Financial Assets:					
Trade Receivables	2,25,284			2,25,284	
Cash And Cash Equivalents	1,45,147			1,45,147	
Loans to Staff	60			60	
Others	2,029			2,029	
Total Financial Assets	3,72,521			3,72,521	
Financial Liabilities:					
Long term borrowings	2,21,413			2,21,413	
Interest Accured on borrowing from ADB	22,309			22,309	
Deposits and Retentions from Suppliers and Customers	40,464			40,464	
Liability to Supplies/Works	4,034			4,034	
Staff Related Liability	1,790			1,790	
Audit Fee Payable	996			996	
Other Liability	2,098			2,098	
Total Financial Liabilities	2,93,104			2,93,104	

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	1,03,522			1,03,522	
Loans to Staff	44			44	
Others	1,884			1,884	
Total Financial Assets	2,64,749			2,64,749	
Financial Liabilities:					
Long term borrowings	96,403			96,403	
Interest Accured on borrowing	17,038			17,038	
Deposits and Retentions from Suppliers and Customers	46,271			46,271	
Liability to Supplies/Works	3,825			3,825	
Staff Related Liability	2,302			2,302	
Audit Fee Payable	995			995	
Other Liability	1,491			1,491	
Total Financial Liabilities	1,68,326			1,68,326	



Bihar State Power Transmission Company Limited.
Notes to accounts for year ended March 31, 2021

(₹ in Lakh)

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

Particulars	March 31, 2021		March 31, 2020	
	Carrying Amount	Fair value	Carrying Amount	Fair value
Financial Assets:				
Trade Receivables	2,25,284	2,25,284	1,59,299	1,59,299
Cash And Cash Equivalents	1,45,147	1,45,147	1,03,522	1,03,522
Loans to Staff	60	60	44	44
Others	2,029	2,029	1,884	1,884
Total Financial Assets	3,72,521	3,72,521	2,64,749	2,64,749
Financial Liabilities:				
Long term borrowings	2,21,413	2,21,413	96,403	96,403
Interest Accrued on borrowing	22,309	22,309	17,038	17,038
Deposits and Retentions from Suppliers and Customers	40,464	40,464	46,271	46,271
Liability to Supplies/Works	4,034	4,034	3,825	3,825
Staff Related Liability	1,790	1,790	2,302	2,302
Audit Fee Payable	996	996	995	995
Other Liability	2,098	2,098	1,491	1,491
Total Financial Liabilities	2,93,104	2,93,104	1,68,326	1,68,326

(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, 2021 and March 31, 2020.

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

Particulars	March 31, 2021	March 31, 2020
Variable rate borrowings	1,75,000	50,000
Fixed rate borrowings	46,413	46,403
Total borrowings	2,21,413	96,403



Bihar State Power Transmission Company Limited.
Notes to accounts for year ended March 31, 2021

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 31,2021	March 31,2020
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 ₹ 933,35,13,818 (NBPDCI) & ₹ 1320,17,93,871 (SBPDCL) as on March 31, 2021 and ₹ 663,69,68,846 (NBPDCI) & ₹ 929,28,94,740 (SBPDCL) as on March 31, 2020). 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 31,2021		March 31,2020	
	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 ₹ 11,57,56,58,044.00 (March 31, 2021) & ₹ 7,48,09,17,242.00 (March 31, 2020). 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.

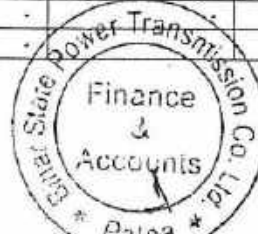
Short term liquidity requirements consists mainly of sundry creditors, expense payable, other payable arising during the normal course of business as at each reporting date. Company maintain a sufficient balance in cash and cash equivalents to meet our short term liquidity requirements.

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, 2021					
Short Term Borrowing	-	-	-	-	-
Long Term Borrowing*	-	-	-	2,21,413	2,21,413
Security Deposit	40,464	-	-	-	40,464



Bihar State Power Transmission Company Limited.
Notes to accounts for year ended March 31, 2021

(₹ 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	96,403
Security Deposit	46,271				46,271

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, 2021	As at March 31, 2020
Long term debt (net of cash and cash equivalent)	2,21,413	96,403
Equity (including capital reserve)	9,13,530	8,69,180
Debt-Equity Ratio	0.24	0.11

b) **Dividend**

Particulars	As at March 31, 2021	As at March 31, 2020
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 ₹ 858.86 lakh for the year ended March 31, 2021 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.

