

BSES Rajdhani Power Limited

19th ANNUAL GENERAL MEETING

DAY, DATE AND TIME: SATURDAY, 24TH DAY OF OCTOBER 2020 AT 03:00 P.M.

Shri Pankaj Tandon, Company Secretary: - Good Afternoon everyone! This is Pankaj Tandon Company Secretary of BSES Rajdhani Power Limited. Since there is no Chairperson of Board of the Company, I request Board members to please elect a Chairperson amongst them to conduct the 19th Annual General meeting of the Company.

Shri Ajit Keshav Ranade: I propose to elect Shri Surinder Singh Kohli, Director, as Chairperson of this Meeting.

Ms. Ryna Zaiwalla Karani: I, second.

Shri Ajit Keshav Ranade: Now, I request Shri Surinder Singh Kohli to take the chair.

Shri Surinder Singh Kohli, Chairperson and Independent Director:

Good Afternoon 'Ladies & Gentlemen'. I, Surinder Singh Kohli, Chairperson of the meeting, warmly welcome you all to the 19th Annual General Meeting of the shareholders of BSES Rajdhani Power Limited. Hope, all of you are safe and in good health and wish you all to stay that way.

Due to social distancing consequent to COVID-19 Pandemic, we are convening this Annual General Meeting through video conferencing (VC). I thank you all for taking time out to join us today.

Since we are conducting this Annual General Meeting via Audio Visual Means, I request everyone to please confirm that you are able to hear and see the other participants clearly.

Shri Ajit Keshave Ranade: I am able to clearly see and hear the other participants.

Ms Ryna Karani: I am able to see and hear all other participants.

Shri Jasmine Shah: I am able to see and hear all the other participants.

Shir P K Mittal, representative of DPCL: Yes I can clearly hear and see.

Ms. Padmini Singla, IAS, Secretary (Power): Yes I can see and hear clearly.

Mr. Amarjeet Singh, representative of Rlnfra: Yes I can clearly see and hear the other participants.

Mr. NK Deo: Yes, I can hear and see all

Ms Udita Kumar: Yes, I can clearly hear and see others.

Shri Surinder Singh Kohli: Now I request Company Secretary to please confirm whether requisite quorum is present?

Shri Pankaj Tandon, Company Secretary: There are 8 members present in the meeting (3 members physically present and 5 members through VC). Reliance Infrastructure Limited and Delhi Power Company Limited are attending the meeting through their representatives. The requisite quorum is present in the meeting and meeting is in order.

Shri Surinder Singh Kohli: I, now introduce the Directors and other officials of the Company present in the meeting to the Shareholders:

- ✓ Ms. Ryna Zaiwalla Karani, Independent Director
- ✓ Shri Ajit Keshav Ranade, Independent Director
- ✓ Shri Jasmine Shah, Director

Shri Surinder Singh Kohli: Shri VS Verma, Director

Shri Pankaj Tandon: Sir, he is joining. There is some network issue.

Shri Surinder Singh Kohli: Shri Umesh Kumar Tyagi, Director

Shri Pankaj Tandon: Sir, he is trying to join, some technical issue

Shri Surinder Singh Kohli: Shri Partha Pratim Sarma, Director

Shri Pankaj Tandon: Sir, he is about to join

Shri Surinder Singh Kohli: Shri Angarai Natarajan Sethuraman, Director

Shri Pankaj Tandon: He is also joining, Sir.

Shri Amal Sinha, Chief Executive Officer

Shri Amarjeet Singh, Chief Financial Officer

Shri Pankaj Tandon, Company Secretary

Shri Surinder Singh Kohli: Shri Raj Kumar Agarwal, Partner, M/s. Haribhakti & Co., LLP, Statutory Auditors and Shri Sharad Tyagi from T. Sharad & Associates, Secretarial Auditor are present in the meeting.

Shri Surinder Singh Kohli: Leave of Absence is granted to Shri Naveen ND Gupta and Shri Anjani Kumar Sharma.

Shri Surinder Singh Kohli: The Register of Members and other Statutory Registers as required by law are open for inspection by the members.

Shri Surinder Singh Kohli: Notice of the meeting along with the Annual Report has already been sent through e-mail and also dispatched to all the members of the Company and I understand that the Notice & Annual Report are available with you.

Shri Surinder Singh Kohli: With your permission, I take the Notice of the Meeting, Board Report and Auditors Report as read.

Shri Surinder Singh Kohli: Now, I request Shri Amal Sinha, CEO, BRPL, to brief the members about the operations of the Company during the FY 2019-20.

Shri Amal Sinha: Thank you much Kohli Sir. Good afternoon everyone. Hope you all are doing well.

Shri Amal Sinha: During the year under review, at operation levels, the Company met peak demand of 3211 MW in FY20 which was 4.2% higher than previous year levels of 3081 MW. The Customers base of the Company increased from 25.6 lacs in FY19 to 26.5 lacs in FY20 with an increase of about 3.9%. The T&D Losses of the Company have come down to 7.20% in FY20 which is subject to true up as against 8.09% in the previous year. The Collection efficiency was 98.33% during the FY20. The Company launched India's first Behavioural Energy Efficiency (BEE) program in association with Oracle Utilities & USTDA.

Shri Amal Sinha: As far as the financial performance is concerned, the total income of your Company was Rs 10,307 Crore for the financial year ended March 31, 2020, registering a decrease of about 1% as compared to Rs 10,387 Crore for the financial year ended March 31, 2019. The decrease is mainly on account of reduction in Tariff.

Shri Amal Sinha: The profit after tax of the Company was Rs 310 Crore for the financial year ended March 31, 2020, registering an increase of about 6% as compared to Rs 291 Crore in the financial year ended March 31, 2019.

During the year the Company took various initiatives to enhance customer's experience such as online recharge of prepaid meters through mobile wallets. Know your representative feature developed in mobile app. Digital capturing of Proof of delivery of bills. Auto debit of Demand Note payment in the first bill. Self meter reading through BSES Mobile App and Digital copy of bill over SMS link / WhatsApp which helped a lot during lockdown.

In the operation and maintenance side we did Project Lakshya which reduced the DT failure by 25% and Project Daksha which reduced the RMU & ACB failure by 25%. We have also started using covered conductor to avoid bird-age & enhance safety.

Shri Amal Sinha: We also undertook various HR initiatives and training programmes in which we conducted training of 18,974 mandays. Adapting new technologies, we did training program on Artificial Intelligence (AI), IOT & Block chain. We also conducted training specially for our O&M Linemen & AMC ALMs. A highly effective training program was conducted by the name IMPACT which is an in-house initiative to hone the skills of 25 young managers.

Shri Amal Sinha: Also we became a part of USAID's Engendering Utilities program in order to enhance opportunities for women and improve gender equality in the workplace.

Shri Amal Sinha: Safety of our employees is our top most priority and as a result of same this year there was Zero Fatal accidents with BRPL and its vendor employees. The Company received 10 recognitions including entry in India Book of Records as well Asia Book of Records. We also circulate daily Safety alerts / quotes / inspirational videos to bring awareness about safety among the employees.

Shri Amal Sinha: On the corporate social responsibility front, the total budget for CSR Activities for the financial year 2019-20 was Rs. 4.27 Cr. The amount was spent on various CSR activities such as Adult literacy centres for Women, Energy conservation in government/MCD Schools, Self-defense training for girls, tobacco de-addiction campaigns, eye-care, sanitation and women empowerment etc.

The Company donated for PPE kits and also distributed soaps and dry food during COVID-19

Shri Amal Sinha: I am happy to share that BRPL was awarded several prestigious awards during the year, some of them are: Diamond Award for “Most Reliable Supply of Electricity by Utility” in India by India Smart Grid Forum, “Best Utility Award” by Central Board of irrigation and Power (CBIP) Award 2020, Global Safety Awards by Energy and Environmental Foundation, “Best Governed Company Award” for Corporate Governance by ICSI, Star of the Industry Awards 2019 CSR Award for Community Development by Economics Times Now, ICC Award for Overall Best Performance by DISCOM by 13th India Energy Summit organized by Indian Chamber of Commerce, Best Organization Development Programme Award by National Human Capital Leadership Awards organized by ZEE Business, India and Global Sustainability Innovation Award 2019 by Oracle OpenWorld, US.

Shri Amal Sinha: With this I once again thank everyone. Stay safe stay healthy.

Shri Surinder Singh Kohli: Thank you, Mr. Sinha.

The shareholders may ask questions, if any, on financial statement and other agenda items.

Ms Padmini Singla: Shri Kohli I have a question on the accounts.

Shri Surinder Singh Kohli: Yes please.

Ms Padmini Singla: There is a difference in the Revenue shown in the Profit and Loss account as per Financial Statements and the Revenue collected shown in note no. 18, Regulatory deferral account balances forming part of the Financial Statements.

Shri Amal Sinha: The Revenue shown in the Profit and Loss Account of the Financial Statements are recognised in the Financial Books on accrual basis as per accounting principles whereas the Revenue collected shown in Note no. 18 is based on principles stated in respective MYT Regulations, Tariff order and other applicable guidelines issued by DERC from time to time. Accordingly, there will always be some reconciliation difference in the same.

The reconciliation of the same is as follows:

Particulars		Amount in Rs Crs
Total Income (As per Statement of Profit & Loss) -	(A)	10,306.97
Less:		
- Other operating Income (as per Note 37 of Financial Statement) - considered separately as Non Tariff Income as per DERC regulations		133.30
- Other Income (as per Note 38 of Financial Statement) - considered separately as Non Tariff Income as per DERC regulations		66.13

	(B)	10,107.54
- Bulk Sale of Power (as per Note 37 of Financial Statement)		59.43
- Open Access Income (as per Note 37 of Financial Statement)		<u>51.53</u>

	(C)	110.96
Revenue from Sale of Power (as per Note 37 of Financial Statement) (B-C)		9,996.58
Less:		
8% Surcharge recovery towards RA recognized by DERC - as per Tariff order is a part of gross revenue in Statement of Profit & Loss (Note 37) but considered separately in RA Note No 18 as Rs 728.88 Crs based on actual collection against Rs 732.44 Crs and reduced as recovery towards opening balance Revenue net off of 8% RA surcharge billed		732.44
		9,264.14
Add: Decrease in Unbilled		86.34
Net Revenue billed		9,350.48
Collection considered based on Collection Efficiency @ 99.5% - as per DERC as against 98.33% actual		9,303.73
Carrying Cost as per Tariff order is a part of gross revenue in Statement of Profit & Loss (Note 37) but considered separately in RA Note No 18 and reduced from carrying cost for the year		346.00
Revenue recoverable based on Energy billed		8,957.73
Less: T&D Incentive		95.59
Add: Income from OA		51.53
Revenue collection as shown in Note 18 - RA Deferral Account Balances		8,913.67

Note:

1. Collection is considered @ 99.5% collection efficiency against revenue billed as per DERC regulations against actual collection efficiency of 98.33%.
2. The above mentioned collections are subject to adjustments on account of carrying cost, T&D Incentive and Income from Open access as shown in above table.
3. 8% RA surcharge and carrying cost allowed by DERC are part of revenue as per Statement of Profit and Loss. However the same are shown separately in Note 18 of Financial Statement - 8% RA Surcharge on collection basis & carrying cost as allowed by DERC.

Ms Padmini Singla: Can you please quantify the amount of disallowance not considered in Regulatory Assets recognised in the Financial Statements of the Company as on March 31, 2020 in reference to the explanatory note being part of Note no. 18 i.e. Regulatory Deferral Account Balances?

Shri Amal Sinha: The Company has not recognised the disallowance of principal amount of Rs. 884 crore and carrying cost on the same as at March 31, 2020 against the disallowance by DERC vide its true up for various years as per its Tariff order dated September 29, 2015, August 31, 2017, March 28, 2018 and July 31, 2019. Based on the legal opinion taken by the Company, the impact of these disallowances, which are subject matter of appeal, has not been considered in the carrying value of Regulatory Deferral Account Balance as at March 31, 2020. The Company has preferred an appeal before Hon'ble APTEL against the said order, challenging issues that are contrary to statutory regulations, unjustified and arbitrary, DERC's own finding in previous tariff orders and regarding erroneous or non implementation of previous APTEL judgements.

The same has been explained in note no. 18 to the balance sheet.

Ms Padmini Singla: Thank you.

Shri Surinder Singh Kohli: Now, we shall proceed to items of agenda of this AGM.

The voting by the members who are present in the meeting shall be by show of hands.

Shri Surinder Singh Kohli: Item No. 19.1, I, place before the shareholders the resolution to adopt the audited financial statement of the Company for the financial year ended March 31, 2020 and the reports of the Board of Directors and Auditors thereon, as an ordinary resolution.

Shri Amarjeet Singh: I propose

Shri Nandkumar Deo: I second

Shri Surinder Singh Kohli: Those who are in favour of the resolution, please raise their hand

Shri Surinder Singh Kohli: I announce that the resolution is passed by requisite majority.

Shri Surinder Singh Kohli: Item No. 19.2, After the dispatch of AGM Notice, Reliance Infrastructure Limited intimated the Company vide its letter dated October 09, 2020, for the withdrawal of nomination of Shri Punit Narendra Garg from the Board of the Company w.e.f October 9, 2020. Shri Punit Narendra Garg also sent his resignation from the Board of the Company. Accordingly, the item mentioned in the AGM Notice in respect of his re-appointment as a Director has become null and void and shall not be put to vote.

Also note that Reliance Infrastructure Limited has not given any name to replace Shri Punit Narendra Garg as of now, therefore, the vacancy so arising out of withdrawal of nomination of Shri Punit Narendra Garg cannot be filled at this stage.

Accordingly, I, place before the shareholders the following resolution as ordinary resolution:

"RESOLVED THAT the vacancy arising due to withdrawal of nomination of Shri Punit Narendra Garg, director liable to retire by rotation by Reliance Infrastructure Limited be not filled."

Ms Udit Kumar: I propose

Shri Amarjeet Singh: I second

Shri Surinder Singh Kohli: Those who are in favour of the resolution, please raise their hand.

Shri Surinder Singh Kohli: I announce that the resolution is passed by requisite majority.

Shri Surinder Singh Kohli: Item No. 19.3, I, place before the shareholders the resolution for appointment of M/s. Ravi Rajan & Co. LLP, Chartered Accountants as Statutory Auditors of the Company, as an ordinary resolution.

Shri Nandkumar Deo: I propose

Ms Udit Kumar: I second

Shri Surinder Singh Kohli: Those who are in favour of the resolution, please raise their hand.

Shri Surinder Singh Kohli: I announce that the resolution is passed by requisite majority.

Shri Surinder Singh Kohli: Item No. 19.4, I, place before the shareholders the resolution for ratification of the remuneration payable to M/s Jitender, Navneet & Co., appointed as Cost Auditors of the Company for the financial year 2020-21, as an ordinary resolution.

Shri Amarjeet Singh: I propose

Shri Nandkumar Deo: I second

Shri Surinder Singh Kohli: Those who are in favour of the resolution, please raise their hand.

Shri Surinder Singh Kohli: I announce that the resolution is passed by requisite majority.

Shri Surinder Singh Kohli: Item No. 19.5, I, place before the shareholders the resolution for appointment of Shri Angarai Natarajan Sethuraman, nominee of Reliance Infrastructure Limited, as a Director of the Company, as an ordinary resolution.

Ms Udit Kumar: I propose

Shri Amarjeet Singh: I second

Shri Surinder Singh Kohli: Those who are in favour of the resolution, please raise their hand.

Shri Surinder Singh Kohli: I announce that the resolution is passed by requisite majority.

Shri Surinder Singh Kohli: Item No. 19.6, I, place before the shareholders the resolution for appointment of Shri Partha Pratim Sarma, nominee of Reliance Infrastructure Limited, as a Director of the Company, as an ordinary resolution.

Shri Nandkumar Deo: I propose

Ms Udit Kumar: I second

Shri Surinder Singh Kohli: Those who are in favour of the resolution, please raise their hand

Shri Surinder Singh Kohli: I announce that the resolution is passed by requisite majority.

Shri Surinder Singh Kohli: Item No. 19.7, I, place before the shareholders the resolution for appointment of Shri Jasmine Shah, nominee of Delhi Power Company Limited (DPCL), as a Director of the Company, as an ordinary resolution.

Shri Amarjeet Singh: I propose

Shri Nandkumar Deo: I second

Shri Surinder Singh Kohli: Those who are in favour of the resolution, please raise their hand.

Shri Surinder Singh Kohli: I announce that the resolution is passed by requisite majority.

Shri Surinder Singh Kohli: Item No. 19.8, I, place before the shareholders the resolution for appointment of Shri Umesh Kumar Tyagi, nominee of Delhi Power Company Limited (DPCL), as a Director of the Company, as an ordinary resolution.

Ms Udit Kumar: I propose

Shri Amarjeet Singh: I second

Shri Surinder Singh Kohli: Those who are in favour of the resolution, please raise their hand.

Shri Surinder Singh Kohli: I announce that the resolution is passed by requisite majority.

Shri Surinder Singh Kohli: Item No. 19.9, I, place before the shareholders the resolution for appointment of Shri Naveen ND Gupta, nominee of Delhi Power Company Limited (DPCL), as a Director of the Company, as an ordinary resolution.

Shri Nandkumar Deo: I propose

Ms Udit Kumar: I second

Shri Surinder Singh Kohli: Those who are in favour of the resolution, please raise their hand.

Shri Surinder Singh Kohli: I announce that the resolution is passed by requisite majority.

Shri Surinder Singh Kohli: Item No. 19.10, I, place before the shareholders the resolution for appointment of Ms. Ryna Zaiwalla Karani, as an Independent Director of the Company for a second term of five years, as a special resolution.

Shri Amarjeet Singh: I propose

Shri Nandkumar Deo: I second

Shri Surinder Singh Kohli: Those who are in favour of the resolution, please raise their hand.

Shri Surinder Singh Kohli: I announce that the resolution is passed by requisite majority.

Shri Surinder Singh Kohli: Item No. 19.11, I, place before the shareholders the resolution for appointment of Shri Ajit Keshav Ranade, as an Independent Director of the Company for a second term of five years, as a special resolution.

Ms Udit Kumar: I propose

Shri Amarjeet Singh: I second

Shri Surinder Singh Kohli: Those who are in favour of the resolution, please raise their hand.

Shri Surinder Singh Kohli: I announce that the resolution is passed by requisite majority.

Shri Surinder Singh Kohli: Item No. 19.12, I, place before the shareholders the resolution for appointment of Shri Anjani Kumar Sharma, as an Independent Director of the Company for a second term of five years, as a special resolution.

Shri Nandkumar Deo: I propose

Ms Udit Kumar: I second

Shri Surinder Singh Kohli: Those who are in favour of the resolution, please raise their hand.

Shri Surinder Singh Kohli: I announce that the resolution is passed by requisite majority.

Shri Surinder Singh Kohli: Item No. 19.13, I, place before the shareholders the resolution for appointment of Shri Amal Sinha as Chief Executive Officer designated as Manager of the Company u/s 2(53) of the Companies Act, 2013 for a period of 2 years, as an ordinary resolution.

Shri Amarjeet Singh: I propose

Shri Nandkumar Deo: I second

Shri Surinder Singh Kohli: Those who are in favour of the resolution, please raise their hand.

Shri Surinder Singh Kohli: I announce that the resolution is passed by requisite majority.

Chairperson: There being no other agenda items, I hereby conclude the meeting. Thanks to all of you!

I request Shri Pankaj Tandon to give vote of thanks.

Shri Pankaj Tandon, Company Secretary:- I would like to take this opportunity to place on record our heartiest thanks to Shri Surinder Singh Kohli, Chairperson of this meeting for providing his support and guidance in conducting this meeting.

Further, I also extend my thanks to all the Shareholders, Directors, and all the other participants for gracing their presence in the meeting.

Thank you and stay safe!!