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TATA POWER-DDL



Sustainability Report 2017



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CEO & MD's Statement



Tata Power-DDL has been continuously improving over the years since its inception in 2002, and has attained AT&C Loss level of 8.59% in FY17 from 53% in 2002, ensured 24X7 reliable and quality power supply to our customers along with customer-friendly services, ensured inclusive growth of community through outreach programs, etc. and has established itself as one of the top Global utilities.

Dear Readers

It is my pleasure to present the first sustainability report FY 2016-17 of Tata Power-DDL highlighting its economic, environmental and social performance. Through this report we endeavour to provide a better understanding to all stakeholders regarding our sustainable development agenda. Tata Power-DDL is publishing its first Sustainability Report which provides glimpses of its initiatives on the Governance, Strategic and Innovation fronts to make the company and the sector more sustainable.

Power is the key to the development of a country. However, around 400 million people in India still don't have access to electricity and those who get supply also face frequent power cuts and voltage issues. In view of this, distribution of electricity, in the last few years has captured the attention of policymakers and has witnessed a transformation with progressive policy-level changes such as UDAY, the opening of Distribution Franchisee opportunities, Make In India etc, providing ample opportunities for improvement. The two biggest National Challenges in Distribution Sector are very high Aggregate Technical & Commercial (AT&C) losses hovering at an average of 25% (wherein most of the utilities are still at around 40%) and non-cost reflective tariff.

Tata Power-DDL has been continuously improving over the years since its inception in 2002, and has attained AT&C Loss level of 8.59% in FY17 from 53% in 2002, ensured 24X7 reliable and quality power supply to our customers along with customer-friendly services, ensured inclusive growth of community through outreach programs, etc. and has established itself as one of the top Global utilities.

Some of the years have been very challenging in terms of Regulatory and Political regime, unprecedented and prolonged heat wave, extreme storms, with little or no tariff



hike. Despite all odds, Tata Power-DDL has attained some extraordinary achievements such as lowest ever AT&C Loss of 8.59% in March 2017, a significant increase in Customer Delight and Employee Engagement and embarked on its Integrated Smart Grid Journey (first time in India). It has successfully managed to meet the peak power demand of 1791 MW in FY 2017-18 (highest ever) and ensured supply reliability of more than 99.6%. Tata Power-DDL is proactively working to bring in more efficiencies into the system and opening up its revenue stream through collaborating with technology and institutional partners.

During our 15 years of journey, Information and Operation Technology has played a critical role in transforming the organization and has yielded world-class results in terms of bringing efficiency into the system and enhancing customer experience. Key IT initiatives include automation of substations through Supervisory Control And Data Acquisition (SCADA), Advance Distribution Management System (ADMS), 24x7 Mobile Maintenance & Breakdown crew, Outage Management System (OMS), Integrated Geographical Information System (GIS), System based Network and Power Procurement Planning, Fault Diagnosis and Residual Life Assessment, Automated Meter Reading (AMR), Advanced Metering Infrastructure (AMI), SAP-ISU, Field Force Automation, etc.

In future, our theme would revolve around "Sustained Power and Service". The same has been well incorporated in our revised Vision, which is presented in the following pages, with the objective of not only sustaining and improving our services to meet world-class benchmarks through product and process innovation, but also acknowledging the fact that the sector is to undergo a significant change in the coming years with the enhanced focus on integration of renewable energy into the grid, E-mobility, Energy Efficiency, Digitization, moving towards Smarter Grid and Smarter Appliances at household levels, etc.

While the company is facing significant challenges both inside and outside the company, including that of liquidation of regulatory overhang, cost optimization, safety, etc., we are confident of overcoming these challenges in near future based on the robust roadmap chalked out as part of the short-term and long-term strategy of the company. In view of these changing external environment and Policy Mandates at the National and Local level and aspirations of the organization to grow beyond existing boundaries/ business avenues, Tata Power-DDL has revised its Vision and Mission. The focus would be to venture into upcoming market opportunities while creating a culture comprising wellness, safety, security, learning, happiness and fun for our employees. To promote people's perspective, the organizational value system will induce collaboration, inclusion and meritocracy. Tata Power-DDL, through this forward-looking approach, has created a space for itself as a technology leader in the Distribution Sector.

Being a Tata Group company, we also focus on development of the society, and under the umbrella of "Saathi" programme have taken a large number of initiatives to impact the life of the community we work in. These initiatives are strategic and are leading to Socio-Economic Empowerment of Women and Children, thereby leading to long-term sustainable growth.

The various stakeholders of the company have been very supportive in the journey of last 15 years. We look forward to suggestions and feedback to make the company more robust and sustainable in future.

Praveer Sinha
CEO & MD, Tata Power-DDL



About TATA POWER-DDL



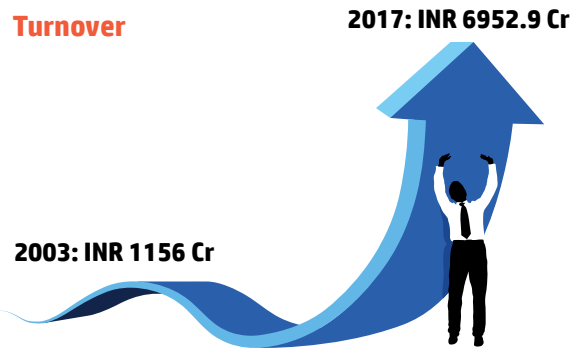
Tata Power-DDL (earlier North Delhi Power Limited) was incorporated in July 2002 as a JV of Tata Power (51%) and Government of National Capital Territory of Delhi (49%) on the Public-Private Partnership (PPP) model.

Tata Power-DDL took over the license to distribute electricity to the North & North West part of Delhi, India through a competitive bidding process initiated to reform the distribution sector in Delhi, wherein the erstwhile DVB was unbundled into five entities. The company changed its name from North Delhi Power Limited to Tata Power Delhi Distribution Ltd. in November 2011. The new name, while signifying Tata Power-DDL's direct relationship with the Tata Power Company Limited, allows the company to significantly leverage its Tata lineage for enhancing sustainability and growth of business.

Tata Power-DDL's utility business is governed by the provisions of the license issued by DERC for distribution and retail supply of electricity in North & North West Delhi for a period of 25 years. DERC regulates the working of the entire power sector of the Delhi state, including determination of tariff chargeable to end customers and establishing performance norms (mainly related to loss reduction, reliability of power supply and customer service delivery). The targets are set by DERC after taking into account past performance, existing levels and current operating environment - ground realities and prevailing norms for other power distribution utilities across India.

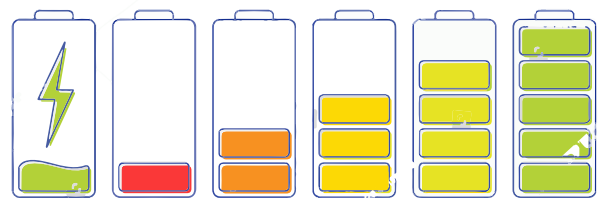
In an environment where power distribution utilities across the country are reeling under heavy losses and experiencing acute power shortages and quality issues, Tata Power-DDL has consistently over achieved its targets and scripted an unprecedented turnaround story. In a span of 15 years, the AT&C loss levels have been reduced from 53% to 8.59% (a decline of 84% as against a countrywide average of 24%) - showcasing one of the few success stories of the PPP model, post implementation of distribution reforms. Besides, major

Turnover



Peak Load

| | |
|-------------|----------------|
| 2002 | 930 MW |
| 2017 | 1791 MW |



AT&C Loss

| | |
|-------------|--------------|
| 2002 | 53% |
| 2017 | 8.59% |



Employee Base

| | |
|-------------|-------------|
| 2002 | 5600 |
| 2017 | 3547 |



Customer Base

| | |
|-------------|---------------|
| 2002 | 0.7 Mn |
| 2017 | 1.6 Mn |



improvements have happened in the reliability of network and customer services. The key differentiating factor has been the optimal and effective deployment of technology interventions through comprehensive roadmaps and people development. Over the years, the company has received accolades in multiple areas like innovation, operational efficiency, safety, corporate social responsibility/social innovation, BSC & GIS implementation, policy advocacy, etc.

In the licensed area, the current growth rate of customers is 5% and new product and service offerings like roof top solar, ESCO, home automation and energy management products, etc. are being focused upon as future growth prospects.

Tata Power-DDL is also leveraging its core competencies and creating new business opportunities to offer value-added services outside its licensed area through the Business Development Group, which provides end-to-end solutions to other power utilities in areas of IT & OT Consultancy & Implementation, Project Management Services/Distribution infrastructure/process improvement, Revenue Management System, Capacity Building, Energy Management Services and Solar Project Implementation. The Business Services Group is working towards implementing innovative ideas with major focus on Rooftop Solar Projects, ESCO Projects, E-Mobility charging solutions, Home Automation and Energy Management, "Smart Model Village" initiative and supporting BD in external ventures.

Tata Power-DDL's change management experience, distributed leadership system, adoption of latest technology; robust competence development process and innovative & open work culture has helped in building and sustaining competitive advantage in the changing business scenario.

The World Bank in its 'Doing Business' Report has acknowledged Tata Power-DDL's contribution towards improving the ease of getting electricity connection through process simplification improving India's ranking twice, by 111 points from 137 in 2015 to 26 in 2017.

Tata Power-DDL is the only utility in the country to have been empanelled by the Power Finance Corporation, Govt. of India's nodal implementation agency for its Restructured Accelerated Power Development and Reforms Program (R-APDRP), as IT Consultant and SCADA Consultant. It is also empanelled with the Rural Electrification Corporation as System Consultant/IT and Energy Auditing and is currently providing consultancies to various national and international utilities on IT/SCADA implementation.

Tata Power-DDL has implemented Integrated Management System which integrates all our systems (ISO 9001, ISO 14001, SA 8000, OHSAS 18001, ISO 27001, ISO 22301, and ISO 31000) and processes into one framework. It is also a signatory to the United Nations Global Compact (UNGC) COP and furnishes its reports on a regular basis.

The company believes in improving the electricity sector in the country and is a member of various committees set up by the Ministry of Power which include the Committee for finalization of proposed Amendments to the Electricity Act 2003, Committee to examine the Financial Viability and Restructuring of Discoms, Empowered Committee and Technical Committee for National Smart Grid Mission to monitor policy and programs related to Smart Grid activity in India, Committee to revise National Electricity Policy, etc.

It also has representations in Delhi Dialogue Commission's Empowered Committee for formulation of Solar Policy under the Chairmanship of Chief Secretary, Govt of Delhi, Forum of Regulators Advisory group on Separation of Carriage and Content as part of amendment to Electricity Act, 2003, FICCI Task Force on Smart Cities, CII Regional Committee on Power Reforms and Renewable Energy, Association of Electricity Supply Industry of East Asia and Western Pacific, CII Northern Regional Power Committee and CII National Committee on Power Sector Reforms, Smart Utility Group (SUG) under the patronage of India Smart Grid Forum, CEO Utility Forum on Demand Side Management (DSM) and Central Board of Irrigation & Power.

Tata Power-DDL is the first Indian utility to be a member of Global Intelligent Utility Network Coalition (GIUNC) which is a coalition of 14 power utilities worldwide and is working towards accelerating the development of common standards, technology solutions and processes for intelligent networks.

Supply Chain Management

Tata Power-DDL's Supply Chain Management is based on the philosophy of providing right material of right quality to its internal customers at right time and at the right price. The complete Supply Chain is managed through documented processes which are implemented and monitored in SAP. The Materials Management department is responsible for materials planning (both CAPEX & OPEX), Inventory Management, Store Operations (Includes Warehouse Management & Door Delivery) & Scrap Management. The reordering level and minimum inventory level is defined every year as per usage, consumption pattern, lead time and standard deviation.

Tata Power-DDL has used the SAP landscape to put in place a Green Procurement System including all activities – right from planning to contract closure. This involves Software driven Indenting, Processing of Tenders through SAP-SRM including Reverse Auctions, Approvals through Adobe Interactive User Forms, issuance of digitally signed Orders, Material Dispatch Clearance Certificate and Material Utilization Clearance Certificate. In addition to the automation of purchase processes, Tata Power-DDL has also automated the Scrap Sale process using the SAP landscape.

The selection of suppliers/vendors is done through a transparent tendering process which is guided through a standard defined Procurement Manual based on DERC issued procurement guidelines. The Qualifying Requirement(s) for all major equipment have been consolidated based on learnings and feedback obtained from all processed tenders. New bidders have to necessarily undergo the process of Vendor Appraisal. The e-procurement solution implemented at Tata Power-DDL has provided benefits like enhanced transparency, reduction in cycle time, improved audit trail, process efficiencies and effectiveness. The Contracts with the Suppliers have defined GCC, SCC, SLAs, safety, ethics and service quality related parameters and norms. The performance of the supplier/vendor is measured against the stipulated parameters & provisions of GCC, SCC, SLAs etc. Supplier performance is regularly monitored through a feedback mechanism and shared with the vendors through channels such as BA Meets, letters, emails, etc. The Contractor Safety Management system requires each vendor to establish effective safety management system. Safety incentives and punitive measures are clearly defined in Contractor Safety Management to promote safe practices at worksites & other associated locations.

As the company is engaged in distribution of electricity in North and North-West Delhi, it undertakes significant capital expenditure to develop the electrical network in the area.

CAPEX Incurred

FY 2017 495.96 Cr

FY 2016 350.06 Cr

In FY 17, Tata Power-DDL had a total customer base of 15.9 lacs, the break up of which is:

| Micro segment | Xpress (Major Industrial customers) | Key Consumer Group (Industrial & Commercial customers) | High Revenue Base (Small Industries) | High Consumer Base (Domestic customers) | Special Consumer Group (Slum cluster customers) |
|------------------|--|---|---|--|--|
| No. of Consumers | 268 | 1,599 | 72,426 | 13,09,804 | 1,96,150 |

Our Vision



To be the most trusted and admired provider of reliable, competitive and sustainable power and services using technology and innovative solutions and be the utility of choice for all stakeholders.

Our Mission

Innovate to deliver World Class Services to the consumers

Creating Benchmarks to become a Global Utility Leader with Energy Efficient Services and Clean Energy Solutions

Achieve Excellence through Safety, Technology Adoption, Collaborations and Teamwork

Reach out and Engage in Community Development Programs and initiatives

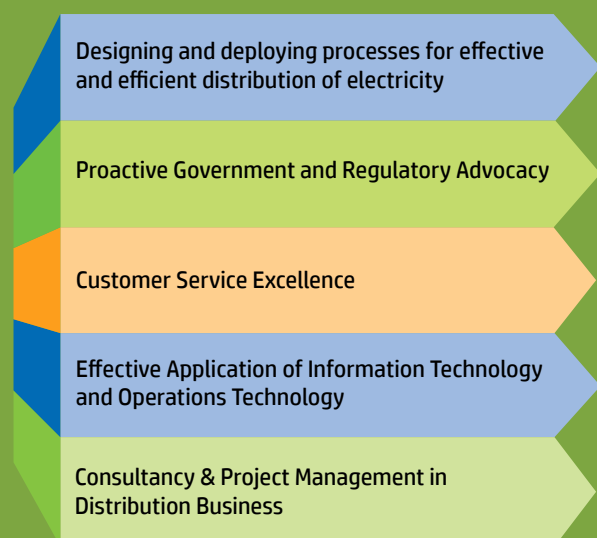
Empower Employees, enrich Creativity and enhance Learning



Our Values



Our Core Competencies



Our Emerging Core Competencies



Key Strategic Challenges

Tata Power-DDL has developed a long term technology roadmap to make itself future ready. With a view to promote Green Energy in line with the National Mission, Tata Power-DDL is working with its customers for promoting smart and Energy efficient appliances, demand side management and establishment of solar rooftop generation in its area. Apart from the mapping exercise, the Triple Bottom Line approach embedded in the Balanced Score Card format of strategy deployment revalidates that all stakeholders' interests have been balanced. Tata Power-DDL has introduced an additional Social Perspective in its BSC in addition to the conventional

perspectives of Financial, Customer, Internal Process, Learning & Growth to ensure dedicated approaches towards enriching its community and environment. Decisions taken in the Board meetings take care of all stakeholders and pre approval of the initiatives is also taken from the DERC who is also a custodian of customer's interest. Community interest is also factored in through Tata Power-DDL's CSR initiatives and Affirmative Actions. Triple Bottom line approach also ensures that climate change needs of stakeholders are addressed. Regular BSC reviews ensure that all stakeholder needs are met in a balanced manner.

Data Collection and Analysis for Addressing Key Factors

| Key Factor to be addressed | Sources of Data | Data Collection Methods | Data Analysis Performed |
|-------------------------------------|---|--|---|
| Strategic Challenges and Advantages | BSC, Departmental MIS, PESTLE, Sector Reports, Stakeholder Expectations, CDS, BASS and ESS, Regulatory Scan, Newsletters (Infraline, Energy Business), Benchmarking, GIUNC Meets, Technology Reports, BA Collaborations, External conferences and Peer Exchange Programs, Proposals from vendors, Process Benchmarking Analysis Reports (CRISIL, ICRA), ISGF Meeting/Reports, Report of various Govt. bodies like MoP, DHI, Niti Aayog etc. | Surveys, Paid and Free Subscriptions to secondary information sources, Feedback, Review MoMs, Interactions with stakeholders, Utility interactions, Industry seminars, Coalition Meets, Regulatory Websites, Customer Meet | Trend Analysis and Variance Analysis of internal performance, Comparative Analysis of Regulation, Performance, CSI, ESI and BASS Analysis, SWOT, PESTLE, VOC Analysis, VOE Analysis, Sensitivity Analysis |
| Organizational Risks | GRI Guidelines, UN Global Compact, CSR Report from other companies, SWOT, Regulations, Policy Changes, learning from Collaboration Pilots | Website Scan, Newsletters, Regulatory Interactions, Seminars, Industry Discussions | Risk Assessment, Scenario Analysis, Opportunity Analysis |
| Potential Blind Spots | Sector Reports, PFC Report, Planning Commission Report, Regulations, FoR, Competitive Analysis, Stakeholder Expectations Analysis, GIUNC Interactions, Strategic Alliances, ISG Seminars, Conferences, learning from Collaboration Pilots | Website Scan, Newsletters, Regulations, CDS, ESS, BASS Surveys, Interaction with Regulations, Strategic Partners, Interaction with stakeholders, Subscriptions | Impact Assessment, Core Competency Analysis |
| Regulatory Environment Changes | White papers from Regulatory Bodies (CERC, DERC), GIUNC Interactions, ISGW interactions, MoP, MNRE Interactions, SECI, CEA, CII, DHI, DST Meetings | Website Scan, Interactions, Seminars, Industry Discussions | Risk Assessment, Scenario Analysis |



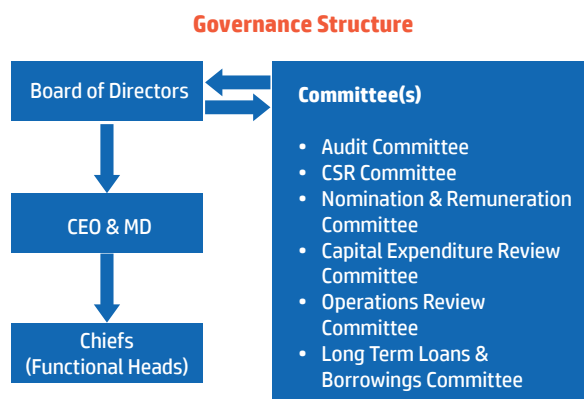
Governance & Sustainability



Tata Power-DDL is a JV between Tata Power and the Delhi Govt., with Tata Power holding 51% equity and GONCTD. holding the balance 49% through its Holding Company, Delhi Power Company Limited (DPCL). The company is thus, a subsidiary of Tata Power which has management control by virtue of the Share Holder Agreement. The constitution of the Board of Directors, management structure and the operations of the company flow from the Companies Act 2013, Shareholders Agreement between Tata Power and the DPCL and the Memorandum and Articles of Association of the Company. Any transfer of shares by Tata Power or DPCL other than to its Group Company or to any other Govt. entity respectively requires 'right of first refusal' to be offered to the other shareholder.

The Board's mandate is to provide and oversee Tata Power-DDL's strategic direction, review corporate performance, authorize and monitor strategic investments, ensure regulatory compliance and safeguard interests of stakeholders. The Board has vested executive powers with the Company's Management, under the leadership of CEO&MD, through formal document for Schedule of Authorities (SoA) & Power of Attorney (PoA). The Board of Directors reviews the consolidated status of actions taken by the Management through the mechanism of Action Taken Report in respect of directions given by the Board in previous meetings. Minutes of all Meetings of various Committees of the Board are put up before the Board for information and review. Day-to-day operations of the company are managed by CEO&MD and other SLT members. SoAs specifying Delegation of Power (DoP) at various levels and significant policies have been approved by the Board.

The management presents the KPIs derived from Corporate BSC (eg, Financial performance, Reliability of supply, AT&C Loss, CAPEX, HR/Customer related KPIs, Power Procurement Arrangements - Short/Long Term etc), safety, progress/updates on significant projects, events/concerns arising after the previous Board Meeting, tariff filings & DERC's orders, changes in regulatory/business environment, petitions/appeals filed in the Courts, important Court pronouncements, SRCC index/report and Awards & Recognitions conferred on the company on which the Board provides its views. The SRCC index shows 100% compliance on various statutory and regulatory requirements. No major concerns have been raised by the Board during the reporting period.



The accounting policies and processes followed by the company are reviewed quarterly by the Executive Management, the Audit Committee and the External Auditors. Necessary amendments arising out of statutory requirements or/and business scenario changes are done and disclosed as part of the financial statements.

The Audit Committee reviews the financial statements and submits the same to the Board with recommendations, discusses with the auditors periodically about internal control systems, investigates matters that may be prescribed under section 177, provides oversight on the company's financial reporting process and the disclosure of its financial information to ensure that the financial statement is correct, sufficient and credible, recommends the appointment, re-appointment and, if required, the replacement or removal of the statutory auditor, internal auditor, secretarial auditor and cost auditor and the fixation of their audit fees and approves the Internal Audit Plan. The Audit Committee meets at least four times a year and also as and when it deems fit.

Tata Power-DDL, through its Annual Reports, provides all information on the company's performance like volumes, costs, profits etc, for the current and the previous years so as to give an overview of the change in performance. It also provides details of the operations for the period under consideration with details of significant initiatives taken by the company in the areas of operations, enhancing customer satisfaction, energy conservation, CSR, emerging risks and opportunities together with action plans to address them. Decisions taken by Board Committees are reported in the subsequent Board meetings. Interests of Board members in any transaction(s) are recorded at the meeting. Details of any related party transactions are provided in the financial statements. All related party transactions are approved by the Audit Committee in compliance with the provisions of the Companies Act 2013.

The performance of leadership team is reviewed by the Nomination & Remuneration Committee of the Board. This is also supported/validated through feedback from various stakeholders through EES, BA Satisfaction Survey, TBEM Assurance Survey and Assessment Reports. Based on the performance review of the company by the Board and the individual leadership attributes exhibited, the Remuneration Committee appraises the performance of CEO&MD and reviews the appraisal done by CEO&MD of his direct reportees.

Evaluation mechanism of the performance of the members of the Board has been approved by the Board. The Independent Directors review the performance of all other members of the Board including Chairman of the Company and the Board as a whole. The performance of the other independent directors is reviewed by the other Board members. The performance of the statutory committees is also reviewed by the Board.

Statutory & Obligatory Requirements

Tata Power-DDL abides by the law of the land for all applicable statutory and regulatory requirements. Currently, there are no collective bargaining agreements with the workforce but the engagement platforms provide sufficient channels to employees for voicing their opinions.

Risk Management

The Executive Management of Tata Power Delhi Distribution Limited considers the protection of its personnel and assets as paramount to the existence of the Company. It is therefore important to develop and implement an integrated risk management process through sound and proven methods which will minimize the cost of risk whilst preserving life and all of Tata Power-DDL's assets. The Risk Management Strategy is meant to ensure continuity of business and protection of interests of the investors and thus covers all the activities within the company and events outside the company which have a bearing on the company's business.

The risk management process is vital to all the organizational resources and its stakeholders. In financial

terms, it is vital to our ability to pursue our goals and to perform duties in an efficient and professional manner with manageable risks.

Tata Power Delhi Distribution Limited has an effective Risk Management Policy and Process to ensure sustainable business growth with stability and to promote a proactive approach in identifying, evaluating, reporting, and mitigating risks associated with the business.

Risk Management Process

In order to implement Risk strategy, the management is following a uniform Risk Management process based on ISO 31000.



Risk Management Structure

| | |
|---|--|
| BOARD | Reviews the following Annually: <ul style="list-style-type: none"> • Risk Management process • Top strategic and operational risks and their mitigation plans |
| Audit Committee | Reviews the following Annually: <ul style="list-style-type: none"> • Risk Management process • Risk Matrix • Update on Major Risks |
| Corporate Level Risk Management Committee (CLRMC) | Reviews the following Bi-annually: <ul style="list-style-type: none"> • Risk Management Policy/strategy • Risk Matrix • Review periodically the Risk plans and action taken |
| Risk Management Sub-Committee (RMSC) | Reviews the following Annually: <ul style="list-style-type: none"> • Risk plans and action taken and add new mitigation measures • Identify new risks to be added to the Risk Matrix • Risk Matrix is reviewed annually |

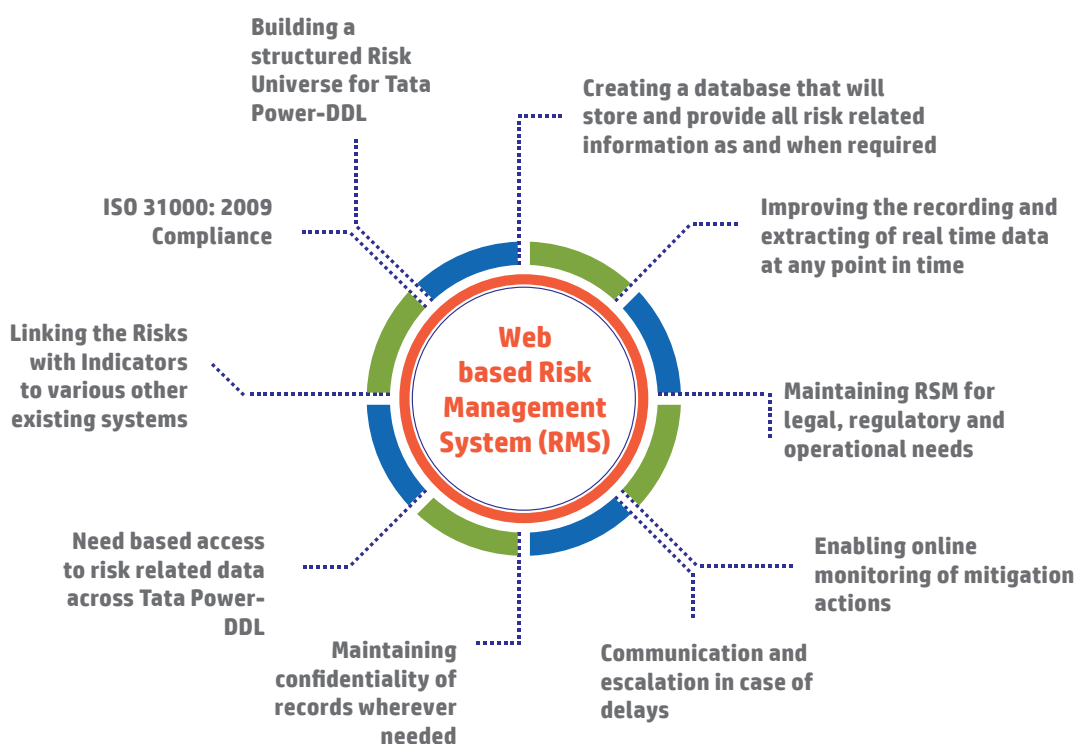
Risk controls are regularly reviewed by risk champions and on a bi-monthly basis by the periodically respective secondary owners. The status of the controls is to be reviewed periodically at the RMSC meetings and new controls to be added are also discussed. The CLRMC reviews the controls on a periodical basis and Audit Committee on annual basis at their respective meetings.

In order to facilitate risk management and considering organizational set up, Tata Power-DDL has classified the risks into the following categories:

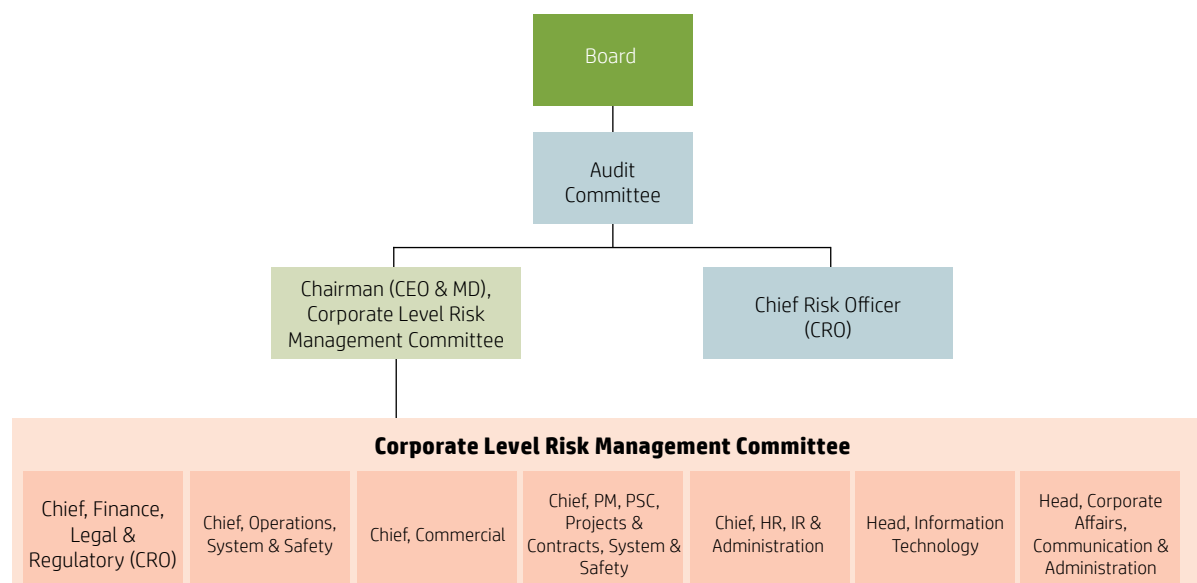
1. Strategic risks
2. Operational risks including financial, revenue risks
3. People and Safety risks
4. Compliance, Legal & Regulatory risks
5. Reputation risks

Web-based Risk Management System (RMS)

The Risk Plans to be uploaded and action taken are tracked through a Web-based Risk Management System (RMS). This system has given the required impetus by:



Risk Review Structure



Apart from business risks, the company also identifies the impacts caused by its product and services to the Environment and stakeholders involved along with mitigation measures for the same.

| | Product/Service | Risk | Impact-on | Mitigation |
|---|---|-------------------------|--|--|
| Services | Electric Power | Electrocution | Customers & Public | Network Improvements - Fencing of pole mounted substations, improvement in design of HT ABC, Smart Grid deployment, Reflective Paint/Tape on Poles., Use of ABC (Insulated conductors), insulation covers, change of Service & feeder pillars, providing egg insulators, anti-encroachment drives Awareness Creation -Notices, Distribution of Safety Do's and Don'ts, Nukkad Nataks (Street plays), Safety tips on website & through mailers/messages/ leaflets, anti-theft hoardings, safety slides in cinema halls, safety awareness to school children, Public Installation Safety Audits, Safety Call Centre, Suraksha Abhiyans |
| | | | Workforce | Provision of PPE, Tools, Contractor Safety Management (CSM), PTW system, Safety zone creation, Safety Process, Safety Training, HoTT, Safety Audits, Safety Index, DOSEC Trainings, Consequence Management, Safety Hour, Safety Talk, Mega SEEKH, Local Safety Council Meetings |
| | | Power Consumption | Carbon Emission at Generation end | Solar roof-tops, Energy Conservation drives through Club Enerji, DSM Initiatives, LED Hoardings/LED Street Lights/Solar Traffic lights, Solar Power Generation, ToD, Tree Plantation, |
| | | Variable Voltage | Customer - Damage of Electrical Appliances | Installation of Capacitor Banks - Reactive Power Management, Smart Grid, BEE Star Rated Appliances, Awareness Campaign, Oil Leakage Tap Changer |
| | Network Repair & Fault Management | Accidents | Workforce - BAs | Provision of PPE, Tools, Contractor Safety Management (CSM), PTW system, Safety Zone creation, Safety Process, Safety Training, HoTT, Safety Audits, Safety Index , DOSEC Trainings, LOTO, JSA, Reflective Jackets, Competency Assessment, Safety Hour, Safety Talk, LSC Meetings, Mega SEEKH, SPV (Tower Wagons) |
| | | Electrocution | Employees | |
| | Maintenance of Street Lights | Accidents | BAs | |
| | | Electrocution | Employees | |
| | New Connections, Meter Replacement & Disconnections | Accidents | BAs | |
| | | Electrocution | Employees | |
| | Bills Distribution | Fatigue | BAs | OHSAS 18001 Compliance, SA 8000 Compliance |
| | Channel for payments | Fatigue | Customer – Health | ATPM - 12hrs , Online View/Pay bill, Drop Boxes, Mobile Wallets |
| | Operations | Transformer Oil Leakage | Bio Hazard | Environment - Oil Handling & Disposal |
| Bio Medial waste at Dispensaries | | Environment | | ISO 14001 & OHSAS 18001 compliance - Disposal through registered vendor |
| Disposal of e- Equipments & Lead/Acid batteries | | | | ISO 14001 Compliance - MoEF approved vendors |

Impact of Product & Services

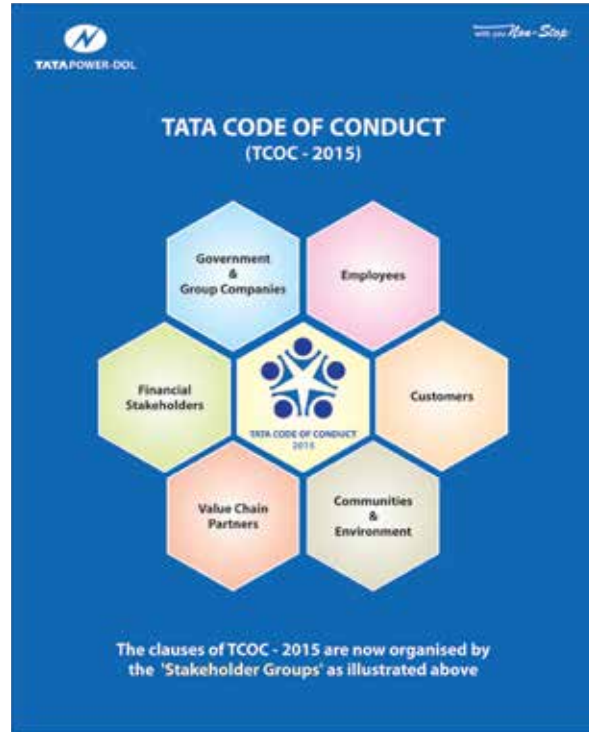
Business Ethics and Integrity

Ethics Management

Ethics management at Tata Power-DDL has been institutionalized through a multi level process, Tata Code of Conduct (TCoC) and a three-tier Ethics Management structure. It is mandatory for all joinees to go through the TCoC and consent to the agreement prior to joining. BAs are bound by TCoC under General Conditions of Contract (GCC), and their employees are given training on ethics during induction. Refresher trainings are conducted to ensure focus on ethics management. Awareness sessions, theme based posters, screensavers, quizzes, essay writing, workshops, celebration of ethics week etc. are other vehicles to promote ethical behavior for employees and external stakeholders.

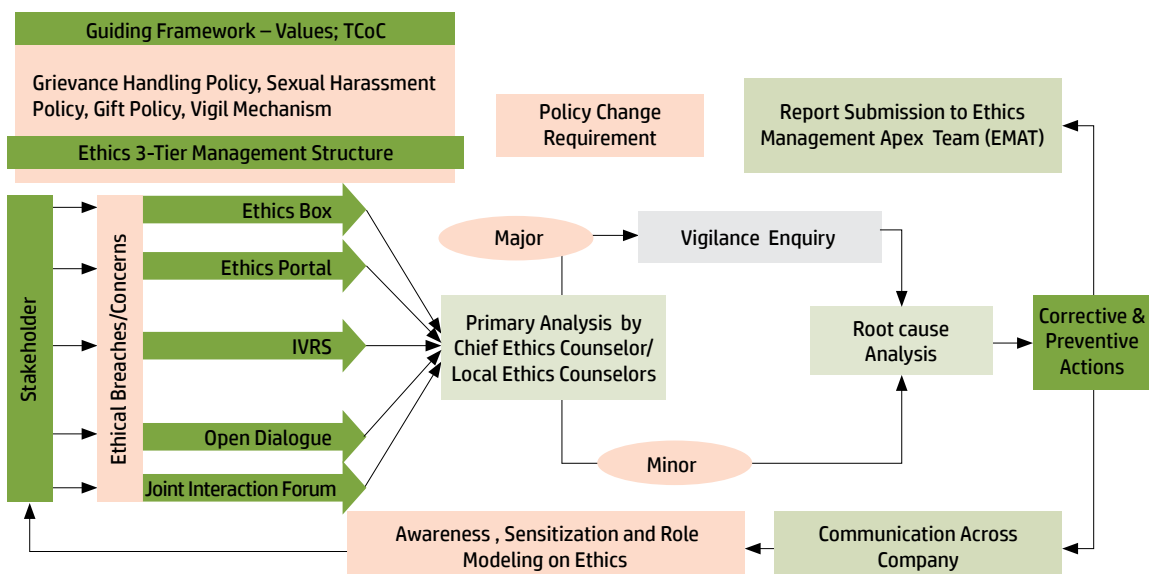
The family members of employees also participate in ethics week to take the values and ethics even to the personal lives of employees. During all communications with stakeholders, the SLT members focus on ingraining ethical behavior on a sustainable basis. The GCC and website incorporate information about ethics management. Customers, BAs and community members are sensitized on ethical matters through interaction with the leadership members in various annual meets and stakeholder contact programs and also through formal and informal interactions. The measures and indicators used for enabling and monitoring ethical behavior include Leadership Business Ethics, Survey Score, Concerns Resolved of Workforce and BAs sensitized.

Ethical Breaches: Any violations by BAs and employees are met with penalties. Proactive Vigilance visits are



conducted and suspected cases of unethical behavior among employees and BA staff are dealt with sternly, including blacklisting of BAs and publishing in Ethics Patrika and Sandesh mails to act as deterrence.

Ethics Management Process



Materiality – Stakeholder Engagement

Engaging with stakeholders and responding to their expectations and concerns helps us with critical inputs on the sustainability impacts of our business. In our efforts to manage impacts in power distribution, we are propelled to innovate and supply reliable power and deliver value for services.

The various stakeholders are identified based on their impact on our operations and how our operations impact them.

Methodology for Stakeholder Engagement

We engage with stakeholders to understand their concerns and priorities and use these inputs for decision making and system formulation. In order to make the stakeholder engagement process more effective and relevant, the engagement methodologies and topics are customized depending on the stakeholders.

Stakeholder Requirements

| Stakeholder | Requirements |
|----------------------------|--|
| Regulator | AT&C & PA Targets; Min Tariff Hike; Customer Satisfaction; Renewable Purchase Obligation |
| Community | Low Cost Power; Clean Energy; Community Support; Reliable & Safe Supply |
| Workforce | Business Vision & Strategy; Talent Management; PMS; Org Support; Organisation Pride |
| Customers | Non-Distribution : Timely project completion; Capacity Building; Introduction to new technology Distribution : Uninterrupted power supply; Error-free & fast service - billing & metering; Reasonable Tariff |
| Business Associates | LT Partnership & Business Growth; Branding |
| Shareholders | Tata Power: Profitability; Growth; Customer Delight; Positive Brand Image; Service Excellence; Safety; Talent Management Delhi Govt: Low Cost Power; Service excellence; 24x7 Reliable Service; Safety; Self-sustainability of Sector; Customer Delight |
| Media | Influencer & Opinion Maker |



Stakeholder Engagement Mechanisms and Outcome

| Engagement Methods | Key Concerns | Actions Taken |
|---|----------------------------------|---|
| Employees | | |
| Engagement Survey | Performance Management | Percentile based ranking system, 5 point assessment during Mid-Year Assessment, Maintenance of rating at 5 different levels |
| HR Connect | Talent Management | Enhancing learning through platforms like Kwench, External Trainings, Reach out programs |
| Voice of Employees | Interaction with Sr. Leadership | Open House sessions with CEO & MD/Chiefs/Heads |
| Vendor (Suppliers and Contractors) | | |
| Satisfaction Survey | Timely Payment Realization | Automated Payment Alerts |
| Annual Meet | Timely Order Processing | Implementation of e-procurement system |
| Co-Innovation Workshop | Grievance Resolution | Grievance Redressal System |
| Customers | | |
| Engagement Survey | Reliable Power Supply | Automation and new technology implementation |
| Customer Meets | Billing and Payment | Smart Metering, Smart Meter Reading Device, multiple bill payment options |
| Website & Call Centre | Grievance Resolution | Grievance Redressal System |
| Media | | |
| In-person interactions | Reliable Power Supply | Timely resolution through concerned department |
| Press Release | Views on Sectorial updates | Interview of Sr. Leadership |
| | Implementation of New Technology | Collaboration with Technology Partners and Research Institutes |
| Regulatory Authority | | |
| Meetings | AT&C & PA Targets | Compliance to regulatory targets |
| | Customer Satisfaction | Customer Delight initiatives |
| | Renewable Power Obligation | Solar Roof Top and Net Metering |
| Contractual Workforce (BA Employees) | | |
| Satisfaction Survey | Work Environment | BA R&R, Cultural Clubs, Sports Meet, Quality Circle Teams, Social Accountability 8000 compliance |
| Meetings | Health & Safety | Safety Management System |
| | Learning & Development | Functional & Customer Centric Trainings |
| Local Community | | |
| Direct Interaction with beneficiaries | Reliable & Cheap Power | Dedicated Special Consumer Group, Policy Advocacy with DERC/Govt. for affordable tariff |
| Meetings with local representatives/NGOs | Community Support | Women Literacy Centers, Vocational Training Centers, Mobile Dispensary, Scholarship Program for students, Self- Help Groups (Water ATM, Soft Toys & Chocolate making) |



Materiality Assessment

Material issues are defined as those issues which are of the highest concern to the business and to the stakeholders. They are defined and assessed through the process of risk management and stakeholder engagement. Materiality has been the cornerstone for defining the course of action, and therefore a structured approach and methodology has been adopted for internal assessment of material issues in order to identify priorities.



Material Issues

| GOVERNANCE Ethics Management & Compliance | | |
|--|-------------------------------|--|
| ECONOMIC | SOCIAL | ENVIRONMENTAL |
| AT&C Loss Reduction and Cost Reflective Tariff | Talent Attraction & Retention | Smart Grid |
| Cost Optimization | Employee Health & Safety | Renewable Power Obligation (RPO) and Solar Rooftop Power |
| Business Development Opportunities | Community Welfare | Energy Service Company (ESCO) |

| S NO | MATERIAL ISSUE | ASPECTS | ASPECT BOUNDARY |
|------|--|--|---------------------|
| 1 | Ethics, Integrity & Compliance | Tata Code of Conduct | Internal + External |
| | | Core Value Compliance (PPDS + LBE) | Internal + External |
| | | Ethical Compliance | Internal + External |
| 2 | AT&C Loss Reduction and Cost Reflective Tariff | AT&C Loss Reduction | Internal + External |
| | | Cost Reflective Tariff by DERC | Internal + External |
| 3 | Cost Optimization | O&M Cost | Internal |
| 4 | Business Development Opportunities | Outside Licensed Area of Operations | External |
| 5 | Talent Attraction & Retention | Employment | Internal |
| | | Learning & Development | Internal |
| | | Employee Engagement | Internal |
| 6 | Employee Health & Safety | Occupational Health & Safety | Internal |
| | | Health & Safety Training | Internal |
| 7 | Community Welfare | Education | Internal + External |
| | | Employability | Internal + External |
| | | Entrepreneurship | Internal + External |
| | | Health & Safety | Internal + External |
| 8 | Smart Grid | Intelligent Energy Distribution System | Internal + External |
| 9 | RPO & Solar Rooftop Power | Renewable Power Obligation | Internal + External |
| | | Solar Rooftop Power | Internal + External |
| 10 | ESCO | Energy Service Company | Internal + External |

Internal: Operations boundary of Tata Power-DDL (within North & North West Delhi) & Business Development in India

External: Significant impact areas of value chain across stakeholders (Customers, Regulator, Community, Vendors, etc.)

Strategy for Sustainability

Tata Power-DDL is in the distribution business which is controlled by various regulatory authorities. It believes that the Triple Bottom Line framework can provide long term sustainability for its stakeholders.

Moving Towards Vision 2025

People



Utilities



Top 10



Complaints, Accidents

Planet



Smarter DISCOM



Energy & Water Neutral

Profit



5% AT&C Loss



Domestic & International Presence

Accordingly, the various initiatives taken are in line with the national focus.



Demand Side Management Programs

Tata Power-DDL has created a dedicated Demand Side Management (DSM) Group with a mandate to manage load most efficiently and bring about reduction in energy consumption across residential, commercial and industrial establishments and facilitate energy efficiency improvement projects.

The objective is to lower the overall cost of electricity to the customers of Tata Power-DDL, by economical and efficient use of resources, which shall include the measures/principles to:

- control, reduce and influence electricity demand
- encourage customers to amend their electricity consumption pattern both with respect to timing and level of electricity demand for efficient use of energy
- complement supply side strategies to help the utilities to avoid or reduce or postpone
 - a) costly capacity (generation, transmission & distribution network) additions
 - b) costly power purchases
- reduce the environmental damage by reducing the emission of greenhouse gases
- supplement national level efforts for implementation of various DSM programs set out by the BEE
- make strategic efforts to induce lasting structural or behavioral changes in the market that shall result in increased adoption of energy-efficient technologies, services, and practices



Energy Efficiency Initiatives

Tata Power-DDL being the only utility empanelled as BEE Grade-I Energy Service Company (ESCO) is providing value added Energy Efficiency services along with partnered solution providers. It has been awarded many Energy Audit and ESCO project implementation orders.



The company has also implemented a project on “Automated Demand Response with Smart Meter” and achieved a distinction of becoming first Indian Power utility where ADR and AMI (Advance Metering Infrastructure for Smart Meters) are conceptualized together.

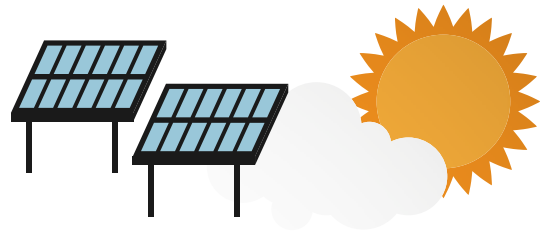
Under the UJALA Scheme it is offering energy efficient LED lights (9W LED Bulb and 20W LED Tube light) and BEE 5 star rated Ceiling Fans at discounted rates. Over 6,00,000 numbers of products have been distributed which will result in deemed energy savings of 17.46 MUs and load reduction of potential of 5.2 MW.

Under DSM based energy efficient lighting program (DELP), it has distributed 13 lakh 7W LED bulbs at upfront and EMI payment modes to 2,80,429 customers. The program led to annual deemed energy savings of 440.7 MUs, load reduction of 9.7 MW and 14685.3 M Ton CO₂ reductions.

Tata Power-DDL came up with the first utility based discounted LED Lighting and BEE 5 star Ceiling Fans program with OEMs. Under this scheme, the complete range of LED lighting and BEE 5 star ceiling fan products with 11 varieties (e.g. LED bulbs, Tube Lights, Panels and Down Lighters, ceiling fan of different color & design variants etc.) were offered to customers at attractive prices. The company has achieved annual deemed savings of approximate 8 MUs against 1 lakh LED lighting and BEE 5 star ceiling fan product distribution.



Tata Power DDL in consortium with Havells has been awarded the North Delhi Municipal Corporation LED streetlight Project under which Havells is the technology partner and Tata Power-DDL is the implementation partner.



Promotion of Solar Power

The Government of India is determined towards achieving 100 GW of grid interactive solar power capacity by 2020 and as utilities are among the most critical stakeholders in any grid-connected solar rooftop program, Tata Power-DDL has taken up several initiatives in this regard.

- It had started installation of Demonstration Solar Projects at its own premises since 2008. Currently it has 15 Solar Projects with cumulative capacity of 1.77 MWp including India's first successful Megawatt Class Rooftop Solar Project in Keshavpuram Central Store.
- It is the first Power Distribution Utility to be empanelled as "Channel Partner" with Ministry of New & Renewable Energy

Tata Power-DDL has conceptualized a business model after studying various models across the world. It is a first of its kind project by a DISCOM in the world to launch solar rooftop program with no tariff or financial implications and all the while providing significant benefit both to customers as well as the environment with green, sustainable source of energy through standardization of quality and cost for project.

In order to reach out to more customers and make solar generation popular, the company has carried out the following initiatives:

- Provided information on Tata Power-DDL website, leaflets to customers, awareness sessions for prominent IWAs and RWAs, presentations delivered to key Govt. customers like DJB, DMRC, NDMC, designated Solar Brand Ambassadors and workshop for Educational Institutions, Hospitals etc.
- Quality and Safety Audit at site pre & post project implementation
- Policy Advocacy to facilitate Net Metering and Rooftop Solar Policy by Delhi Govt.

Tata Power-DDL has also conducted a study on "Business Models for Distributed Energy Resources Deployment" sponsored by USTDA to create an implementable plan to meet a portion of its future power needs using Solar and other Distributed Energy Resources technologies like Demand Response, Energy Efficiency, Grid Level Storage, Peak Load Shifting etc.

The company has actively advocated for the Net Metering Policy and partnered with DERC to formulate Net Metering Guidelines and Regulations for Delhi. The company is also focussed on R&D for continuously improving the performance and reliability of the system through Battery Energy Storage System (BESS) & Hybrid Inverters. Application of BESS would assist Tata Power-DDL to dynamically balance the load with the increase in the penetration of electric vehicle and renewable power sources.

Another strategic initiative taken by Tata Power-DDL is the implementation of Automated Demand Response (ADR) among high end customers. The project shall help the company to meet contingencies in the procurement of power and also avoid load shedding across customer segments



6.1 MWp
Solar Roof Top within Licensed Area for consumers
Plan to harness 400 MW by 2025



508 KWp
Solar Roof Top
Rashtrapati Bhawan

through voluntary load reduction by participating customers. To increase customer participation, suitable incentives have been provided in the scheme proposed by Tata Power-DDL on the time duration on which a customer responds to a Demand Response event.

Apart from Rooftop Solar, Tata Power-DDL is focusing on the rural electrification through Solar Micro Grid. It has partnered with Massachusetts Institute of Technology, Centre for Energy and Environmental Policy Research, General Electric and Tata Trust to establish two solar micro-grids in Bihar.

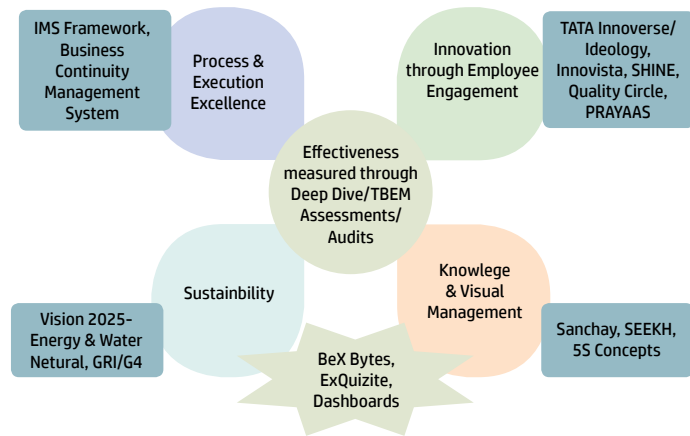
Tata power-DDL has also installed a solar plant of 508KWp capacity in the Rashtrapati Bhawan.



Business Excellence

“Business Excellence” has been an integral part of Tata Power-DDL’s journey and works as an enabler to achieve the company’s commitments to enhance customer satisfaction, increase stakeholder value and improve process management through the cycle of continuous improvement.

Based on the twin principles of TQM & TBEM, Tata Power-DDL has instituted business excellence practices across functional areas and the concepts of continuous and breakthrough improvement, preventive management and management by facts are being promoted through a range of BE initiatives.



Some of the quality platforms and tools used in Tata Power-DDL are:

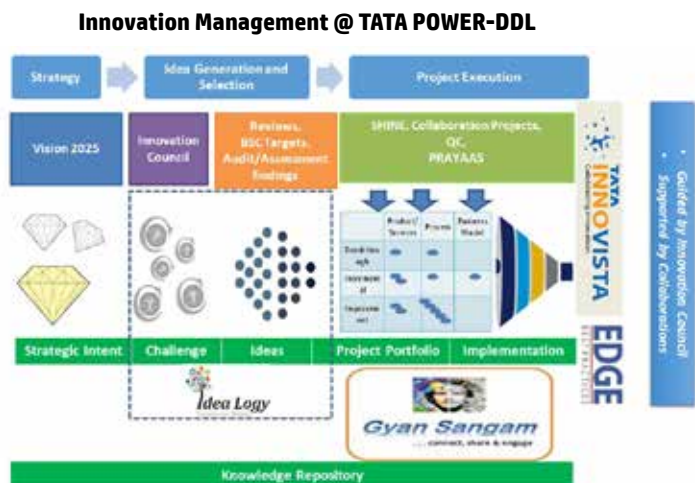
IMS: Integrated Management System

This is the framework which integrates all of Tata Power-DDL’s systems (ISO 9001:2015, ISO 14001: 2015, SA 8000: 2014, OHSAS 18001: 2007, ISO 27001: 2012) and processes, enabling it to work as a single unit with unified objectives. IMS has helped the company to become a process driven organization with over 300+ processes aligned towards a single goal of improving the performance of the entire organization. An integrated system presents a clear, holistic picture of all aspects of our organization. Tata Power-DDL is currently certified for ISO 22301:2012 and ISO 31000:2009 as well.

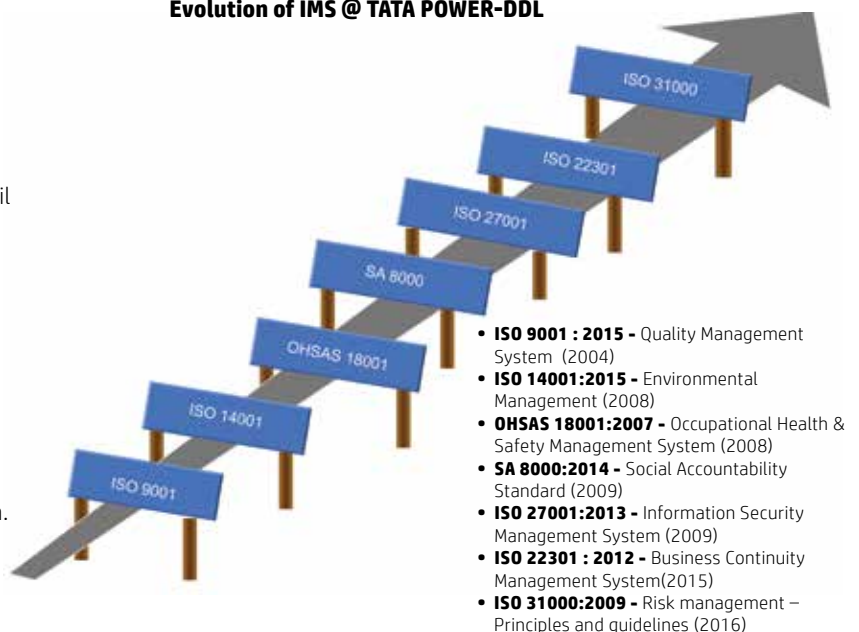
The company is currently striving for certification under ISO 50001:2011 Standard.

Innovation at Tata Power-DDL is guided by a holistic framework which starts from the strategic directions, and is guided by Leadership at all stages. While Ideology provides the platform for ideation, the major blocks for Continuous Improvement contain SHINE, QUALITY CIRCLES and PRAYAAS. Breakthrough innovations are taken through the route of Innovation Council which is chaired by the CEO&MD himself. Each platform is unique as it addresses the different segments of the workforce with special emphasis on the employees of business associates as well.

Ideology is used as a platform to capture the ideas against the critical problems of the company. It also helps employees to provide solutions to challenges of other group companies and bond better with them. The ideas from Ideology are further taken up for execution through the SHINE/QC and PRAYAAS channels.



Evolution of IMS @ TATA POWER-DDL



QUALITY CIRCLE

At Tata Power-DDL, the Quality Circle (QC) Concept has been very successful in engaging the non-executive resource base at the operational levels. The QC teams meet regularly and solve day-to-day problems pertaining to zonal operations and are mentored by respective Zonal Managers. Half yearly competitions are held which also serve as knowledge sharing platforms. QC teams of Tata Power-DDL have been recognized in various external forums like QCFI and CII at regional and national levels and some teams have qualified for international competitions as well.



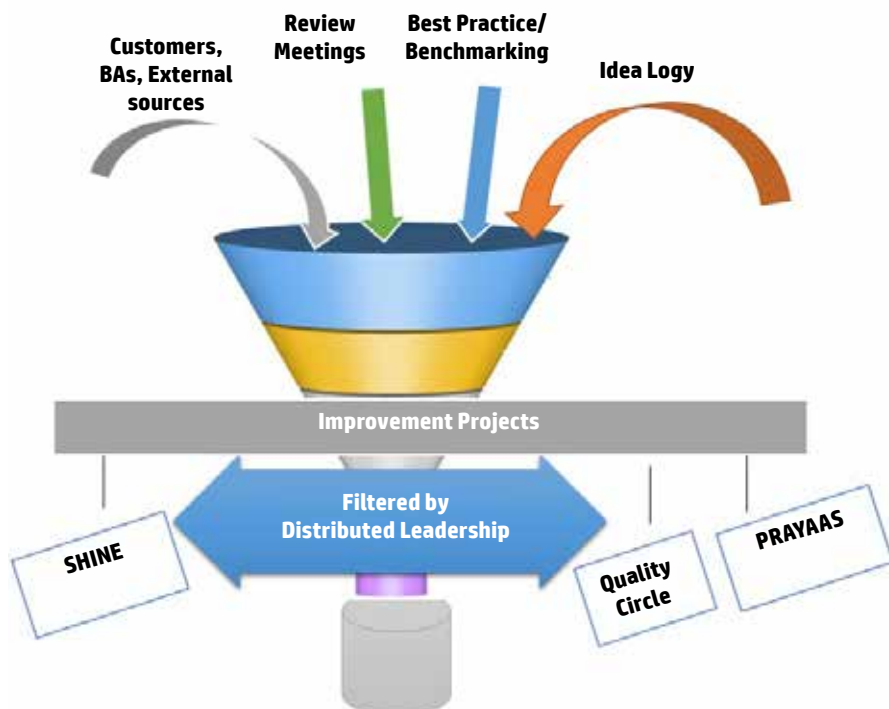
SHINE

SHINE (Systematic and Holistic Improvement Initiatives at Tata Power-DDL through Employee's Engagement) is the platform for Improvement and Innovation at Tata Power-DDL. This helps employees to think differently to innovate and then facilitate the thought process into projects. SHINE is executed through a specifically built IT platform called SHINERGY which is a centralized repository of improvement/innovative projects. SHINE encourages innovation and creativity across the organization leading to tangible/intangible benefits, promote a culture of 'process-orientation', 'employee engagement' & 'result-focus', spirit of co-operation & teamwork amongst employees at all levels and inculcate a 'sense of achievement' among employees through reward/recognition.

PRAYAAS

Tata Power-DDL has a huge base of outsourced employees and in order to engage them in the continual improvement journey, "PRAYAAS" has been introduced. This is a platform which captures small improvements (KAIZENS) in a simplified format and includes "before" and "after" photographs to showcase the improvements. Half yearly competitions are held and rewards are distributed to motivate employees. The participants of top end kaizens are also sent for regional and national level competitions to increase motivation.

Innovation Platforms @ TATA POWER-DDL



INNOVATION COUNCIL

This was formed in 2013 with CEO&MD as Chairman and mentored by Senior Leadership Members. The primary objectives of the council are developing an innovation strategy to meet targets and objectives, driving an innovation mindset and culture in the organisation, encouraging breakthrough ideas and pilots and tie up with benchmarked companies and institutes for co-innovation.

BEX BYTES

Continuous communication plays an integral part in building a culture of excellence and the Business Excellence team keeps up the tempo by releasing weekly BeX Bytes, regular Sandesh mailers, quizzes through ExQuisite, etc.

The effectiveness of the BE initiatives is gauged through internal and external audits throughout the year. IMS, ISMS and BCMS certifications and validations are carried out through external consultants. TAAP and TBEM Assessments are carried out at the Group level.

TATA INNOVISTA

Tata Power-DDL has always been a fore-runner in participating in all group-level initiatives and over the years has been among the top companies to register maximum number of projects. The teams who qualify are groomed intensively and the results have been evident in the various wins in the regional and global finals.

CAR POOL REWARDS

Efforts are also on to reduce carbon foot-print by promoting car-pooling through a mobile application for employees. This application also helps employees in alleviating the traffic issues during the Odd-Even phase in Delhi by sharing vehicles. The same has now been updated in lines with Google map to enable real time usage. Frequent users are rewarded on a regular basis.

TATA EDGE

Tata Power-DDL has been actively leveraging the Tata EDGE platform to share its own Promising Practices and also scan and adopt Promising Practices of other companies. It has dedicated resources to carry out this activity and has been awarded at the Business Excellence convention for the same.

VISUAL MANAGEMENT THROUGH 5S

The concept of '5S' has created a revolution in many industries and Tata Power-DDL had adopted this quality tool at a very early stage. This is implemented in all Offices, Grids, Sub Stations and Zones and the implementation is checked through audits as per the 5S Maturity Guidelines.

SUSTAINABILITY

In order to become water neutral, the company has undertaken water harvesting initiatives and currently has 30 water harvesting pits across its various offices. In order to reduce water wastage, sensors have been installed in tanks at all locations and regular sensitisation is done.

The energy consumed at various installations is monitored on a monthly basis and the same is approximately 12 MUs in FY 17, which is well within the regulatory target set for the company. Per capita consumption stood at 0.0034 MUs per employee. Paper consumption is also monitored across the company and steps are being taken to go the paperless way.

Further, due to reduction in AT&C losses, tCO₂ emission has been reduced by 638780 tCO₂ (Approx). There is no direct emission involved in distribution of electricity. All waste materials are disposed off as per regulations and environmental norms, and hazardous waste materials like biomedical for Dispensary Operations and e-wastes are given to authorised disposal agencies.

Aspect & Risk Assessment Registers detail out the Environmental Aspects and the associated details relevant to the company. The ARAR have been formulated on the basis of the requirements of ISO 14001:2015 & OHSAS 18001:2007. The Aspect & Risk Assessment Register along with the Environment Risk Assessment & Analysis, Occupational Health & Safety Risk Assessment & Analysis is reviewed periodically by the management in consultation with the concerned departmental users. To maintain standardisation, no revision is implemented unless it has been approved by HoD(BE) and CQH and formally issued.

The EMS and OHS related Integrated Management programmes are given below:

| S. No | Title of EHS Related IMP | Improvement Effected |
|-------|---|----------------------|
| 1 | Reduction in number of accidents | OHS |
| 2 | Reduction in number of incidents | OHS |
| 3 | Provision of duct/exhaust in pantries | OHS |
| 4 | Reduction of Aggregate Technical loss | EMS |
| 5 | Provision of PPE to all concerned employees | OHS |
| 6 | Installation of Firefighting equipment and signage in all buildings | OHS |
| 7 | Installation of Solar Energy Heated Water System | EMS |
| 8 | Installation of Solar Energy Illuminated Lighting System (Board Room) | EMS |

The various sustainability initiatives of the company are reviewed in forums like Apex Quality Council, Business Excellence Reviews and other departmental reviews.

The Tata Business Excellence Model (TBEM)

TBEM has helped Tata Power-DDL in getting insights into business strengths and opportunities for improvement. Tata Power-DDL scored 516 in its very first TBEM external assessment in the year 2006 and created history by scoring above 500 in its first attempt in the TATA group.

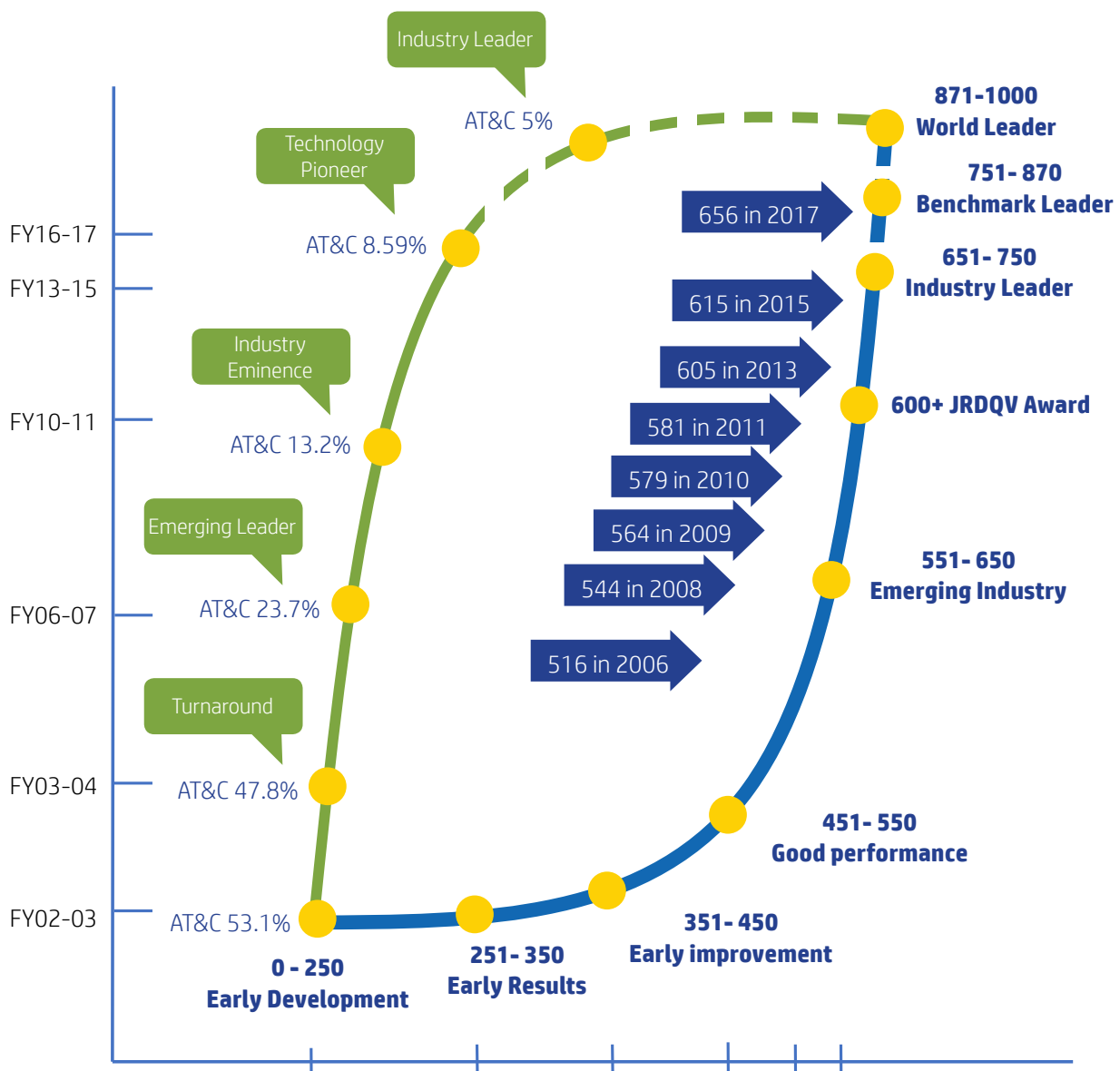
Tata Power-DDL's TBEM score had moved from 516 in 2006 to 600+ bracket in the TBEM Assessment of 2013. The upward journey has been maintained by moving up the ladder in 2017 to 656, enabling the company to join the elite club of "Industry Leaders". So far in the Tata Group, this honour has been

achieved only by two other flagship companies- TCS and Tata Steel. The linkage of the score with the AT&C loss, the major indicator of the organization's performance is shown here.

As excellence is a journey, the roadmap towards achieving the status of

"Benchmark Leader" as per the TBEM framework continues. Tata Power-DDL shall continue to use the four pillars of Business Excellence and strengthen employee engagement in the initiatives to achieve its vision in the long term.

TBEM Journey of Tata Power-DDL





Collaboration & Knowledge Management



Collaboration

In its quest to further improve upon its performances, as well as to ensure customer delight, Tata Power–DDL has collaborated with various industrial and institution partners, to develop low cost, scalable solutions for the Indian market and to understand the role of a utility to leverage various disruptive technologies such as electric vehicles, solar rooftop, energy storage systems, etc.

Tata Power–DDL has collaborated with over 80 partners including leading Global Corporations such as GE, IBM, 3M, Panasonic, etc, and universities such as MIT, Ryerson University, IIT Delhi, etc. with an aim to adopt the latest technologies and adapt to the rapid changes the utility space is going through. These collaborations also provide the company, with an access to the R&D being conducted in the power sector, thus preventing the need to reinvent the wheel, and providing a platform to co – innovate solutions for the Indian market.

A few notable projects include the development of tamper detection sensor in collaboration with Omron, Power Quality Monitor with meters and deployment of DC optimiser for solar panels to increase its efficiency with igrenEnergi.

Further, the co-innovated solutions can be jointly taken to the Indian as well as to the African market by leveraging the relationship of Tata Power–DDL with over 30 Indian and International Discoms, thus providing the company with new business opportunities.

The collaboration projects also provide the employees of the company with a platform to work with the leading companies and institutes from around the world on the latest technology or solution, thus broadening their horizons and understanding the changes taking place in the power sector.

Some major collaboration projects are:

1. Micro-grids in Bihar

The projects have been implemented in the Tayabpur and Behlolpur villages in Bihar. While the former has 160 hutments with a population of over 1000 villagers, the second one has 220 hutments with 1200+ villagers. The micro-grid in Behlolpur is installed on an island on the river Ganges in Vaishali district.

The micro-grids provide reliable and quality power supply to the villagers by efficiently utilizing solar energy. The projects are in line with the Govt. of India’s Electrification program which aims to provide “electricity to all” by establishing a sustainable stand-alone off-grid village electrification system where grid supply has not reached or is not feasible.

2. Tamper Evident Chips

Tata Power–DDL has collaborated with Omron to develop tamper evident chips to prevent theft and revenue leakage arising out of dishonest abstraction of energy. Tata Power–DDL has identified 38 different ways in which a meter can be tampered with, and taking the same input has co – developed the tamper evident chip.

The chip is integrated with the meter through the I2C (Inter Integrated Circuit) which would detect the strength of the various tampering mechanisms such as Jammers and Emergency Shut Downs and record the data within it. The developed chip also has the capability to withstand high temperatures, and thus retains the data, acting as a “black box” for the meters.

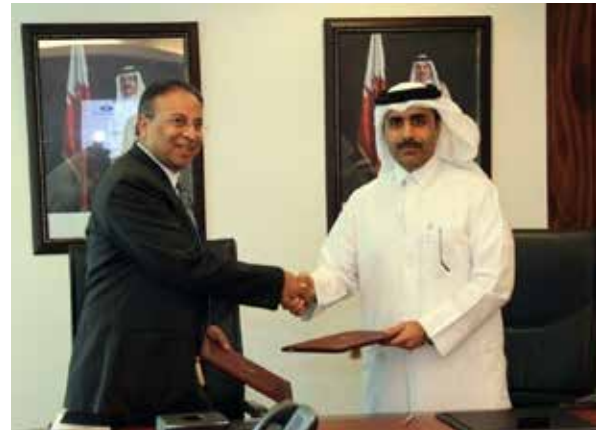




3. Automated Demand Response

Tata Power-DDL has collaborated with Honeywell and IBM to launch the auto demand response project integrated with Smart Meters for the first time in India. With a participation of over 170 customers having a load greater than 100 kW and a consolidated connected load of over 400 MW, Tata Power-DDL has managed to leverage the existing infrastructure to address the shortage of peak power and improve reliability in the network.

Tata Power-DDL implemented this pilot on hundred 11 kV feeders fed from 40 substations spread across the utility's distribution territory. The USP of the pilot is its low cost and its flexibility due to the open standards based solution.



4. Power Quality Maintenance

Power quality has become critical in today's world due to increasing application of electronic loads and digital controllers which are sensitive to the quality of power supplied. It also indicates that Indian industries are spending \$ 4.62 Billion annually to operate inefficient power back-ups, which produce distorted sinusoidal waveforms leading to poor power quality and noise in the system, using Gensets and Inverters.

Tata Power-DDL has collaborated with Metrum and Delta chargers to maintain the voltage power quality. A pilot in 4 locations in Tata Power-DDL area was conducted wherein Metrum PQ controller was used to detect the anomalies and disturbances in power quality, which was rectified by using the active filters provided by Delta chargers.

5. Enhancement of Solar Panel Efficiency

An average solar panel has an efficiency of approx. 16%, with a drastic drop in its performance occurring due to partial shading of the panels either because of a cloud cover or any other obstruction.

Tata Power-DDL has collaborated with igrenEnergi to develop and install a solar optimizer in the 1 MW system. For the same, a DC boost optimizer has been integrated to the system, which enables each module to be operated at its maximum power point, even during partial shading. Beyond the enhancement of the operational improvement of the analytical platform it provides instant diagnostics and preemptive actions required to maintain the plant.



Knowledge Management

Tata Power-DDL has introduced SEEKH as a platform for learning and sharing knowledge across the organization. SEEKH is based on the philosophy and principles of Community of Practices (group of people who come together to share and learn from one another. They are held together by a common interest in an evolving body of knowledge and are driven by desire and need to share problems, experiences, insights, tools and best practices. Community members deepen their knowledge by interacting on an ongoing basis).

Various platforms exist for capturing and sharing knowledge at Tata Power-DDL for various stakeholders. SANCHAY portal is the repository of organizational tacit and explicit knowledge accessible to workforce. Learnings shared in SEEKH sessions are captured and stored in GYAN SANGAM for sharing across knowledge communities.

SHIKSHA posted on GYAN SANGAM is the repository of key learning from employees attending external trainings/workshops/conferences/employee exchange programs, and this is also shared in group level SEEKH sessions. Monthly reviews at group level involve brainstorming, analysis and knowledge exchange among group members leading to identification of SHINE projects and task-oriented improvements. SEEKH on replicable SHINE/QC projects involves coming together of employees and BAs from other work units, so that learning can be rapidly deployed. This ensures learning is embedded in organizational processes.

MEGA SEEKH/Quality Circle/PRAYAAS/Local Safety Councils/Tata EDGE are various forums for sharing best practices/learnings at organizational level. Tata Power-DDL's internal communication forums like Surkhiyan, Power Bytes and functional newsletters capture the major initiatives, new imperatives and events across the organization which are shared with all employees, customers, business associates, and visitors/guests. The knowledge of retiring employees is shared and captured through knowledge capturing form as per the exit process.

Customers, BAs, partners and collaborators are engaged through KM platforms for dissemination of relevant



| Stakeholders | Key System/Approach |
|----------------------|--|
| Workforce | Sanchay, SEEKH/MEGA SEEKH, LSC, ORM, Training/Conference, Review/CFT Meetings, Reference Manuals, Employee Exchange Programs, Sandesh Mails, Newsletters, EDGE, Innovista, Ideology, Power Bytes, Game Changers, Men at Work |
| Customer | RWA/IWA Meets, Sampark Kendra, Newsletter, Feedback, Website, Tata Power-DDL Connect, CDS, Nukkar Natak |
| Vendor/Supplier | BA Meet, Co-innovation Workshops, SEEKH, Technical Literature, Manuals, Website, Surveys |
| Partner/Collaborator | Website, Meeting, Conference, Workshop, GIUNC |

knowledge. Tata Power-DDL has also partnered with technology providers, research institute and funding agencies for knowledge transfer of new products, services and solutions looking at future emerging needs. Tata Power-DDL has also built a state-of-the-art Smart Grid Lab in collaboration with these partners which serves as a learning platform for new and emerging technologies. Further, the company's website provides an insight on organizational information to various stakeholders and serves as an interactive platform.

Evolution of KM at Tata Power-DDL





Social Performance



Our Approach

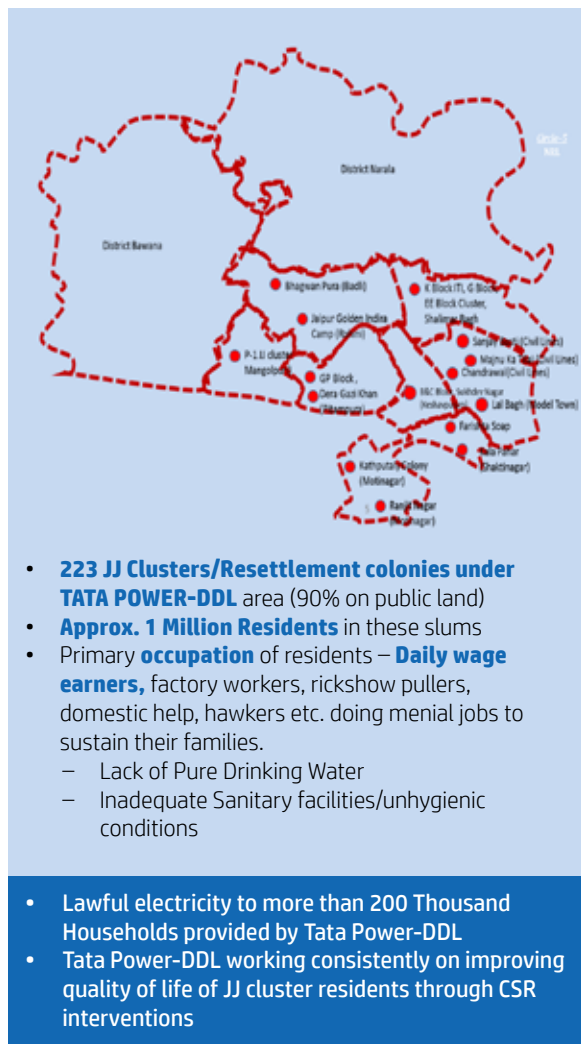
For the Tata Group, improving the living conditions of the downtrodden, empowering the economically weaker and emancipating the socially underprivileged sections of society is the very foundation of its success. Tata Power-DDL too believes in carrying forward the philosophy and legacy of the Tata Group by giving back to the society through its community development initiatives.

Tata Power-DDL provides power to over 7 million citizens of North and North-West Delhi, out of which around 1 million live in the city's slum clusters. The company's CSR strategy, which caters to the slum population (of which 30 percent are from the SC/ST communities) has been built on its business strategy. It is also focused on creating a win-win situation where its customers, existing and future, see better days because of the work done by the social innovation team and, in turn, they become useful, productive members of society and also become good, paying customers of its high quality electricity.

Tata Power-DDL's CSR strategy has a 360-degree approach to empower the disadvantaged (and among them women and youth especially), first by empowering them through education and employability, and then equipping them with better livelihoods through programmes in employment and entrepreneurship, even as their physical well-being is also addressed. Suitably, the company has labelled the programme as the *Saathi* programme. Every year, more than 21,000 women become literate through *Saathi's* 350 Women Literacy Centres (WLCs), which till date have benefitted over 66,000 women. While over 4,000 boys and girls learn various trades every year at the 20 skill development centers, more than 87,000 slum residents get free medical facilities through Tata Power-DDL's Sanjeevani initiative

Tata Power-DDL has been engaging with the beneficiaries since its inception and has been consistently strengthening and empowering them. The Corporate Social Responsibility (CSR) division of Tata Power-DDL has been redefined and renamed as "Social Innovation Group (SIG)" and is responsible for delivering services to the disadvantaged section of the society.

Slum Cluster Scenario



This concept originated from our continued commitment towards the practice of good corporate citizenship and through adopting sustainable and responsive approach.



Tata Power-DDL SAATHI

The name SAATHI in itself defines the approach charted by Tata Power-DDL to treat our beneficiaries as prime stakeholders. Under the umbrella of SAATHI, Tata Power-DDL ensures that the programs offered under it will improve the lives of its beneficiaries in the long term and also positively impact the community as a whole. SAATHI has in its fold the four pillars, which complement each other while working towards the goal of empowering society.



The four pillars of SAATHI are:



ABHA

These are women representatives who are the brand ambassadors for the programs under SAATHI. These ABHAs are engaged in reaching out to the residents of JJ clusters in order to maximize the visibility of our community initiatives.



UNNATI- Progress

UNNATI connotes understanding the need for women empowerment, which requires persistent efforts to bring significant differences in socio-economic condition of women residing in JJ clusters.

Under this segment, various programs have been undertaken like Women Literacy Centers, developing Self-help Groups and Entrepreneurship Development Program, Vocational Training and Life skills program for girl students.



SANJEEVANI

SANJEEVANI seeks to promote and support good health in the marginalized communities through accessibility to health services at their doorstep. Initiatives under Sanjeevani include Mobile dispensaries for the customers of JJ Clusters, Drug De-Addiction Camps, safe drinking water, Health Camps, etc.



UJJWAL

UJJWAL focuses on improving the quality of lives of the people who belong to the deprived sections of the society. Tata Power-DDL has undertaken several initiatives for the socio-economic upliftment of the scheduled caste and tribes in areas of education, employability, employment and entrepreneurship.



THE CLUB ENERJI

“The Club Enerji” program has been designed to mitigate the future environmental risks by raising awareness amongst future generation of the society, thereby developing a healthy outlook and sensitivity towards environment in them for years to come.

| Initiative | Target Group |
|--|---|
| Mobile Dispensary | JJ cluster residents, Resettlement colonies |
| Women Literacy Center | Uneducated women in JJ clusters |
| Drug De-Addiction Camp | JJ Cluster & Resettlement colonies residents |
| Support through aids & scholarships: schools, colleges, professional institutes | SC/ST children |
| Support to Orphanage | Children |
| Blood Donation Camps | For all |
| Tree Plantation & Earth Hour Observance | Licensed Area |
| Suraksha Jagriti Abhiyan | JJ Cluster Customers |
| Club Enerji | Schools in licensed area |
| Insurance in JJ Clusters | JJ Cluster Customers |
| Vocational Training - Electrician, Retail Trade, Beautician, Tailoring, Hospitality, Office Assistance | JJ Cluster residents |
| RO Plants in schools | Schools in licensed area |
| Water ATMs in JJ Clusters with RO plants | JJ Cluster Customers |
| ABHA | JJ Cluster & Resettlement colonies |
| Self Help Group creation | JJ cluster & resettlement colonies residents, VVLC pass out beneficiaries |

A Success Story

Back in 2010, when Mohit Kumar secured admission in electrical engineering at the Delhi Technological University, his father was the sole earner and his family struggled to make ends meet. Mohit qualified for a scholarship under Tata Power-DDL's Affirmative Action programme on the basis of merit and means, and with his fees sponsored by the company, completed his B. Tech. without a hassle. The young engineer, who got selected on campus to join Tata Power-DDL as an engineering trainee, then made it to the Indian Institute of Science (IISc), Bangalore for M. Tech. in Electrical in 2014. Tata Power-DDL continued to support the bright young man and sponsored the entire course fee at IISc. On completing his M. Tech., Kumar got a job offer as design engineer at Tata Power-DDL with a package of Rs. 14 lakh per annum, creating another win-win.

| | | | |
|---------|---------------------------|--------------------------------|-----------------|
| FY 2016 | 347912 | 745122 | 8.5 |
| FY 2017 | 411126 | 745122 | 8.1 |
| | Total beneficiaries (Nos) | Cumulative beneficiaries (Nos) | Budget (Rs Crs) |

Due to the improvement in livelihood, the total number of electricity connections have increased to 1,94,502 in FY 17 and collection efficiency of 98.3%. The AT&C loss figures in these areas have come down to 14.2% in FY 17.



People Matters





Labor Management Relations

Tata Power-DDL has successfully maintained cordial and productive relationships with its workforce through effective Industrial Relations management. Every line manager is responsible for looking after the welfare of the people who work with them. All employees of the company have the freedom to express their opinion and raise rights-based issues through various platforms available in the company such as Open House with CEO&MD, Voice of Employee, Joint Interaction Forums, etc. Issues related to welfare initiatives, training and development, career planning, infrastructure and creating healthier and safe working environment are addressed through these meetings. Online portal HR Connect is one of the effective platforms where employees can raise their voice. Employees can also give suggestions on various policies practiced in the company. Every concern and suggestion received through the portal is reverted in a stipulated timeframe. A separate group ER & Welfare under Human Resources has been formed to look after and monitor the effectiveness of the HR/IR policies at all locations. Nodal Officers at each location also play a pivotal role.

On the other side, trade unionism has been a legacy from erstwhile DVB era. There are unrecognized Unions and Associations existing in the organization, many of them claiming right to be recognized and be the bargaining agent. However, within the framework of the industrial and employee relations, Management has adopted Open Door policy and willingly discusses issues and grievances of employees.

Tata Power-DDL introduced better employee welfare policies and schemes. Various benefits have been extended to the employees to enhance productivity and ensure satisfaction. The company periodically reviews the benefits and welfare measures given to the employees to make it more relevant and practical.

A dedicated BA Cell has been constituted to take care of the interests of BA employees and mitigate the risk of business discontinuity and litigation. This Cell ensures 100% statutory compliances of Labor Laws and payment of wages as per Minimum Wages Act, deduction of ESI, PF, etc. Several new initiatives for the benefit of BA employees have also been introduced such as employment opportunity for outsourced



employees, vocational training courses for dependents of BA employees, Mobile Dispensary Services for BA employees and their dependents, Assistance in Pradhan Mantri Jan Dhan Yojna Scheme, Annual BA Sports Meet, etc. They have also been enrolled under BOCW Act.

The BA employees undergo mandatory trainings at the DOSEC (Distribution Operations and Safety Excellence Centre) before joining work and their skills are upgraded from time-to-time. Due to these initiatives, BA satisfaction survey index stood at 86.8% in FY17.

Employee Well-being

At Tata Power-DDL, we believe that "Health is a state of complete harmony of body, spirit & mind". Apart from providing regular free health check-ups, we constantly endeavor to improve the state of health and well-being of our employees through various initiatives.

Health Tip: Every week, Health Tips are released through company mail to all the employees on relevant topics.

Employee Assistance Program: Tata Power-DDL has tied up with '1to1help.net' to offer Employee Assistance Program designed to provide employees with help and support when they feel they need it.

Cultural Clubs: Tata Power-DDL believes that advancing employees' cultural and social aspirations not only injects a renewed and palpable energy in them by reducing their work-related stress but also inspires a latent innovator and differentiator in them and brings out their potential to





broaden their horizon and perspective. Under the patronage of the Cultural Club "Sanskriti", nine clubs have been formed at various locations, which conduct various events and celebrations round the year.

Sports & Welfare Council: In order to improve the quality of life of its employees through physical fitness and cultural and emotional rejuvenation, Tata Power-DDL Sports & Welfare Council organizes various sports events and cultural activities for employees, BA employees and their families such as Inter-department Sports events, BA Sports Meet, Cycle Rally, Walkathon, etc.

Some of the other initiatives taken towards health and wellness are:

- Mass Health Awareness Program
- Free Health and Dental Check-up programs for employees
- Facility of Mobile Dispensary for employees
- Sparsh : Summer Coaching Camp for Employee Wards
- Programs on Health & Wellness, Planning for Retirement and Yoga Sessions

Learning and Development

Learning & Development approach at Tata Power-DDL derives from Organizational Vision, Mission, Values, Long-Term and Short-Term Business Strategy and assessment of current competencies available within the organization. These are balanced with individual requirements which are derived from the individual Performance Management System for all categories of employees. There is a well-developed process for Training Need Identification (TNI) in terms of the organizational, departmental and individual needs. Based on these TNIs, training calendar/programs are planned and designed.

The L&D Environment at Tata Power-DDL encompasses:

1) Internal Training programs:

- a. In-house Technical Training Programs through **Hands on Technical Training Centre (HOTT)**
- b. Competency based Training programs by In-house and External faculties
- c. Departmental Training Program catering to individual department requirements based on Inputs of departmental heads
- d. Functional/Cross-Functional (Job/Role Specific) Training
- e. **Reach-out Programs at various locations**, wherein learning is disseminated at the doorstep of the employee
- f. **Theme based Lectures**
- g. **BA Training Programs** – Technical as well as Soft skill trainings for BA employees are conducted through external as well as internal faculties.

2) External Training & High Value Programs: The company also sends its employees for various external training programs, conferences, seminars, workshops, national and international training platforms in an endeavor to groom them in their current jobs and, where applicable, for higher level jobs.

3) Higher Education Tie-ups: Tata Power-DDL partners with various premier educational institutions for skill development and capability building programs/ courses on need basis. Educational tie-ups provide higher education opportunities for enhancing formal qualification and upgrading knowledge, competencies and capabilities of employees in line with the organizational requirement.

4) Employee Exchange Programs: Tata Power-DDL provides exposure to its employees through national and international peer-to-peer exchange programs with associates to strengthen technological expertise.





5) Mentoring Program for Women Employees By Senior Management: Women Managers are assigned Mentors from the senior management team, who provide them guidance and support on the professional and developmental front, on a continual basis. Women Managers at Middle Management are also provided Mentors from a Tata Group Company under Tata Mentors - The Group Mentoring Program.

6) Mentoring Program for Trainee Batch: Senior professionals who are pioneers of their own field in the organisation and are considered pillars and foundations of Tata Power-DDL are identified as mentors and entrusted the responsibility of the development of new entrants.

7) Kwench – Corporate Library Forum: Tata Power-DDL has tied-up with Kwench – a Corporate library forum, where Tata Power-DDL employees can have free of cost access to 40+ categories including 50,000 physical form of popular and top selling/top read Books & Magazines from National/International Publishers, Audio Books, E Books, Video speeches/sessions by Top Business Leaders, Inspirational and Educational Videos, etc.

8) Industry – Academia Collaboration: In order to enable knowledge exchange with reputed academic institutes, Tata Power-DDL has collaborated with various National and International Universities.

9) LEAD: An innovative series of Short, Inspiring & Motivational Stories in the form of LEAD (Learning Every Day at Desk) is shared with all employees everyday through mails. Enthusing stories and inspirational tales of eminent personalities from different walks of life are shared for inspiring and motivating employees.

10) SMS Based Learning: Being a frontrunner in technology, Tata Power-DDL has introduced SMS based learning - an opportunity to enhance vocabulary by learning One New Word Every Week with its meaning and usage in sentence.

Talent Management

Tata Power-DDL has adopted a multifaceted approach for its employees to discover and develop their competencies, apart from L&D Initiatives as mentioned above. These includes:

1) Career Growth & Progression

a. **Fast Track Promotions:** In order to provide accelerated career growth opportunities to employees who are qualified, competent and are exhibiting high performance



in the organization, Fast Track Promotions scheme is in place. Development plan of the employees promoted under Fast Track scheme is prepared involving their cross-functional exposure, involvement in Innovation Council, High-value External Training programs, E-learning Programs, Mentorship, Team Management Exposure, etc. The Development Plan is monitored on a quarterly basis.

b. Career progression on acquiring higher education

2) Cross Functional Exposure

a. **Job Rotation and Enrichment:** Tata Power-DDL has implemented a Transfer and Job Rotation Policy for all the employees after completion of five years in the same profile/department.

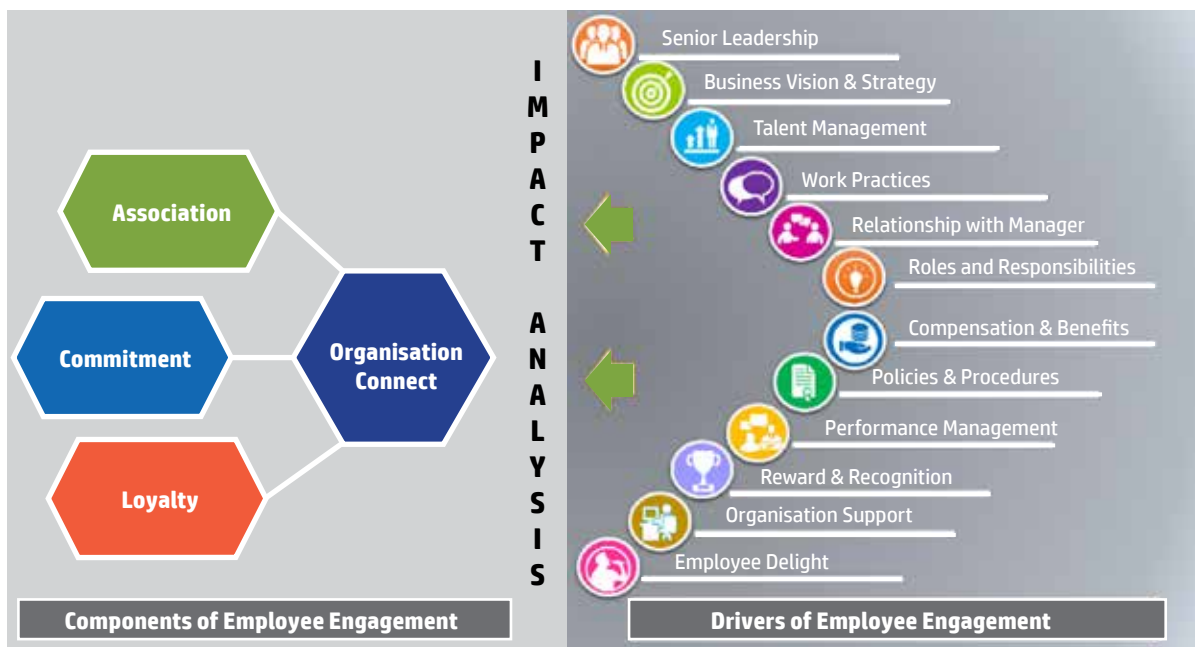
b. **Internal Job Posting and Opportunities to work in Various BD Projects:** Employees are encouraged to apply under Internal Job Posting issued for internal vacancies and also Business Development Projects opportunities within/outside India. Working in implementation of Business Development assignments gives employees a challenging work profile outside the organization's area and a wider spectrum of experience including negotiation skills, interpersonal skills, etc.

c. **LEAP (Learning Enhancement Action Program):** LEAP is a program, wherein employees can nominate themselves to learn new jobs related to their interest areas along with their current job. The employees are coached and assigned hands-on experience of the department by the Coach of the department.

Employee Engagement

Strategic Objectives are cascaded to individual KRAs through Corporate and functional BSCs. Performance-oriented culture is reinforced through different communication and engagement channels. The work culture focuses on goal-

Employee Engagement Model



based performance, safety, quality and ethical conduct at workplace. This is further reinforced through reward and recognition both at individual and team levels, ensuring continuous employee development. The performance improvement system and platforms like CFTs, SHINE, Ideology, Innovista, PRAYAAS and Quality Circles enhance employee engagement. A Comprehensive Customer Centric Award Bouquet has been introduced in FY 2015-16 to enhance employees' commitment towards customer delight.

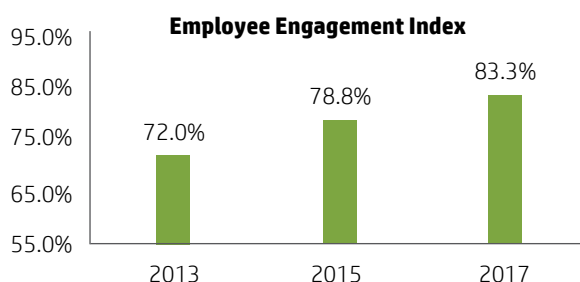
Tata Power-DDL continuously endeavors to capitalize on diverse ideas, thinking and culture of workforce representing employees across levels, gender, age group and region.

Tata Power-DDL uses various methods for determining the drivers of engagement as per the process. This helps in identifying the extent to which employees take pride in working for the organization (Association), feel passionate and committed towards their jobs (Commitment) and are willing to stay for a longer tenure (Loyalty).

Drivers contributing to employee engagement for different workforce segments emerge through various employee interaction forums. On the basis of analysis of survey results and focus group discussions, high impact engagement drivers are identified and subsequently action plan is designed with mandatory actions on the drivers. PULSE - Employee Engagement & Happiness Survey (EE&HS) is carried out on a biennial basis. For BA employees, in-house survey is conducted on an annual basis, subsequent to which action plans are drawn to enhance their satisfaction levels.

Rewards and Recognition

Tata Power-DDL has a bouquet of rewards for recognizing high performance, exceptional calibre and value-based behavior, both at the team and individual levels. The R&R bouquet is publicized through the intranet and the rewards are given in functions held at different locations across the company. It encompasses an entire gamut of Reward & Recognition tailor-made for each employee demographics and customized for various jobs and achievements such as Champion Awards (Annual Award for each cadre of employees), Gold/Silver Awards (For Best performers in Trainee Batches), Samriddhi Merit (For Female employees), Picnic Grant (Team Reward), Shining Star & Shabash (Quarterly Awards), Employee of the Month (Monthly), Long Service Award (For continuous service), WoW Card (For on the spot recognition and appreciation by Reporting Manager), customer Service Award Bouquet (For Employees working in Customer Facing Jobs), Business Excellence Awards (For Innovation and Excellence), etc.



Workforce Snapshot

| Segment | Educational Requirements | Sub-segment/Nos. | No. of PG/Professionals |
|----------------|---|------------------------|-------------------------|
| Executives | B Tech (Electrical/ Civil/Electronics/ IT/ Mechanical/ Computer Science) | Senior Management/53 | 53 |
| | | Middle Management/219 | 205 |
| | MBA/ CA/ ICWA/ CS/ LLB/ LLM/ MSc (Statistics)/ MA (Social Work)/ MBBS | Junior Management/1298 | 1163 |
| Non Executives | Diploma (Electrical/ Civil/ Electronics/ IT/ Mechanical/ Computer Science) Graduation | Supervisor/1014 | 739 |
| | | ITI Graduation | Workmen/963 |

Recruitment Data by Age

| Age Profile | Recruitment |
|----------------|-------------|
| Less than 20 | 36 |
| 20 - 30 Years | 219 |
| 30 -40 Years | 28 |
| 40 - 50 Years | 7 |
| 50 - 60 Years | 2 |
| Above 60 Years | 8 |
| Total | 300 |

Recruitment Data by Gender

| Gender Profile | Recruitment |
|----------------|-------------|
| Female | 79 |
| Male | 221 |
| Total | 300 |

Employees Who Returned to Work After Parental Leave

| Gender | No. of employees taking Parental Leave |
|--------|--|
| Male | 88 |
| Female | 22 |

Employee Turnover Data by Gender & Age groups

| Range | Female | Male | Grand Total |
|--------------------|-----------|------------|-------------|
| Less than 20 | | 2 | 2 |
| 20-30 | 33 | 75 | 108 |
| 30-40 | 4 | 15 | 19 |
| 40-50 | 1 | 8 | 9 |
| Greater than 50 | 20 | 100 | 120 |
| Grand Total | 58 | 200 | 258 |

Trainings

| Year | % of male employees trained | % of female employees trained |
|-------|-----------------------------|-------------------------------|
| FY 17 | 90.7 | 91.9 |

Approaches for Maintaining Health & Safety of Employees :

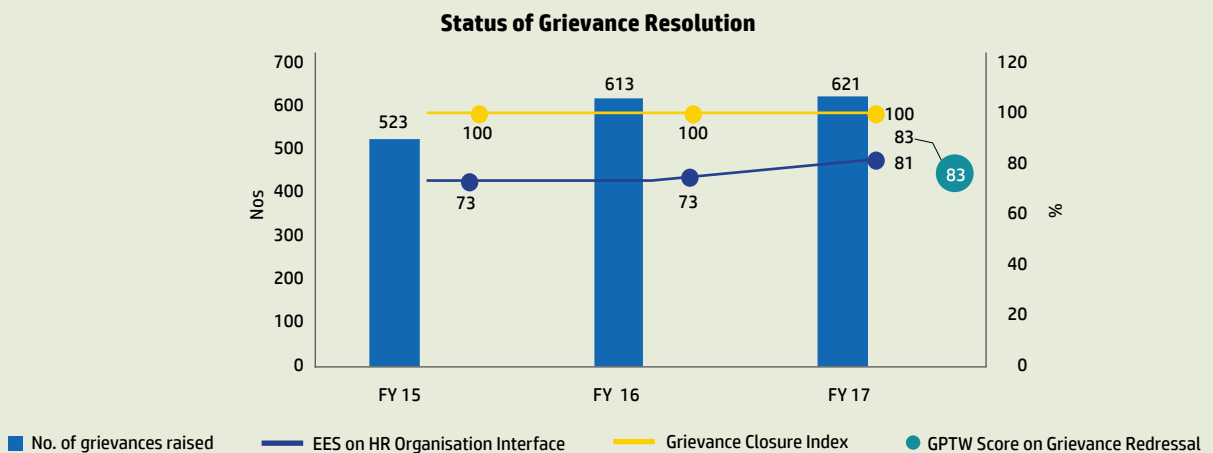
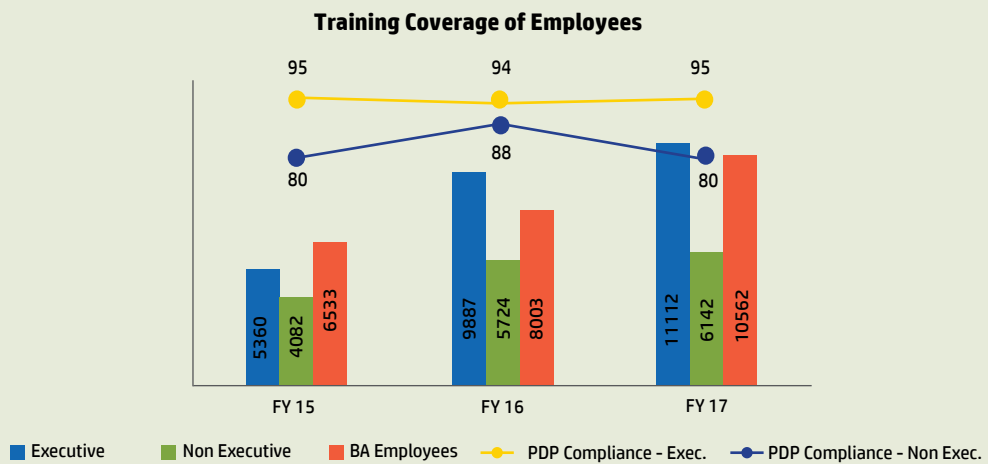
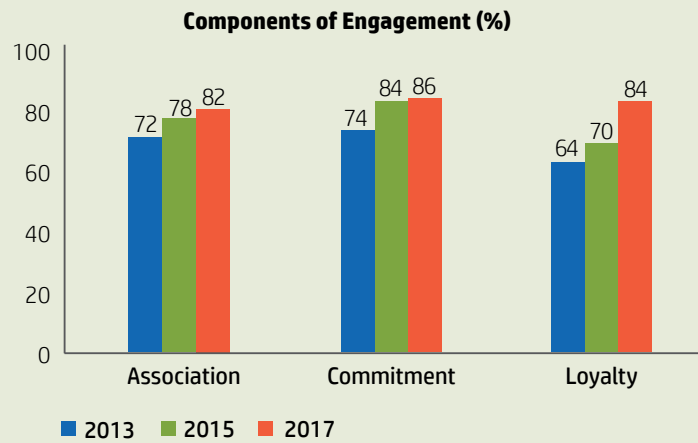
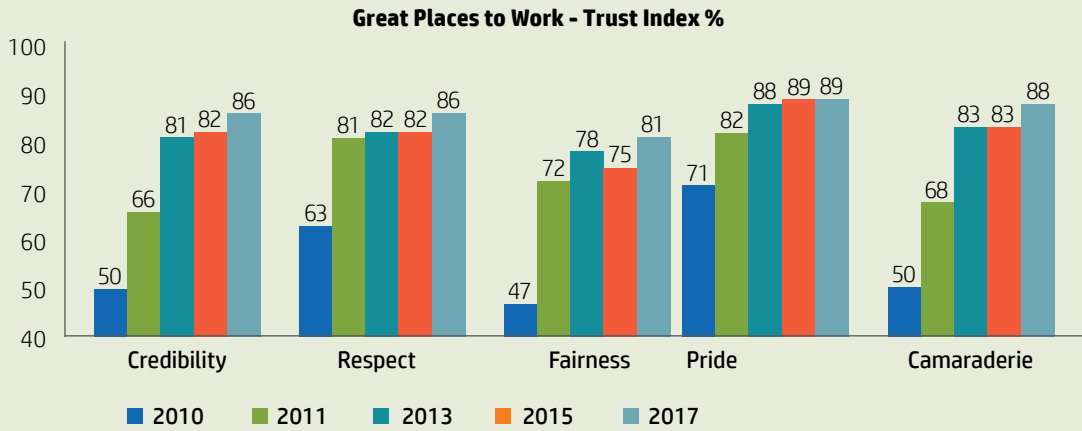
- OPD
- First Aid
- Pre-employment Health Check-up
- Preventive health checkup camps
- Mobile dispensaries for BA employees & families
- Camps for awareness
- Mass Cancer Detection camp (free of cost)
- Employee Assistance Program
 - Nutritionist help
 - Weight Loss Challenge
 - Wellness Coaching
- Homeopathic and Allopathic consultations
- Company-wide sports events
- Program on lifestyle management
- Stress management
- Healthy lifestyle and nutrition
- Cycle Rallies
- Walkathons
- Cultural Clubs and celebrations
- Ullas–Employee Mela
- Weekly Health Tips
- Automated Dispensary Management System
- CPR and First Aid training for floor marshalls
- IT Based BA Health Screening System linked with I-Card Issuance and Competency Assessment



Benefits for different employee categories

| Category | SM | MM | JM | S | W | BA |
|--|----|----|----|---|---|----|
| Work related | | | | | | |
| Telephone/Mobile Policy | Y | Y | Y | Y | | |
| Internet Reimbursement Policy | Y | Y | | | | |
| Car, Brief Case Policy, Joining expenses reimbursement | Y | Y | Y | | | |
| Travel & Local conveyance Policy, Policy on Posting on Outstation Projects within and outside India | Y | Y | Y | Y | Y | |
| Policy for Posting on Outstation Projects for Fixed Term employees | | | | | | |
| R&R- Decentralized R&R, Employee of the month, Champion Awards, BE Awards, Instant Awards, Samridhi (women), Long Service Award, WoW Cards | Y | Y | Y | Y | Y | Y |
| Customer Centric Award Bouquet, Revision of Wedding Gift and Long Service Award, R&R for Fixed Term Employees | Y | Y | Y | Y | Y | |
| Work environment | | | | | | |
| Workplace allocation policy, Ergonomic facilities | Y | Y | Y | Y | Y | |
| SAHAAYAK (Legal Counseling) | Y | Y | Y | Y | Y | |
| Own Your Policy Forum, For Employee Spouse - Employment Opportunities, Sparsh Program for Spouses | Y | Y | Y | Y | Y | |
| Work Life Balance | | | | | | |
| Employee Assistance Program, Picnic Grant, Cultural & Music Club, Sports & Welfare Council, Ullas, Wedding Gift | Y | Y | Y | Y | Y | |
| Female Employees - Extended maternity leave and flexi hours, Break-in Service Option after Maternity, Child Care Leaves (FRSR), Back in Game - Reorientation program | Y | Y | Y | Y | Y | |
| Youth Power Confluence (Trainees) | | | Y | Y | | |
| Medical/Health Insurance | Y | Y | Y | Y | Y | |
| Mediclaime Policy - Cashless, Group Personal Accident Insurance, Group Insurance Scheme, Extension of Medical benefits (post retirement) | Y | Y | Y | Y | Y | |
| Preventive Health check-up camps, Mobile Dispensary | Y | Y | Y | Y | Y | Y |
| Well-equipped GYM, Creche Facility on 50% Cost Sharing basis, Musical Band, Child Adoption Leave, Power Chef, Photography Competition | Y | Y | Y | Y | Y | |
| Female Employees - Revised Maternity Leaves, Break-in Service Option after Maternity, Back in Game - Reorientation program | Y | Y | Y | Y | Y | |
| Career Development, Learning & Education | | | | | | |
| L&D Policy Transfer & Job Rotation Policy & Internal Job Postings, Job Opportunities at Tata Power/BD Projects | Y | Y | Y | Y | Y | |
| Fast Track Promotions (Asst. Mgr to Senior Manager) | | | Y | | | |
| Career progressions for Non Exec on Higher Educaion | | | | Y | Y | |
| Tie-up with Kwench - Corpoarte Library Platform, Higher Education program through National and International Institutes, SMS Based Learning, LEAP (Sr Exec/Trainees) | Y | Y | Y | Y | Y | |
| Social Security Schemes | | | | | | |
| Employee Voluntary Benevolent Contribution Scheme, PLI | Y | Y | Y | Y | Y | |
| Death Relief Fund, Children Education Scheme, Widow fund | | | | | | |
| National Pension Scheme, Gratuity (Eligibility on 2 years of Service) | | | | | | |
| BOCW, ESI, Revised Contractor Safety Management System (Coverage of 10 lacs in case of Accidental death) | | | | | | Y |
| Assistance in Pradhan Mantri Jan Dhan Yojna Scheme, PMJJBY, PMSBY | | | | | | |

SM- Senior Mgt, MM- Middle Mgt., JM - Jr. Mgt, S- Supervisor, W- Workman, BA- Business Associate





Product Stewardship





Tata Power-DDL's utility business is governed by the provisions of license issued by DERC for distribution and retail supply of electricity in North & North West Delhi for a period of 25 years. DERC regulates the working of the entire power sector of Delhi, including determination of tariff chargeable to end customers and establishing performance norms (mainly related to loss reduction, reliability of power supply and customer service delivery). The norms/targets are set by DERC after taking into account past performance, existing levels and current operating environment, like the ground realities and prevailing norms for other power distribution utilities across the country. Further, keeping the stakeholders' interests paramount, it captures the future expectations of the general public/govt./utilities, etc. through public hearing sessions.

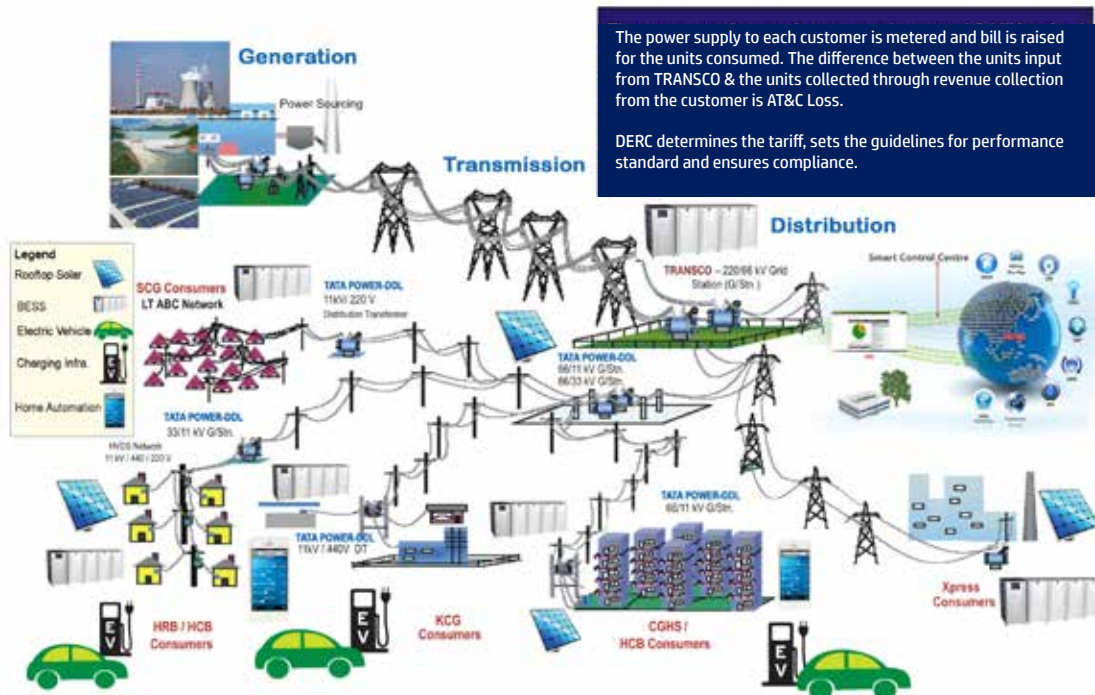
The power value chain is given in the figure below:

Voice of the Customer

Tata Power-DDL uses both formal and informal approaches for listening, interacting with customers and obtaining actionable information on products/services. A list of various approaches is used to listen, interact and observe customers of different segments and to obtain actionable information in the different stages of their life cycle. District Customer Care Centers, and ABHA/Franchisees act as an interface for High Consumer Base and High Revenue Base Customers and SCG segment customers, respectively. Client Managers provide personalized approach for KCG/Express/G&I customers and act as a direct interface between the customer and Tata Power-DDL. The voice of masses, especially residential customers, is also captured through their representatives like RWAs, MLAs and during DERC public hearing.

Sampark Kendra is the most effective channel for listening to regulated business customers, where 90% of the total customer requests/complaints are registered. In addition to the official website, a platform for information sharing, awareness on organizational initiatives, providing connection account details, payment transactions, applying new connection, request and complaint registration, feedback etc., and other web based technologies like Webchat, Tata Power-DDL Connect Mobile App, PULL/PUSH SMS Service, IVRS and E-Kiosks enable digital interaction and engagement with the customers.

Social media platforms like YouTube, Twitter, Facebook Slide Share, Wikipedia and Corporate Blog are also used for sharing information with customers and for listening and understanding customer's expectations. Introduction of new listening avenues like Tata Power-DDL Connect, presence on social media, SAMMAN, etc. enable the company to keep its listening mechanism current, in-line with customer promise, for deep understanding of the unique needs of the customer.



Customer Service also forms a major part of the company's operation and the company has 1.6 million customers currently.



Satisfaction & Engagement: In order to keep the customer perception current about Tata Power-DDL's services, customer satisfaction and engagement are assessed both formally (Customer Happiness & Delight Survey, Feedback through Outbound Calling, CMP) and informally (Customer Meets/Interactions), as part of VoC process. Customer satisfaction and dissatisfaction surveys are conducted with segment-specific questionnaires every year either through an independent agency or through internal resources for the years when an independent agency is not appointed. Sample size for the CDS is determined based on globally accepted statistical norms.

Before conducting the CDS, Focus Group Discussion and in-depth interviews are conducted with the internal process

Tata Power-DDL's success story has led to an influx of progressive measures in other companies of the power sector in India as well. Encouraged by the wholesome transformation witnessed in Tata Power-DDL, other sectors such as water distribution, retail gas supply, etc. have embarked on producing changes in their business areas. Tata Power-DDL, harnessing its pioneering presence and pool of exceptional brains, has also been involved in assisting these firms on their path to excellence.

owners and customers to identify the major engagement factors. Additionally, the external survey captures the company's image aspect (behavior and attitude) and provides an insight about Truly Loyal, Accessible, High Risk and Trapped Customers.

Deployment workshop/meetings are conducted by CS Department with process owners (Operations, Commercial and support functions) and root-cause analysis is done on the improvement/concern areas arising from the CDS findings and action plans are drawn up for implementation across the organization. The outcomes of CDS are shared with the workforce through Email, SEEKH sessions, and CDS results are also uploaded on Sanchay. Improvement in CDS is a key parameter incorporated in the KRAs for relevant

process owners. Periodic reviews by SLT/functional heads and concerned process owners ensure compliance on the action plans identified during the workshops/meetings.

Relationship Management: Electricity Distribution in Delhi is a licensed business and customers of competitors do not have access to Tata Power-DDL's service offerings and vice-versa. However, in order to build and manage relationships with multi-locational high-end customers (like DJB/DMRC/Mother Dairy/IGL, etc) having electricity connection under both Tata Power-DDL and BSES, social events, conferences, and interactions with Top Management is done. Tata Power-DDL has undertaken various 'Industry First' initiatives like the concept of CREs, Client Manager, OMS, RWA/IWA Meets/Milap etc. to manage its relationship with existing customers. Formation of Special Consumer Group is an example of Tata Power-DDL's approach towards acquiring and retaining JJ Cluster customers within the licensed area, by enhancing the payment capacity of SCG customers through various CSR interventions like skill up-gradation, entrepreneurship development, life insurance schemes, etc .

Further, the company is exploring to provide various value-added services like High Tension transformer maintenance, roof-top solar & ESCO, within and outside the licensed area.



Customer Initiatives

Bachpan Gully

Tata Power-DDL in association with The Times of India, has launched the Customer Engagement activity BACHPAN GULLY.

The theme of Bachpan Gully is 'Rewind, Relive' focusing on reviving nearly forgotten outdoor games such as pitthoo, lattoo, hopscotch, marbles, stapu, oonch-nich, kho-kho, etc., and letting children and people from all age groups rediscover the thrill and passion of outdoor games with friends and families.



Umang – Nayi Urja ki Umang, Swachh Urja Ke Sang

“Umang” provides a platform that challenges the youth to embrace the three tenets of Energy-energy efficiency, energy conservation and renewable resources, and empower them to be the future energy ambassadors who are smart and well-informed. This has also been showcased in Rashtrapati Bhawan.



SAMMAN – An Initiative for Senior Citizens

Enabling communities and working towards Customer Centricity has always been the focal point in the TATA working culture. At present a lot of activities are being carried out to involve various communities which not only fulfill our



Corporate Social Responsibility but also help us in improving customer relationship, thus increasing overall customer loyalty. Tata Power-DDL gives special care to its senior citizen customers through the 'SAMMAN' program.

SAMMAN project has been initiated with the following objectives:

- To enhance engagement of senior citizen customers who are staying alone
- To support them with special services and care such as Doorstep Document Collection for connection-related services, monthly health check-up, self defense, Nukkad Natak on Safety Awareness, Laughter Yoga Sessions, health tips, etc.
- To win trust and affection of society by sharing various societal initiatives undertaken by Tata Power-DDL as part of the philanthropy approach

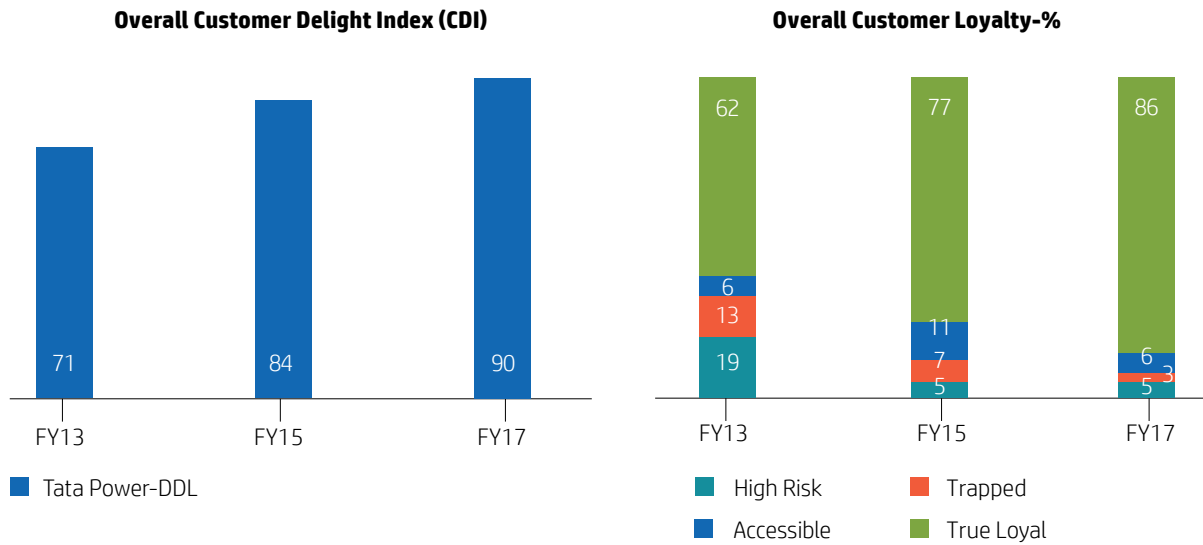
Approx. 1400 senior citizens are enrolled under this project.



SARAL – Talk To Head-Customer Services

SARAL –“Talk to Our Head-Customer Services” is an initiative for further enhancing the customer’s trust and reaffirming our commitment towards service excellence. A dedicated helpline number has been set-up to enable customers to directly get connected with Head-Customer Services.

With this new initiative, customers have an opportunity to escalate their complaint/grievances, suggestions and feedback directly to the level of Head-Customer Services telephonically, and get their concerns resolved within 48 hours.



Humrahi

The theme of Humrahi – ‘Humare Kadam, Humari Raahein’, connotes the strength of human association for promoting and practicing a healthy and empowered way of life. Humrahi is Tata Power-DDL’s initiative under Tata Engage – Tata group’s volunteering programme which was launched in 2014 to commemorate the 175th birth anniversary of Tata Group Founder Jamsetji Tata. Humrahi’s objective is to create an empowering sphere of influence for Tata Power-DDL representatives to volunteer and exhibit their commitment to the group’s ethos of “giving back to the society” and to fruitfully engage with the local community.

The event encourages participants to indulge in outdoor activities like cycling, skating, walkathon, etc. Apart from this, some more highlights of the event include nukkad nataks and band performances by the students of Delhi University colleges like FMS, Miranda House, etc.

Tata Power-DDL Connect (Mobile App)

In order to serve its customers better, the company has launched a Tata Power-DDL Connect App. The app aims towards improving customer services, some of which are as follows:

- Payment confirmation slips can be viewed by customers and downloaded in PDF format under ‘My Account’.
- Customers can easily view the Notification/Request status from the menu of the home screen without registering their CA Number.
- They can complain against a “Theft” in their area through the App.
- New Schemes offered by Tata Power-DDL can be viewed from the App.





Occupational Health & Safety



Occupational Health & Safety

Tata Power-DDL ensures a safe and healthy environment and workplace conditions with due regard to environmental protection and compliance of applicable laws and regulations. To ensure excellence in Safety, Tata Power-DDL has its IMS Policy.



Safety Division

Tata Power-DDL has a well-established Safety, Health & Environment & Disaster Management Group headed by a senior official.

Compliance to Safety Standards

Tata Power-DDL believes in proactive approach towards Safety issues and the guidelines framed as per OHSAS 18001:2007, and other statutory requirements as per Electricity Act 2003, CEA Regulations for measures relating to Safety & Electric Supply 2010, and CEA (Safety Requirement for Construction, Operation & Maintenance of Electric plant and Electric lines 2011). The safety guidelines and work instructions are part of all processes framed under Integrated Management System. Tata Power-DDL has an independent process for safety management providing guidelines to each and every process within the company. Safety assessments are conducted proactively in the company. It involves a detailed safety audit of all workplaces (which includes distribution network, grid sub-stations, project sites and administrative areas, etc.) and identifying potential hazards at a facility or worksite. The assessment also includes review of all written processes and training

records to ensure that they are in line with the current regulatory standards. As a follow-up of the assessment, a written report, which includes both observations as well as recommendations, is sent to the concerned groups.

Impact of Safety Concerns on Employees

- The thrust placed on safety concerns has had a very positive impact in sensitizing the employees and building a safety culture in the organization. This has been elaborated in subsequent parts of the report.
- The number of Safety Observations/Near Misses reported has increased in and over the years. This increasing trend is indicative of the fact that our employees are well sensitized towards safety. All Safety Observations/Near Misses are investigated and corrective actions are initiated. Preventive actions to avoid recurrences are circulated for implementation pan Tata Power-DDL.
- With the introduction of safety compliance monitoring measure 'Safety Index', there is a healthy competition generated among the zones/districts to perform better and improve their safety standards and records thereof.
- Key safety performance parameters are also reviewed in the Balanced Score Card review of the SHE & DM Group as well as other individual groups.
- In order to report any hazard/Safety concerns/ Suggestions/Near Misses/concerns related to fire and disaster etc., a web portal named "Suraksha portal" has been provided. All issues are reviewed and forwarded to the concerned location in-charge. The portal "Suraksha" is also available to the general public through web for reporting all unsafe conditions or safety related issues. A 24x7 Safety Helpdesk is available to receive any safety issues raised by employees.

Safety Plan

Tata Power-DDL has a well-structured Annual Safety Plan framed as per the Vision and Mission of the company.

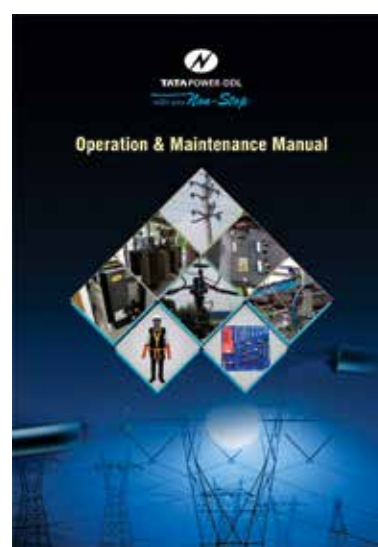
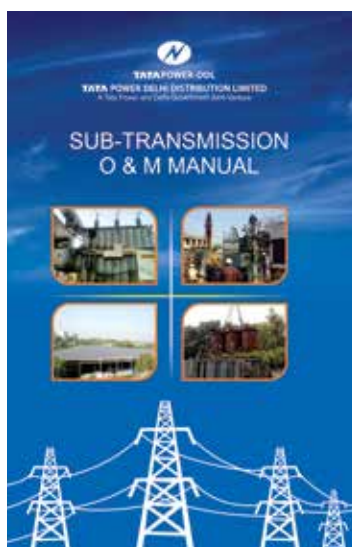
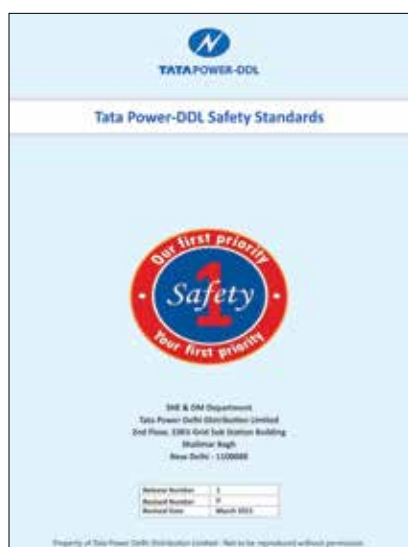
The Company also subscribes to the Tata Safety Beliefs which lay the foundation of safety philosophy of the Tata Group.



Safety Manual

Tata Power-DDL has a comprehensive Safety Manual called Tata Power-DDL Safety Standards, the contents of which are disseminated across all levels of the organization. The manual is available as a hard copy as well as on the company's web portal and is thus accessible to all employees, contractors and general public. The various provisions of the safety policy form an integral part of the general conditions of all contracts.

Front page of Safety Standards and Manuals



SAFETY MANUAL: TABLE OF CONTENTS

| S. No. | Description |
|--------|---|
| 1 | Introduction & Objective |
| 2 | Scope |
| 3 | Standard & Procedures |
| 3a | Electrical Safety Standard |
| 3b | Fire Safety Management |
| 3c | Job Safety Analysis Standard |
| 3d | Permit to Work System & Lock Out Tag Out |
| 3e | Working at Height |
| 3f | Contractor Safety Management System Safety Standard |

Safety Education

Tata Power-DDL has designed and developed several technical and managerial training capsules which are conducted in a state-of-the-art training facility. It is among the top training institutions selected by Ministry of Power for conducting the DRUM (Distribution Reforms Up-gradation and Management) training programs for technicians and engineers of various SEBs/Private Power utilities. Customized training programs on power distribution and reforms are also conducted for power utilities in India.

To emphasize on Safety Training, a separate department i.e. Distribution Operations & Safety Excellence Centre (DOSEC) has been created to impart Safety and Skill development trainings to Tata Power-DDL and BA employees. The syllabus has been prepared based on the requirements and guidelines of CEA.

The development and learning needs are identified from long-term goals, strategic challenges and short-term action plans. These are balanced with individual requirements which are derived from the Individual Performance Management System for all categories of employees. Apart from in-house training, employees are nominated for programs conducted by various management training institutes, seminars and peer-to-peer exchange programs in areas where domain expertise is not available within the company.

In addition, the BA workforce is also subjected to a rigorous safety education program comprising two elements, i.e.

- Competency Check
- Safety Training

All BA employees engaged in technical activities are subjected to a competency check once in 18 months, wherein the competency of the individual to execute work safely is checked. Individuals found unfit are re-sent for safety training or even removed from work site. All BA employees undergo a mandatory one day safety training module conducted by qualified trainers. BA employees are also assessed post training for the learning received during the safety module and top performers are suitably rewarded.

National Safety Week

The National Safety Week is observed at Tata Power-DDL in the month of March with varied themes every year. The Safety Week programs are inaugurated by the CEO & MD in the Opening Event along with Senior Leadership members. Several new initiatives and products are unveiled and best practices are showcased in the event. The different locational programs are also conducted across Tata Power DDL under the patronage of SLTs.

Various competitions & activities such as Nukkad Natak, Slogan writing, Poem writing, My ideas on safety, E-quiz,



On-the-Spot quiz, Poster making and Drawing Competition for wards of BA and Tata Power-DDL employees are organized in the week, witnessing participation in hundreds by Tata Power DDL employees, BA employees as well as their family members.

The best entries/winners of the events, selected by esteemed juries are felicitated during the Closing Ceremony of National Safety Week.

In addition, the workforce committed in raising the safety standards by consistently performing all round the year are also recognized and appreciated by the senior leadership.

Safety Drills

Typically a day at work site i.e. zonal office/project site starts with the safety talk where all employees of Tata Power-DDL along with Business Associates come together and discuss about safety practices and hazards associated with the operation and maintenance works. Each one of them takes a safety oath to reinforce his/her commitment towards safety. The officers responsible for safety in the field have to conduct the prescribed safety audits as per the process, which are also counter-checked by the Area Safety Officers or team of auditors from SHE & DM Group. Emergency Disaster Management mock drills are carried out at each location for on-site and off-site emergencies. Time to time, Tata Power-DDL also participates in Disaster Drills conducted by the Delhi State Govt./DDMA.

All new employees are given training on SHE & DM aspects by experienced officials. Practical demonstrations on fire safety drills are also carried out during the training wherein the participants are encouraged to practice use of fire extinguishers on mock fires. The personnel and administration coordinator of a location familiarizes the emergency evacuation route and the building owner or the supervisor familiarizes the possible hazards at the location to new employees. The evacuation time has reduced year-on-year.

Safety Incentives

Tata Power-DDL believes that all good initiatives taken in improving the standards of SHE & DM in any corner of the company must be highlighted and suitably rewarded. A two-tier system for reward and recognition of safety initiatives, for both Tata Power-DDL as well as Business Associate employees has been designed. Instant reward is also given to those employees who perform exemplary work on safety aspects.

The Lineman, Safety Coordinators, Safety Marshalls and BA Safety Engineers are nominated for Suraksha Senani, Suraksha Senapati, Suraksha Sarthi and Suraksha Sahayak on a quarterly basis and objectively evaluated based on their quarterly performance, which also takes scorecards into consideration. The families of the recipients of such awards are also invited in company level functions like Safety Week, where competitions for their wards are conducted and suitable rewards are given. All employees and Business Associates including their family members are also encouraged and invited to participate in Safety Slogan writing, Safety Quiz, Safety Poster making, Safety Poem writing and My Ideas on Safety competitions held during Safety/Fire/Environment week, and the best entries are rewarded.

Safety Drives

In this initiative, the Safety team along with other support functions spends two/three days at the field with the department where the drive is being undertaken. The approach is collaborative, to understand the challenges and gaps rather than auditing. This improves the camaraderie and acceptability among Safety function and Operational teams, and a general consensus is developed for long and short-term safety plans.



Mentoring of locations by Senior Leadership

The hands-on leadership approach in Tata Power-DDL has been the mainstay in the safety journey. The senior leadership has taken it upon themselves to show how safety is maintained through location visits and site audits. Location visit, morning safety interaction/safety talk, checking of safety display board, PTW records, safety register, safety audit record, site visits, and boosting overall safety consciousness of the mentored location by the custodian senior leader is done.

Night Inspections by Operations and Safety Team

To keep an all-round vigil and ensuring enforcement of safety norms across the organization at all times, a structured and quantified way of night visit by field and safety officials has been introduced and deployed and more than 2500 such visits have been conducted at odd hours in the last 2 years. This has sent a message among workmen that the safety culture is taken seriously by all levels of management and no exceptions can be made at any point of time.

Mitigating Risk while working unsupervised at height

In order to inculcate safe work practices by the BA linemen during unsupervised work, Job Safety Analysis (JSA) checklist has been prepared by SHE&DM group. The JSA checklist is a checklist which the linemen can refer to and analyze the site conditions for potential hazards prior to start of work. The same has been prepared in a booklet form which also includes the Standard Operating Procedure for the activity.

An Unsafe Pole process has been deployed based on GIS data and physical attributes which gives a pre alert to the workman on unsupervised jobs and extended to protocols of other functions as well.

Competency based work allocation for hazardous jobs

During the competency test conducted after training, the successful linemen are awarded grades namely Bronze, Silver and Gold based on the marks achieved by them. It is



being ensured that only Gold and Silver category Linemen are allocated the unsupervised work. To enforce the same in the last one year, the percentage of bronze category linemen has been reduced from 30% to 6% at the end of FY through systematic and focused training.

Animated Movie for CAPA retention

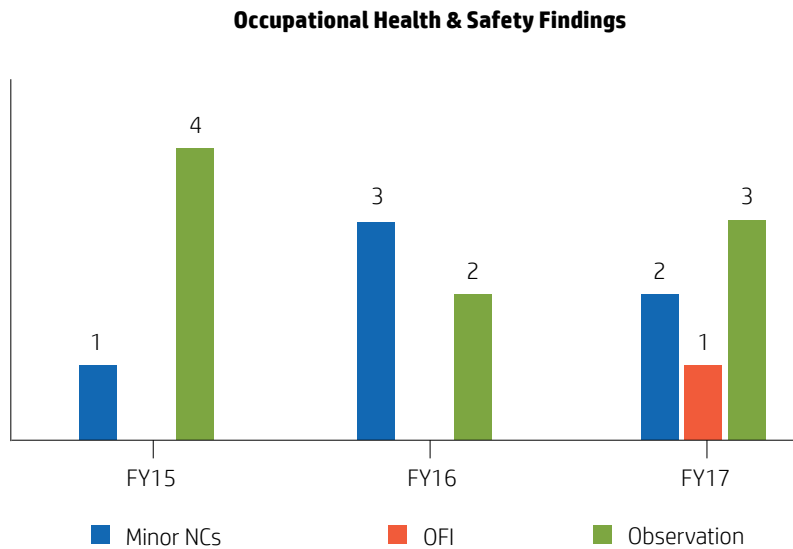
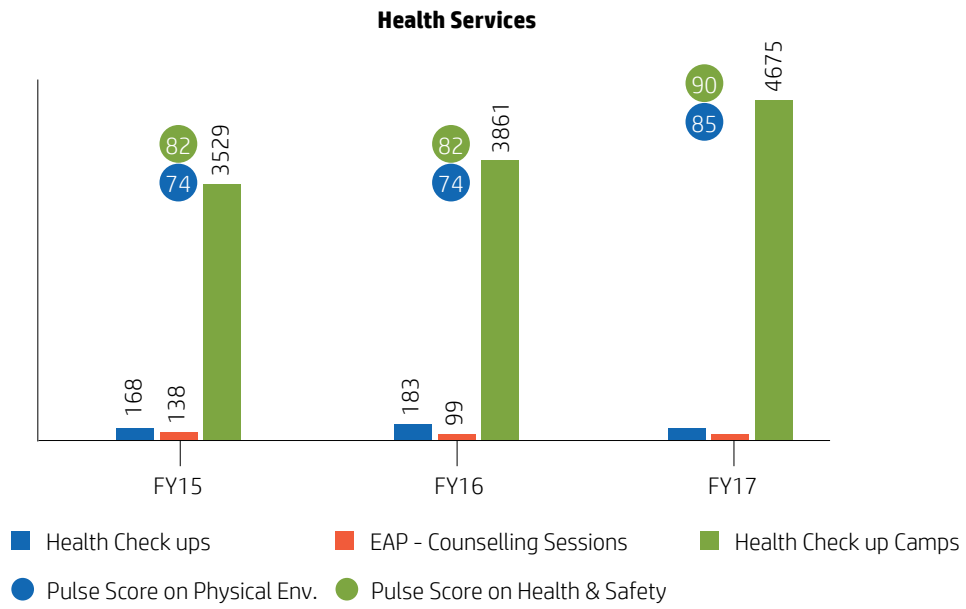
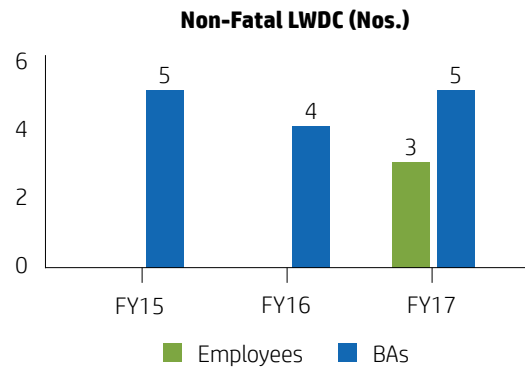
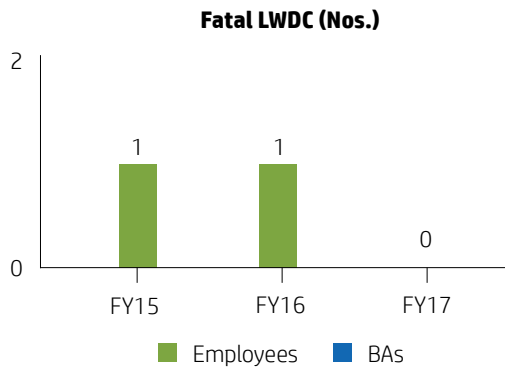
Animated & work process videos have been prepared and disseminated through various forums like LSC and safety talks. Apart from that, DOSEC has converted the entire Safety training module to an animated movie which is shown to the workmen in a decentralized manner by the trainers of DOSEC.

While doing Safety analysis, it transpired that at ground level CAPA awareness was still a major area of concern. CAPAs circulated were being discussed among supervisory cadre employees and a portion of the line-staff. This was not complying with 100% effective sharing compliance of CAPA.

The entire process was automated with auto-timelines and escalation so that the CAPA could be disseminated and implemented within stipulated timelines and the feedback was sent to Safety Department.

Public Installation Safety Audits through SAP based process

The customer base of our company includes areas of congregation like religious places, cinema halls, hospitals, schools, malls, etc. where people assemble in large numbers. Safety of the electrical installations is of utmost importance at such places and with this objective in mind, Tata Power-DDL conducts Public Installation Safety Audits wherein the field officers visit such sites, inspect the electrical installation even beyond the meter terminal and suggest corrective actions for the deficiencies observed. A written report is handed over to the customer with the advice of taking appropriate corrective action. To make the process more efficient, a SAP based IT software has been developed and deployed through which escalation and reports shall be sent in soft form to the applications.



Electric Utilities Sector Supplementary (EUSS) & Global Reporting Initiatives (GRI) – G4 General & Specific Standard Disclosures

Tata Power-DDL's FY 17 Corporate Sustainability Report is prepared in accordance with Electric Utilities Sector Supplement and GRI G4 Sustainability Reporting Guidelines at "Core" level. The selected indicators have been internally audited. Some of the information can be found in Annual Report and website of Tata Power-DDL. For detailed explanation of standard disclosures, please visit www.globalreporting.org.

| GRI Reference | Title | Availability | Page no. | Reason for Omission(s)/Remarks |
|--|--|--------------|--------------|---|
| Strategy & Analysis | | | | |
| G4-1 | CEO & MD's Statement | Y | 2, 3 | |
| G4-2 | Key Impacts, Risks and Opportunities | Y | 8, 13 | |
| Organization Profile | | | | |
| G4- 3 | Name of the organization | Y | 5 | |
| G4- 4 | Primary brands, products and services | Y | 5 | |
| G4- 5 | Location of the organization's headquarters | Y | 5, Back page | |
| G4- 6 | Countries of Operation | Y | 5 | |
| G4- 7 | Nature of ownership and legal form | Y | 5, 10 | |
| G4- 8 | Markets served | Y | 5 | |
| G4- 9 | Scale of Operations | Y | 5 | |
| G4- 10 | Number of employees | Y | 5 | |
| G4- 11 | Collective bargaining agreements | Y | 33 | |
| G4- 12 | Supply chain | Y | 6 | |
| G4- 13 | Significant changes | Y | 5 | No change in location of operations, share capital structure, suppliers etc in reporting period |
| G4- 14 | Precautionary approach | Y | 7-14 | |
| G4- 15 | External charters | Y | 6 | |
| G4- 16 | Memberships and partnerships | Y | 6, 26-27 | |
| Material Aspects & Boundaries | | | | |
| G4- 17 | Entities | Y | 15 | |
| G4- 18 | Defining Report Content | Y | 1 | |
| G4- 19 | List of Material Aspects and Boundaries | Y | 15-17 | |
| G4- 20 | Report of aspect boundary (within the organisation) | Y | 15-17 | |
| G4- 21 | Report of aspect boundary (outside the organisation) | Y | 15-17 | |
| G4- 22 | Restatements | N | | Not applicable |
| G4- 23 | Significant reporting changes | N | | Not applicable |
| Stakeholder Engagement | | | | |
| G4- 24 | Stakeholder groups | Y | 15-17 | |
| G4- 25 | Basis for stakeholder identification and selection | Y | 15 | |
| G4- 26 | Approach to stakeholder engagement | Y | 15 | |
| G4- 27 | Key topics and expectations raised | Y | 15-17 | |
| Report Profile | | | | |
| G4- 28 | Reporting period | Y | 2 | |
| G4- 29 | Previous report (if any) | N | | Not applicable |
| G4- 30 | Reporting cycle | Y | 2 | FY16-17 –Annual |
| G4- 31 | Contact point | Y | Feedback | |

| GRI Reference | Title | Availability | Page no. | Reason for Omission(s)/Remarks |
|----------------------------------|--|--------------|-----------|--|
| G4- 32 | GRI Content Index | Y | 1, 51-57 | |
| G4- 33 | Policy for external assurance | Y | Feedback | |
| Governance | | | | |
| G4 - 34 | Governance structure | Y | 10-13 | |
| G4 - 35 | Governance processes – Delegation | Y | 10-13 | |
| G4 - 36 | Governance processes – Responsibility | Y | 10-13 | |
| G4 - 37 | Consultation between stakeholders & Board | Y | 10-13 | |
| G4 - 38 | Highest governance body and its committees | Y | 10-13 | |
| G4 - 39 | Highest governance body (Chair) | Y | 10-13 | |
| G4 - 40 | Nomination and selection process | Y | 10-13 | |
| G4 - 41 | Conflicts of interest | Y | 10-13 | |
| G4 - 42 | Roles in values and strategy development | Y | 10-13 | |
| G4 - 43 | Knowledge & competencies of highest governance body | Y | 10-13 | |
| G4 - 44 | Board's performance evaluation | Y | 10-13 | |
| G4 - 45 | Board's role in identification of risk management | Y | 10-13 | |
| G4 - 46 | Board's role in reviewing effectiveness of risk management | Y | 10-13 | |
| G4 - 47 | Frequency of Board's review | Y | 10-13 | |
| G4 - 48 | Review of Corporate Sustainability Report | Y | 21-24 | |
| G4 - 49 | Reporting critical concerns | Y | 10 | Subject to specific confidentiality constraints |
| G4 - 50 | Nature and number of critical concerns | N | | |
| G4 - 51 | Remuneration policies for Highest Governance Body | N | | |
| G4 - 52 | Performance Criteria | N | | |
| G4 - 53 | | N | | |
| G4 - 54 | | N | | |
| G4 - 55 | | N | | |
| Ethics & Integrity | | | | |
| G4 - 56 | Codes of conduct and ethics | Y | 14 | |
| G4 - 57 | Internal and external mechanisms –Ethical & lawful | Y | 14 | |
| G4 - 58 | Ethical & unlawful | Y | 14 | |
| G4 - DMA | Impact of Aspect materials | Y | 13, 15-17 | |
| Economic Performance | | | | |
| G4- EC1 | Direct economic value generated and distributed | Y | 5 | |
| G4- EC2 | Financial implications & other risks and opportunities for the organization's activities due to climate change | Y | 19, 23 | |
| G4- EC3 | Coverage of the org's defined benefit plan obligations | Y | 33-38 | |
| G4- EC4 | Financial assistance received from government | N | | Not applicable |
| Market Presence | | | | |
| G4- EC5 | Ratios of standard entry level wage by gender compared to local minimum wage | N | | Entry level is above Minimum wage & no discrimination in salary is done on the basis of gender |
| G4- EC6 | Proportion of senior management hired from the local community at significant locations of operation | N | | Not applicable as single major location of operation and all staff are Indian |
| Indirect Economic Impacts | | | | |
| G4- EC7 | Development and impact of infrastructure investments and services supported | | | |

| GRI Reference | Title | Availability | Page no. | Reason for Omission(s)/Remarks |
|------------------------------|---|--------------|----------------|--|
| G4- EC8 | Significant indirect economic impacts, including the extent of impacts | Y | 6, 31 | |
| Procurement Practices | | | | |
| G4- EC9 | Proportion of spending on local suppliers | N | | Not applicable |
| Materials | | | | |
| G4- EN1 | Materials used by weight or volume | N | | Only electricity |
| G4- EN2 | % of materials used that are recycled input materials | N | | NA |
| Energy | | | | |
| G4- EN3 | Energy consumption within the organization | Y | 23 | |
| G4- EN4 | Energy consumption outside of the organization | N | | |
| G4- EN5 | Energy intensity | N | | |
| G4- EN6 | Reduction of energy consumption | Y | 19, 23 | |
| G4- EN7 | Reductions in energy requirements of products & services | Y | 19, 23 | |
| Water | | | | |
| G4- EN8 | Total water withdrawal by source | N | | |
| G4- EN9 | Water sources significantly affected by withdrawal | N | | Not used in value chain and hence not calculated |
| G4- EN10 | % and total volume of water recycled and reused | N | | Water harvesting is done measurement is not done as not part of value chain |
| Biodiversity | | | | |
| G4- EN11 | Operational sites owned, leased, managed in, or adjacent to, protected areas and areas of high biodiversity value outside protected areas | N | | Not applicable as no such area of operation exists |
| G4- EN12 | Description of significant impacts of activities, products, and services on biodiversity | N | | |
| G4- EN13 | Habitats protected or restored | N | | |
| G4- EN14 | Total number of IUCN red list species and national conservation list species | N | | |
| Emissions | | | | |
| G4- EN15 | Direct greenhouse gas emissions (scope 1) | N | | Electricity is only distributed & no generation takes place except through solar power which has zero emission. No effluents are generated and there is no direct environmental impact of product and services involved. |
| G4- EN16 | Energy indirect greenhouse gas emissions (scope 2) | N | | |
| G4- EN17 | Other indirect greenhouse gas emissions (scope 3) | Y | 21, 23 | |
| G4- EN18 | Greenhouse gas (GHG) emissions intensity | Y | 21, 23 | |
| G4- EN19 | Reduction of greenhouse gas emissions | Y | 21, 23 | |
| G4- EN20 | Emissions of ozone-depleting substances (ODS) | N | | |
| G4- EN21 | NOx, SOx, and other significant air emissions | N | | |
| Effluents and Waste | | | | |
| G4- EN22 | Total water discharge by quality and destination | N | Not applicable | |
| G4- EN23 | Total weight of waste by type and disposal method | N | | |

| GRI Reference | Title | Availability | Page no. | Reason for Omission(s)/Remarks |
|---|--|--------------|-----------|---|
| G4- EN24 | Total number and volume of significant spills | N | | |
| G4- EN25 | Weight of transported, imported, exported, or treated waste deemed hazardous under the terms of the Basel Convention Annex I, II, III, and VIII, percentage of transported waste shipped internationally | N | | |
| G4- EN26 | Identity, size, protected status, & biodiversity value of water bodies and related habitats significantly affected by the organization's discharges of water | N | | |
| Products and Services | | | | |
| G4- EN27 | Extent of impact mitigation of environmental impacts of products and services | Y | 13, 22 | |
| G4- EN28 | Percentage of products sold and their packaging materials that are reclaimed by category | N | | Not applicable |
| Compliance | | | | |
| G4- EN29 | Monetary value of significant fines and total number of non-monetary sanctions for noncompliance with environmental laws and regulations | Y | | No fine has been imposed |
| Transport | | | | |
| G4- EN30 | Significant environmental impacts of transporting products and other goods and materials for the organization's operations, and transporting members of the workforce | N | 10 | Not measured currently as there is no direct impact |
| Overall | | | | |
| G4- EN31 | Total environmental protection expenditures & investments by type | N | | |
| Supplier Environmental Assessment | | | | |
| G4- EN32 | Percentage of new suppliers that were screened using environmental criteria | Y | 6 | 100% new suppliers are screened as part of GCC |
| G4- EN33 | Significant actual and potential negative environmental impacts in supply chain & actions taken | Y | 6 | Relevant statutory compliances checked as part of GCC |
| Environmental Grievance Mechanisms | | | | |
| G4- EN34 | No. of grievances about environmental impacts filed, addressed & resolved through formal grievance mechanisms | Y | | Nothing adverse reported |
| Employment | | | | |
| G4- LA1 | Total number and rates of new employee hires and employee turnover by age group, gender and region | Y | 5, 37 | Overall nos are reported |
| G4- LA2 | Benefits provided to full-time employees that are not provided to temporary or part-time employees, by significant locations of operation | Y | 37 | Single location operation |
| G4- LA3 | Return to work and retention rates after parental leave, by gender | Y | 37 | 100% retention |
| Labor/Management Relations | | | | |
| G4- LA4 | Minimum notice periods regarding operational changes, including whether these are specified in collective agreements | N | | Not applicable |
| Occupational Health and Safety | | | | |
| G4- LA5 | Percentage of total workforce represented in formal joint management-worker health and safety committees that help monitor and advise on occupational health and safety programs | Y | 37, 46-49 | |
| G4- LA6 | Type of injury and rates of injury, occupational diseases, lost days, and absenteeism, and total number of work-related fatalities | Y | 50 | |

| GRI Reference | Title | Availability | Page no. | Reason for Omission(s)/Remarks |
|---|--|--------------|--------------|---|
| G4- LA7 | Workers with high incidence or high risk of diseases related to their occupation | N | | Not applicable |
| G4- LA8 | Health and safety topics covered in formal agreements with trade unions | N | | Not applicable |
| Training and Education | | | | |
| G4- LA9 | Average hours of training per year per employee by gender and by employee category | Y | 39 | Include LA 9 |
| G4- LA10 | Programs for skills management & lifelong learning that support the continued employability of employees & assist them in managing career endings | Y | 37, 39 | |
| G4- LA11 | Percentage of employees receiving regular performance and career development reviews, by gender and by employee category | N | | This is confidential information & is done for all |
| Diversity and Equal Opportunity | | | | |
| G4- LA12 | Composition of governance bodies & breakdown of employees per employee category according to gender, age group, minority group membership and other indicators of diversity | Y | 37 | |
| Equal Remuneration for Women and Men | | | | |
| G4- LA13 | Ratio of basic salary and remuneration of women to men by employee category, by significant locations of operation | N | | Same all across |
| G4- LA14 | % of new suppliers that were screened using labor practices criteria | N | Supply chain | Relevant statutory compliances checked as part of GCC |
| G4- LA15 | Significant actual and potential negative impacts for labor practices in the supply chain and actions taken | N | | |
| G4- LA16 | Number of grievances about labor practices filed, addressed & resolved through formal grievance mechanisms | N | | |
| Investment | | | | |
| G4- HR1 | Total number & % of significant investment agreements and contracts that include human rights clauses or that underwent human rights screening | N | | Not calculated |
| G4- HR2 | Total hours of employee training on human rights policies or procedures concerning aspects of human rights that are relevant to operations, including the percentage of employees trained | Y | 39 | |
| Non Discrimination | | | | |
| G4- HR3 | Total number of incidents of discrimination and corrective actions taken | Y | | No such incident reported |
| Freedom of Association and Collective Bargaining | | | | |
| G4- HR4 | Operations and suppliers identified in which the right to exercise freedom of association and collective bargaining may be violated or at significant risk, and measures taken to support these rights | N | | |
| Child Labor | | | | |
| G4- HR5 | Operations and suppliers identified as having significant risk for incidents of child labor, and measures taken to contribute to the effective abolition of child labor | Y | 6, 21 | Compliance to SA 8000:2014 |
| Forced or Compulsory Labor | | | | |
| G4- HR6 | Operations and suppliers identified as having significant risk for incidents of forced or compulsory labor, and measures to contribute to the elimination of all forms of forced or compulsory labor | Y | 6, 21 | |

| GRI Reference | Title | Availability | Page no. | Reason for Omission(s)/Remarks |
|--|--|--------------|----------|--|
| Security Practices | | | | |
| G4- HR7 | Percentage of security personnel trained in the organization's human rights policies or procedures that are relevant to operations | N | | Not calculated |
| Indigenous Rights | | | | |
| G4- HR8 | Total number of incidents of violations involving rights of indigenous people and actions taken | N | | Not applicable |
| Assessment | | | | |
| G4- HR9 | Total number & % of operations that have been subject to human rights reviews or impact assessments | N | | Contract clauses, corporate policies are uniformly applicable |
| Supplier Human Rights Assessment | | | | |
| G4- HR10 | % of new suppliers that were screened using human rights criteria | N | | Relevant statutory compliances checked as part of GCC |
| G4- HR11 | Significant actual and potential negative human rights impacts in the supply chain and actions taken | N | | |
| Human Rights Grievance Mechanism | | | | |
| G4- HR12 | Number of grievances about human rights impacts filed, addressed and resolved through formal grievance mechanisms | N | | No such incident reported |
| Local Communities | | | | |
| G4- S01 | % of operations with implemented local community engagement, impact assessments & development programs | N | | Location is in NCT of Delhi & electricity distribution has no negative impacts |
| G4- S02 | Operations with significant actual and potential negative impacts on local communities | N | | |
| Anti-Corruption | | | | |
| G4- S03 | Total no. and percentage of operations assessed for risks related to corruption and the significant risks identified | Y | 11 -13 | |
| G4- S04 | Communication and training on anti-corruption policies | Y | 14 | As per TCoC |
| G4- S05 | Confirmed incidents of corruption and actions taken | N | | Confidential – action is taken as per TCoC |
| Public Policy | | | | |
| G4- S06 | Total value of political contributions by country and recipient/beneficiary | N | | Not done as part of Tata Group policy |
| Anti-Competitive Behaviour | | | | |
| G4- S07 | Total no of legal actions for anti-competitive behavior, anti-trust, and monopoly practices and their outcomes | N | | Not applicable as this is a special purpose vehicle with 49% govt ownership |
| Compliance | | | | |
| G4- S08 | Monetary value of significant fines & total number of non-monetary sanctions for noncompliance with laws | Y | 10 | NIL |
| Supplier Assessment for Impact on Society | | | | |
| G4- S09 | Percentage of new suppliers that were screened using criteria for impacts on society | N | | Relevant statutory compliances checked as part of GCC |
| G4- S010 | Significant actual and potential net impact on society in the supply chain and actions taken | N | | |

| GRI Reference | Title | Availability | Page no. | Reason for Omission(s)/Remarks |
|--|---|--------------|----------|--------------------------------|
| Grievance for Impact on Society | | | | |
| G4- S011 | No of grievances about impacts on society filed, addressed, and resolved through formal grievance mechanisms | Y | 10 | |
| Customer Health and Safety | | | | |
| G4- PR1 | % of significant product and service categories for which health and safety impacts are assessed for improvement | Y | 13 | |
| G4- PR2 | Total number of incidents of non-compliance with regulations and voluntary codes concerning the health and safety impacts of products and services during their life cycle, by type of outcomes | Y | 13 | No such incident |
| Product and Service Labeling | | | | |
| G4- PR3 | Type of product and service information required by the organization's procedures for product and service information and labeling, and percentage of significant product and service categories subject to such information requirements | Y | | Nil |
| G4- PR4 | Total number of incidents of non-compliance with regulations and voluntary codes concerning product and service information and labeling, by type of outcomes | Y | | Nil |
| G4- PR5 | Results of surveys measuring customer satisfaction | Y | 47 | |
| Marketing Communications | | | | |
| G4- PR6 | Sale of banned or disputed products | N | | Not applicable |
| G4- PR7 | Total number of incidents of non-compliance with regulations and voluntary codes concerning marketing communications, including advertising, promotion and sponsorship, by type of outcomes | N | | Not applicable |
| Customer Privacy | | | | |
| G4- PR8 | Total number of substantiated complaints regarding breaches of customer privacy and loss of customer data | Y | 5, 21 | Nil, ISO 27001 |
| Compliance | | | | |
| G4- PR9 | Monetary value of significant fines for non-compliance with laws and regulations concerning the provision and use of products and services | Y | 10 | Nil |
| Labor Practices and Decent Work | | | | |
| EU3 | Number of residential, industrial, institutional and commercial customer accounts | Y | 6 | |
| EU18 | Contractor and Subcontractor employees that have undergone relevant Health and Safety Training | Y | 50 | |

Abbreviations

| | | | |
|-----------------|---|---------------------|--|
| AT&C | Aggregate Technical and Commercial Losses | ISO | International Organization for Standardization |
| BA | Business Associate | IUN | Intelligent Utility Network |
| BASS | BA Satisfaction Survey | IVRS | Interactive Voice Response System |
| BCMS | Business Continuity Management System | IWA | Industrial Welfare Association |
| BD | Business Development | JIF | Joint Interaction Forum |
| BEE | Bureau of Energy Efficiency | JJ | Jhuggi Jhopadi (Slum Clusters) |
| BOCW | Building & Other Construction Workers Act | JSA | Job Safety Analysis |
| BSC | Balanced Score Card | KCG | Key Consumer Group |
| BSG | Business Services Group | KM | Knowledge Management |
| CAPA | Corrective Action Preventive Action | KPI | Key Performance Indicator |
| CAPEX | Capital Expenditure | KRA | Key Result Area |
| CDS | Customer Delight Survey | L&D | Learning and Development |
| CEA | Central Electricity Authority | LEC | Local Ethics Counsellor |
| CEC | Chief Ethics Counsellor | LOTO | Lock Out Tag Out |
| CENPEID | Centre for Power Efficiency In Distribution | LSC | Local Safety Committee |
| CII | Confederation of Indian Industry | MNRE | Ministry of New & Renewable Energy |
| CMP | Complaint Management Process | MoP | Ministry of Power |
| CS | Customer Services | O&M | Operation & Maintenance |
| DC | Direct Current | OHSAS | Occupational Health & Safety Assessment Standards |
| DDMA | Department of Delhi Disaster Management Authority | ORM | Operational Review Meeting |
| DERC | Delhi Electricity Regulatory Commission | OT | Operations Technology |
| DHI | Department of Heavy Industries | PA | Performance Assurance |
| DISCOMS | Distribution Companies | PDP | Personal Development Program |
| DJB | Delhi Jal Board | PESTLE | Political Economic Social Technology Legal Environment |
| DM | District Manager | PPDS | People's Performance Management System |
| DMP | Disaster Management Plan | PTW | Permit To Work |
| DMRC | Delhi Metro Rail Corporation | QC | Quality Circle |
| DST | Department of Science & Technology | QCFI | Quality Circle Forum of India |
| DSM | Demand Side Management | R&R | Reward & Recognition |
| DVB | Delhi Vidyut Board | RPO | Renewable Purchase Obligation |
| EHS | Environmental Occupational Health & Safety | RWA | Resident Welfare Association |
| ESCO | Energy Service Company | SCADA | Supervisory Control And Data Acquisition |
| ESI | Employee Satisfaction Index | SEB | State Electricity Board |
| ESS | Employee Self Services | SECI | Solar Energy Corporation of India |
| FoR | Forum of Regulators | SEEKH | Platform for Knowledge Sharing |
| G&I | Government and Institutional | SHE & DM | Safety Health & Environment, & Disaster Management |
| GIS | Geographical Information System | SMRD | Smart Meter Reading Device |
| GIUNC | Global Intelligent Utility Network Coalition | SOA | Schedule of Authority |
| HCB | High Consumer Base | SP | Solar Panel |
| HoTT | Hands on Technical Training | SPP | Strategic Planning Process |
| HRB | High Revenue Base | TBEM | Tata Business Excellence Model |
| HSE | Health Safety Environment | ToD | Time of Day |
| ICRA | Indian Credit Rating Agency | VoC | Voice of Customer |
| IMP | Integrated Management Programme | VoE | Voice of Employee |
| IMS | Integrated Management System | | |
| ISGF/W | India Smart Grid Forum/Week | | |
| ISMS | Information Security Management System | | |

READERS, WE VALUE YOUR OPINION!

Dear Readers,

It gives us immense pleasure to release our first Sustainability Report and we sincerely thank you for going through the same. We value your feedback and would welcome your inputs with regard to this report.

Please spare a few minutes to fill this feedback form which may help us improve our performance.

1. Is the information provided in the report adequate?

- It is more than enough It is sufficient More details are required

2. How is the report structured in terms of the content?

- It is well-structured with a flow linking the chapters
 It is good but could have been better
 It is not properly structured, the content lacks flow

3. After having read the report, what are your views on Tata Power-DDL's Sustainability approach?

- I think the company is putting great efforts on the Sustainability front
 I think the company's efforts are good, but a lot more can be done
 I don't think the company is doing much in terms of Sustainability

4. Can you suggest the areas we need to focus upon more, to improve and be more sustainable?

5. In terms of designing, layout and presentation, how would you rate us?

- Excellent Very Good Good Needs Improvement Poor

You may also mail your feedback to Mr. Ajit Maleyvar, Head of Department - Business Excellence & Corporate Quality Head, Tata Power-DDL at ajit.maleyvar@tatapower-ddl.com

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www.tatapower-ddl.com





Rewards and Recognitions



India Power Utility of the year Awards (2012, 2014, 2016)



Asian power Utility of the year award (2007, 2012, 2015)



National Award for Excellence in Cost Management, 2015



JRDQV Award 2013 & "Industry Leader" in 2017



Asia's Best Employer Brand Awards 2011



Balanced Scorecard Hall of Fame Award 2008



Awards for Innovation

- 17th National Award for Excellence in Energy Management
- CII Industrial Innovation Award 2014 & 2016 and Top 25 Most Innovative Companies Award
- Most Innovative Discom 2016 Award, Efficient Distribution Operation Award, Quality of Service Award, Green Grid Award 2016 by Indian Chamber of Commerce
- Asian Utility Innovators Award for 'Demand Side Management Project'
- Innovative Financing & ESCO Model Award 2017



Safety Innovation Award (2009-2016)

Best performing Private Discom Award at Powerline 2013



Greentech Safety Award 2013, Gold Category



Edison Award, USA International Category 2008 and Policy Advocacy 2009



National Award for Meritorious Performance for the Year 2004-05, 2005-06, 2007-08 & 2008-09



CBIP Award for Outstanding Contribution in Power Distribution Sector - 2017

Some more Awards

- "Skoch Award" for "Empowering Women beyond Boundaries" 2016
- 9th India Power Awards "Best Overall Performance in the Private Sector & PSU"
- DSCI Excellence Award 2016
- DELL-EMC Transformer Award 2016
- International Safety Award 2017
- Solar Utility of the year 2017



TATAPOWER-DDL

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