

BSES Yamuna Power Limited

19th ANNUAL GENERAL MEETING

DAY, DATE AND TIME: SATURDAY, 24TH DAY OF OCTOBER 2020 AT 3:30 P.M.

Shri Suresh Kumar Agarwal, Company Secretary: - Good Afternoon everyone! This is Suresh Kumar Agarwal Company Secretary of BSES Yamuna 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 Virendra Singh Verma: I propose to elect Shri Surinder Singh Kohli, Independent Director, as Chairperson of this Meeting.

Ms. Ryna Zaiwalla Karani: I, second.

Shri Virendra Singh Verma: Now, I request Shri Surinder Singh Kohli to take the chair.

Shri Surinder Singh Kohli : 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 Yamuna 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 Gopal K. Saxena: I am able to clearly see and hear the other participants.

Shri Vijay Mathur: I am able to see and hear all other participants.

Shri Alok Roy: I am able to see and hear all the other participants.

Shri P.K. Malik, representative of DPCL: Yes I can clearly hear and see.

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

Shri Surya Shankar Banerji, representative of R-Infra: Yes I can clearly see and hear the other participants.

Shri Nand Kumar Deo: Yes, I can hear and see all

Ms. Udit 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 Suresh Agarwal, 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 VS Verma, Director
- ✓ Shri Angarai Natarajan Sethuraman, Director
- ✓ Shri Partha Pratim Sarma, Director

Shri Prem R. Kumar, Chief Executive Officer
Shri Surya Shankar Banerji, Chief Financial Officer
Shri Suresh Kumar Agarwal, Company Secretary

Shri Surinder Singh Kohli: Shri Raj Kumar Agarwal, Partner, M/s. Haribhakti & Co., LLP, Statutory Auditors and Shri Ashok Kumar Verma, from A. K Verma & CO. Secretarial Auditor are present in the meeting.

Leave of Absence is granted to Shri Naveen ND Gupta, Shri Anjani Kumar Sharma and Shri Jagjeet Singh Deswal.

The Register of Members and other Statutory Registers as required by law are open for inspection by the members.

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 is available with you.

With your permission, I take the Notice of the Meeting, Board Report and Auditors Report as read.

Now, I request Shri Prem R Kumar, CEO BYPL, to brief the members about the operations of the Company during the FY 2019-20.

Shri Prem R Kumar : Thankyou Shri Kohli

I welcome you all to the 19th Annual General Meeting of BSES Yamuna Power Limited.

I want to thank you for taking the time out, to join us today. We meet in this virtual mode because we are living through extraordinary times.

The COVID-19 pandemic continues to influence our lives and the economy. It has disrupted our collective sense of "Normal" and this virtual AGM is one of the proof that we all have smoothly adopted the "New Normal".

Employee safety was the first priority of the BYPL management and hence we ensured best possible medical and logistic support to the employees. Swift arrangements for our employees to work

effectively from home were made. For the field staff, presence was minimized for essential tasks only and that too with the detailed safety SOPs of operations.

Turning to BYPL's operational and financial performance in FY 20. Our business recorded improvements in all major parameters. Let me share some of the highlights of the year: -

T&D losses reduced to 7.31%; reduction of 2.0% over LY and around 45% since our inception. Successfully met highest ever peak demand of 1,653 MW with 99.9% system availability.

In FY 2019-20, we added about 50,000 new customers (an increase of 2% over last FY). Now, BYPL has over 17.3 lakh customers in its license area.

Safety at BYPL has always been an integral focal point of our journey towards excellence. In FY 2019-20, we achieved our goal of zero fatalities of the employees.

EBIDTA (with RA) of Rs. 1521 Cr. vis-a-vis Rs 1373 Cr. in FY19, an increase of 11%. BYPL registered Profit after Tax (PAT) of Rs. 218 Cr as against Rs. 172 Cr. in FY19 (>26%). Aggregate Net Block including current work in progress (CWIP) stood at Rs. 2,382 Cr.

It is also my pleasure to submit that the company received several international and national awards and accolades on the merit of its sustained operation excellence.

At International level, BYPL won British Safety Council Award 2019 and ICQCC 2019 Award by QCFI for QC/5S Projects.

National level- IMC Ramakrishna Bajaj National Quality Award 2019, Safety Innovation Award 2019, National Convention on Quality Concepts (NCQC 2019), and many more.

On the sustainability outlook, BYPL has been conducting various 'Green' programs in an attempt towards Carbon Footprint reduction such as:-

522 Solar Roof Top connections (22.5MW). Of this, over 200 connections (~5MWp) were energized during FY20 alone.

For its customers, BYPL, under the equipment exchange program replaced over 1500 inefficient ACs with energy efficient BEE 5 star rated ACs

Under CSR initiatives, BYPL has spent Rs 1.61 Cr during FY20 on various activities. Under CSR initiatives, BYPL has spent Rs 1.61 Cr during FY20 on various activities. Under CSR initiatives, BYPL has spent Rs 1.61 Cr. during FY20 on various activities.

CHALLENGES AND THE WAY FORWARD

For financial sustainability, there is a strong need to liquidate RA (Rs. 8,657 Cr.) and work towards power purchase overdue reduction (Rs. 3,106 Cr.) and resolve LPSC issue of Rs. 3,984 Cr. (till Mar, 2020)

To obtain cost reflective tariff to sustain smooth business and operations.

Sustaining AT&C loss level of 8.65% & reducing it further would require considerable efforts & resources.

Maintaining system availability of 99.9%, especially in the congested areas where there is paucity of space for network augmentation.

Before I conclude, I would like to acknowledge the support of all the stakeholders including the Central and State Govt, our suppliers and contractors, customers, auditors and above all the shareholders. I would like to take this opportunity to thank all those who have supported and guided us during the year.

I also thank all the distinguished members of our Board for their continued support and guidance. Last, but not the least, I would like to thank all employees of BSES Yamuna Power Limited for their high level of motivation, commitment and hard work. Please stay healthy and safe.

With this I once again thank everyone. Stay safe stay healthy.

Shri Surinder Singh Kohli: Thank you, Shri Kumar.

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 : Please elaborate about the difference in the Revenue shown in the Profit and Loss account as per Financial Statements and the Revenue collected as shown in note no. 18, Regulatory deferral account balances forming part of the Financial Statements.

Shri Prem R. Kumar : 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
Total Income (As per Statement of Profit and Loss) (A)	5,502
Less:	
- Other Operating Income (as per Note 36 of Financial Statement) - considered separately as Non Tariff Income as per DERC Regulations	69
- Other Income (as per Note 37 of Financial Statement) - considered separately as Non Tariff Income as per DERC Regulations	33
(B)	5,399
- Bulk Sale of Power (as per Note 36 of Financial Statement)	168
- Open Access Income (as per Note 36 of Financial Statement)	11
(C)	179
Revenue from Sale of Power (as per Note 36 of Financial Statement) (B - C)	5,220
Less:	

8% Surcharge recovery towards RA recognised by DERC - as per tariff order is a part of gross revenue in the Statement of Profit and Loss (as per Note 36 of Financial Statement) but considered separately in RA Note No. 18 as Rs. 376.64 Cr based on actual collection against Rs. 380.07 Cr. and reduced as recovery towards opening balance	380
Revenue net off of 8% RA surcharge billed	4,840
Add: Decrease In Unbilled Revenue	50
Net Revenue billed	4,890
Collection considered based on collection efficiency @ 99.50% - as per DERC Regulation as against 98.55% actual	4,866
Carrying Cost as per Tariff order is a part of gross revenue in Statement of Profit and Loss (as per Note 36 of Financial Statement) but considered separately in RA Note no. 18 and reduced from carrying cost for the year	228
Revenue recoverable based on Energy billed	4,638
Less: T&D Incentive	66
Revenue collected as shown in Note 18 - Regulatory Deferral Account Balances	4,572

Note:

1. Collection is considered @ 99.50% collection efficiency against revenue billed as per DERC regulations against actual collection efficiency of 98.55%
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.

Related Note forming part of the Audited Financial Statements for FY 2019-20 are reproduced below:

Note- 18 Regulatory Deferral Account Balances	Amounts in ` Crores	
	As at March 31, 2020	As at March 31, 2019
Tariff Adjustment Account	8,656.86	8,074.07
Deferred Tax associated with Regulatory Deferral Account Balances	-	-
	8,656.86	8,074.07
Tariff Adjustment Account		
Opening Balance (A)	8,074.07	8,122.27
Revenue GAP during the year		
Cost		
Power purchase cost	3,261.08	3,279.24
Others (Includes other costs and charges in accordance with MYT Regulations, Tariff Orders from DERC and orders of Appellate Authorities)	1,191.19	991.14
Carrying Cost for the year	1,026.35	1,012.50
Less: Carrying cost recovered during the year through tariff	228.00	306.81
(B)	5,610.62	4,976.07
Revenue		
Revenue Collected	4,572.21	4,542.59
Non Tariff Income	78.98	99.23
(C)	4,651.19	4,641.82
Income recoverable/(reversible) from future tariff / Revenue gap for the year		

	(D)=(B)-(C)	959.43	334.25
8% surcharge collected during the year			
- Recovery towards opening balance*	(E)	376.64	382.45
Net Movement during the year	(F)=(D-E)	582.79	(48.20)
Tariff Adjustment Account	(A+F)	8,656.86	8,074.07
Related Deferred Tax on Regulatory Deferral Account Balances		(682.73)	(188.04)
Deferred Tax Associated with Regulatory Deferral Account Balances			
Opening :- Deferred Tax Liability		(188.04)	(84.76)
Add: Deferred Tax (Liabilities) during the year		(494.69)	(103.28)
Less: Recoverable from future tariff		682.73	188.04
	(G)	-	-
Balance as at the end of the year Total	(A+F+G)	8,656.86	8,074.07

Note- 36 Revenue From Operations	Year Ended March 31, 2020	Year Ended March 31, 2019
A) Sale of Power		
Gross Revenue from Sale of Power	5,599.40	5,704.71
Less: Tax on Electricity	199.07	191.21
Less: Pension Trust Surcharge Recovery (Refer Note 58)	180.07	181.57
Net Revenue from Sale of Power	5,220.26	5,331.93
(In the current year, Net Revenue from Sale of Power includes ` 380.07 crores (March 31, 2019 - ` 383.46 crores) billed against 8% surcharge allowed for recovery of opening Revenue Gap.		
B) Bulk Sale Of Power	167.74	499.33
C) Open Access Income	11.31	1.12
D) Other Operating Revenue		
(i) Service Line Deposits and Development Charges	22.39	22.23
(ii) Delayed payment charges (LPSC)	16.55	16.01
(iii) Electricity Tax Collection Charges	5.90	5.76
(iv) Consumer Contribution For Capital Works and APDRP	17.53	16.76
(v) Miscellaneous Operating Income	6.71	5.91
Total	69.08	66.67
Total (A+B+C+D)	5,468.39	5,899.05

Note – 37 Other Income	Year Ended March 31, 2020	Year Ended March 31, 2019
Interest		
- Fixed Deposits	9.04	6.71
- Others	-	14.43
Total	9.04	21.14
Sale of Scrap	4.27	5.38
Street Light Maintenance & Material Charges (Net)	2.61	6.13
Excess Provisions written back	-	19.62
Bad Debts Recovered	2.10	2.52
Profit on sale of fixed assets	7.56	-
Other Miscellaneous Income	7.61	9.10
Total	33.19	63.89

Ms. Padmini Singla,: Also 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 Prem R. Kumar : The Company has not recognised the disallowance of principal amount of Rs. 1287 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.

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

Ms. Padmini Singla: Thank you.

Shri Surinder Singh Kohli: Since, there were no other queries from the members the meeting shall proceed with agenda items:

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

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 Surya Shankar Banerji: I propose

Shri Nandkumar Deo: I second

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

I announce that the resolution is passed by requisite majority.

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 Surya Shankar Banerji: I second

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

I announce that the resolution is passed by requisite majority.

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.

I announce that the resolution is passed by requisite majority.

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 Surya Shankar Banerji: I propose

Shri Nandkumar Deo: I second

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

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 Surya Shankar Banerji: I second

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

I announce that the resolution is passed by requisite majority.

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.

I announce that the resolution is passed by requisite majority.

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 Surya Shankar Banerji: I propose

Shri Nandkumar Deo: I second

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

I announce that the resolution is passed by requisite majority.

Item No. 19.8, I, place before the shareholders the resolution for appointment of Shri Jagjeet Singh Deswal, nominee of Delhi Power Company Limited (DPCL), as a Director of the Company, as an ordinary resolution.

Ms. Udit Kumar: I propose

Shri Surya Shankar Banerji: I second

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

I announce that the resolution is passed by requisite majority.

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

I announce that the resolution is passed by requisite majority.

Before proceeding to the next item I would like to inform the shareholders that I being interested person in this Agenda Item will leave the position of Chairperson and I request Shri Virendra Singh Verma to act as Chairperson of the meeting for the next agenda item.

Shri Virendra Singh Verma: Thank you ... Shri Surinder Singh Kohli.

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

Shri Surya Shankar Banerji: I propose

Shri Nandkumar Deo: I second

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

I announce that the resolution is passed by requisite majority.

I now leave the position of Chairperson and request Shri Surinder Singh Kohli to act as Chairperson for the meeting.

Shri Surinder Singh Kohli: Thank you ... Shri Virendra Singh Verma.

Shri Surinder Singh Kohli: Item No. 19.11, 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.

Ms. Udit Kumar: I propose

Shri Surya Shankar Banerji: I second

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

I announce that the resolution is passed by requisite majority.

Item No. 19.12, 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.

Shri Nand Kumar Deo: I propose

Ms. Udit Kumar: I second

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

I announce that the resolution is passed by requisite majority.

Item No. 19.13, 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 Surya Shankar Banerji: I propose

Shri Nandkumar Deo: I second

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

I announce that the resolution is passed by requisite majority.

Item No. 19.14, I, place before the shareholders the resolution for appointment of Shri Prem R. Kumar 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.

Ms. Udit Kumar: I propose

Shri Surya Shankar Banerji: I second

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

I announce that the resolution is passed by requisite majority.

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

I request Shri Suresh Kumar Agarwal to give vote of thanks.

Shri Suresh Kumar Agarwal, 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!!