

Monday, 08 June 2020

Opinion

We have audited the accompanying stand-alone Ind AS financial statements of NTPC Electricity Supply Company Limited ("the Company"), which comprise the Balance Sheet as at 31st March 2020, the Statement of Profit & Loss (including Other Comprehensive Income), the Statement of Changes in Equity and the Cash Flow Statement for the year then ended, and a summary of the Significant Accounting Policies and other explanatory information (hereinafter referred to as *Standalone Financial Statements*).

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 affairs of the Company as at March 31, 2020, the profit and total comprehensive income, changes in equity and its cash flows for the year ended on that date.

Basis for Opinion

We conducted our audit of the standalone financial statements in accordance with the Standards on Auditing specified under section 143(10) of the Act (SAs).

Our responsibilities under those Standards are further described in the *Auditor's Responsibilities for the Audit of Standalone 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 (ICAI) together with the independence requirements that are relevant to our audit of the standalone financial statements under the provisions of the Act and the Rules made thereunder, and we have fulfilled our other ethical responsibilities in accordance with these requirements and the ICAI's 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 standalone financial statements.



Key Audit Matters

Key audit matters are those matters that, in our professional judgment, were of most significance in our audit of the standalone financial statements of the current period. These matters were addressed in the context of our audit of the standalone financial statements as a whole, and in forming our opinion thereon, and we do not provide a separate opinion on these matters. We have determined the matters described below to be the key audit matters to be communicated in our report.

1. Key Audit Matter

Evaluation of uncertain tax positions :The Company has material uncertain direct and indirect tax positions including matters under dispute which involves significant judgment to determine the possible outcome of these disputes. Refer Notes 2, 6 and 15 to the Standalone Financial Statements.

Auditor's Response.

Principal Audit Procedures : We obtained from the Company's management, details of the status as of 31 March 2020 concerning tax assessments and demands for current as well as past years. We assessed the management's underlying assumptions in estimating the tax provision and the possible outcome of the disputes to evaluate whether any change was required to management's position on these uncertainties.

Going concern concept :

Auditor's response

We draw attention to the following matter in Note – 1 'Accounting Policies' Part B related to Basis of Preparation of Financial Statements of the company based on Going Concern read along with Note 10 of the Notes to Financial Statements :

The Company has ceased to have business operations from 1 April 2015, consequent to the transfer of its business to the holding company NTPC in terms of the EGM resolution dated 24.3.15.

NTPC continues to bear any expenses pertaining to NESCL and has taken full responsibility for discharging all liabilities of NESCL in terms of the **Agreement** dated 30.3.15, (more particularly vide clauses 6,



7 and indemnity under clause 10) implementing the transfer of the business.

While the Agreement provides for transfer of the entire business to NTPC, the bank accounts and certain non-current assets pertaining to service tax and income tax demands, have not been transferred to NTPC and continue to be disclosed in the books of NESCL.

In view of NTPC taking responsibility as the holding company, for the continuance of NESCL, our view is that the Company continues to be a going concern, though with limited activities, and hence the accounts for the year ended 31 March 2020 have been prepared on the basis of the "Going Concern concept".

Information Other than the Standalone Financial Statements and Auditor's Report Thereon

The Company's Board of Directors is responsible for the preparation of the other information. The other information comprises the information included in the Management Discussion and Analysis, Board's Report including Annexures to Board's Report, Business Responsibility Report, Corporate Governance and Shareholder's Information, but does not include the standalone financial statements and our auditor's report thereon.

Our opinion on the standalone 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 standalone 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 financial statements or our knowledge obtained during the course of our 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 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

INDEPENDENT AUDITOR'S REPORT

To the members of NTPC Electricity Supply Company Limited

standalone financial statements that give a true and fair view of the financial position, financial performance, total comprehensive income, changes in equity and cash flows of the Company in accordance with the Ind AS and other accounting principles generally accepted in India.

This responsibility also includes maintenance of adequate accounting records in accordance with the provisions of the Act for safeguarding 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 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 standalone 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 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 Board of Directors are responsible for overseeing the Company's financial reporting process.

Auditor's Responsibilities for the Audit of the Standalone Financial Statements

Our objectives are to obtain reasonable assurance about whether the standalone 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 financial statements.



INDEPENDENT AUDITOR'S REPORT

To the members of NTPC Electricity Supply Company Limited

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 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 financial controls 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 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 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 financial statements, including the disclosures, and whether the standalone financial statements represent the underlying transactions and events in a manner that achieves fair presentation.



Materiality is the magnitude of misstatements in the standalone financial statements that, individually or in aggregate, makes it probable that the economic decisions of a reasonably knowledgeable user of the financial statements may be influenced.

We consider quantitative materiality and qualitative factors in ;

- (i) planning the scope of our audit work and in evaluating the results of our work; and
- (ii) to evaluate the effect of any identified misstatements in the financial statements.

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 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

1. As required by Section 143(3) of the Act, based on our audit 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 Other Comprehensive Income, Statement of Changes in Equity and the Statement of Cash Flow dealt with by this Report are in agreement with the relevant books of account.

d) In our opinion, the aforesaid standalone financial statements comply with the Ind AS specified under Section 133 of the Act, read with Rule 7 of the Companies (Accounts) Rules, 2014.

e) On the basis of the written representations received from the directors as on March 31, 2020 taken on record by the Board of Directors, none of the directors is disqualified as on March 31, 2020 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 and the operating effectiveness of such controls, refer to our separate Report in "**Annexure A**". Our report expresses an unmodified opinion on the adequacy and operating effectiveness of the Company's internal financial controls over financial reporting.

g) With respect to the other matters to be included in the Auditor's Report in accordance with the requirements of section 197(16) of the Act, as amended: In our opinion and to the best of our information and according to the explanations given to us, the remuneration paid by the Company to its directors during the year is in accordance with the provisions of section 197 of 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 has disclosed the impact of pending litigations on its financial position in its standalone financial statements.
- ii. The Company has made provision, as required under the applicable law or accounting standards, for material foreseeable

losses, if any, on long-term contracts including derivative contracts.

- iii. There has been no delay in transferring amounts, required to be transferred, to the Investor Education and Protection Fund by the Company.
2. As required by the Companies (Auditor's Report) Order, 2016 ("the Order") issued by the Central Government in terms of Section 143(11) of the Act, we give in "**Annexure B**" a statement on the matters specified in paragraphs 3 and 4 of the Order.
3. We are enclosing our report in terms of Section 143 (5) of the Act, on the basis of such checks of the books and records of the Company as we considered appropriate and according to the information and explanations given to us, in the "**Annexure C**" on the directions and sub-directions issued by The Comptroller and Auditor General of India.

For **Nemani Garg Agarwal & Co.,**

Chartered Accountants

Firm Reg. No.010192N


SK Nemani
Partner
Membership no. 037222

Place : New Delhi

Date : 08 June 2020

(Referred to in paragraph 1(f) under "Report on Other Legal and Regulatory Requirements" section of our report of even date)

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 M/s NTPC Electricity Supply Company Limited ("the Company") as of 31 March 2020 in conjunction with our audit of the stand-alone financial statements of the Company for the year ended on that date.

Management's Responsibility for Internal Financial Controls

The Company's Board of Directors 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 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.

Auditors' 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 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 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 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 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 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 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 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.

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, the Company has, in all material respects, an adequate internal financial controls system over financial reporting and such internal financial controls over financial reporting were operating effectively as at 31 March 2020, 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 **Nemani Garg Agarwal & Co.,**

Chartered Accountants

Firm Reg. No.010192N



SK Nemani

Partner

Membership no. 037222

Place : New Delhi

Date : 08 June 2020

Annexure B

Report on Other Legal and Regulatory Requirements

(Referred to in paragraph 2 under "Report on other Legal and Regulatory requirements" section in our Report of even date)

and Regulatory Requirements" of our report of even date)

- (i) The company did not have any fixed assets during the financial year and consequently, clause (i) of paragraph 3 of the Order is not applicable,
- (ii) The company did not have any inventory and consequently, clause (ii) of paragraph 3 of the Order is not applicable.
- (iii) According to the information and explanations provided to us, the Company has not granted any secured or unsecured loans to companies, firms, Limited Liability Partnerships or other parties covered in the register maintained under section 189 of the Companies Act, 2013 and consequently, provisions of sub-clause (iii)(a), (b)&(c) of Paragraph 3 of the Order are not applicable.
- (iv) The Company has not given any loan, guarantee, security or made investment as stipulated under Sections 185 & 186 of the Companies Act & consequently, clause (iv) of Paragraph 3 of the Order is not applicable.
- (v) According to the information and explanations given to us, the Company has not accepted deposits as per the provisions of the Companies Act, 2013 and consequently, directives issued by the Reserve Bank of India, provisions of section 73 to 76 or any other relevant provisions of the Companies Act, 2013 and the Rules framed thereunder are not applicable.
- (vi) Provisions for maintenance of cost records as has been specified under Section 148 (1) of the Companies Act, 2013, are not applicable to the company as the company is not engaged in the distribution of electricity.
- (vii) (a) According to the information and explanations given to us, the liability related to Income Tax is being discharged by the Holding Company NTPC Ltd. as the entire operations of the company has been transferred to NTPC as of 1.4.15 ; please see para on '**Emphasis of Matters**' in our report above. However, no other undisputed Statutory Dues is pending as on 31 March 2020.

According to the information and explanations given to us, there are disputed statutory dues, which have not been deposited as on March 31, 2020 as given below :

Statute	Nature of Dues	Amount (Rs. in Lacs)	Forum where disputes are pending
Income Tax Act, 1961	Tax Demanded u/s 271(1)(C) (FY 2012-13)	7.46	CIT (Appeals)
Finance Act, 1994	Service Tax on Deposit Works (2006-07 to 2010-11)	1,20,168.29	CESTAT, Delhi
Finance Act, 1994	Service Tax on Deposit Works (2011-12)	8,135.32	CESTAT, Delhi
Finance Act, 1994	Service Tax on Deposit Works (2012-13)	505.71	CESTAT, Delhi
Finance Act, 1994	Service Tax on Deposit Works (others)	47.73	CESTAT, Delhi
Finance Act, 1994	Commissioner (Appeals)	499.79	CESTAT, Delhi

- (viii) In our opinion and according to the information and explanations given to us, the company has not defaulted in repayment of loans or borrowings, to a financial institution, bank, government or dues to a debenture holder and hence provisions of clause 3 (viii) of the Order is not applicable to the company.
- (ix) According to the information and explanations given to us, the company has not raised moneys by way of initial public offer (including debt instruments) and no term loan has been raised during the year and hence provisions of clause (ix) of the Order is not applicable to the company.
- (x) In our opinion and according to the information and explanations given to us, no fraud has been noticed or reported by or upon the company during the year and hence the provisions of clause 3 (x) of the Order is not applicable.
- (xi) The company has not paid or provided for the managerial remuneration during the financial year under audit ; accordingly, in

our opinion and according to the information and explanations given to us, clause 3 (xi) of the Order is not applicable.

- (xii) The company is not a Nidhi Company ; hence in our opinion and according to the information and explanations given to us, clause 3 (xii) of the Order is not applicable.
- (xiii) The company has transacted with the related party, i.e. NTPC Limited (Parent Company) as per the provisions of Section 177 and 188 of the Companies Act, 2013 ; however, such transactions have been carried out at arm's length price as per the information and explanations provided to us. Disclosure of such transactions as prescribed by the Ind AS – 24 (Related Party Disclosures) has been done as per the Note 13 to the Financial Statements.
- (xiv) The company has not made any preferential allotment or private placement of shares or fully or partly convertible debentures during the year under review ; accordingly, in our opinion and according to the information and explanations given to us, clause 3 (xiv) of the Order is not applicable.
- (xv) The company has not entered into any non-cash transactions with any director or persons connected with him ; accordingly, in our opinion and according to the information and explanations given to us, clause 3 (xv) of the Order is not applicable.
- (xvi) The company is not required to be registered under section 45-IA of the Reserve Bank of India Act, 1934 and accordingly, in our opinion and according to the information and explanations given to us, clause 3 (xvi) of the Order is not applicable.

For **Nemani Garg Agarwal & Co.,**

Chartered Accountants

Firm Reg. No. 010192N


SK Nemani
Partner
Membership no. 037222

Place : New Delhi

Date : 08 June 2020

Annexure C

Referred to in our report of even date to the members of NESCL on the accounts for the year ended 31st March 2020

Sl.No	Directions u/s 143(5) of the Companies Act, 2013	Auditor's reply on action taken on the directions	Impact on financial statement
1.	Whether the Company has system in place to process all the accounting transactions through IT system? If yes, the implications of processing of accounting transactions outside IT system on the integrity of the accounts along with the financial implications, if any, may be stated.	The company is maintaining its accounts through IT system on SAP. The Company has system in place to process all the accounting transactions through IT system. No accounting transaction is done manually outside IT system.	NIL
2.	Whether there is any restructuring of an existing loan or cases of waiver/write off of debts/loan / interest etc. made by a lender to the company due to the company's inability to repay the loan? If yes, the financial impact may be stated.	There is no case of restructuring of an existing loan. Also there is no cases of waiver/write off of debts/loan / interest etc. made by a lender to the company due to the company's inability to repay the loan.	NIL
3.	Whether funds received/receivable for specific schemes from Central/State agencies were properly accounted for/utilized as per its terms and conditions? List the cases of deviation.	During the year, no funds were received or receivable for any specific schemes from Central/State agencies.	NIL

For **Nemani Garg Agarwal & Co.,**

Chartered Accountants

Firm Reg. No. 010192N

SK Nemani

Partner

Membership no. 037222

Place : New Delhi

Date : 08 June 2020

NTPC ELECTRIC SUPPLY COMPANY LIMITED

BALANCE SHEET AS AT 31 MARCH 2020

(Amount in ₹ Lakhs)

Particulars	Note No.	As at 31.03.2020	As at 31.03.2019
ASSETS			
Non-current assets			
Other non-current assets	2	4,356.18	7,758.36
Total non-current assets		<u>4,356.18</u>	<u>7,758.36</u>
Current assets			
Financial assets			
Cash and cash equivalent	3	28.67	18.37
Other financial assets	4	591.31	-
Total current assets		<u>619.98</u>	<u>18.37</u>
TOTAL ASSETS		<u><u>4,976.16</u></u>	<u><u>7,776.73</u></u>
EQUITY AND LIABILITIES			
Equity			
Equity share capital	5	8.09	8.09
Other equity	6	4,968.07	4,229.63
Total equity		<u>4,976.16</u>	<u>4,237.72</u>
Liabilities			
Current liabilities			
Financial liabilities			
Other financial liabilities	7	-	3,539.01
Total current liabilities		<u>-</u>	<u>3,539.01</u>
TOTAL EQUITY AND LIABILITIES		<u><u>4,976.16</u></u>	<u><u>7,776.73</u></u>
Significant accounting policies	1		

The accompanying notes 1 to 16 form an integral part of these financial statements.

For and on behalf of the Board of Directors


This is the Balance Sheet referred to in our report of even date.


For NEMANI GARG AGARWAL & CO.

Chartered Accountants


Firm Reg. No. 010192N

S K Nemani
Partner
M. No. 037222




(Ajay Dua)
Chief Executive Officer


(Rajendra Mohan Arya)
Director


(Dillip Kumar Patel)
Chairman

Place : New Delhi

Dated : 

NTPC ELECTRIC SUPPLY COMPANY LIMITED

STATEMENT OF PROFIT AND LOSS FOR THE YEAR ENDED 31 MARCH 2020

(Amount in ₹ Lakhs)

Particulars	Note No.	For the year ended 31.03.2020	For the year ended 31.03.2019
Revenue			
Other income	8	1,018.11	0.42
Total revenue		<u>1,018.11</u>	<u>0.42</u>
Expenses			
Other expenses	9	1.31	0.55
Total expenses		<u>1.31</u>	<u>0.55</u>
Profit / (Loss) before tax		1,016.80	(0.13)
Tax expense			
Current tax		256.23	
Current year (MAT)		-	-
Earlier years		22.13	9.03
Total tax expense		<u>278.36</u>	<u>9.03</u>
Profit / (Loss) for the year		<u><u>738.44</u></u>	<u><u>(9.16)</u></u>
Other comprehensive income / (Loss)			
Other comprehensive income / (Loss) for the year, net of income tax		<u>-</u>	<u>-</u>
Total comprehensive income / (Loss) for the year		<u><u>738.44</u></u>	<u><u>(9.16)</u></u>
Significant accounting policies	1		
Earnings per equity share (Par value ₹ 10 each)			
Basic & Diluted (Amount in ₹)		912.66	(11.32)

The accompanying notes 1 to 16 form an integral part of these financial statements.

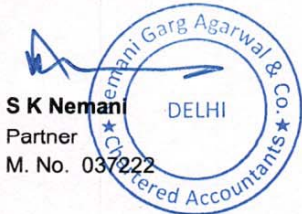
For and on behalf of the Board of Directors

This is the Statement of Profit & Loss referred to in our report of even date.

For NEMANI GARG AGARWAL & CO.

Chartered Accountants

Firm Reg. No. 010192N



S K Nemani
Partner
M. No. 037222

(Ajay Dua)
Chief Executive Officer

(Rajendra Mohan Arya)
Director

(Dillip Kumar Patel)
Chairman

Place : New Delhi

Dated 8th June 2020

NTPC ELECTRIC SUPPLY COMPANY LIMITED

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

A. Equity share capital

For the year ended 31 March 2020

(Amount in ₹ Lakhs)

Balance as at 1 st April 2019	8.09
Changes in equity share capital during the year	-
Balance as at 31 st March 2020	8.09

For the year ended 31 March 2019

(Amount in ₹ Lakhs)

Balance as at 1 st April 2018	8.09
Changes in equity share capital during the year	-
Balance as at 31 st March 2019	8.09

B. Other equity

For the year ended 31 March 2020

(Amount in ₹ Lakhs)

	General reserve	Retained earnings	Equity instruments through OCI	Total
Balance as at 1 April 2019	920.59	3,309.04	-	4,229.63
Profit for the year	-	738.44	-	738.44
Other comprehensive income	-	-	-	-
Total comprehensive income	-	738.44	-	738.44
Adjustment during the year	-	-	-	-
Transfer to retained earnings	-	-	-	-
Transfer from retained earnings	-	-	-	-
Balance as at 31 March 2020	920.59	4,047.48	-	4,968.07

For the year ended 31 March 2019

(Amount in ₹ Lakhs)

	General reserve	Retained earnings	Equity instruments through OCI	Total
Balance as at 1 April 2018	920.59	3318.20	-	4238.79
Profit for the year	-	(9.16)	-	(9.16)
Other comprehensive income	-	-	-	-
Total comprehensive income	-	(9.16)	-	(9.16)
Adjustment during the year	-	-	-	-
Transfer to retained earnings	-	-	-	-
Transfer from retained earnings	-	-	-	-
Balance as at 31 March 2019	920.59	3,309.04	-	4,229.63

For and on behalf of the Board of Directors

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

For NEMANI GARG AGARWAL & CO.

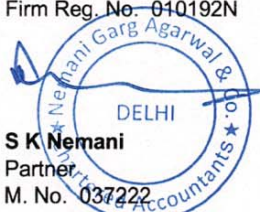
Chartered Accountants

Firm Reg. No. 040192N

S K Nemani

Partner

M. No. 037222



(Ajay Dua)
Chief Executive Officer

(Rajendra Mohan Arya)
Director

(Dillip Kumar Patel)
Chairman

Place : New Delhi

Dated : 8th June 2020

NTPC ELECTRICITY SUPPLY COMPANY LIMITED

Note No. 1 - Company Information & Significant Accounting Policies

A. Reporting Entity

NTPC Electric Supply Co. Limited (the "Company") is a Company domiciled in India and limited by shares (CIN: U40108DL2002GOI116635). The address of the Company's registered office is NTPC Bhawan, SCOPE Complex, 7 Institutional Area, Lodhi Road, New Delhi - 110003. The company is wholly owned by NTPC Limited. The Company was incorporated for the distribution business and later started deposit and consultancy works, all operations of which have been transferred to the parent Company w.e.f. 1 April 2015.

B. Basis of preparation

1 Statement of Compliance

These separate financial statements are prepared on accrual basis of accounting and comply with the Indian Accounting Standards (Ind AS) prescribed under Section 133 of the Companies Act, 2013 read with the Companies (Indian Accounting Standards) Rules, 2015 as amended, and other provisions of the Companies Act, 2013 (to the extent notified and applicable)

2 Basis of Measurement

The financial statements have been prepared on the historical cost basis except for:

- Certain financial assets and liabilities (including derivative instruments) that are measured at fair value (refer accounting policy regarding financial instruments)

Historical cost is the amount of cash or cash equivalents paid or the fair value of the consideration given to acquire assets at the time of their acquisition or the amount of proceeds received in exchange for the obligation, or at the amounts of cash or cash equivalents expected to be paid to satisfy the liability in the normal course of business. Fair value is the price that would be received to sell an asset or paid to transfer a liability in an orderly transaction between market participants at the measurement date.

3 Functional and Presentation Currency

These financial statements are presented in Indian Rupees (INR) which is the Company's functional currency. All financial information presented in (INR) has been rounded to the nearest Lakhs (up to two decimals), except when indicated otherwise.

4 Current and non-current classification

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

An asset is current when it is:

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

All other assets are classified as non-current.

A liability is current when:

- It is expected to be settled in normal operating cycle;
- It is held primarily for the purpose of trading;
- It is due to be settled within twelve months after the reporting period; or
- There is no unconditional right to defer settlement of the liability for at least twelve months after the reporting period.
- There is no unconditional right to defer settlement of the liability for at least twelve months after the reporting period.

All other liabilities are classified as non-current.

Assets and liabilities are classified between current and non-current considering 12 months period as normal operating cycle.

C. Significant Accounting Policies



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

1. Property, Plant & Equipment (PPE)

There is no property plant or equipment with the company, However the policies adopted till previous year and the policy of NTPC group companies is as follows. The same will be maintained in future, if required.

1.1 Initial Recognition and Measurement

An item of property, plant and equipment is recognized as an asset if and only if it is probable that future economic benefits associated with the item will flow to the Company and the cost of the item can be measured reliably.

Items of property, plant and equipment are initially recognized at cost. Cost includes purchase price including import duties and non-refundable taxes after deducting trade discounts and rebates, any cost directly attributable to bringing the asset to the location and condition necessary for it to be capable of operating in the manner intended by management and the present value of initial estimate of cost of dismantling, removal and restoration.

1.2 Derecognition

Property, plant and equipment is derecognized when no future economic benefits are expected from their use or upon their disposal. Gains and losses on de-recognition of an item of property, plant and equipment are determined as the difference between sale proceeds from disposal, if any, and the carrying amount of property, plant and equipment and are recognized in the statement of profit and loss.

In circumstance, where an item of property, plant and equipment is abandoned, the net carrying cost relating to the property, plant and equipment is written off in the same period.

1.3 Depreciation / Amortisation

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

2 Cash and Cash Equivalents

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

3 Provisions, contingent liabilities and contingent assets

A provision is recognized if, as a result of a past event, the Company has a present legal or constructive obligation that can be estimated reliably, and it is probable that an outflow of economic benefits will be required to settle the obligation. If the effect of the time value of money is material, provisions are determined by discounting the expected future cash flows at a pre-tax rate that reflects current market assessments of the time value of money and the risks specific to the liability. When discounting is used, the increase in the provision due to the passage of time is recognized as a finance cost.

The amount recognized as a provision is the best estimate of the consideration required to settle the present obligation at reporting date, taking into account the risks and uncertainties surrounding the obligation.

When some or all of the economic benefits required to settle a provision are expected to be recovered from a third party, the receivable is recognized as an asset if it is virtually certain that reimbursement will be received and the amount of the receivable can be measured reliably. The expense relating to a provision is presented in the statement of profit and loss net of reimbursement, if any.

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.

Contingent assets are possible assets that arise from past events and whose existence will be confirmed only by the occurrence or non-occurrence of one or more uncertain future events not wholly within the control of the Company. Contingent assets are disclosed in the financial statements when inflow of economic benefits is probable on the basis of judgment of management. These are assessed continually to ensure that developments are appropriately reflected in the financial statements.



4 Revenue

Revenue from other income comprises interest from banks, interest from IT authorities and other miscellaneous income etc.

4.1 Other income

Interest income is recognized, when no significant uncertainty as to measurability or collectability exist, on a time proportion basis taking into account the amount outstanding and the applicable interest rate, using the effective interest rate method (EIR).

5 Income Tax

Income tax expense comprises current and deferred tax. Current tax expense is recognized in statement of profit and loss except to the extent that it relates to items recognized directly in OCI or equity, in which case it is recognized in OCI or equity, respectively.

Current tax is the expected tax payable on the taxable income for the year, using tax rates enacted or substantively enacted by the end of the reporting period, and any adjustment to tax payable in respect of previous years.

Deferred tax is recognized using the balance sheet method, on temporary differences between the carrying amounts of assets and liabilities for financial reporting purposes and the tax bases of assets and liabilities. Deferred tax is measured at the tax rates that are expected to be applied to temporary differences when they materialize, 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.

Deferred tax is recognized in statement of profit and loss except to the extent that it relates to items recognized directly in OCI or equity, in which case it is recognized in OCI or equity, respectively.

A deferred tax asset is recognized for all deductible temporary differences to the extent that it is probable that future taxable profits will be available against which the deductible temporary difference can be utilized. 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 realized.

Additional income taxes that arise from the distribution of dividends are recognized at the same time that the liability to pay the related dividend is recognized.

Deferred tax assets include Minimum Alternative Tax (MAT) paid in accordance with the tax laws in India, which is likely to give future economic benefits in the form of availability of set off against future income tax liability. MAT credit is recognized as deferred tax asset in the balance sheet when the asset can be measured reliably and it is probable that the future taxable profit will be available against which MAT credit can be utilized.

When there is uncertainty regarding income tax treatments, the Company assesses whether a tax authority is likely to accept an uncertain tax treatment. If it concludes that the tax authority is unlikely to accept an uncertain tax treatment, the effect of the uncertainty on taxable income, tax bases and unused tax losses and unused tax credits is recognized. The effect of the uncertainty is recognized using the method that, in each case, best reflects the outcome of the uncertainty: the most likely outcome or the expected value. For each case, the Company evaluates whether to consider each uncertain tax treatment separately, or in conjunction with another or several other uncertain tax treatments, based on the approach that best prefixes the resolution of uncertainty.

6 Material Prior Period errors

Material prior period errors are corrected retrospectively by restating the comparative amounts for the prior periods presented in which the error occurred. If the error occurred before the earliest period presented, the opening balances of assets, liabilities and equity for the earliest period presented, are restated.

7 Earnings per share

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

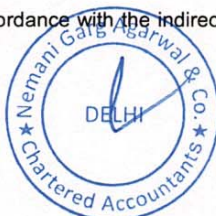
Diluted earnings per equity share is computed by dividing the net profit or loss attributable to equity shareholders of the Company by the weighted average number of equity shares considered for deriving basic earnings per equity share and also the weighted average number of equity shares that could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

The number of equity shares and potentially dilutive equity shares are adjusted retrospectively for all periods presented for any bonus shares issued during the financial year.

Basic and diluted earnings per equity share are also computed using the earnings amounts excluding the movements in regulatory deferral account balances.

8 Statement of cash flows

Statement of cash flows is prepared in accordance with the indirect method prescribed in Ind AS 7 'Statement of cash flows'.



9 Financial Instruments

A financial instrument is any contract that gives rise to a financial asset of one entity and a financial liability or equity instrument of another entity. The Company recognizes a financial asset or a financial liability only when it becomes party to the contractual provisions of the instrument

9.1 Financial Assets

9.1.a Initial recognition and measurement

All financial assets are recognized at fair value on initial recognition, except for trade receivables which are initially measured at transaction price. Transaction costs that are directly attributable to the acquisition of financial assets, which are not valued at fair value through profit or loss, are added to the fair value on initial recognition.

9.1.b Derecognition

A financial asset (or, where applicable, a part of a financial asset or part of a Group of similar financial assets) is primarily de-recognized (i.e. removed from the Company's balance sheet) when:

- The rights to receive cash flows from the asset have expired, or
- The Company has transferred its rights to receive cash flows from the asset or has assumed an obligation to pay the received cash flows in full without material delay to a third party under a 'pass-through' arrangement; and either (a) the Company has transferred substantially all the risks and rewards of the asset, or (b) the Company has neither transferred nor retained substantially all the risks and rewards of the asset, but has transferred control of the asset.

The difference between the carrying amount and the amount of consideration received/receivable is recognized in the statement of profit and loss.

9.2 Financial Liabilities

9.2.a Initial recognition and measurement

Financial liabilities are classified, at initial recognition, as financial liabilities at fair value through profit or loss and financial liabilities at amortized cost, as appropriate. All financial liabilities are recognized initially at fair value and, in the case of liabilities measured at amortized cost net of directly attributable transaction cost. The Company's financial liabilities include trade and other payables, borrowings including bank overdrafts, financial guarantee contracts and derivative financial instruments.

9.2.b Derecognition

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

D. Use of Estimates and Management Judgements

The preparation of financial statements requires management to make judgments, estimates and assumptions that may impact the application of accounting policies and the reported value of assets, liabilities, income, expenses and related disclosures concerning the items involved as well as contingent assets and liabilities at the balance sheet date. The estimates and management's judgments are based on previous experience & other factors considered reasonable and prudent in the circumstances. Actual results may differ from these estimates.

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

In order to enhance understanding of the financial statements, information about significant areas of estimation, uncertainty and critical judgments in applying accounting policies that have the most significant effect on the amounts recognized in the financial statements is as under:

1 Formulation of accounting policies

The accounting policies are formulated in a manner that results in financial statements containing relevant and reliable information about the transactions, other events and conditions to which they apply. Those policies need not be applied when the effect of applying them is immaterial.

2 Provisions and Contingencies

The assessments undertaken in recognizing provisions and contingencies have been made in accordance with Ind AS 37 'Provisions, contingent liabilities and contingent assets'. The evaluation of the likelihood of the contingent events require best judgment by management regarding the probability of exposure to potential loss. Should circumstances change following unforeseeable developments, this likelihood could alter.



3 Income Tax

Significant estimates are involved in determining the provision for current and deferred tax, including amount expected to be paid/recovered for uncertain tax positions.



NTPC ELECTRIC SUPPLY COMPANY LIMITED

2. Other non current assets

(Amount in ₹ Lakhs)

Particulars	As at	As at
	31.03.2020	31.03.2019
Advances other than capital advances		
Advance tax & tax deducted at source	7,220.67	10,344.49
Less: Provision for tax	2,864.49	2,586.13
Total	4,356.18	7,758.36



NTPC ELECTRIC SUPPLY COMPANY LIMITED

3. Cash and cash equivalents

(Amount in ₹ Lakhs)

Particulars	As at 31.03.2020	As at 31.03.2019
Balances with banks		
Current accounts	<u>28.67</u>	<u>18.37</u>
Total	<u><u>28.67</u></u>	<u><u>18.37</u></u>



NTPC ELECTRIC SUPPLY COMPANY LIMITED

4. Other Financial Assets (current)

Particulars	(Amount in ₹ Lakhs)	
	As at 31.03.2020	As at 31.03.2019
Other Recoverable		
Parent company	591.31	-
Total	591.31	-



NTPC ELECTRIC SUPPLY COMPANY LIMITED

5. Equity Share capital

Particulars	(Amount in ₹ Lakhs)	
	As at 31.03.2020	As at 31.03.2019
Authorised		
1,00,00,000 shares of par value ₹ 10 each (1,00,00,000 shares of par value ₹ 10 each as at 31 March 2019) wholly owned by NTPC Ltd.	<u>1,000.00</u>	<u>1,000.00</u>
Issued, subscribed and fully paid up		
80,910 shares of par value ₹ 10 each (80,910 shares of par value ₹ 10 each as at 31 March 2019) wholly owned by NTPC Ltd.	<u>8.09</u>	<u>8.09</u>

a) **Movements in equity share capital**

During the year, the Company has neither issued nor bought back any shares.

b) **Terms and rights attached to equity shares**

The Company has only one class of equity shares having a par value ₹ 10 per share. The holders of the equity shares are entitled to receive dividends as declared from time to time and are entitled to voting rights proportionate to their share holding at the meetings of shareholders.

c) 80,910 equity shares valuing ₹ 8,09,100 (previous year 80,910 equity shares valuing ₹ 8,09,100) are held by the holding company i.e. NTPC Ltd. and its nominees.



NTPC ELECTRIC SUPPLY COMPANY LIMITED

6. Other equity

(Amount in ₹ Lakhs)

Particulars	As at 31.03.2020	As at 31.03.2019
General reserve	920.59	920.59
Retained earnings	4,047.48	3,309.04
Total	4,968.07	4,229.63
(a) General reserve		
Opening balance	920.59	920.59
Add : Transfer from retained earnings	-	-
Less : Adjustments during the year	-	-
Closing balance	920.59	920.59
(b) Retained earnings		
Opening balance	3,309.04	3,318.20
Add : Profit / (Loss) for the year as per Statement of Profit and Loss	738.44	(9.16)
Closing balance	4,047.48	3,309.04



NTPC ELECTRIC SUPPLY COMPANY LIMITED

7. Other current financial liabilities

(Amount in ₹ Lakhs)

Particulars	As at 31.03.2020	As at 31.03.2019
Other payables		
Others - Related Parties		
Parent Company	-	3,539.01
Total	<u>-</u>	<u>3,539.01</u>



NTPC ELECTRIC SUPPLY COMPANY LIMITED

8. Other income

(Amount in ₹ Lakhs)

Particulars	For the year ended 31.03.2020	For the year ended 31.03.2019
Other Income		
Interest on		
Deposits with banks	16.44	0.42
Interest from IT Authorities	1,001.67	-
Total	1,018.11	0.42



NTPC ELECTRIC SUPPLY COMPANY LIMITED

9. Other expenses

Particulars	(Amount in ₹ Lakhs)	
	For the year ended 31.03.2020	For the year ended 31.03.2019
Payment to auditors	0.30	0.30
Bank charges	0.01	0.01
Miscellaneous expenses	1.00	0.24
Total	1.31	0.55
Payment to auditors:		
Audit fee	0.30	0.30
Total	0.30	0.30



NTPC ELECTRIC SUPPLY COMPANY LIMITED

Other Notes to Financial Statements

10 Shareholders of the Company, in the Extra-ordinary General Meeting held on 24th March 2015, inter alia, approved the proposal for transfer and vesting of all existing operations of the company together with all assets and liabilities relating to such operations to NTPC Limited, the holding company, with effect from 1st April, 2015. Thereafter, the Company entered into an agreement with NTPC Limited to implement the transfer. In pursuance of the above decision, all transactions have been recorded / carried out at their carrying value in the books of the Company as on 1st April 2015 . The Company does not have any operations w.e.f 1st April 2015.

11 Disclosure as per Ind AS 33 on 'Earnings Per Share'

The elements considered for calculation of Earning Per Share (Basic & Diluted) are as under:

Particulars	Unit	Current Year	Previous Year
Net Profit after Tax used as numerator	(Amount in ₹ Lakhs)	738.44	(9.16)
Face value per share	(Amount in ₹)	10.00	10.00
Weighted average number of equity shares used as denominator	Nos.	80,910	80,910
Earning Per Share (Basic & Diluted)	(Amount in ₹)	912.66	(11.32)

12 Common services being utilized by the Company for its office, are provided without any charges by the Holding Company.

13 Disclosure as per Ind AS 24 on 'Related Party Disclosures'

a) The Company is a wholly owned subsidiary of NTPC Ltd, which is the only related party with which various transactions have taken place.

b) Details of transactions with related parties are given below :-

(Amount in ₹ Lakhs)

Details	Current Year	Previous Year
Amount paid by NTPC Ltd. on behalf of the company and debited to NESCL	257.53	0.55

c) Outstanding balances with related parties are as follows :

(Amount in ₹ Lakhs)

Particulars	as at 31.3.2020	as at 31.3.2019
Amount payable to NTPC Ltd - Holding company	-	3,539.01
Amount receivable from NTPC Ltd - Holding company	591.31	-

14 Disclosure as per Ind AS 12 'Income Taxes'

MAT Credit available to the Company in future but not recognised in the books :

Financial Year	(Amt. in ₹ Lakhs)	Expiry Date
For the year 2019-20	-	-
For the year 2018-19	-	-
For the year 2017-18	0.02	31.03.2031

15 Contingent Liabilities:



- 15.1 Orders to pay service tax along with interest and penalty have been served on the company for various years by the Commissioner of Service Tax as tabled below. For serial numbers 1 to 3 and 5, the demands are a pass through item, the liability of which is on REC Ltd. as per terms of contract. The orders have been challenged before CESTAT and are pending disposal. Demand at serial number 4 pertains to services provided to Cochin Port Trust by the company, against which an appeal has been filed.

Sl.	Particulars	Financial Year	(Amount in ₹ Lakhs)	
			As at 31.3.20	As at 31.3.19
1	Service Tax on Deposit Works (RGGVY)	2007-2011	1,20,168.29	1,13,236.03
2	Service Tax on Deposit Works (RGGVY)	2011-2012	8,135.32	7,467.81
3	Service Tax on Deposit Works (RGGVY)	2012-2013	505.71	460.76
4	Service Tax on Deposit Works (others)	2011-2012	47.73	45.08
5	Commissioner (Appeals)	2013-2015	499.79	444.80
	Total		1,29,356.84	1,21,654.48

- 15.2 The company has received notice of demand from the Income Tax Department and in relation to such demand the company has filed an appeal with the appropriate authorities and the same has been tabled below :

No.	Particulars	Financial Year	(Amount in ₹ Lakhs)		Remarks
			As at 31.3.20	As at 31.3.19	
1	Order U/S 271(1)(C)	2011-12	-	1.95	CIT(A) passed order in favour of NESCL order dt. 03.07.2019
2	Order U/S 271(1)(C)	2012-13	-	7.10	ITAT passed order in favour of NESCL order dt. 20.01.2020
3	Penalty u/s 271(1)(c)	2012-13	7.46	-	Pending before CIT(A)
	Total		7.46	9.05	

- 16 a As per Rule 3(2) of the Companies (Corporate Social Responsibility Policy) Rules, 2014, NESCL is not required to spend during the financial year 2019-20 on CSR activities, as the company ceases to be covered under Section 135(1) of the Companies Act, 2013, for three consecutive years. In view of the above during the financial year neither any expenses were incurred on CSR activities nor any meeting of the CSR committee were held.
- b Previous year's figures have been regrouped/rearranged wherever necessary.

These are the notes referred to in the Balance Sheet and the Statement of Profit and Loss .

For and on behalf of the Board of Directors

For NEMANI GARG AGARWAL & CO.

Chartered Accountants

Firm Reg. No. 010192N



S K Nemani
Partner

M. No. 037222

(Ajay Dua)

Chief Executive Officer

(Rajendra Mohan Arya)

Director

(Dillip Kumar Patel)

Chairman

Place : New Delhi

Dated : 8th June 2020

NTPC ELECTRIC SUPPLY COMPANY LIMITED

CASH FLOW STATEMENT FOR THE YEAR ENDED 31 MARCH 2020

(Amount in ₹ Lakhs)
31.03.2019

	<u>31.03.2020</u>	<u>31.03.2019</u>
A. CASH FLOW FROM OPERATING ACTIVITIES		
Net Profit / (Loss) before tax	1,016.80	(0.13)
Adjustment for:		
Depreciation	-	-
Provisions	-	-
Interest Received	(1,018.11)	(0.42)
Operating Profit before Working Capital Changes	(1.31)	(0.55)
Adjustment for:		
Trade Payables & Other Liabilities (3,539.01)		
Other Financial Assets (591.31)	(4,130.32)	10.13
Cash generated from operations	(4,131.63)	9.58
Direct Taxes Paid	(3,123.81)	9.64
Net Cash from Operating Activities - A	(1,007.81)	(0.06)
B. CASH FLOW FROM INVESTING ACTIVITIES		
Purchase / Sale of Fixed Assets	-	-
Interest Received	1,018.11	0.42
Investment in Joint Venture	-	-
Net cash flow from Investing Activities - B	1,018.11	0.42
C. CASH FLOW FROM FINANCING ACTIVITIES		
Dividend Paid	-	-
Tax on Dividend	-	-
Net Cash flow from Financing Activities - C	-	-
Net Increase/Decrease in Cash & Cash equivalents (A + B + C)	10.30	0.36
Cash & cash equivalents (Opening balance) (see Note below)	18.37	18.01
Cash & cash equivalents (Closing balance) (see Note below)	28.67	18.37

Notes: Cash & Cash equivalents consist of Balance with Banks. Cash and cash equivalent included in the cash flow statement comprise of following balance sheet amount as per Note 3.

Cash and cash equivalents	28.67	18.37
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In terms of our Audit Report attached
For **NEMANI GARG AGARWAL & CO.**
Chartered Accountants
Firm Reg. No. 010192N

For & on behalf of the Board of Directors

SK Nemani DELHI
Partner
M. No. 937222

(Signature)
Ajay Dua
Chief Executive Officer

(Signature)
(Rajendra Mohan Arya)
Director

(Signature)
(Dillip Kumar Patel)
Chairman

Place : New Delhi

Dated : *28 June 2020*