

**INDEPENDENT AUDITOR'S REPORT**To the Members of **Ranchi Power Distribution Company Limited****Report on the Audit of the Ind AS Financial Statements****Opinion**

We have audited the accompanying Ind AS financial statements of **Ranchi Power Distribution Company Limited** ("the Company"), which comprise the Balance sheet as at March 31 2021, the Statement of Profit and Loss, including the statement of Other Comprehensive Income, the Cash Flow Statement and the Statement of Changes in Equity for the year then ended, and notes to the Ind AS financial statements, including a summary of significant accounting policies and other explanatory information .

In our opinion and to the best of our information and according to the explanations given to us , the aforesaid Ind AS financial statements give the information required by the Companies Act, 2013, as amended ("the Act") in the manner so required and give a true and fair view in conformity with the accounting principles generally accepted in India, of the state of affairs of the Company as at March 31, 2021, its loss including other comprehensive income, its cash flows and the changes in equity for the year ended on that date.

**Basis for Opinion**

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

**Other Information**

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

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

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



### Responsibility of Management for the Ind AS Financial Statements

The Company's Board of Directors is responsible for the matters stated in section 134(5) of the Act with respect to the preparation of these Ind AS financial statements that give a true and fair view of the financial position, financial performance including other comprehensive income, cash flows and changes in equity of the Company in accordance with the accounting principles generally accepted in India, including the Indian Accounting Standards (Ind AS) specified under section 133 of the Act read with the Companies (Indian Accounting Standards) Rules, 2015, as amended. This responsibility also includes maintenance of adequate accounting records in accordance with the provisions of the Act for safeguarding of the assets of the Company and for preventing and detecting frauds and other irregularities; selection and application of appropriate accounting policies; making judgments and estimates that are reasonable and prudent; and the design, implementation and maintenance of adequate internal financial controls, that were operating effectively for ensuring the accuracy and completeness of the accounting records, relevant to the preparation and presentation of the Ind AS financial statements that give a true and fair view and are free from material misstatement, whether due to fraud or error.

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

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

### Auditor's Responsibilities for the Audit of the Ind AS Financial Statements

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

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

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



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

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

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

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

### Report on Other Legal and Regulatory Requirements

1. As required by the Companies (Auditor's Report) Order, 2016 ("the Order"), issued by the Central Government of India in terms of sub-section (11) of section 143 of the Act, we give in the "Annexure 1" a statement on the matters specified in paragraphs 3 and 4 of the Order.
2. As required by Section 143(3) of the Act, we report that:
  - (a) We have sought and obtained all the information and explanations which to the best of our knowledge and belief were necessary for the purposes of our audit;
  - (b) In our opinion, proper books of account as required by law have been kept by the Company so far as it appears from our examination of those books;
  - (c) The Balance Sheet, the Statement of Profit and Loss including the Statement of Other Comprehensive Income, the Cash Flow Statement and Statement of Changes in Equity dealt with by this Report are in agreement with the books of account;
  - (d) In our opinion, the aforesaid Ind AS financial statements comply with the Accounting Standards specified under Section 133 of the Act, read with Companies (Indian Accounting Standards) Rules, 2015, as amended;
  - (e) On the basis of the written representations received from the directors as on March 31, 2021 taken on record by the Board of Directors, none of the directors is disqualified as on March 31, 2021 from being appointed as a director in terms of Section 164 (2) of the Act;
  - (f) With respect to the adequacy of the internal financial controls over financial reporting of the Company with reference to these Ind AS financial statements and the operating effectiveness of such controls, refer to our separate Report in "Annexure 2" to this report;
  - (g) In our opinion, the managerial remuneration for the year ended March 31, 2021 has been paid / provided by the Company to its directors in accordance with the provisions of section 197 read with Schedule V to the Act;





- (h) With respect to the other matters to be included in the Auditor's Report in accordance with Rule 11 of the Companies (Audit and Auditors) Rules, 2014, as amended in our opinion and to the best of our information and according to the explanations given to us:
- i. The Company does not have any pending litigations which would impact its financial position;
  - ii. The Company did not have any long-term contracts including derivative contracts for which there were any material foreseeable losses;
  - iii. There were no amounts which were required to be transferred to the Investor Education and Protection Fund by the Company.

For **Batliboi, Purohit & Darbari**  
Chartered Accountants  
ICAI Firm Registration Number: 303086E



**CA Hemal Mehta**  
Partner  
Membership Number: 063404  
UDIN:21063404AAAAFW6897

Place: Kolkata  
Date: 17<sup>th</sup> May, 2021



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

- (i) (a) The Company is maintaining proper records showing full particulars, including quantitative details and situation of Fixed assets.
- (b) The fixed assets of the Company have been physically verified by the Management during the year and no material discrepancies have been noticed on such verification. In our opinion, the frequency of verification is reasonable.
- (c) The Company does not own any immovable properties. Therefore, the provisions of Clause 3(i)(c) of the said Order are not applicable to the Company.
- (ii) The Company does not have any inventory and accordingly, the requirements under paragraph 3(ii) of the Order are not applicable to the Company;
- (iii) According to the information and explanations given to us, the Company has not granted any loans, secured or unsecured to companies, firms, Limited Liability Partnerships or other parties covered in the register maintained under section 189 of the Companies Act, 2013. Accordingly, the provisions of clause 3(iii)(a), (b) and (c) of the Order are not applicable to the Company and hence not commented upon.
- (iv) In our opinion and according to the information and explanations given to us, there are no loans, investments, guarantees, and securities given in respect of which provisions of section 185 and 186 of the Companies Act 2013 are applicable and hence not commented upon.
- (v) The Company has not accepted any deposits within the meaning of Sections 73 to 76 of the Act and the Companies (Acceptance of Deposits) Rules, 2014 (as amended). Accordingly, the provisions of clause 3(v) of the Order are not applicable.
- (vi) To the best of our knowledge and as explained, the Central Government has not specified the maintenance of cost records under Section 148(1) of the Companies Act, 2013, for the products/services of the Company.
- (vii) (a) According to the information and explanations given to us and the records of the Company examined by us, in our opinion, the Company is regular in depositing the undisputed statutory dues in respect of provident fund and income tax and other material statutory dues, as applicable, with the appropriate authorities;
- (b) According to the information and explanations given to us and the records of the Company examined by us, there are no dues of income-tax which have not been deposited on account of any dispute.
- (viii) The Company did not have any outstanding loans or borrowing dues in respect of a financial institution or bank or to government or dues to debenture holders during the year, the provisions of Clause 3(viii) of the Order are not applicable to the Company.
- (ix) According to the information and explanations given by the management, the Company has not raised any money by way of initial public offer / further public offer / debt instruments) and term



loans hence, reporting under clause (ix) is not applicable to the Company and hence not commented upon.

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

(xi) According to the information and explanations provided to us, managerial remuneration has not been paid or provided by the company during the year.

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

(xiii) According to the information and explanations given by the management, transactions with the related parties are in compliance with section 177 and 188 of Companies Act, 2013 where applicable and the details have been disclosed in the notes to the financial statements, as required by the applicable accounting standards.

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

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

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

For **Batliboi, Purohit & Darbari**  
Chartered Accountants  
ICAI Firm Registration Number: 303086E



*Hemal Mehta*

**CA Hemal Mehta**  
Partner  
Membership Number: 063404  
UDIN:21063404AAAA FW6897

Place: Kolkata  
Date: 17<sup>th</sup> May, 2021

**ANNEXURE 2 TO THE INDEPENDENT AUDITOR'S REPORT OF EVEN DATE ON THE FINANCIAL STATEMENTS OF RANCHI POWER DISTRIBUTION COMPANY LIMITED**

**Report on the Internal Financial Controls under Clause (i) of Sub-section 3 of Section 143 of the Companies Act, 2013 ("the Act")**

We have audited the internal financial controls over financial reporting of **Ranchi Power Distribution Company Limited** ("the Company") as of March 31, 2021 in conjunction with our audit of the financial statements of the Company for the year ended on that date.

**Management's Responsibility for Internal Financial Controls**

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

**Auditor's Responsibility**

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

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

We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our audit opinion on the internal financial controls over financial reporting with reference to these financial statements.





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

A company's internal financial control over financial reporting with reference to these financial statements is a process designed to provide reasonable assurance regarding the reliability of financial reporting and the preparation of financial statements for external purposes in accordance with generally accepted accounting principles. A company's internal financial control over financial reporting with reference to these financial statements includes those policies and procedures that (1) pertain to the maintenance of records that, in reasonable detail, accurately and fairly reflect the transactions and dispositions of the assets of the company; (2) provide reasonable assurance that transactions are recorded as necessary to permit preparation of financial statements in accordance with generally accepted accounting principles, and that receipts and expenditures of the company are being made only in accordance with authorisations of management and directors of the company; and (3) provide reasonable assurance regarding prevention or timely detection of unauthorised acquisition, use, or disposition of the company's assets that could have a material effect on the financial statements.

**Inherent Limitations of Internal Financial Controls Over Financial Reporting with Reference to these Financial Statements**

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

**Opinion**

In our opinion, the Company has, in all material respects, adequate internal financial controls over financial reporting with reference to these financial statements and such internal financial controls over financial reporting with reference to these financial statements were operating effectively as at March 31, 2021, based on the internal control over financial reporting criteria established by the Company considering the essential components of internal control stated in the Guidance Note on Audit of Internal Financial Controls Over Financial Reporting issued by the Institute of Chartered Accountants of India.

For **Batliboi, Purohit & Darbari**  
Chartered Accountants  
ICAI Firm Registration Number: 303086E



*Hemal Mehta*  
CA Hemal Mehta  
Partner

Membership Number: 063404  
UDIN:21063404AAAA FW6897

Place: Kolkata  
Date: 17<sup>th</sup> May, 2021

**Balance Sheet as at 31 March 2021**

			Amt ( Rs )	
		Note No	As at 31st March 2021	As at 31st March 2020
<b>ASSETS</b>				
<b>Non-current assets</b>				
a	Property, plant and equipment	2	30,21,131	35,87,804
b	Financial Assets			
	i. Loans	3	1,15,450	1,15,450
c	Other non-current assets	4	10,89,446	11,39,816
	<b>Total Non-current assets</b>		<b>42,26,027</b>	<b>48,43,070</b>
<b>Current assets</b>				
a	Financial assets			
	i. Cash and cash equivalents	5	7,81,571	52,49,970
	ii. Bank Balance other than (i) above	6	5,16,436	4,82,089
	iii. Other financial assets	7	1,40,97,140	1,41,02,217
b	Current tax assets (net)	8	7,49,848	8,55,026
c	Other current assets	9	-	1,493
	<b>Total current assets</b>		<b>1,61,44,995</b>	<b>2,06,90,795</b>
	<b>TOTAL ASSETS</b>		<b>2,03,71,022</b>	<b>2,55,33,865</b>
<b>EQUITY AND LIABILITIES</b>				
<b>Equity</b>				
a	Equity share capital	10	28,70,00,000	28,70,00,000
b	Other equity	11	(32,63,90,445)	(32,11,05,932)
	<b>Total Equity</b>		<b>(3,93,90,445)</b>	<b>(3,41,05,932)</b>
<b>LIABILITIES</b>				
<b>Non-current liabilities</b>				
a	Provisions	12	8,09,165	7,00,891
	<b>Total non-current liabilities</b>		<b>8,09,165</b>	<b>7,00,891</b>
<b>Current liabilities</b>				
a	Financial liabilities			
	i. Other financial liabilities	13	5,79,76,236	5,79,70,796
b	Other current liabilities	14	67,909	1,06,002
c	Provisions	15	9,08,157	8,62,108
	<b>Total current liabilities</b>		<b>5,89,52,302</b>	<b>5,89,38,906</b>
	<b>Total liabilities</b>		<b>5,97,61,467</b>	<b>5,96,39,797</b>
	<b>TOTAL EQUITY AND LIABILITIES</b>		<b>2,03,71,022</b>	<b>2,55,33,865</b>

Significant Accounting Policies 1  
Note 1 to 29 form an integral part of the financial statements  
This is the Balance Sheet referred to in our Report of even date.

**For Batliboi , Purohit & Darbari**  
Firm Registration Number : 303086E  
Chartered Accountants

  
CA Hemal Mehta  
Partner  
Membership No : 063404  
Date : 17<sup>th</sup> May, 2021

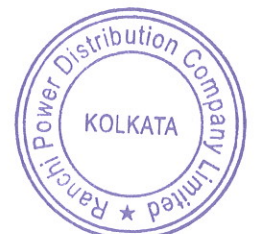
For and on behalf of the Board of Directors

  
Khalil Ahmad Siddiqi  
Director  
DIN- 00390757

  
Dilip Kumar Sen  
Managing Director  
DIN- 01286601

  
Biswajit Sarkar  
Company Secretary

  
Sugata Ghosh  
Chief Financial Officer



**Ranchi Power Distribution Company Limited**

Registered office : 2A Lord Sinha Road Kolkata-700071

CIN: U40102WB2012PLC188244

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

Amt ( Rs)

SI No.	Particulars	Note No	For Year ended 31st March 2021	For Year ended 31st March 2020
I	Revenue from operations		-	-
II	Other income	16	32,523	33,538
III	<b>Total income (I)+(II)</b>		<b>32,523</b>	<b>33,538</b>
IV	<b>Expenses</b>			
	Employee benefit expenses	17	44,99,811	50,68,928
	Depreciation and amortisation expenses	18	5,66,673	19,01,653
	Other expenses	19	2,77,420	13,54,788
	<b>Total expenses</b>		<b>53,43,904</b>	<b>83,25,369</b>
V	<b>Profit/ (Loss) before tax</b>		<b>(53,11,381)</b>	<b>(82,91,831)</b>
VI	Tax expense			
	- Current tax		-	-
	- Deferred tax		-	-
	<b>Total tax expense</b>		<b>-</b>	<b>-</b>
VII	<b>Profit/ (Loss) after tax</b>		<b>(53,11,381)</b>	<b>(82,91,831)</b>
VIII	<b>Other Comprehensive income</b>	20		
	A (i) Items that will not be reclassified to profit or loss		26,868	95,034
	(ii) Income tax effect		-	-
	B (i) Items that will be reclassified to profit or loss			
	(ii) Income tax relating to items that will be reclassified to profit or loss			
	<b>Other comprehensive income for the year, net of tax</b>		<b>26,868</b>	<b>95,034</b>
IX	<b>Total comprehensive income for the year</b>		<b>(52,84,513)</b>	<b>(81,96,797)</b>
X	<b>Earning per equity share</b>	21		
	Basic earnings per share		(0.19)	(0.29)
	Diluted earnings per share		(0.19)	(0.29)

Significant Accounting Policies

1

Note 1 to 29 form an integral part of the financial statements

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

**For Batliboi , Purohit & Darbari**

Firm Registration Number : 303086E

For and on behalf of the Board of Directors

Chartered Accountants

CA Hemal Mehta  
Partner

Membership No : 063404

Date : 17<sup>th</sup> May, 2021

Khalil Ahmad Siddiqi

Director

DIN- 00390757

Dilip Kumar Sen

Managing Director

DIN- 01286601

Biswajit Sarkar  
Company Secretary

Sugata Ghosh  
Chief Financial Officer





Statement of Cash Flow for the year ended 31 March 2021

Amt ( Rs)

Particulars	For Year ended 31st March 2021	For the year ended 31st March, 2020
<b>Cash flow from Operating Activities</b>		
Profit/(Loss) before Taxation	(53,11,381)	(82,91,831)
Adjustment for:		
Depreciation and Amortisation	5,66,673	19,01,653
Interest Income	(32,523)	(33,538)
Debt written off	-	-
<b>Operating Profit before Working Capital changes</b>	<b>(47,77,231)</b>	<b>(64,23,716)</b>
Adjustments for:		
(Increase)/Decrease in Non Current Financial Assets	-	-
(Increase)/Decrease in Other Non Current Assets	50,370	-
(Increase)/Decrease in Current Financial Assets	3,252	13,87,021
(Increase)/Decrease in Other Current Assets	1,493	59,658
Increase/(Decrease) in Current Financial Liabilities	5,440	(6,39,376)
Increase/(Decrease) in Non current / Current Provision	1,81,191	1,69,449
Increase/(Decrease) in Other Current Liabilities	(38,093)	(3,01,844)
<b>Net cash (used in)/ provided by operating activities before taxes</b>	<b>(45,73,578)</b>	<b>(57,48,808)</b>
Income taxes received/ (paid)	1,05,178	(1,20,614)
<b>Net cash (used in)/ provided by operating activities</b>	<b>(44,68,400)</b>	<b>(58,69,422)</b>
<b>Cash flow from Investing Activities</b>		
Sale / (Purchase) of Property, Plant & Equipment	-	-
<b>Net cash flow from Investing Activities</b>	<b>-</b>	<b>-</b>
<b>Cash flows from Financing Activities</b>		
Proceeds from issue of Equity Shares	-	1,00,00,000
Proceeds from advance against equity shares received	-	-
<b>Net cash flow from Financing Activities</b>	<b>-</b>	<b>1,00,00,000</b>
<b>Net increase/ (decrease) in cash and cash equivalents</b>	<b>(44,68,400)</b>	<b>41,30,578</b>
Cash and cash equivalents - Opening Balance	52,49,970	11,19,393
Cash and cash equivalents - Closing Balance	7,81,571	52,49,970

Significant Accounting Policies

Note 1 to 29 form an integral part of the financial statements

Notes :

The Cash Flow Statement has been prepared under the indirect method as given in the Indian Accounting Standard (IND AS 7) on Cash Flow Statement.

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

For Batliboi, Purohit & Darbari

Firm Registration Number : 303086E

Chartered Accountants

  
CA Hemal Mehta  
Partner

Membership No : 063404

Date : 17<sup>th</sup> May, 2021

For and on behalf of the Board of Directors

  
Khalil Ahmad Siddiq  
Director

DIN- 00390757

  
Biswajit Sarkar  
Company Secretary

  
Dilip Kumar Sen  
Managing Director

DIN- 01286601

  
Sugata Ghosh  
Chief Financial Officer



Notes forming part of Financial Statements

STATEMENT OF CHANGES IN EQUITY FOR THE YEAR ENDED 31 MARCH 2021

a Equity Share Capital			Amt ( Rs)
Particulars	Balance at the beginning of the reporting period	Changes in equity share capital during the year	Balance at the end of the reporting period
Equity Share	28,70,00,000	-	28,70,00,000

b Other Equity			Amt ( Rs)
Particulars	Share application money pending allotment	Reserves and Surplus	Total
Balance at the beginning of the reporting period	-	(32,11,05,932)	(32,11,05,932)
Profit/ (Loss) after tax for the year	-	(53,11,381)	(53,11,381)
Other Comprehensive Income for the year	-	26,868	26,868
Share Application amount received during the period	-	-	-
Allotment of Equity Shares	-	-	-
<b>Balance at the end of the reporting period</b>	-	<b>(32,63,90,445)</b>	<b>(32,63,90,445)</b>

STATEMENT OF CHANGES IN EQUITY FOR THE YEAR ENDED MARCH 31, 2020

a Equity Share Capital			Amt ( Rs)
Particulars	Balance at the beginning of the reporting period	Changes in equity share capital during the year	Balance at the end of the reporting period
Equity Share	27,70,00,000	1,00,00,000	28,70,00,000

b Other Equity			Amt ( Rs)
Particulars	Share application money pending allotment	Reserves and Surplus	Total
Balance at the beginning of the reporting period	-	(31,29,09,135)	(31,29,09,135)
Profit/ (Loss) after tax for the year	-	(82,91,831)	(82,91,831)
Other Comprehensive Income for the year	-	95,034	95,034
Share Application amount received during the year	1,00,00,000	-	1,00,00,000
Allotment of Equity Shares	(1,00,00,000)	-	(1,00,00,000)
<b>Balance at the end of the reporting period</b>	-	<b>(32,11,05,932)</b>	<b>(32,11,05,932)</b>

Significant Accounting Policies  
Note 1 to 29 form an integral part of the financial statements


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

For Batliboi, Purohit & Darbari  
Firm Registration Number : 303086E  
Chartered Accountants

  
CA Hemal Mehta  
Partner  
Membership No : 063404  
Date : 17<sup>th</sup> May, 2021



For and on behalf of the Board of Directors

  
Khalil Ahmad Siddiqi  
Director  
DIN-00390757

  
Biswajit Sarkar  
Company Secretary

  
Dilip Kumar Sen  
Managing Director  
DIN- 01286601

  
Sugata Ghosh  
Chief Financial Officer



**Significant accounting policies and notes to the accounts for financial year ended 31 March 2021**

**NOTE 1**

**A Corporate information**

Ranchi Power Distribution Company Ltd is a company limited by shares, incorporated and domiciled in India, having its Registered office at Barick Bhawan, 8 Chittaranjan Avenue, Kolkata - 700072. The company had acquired distribution franchisee rights to distribute electricity in Ranchi Circle .

**B Significant accounting policies, judgements and estimates**  
**Basis of preparation of financial statements**

**i) Statement of compliance**

These financial statements have been prepared to comply in all material aspects with Indian Accounting Standards (“Ind AS”) notified under the Companies (Indian Accounting Standards) Rules, 2015 (as amended from time to time) notified under Section 133 of the Companies Act, 2013 and other provisions of the Companies Act, 2013 to the extent applicable.

**ii) Basis of Accounting**

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

**iii) Use of estimate**

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

**C Summary of significant accounting policies**

**i) Property, plant and equipment**

i) Items of property, plant and equipment are measured at cost less accumulated depreciation / amortisation and accumulated impairment losses, if any. Cost includes expenditure that is directly attributable to bringing the asset to the location and condition necessary for its intended use.

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. These are included in profit or loss within other gains/ losses. The residual values, useful lives and methods of depreciation are reviewed at each financial year end and adjusted prospectively.

**ii) Depreciation**

Depreciation on items of plant, property and equipment is provided on straight line method based on the useful life as prescribed under Schedule II of the Companies Act, 2013. Incase of Property, plant and equipment which are added / disposed off during the year, depreciation is provided on pro-rata basis with reference to the month of addition / deletion.

The Company has used the following useful life to provide depreciation on its tangible assets :

Plant & Equipment	- 15 years ,
Furniture & Fittings	- 10 years ,
Office Equipment	- 5 years,
Computer (Server)	- 6 years,
Computer (Desktop/Laptop)	- 3 years





**Significant accounting policies and notes to the accounts for financial year ended 31 March 2021**

**ii) Intangible assets**

Intangible assets comprising of computer software expected to provide future economic benefits are stated at cost of acquisition/ implementation/ development less accumulated amortization.

**Amortization**

Cost of intangibles including related expenditures are amortised in three years based on useful life assessed by independent valuer.

**iii) Financial Instruments**

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

**iii.a) Financial asset**

**i) Initial measurement**

All financial assets are recognised initially at fair value. Transaction costs that are attributable to the acquisition of the financial asset (other than financial assets recorded at fair value through profit or loss) are included in the fair value of the financial assets. Purchase or sales of financial assets that require delivery of assets within a time frame established by regulation or convention in the market place (regular way trade) are recognised on trade date. Financials assets of the Company include security deposit, loans and advances , trade and other receivables, cash and cash equivalents etc.

**ii) Classification and subsequent measurement**

For the purpose of subsequent measurement, financial assets of the Company are classified in the following categories:

1) financial assets measured at amortised cost

The classification of financial assets depends on the objective of the business model. Management determines the classification of its financial assets at initial recognition.

**Financial instruments measured at amortised cost:**

A financial instrument is measured at amortised cost if both the following conditions are met:

- (a) The asset is held within a business model whose objective is to hold assets for collecting contractual cash flows, and
- (b) Contractual terms of the asset give rise on specified dates to cash flows that are solely payments of principal and interest (SPPI) on the principal amount outstanding.

This category is the most relevant to the Company. After initial measurement, such financial assets are subsequently measured at amortised cost using the effective interest rate (EIR) method. Amortised cost is calculated by taking into account any discount or premium on acquisition and fees or costs that are an integral part of the EIR. The EIR amortisation is included in finance income in the profit or loss. The losses arising from impairment are recognised in the profit or loss. This category generally applies to trade and other receivables, bank deposits, security deposits, cash and cash equivalents and other advances.

**iii) Derecognition of financial assets**

A financial asset (or, where applicable, a part of a financial asset or part of a Company of similar financial assets) is primarily derecognised when:

- The rights to receive cash flows from the asset have been transferred, or
- The Company retains the contractual rights to receive the cash flows of the financial asset but assumes a contractual obligation to pay the cash flows to one or more recipients.

When the Company has transferred an asset, it evaluates whether it has substantially transferred all risks and rewards of ownership of the financial asset. In such cases, the financial asset is derecognised. When the Company has not transferred substantially all the risks and rewards of ownership of a financial asset, the financial asset is derecognised.

When the Company has neither transferred a financial asset nor retains substantially all risks and rewards of ownership of the financial asset, the financial asset is derecognised if the entity has not retained control of the financial asset. When the entity retains control of the financial asset, the asset is continued to be recognised to the extent of continuing involvement of the asset.



**Significant accounting policies and notes to the accounts for financial year ended 31 March 2021**

**iii. b) Financial liability**

**i) Initial measurement**

All financial liabilities are recognised initially at fair value net of directly attributable transaction costs. The Company's financial liabilities include loans and borrowings, trade and other payables etc.

**ii) Classification and subsequent measurement**

For the purpose of subsequent measurement, financial instruments of the Company are classified in the following categories:

1) financial liabilities measured at amortised cost

**Financial liabilities at amortised cost:**

Financial liabilities at amortised cost represented by trade and other payables are initially recognized at fair value, and subsequently carried at amortized cost using the effective interest method.

**iii c) Trade and other payables**

These amount represent liabilities for goods and services provided to the Company prior to the end of the financial year which are unpaid. The amounts are unsecured and are usually paid within 30 days of recognition. Trade and other payables are presented as current liabilities unless payment is not due within 12 months after the reporting period. They are recognised initially at their fair value and subsequently measured at amortized cost using the EIR model.

**iv) Taxes**

Income tax expense comprises current and deferred tax. Current tax expense is recognised in profit or 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 other comprehensive income or equity.

Current tax is the expected tax payable on the taxable income for the year, using tax rates enacted at the reporting date, and any adjustment to tax payable in respect of previous years. Current income taxes are recognized under "income tax payable" net of payments on account, or under "tax receivables" where there is a credit balance.

Deferred tax is recognised using the balance sheet method, providing for temporary differences between the carrying amounts of assets and liabilities for financial reporting purposes and the amounts used for taxation purposes. Deferred tax is measured at the tax rates that are expected to be applied to temporary differences when they reverse, based on the laws that have been enacted or substantively enacted by the reporting date. Deferred tax assets and liabilities are offset if there is a legally enforceable right to offset current tax liabilities and assets, and they relate to income taxes levied by the same tax authority on the same taxable entity, or on different tax entities, but they intend to settle current tax liabilities and assets on a net basis or their tax assets and liabilities will be realised simultaneously.

Deferred tax is recognised in profit or 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 other comprehensive income or equity.

A deferred tax asset is recognised to the extent that it is probable that future taxable profits will be available against which the temporary difference can be utilised. Deferred tax assets are reviewed at each reporting date and are reduced to the extent that it is no longer probable that the related tax benefit will be realised.



**Ranchi Power Distribution Company Limited**

**Registered office : 2A Lord Sinha Road Kolkata-700071**

**CIN: U40102WB2012PLC188244**

**Significant accounting policies and notes to the accounts for financial year ended 31 March 2021**

**v) Employee benefits**

The Company participates in various employee benefit plans. Post-employment benefits are classified as either defined contribution plans or defined benefit plans. Under a defined contribution plan, the Company's only obligation is to pay a fixed amount with no obligation to pay further contributions if the fund does not hold sufficient assets to pay all employee benefits. The related actuarial and investment risks fall on the employee. The expenditure for defined contribution plans is recognized as expense during the period when the employee provides service. Under a defined benefit plan, it is the Company's obligation to provide agreed benefits to the employees. The related actuarial and investment risks fall on the Company.

Contribution to Provident fund are accounted for on accrual basis and are made to the fund maintained with the Regional Provident Fund Commissioner, West Bengal. Provision for gratuity liability and leave encashment liability, which are unfunded, are made on the basis of actuarial valuation done at the end of the year by an independent actuary.

Actuarial gains or losses are recognized in other comprehensive income or Profit and Loss as the case may be.

Remeasurements comprising actuarial gains or losses are not reclassified to profit or loss in subsequent periods.





**Significant accounting policies and notes to the accounts for financial year ended 31 March 2021**

**vi) Provisions and contingent liabilities**

Provisions are recognized when the Company has a present obligation (legal or constructive) as a result of a past event, it is probable that an outflow of economic benefits will be required to settle the obligation, and a reliable estimate can be made of the amount of the obligation.

Contingent liabilities are possible obligations that arise from past events and whose existence will only be confirmed by the occurrence or non-occurrence of one or more future events not wholly within the control of the Company. Where it is not probable that an outflow of economic benefits will be required, or the amount cannot be estimated reliably, the obligation is disclosed as a contingent liability, unless the probability of outflow of economic benefits is remote. Contingent liabilities are disclosed on the basis of judgment of the management/independent experts. These are reviewed at each balance sheet date and are adjusted to reflect the current management estimate.

**vii) Cash and cash equivalents**

Cash and cash equivalents in the balance sheet comprise cash at banks and on hand and short-term deposits with a maturity of three months or less, which are subject to an insignificant risk of changes in value.

**viii) Other income**

**Interest income**

For all debt instruments measured either at amortised cost or at fair value through other comprehensive income, interest income is recorded using the effective interest rate (EIR). EIR is the rate that exactly discounts the estimated future cash payments or receipts over the expected life of the financial instrument or a shorter period, where appropriate, to the gross carrying amount of the financial asset or to the amortised cost of a financial liability.

**ix) Earnings per share**

Basic EPS amounts are calculated by dividing the profit for the year attributable to equity holders of the parent by the weighted average number of Equity shares outstanding during the year.

Diluted EPS amounts are calculated by dividing the profit attributable to equity holders of the parent (after adjusting for interest on the convertible preference shares) by the weighted average number of Equity shares outstanding during the year plus the weighted average number of Equity shares that would be issued on conversion of all the dilutive potential Equity shares into Equity shares.



Ranchi Power Distribution Company Limited  
Registered office : 2A Lord Sinha Road Kolkata-700071  
CIN: U40102WB2012PLC188244

Notes forming part of Financial Statements

2 Property, plant and equipment

Particulars	Amt ( Rs)				
	Plant and equipment	Furniture and fixtures	Office equipment	Computers	Total
Gross carrying amount as at 31st March 2020	1,41,232	62,97,838	8,91,702	75,10,314	1,48,41,086
Gross carrying amount as at 31st March 2021	1,41,232	62,97,838	8,91,702	75,10,314	1,48,41,086
Accumulated depreciation					
As at 1st April, 2020	53,593	30,29,453	8,69,134	73,01,102	1,12,53,282
Depreciation expense	8,950	5,57,723	-	-	5,66,673
As at 31st March 2021	62,543	35,87,176	8,69,134	73,01,102	1,18,19,955
Net carrying value March 31,2020	87,639	32,68,385	22,568	2,09,212	35,87,804
Net carrying value March 31,2021	78,689	27,10,662	22,568	2,09,212	30,21,131



Notes forming part of Financial Statements

NON CURRENT ASSET

3 Loans	Amt ( Rs )	
	As at 31st March 2021	As at 31st March 2020
Security deposits	1,15,450	1,15,450
<b>Total</b>	<b>1,15,450</b>	<b>1,15,450</b>

4 Other non current assets		
	As at 31st March 2021	As at 31st March 2020
Capital advances	10,89,446	11,39,816
<b>Total</b>	<b>10,89,446</b>	<b>11,39,816</b>

CURRENT ASSET

5 Cash and cash equivalents		
	As at 31st March 2021	As at 31st March 2020
Balances with banks		
- In current accounts	7,55,687	39,56,734
Cheques in hand	-	12,66,407
Cash in hand	25,884	26,829
<b>Total</b>	<b>7,81,571</b>	<b>52,49,970</b>

6 Bank Balances other than Cash and cash equivalents		
	As at 31st March 2021	As at 31st March 2020
Other Bank balances		
- Bank Deposits with original maturity more than 3 months	5,16,436	4,82,089
<b>Total</b>	<b>5,16,436</b>	<b>4,82,089</b>

7 Other financial assets		
	As at 31st March 2021	As at 31st March 2020
Interest accrued on Bank Deposits	6,988	12,065
Receivable towards claims and services rendered (Refer Note 24)	9,03,019	9,03,019
Receivable towards sale of assets (Refer Note 24)	1,31,87,133	1,31,87,133
<b>Total</b>	<b>1,40,97,140</b>	<b>1,41,02,217</b>

8 Current Tax Assets (Net)		
	As at 31st March 2021	As at 31st March 2020
Income tax paid	7,49,848	8,55,026
<b>Total</b>	<b>7,49,848</b>	<b>8,55,026</b>

9 Other current assets		
	As at 31st March 2021	As at 31st March 2020
Others		
Prepaid Insurance	-	1,493
<b>Total</b>	<b>-</b>	<b>1,493</b>





Notes forming part of Financial Statements

10 Equity share capital	Particulars	Amt ( Rs )	
		As at March 31, 2021	As at March 31, 2020
a)	Authorised 30,00,000 (March 31, 2020: 300,00,000) shares of Rs 10 each	30,00,00,000	30,00,00,000
	Issued, subscribed and paid-up capital 287,00,000 ( March 31, 2020 : 287,00,000 ) shares of Rs 10 each	28,70,00,000	28,70,00,000
	<b>Total</b>	<b>28,70,00,000</b>	<b>28,70,00,000</b>

b) Reconciliation of the number of equity shares outstanding at the beginning and at the end of the reporting period are as given below:

Particulars	As at March 31, 2021		As at March 31, 2020	
	No of shares	Rs	No of shares	Rs
Number of shares outstanding at the beginning of the period	2,87,00,000	28,70,00,000	2,77,00,000	27,70,00,000
Add: Shares allotted during the period	-	-	10,00,000	1,00,00,000
Less: Number of shares outstanding at the end of the period	2,87,00,000	28,70,00,000	2,87,00,000	28,70,00,000

c) Terms/rights attached to equity shares

The company has only one class of equity shares having a par value of Rs.10 per share. Each holder of equity share 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 remaining assets of the company after distribution of all preferential amounts. The distribution will be in proportion to the number of equity shares held by the shareholders.

d) Details of shareholders holding more than 5% shares in the Company

Name of the shareholder	As at March 31, 2021		As at March 31, 2020	
	Number of shares	%	Number of shares	%
CESC Limited - Holding Company	2,87,00,000	100.0%	2,87,00,000	100.0%

e) In the period of five years immediately preceding 31 March 2020, the Company has neither issued bonus shares, bought shares as fully paid up without payment being received in cash.

f) There are no shares reserved for issue under options and contracts or commitments for the sale of shares or disinvestment

11 Other equity	As at March 31, 2021	As at March 31, 2020
Retained earnings		
Balance at beginning of year	(32,11,05,932)	(31,29,09,135)
Net Profit/ (Loss) for the period	(53,11,381)	(82,91,831)
Share Application amount received during the year pending allotment	-	-
Items of other comprehensive income that will not be reclassified to profit and loss		
- Remeasurements of post employment benefit obligation, net of tax	26,868	95,034
Balance at end of year	(32,63,90,445)	(32,11,05,932)

Note: Retained earnings represents Net Profit/ (Loss) earned/ incurred by the Company and adjustments done on transition to Ind AS.

NON CURRENT LIABILITIES

12 Provisions

	As at March 31, 2021	As at March 31, 2020
Provision for employee benefits	8,09,165	7,00,891
<b>Total</b>	<b>8,09,165</b>	<b>7,00,891</b>

CURRENT LIABILITIES

13 Other Financial Liabilities

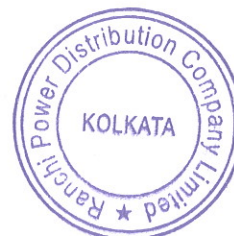
	As at March 31, 2021	As at March 31, 2020
Other Payables		
(i) Payable to Holding Company	5,75,84,520	5,75,84,520
(ii) Other Payable	3,91,716	3,86,276
<b>Total</b>	<b>5,79,76,236</b>	<b>5,79,70,796</b>

14 Other Current Liabilities

	As at March 31, 2021	As at March 31, 2020
Statutory Dues payable	67,909	1,06,002
<b>Total</b>	<b>67,909</b>	<b>1,06,002</b>

15 Provisions

	As at March 31, 2021	As at March 31, 2020
Provision for employee benefits	9,08,157	8,62,108
<b>Total</b>	<b>9,08,157</b>	<b>8,62,108</b>



Notes forming part of Financial Statements

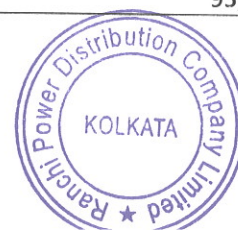
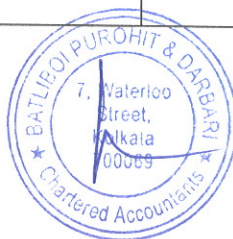
16 Other income	Amt ( Rs)	
	For Year ended 31st March 2021	For Year ended 31st March 2020
Interest Income		
From Bank	32,523	33,538
<b>Total</b>	<b>32,523</b>	<b>33,538</b>

17 Employee Benefit expense		
	For Year ended 31st March 2021	For Year ended 31st March 2020
Salary and bonus	41,69,387	46,64,345
Contribution to provident and other funds	2,27,297	2,69,028
Staff Welfare expense	1,03,127	1,35,555
<b>Total</b>	<b>44,99,811</b>	<b>50,68,928</b>

18 Depreciation and amortization expense		
	For Year ended 31st March 2021	For Year ended 31st March 2020
Depreciation of property, plant and equipment	5,66,673	19,01,653
<b>Total</b>	<b>5,66,673</b>	<b>19,01,653</b>

19 Other expenses		
	For Year ended 31st March 2021	For Year ended 31st March 2020
Rent	63,000	63,000
Rates and Taxes	2,500	3,500
Travelling and conveyance expenses	-	1,90,509
Legal and professional charges	1,45,140	9,98,039
Filing fee and other charges	7,200	19,200
Remuneration to Auditors		
-Statutory Audit	35,400	35,400
-Other Services	17,700	17,700
Vehicle Expense	-	8,107
General Expenses	6,480	19,333
<b>Total</b>	<b>2,77,420</b>	<b>13,54,788</b>

20 Other comprehensive income		
	For Year ended 31st March 2021	For Year ended 31st March 2020
Particulars		
A(i) Items that will not be reclassified to profit or loss		
Remeasurements of the defined benefit plans	26,868	95,034
<b>Total Other Comprehensive Income</b>	<b>26,868</b>	<b>95,034</b>

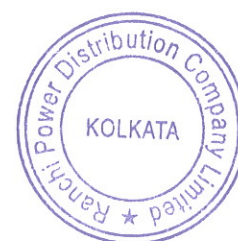


## 21 Earnings per share (EPS)

## Computation of earning per share

Amt ( Rs)

Particulars	For Year ended 31st March 2021	For Year ended 31st March 2020
Face value of equity shares	Rs 10	Rs 10
Weighted average number of equity shares outstanding	2,87,00,000	2,86,12,329
Profit/ (loss) for the year	(53,11,381)	(82,91,831)
<b>Weighted average earnings per share (Basic )</b>	<b>(0.19)</b>	<b>(0.29)</b>
No. of equity shares used to compute diluted earnings per share	2,87,00,000	2,87,00,000
Profit/ (loss) for the year	(53,11,381)	(82,91,833)
<b>Weighted average earnings per share (Diluted)</b>	<b>(0.19)</b>	<b>(0.29)</b>





**Ranchi Power Distribution Company Limited**  
**Registered office : 2A Lord Sinha Road Kolkata-700071**  
**CIN: U40102WB2012PLC188244**

**Notes forming part of Financial Statements**

- 22 The Company executed a Distribution Franchisee Agreement (DFA) on 5th December, 2012 with Jharkhand State Electricity Board (JSEB) for distribution franchisee operation in respect of Ranchi circle awarded to CESC Limited, its holding company.

Subsequently, the DFA was purportedly terminated by Jharkhand Bijli Vitaran Nigam Limited (JBVNL), the distribution company formed out of the unbundling of JSEB, which was challenged by the Company in the High Court of Jharkhand at Ranchi and quashed by the Single Bench and matter remanded to JBVNL. Jharkhand Urja Vikas Nigam Limited (JUVNL), the holding company of JBVNL, preferred an appeal in the division bench of the High Court of Jharkhand at Ranchi, which had inherent defects, stood dismissed as withdrawn with liberty to file a fresh one. A fresh appeal has since been filed jointly by JUVNL and JBVNL whose delay has been condoned after prolonged hearing and now pending before the Division Bench of the High Court of Jharkhand at Ranchi.



**Notes forming part of Financial Statements**

**Note 23 : EMPLOYEE BENEFITS**

- a) The results of the actuarial study for the obligation for employee benefits towards Gratuity and Leave Encashment as computed by the actuary are shown below:

	As at 31st March 2021	As at 31st March 2020
<b>Principal actuarial assumptions</b>		
Discount rate	4.50%	5.28%
Range of compensation increase	5%	5%
<i>Attrition rate per thousand:</i>		
upto 40 years	4.2	4.2
40 years and above	Nil	Nil
Weighted average duration of the defined benefit plan (in years)		
Gratuity	2.07	2.37
Leave Benefit	2.51	2.96
<b>Components of statement of income statement charge</b>		
Current service cost	98,664	65,992
Interest cost	82,527	1,03,457
Recognition of past service cost	-	-
Settlement/curtailment/termination loss	-	-
<b>Total charged to consolidated statement of profit or loss</b>	<b>1,81,191</b>	<b>1,69,449</b>
<b>Movements in net liability/(asset)</b>		
Net liability at the beginning of the year	15,62,999	14,88,584
Employer contributions	-	-
Total expense recognised in the statement of profit or loss	1,81,191	1,69,449
Total amount recognised in OCI	(26,868)	(95,034)
<b>Net liability at the end of the year</b>	<b>17,17,322</b>	<b>15,62,999</b>
<b>Reconciliation of benefit obligations</b>		
Obligation at start of the year	15,62,999	14,88,584
Current service cost	98,664	65,992
Interest cost	82,527	1,03,457
Benefits paid directly by the Company	-	-
Extra payments or expenses/(income)	-	-
Obligation of past service cost	-	-
Actuarial loss/ (gain)	(26,868)	(95,034)
<b>Defined benefits obligations at the end of the year</b>	<b>17,17,322</b>	<b>15,62,999</b>
<b>Re-measurements of defined benefit plans</b>		
Actuarial gain/(loss) due to changes in financial assumptions	(9,382)	(19,798)
Actuarial (gains)/losses from demographic assumptions	-	2
Actuarial gain/(loss) on account of experience adjustments	36,250	1,14,830
<b>Total actuarial gain/(loss) recognised in OCI</b>	<b>26,868</b>	<b>95,034</b>



**Note 24 : EMPLOYEE BENEFITS (Contd ..)**

**b) Sensitivity analysis of significant assumptions**

The following table present a sensitivity analysis to one of the relevant actuarial assumption, holding other assumptions constant, showing how the defined benefit obligation would have been affected by changes in the relevant actuarial assumptions that were reasonably possible at the reporting date.

	As on March 31, 2021	As on March 31, 2020
<b>Discount rate</b>		
+1.00% discount rate	16,86,701	15,30,098
- 1.00% discount rate	17,49,158	15,97,496
<b>Salary escalation</b>		
+ 1.00% salary escalation	17,48,699	15,97,255
- 1.00% salary escalation	16,86,557	15,29,703
<b>Withdrawal rate</b>		
+ 50% withdrawal rate	17,17,299	15,63,016
- 50% withdrawal rate	17,17,345	15,62,981
<b>Mortality rate</b>		
+ 10.0% mortality rate	17,17,305	15,63,011
- 10.0% mortality rate	17,17,339	15,62,985

**c) Risk exposure**

**Pay-as-you-go Risk:** For unfunded schemes financial planning could be difficult as the benefits payable will directly affect the revenue and this could be widely fluctuating from year to year. Moreover there may be an opportunity cost of better investment returns affecting adversely the cost of the scheme.

**Discount Rate risk:** The Company is exposed to the risk of fall in discount rate. A fall in discount rate will eventually increase in the ultimate cost of providing the above benefit thereby increasing the value of the liability.

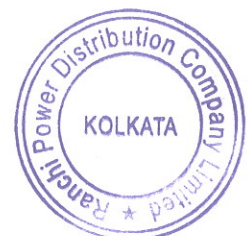
**Liquidity Risk:** This risk arises from the short term asset and liability cash-flow mismatch thereby causing the company being unable to pay the benefits as they fall due in the short term. Such a situation could be the result of holding large illiquid assets disregarding the results of cash-flow projections and cash outgo inflow mismatch. (Or it could be due to insufficient assets/cash).

**Future Salary Increase Risk:** The Scheme cost is very sensitive to the assumed future salary escalation rates for all final salary defined benefit Schemes. If actual future salary escalations are higher than that assumed in the valuation actual Scheme cost and hence the value of the liability will be higher than that estimated.

**Demographic Risk:** In the valuation of the liability certain demographic (mortality and attrition rates) assumptions are made. The Company is exposed to this risk to the extent of actual experience eventually being worse compared to the assumptions thereby causing an increase in the scheme cost.

**Regulatory Risk:** Gratuity Benefit must comply with the requirements of the Payment of Gratuity Act, 1972 (as amended up-to-date). There is a risk of change in the regulations requiring higher gratuity payments (e.g. raising the present ceiling of Rs.20,00,000, raising accrual rate from 15/26 etc.)

Future salary increase assumed has three basic components, namely, increase due to price inflation, increase due to increase in future living standard (periodic wage re-negotiation) and increase due to career progress by way of promotion as more skill is acquired.







Notes forming part of Financial Statements

**Note 24 : Related party transaction**

(a) Parent entities

Name	Type	Place of incorporation	Ownership Interest	
			March 31, 2021	March 31, 2020
CESC Limited	Holding Company	INDIA	100%	100%

(b) Transactions with related parties

Particulars	Holding Company		Fellow Subsidiary Company		Rs.
	March 31, 2021	March 31, 2020	March 31, 2021	March 31, 2020	
<b>Advance received against Equity Shares :</b>					
CESC Ltd.	-	1,00,00,000	-	-	
<b>Allotment of Equity Shares:</b>					
CESC Ltd.	-	(1,00,00,000)	-	-	
<b>Balance Outstanding</b>					
Dr Balance			1,30,48,092	1,30,48,092	
Cr Balance	5,65,42,460	5,65,42,460			

Note:List of Fellow Subsidiary Companies (with whom balance outstanding)at the year end:

1. Kota Electricity Distribution Limited
2. Bharatpur Electricity Services Limited
3. Bikaner Electricity Supply Limited.



**Ranchi Power Distribution Company Limited**

**Registered office : 2A Lord Sinha Road Kolkata-700071**

**CIN: U40102WB2012PLC188244**

**Notes forming part of Financial Statements**

**25 CAPITAL MANAGEMENT**

The Company's main objectives when managing capital are to:

- ensure sufficient liquidity is available to meet the needs of the business;
- minimize operational costs while taking into consideration current business scenario and economic risks and conditions.
- safeguard its ability to continue as a going concern

The Board of Directors has the primary responsibility to maintain a strong capital base and reduce the cost of capital through prudent management of deployed funds.

For the purpose of Company's capital management, capital includes issued capital and all other equity reserves. Presently, the Company has not yet started commercial operations and is fully dependent on its Parent company for its funding requirement and management of capital.





**Ranchi Power Distribution Company Limited**  
Registered office : 2A Lord Sinha Road Kolkata-700071  
CIN: U40102WB2012PLC188244

**Notes forming part of Financial Statements**

**26 Financial instruments**

The carrying value and fair value of financial instruments by categories as at March 31, 2021 and March 31, 2020 are as follows:

	As at 31st March 2021			As at 31st March 2020		
	Amortized cost	FVTOCI	FVTPL	Amortized cost	FVTOCI	FVTPL
<b>Financial assets</b>						
Loans	1,15,450			1,15,450		
Cash & Cash equivalents	7,81,571			52,49,970		
Bank Balance other than above	5,16,436			4,82,089		
Interest Accrued on bank deposit	6,988			12,065		
Receivable towards claims & services	9,03,019			9,03,019		
Receivable against sale of assets	1,31,87,133			1,31,87,133		
	<b>1,55,10,597</b>	-	-	<b>1,99,49,726</b>	-	-
<b>Financial liabilities</b>						
Other Payable	5,79,76,236			5,79,70,796		
	<b>5,79,76,236</b>	-	-	<b>5,79,70,796</b>	-	-

Note : The carrying amount of Financial assets and Financial liabilities are considered to be same as their face values due to their short term nature.



**Notes forming part of Financial Statements**

**27 FINANCIAL RISK MANAGEMENT OBJECTIVE AND POLICIES**

The Company's principal financial liabilities comprise other payables. The main purpose of these financial liabilities is to finance the Company's operations. The Company's principal financial assets include security deposit, Cash & cash equivalents, other bank balances and other financial assets .

The Company is exposed to the following risks from its use of financial instruments:

- Credit risk
- Liquidity

The Company's board of directors has overall responsibility for the establishment and oversight of the Group's risk management framework. This note presents information about the risks associated with its financial instruments, the Company's objectives, policies and processes for measuring and managing risk, and the Company's management of capital.

**Credit Risk**

The Company is exposed to credit risk as a result of the risk of counterparties defaulting on their obligations. The Company's exposure to credit risk primarily relates to cash and cash equivalents, other bank balances and other financial assets. The Company monitors and limits its exposure to credit risk on a continuous basis. To manage this the Company periodically reviews its finance requirement.

**Cash and cash equivalents**

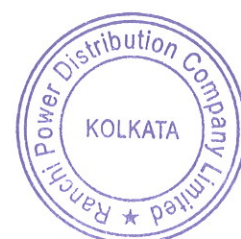
Cash and cash equivalents comprise cash in hand and deposits which are readily convertible to cash. These are subject to insignificant risk of change in value or credit risk.

The carrying amount of financial assets represents the maximum credit exposure. The maximum exposure to credit risk at the reporting date was:

	<b>31-Mar-21</b>	<b>31-Mar-20</b>
Cash and cash equivalents	7,81,571	52,49,970
Other Bank Balances	5,16,436	4,82,089
	<b>12,98,007</b>	<b>57,32,059</b>

**Liquidity risk**

The Company is exposed to liquidity risk related to its ability to fund its obligations as they become due. The Company monitors and manages its liquidity risk to ensure access to sufficient funds to meet operational and financial requirements. The Company monitors cash balances daily. In relation to the Company's liquidity risk, the Company's policy is to ensure, as far as possible, that it will always have sufficient liquidity to meet its liabilities when due, under both normal and stressed conditions as they fall due while minimizing finance costs, without incurring unacceptable losses or risking damage to the Company's reputation.



**Notes forming part of Financial Statements**

**FINANCIAL RISK MANAGEMENT OBJECTIVE AND POLICIES (cont.)**

**Financing arrangements**

**Maturities of financial**

The contractual undiscounted cash flows of financial liabilities are as follows:

As at 31 March 2021	Less than 1 year	1-5 years	Total
Other financial liabilities	5,79,76,236	-	5,79,76,236
	5,79,76,236	-	5,79,76,236

As at 31 March 2020	Less than 1 year	1-5 years	Total
Other financial liabilities	5,79,70,796	-	5,79,70,796
	5,79,70,796	-	5,79,70,796

28 The Company has made an assessment of the recoverability and carrying values of its assets comprising of property, plant and equipment, loans and other current and non-current assets as on 31st March 2021 and on the basis of such evaluation, concluded that no material adjustments are required in the financial statements. Given the criticalities associated with nature and duration of COVID-19 pandemic, the impact assessment on the Company's financial statement is being continuously monitored.

29 Previous years figure have been regrouped/ rearranged wherever necessary.

**For Batliboi , Purohit & Darbari**

Firm Registration Number : 303086E

Chartered Accountants


For and on behalf of the Board of Directors

  
**CA Hemal Mehta**  
Partner  
Membership No : 063404  
Date : 17<sup>th</sup> May, 2021

  
**Khalil Ahmad Siddiqi**  
Director  
DIN-00390757

  
**Dilip Kumar Sen**  
Managing Director  
DIN- 01286601

  
**Biswajit Sarkar**  
Company Secretary

  
**Sugata Ghosh**  
Chief Financial Officer

