

INDEPENDENT AUDITORS' REPORT

To
The Members of
BHAGALPUR ELECTRICITY DISTRIBUTION COMPANY PRIVATE LIMITED

Report on the audit of the Standalone Ind AS Standalone Ind As financial statements

Opinion

We have audited the accompanying standalone INDAS financial statements of **BHAGALPUR ELECTRICITY DISTRIBUTION COMPANY PRIVATE LIMITED** ("the Company"), which comprise the Balance Sheet as at March 31, 2023, the Statement of Profit and Loss for the year ended, the statement of cash flow and a summary of significant accounting policies and other explanatory information which we have signed under reference to this report.

In our opinion and to the best of our information and according to the explanations given to us, the aforesaid standalone financial statements give the information required by the Companies Act, 2013 ('the Act') in the manner so required and give a true and Fair view in conformity with the Indian Accounting Standards prescribed under section 133 of the Act read with the Companies (Indian Accounting Standards) Rules, 2015, as amended, ("Ind As") and other accounting Principles generally accepted in India, of the state of the affairs of the Company as at 31st March 2023.

Emphasis of Matter

We draw attention to Note no. 22 of the standalone Ind As financial statements which states that the distribution services of the Company have been terminated by SBPDCL w.e.f. 25th November, 2017. In accordance with the Power Distribution Agreement with SBPDCL, the Company has referred the above matters for Arbitration. These standalone Ind As financial statements have been prepared on a Going concern basis on the assumption that the Company will succeed in recovering its claim upon completion of the Arbitration. In view of the above, Property Plant and Equipment and Inventory of Rs. 1,474.93/- Lacs and Rs. 840.7 Lacs has been reclassified to Claims Receivable in accordance with the Termination clause of the Distribution Franchisee Agreement into SBPDCL. Our opinion is not qualified in this matter.

Basis for Opinion

We have conducted our audit in accordance with the Standards on Auditing (SAs) specified under section 143(10) of the Companies Act, 2013. Our responsibilities under those Standards are further described in the Auditor's Responsibilities for the Audit of the Standalone Ind As financial statements section of report. We are independent of the Company in accordance with the Code of Ethics issued by the Institute of Chartered Accountants of India together with the Independent requirements that are relevant to our audit of the standalone Ind As financial statements under the provisions of the Companies Act, 2013 and the Rules thereunder, and We have fulfilled our other ethical responsibilities in accordance with these requirements and the Code of Ethics. We believe that the audit evidence, we have obtained is sufficient and appropriate to provide a basis for our opinion.



Information Other than the Standalone Ind As financial statements and Auditor's Report Thereon

The Company's Board of Directors is responsible for the other information. The other information comprises the information included in the Annexure to Board's report but does not include the standalone Ind As financial statements and our auditor's report thereon.

Our opinion on the standalone Ind As financial statements does not cover the other information and we do not express any form of assurance or conclusion thereon.

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

Management's Responsibility for the Standalone Ind As financial statements

The Company's Board of Directors is responsible for the matters in section 134(5) of the Companies Act, 2013 with respect to the preparation of these standalone Ind As financial statements that give a true and fair view of the financial position, and financial performance and the cash flow of the company in accordance with the Accounting Principles generally accepted in India including the Indian Accounting Standards specified under Section 133 of the Act, Read with the Companies (Indian Accounting Standards) Rules, 2015, as amended, ("Ind As") This responsibility includes maintenance of adequate accounting records in accordance with the provision of the Act for safeguarding the assets of the company and for preventing and detecting the fraud and other irregularities selection and application of appropriate Accounting Policies; making judgments and estimates that are reasonable and prudent; and design, implementation and maintenance of Internal Financial Control, that were operating effectively for ensuring the accuracy and completeness of the accounting records, relevant to the preparation and presentation of the standalone Ind As financial statements that give a true and fair view and are free from material misstatement, whether due to fraud or error.

In preparing the standalone Ind As financial statements, management is responsible for assessing the Company's ability to continue as a going concern, disclosing, as applicable, matters related to going concern and using the going concern basis of accounting unless management either intends to liquidate the Company or to cease operations, or has no realistic alternative but to do so.

The boards of directors are also responsible for overseeing the Company's financial reporting process.

Auditor's Responsibility for the audit of the Standalone Ind As financial statements

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



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

- Identify and assess the risks of material misstatement of the standalone Ind As financial statements, whether due to fraud or error, design and perform audit procedures responsive to those risks, and obtain audit evidence that is sufficient and appropriate to provide a basis for our opinion. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control.
- Obtain an understanding of internal control relevant to the audit in order to design audit procedures that are appropriate in the circumstances. Under section 143(3)(i) of the Companies Act, 2013, we are also responsible for expressing our opinion on whether the company has adequate internal financial controls system in place and the operating effectiveness of such controls.
- Evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by management.
- Conclude on the appropriateness of management's use of the going concern basis of accounting and, based on the audit evidence obtained, whether a material uncertainty exists related to events or conditions that may cast significant doubt on the Company's ability to continue as a going concern. If we conclude that a material uncertainty exists, we are required to draw attention in our auditor's report to the related disclosures in the standalone Ind As financial statements or, if such disclosures are inadequate, to modify our opinion. Our conclusions are based on the audit evidence obtained up to the date of our auditor's report. However, future events or conditions may cause the Company to cease to continue as a going concern.
- Evaluate the overall presentation, structure and content of the standalone Ind As financial statements, including the disclosures, and whether the standalone Ind As financial statements represent the underlying transactions and events in a manner that achieves fair presentation.

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

We also provide those charged with governance with a statement that we have complied with relevant ethical requirements regarding independence, and to communicate with them all relationships and other matters that may reasonably be thought to bear on our independence, and where applicable, related safeguards. From the matters communicated with those charged with governance, we determine those matters that were of most significance in the audit of the standalone Ind As financial statements of the current period and are therefore the key audit matters. We describe these matters in our auditor's report unless law or regulation precludes public disclosure about the matter or when, in extremely rare circumstances, we determine that a matter should not be communicated in our report because the adverse consequences of doing so would reasonably be expected to outweigh the public interest benefits of such communication.



Report on Other Legal and Regulatory Requirements

As required by the Companies (Auditor's Report) Order, 2016 ("the Order") issued by the Central Government of India in terms of sub-section (11) of section 143 of the Companies Act, 2013, we give in the Annexure "A" a statement on the matters specified in paragraph 3 & 4 of the order, to the extent applicable.


As required by Section 143(3) of the Act, we report that:

- a. We have sought and obtained all the information and explanations which to the best of our knowledge and belief were necessary for the purposes of our audit;
- b. In our opinion, proper books of account as required by law have been kept by the Company so far as it appears from our examination of those books;
- c. The Balance Sheet, the Statement of Profit and Loss, the statement of cash flows dealt with by this Report are in agreement with the books of account;
- d. In our opinion, the aforesaid standalone Ind As financial statements comply with the Indian Accounting Standards specified under Section 133 of the Act, read with the Companies (Indian Accounting Standards) Rules, 2015, as amended, ("Ind As")
- e. On the basis of the written representations received from the directors as on 31st March, 2023 taken on record by the Board of Directors, none of the directors is disqualified as on 31st March, 2023 from being appointed as a director in terms of Section 164(2) of the Act;
- f. With respect to the adequacy of Internal Financial controls over financial reporting of the company and operating effectiveness of such controls, refer to our separate report in Annexure -B;
- g. With respect to the other matters to be included in the Auditor's Report in accordance with Rule 11 of the Companies (Audit and Auditors) Rules, 2014, in our opinion and to the best of our information and according to the explanations given to us:
 - i. The Company have some pending litigations as disclosed in note no. 22 and 23 of the notes to financial statements outcome of which may impact its financial position.
 - ii. The Company did not have any long-term contracts including derivative contracts for which there were any material foreseeable losses, and
 - iii. There were no amounts which were required to be transferred to the Investor Education and Protection Fund by the Company.
 - iv.
 - a. The management has represented that, to the best of it's knowledge and belief no funds have been advanced or loaned or invested (either from borrowed funds or share premium or any other sources or kind of funds) by the Company to or in any other person(s) or entity(ies), including foreign entities ("Intermediaries"), with the understanding, whether recorded in writing or otherwise, that the Intermediary shall, whether, directly or indirectly lend or invest in other persons or entities identified in any manner whatsoever by or on behalf of the Company ("Ultimate Beneficiaries") or provide any guarantee, security or the like on behalf of the Ultimate Beneficiaries;



- b. The management has represented, that, to the best of it's knowledge and belief no funds have been received by the Company from any person(s) or entity(ies), including foreign entities ("Funding Parties"), with the understanding, whether recorded in writing or otherwise, that the Company shall, whether, directly or indirectly, lend or invest in other persons or entities identified in any manner whatsoever by or on behalf of the Funding Party ("Ultimate Beneficiaries") or provide any guarantee, security or the like on behalf of the Ultimate Beneficiaries; and
- c. Based on audit procedures that we have considered reasonable and appropriate in the circumstances, nothing has come to our notice that has caused us to believe that the representations under paragraph 2(g)(iv)(a) & (b) above contain any material mis-statement.
- v. The Company has not declared or paid any dividend during the year.

For K.N.GUTGUTIA & CO.
Chartered Accountants
(Firm Registration No.: 304153E)


CA BHARAT KUMAR SETA
Partner
(Membership No.: 053061)

Place: Kolkata
Date: 06/09/2023
UDIN NO:23053061BGPJMK2803



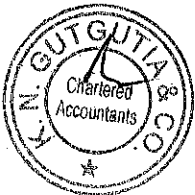
Annexure - A to the Independent Auditor's Report

Annexure to the Independent Auditor's Report to the Members of BHAGALPUR ELECTRICITY DISTRIBUTION COMPANY PRIVATE LIMITED referred to in paragraph 1 of Report on Other Legal and Regulatory Requirements in our Report of even date

- (i) Company does not have any Property, Plant and Equipment or any Immovable property so this clause is not applicable.
- (ii) Company does not have any inventories so this clause is not applicable
- (iii) During the year the company has not made investment in, provided any guarantee or security or granted any loans, secured or unsecured to the companies, firms, limited liability partnerships or other parties covered in the register maintained under section 189 of the companies Act 2013 and as such the provisions of sub clause 3(ii)(a, b, c, d, e & f) of CARO 2020 are not applicable to the company.
- (iv) The company has not given any loan, guarantee and security to its directors or any person in whom any of the directors of the company is interested under Section 185 of the Companies Act, 2013. In respect of investments, it has complied with Section 186 of the Companies Act 2013.
- (v) The company has not accepted any deposits or amounts deemed to be deposits from public covered under section 73 to 76 or any other relevant provisions of the Companies Act and the rules made there under during the year and hence clause 3(v) of CARO 2020 is not applicable the company.
- (vi) According to the information and explanations given to us , Sub section (1) of the section 148 of the Companies Act 2013 is not applicable to the company.
- (vii)(a) According to information and explanations given to us, there are some undisputed amounts payable in respect of provident fund, employees' state insurance, income-tax, sales-tax, service tax, goods and service tax, duty of customs, duty of excise, value added tax, cess and other material statutory dues were in arrears as at March 31, 2023 for a period of more than six months from the date they became payable.

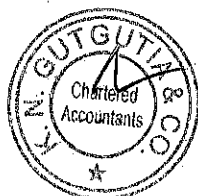
Name of the Statute	Nature of the dues	Amount ()	Period to which amount relates	Due Date
Employees State Insurance Corporation	ESI Payable	10,409/-	F.Y. 2013-14	21/04/2014
Professional Tax	PT Payable	48,500/-	F.Y. 2017-18	30/09/2017
Professional Tax	PT Payable	8,000/-	F.Y. 2018-19	31/10/2018
Tax Deducted at Source	TDS	21,91,044/-	F.Y. 2018-19	30/04/2019
Tax Deducted at Source	TDS	42,08,284/-	F.Y. 2019-20	30/04/2020
Tax Deducted at Source	TDS	62,49,188/-	F.Y. 2020-21	30/04/2021
Tax Deducted at Source	TDS	7,63,726/-	F.Y. 2021-22	30/04/2022

- (b) According to information and explanations given to us and the records of the Company examined by us, there are dues of income-tax, sales-tax, service tax, goods and service tax, duty of customs, duty of excise and value added tax which have not been deposited on account of any dispute given below:




Name of the Statue	Nature of the Dues	Amount (Rs.)	Period To Which amount relates	Forum where dispute is pending
Income Tax Department	Income Tax Due	1,45,85,280	F.Y. 2013-14	Income Tax (Appeal)-CIT(A)-Kolkata

- (viii) Based on our checking and according to the information and explanation given to us there are no transactions that has not been recorded in the books of accounts, but have been found to be surrendered or disclosed as income during the year in the tax assessment under income tax Act 1961 (43 of 1961).
- (ix)(a) The company has no defaulted in repayments of loans or other borrowings or in the payments of interest thereon to any lender.
- (b) The company is not a declared willful defaulter by any bank or other lender.
- (c) The company has applied the term loans for the purpose for which the loans were obtained.
- (d) The company has not utilized any fund raised on short term basis for long term purpose.
- (e) The company has not taken any funds from any entity or person on account of or to meet the obligations of its subsidiaries, joint ventures or associate companies.
- (f) The company has not raised loans during the year on the pledge of securities held in its subsidiaries, joint ventures or associate companies.
- (x) (a) According to the information and explanation given to us the company has not raised money by way of initial public offer or further public offer (including debt instruments) during the year.
- (b) The company has not made any preferential allotment or private placement of shares or fully, partly or optionally convertible debentures during the year under.
- (xi) (a) According to the information and explanations given to us no fraud on or by the company has been noticed or reported during the course of audit.
- (b) No report under sub section (12) of Section 143 of the Companies Act has been filed by us in Form ADT-4 as prescribed under Rule 13 of Companies (Audit and Auditors) Rules, 2014 with the Central Government.
- (c) The company has not received any whistle blower complaints during the year.
- (xii) (a) According to the information and explanation given to us the company is not Nidhi company hence sub- clause (b) and (c) are not applicable
- (xiii) According to the explanation and information given to us, all transactions with the related parties are in compliance with sections 177 and 188 of the Companies Act, 2013 where applicable and the details have been disclosed in the Financial Statements etc., as required by the applicable accounting standards.
- (xiv) The company has an internal audit system commensurate with the size and nature of its business.



- (xv) The company has not entered into any non-cash transaction with the directors or persons connected with him and hence compliance of section 192 of Companies act is not applicable to the company.
- (xvi) The company is not required to be registered under section 45-IA of the Reserve Bank of India Act, 1934 (2 of 1934) and hence sub Clause b, c & d are not applicable.
- (xvii) The company has incurred cash losses in the financial year.
- (xviii) There has been no resignation of statutory auditors during the year .
- (xix) According to the information and explanations given to us and on the basis of financial ratios, ageing and expected dates of realization of financial assets and payment of financial liabilities, other information accompanying the financial statements, our knowledge of the Board of Directors and management plans and based on our examination of the evidence supporting the assumptions, since the net worth of the company is negative, the company may not be able to meet its full liabilities. We, however, state that this is not an assurance as to the future viability of the company. We further state that our reporting is based on the facts up to the date of the audit report and we neither give any guarantee nor any assurance that all liabilities falling due within a period of one year from the balance sheet date, will get discharged by the company as and when they fall due.
- (xx) According the information and explanations given to us, no amount is required to be transferred for any unspent amount on other than ongoing projects to a Fund Specified in the Schedule VII to the companies Act within a period of six months of the expiry of the financial year and hence sub- Clause(a & b) of CARO 2020 is not applicable to the company.
- (xxi) Since company does not hold any subsidiary or Associate Company this clause is not applicable.

For K.N.GUTGUTIA & CO.
Chartered Accountants
(Firm Registration No.: 304153E)


CA BHARAT KUMAR SETA
Partner
(Membership No.: 053061)

Place: Kolkata
Date: 06/09/2023
UDIN NO:23053061BGPJMK2803



“ANNEXURE B” - TO THE INDEPENDENT AUDITOR’S REPORT

(Referred to in paragraph 2 (f) under ‘Report on other legal and regulatory requirements’ section of our report to the members of BHAGALPUR ELECTRICITY DISTRIBUTION COMPANY PRIVATE LIMITED of even date)

Report on the internal financial controls over financial reporting under clause (i) of sub-section 3 of section 143 of the companies Act, 2013(“the Act”).

We have audited the internal financial controls over financial reporting of **BHAGALPUR ELECTRICITY DISTRIBUTION COMPANY PRIVATE LIMITED** (“the Company”) as of **March 31, 2023** in conjunction with our audit of the standalone Ind As financial statements of the Company for the year ended on that date.

Management’s Responsibility for Internal Financial Controls

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

Auditor’s Responsibility

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

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

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



Meaning of Internal Financial Controls over Financial Reporting

A company's internal financial control over financial reporting is a process designed to provide reasonable assurance regarding the reliability of financial reporting and the preparation of standalone Ind As financial statements for external purposes in accordance with generally accepted accounting principles.

A company's internal financial control over financial reporting includes those policies and procedures that:

- (1) Pertain to the maintenance of records that, in reasonable detail, accurately and fairly reflect the transactions and dispositions of the assets of the company;
- (2) Provide reasonable assurance that transactions are recorded as necessary to permit preparation of standalone Ind As financial statements in accordance with generally accepted accounting principles, and that receipts and expenditures of the company are being made only in accordance with authorizations of management and directors of the company; and
- (3) Provide reasonable assurance regarding prevention or timely detection of unauthorized acquisition, use, or disposition of the company's assets that could have a material effect on the standalone Ind As financial statements.


Inherent Limitations of Internal Financial Controls over Financial Reporting

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

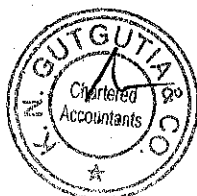
Opinion

In our opinion and according to the information and explanations given to us, the Company has, in all material respects, an adequate Internal Financial Control system over Financial Reporting and such Internal Financial controls over financial reporting were operating effectively as of March 31, 2023, based on the internal control over financial reporting criteria established by the Company considering the essential components of internal control stated in the Guidance Note on Audit of Internal Financial Controls Over Financial Reporting issued by the Institute of Chartered Accountants of India (ICAI).

For K.N.GUTGUTIA & CO.
Chartered Accountants
(Firm Registration No.: 304153E)


CA BHARAT KUMAR SETA
Partner
(Membership No.: 053061)

Place: Kolkata
Date: 06/09/2023
UDIN NO:23053061BGPJMK2803



BHAGALPUR ELECTRICITY DISTRIBUTION COMPANY PRIVATE LIMITED

CIN - U40300WB2013PTC193917

22, ABANINDRA NATH THAKUR SARANI, KOLKATA 700016

BALANCE SHEET AS AT MARCH 31, 2023

Rs in Lacs

Particulars	Note No.	As at Mar 31,2023	As at Mar 31,2022
ASSETS			
Non-current assets			
(a) Other non-current assets	1	167.32	167.32
		167.32	167.32
Current assets			
(a) Financial assets			
(i) Trade receivables	3	11,053.10	11,053.10
(ii) Cash and cash equivalents	4	17.55	17.39
(iii) Loans	5	204.18	399.55
(iv) Other Financial Assets	2	1,911.37	1,901.04
		13,186.20	13,371.07
TOTAL ASSETS		13,353.52	13,538.40
EQUITY AND LIABILITIES			
Equity			
(a) Equity Share capital	6	1.00	1.00
(b) Other Equity	7	(2,245.45)	(2,091.46)
Total equity		(2,244.45)	(2,090.46)
LIABILITIES			
Non-current liabilities			
(a) Financial liabilities			
(i) Borrowings	8	4,458.68	4,458.68
		4,458.68	4,458.68
Current liabilities			
(a) Financial liabilities			
(i) Trade Payables	9	11,003.32	11,042.11
(b) Other current liabilities	10	135.97	128.08
		11,139.29	11,170.19
Total liabilities		15,597.97	15,628.87
TOTAL EQUITY AND LIABILITIES		13,353.52	13,538.40

See accompanying notes to the Financial Statements

1 to 38

As per our report of even date

For K N GUTGUTIA & Co

Chartered Accountants

Firm's Registration Number : 304153E



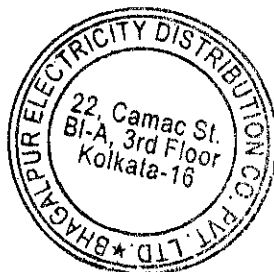
Bharat Kumar Seta

Partner

Membership No. 053061

Date: 06/09/2023

Place: Kolkata




Amar Chand Bakliwal

Director

DIN : 01240894



Mahaveer Prasad Verma

Director

DIN : 01241519

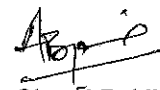
Particulars	Notes	2022-23 in Lacs	2021-22 in Lacs
Income			
Other Income	11	0.49	151.83
Total Income (I)		0.49	151.83
Expenses			
Employee benefits expense	12	1.50	2.00
Finance costs	13	-	9.18
Depreciation		-	25.66
Other Expenses	14	152.98	22.15
Total Expenses (II)		154.48	58.99
Profit / (Loss) for the year (I-II)		(153.99)	92.84
Tax Expense			
Current tax		-	-
Tax for earlier years		-	-
Deferred tax		-	-
Income Tax Expense		-	-
Profit / (Loss) for the year		(153.99)	92.84
Other Comprehensive Income (OCI)			
Other comprehensive income not to be reclassified to profit or loss in subsequent periods:			
Re-Measurement gains on defined benefit plans		-	-
Effect of Income tax on above		-	-
Other Comprehensive Income for the year		-	-
Total Comprehensive Income for the year (V+VI)		(153.99)	92.84
Earnings per share - Basic and Diluted (Nominal value ` 10 per share)	19	(1,539.90)	928.40


See accompanying notes to the Financial Statements


1 to 38

As per our report of even date

For K N GUTGUTIA & Co
 Chartered Accountants
 Firm's Registration Number : 304153E

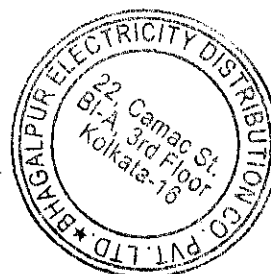

 Amar Chand Bakliwal
 Director
 DIN : 01240894


 Bharat Kumar Seta
 Partner
 Membership No. 053061


 Mahaveer Prasad Verma
 Director
 DIN : 01241519

Date: 06/09/2023

Place: Kolkata



Bhagalpur Electricity Distribution Company Private Limited
CIN -U40300WB2013PTC193917
22, ABANINDRA NATH THAKUR SARANI, KOLKATA 700016
CASH FLOW STATEMENT
for the period from 1st April, 2022 to 31st March, 2023

Particulars	₹ In Lacs	
	As at 31st Mar, 2023 (Rs. Lacs)	As at 31st March, 2022 (Rs. Lacs)
Cash flow from operating activities		
Profit before tax from continuing operations	(153.99)	92.84
Profit before tax	(153.99)	92.84
Non-cash/ Non operating adjustment to reconcile profit before tax to net cash flows:		
Deferred Tax Asset written off	-	144.74
Loss on sale of scrap of fixed assets	-	7.64
Depreciation/ amortization on continuing operation	-	25.66
Interest Income	(0.09)	(5.92)
Finance costs	-	9.19
Operating profit before working capital changes	(154.08)	274.14
Movements in working capital :		
Increase / (decrease) in trade payables	(38.79)	(130.91)
Increase / (decrease) in other non current Financial liabilities	-	(83.32)
Increase / (decrease) in other current liabilities	7.89	3.66
Decrease / (increase) in trade receivables	0.00	-
Decrease / (increase) in Other Financial assets	(10.33)	41.88
Decrease / (increase) in other non-current assets	-	4.00
Decrease / (increase) in other current assets	-	33.39
Cash generated from / (used in) operations	(195.31)	142.84
Direct taxes paid (net of refunds)	-	-
Net cash flow from/ (used in) operating activities (A)	(195.31)	142.84
Cash flows from investing activities		
Purchase of fixed assets, including Capital W-I-P and capital advances	-	-
Transfer of Capital WIP into fixed asset	-	-
Sale / disposal of Fixed Asset	-	-
Loans and Advances	195.37	236.52
Net cash flow from/ (used in) investing activities (B)	195.37	236.52
Cash flows from financing activities		
Proceeds from issuance of equity share capital	-	(374.23)
Proceeds from long-term borrowings	-	-
Preliminary Expenses	-	-
Interest Income	0.09	5.92
Interest paid	-	(9.18)
Net cash flow from/ (used in) in financing activities (C)	0.10	(377.48)
Net increase/(decrease) in cash and cash equivalents (A + B + C)	0.16	1.88
Effect of exchange differences on cash & cash equivalents held in foreign	-	-
Cash and cash equivalents at the beginning of the year	17.38	15.50
Cash and cash equivalents at the end of the year	17.54	17.38
Components of cash and cash equivalents		
Cash on hand	8.12	7.93
Cheques / drafts on hand	-	-
With banks-		
- in current account	9.42	9.45
Total cash and cash equivalents	17.54	17.38

Summary of significant accounting policies

As per our report of even date

For K N GUTGUTIA & Co

Chartered Accountants

Firm's Registration Number : 304153E



Bharat Kumar Seta

Partner

Membership No. 053061

Date: 06/09/2023

Place: Kolkata

Amār Chand Bakliwal

Director

DIN : 01240894

Mahaveer Prasad Verma

Director

DIN : 01241519



BHAGALPUR ELECTRICITY DISTRIBUTION COMPANY PRIVATE LIMITED
Statement of Changes in Equity for the year ended March 31, 2023

A) Equity Share Capital
(also refer note 7)

Subscribed and fully paid-up		Total Equity share capital
No. of Shares	Rs. in Lacs	Rs. in Lacs
10,000	1.00	1.00
10,000	1.00	1.00

As at April 1, 2022
As at Mar 31, 2023


B) Other Equity
(also refer note 8)

	Rs. in Lacs		
	Reserves and Surplus	Capital Contribution	Total
	Retained earnings (including Other Comprehensive Income)		
As at April 1, 2021	(2,184.30)	-	(2,184.30)
Profit for the year	92.84	-	92.84
Other comprehensive income for the year	-	-	-
Total comprehensive income	(2,091.46)	-	(2,091.46)
As at April 1, 2022	(2,091.46)	-	(2,091.46)
Profit for the year	(153.99)	-	(153.99)
Other comprehensive (loss) for the year	-	-	-
Total comprehensive income for the year	(2,245.45)	-	(2,245.45)
Balance as at Mar 31, 2023	(2,245.45)	-	(2,245.45)


See accompanying notes to the Financial Statements 1 to 38

As per our report of even date

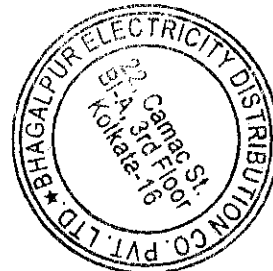
For K N GUTGUTIA & Co
Chartered Accountants
Firm's Registration Number : 304153E


Bharat Kumar Seta
Partner
Membership No. 053061


Amar Chand Bakliwal (Director)
DIN : 01240894


Mahaveer Prasad Verma (Director)
DIN : 01241519

Date: 06/09/2023
Place: Kolkata



BHAGALPUR ELECTIRCITY DISTRIBUTION COMPANY PVT.LIMITED

Notes on Financial Statements for the year ended 31st March, 2023

1 Significant Accounting Policies

1.1 Basis of preparation of Financial Statements

The financial statements of the Company have been prepared and presented under the historical cost convention, on the accrual basis of accounting except as otherwise stated elsewhere and comply with the notified Accounting Standards as prescribed under section 133 of the Companies Act, 2013 ('Act') read with Rule 7 of the Companies (Accounts) Rules, 2014 and the provisions of the Act (to the extent notified). The accounting policies applied by the Company are consistent with those applied in the previous year except where adoption of a different accounting policy is required by statute or for compliance with an accounting standard or if it is considered that the change would result in a more appropriate presentation of the financial statements of the Company.

The financial statements are presented in Indian Rupees (₹ Lacs).

1.2 Use of estimates

The preparation of financial statements in conformity with Generally Accepted Accounting Principles (GAAP) requires the management to make estimates and assumptions that affect the reported amounts of assets and liabilities and disclosures relating to contingent liabilities as at the date of the financial statements and the reported income and expenses during the reporting year. Although these estimates are based upon the management's best knowledge of current events and actions, actual results could differ from these estimates. Any revision to the accounting estimates are recognised prospectively in the current and future years.

1.3 Cash and Cash Equivalents

Cash and Cash Equivalents in the Cash Flow Statement comprise of cash on hand and at bank, demand deposits with banks, cheques on hand, remittances in transit and short-term highly liquid investments with an original maturity of three months or less.

1.4 Property, Plant & Equipment, Depreciation and Impairment

a) Property, Plant & Equipment

Property, Plant & Equipment is carried at cost less accumulated depreciation and impairment losses, if any. Cost comprises of the purchase price and any directly attributable cost of bringing the asset to its working condition for its intended use.

b) Depreciation

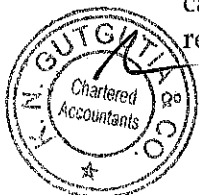
Depreciation is provided on the Written down Value ('WDV') method as per the rates and in the manner prescribed in Schedule II to the Companies Act, 2013. Management estimates the useful lives of Property, Plant & Equipment to be in accordance with the useful lives prescribed in the aforementioned Schedule.

Property, Plant & Equipment Category	Estimated Useful Life (Years)
Furniture & Fixtures	10

Depreciation on assets acquired/ disposed off during the year is provided for from/upto the date of such addition/deletion.

c) Impairment

The Company periodically assesses whether there is any indication that an asset or a group of assets, comprising a cash generating unit, may be impaired. If any such indication exists, the Company estimates the recoverable amount of the asset. For an asset or group of assets that does not generate largely independent cash inflows, the recoverable amount is determined for the cash-generating unit to which the asset belongs. If such recoverable amount of the asset or the recoverable amount of the cash generating unit to which the asset belongs is less than its carrying



Notes on Financial Statements for the year ended 31st March, 2023

amount, the carrying amount is reduced to its recoverable amount. The reduction is treated as an impairment loss and is recognised in the Statement of Profit and Loss. If at the balance sheet date there is an indication that a previously assessed impairment loss no longer exists, the recoverable amount is reassessed and the asset is reflected at the recoverable amount subject to a maximum of depreciable historical cost. An impairment loss is reversed only to the extent that the carrying amount of asset does not exceed the net book value that would have been determined; if no impairment loss had been recognised.

1.5 Revenue Recognition

Revenue is recognized to the extent it is probable that the economic benefits will flow to the Company and the revenue can be reliably measured:

- a) Incomes from Job work are recognized pro-rata over the period of the contract as and when services are rendered. The Company collects service tax on behalf of the government and, therefore, it is not an economic benefit flowing to the Company. Hence, it is excluded from revenue. Other fee based income is accounted for on accrual basis.
- b) Interest is recognized using the time proportion basis taking into account the amount outstanding and the interest rate applicable.
- c) Dividend income is recognized when the right to receive the dividend is established.
- d) All other income is accounted for on accrual basis.

1.6 Investments

Investments are classified as either current or non-current based on Management's intention at the time of purchase. Non-current investments are carried at cost. However, provision for diminution in value other than temporary in nature, is made to recognise a decline on an individual basis.

Current investments are carried at lower of cost and fair value. The comparison of cost and fair value is done separately in respect of each category of investments.

1.7 Retirement benefits

(a) Provident Fund

The Company does not have minimum number of employees to qualify for contribution of Provident fund, hence provision in respect of Provident Fund is not considered necessary.

(b) Gratuity

The Company does not have minimum number of employees to qualify for Provision of Gratuity Act, hence provision in respect of the same has not been considered necessary.

1.7 Earnings per share (EPS)

Basic EPS is calculated by dividing the net profit or loss for the year, attributable to equity shareholders, by the weighted average number of equity shares outstanding during the period.

For the purpose of calculating diluted EPS, the net profit or loss for the year attributable to equity shareholders and the weighted average number of shares outstanding during the period are adjusted for the effects of all dilutive potential equity shares.

1.8 Taxes on Income

Income tax expense comprises current tax (i.e. amount of tax for the year determined in accordance with the income tax law) and deferred tax charge or credit (reflecting the tax effects of timing differences between accounting income and taxable income for the year). The deferred tax charge or credit and the corresponding deferred tax liabilities or assets are recognised using the tax rates that have been enacted or substantively enacted by the balance sheet date. Deferred tax assets are recognised only to the extent there is reasonable certainty that the assets can be realised in future; however, where there is unabsorbed depreciation or carried forward business loss under taxation laws, deferred tax assets are recognised only if there is a virtual certainty of realisation of such assets. Deferred tax assets/liabilities are reviewed as at each balance sheet date and written down or



Notes on Financial Statements for the year ended 31st March, 2023

written-up to reflect the amount that is reasonably/virtually certain (as the case may be) to be realised.

The Company offsets the current (on a year on year basis) and deferred tax assets and liabilities, where it has a legally enforceable right and where it intends to settle such assets and liabilities on a net basis.

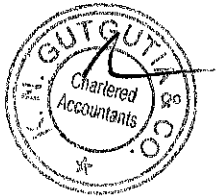
In accordance with the provisions of Section 115JAA of the Income-tax Act, 1961, the Company is allowed to avail credit equal to the excess of Minimum Alternate Tax (MAT) over normal income tax for the assessment year for which MAT is paid. MAT credit so determined can be carried forward for set-off for ten succeeding assessment years from the year in which such credit becomes allowable. MAT credit can be set-off only in the year in which the Company is liable to pay tax as per the normal provisions of the Income-tax Act, 1961 and such tax is in excess of MAT for that year. Accordingly, MAT credit entitlement is recognised only to the extent there is convincing evidence that the Company will pay normal tax during the specified period.

1.10 Provisions and Contingencies

A provision is recognised when the company has a present obligation as a result of past event and it is probable that outflow of resources will be required to settle the obligation, in respect of which a reliable estimate can be made. Provisions are not discounted to their present value and are determined based on best estimate required to settle the obligation at the balance sheet date. These are reviewed at each balance sheet date and adjusted to reflect the current best estimates.

Contingent Liabilities are not recognized but are disclosed in the notes to financial statements.

Contingent Assets are neither recognized nor disclosed in the notes to financial statements.



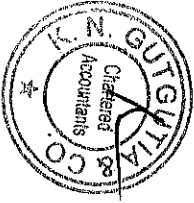
BHAGALPUR ELECTRICITY DISTRIBUTION COMPANY PRIVATE LIMITED
NOTES TO FINANCIAL STATEMENTS AS AT AND FOR THE YEAR ENDED Mar 31, 2023

NOTE 1: OTHER ASSETS (at amortised cost)

	Non-current		Current		Rs in Lacs
	As at Mar 31, 2023	As at Mar 31, 2022	As at Mar 31, 2023	As at Mar 31, 2022	
Unsecured, considered good					
Security Deposits	-	-	-	-	
Minimum Credit Entitlement	9.90	9.90	-	-	
MAT Credit	156.52	156.52	-	-	
Balances with Government Authorities	0.90	0.90	-	-	
Contractually reimbursable expenses					
	167.32	167.32	-	-	

NOTE 2: OTHER CURRENT FINANCIAL ASSETS (at amortised cost)

	current		Rs in Lacs
	As at Mar 31, 2023	As at Mar 31, 2022	
Claims receivable from SBPDCL	1,794.64	1,794.64	
Trade Advances	116.73	106.39	
	1,911.37	1,901.04	



BHAGALPUR ELECTRICITY DISTRIBUTION COMPANY PRIVATE LIMITED
NOTES TO FINANCIAL STATEMENTS AS AT AND FOR THE YEAR ENDED Mar 31, 2023

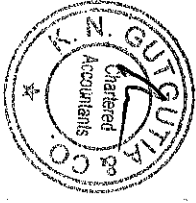
NOTE 3 : TRADE RECEIVABLES
(at amortised cost)

	Current		Total
	As at Mar 31, 2023	As at Mar 31, 2022	
Trade Receivables considered good	11,053.10	11,053.10	
Total	11,053.10	11,053.10	

Rs in Lacs

Trade Receivables Ageing Schedule

Particulars	Outstanding for following periods from due date of payment					Total
	Less than 6 months	6 months - 1 year	1-2 years	2-3 years	More than 3 years	
(i) Undisputed Trade receivables – considered good	-	-	-	-	-	-
(ii) Undisputed Trade Receivables – which have significant increase in credit risk	-	-	-	-	-	-
(iii) Undisputed Trade Receivables – credit impaired	-	-	-	-	-	-
(iv) Disputed Trade Receivables– considered good	-	-	-	-	11,053.10	11,053.10
(v) Disputed Trade Receivables – which have significant increase in credit risk	-	-	-	-	-	-
(vi) Disputed Trade Receivables – credit impaired	-	-	-	-	-	-



BHAGALPUR ELECTRICITY DISTRIBUTION COMPANY PRIVATE LIMITED
NOTES TO FINANCIAL STATEMENTS AS AT AND FOR THE YEAR ENDED Mar 31, 2023

NOTE 4 : CASH AND BANK BALANCES

Rs in Lacs

	Current	
	As at Mar 31, 2023	As at Mar 31, 2022
Cash and cash equivalents		
Balances with banks :		
On current accounts	8.12	7.93
Cash on hand	9.43	9.46
Total	17.55	17.38

NOTE 5 : FINANCIAL ASSETS- LOANS

Rs in Lacs

	Current	
	As at Mar 31, 2023	As at Mar 31, 2022
Loan and Advances	204.18	399.55
Total	204.18	399.55



BHAGALPUR ELECTRICITY DISTRIBUTION COMPANY PRIVATE LIMITED
NOTES TO FINANCIAL STATEMENTS AS AT AND FOR THE YEAR ENDED Mar 31, 2023

NOTE 6 : SHARE CAPITAL

	Rs in Lacs	
	As at Mar 31, 2023	As at Mar 31, 2022
Authorized capital		
5,00,000 equity shares (previous year: 5,00,000) ` 10 par value per share	5.00	5.00
Issued, subscribed and paid-up capital		
10,000 equity (previous year: 10,000) ` 10 par value per share	1.00	1.00
	1.00	1.00

a. Reconciliation of the equity shares outstanding at the beginning and at the end of the year

	As at Mar 31, 2023		As at Mar 31, 2022	
	No. of Shares	In Lacs	No. of Shares	In Lacs
At the beginning of the year	10,000	1.00	10,000	1.00
Calls in arrears			-	-
Outstanding at the end of the year	10,000	1.00	10,000	1.00

b. Rights, preferences and restrictions attaching to equity shares including restrictions on the distribution of dividends and the repayment of capital:

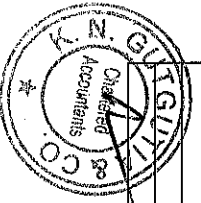
The Company has only one class of shares referred to as equity shares having a par value of ` 10 each. Each holder of equity shares is entitled to one vote per share. In the event of liquidation of the Company, the holders of equity shares will be entitled to receive any of the remaining asset of the Company after distribution of all preferential amounts. The distribution will be in proportion to the number of equity shares held by the shareholders.

c. Details of shares held by the Holding Company, the Ultimate Holding Company, their Subsidiaries and Associates:

	As at Mar 31, 2023		As at Mar 31, 2022	
	No. of Shares	In Lacs	No. of Shares	In Lacs
SPML Infra Ltd Holding Company	9,999	0.99	9,999	0.99

d. The details of shareholders holding more than 5% equity shares is set below:

	As at Mar 31, 2023		As at Mar 31, 2022	
	No. of Shares	% Holding	No. of Shares	% Holding
SPML Infra Ltd	9,999	99.99%	9,999	99.99%
Shares held by promoters at the end of the year			March 31, 2022	
Promoter name	Class of Shares	No. of shares	% Change during the year	
SPML Infra Ltd	Equity	9999	0	



BHAGALPUR ELECTRICITY DISTRIBUTION COMPANY PRIVATE LIMITED
NOTES TO FINANCIAL STATEMENTS AS AT AND FOR THE YEAR ENDED Mar 31, 2023

NOTE 7: OTHER EQUITY

Rs in Lacs

	As at Mar 31, 2023	As at Mar 31, 2022
A. Retained Earnings (movements given below)	(2,245.45)	(2,091.46)
B. Capital Contribution	-	-
Total - Other equity	(2,245.45)	(2,091.46)

Movement in Retained Earnings

	As at Mar 31, 2023	As at Mar 31, 2022
Opening Balance	(2,091.46)	(2,184.30)
Add: Profit for the year (including OCI)	(153.99)	92.84
Closing Balance	(2,245.45)	(2,091.46)



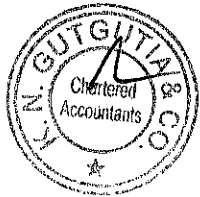
BHAGALPUR ELECTRICITY DISTRIBUTION COMPANY PRIVATE LIMITED
NOTES TO FINANCIAL STATEMENTS AS AT AND FOR THE YEAR ENDED Mar 31, 2023

NOTE 8 : BORROWINGS

Rs in Lacs

	Non-current	
	As at Mar 31, 2023	As at Mar 31, 2022
Secured		
Term loans		
from banks (refer note 9.1)	-	-
Unsecured		
Long Term Maturities of Finance Lease Obligations -		
Finance company	-	-
- Other company	4.09	4.09
Loans and Advances from Related Parties	4,454.59	4,454.59
Total	4,458.68	4,458.68

Note 9.1: These are taken from 8.6 % to 14.5% rate of interest and repayable after a period of 10 years



BHAGALPUR ELECTRICITY DISTRIBUTION COMPANY PRIVATE LIMITED
NOTES TO FINANCIAL STATEMENTS AS AT AND FOR THE YEAR ENDED Mar 31, 2023

NOTE 9 : TRADE PAYABLES

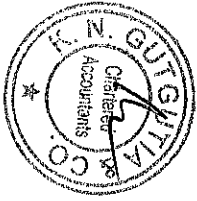
Rs. in Lacs

	Current	
	As at Mar 31, 2023	As at Mar 31, 2022
Other than acceptances	11,003.32	11,042.11
	11,003.32	11,042.11

Note 9.1. There are no dues payable to Micro and Small Enterprises
Trade Payable Ageing Schedule

Outstanding for following periods from due date of payment

Particulars	less than 1 Year	1-2 years	2-3 years	More than 3 years	Total
(i) MSME					-
(ii) Others	1,632.37				1,632.37
(iii) Disputed dues — MSME					-
(iv) Disputed dues - Others				9,370.95	9,370.95



BHAGALPUR ELECTRICITY DISTRIBUTION COMPANY PRIVATE LIMITED
NOTES TO FINANCIAL STATEMENTS AS AT AND FOR THE YEAR ENDED Mar 31, 2023

NOTE 10 : OTHER CURRENT LIABILITIES

	As at Mar 31, 2023	As at Mar 31, 2022
Statutory Liabilities	135.97	128.08
TOTAL	135.97	128.08



BHAGALPUR ELECTRICITY DISTRIBUTION COMPANY PRIVATE LIMITED
NOTES TO FINANCIAL STATEMENTS AS AT AND FOR THE YEAR ENDED Mar 31, 2023

11 Other Income

Particulars	Rs in Lacs	
	For the year ended 31st Mar 2023	For the year ended 31st Mar 2022
Other Non Operating Income	0.09	5.92
Profit on sale of Assets	-	0.36
Sundry Balance Written Back	0.40	145.55
	0.49	151.83

12 Employee Benefits Expense

Particulars	Rs in Lacs	
	For the year ended 31st Mar 2023	For the year ended 31st Mar 2022
Payment to and for Employees	1.50	2.00
	1.50	2.00

13 Finance Costs

Particulars	Rs in Lacs	
	For the year ended 31st Mar 2023	For the year ended 31st Mar 2022
Interest Expense	-	0.27
Borrowings	-	8.91
	-	9.18

14 Other Expenses

Particulars	Rs in Lacs	
	For the year ended 31st Mar 2023	For the year ended 31st Mar 2022
Auditors' Remuneration (Refer Note: 16.1)	1.18	1.18
Legal Expenses	74.05	18.11
Professional Fees & Consultancy Charges	27.50	-
Travelling & Conveyance	13.27	0.71
Insurance	0.66	0.75
General Expenses	0.38	0.16
Amount paid for settlement of Claim	34.40	-
Repair & Maintenance	1.10	-
Rates and Taxes	0.02	-
Prior Period Items	-	1.21
Filing Fees	0.33	-
Bank Charges & Commission	0.09	0.04
	152.98	22.15



BHAGALPUR ELECTRICITY DISTRIBUTION COMPANY PRIVATE LIMITED
Notes to Financial Statements as at and for the year ended March 31, 2023

Note 15 Commitment and Contingencies

a. Contingent Liabilities

Claims against the Company not acknowledged as debts:

	Rs in Lacs	
	As at	As at
	31.03.2023	31.03.2022
Disputed Income Tax Demand FY 2013-14 (refer note no 25)	145.85	145.85
Total	145.85	145.85



BHAGALPUR ELECTRICITY DISTRIBUTION COMPANY PRIVATE LIMITED
Notes to Financial Statements as at and for the year ended March 31, 2023

Note 16. Disclosure in respect of Related Parties pursuant to Ind AS 24

List of Related Parties

I. Parent and Subsidiary Companies:

Name of related parties	Nature of relationship	% of Holding
M/s. Spml Infra Limited	Holding Company	99.99%

II. Other related parties with whom transactions have taken place during the year:

a) Key Management Personnel

Name of related parties	Nature of relationship
1 Mr.Amar Chand Bakliwal	Director
2 Mr.Mahaveer Prasad Verma	Director



BHAGALPUR ELECTRICITY DISTRIBUTION COMPANY PRIVATE LIMITED

Notes to Financial Statements as at and for the year ended March 31, 2023

Note 17

A. During the year the following transactions were carried out with the related parties in the ordinary course of business:

Transaction	Related Party	Rs in Lakhs	
		2022-23	2021-22
Loan received	SPML Infra Limited	-	-
Loan repaid		-	-
Interest Expenses occurred		-	-

B. Balances outstanding at the year end:

Outstanding	Related Party	2022-23	2021-22
Payable	SPML Infra Limited	4,454.59	4,454.59

Notes:

a) Terms and conditions of transactions with related parties:

The sales to and purchases from related parties are made on terms equivalent to those that prevail in arm's length transactions. Outstanding balances at the year-end are unsecured and interest free and settlement occurs in cash except as otherwise mentioned.



BHAGALPUR ELECTRICITY DISTRIBUTION COMPANY PRIVATE LIMITED

Notes to Financial Statements as at and for the year ended March 31, 2023

Note 18: Disclosure under Rule 16A of the Companies (Acceptance of Deposits) Rules, 2014

Particulars	For the year ended 31st March, 2023	For the year ended 31st March, 2022
Money received from (No) directors / or the relatives of directors during the year	-	-
Balance outstanding at the end of the year	Nil	Nil

Note 19. Earning Per Share

Particulars	For the year ended 31st March, 2023	For the year ended 31st March, 2022
	Amount (₹)	Amount (₹)
Net profit available for Equity Shareholders	(153.99)	92.84
Weighted Average number of Equity shares	10,000	10,000
Basic and Diluted Earnings Per Share	(1,539.90)	928.40



BHAGALPUR ELECTRICITY DISTRIBUTION COMPANY PRIVATE LIMITED
Notes to Financial Statements as at and for the year ended March 31, 2023

Note 20: Ratios

2022-23

2021-22

Sl. No.	Ratios	2022-23				2021-22				Reason for Variance (to be given if variance is more than 25%)
		Numerator	Denominator	Ratio	Numerator	Denominator	Ratio	Percentage of Variance		
1	Current Ratio = Current Asset / Current Liabilities	13186	11139	1.18	13371	11170	1.20	-1.11%		
2	Debt - Equity Ratio = Total Debt / Shareholder's Equity	4,459	(2,244)	(2.0)	4,459	(2,090)	(2.13)	-6.86%		
3	Debt - Service Coverage Ratio= Earning available for debt service / Debt service	(154)	4,459	(0.03)	93	4,459	0.02	-266%	Last year there was a Business loss due to settlement and Legal Charges.	
4	Return on Equity Ratio = Net Profit after Taxes - Preference Dividend (if any) / Net Worth or Equity Shareholder's Fund	(154)	-2090	0.07	93	-2090	(0.04)	-266%	Last year there was a Business loss due to settlement and Legal Charges.	
5	Inventory Turnover Ratio = Cost of goods sold / Average Inventory	-	-	-	-	-	-	-		
6	Trade Receivable Turnover Ratio = Net credit sales / Average Trade receivables	-	11,053.10	-	-	11,053.10	-	-	Company does not have any sales	
7	Trade Payables Turnover Ratio = Net credit purchase / Average Trade payable	-	-	-	-	-	-	-		
8	Net Capital Turnover Ratio = Revenue from Operations / Average Working Capital	0.49	2124	0.00	152	2490	0.06	-100%	No sales in the current year	
9	Net Profit Ratio = Net Profit / Net Sales	(154)	0	0%	93	0	0%	-	No sales in the current year	
10	Return on Capital Employed = Earning before interest and taxes / Capital Employed	(154)	2,214	-7%	93	2,368	4%	-277%	Last year there was a Business loss due to settlement and Legal Charges.	
11	Return on Investment = Revenue from investment / Cost of Investment	-	-	0%	-	-	-	-		



BHAGALPUR ELECTRICITY DISTRIBUTION COMPANY PRIVATE LIMITED

Notes to Financial Statements as at and for the year ended March 31, 2023

Note 21. Capital management

For the purpose of the Company's capital management, capital includes issued equity capital, share premium and all other equity reserves attributable to the equity holders of the parent. The primary objective of the Company's capital management is to maximise the shareholder value.

The Company's objectives when managing capital is to safeguard continuity, maintain a strong credit rating and healthy capital ratios in order to support its business and provide adequate return to shareholders through continuing growth and maximise the shareholders value . The Company's overall strategy remains unchanged from previous year. The Company sets the amount of capital required on the basis of annual business and long-term operating plans which include capital and other strategic investments. The funding requirements are met through a mixture of equity ,internal fund generation and borrowed funds.. The Company's policy is to use short term and longterm borrowings to meet anticipated funding requirements. The Company monitors capital on the basis of the net debt to equity ratio. The Company is not subject to any externally imposed capital requirements. Net debt are long term and short term debts as reduced by cash and cash equivalents (including restricted cash and cash equivalents). Equity comprises share capital and free reserves (total reserves excluding OCI). The following table summarizes the capital of the Company:

	Rs in Lakhs	
	31-Mar-23	31-Mar-22
Borrowings	4,458.68	4,458.68
Trade payables	11,003.32	11,042.11
Less: cash and cash equivalents	(17.55)	(17.39)
Net debt	15,444.45	15,483.40
Capital	-2,244.45	-2,090.46
Gearing ratio	-688%	-741%

Note 22: Consequent to the ongoing disputes, in relation with Billing rate, dues of Municipal Corporation, interest rate etc. with South Bihar Power Distribution Company Limited (SBPDCL), the company has discontinued the service of Electricity distribution with effect from 25th November, 2017 in the assigned area and SBPDCL has taken physical control of the Property, Plant and Equipments (PPE) and Inventory. In accordance with the Power Distribution Agreement with SBPDCL, the Company has referred the above matters for Arbitration. These financial statements have been prepared on a Going concern basis on the assumption that the Company will succeed in recovering its claims upon completion of the Arbitration. In view of the above, PPE and Inventory of Rs.1474.93/- lacs and Rs.840.7/- lacs has been reclassified to Claims Receivable in accordance with the Termination clause of the Distribution Franchisee Agreement entered into with SBPDCL.

Pursuant to the above arbitration, the Company has reduced Purchase cost of Energy by an amount of Rs. 11,194.56/- Lacs, being the Average Billing Rate recoverable from SBPDCL for the period from January, 2014



Note 23: Income Tax Department had issued a Demand Notice for Rs. 1,45,85,280/— vide order dated 29.12.2016 which was passed by the Jurisdictional Assessing Officer. Further appeal has been made to the Commissioner of the income Tax (Appeals-CIT (A) -Kolkata. Further appeal has been made to the commissioner of the income Tax (Appeals)—CIT (A)—Kolkata and the company has paid Rs. 21,91,000/— against the said demand as deposit. The Company expects to get full relief against the said demand from the Appellate Authorities.

Note 24: in the opinion of the Board, the current assets have value on realization in the ordinary course of business at least equal to the amount at which they are stated in the Balance Sheet.

Note 25: The company has identified Electricity Distribution as its sole operating segment in india and the same has been treated as the primary segment and as such there are no separately identifiable business segments. Similarly, the company caters to the units of Bhagalpur and its adjoining areas only. Consequently, it has one reportable business segment i.e., "Electricity Distribution" and one reportable geographical segment i.e., India



BHAGALPUR ELECTRICITY DISTRIBUTION COMPANY PRIVATE LIMITED
Notes to Financial Statements as at and for the year ended March 31, 2023

26 Disclosure Regarding Crypto Currencies:

Company does not have any exposure in crypto currencies.

27 CSR is not applicable to the company.

28 Fair valuation of investment property

Not applicable as Company do not have any investment property.

29 Revaluation of Property, Plant and Equipment and Right-of-Use Assets

Company has not carried out any revaluation of Property, Plant and Equipment in the Current Financial year and does not have any Right-of-Use Assets.

30 Revaluation of Intangible assets

Company has not carried out any revaluation of Intangible Assets

31 Details of Benami Property held

Company does not hold any Benami Properties

32 Borrowings secured against current assets

The company does not have any borrowings from banks or financial institutions on the basis of security of current assets.

33 Wilful Defaulter

The Company does not have any loan outstanding from any Bank or other Financial institutions. And it has never been declared defaulter.

34 Undisclosed Income

This clause is not applicable to the Company as there is no such income.

35 Scheme of Arrangement

This clause is not applicable to the Company as there is no Scheme of Arrangements filed by the Company to any Competent Authority in terms of sections 230 to 237 of the Companies Act, 2013.

36 Registration of charges or satisfaction with Registrar of Companies (ROC)

All filings related to the registration of charges or satisfaction of charges with ROC have been done within statutory date.

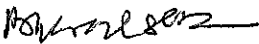
37 Compliance with number of layers of companies

The Company is in compliance with Section 2(87) of the Companies Act 2013 read with Companies (Restriction on number of Layers) Rules, 2017.

Figures pertaining to previous year have been regrouped, rearranged , reclassified and restated wherever necessary to make them comparable with those of current year.

As per our report of even date


For K N GUTGUTIA & Co
Chartered Accountants
Firm's Registration Number : 304153E


Bharat Kumar Seta
Partner
Membership No. 053061

Date: 06/09/2023
Place: Kolkata




Amar Chand Bakliwal (Director)
DIN : 01240894


Mahaveer Prasad Verma (Director)
DIN : 01241519

