TATA POWER-DDL

TATA POWER DELHI DISTRIBUTION LIMITED

A Tata Power and Delhi Government Joint Venture

ANNUAL REPORT

2021-2022

(1st April 2021 to 31st March 2022)

Roshni

Tata Power-DDL's Corporate Mascot

Regd. Office:
NDPL House, Hudson Lines, Kingsway Camp, Delhi - 110 009
Tel : +91 1166112222 Fax : +91 1127468042
Website : www.tatapower-ddl.com
CIN No. : U40109DL2001PLC111526

COMPANY AT A GLANCE

FRONT RUNNER IN POWER DISTRIBUTION REFORMS

Tata Power-DDL is acknowledged for its customer friendly practices. Since privatization, the Aggregate Technical & Commercial (AT&C) losses in the Company's area have shown a record decline.

AT&C losses stand at 6.80% (as of March 2022) which is an unprecedented reduction of around 87% from an opening loss level of 53% in July 2002.

To ensure reliable power supply and to provide best in class services to its customers, Tata Power–DDL has implemented several world-class technologies such as Advance Distribution Management System (ADMS) which is designed to replace the conventional SCADA-DMS-OMS system with features like real-time integration of Smart Meter Data/ Distributed Generation integration and single data model from Geographical Information System (GIS), Integrated GIS for instant services, Advanced Metering Infrastructure (AMI), Automated Demand Response (ADR), Smart Street Light Management System, Field Force Automation, Upgraded Network, Integrated Toll Free Helpline No. 19124 etc.

Recently, Tata Power-DDL has also received the R&D recognition from Department of Science and Industrial Research (DSIR) under Ministry of Science and Technology. This will give a definite push to the R&D efforts of the organization.

Tata Power-DDL provides various facilities and services to its customers for their ease and convenience such as 24x7 Integrated Helpline, Mobile Application for both iOS and Android users, bilingual website, Multiple Payment Avenue, end to end online services for new connections etc.

COMMITTED TO BEING SUSTAINABLE

Tata Power-DDL has added solar generation as a part of its sustainable initiatives since 2008 and has installed fifteen (15) Solar Plants on the rooftop of its grid substations with a total generation capacity of 1.8 MW. It also has a total net metering cumulative capacity of 46.8 MWp. The Company is now working on setting up a Smart Grid with the integration of Roof Top Solar, Energy Storage, E-charging of Electric Vehicles, Home Automation etc. in its network.

GEOGRAPHIC PRESENCE

Tata Power-DDL's change management experience, distributed leadership system, adoption of latest technology, robust competence development process and innovative & open work culture are the key strategic boosters which have helped in building and sustaining competitive advantage in the changing business scenario. A journey which began more than a decade ago for empowering the customers in Delhi has also spread its footprints in the other Indian distribution utilities and utilities across the globe. The Company has a presence in India in nearly 16+ States and working with 20+ Discoms including Goa, Uttar Pradesh, Chhattisgarh, Jammu & Kashmir, Madhya Pradesh, West Bengal, Jharkhand, Chandigarh, Rajasthan etc. as well as in International cities such as Benin, Lagos, Ethiopia etc.

PARTNERING WITH THE EXPERTS

Tata Power-DDL is focused and committed to the road ahead and is exploring new opportunities to replicate its experience of distribution reforms both in India and abroad. It is leveraging its unique learning and skillsets solely as well as in collaboration with leading utilities and technology providers in the areas of communications & smart grid technology, change management, consumer service delivery and business process re-engineering. The Company has also collaborated with leading international and national Institutions to carry out research activities in energy space.

FOLLOW US ON

https://www.facebook.com/TataPower.DDL

https://www.youtube.com/channel/UCyu6HLsGXEF1Ebf8wPQNivg/

https://twitter.com/TataPower_DDL

https://tatapower-ddl.blog/

https://www.instagram.com/tatapower_ddl/

https://www.linkedin.com/company/tatapower-ddl/?viewAsMember=true

OUR APPS

https://play.google.com/store/apps/details?id=com.tpddl.www.tpddlconnect

https://apps.apple.com/in/app/tpddl-connect-an-official-app/id1287044083

CERTIFICATIONS

CERTIFICATE NAME	DESCRIPTION
ISO 9001:2015	Specifies requirements for a Quality Management System (QMS).
ISO 14001:2015	Specifies requirements for an environmental management system to enable an organization to enhance its environmental performance.
ISO 27001:2013	Specification for an Information Security Management System (ISMS).
ISO 22301:2012	International standard for Business Continuity Management (BCM).
SA 8000:2014	An international certification standard that encourages organizations to develop, maintain and apply socially acceptable practices in the workplace.
ISO 45001:2018	Sets out the requirements for occupational health and safety management good practice for any size of organization.
ISO 17025:2017	NABL Accreditation to Transformer Oil Analysis Laboratory.
ISO 50001:2018	The standard aims to help organizations in continually reducing their energy usage and therefore, their energy costs and greenhouse gas emissions.
ISO 10002:2018	Gives guidelines for the process of complaints handling.
ISO 20400:2017	Provides guidance to organizations, independent of their activity or size, on integrating sustainability within procurement.
CMMI SVC LEVEL-5	CMMI Appraisal for Information Technology (IT) and Operational Technology (OT) services.
PCMM LEVEL-4	PCMM (People Capability Maturity Model) is a Globally recognized Excellence Framework from CMMI Institute that focuses on continuously improving the management and development of the human assets of an organization.

AWARDS AND RECOGNITIONS

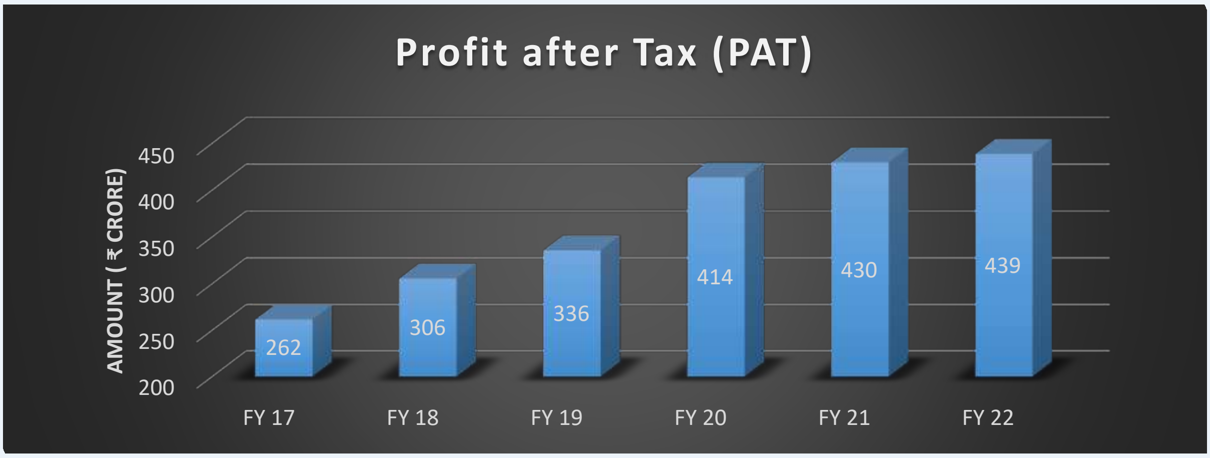
Various awards and recognitions have been bestowed on the Company and its executives during the year FY 2021-22. Some of the awards and recognitions received by the Company are as under:

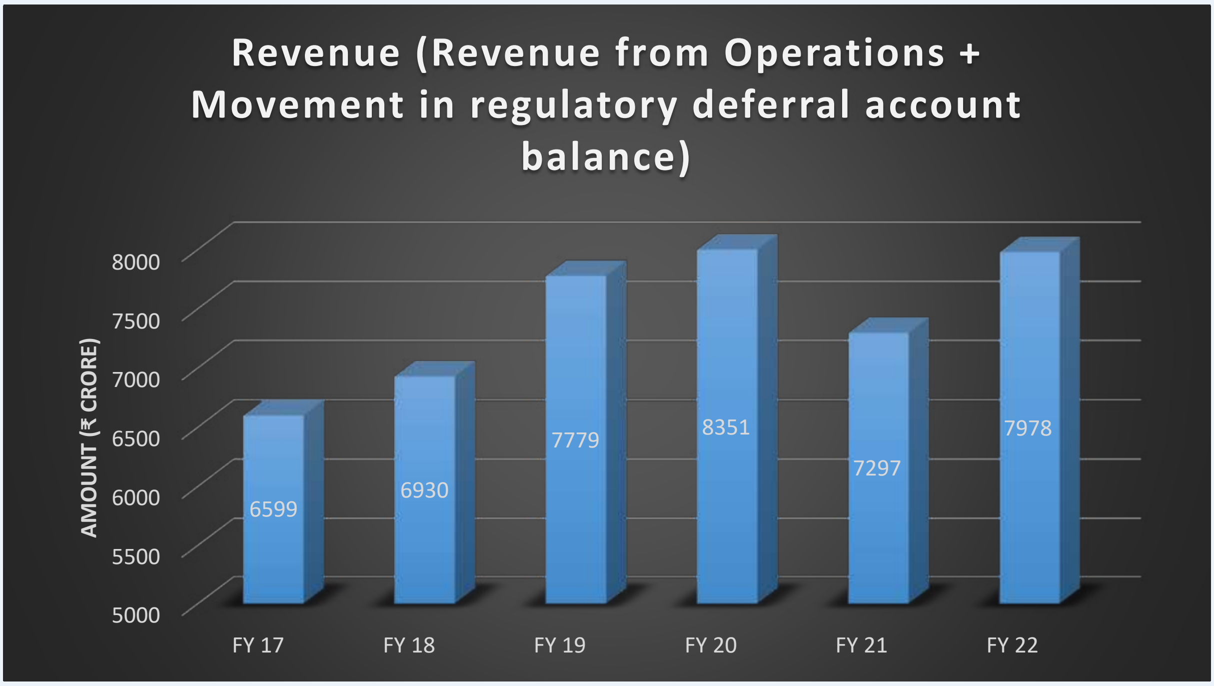
	Tata Power Wins the JRD QV Award!
	- Top 25 innovative companies award at CII Industrial Innovation Awards 2021 - “Energy Efficient Unit” Award during the 22nd National Award Ceremony for Excellence in Energy Management - 3R Awards 2021 (service-sub category: waste to worth)
	Highest Participation Rate Award in Tata Volunteering Week (TVW) 16
	CERT-In empanelment as an Information Security Auditing Organisation
	Smart Grid Lab recognised as ‘In-House R&D Unit’ by Department of Scientific & Industrial Research (DSIR), Ministry of Science & Technology, Government of India
	‘Best Electronics Security Company- Integrator’ Award
	Global CSR Awards: Platinum Award under the ‘Best Country Award for Overall CSR Performance’ category Silver Award for ‘Best Community Programme’ category

ASIAN POWER AWARDS	'Battery Storage Project of the Year' Award
ICC	- Gold at 2nd Edition of 'Green Urja and Energy Efficiency Award' - Award for Promoting Gender Equality and Women Empowerment
THE INSTITUTION OF ENGINEERS (INDIA) INCORPORATED BY ROYAL CHARTER 1935	Tata Power-DDL wins Safety Innovation Award - 2021 from Institution of Engineers (India)
GLOBAL INNOVATION & TECHNOLOGY ALLIANCE	Tata Power-DDL secured the Runner-up position at 'GITA Global Technology Development Awards' 2021
	Platinum award at 11th EXCEED Occupational Health, Safety and Security 2021
TATA INNOVISTA	Tata InnoVista Award 2021 - Design Honour Category
The Institute of Chartered Accountants of India (Setup by an Act of Parliament)	Institute of Chartered Accountants of India Award for Excellence in Financial Reporting for the second consecutive year
India SMART UTILITY Week 2022 01 - 05 March 2022 New Delhi	**ISGF 2022:** - Gold Award for Effective OT Cyber Security Implementation for Modern Grids and Asset Management - Gold Award for Pole Mounted Battery Energy Storage System (BESS) - Gold Award for Smart Technology (Electricity Distribution) Drain Valve Less Transformer

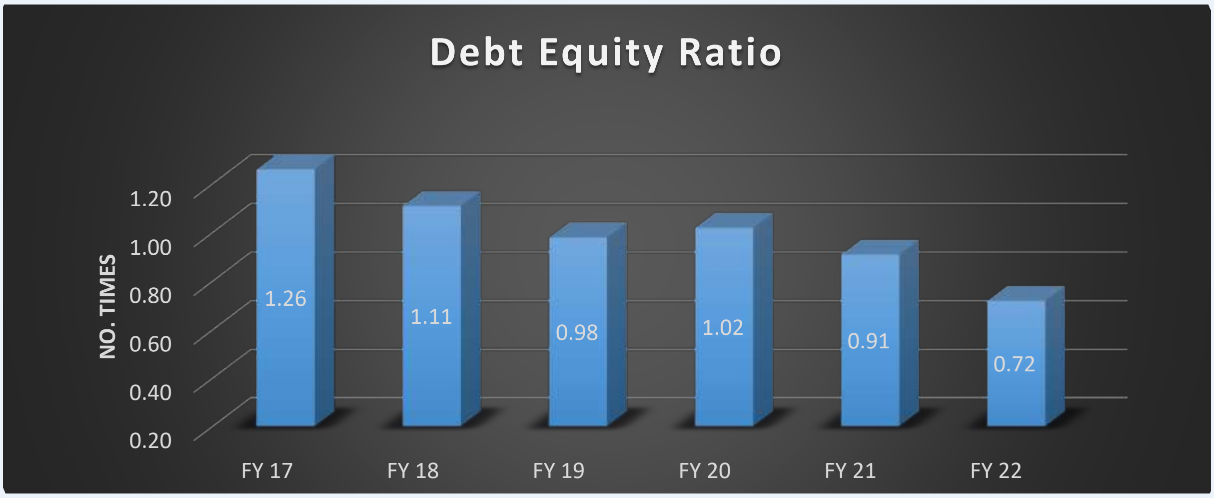
	- Sanjeevni Award for Smart Technology (Electricity Distribution) at the India Smart Grid Forum - Gold Award for Adoption of Disruptive Technology/Solution by a Utility - Intelligent Reactive Power Compensation & Control - Platinum Award for its one-of-a-kind Submersible Distribution Transformer Substation
Quality Circle Forum of India	Various accolades at International Convention on Quality Control Circles ’21 at Hyderabad
TATA BUSINESS EXCELLENCE GROUP	Tata Power-DDL wins various accolades at TATA Business Excellence Convention 2021 at Mumbai
Indian Chamber of Commerce Facilitating business since 1925	Tata Power-DDL ranked 2nd for the Corporate Governance and Sustainability Vision Awards 2022.

KEY PERFORMANCE INDICATORS






AT & C Losses
PERCENTAGE (%)
9
8.5
8
7.5
7
6.5
6
5.5
5
8.59
8.40
7.92
7.88
7.33
6.80
FY 17
FY 18
FY 19
FY 20
FY 21
FY 22


Debt Equity Ratio
NO. TIMES
1.20
1.00
0.80
0.60
0.40
0.20
1.26
1.11
0.98
1.02
0.91
0.72
FY 17
FY 18
FY 19
FY 20
FY 21
FY 22

Board of Directors

Dr. Praveer Sinha
Chairman

Mr. K M Chandrasekhar
Independent Director

Mr. Ajay Shankar
Independent Director

Dr. Amarjit Chopra
Independent Director

Mr. Jasmine Shah
Non-Executive Director

Mr. Ajit Kumar Singh
Non-Executive Director

Mr. Naveen ND Gupta
Non-Executive Director

Ms. Rashmi Krishnan
Non-Executive Director

Mr. Sanjay Kumar Banga
Non-Executive Director

Mr. Ajay Kapoor
Non-Executive Director

Mr. Arup Ghosh
Non-Executive Director

Ms. Satya Gupta
Non-Executive Director

Mr. Ganesh Srinivasan
Chief Executive Officer

CONTENTS

Annual General Meeting		
Day & Date	**:**	**Monday, 4th July 2022**
Time	**:**	**11:00 a.m.**
Venue	**:**	**TPDDL Smart Grid Lab, Dr. K.N. Katju Marg, Sector - 15, Rohini, adjacent to RG-05 Grid, Delhi - 110085**

TATA POWER DELHI DISTRIBUTION LIMITED

BOARD OF DIRECTORS

Dr. Praveer Sinha	Chairman
Mr. K M Chandrasekhar	Independent Director
Mr. Ajay Shankar	Independent Director
Dr. Amar Jit Chopra	Independent Director
Mr. Jasmine Shah	Non-Executive Director
Mr. Ajit Kumar Singh	Non-Executive Director
Mr. Naveen ND Gupta	Non-Executive Director
Ms. Rashmi Krishnan	Non-Executive Director
Mr. Sanjay Kumar Banga	Non-Executive Director
Mr. Ajay Kapoor	Non-Executive Director
Mr. Arup Ghosh	Non- Executive Director
Ms. Satya Gupta	Non-Executive Director

REGISTERED OFFICE:

NDPL House, Hudson Lines, Kingsway Camp, Delhi 110009

CORPORATE IDENTITY NUMBER (CIN):

U40109DL2001PLC111526

STATUTORY AUDITORS:

M/s T R Chadha & Co LLP, Chartered Accountants (Firm Registration No. 006711N/N500028)

COST AUDITORS

M/s Chandra Wadhwa & Co., Cost Accountants, (Firm Registration No. 000239)

SECRETARIAL AUDITORS:

M/s Sanjay Grover & Associates, Company Secretaries

INTERNAL AUDITOR:

Mr. Piyush Kumar Jain

BANKERS:

HDFC Bank	Punjab & Sind Bank	Axis Bank
IDFC First Bank	State Bank of India	Canara Bank
Indian Bank	Bank of Baroda	Punjab National Bank
Yes Bank	Deutsche Bank	Karnataka Bank Limited

TATA POWER DELHI DISTRIBUTION LIMITED

NOTICE

NOTICE is hereby given that the Twenty First Annual General Meeting of the members of Tata Power Delhi Distribution Limited will be held on Monday, 4th July 2022 at 11:00 a.m. at TPDDL Smart Grid Lab, Dr. K.N. Katju Marg, Sector-15, Rohini, adjacent to RG-05 Grid, Delhi-110085, to transact the following business(es) *[Through video conferencing in terms of MCA General Circular No. 20/2020 dated 5th May 2020 and General Circular No. 2/2022 dated 5th May 2022]:*

Ordinary Business:

1. To receive, consider and adopt:
   (a) the Audited Standalone Financial Statements of the Company for the financial year ended 31st March 2022 together with the Reports of the Board of Directors and the Auditors thereon.
   (b) the Audited Consolidated Financial Statements of the Company for the financial year ended 31st March 2022 together with the Reports of the Auditors thereon.

2. To declare a dividend on Equity Shares for the financial year ended 31st March 2022.

3. To appoint a Director in place of Mr. Sanjay Kumar Banga (DIN: 07785948), who retires by rotation and being eligible, offers himself for re-appointment.

4. To appoint a Director in place of Mr. Jasmine Shah (DIN: 08621290), who retires by rotation and being eligible, offers himself for re-appointment.

5. To appoint a Director in place of Mr. Ajit Kumar Singh (DIN 08628370), who retires by rotation and being eligible, offers himself for re-appointment.

Special Business:

6. **Appointment of Mr. Ajay Kapoor as a Director**

   To consider and, if thought fit, to pass the following resolution as an Ordinary Resolution:-

   "**RESOLVED** that Mr. Ajay Kapoor (DIN: 00466631), who was appointed as an Additional Director of the Company with effect from 21st January 2022, by the Board of Directors and who holds office upto the date of this Annual General Meeting of the Company under Section 161(1) of the Companies Act, 2013 ("the Act") and Article 96 of the Articles of Association of the Company but who is eligible for appointment and in respect of whom the Company has received a notice in writing under Section 160 (1) of the Act from a member proposing his candidature for the office of Director, be and is hereby appointed as a Director of the Company, liable to retire by rotation."

7. **Ratification of Cost Auditor's remuneration**

   To consider and, if thought fit, to pass, the following resolution as an Ordinary Resolution:-

   "**RESOLVED** that pursuant to the provisions of Section 148 and other applicable provisions, if any, of the Companies Act, 2013 ("the Act") (including any statutory modification(s) or re-enactment(s) thereof for the time being in force) and the Companies (Audit and Auditors) Rules, 2014, as amended from time to time, the Company hereby ratifies the remuneration of ₹ 2,25,000/- (Rupees Two lakh twenty five thousand only) plus applicable taxes and out of pocket expenses on actual basis incurred in connection with the audit payable to M/s Chandra Wadhwa & Co., Cost Accountants (Firm Registration No. 000239), who are appointed as Cost Auditors to conduct the audit of cost records maintained by the Company for the financial year 2022-23.

FURTHER RESOLVED that the Board of Directors of the Company be and are hereby authorised to do all acts, matters, deeds and things and take all such steps as may be necessary, proper or expedient to give effect to this Resolution."

NOTES:

(1) The relative explanatory statement pursuant to Section 102(1) of the Companies Act, 2013 (the Act) and the rules made thereunder, in regard to the business(es) set out in item nos. 6 & 7 and the relevant details of the Directors of the Company seeking re-appointment/appointment as set out in item nos. 3 to 6 above as required under Secretarial Standard-2 on General Meetings issued by The Institute of Company Secretaries of India, are annexed hereto.

(2) Ministry of Corporate Affairs ("MCA") has vide its General Circular nos. 14/2020 and 17/2020 dated 8th April 2020 and 13th April 2020 respectively, in relation to *"Clarification on passing of ordinary and special resolutions by companies under the Companies Act, 2013 and the rules made thereunder on account of the threat posed by Covid-19"*, General Circular no. 20/2020 dated 5th May 2020 in relation to *"Clarification on holding of Annual General Meeting (AGM) through video conferencing (VC) or other audio visual means (OAVM)"* and General Circular no. 2/2022 dated 5th May 2022 in relation to *"Clarification of holding of Annual General Meeting (AGM) through Video Conference (VC) or Other Audio Visual Means (OAVM)-reg."* (collectively referred to as "MCA Circulars") permitted the holding of the Annual General Meeting ("AGM") through VC/OAVM, without the physical presence of the Members at a common venue. In compliance with the MCA Circulars, the AGM of the members of the Company is being held through VC/OAVM. The deemed venue for Twenty First Annual General Meeting will be TPDDL Smart Grid Lab, Dr. K.N. Katju Marg, Sector – 15, Rohini, adjacent to RG-05 Grid, Delhi – 110085.

(3) Corporate Shareholders are required to send a scanned copy (PDF/JPG Format) of its Board or governing body resolution/authorization etc., authorizing its representative to attend the AGM through VC/OAVM on its behalf and to vote in the meeting to be held through VC/OAVM.

(4) In compliance with the aforesaid MCA Circulars, Notice of the AGM along with the Annual Report for FY 2021-22 is being sent only through electronic mode to those Members whose email addresses are registered with the Company. Members may note that the Notice for FY 2021-22 will also be available on the Company's website https://www.tatapower-ddl.com/

(5) Members attending the AGM through VC/OAVM shall be counted for the purpose of reckoning the quorum under Section 103 of the Act.

(6) Since the AGM will be held through VC/OAVM, the Route Map and Attendance Slip are not annexed in this Notice.

(7) In case of joint holders attending the AGM, the Member whose name appears as the first holder in the order of names as per the Register of Members of the Company will be entitled to vote at the AGM.

(8) If the dividend, as recommended by the Board of Directors, is approved at the AGM, payment of such dividend subject to deduction of tax at source will be made in accordance with provisions of the Act and the rules made thereunder. The Company will make adequate provisions for paying dividends directly in members' bank accounts through the Electronic Clearing Service (ECS) or any other electronic means.

(9) To support the 'Green Initiative', Members who have not registered their e-mail addresses so far, are requested to register their e-mail addresses for receiving all communication including annual reports, notices, circulars etc. from the Company electronically.

(10) Updation of members' details:
The format of the register of members prescribed by the Ministry of Corporate Affairs under the Act, requires the Company to record additional details of members, including their PAN details, e-mail address, bank details for payment of dividend etc. A form for capturing additional details is appended at the end of this annual report. Members holding shares in physical form are requested to submit the filled in form to the Company. Members holding shares in electronic form are requested to submit the details to their respective Depository Participants.

(11) Members seeking any information with regard to the accounts, are requested to write to the Company at an early date, at the email id i.e. CSO@tatapower-ddl.com so as to enable the Management to keep the information ready at the AGM.

(12) Members may obtain meeting link and password by sending scanned copy of: i) a signed request letter mentioning your name, folio number and complete address; and ii) self attested scanned copy of PAN Card and any document (such as Driving License, Bank Statement, Election Card, Passport, Aadhaar Card) in support of the address of the Member as registered with the Company; to the email address of the Company i.e. CSO@tatapower-ddl.com

(13) The Company will provide facility for audio visual participation in AGM Weblink/recording etc.

(14) The Company ensures that all other compliances associated with the provisions relating to general meetings viz. making of disclosures, inspection of related documents and registers, by members, including Register of Directors and Key Managerial Personnel and their shareholding maintained under Section 170 of the Act, the Register of contracts or arrangements in which the Directors are interested under Section 189 of the Act and all other documents referred to in the Notice or authorizations for voting by bodies corporate etc. as provided in the Act and the Articles of Association of the Company are made available for inspection through electronic mode.

(15) The Company ensures that the AGM through VC/OAVM facility allows two way videoconferencing or webex for the ease of participation of the members and the participants are allowed to pose questions concurrently or given time to submit questions in advance on the e-mail address of the Company i.e. CSO@tatapower-ddl.com

(16) The facility for joining the meeting shall be kept open for at least 15 minutes before the time scheduled to start the meeting and shall not be closed till the expiry of 15 minutes after such scheduled time.

(17) A proxy is allowed to be appointed under Section 105 of the Act to attend and vote at a general meeting on behalf of a member who is not able to attend personally. Since AGM will be held through VC/OAVM, where physical attendance of members in any case has been dispensed with, there is no requirement for appointment of proxies. Accordingly, in terms of the MCA circulars, the facility for appointment of proxies by the members will not be available for this AGM and hence, the proxy form is not annexed to this notice. However, in pursuance of Sections 112 and 113 of the Act, representatives of the members may be appointed for the purpose of participation and voting in the meeting to be held through VC/OAVM.

(18) The confidentiality of the password and other privacy issues associated with the designated email address shall be strictly maintained by the Company at all times. Due safeguards with regard to authenticity or email address(es) and other details of the members shall also be taken by the Company.

(19) The meeting will be conducted through audio visual means (Webex). Members may participate in the meeting through the following link:
https://tatapowerddl.webex.com/tatapowerddl/j.php?MTID=m8b213008b7967edb6b6d21d1f2230622
Password (only if it asks):- 12345

(20) Disclosures with regard to the manner in which framework available for use by the members and clear instructions on how to access and participate in the meeting are clearly mentioned in this AGM Notice. 9818677072 is the helpline number for those shareholders who need assistance with using the technology before or during the meeting.

(21) The Chairman may decide to conduct voting by show of hands, unless a demand for poll is made by any member, in accordance with Section 109 of the Act and the rules made thereunder.

By order of the Board
For **Tata Power Delhi Distribution Limited**

Delhi, 22nd April 2022
Corporate Identity No. :
U40109DL2001PLC111526

Sd/-
(Monica Mehra)
Company Secretary
Membership No. 15293

Registered Office:
NDPL House, Hudson Lines,
Kingsway Camp, Delhi 110 009
Tel:01166112222
Email: TPDDL@tatapower-ddl.com
Website: http://www.tatapower-ddl.com/

ANNEXURE TO THE NOTICE

EXPLANATORY STATEMENT

As required by Section 102 of the Companies Act, 2013 ("the Act"), the following explanatory statement sets out all material facts relating to the business mentioned under item nos. 6 and 7 of the accompanying notice dated 22nd April 2022.

Item no. 6: Based on the recommendation of the Nomination and Remuneration Committee (NRC), the Board of Directors appointed Mr. Ajay Kapoor, nominated by The Tata Power Company Limited (Tata Power) as an Additional Director of the Company with effect from 21st January 2022 in terms of Article 96 of Company's Articles of Association and Section 161(1) of the Act and the rules made thereunder, as amended from time to time.

In terms of Section 161(1) of the Act, Mr. Kapoor holds office only upto the date of the forthcoming Annual General Meeting (AGM) of the Company but is eligible for appointment as a Director. A notice under Section 160(1) of the Act has been received from a member signifying his intention to propose Mr. Kapoor's appointment as a Director.

In the opinion of the Board, Mr. Kapoor fulfils the conditions specified in the Act and the rules made thereunder for appointment as a Director.

Mr. Ajay Kapoor is the Chief (Legal, Regulatory and Advocacy) at Tata Power.

Prior to joining Tata Power, he was the CFO & Chief (Legal, Regulatory and Commercial) of Tata Power Delhi Distribution Limited ("Tata Power- DDL/Company"). In addition, he was handling enforcement assessment and vigilance functions of the Company. He was also the Chief Risk Officer of the Company. He joined Tata Power-DDL in October 2002 and rose to CFO position in 2007.

Mr. Kapoor is an honours graduate from prestigious Shri Ram College of Commerce, Delhi University and a Fellow Member of the Institute of Chartered Accountants of India (ICAI). He also holds MBA and LL.B. degrees. He has been a rank holder in the ICAI exam and topper of his batch of MBA for which he was awarded the Gold Medal. He is also an alumnus of Columbia Business School, New York where he pursued his Executive Program in Management. He has also attended Executive Education Programmes of Stern School of Business, NYU, Tuck School of Business, Columbia Business School and MIT Sloan School of Business.

He has a rich experience of 33+ years with companies e.g., ITC Ltd., Tata Group, Birla Group and HCL Group. He has extensive experience in all areas of Finance, Legal, ERP implementations and has handled matters relating to foreign collaborations, joint ventures in India and abroad, financial restructuring, policy advocacy, capital raising and acquisitions. He has also handled legal advisory and electricity litigation matters at all levels/forums. During his tenure with Tata Power-DDL, he was awarded the National Award for Excellence in Cost Management twice in the category of "Service Sector with turnover of more than ₹ 1000 crore" by the Institute of Cost & Works Accountants of India (ICWAI). He was also bestowed with CFO 100 Roll of Honour 4 times and with CFO League of Excellence. He was also recognised as Top 25 thought leaders by SAP India & Distinguished Alumni by IMI, Delhi. He has been a regular speaker on topics relating to Finance, Accounting, Tax and Law at various forums. Recently, he was honoured by the Society of Indian Law Firms (SILF) for his contribution as In-House Counsel in the field of Corporate Law.

Further details and current Directorships of Mr. Kapoor are provided in the Annexure to this Notice.

In compliance with the applicable provisions of the Act, the appointment of Mr. Ajay Kapoor as a Director is now being placed before the members for their approval.

The Board recommends the resolution at item no. 6 of the accompanying notice for approval by the members of the Company.

Other than Mr. Kapoor, none of the Directors or Key Managerial Personnel (KMP) of the Company or their respective relatives are concerned or interested in the resolution set out at item no. 6 of the accompanying notice.

Mr. Kapoor is not related to any other Director or KMPs of the Company.

Item no. 7: Pursuant to the provisions of Section 148 of the Act, read with the Companies (Audit and Auditors) Rules, 2014, the Company is required to have the audit of its cost records conducted by a Cost Accountant in practice and the remuneration payable to the Cost Auditors is required to be ratified by the shareholders of the Company at the General Meeting. On the recommendation of Audit Committee, the Board of Directors have approved the re-appointment of M/s Chandra Wadhwa & Co., Cost Accountants, as the Cost Auditors of the Company to conduct audit of cost records maintained by the Company for the financial year 2022-23, at a remuneration of ₹ 2,25,000/- (Rupees Two lakh twenty five thousand only) plus applicable taxes and out of pocket expenses on actual basis.

M/s Chandra Wadhwa & Co., Cost Accountants, have furnished a certificate regarding their eligibility for re-appointment as Cost Auditors of the Company. They have vast experience in the field of Cost Audit and have conducted the audit of cost records of the Company for the previous year under the provisions of the Act.

The Board recommends the resolution at item no. 7 of the accompanying notice for ratification of the Cost Auditors' remuneration for FY 2022-23, by the members of the Company.

None of the Directors, Key Managerial Personnel or their respective relatives is concerned or interested, financial or otherwise, in the resolution set out at item no. 7 of the accompanying notice.

By order of the Board
for **Tata Power Delhi Distribution Limited**

Delhi, 22nd April 2022
Corporate Identity No.
U40109DL2001PLC111526

Sd/-
(Monica Mehra)
Company Secretary
Membership No. 15293

Registered Office:
NDPL House, Hudson Lines,
Kingsway Camp, Delhi 110009
Tel:01166112222
email: TPDDL@tatapower-ddl.com
Website: http://www.tatapower-ddl.com/

Details of the Directors, seeking re-appointment/appointment at the Twenty First Annual General Meeting

(In pursuance of Secretarial Standard 2 on General Meetings):

Name of Director	**Mr. Sanjay Kumar Banga**	**Mr. Jasmine Shah**	**Mr. Ajit Kumar Singh**	**Mr. Ajay Kapoor**
DIN	07785948	08621290	08628370	00466631
Designation	Non-Executive Director	Non-Executive Director	Non-Executive Director	Non-Executive Director
Date of birth Age	24th July 1967 (54 years)	27th April 1981 (41 years)	13th January 1954 (68 years)	19th June 1964 (57 years)
Date of appointment	20th January 2020	20th January 2020	20th January 2020	21st January 2022
Expertise in functional areas	Mr. Sanjay Kumar Banga is a power sector veteran with around three decades of experience in power generation and distribution business. Mr. Banga brings with him an expertise in the power sector, covering areas of Operational Technologies, Project Management, Utility Business Process Re-engineering and Regulatory Environment that are essential for strengthening of electrical utilities to meet reliability and AT&C loss reduction targets under regulatory regime. The learning he gathered through associations with leading public and private sector electrical utilities in India equips him very well to tackle the enormous challenges of the electricity distribution business in India and abroad. His deep knowledge of the subject makes him a regular speaker in seminars/ workshops/panel discussions in India and abroad. Mr. Banga had been associated with Tata Power-DDL since July 2003 and was part of the group which transformed the ailing distribution Company into a benchmark utility. Mr. Banga started his career with National	Mr. Jasmine Shah is the Vice Chairperson of Dialogue and Development Commission, Govt. of NCT of Delhi. Mr. Shah has wide experience working on urban governance and policy issues and has been advising the Government of NCT of Delhi since 2016 on education budget transparency and transport policy reforms. Mr. Shah was the architect of Delhi's first comprehensive outcome budget for 2017-18, a first-of-its-kind initiative in India to bring in complete transparency and accountability in public spending. He has also worked on several crucial transport reforms of the Delhi Government such as the Electric Vehicle Policy, Common Mobility Card, bus route rationalization, last mile connectivity initiative and large-scale induction of electric buses, among other projects. Mr. Shah had previously worked at the Massachusetts Institute of Technology's Jameel Poverty Action Lab (J-PAL) where he	As a member of IAS, Mr. Ajit Kumar Singh has worked on a wide range of issues related to public sector management. His assignments ranged from field-level, hands-on administration of a district, head of Excise, Entertainment and Luxury Tax Department. He has also worked as Secretary to Minister and helped in Policy formulation. He had the unique opportunity to study Regional Rapid Railway System at London, Paris and San Francisco under the leadership of Sh. Noor Mohd., IAS, Secretary, National Planning Board. To study the design and system of VAT, he was part of the official delegation of the Government and visited London, Brussels, Rome, Bangkok and Singapore. He had visited Manila and Hongkong as a part of Asian Development Bank sponsored study tour for slum rejuvenation, water and sanitation master plan. He had attended course on "Dynamics of Public Policy" from	Mr. Ajay Kapoor is the Chief (Legal, Regulatory and Advocacy) at Tata Power. Prior to joining Tata Power, he was the CFO & Chief (Legal, Regulatory and Commercial) of Tata Power Delhi Distribution Limited ("Tata Power-DDL/Company"). In addition, he was handling enforcement assessment and vigilance functions of the Company. He was also the Chief Risk Officer of the Company. He joined Tata Power-DDL in October 2002 and rose to CFO position in 2007. He has a rich experience of 33+ years with companies e.g., ITC Ltd., Tata Group, Birla Group and HCL Group. He has extensive experience in all areas of Finance, Legal, ERP implementations and has handled matters relating to foreign collaborations, joint ventures in India and abroad, financial

	Thermal Power Corporation (NTPC) as an Engineer Trainee and was involved in the Operation & Commissioning of Super Thermal Power Projects (1989 to 1995). Prior to joining Tata Power-DDL, Mr. Banga worked with Reliance Energy (earlier known as BSES Ltd.) from 1996 to 2003, where he was associated with the entire spectrum of generation activities covering wide aspects of operations, maintenance, planning, design and project engineering.	was the Deputy Director of its South Asia office and prior to that at the Janaagraha Centre for Citizenship and Democracy.	Management and Development Centre, Shepherdstown, West Virginia, USA. His work exposure in different capacities and different departments in government has given him unique experience of first-hand knowledge of a whole range of government systems and processes including regulatory, land management, financial systems, municipal and state laws etc. He was also a part of a network of decision makers. The Ministry of Home Affairs in the year, 2009 nominated Mr. Singh as a group for Prime Minister's Award for excellence in Public Administration for innovative work done by the Officer as a Health Secretary of Union Territory of Dadra & Nagar Haveli. As Secretary (Taxation) & Commissioner (Excise) the department generated excise revenue of approximately ₹ 2500 crore, in the year 2011-12, which is the highest ever growth during past 20 years. Mr. Singh has worked in different capacities as Secretary Health, Education, Rural Development and Special Secretary (Tourism) and Chairman D&NH Development Authority. He has also served as Secretary to the Minister of Finance & Revenue, Education,	restructuring, policy advocacy, capital raising and acquisitions. He has also handled legal advisory and electricity litigation matters at all levels/forums. During his tenure with Tata Power-DDL, he was awarded the National Award for Excellence in Cost Management twice in the category of "Service Sector with turnover of more than ₹ 1000 crore" by the Institute of Cost & Works Accountants of India (ICWAI). He was also bestowed with CFO 100 Roll of Honour 4 times and with CFO League of Excellence. He was also recognised as Top 25 thought leaders by SAP India & Distinguished Alumni by IMI, Delhi. He has been a regular speaker on topics relating to Finance, Accounting, Tax and Law at various forums. Recently, he was honoured by the Society of Indian Law Firms (SILF) for his contribution as In-House Counsel in the field of Corporate Law.

			Higher Education, Govt. of NCT of Delhi, Secretary to the Minister of Education, Transport & Tourism, Govt. of NCT of Delhi and Spl. Secretary, Transport, Govt. of NCT of Delhi.	
Qualifications	Mr. Sanjay Kumar Banga is an Alumnus of the National Institute of Technology (NIT), Kurukshetra. He has done his Master's in Business Administration (MBA) from Faculty of Management Studies (FMS), Delhi. He is a member of the Bureau of Indian Standard (BIS) LITD10 core Committee for defining standards for Power System Control and Communication. He has also done the Senior Executive Leadership Program from the most coveted Harvard Business School.	Mr. Jasmine Shah holds B.Tech. and M.Tech. degrees in Mechanical Engineering from IIT Madras and a MPA degree from the School of International and Public Affairs at Columbia University, New York, where he was a Fulbright-Nehru Fellow.	Mr. Ajit Kumar Singh is a retired IAS Officer.	Mr. Ajay Kapoor is an Honours graduate from prestigious Shri Ram College of Commerce, Delhi University and a Fellow Member of the Institute of Chartered Accountants of India (ICAI). He also holds MBA and LL.B. degrees. He has been a rank holder in the ICAI exam and topper of his batch of MBA for which he was awarded the Gold Medal. He is also an alumnus of Columbia Business School, New York where he pursued his Executive Program in Management. He has also attended Executive Education Programmes of Stern School of Business, NYU, Tuck School of Business, Columbia Business School and MIT Sloan School of Business.
Terms & conditions of appointment	Appointed as (Non-Executive) Director	Appointed as (Non-Executive) Director	Appointed as (Non-Executive) Director	Appointed as an Additional (Non-Executive) Director
Remuneration	Nil	Only sitting fee is paid	Only sitting fee is paid	Nil
Directorships held in other Companies (excluding foreign Companies)	• Director of the following Companies: 1. TP Central Odisha Distribution Limited 2. TP Southern Odisha Distribution Limited 3. TP Western Odisha Distribution Limited	• Director of the following Companies: 1. BSES Yamuna Power Limited 2. BSES Rajdhani Power Limited	Nil	• Director of the following Companies: 1. Mandakini Coal Company Limited 2. Tata Power Trading

	4. TP Northern Odisha Distribution Limited 5. Tata Power Trading Company Limited 6. Tata Projects Limited	3. Indraprastha Medical Corporation Limited		Company Limited 3. Powerlinks Transmission Limited 4. Dugar Hydro Power Limited 5. Solace Land Holding Limited
Committee positions held in other Companies	• Member of the following Committees: 1. TP Central Odisha Distribution Limited-Audit Committee and Corporate Social Responsibility Committee 2. TP Western Odisha Distribution Limited-Audit Committee 3. TP Southern Odisha Distribution Limited-Audit Committee 4. TP Northern Odisha Distribution Limited-Audit Committee	Member of the following Committees: 1. BSES Yamuna Power Limited-Corporate Social Responsibility Committee and Investment Committee 2. BSES Rajdhani Power Limited-Corporate Social Responsibility Committee and Investment Committee	Nil	• Chairman of the following Committee: 1. Powerlinks Transmission Limited-Audit Committee • Member of the following Committee: 1. Powerlinks Transmission Limited-Corporate Social Responsibility Committee
Number of Shares held	Nil	Nil	Nil	One equity share of ₹ 10/- in the Company jointly with The Tata Power Company Limited
Number of Meetings of the Board attended during FY 2021-22	4	4	4	1
Relationship with other Directors, Manager and other Key Managerial Personnel of the Company	None	None	None	None

Board's Report

To the Members,

The Directors present 21st Annual Report of Tata Power Delhi Distribution Limited (the Company or Tata Power-DDL) along with the audited Financial Statements for the year ended 31st March 2022. The consolidated performance of the Company and its subsidiary has been referred to wherever required.

1. FINANCIAL RESULTS

(Figures in ₹ crore)

Particulars	Standalone		Consolidated	
	2021-22	**2020-21**	**2021-22**	**2020-21**
Revenue from operations	7648	7007	7648	7007
Add: Other income	162	116	163	117
Total income	7810	7123	7811	7124
Expenditure (Excl. Depreciation, Interest & Tax)	6810	6157	6810	6158
Interest	324	344	324	344
Depreciation	371	354	371	354
Total Expenditure	7505	6855	7505	6856
Profit before tax and rate regulated activities	305	268	306	269
Net movement in regulatory deferral account balance	330	290	330	290
Profit before tax	635	558	636	559
Less: Exceptional Items: Impairment of Property, Plant and Equipment	-	-	-	-
Less: Exceptional Items: Impairment loss on assets classified as held for sale	-	-	-	-
Less: Provision for Taxes Current Income Tax (including prior period adjustments) Deferred Income Tax (including Deferred Tax on OCI)	 112 84	 83 47	 113 84	 83 47
Profit for the year	439	428	439	429
Other Comprehensive Income	-	1	-	1
Less: Statutory Appropriations				
Balance Profits available for appropriation	439	429	439	430
Add: Balance brought forward from the previous year	2627	2330	2652	2354
Total Profit available in P&L Account, which the Directors have appropriated as under to: i) Dividend paid ii) Capital Redemption Reserve	3066 126 -	2759 132 -	3091 126 -	2784 132 -
Leaving a balance to be carried forward	2940	2627	2965	2652

* Previous year figures have been reclassified so as to make them comparable with current year figures

2. DIVIDEND

The Board recommended a dividend of ₹ 1.20/- per fully paid Equity Share (12%) on 1,05,20,00,000 Equity Shares of face value of ₹ 10/- each, for the year ended 31st March 2022 (Previous year 12% i.e. ₹ 1.20/- per share on 1,05,20,00,000 equity shares of ₹ 10/- each).

The dividend on Equity Shares is subject to the approval of the Shareholders at the Annual General Meeting ('AGM') scheduled to be held on 4th July 2022.

The dividend once approved by the Shareholders will be paid to the shareholders directly in their bank accounts through electronic mode. If approved, the dividend would result in a cash outflow of ₹ 126.24 crore. The dividend on Equity Shares is 12% of the paid-up value of each share. The total dividend pay-out works out to 29% (Previous Year: 29%) of the net profit for the standalone results.

3. STATE OF COMPANY'S AFFAIRS

- **FINANCIAL HIGHLIGHTS**

The Company had revenues from operations aggregating to ₹ 7,648 crore during FY 2021-22, an increase of about 9.15% over the previous year revenues of ₹ 7,007 crore. The Company has earned a profit of ₹ 305 crore in FY 2021-22 as compared to a profit of ₹ 268 crore in FY 2020-21 prior to accounting for regulatory income and tax. The regulatory income in FY2021-22 amounts to ₹ 330 crore as compared to ₹ 290 crore in FY 2020-21. This amount reflects the adjustment in the Company's revenues billed at current tariffs and those chargeable by it to its consumers based on costs incurred during the year. The same has been recognized as regulatory income of the current year on the basis of treatment specified in Guidance Note on Rate Regulated Activities issued by ICAI and Ind AS 114. Consequently, on recognizing the regulatory income of ₹ 330 crore (₹ 290 crore regulatory income in FY 2020-21), the resultant Profit before Tax (PBT) is ₹ 635 crore in FY 2021-22 as compared to ₹ 558 crore in FY 2020-21, reflecting an increase of 14% over the previous year. The Profit after Tax (PAT) for FY 2021-22 is ₹ 439 crore as compared to ₹ 430 crore in FY 2020-21, thereby reflecting 2% increase over the previous year.

- **Business Environment**

Industry Structure and Developments

Generation, Transmission, Distribution and Trading of power are the four distinct components of the electricity sector which are governed by the provisions of the Electricity Act, 2003 and various regulations issued by the Central Electricity Regulatory Commission (CERC) and State Electricity Regulatory Commissions (SERCs).

Your Company operates in the retail end of the electricity value chain and is a Power Distribution Company.

Power Distribution

The Distribution Sector, by the virtue of being at the revenue generation end of the entire electricity value chain, is the cornerstone for the financial viability of the entire sector. The sector, despite its opening up to private sector participation in the year 1999, continues to be largely Government owned, having negligible private sector participation with Delhi, Mumbai, Kolkata, Ahmedabad, Surat, Odisha state and some urban centres being notable exceptions. The national average Aggregate Technical & Commercial (AT&C) losses still hover around 20.93% (FY 2019-20) *(Source: PFC Report on the Performance of State Power Utilities FY19-20)*. However, as on 4th April 2022, the AT&C losses for states covered under the Ujwal DISCOM Assurance Yojana (UDAY) scheme (data available for all States except Nagaland and UT – Andaman & Nicobar and Lakshadweep) stood at 18.58% *(Source: UDAY Dashboard)*. Additionally, absence of cost reflective tariffs, inadequate subsidy reimbursements by the State Governments and increasing power procurement costs is adding to the financial woes of the sector.

Aggregate losses for distribution utilities decreased from ₹ 49,103 crore in FY 2018-19 to ₹ 31,672 crore in FY 2019-20. The average cost of supply for distribution utilities increased from ₹ 6.00/kwh in FY 2018-19 to ₹ 6.15/kwh in FY 2019-20. The average revenue (with subsidy received) increased from ₹ 5.51/kwh in FY 2018-19 to ₹ 5.85/kwh in FY 2019-20. *(Source: PFC- Report on the Performance of State Power Utilities FY19-20)*.

- **<u>Operations</u>**

<u>Power Procurement</u>

As in the past years, the Company has procured sufficient quantity of power during the period under review for meeting 100% peak demand of its consumers. The Company procured 9424.75 MUs (including 4.45 MUs of Net metering) as on 31st March 2022, to ensure that the consumers are provided with 24x7 power supply.

<u>Reliability and Other Operational Metrics</u>

The Company sustained system reliability at 99.84% and touched the peak load at 2106 MW during the year. Further, street light functionality was 99.15%, there were 590 collection avenues, Customer Delight Index was 96.8, Billing Efficiency and Collection Efficiency were at 92.86% and 100.4% respectively, as on 31st March 2022.

<u>Technology Implementation</u>

The Company has collaborated with more than 60 partners - technology companies, institutions and funding agencies across the globe to take technology and service delivery to the next level. The Company has also moved forward in implementing the Smart Grid road map which encompasses all the key elements such as Smart Metering, Battery Energy Storage System, Distributed Energy Resource Management, Low Voltage Automation, Demand Response, Data Analytics, EV charging infrastructure and many others.

<u>Tariff Related Matters</u>

The tariffs chargeable to consumers by Power Distribution Utilities are determined by their respective State Electricity Regulatory Commissions (SERCs), which in case of the Company, is the Hon'ble Delhi Electricity Regulatory Commission (DERC). DERC issues Tariff Regulations in order to determine the Retail Tariff. Tariff Regulations provide recovery of Annual Revenue Requirement (ARR) comprising of expenditure on account of power purchase cost, operation and maintenance expenses, finance cost and an assured return on eligible investment. The utilities are also eligible to claim additional incentives subject to the achievement of targets as laid down by DERC in its Business Plan Regulations.

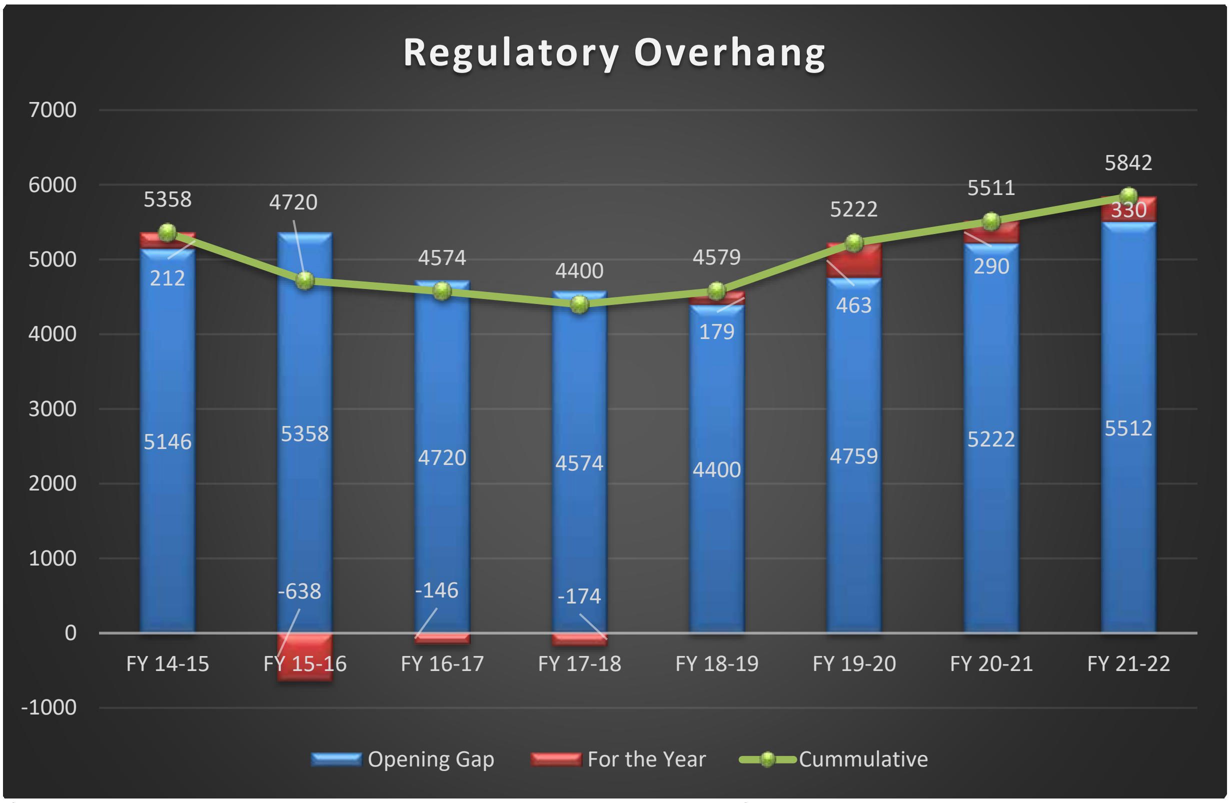
DERC on 31st January 2017 has notified the Delhi Electricity Regulatory Commission (Terms and Conditions for Determination of Tariff) Regulations, 2017 for determination of ARR. Further, DERC has notified Business Plan Regulations, 2019 for the next control period applicable for FY 2020-21 to FY 2022-23.

Based on the aforesaid regulations, DERC had published the Tariff schedule for FY 2021-22 on 30th September 2021 and uploaded the detailed Tariff Order on its website on 12th October 2021 for true up of FY 2019-20 and ARR of FY 2021-22.

For FY 2021-22, actual power purchase cost constitutes around 75% of total costs, operation & maintenance expenses (inclusive of establishment cost, administrative & general expenses and repair & maintenance expenses) constitutes around 10% with depreciation around 4%, interest on loans for capital investment around 3%, return on equity (RoE) deployed in the business constituting only around 2-3% of the total cost and balance towards carrying cost. The total cost needs to be recovered through Retail Tariff determined by DERC and chargeable to the consumers.

During FY 2021-22, power purchase cost of the Company was ₹ 6.41/unit against the approved power purchase cost of ₹ 5.64/unit. To meet such increase in power purchase cost, Business Plan Regulations, 2019 provide mechanism for charging this increased cost upto certain extent and accordingly, the Company has provisionally charged power purchase cost adjustment charge on Retail Tariff as per the methodology provided and balance will be levied based on approval from the Regulator.

Based on an opinion pronounced by the Expert Advisory Committee (EAC) of The Institute of Chartered Accountants of India (ICAI), the Company has recognized deferred asset for deferred tax liability as a regulatory deferral account debit/credit balance. Due to lack of tariff hike, increase in carrying cost and also deferred tax liability, the regulatory asset has increased to ₹ 5842 crore as on 31st March 2022. During the year under review, revenue gap has increased by ₹ 330 crore, which is evident from the graph below and this includes ₹ 84 crore pertaining to recoverable on account of deferred tax liability created during the year.



* FY 2018-19 and earlier years do not include adjustment towards deferred tax recoverable.

In order to get liquidation of Regulatory Assets, all possible avenues provided under legal and regulatory framework are being exercised. While role of DERC on this aspect is important, The Government of National Capital Territory of Delhi (GoNCT) also has a major role to play essentially for protecting consumers' interest and sustainability of this sector in Delhi.

COMMERCIAL

Key Achievements

AT&C Loss Reduction

One of the most significant measures of operational efficiency in power distribution sector is Aggregate Technical & Commercial (AT&C) loss reduction. AT&C loss refers to the difference between energy input and energy for which revenue is realized. Tata Power-DDL has consistently over-achieved its regulatory AT&C loss reduction targets including the one in FY 2021-22, thereby mitigating increases in retail tariffs through operational efficiency, despite steep increase in input costs and also maintained its edge over competition through demonstrated excellence. However, having reached higher levels of efficiency, further steep reduction of AT&C losses, in particular technical losses, is becoming increasingly difficult without significant capital investment. This again is a challenge in view of large accumulated revenue gaps, associated financing and impact on tariff. Nevertheless, during the year, in spite of challenging conditions of the pandemic, the Company's AT&C loss was at 6.80% which is much ahead of regulatory target of 8.26%.

Standards of Performance

DERC has specified stringent performance assurance standards with respect to consumer service delivery. As in the past, the Company's compliance with assurance timelines in FY 2021-22 continued to be in the range of 100% with certain key services such as providing new connections (in average 3.5 days against DERC allowed 7 days), Performance Assurance (PA) compliance for Commercial is 99.57, replacement of defective meters (2.96 days against 15 days allowed by DERC), being provided in significantly lesser (faster) time than stipulated by DERC. Tata Power-DDL has also implemented a new app CMG 2.0 in New Connection activities which will further help in reducing the timelines.

Customer Services

Tata Power-DDL has consistently implemented new technologies and processes to improve its customers' satisfaction. The cumulative installation of Smart Meters stood at 2.76 lakh and the TPDDL Connect App has been upgraded for Smart Meter consumers with a host of services like real-time consumption, customized alerts, daily reads etc. The cumulative usage stood at 4.4 lakh approx. with monthly views of 35000 users.

All services which were offline have been made online during the year under the Go Digital initiative and this has helped the Company in catering to its customers 24x7 during the pandemic.

The total usage of TPDDL Connect App has gone up by 6% to 10 lakh (cum download – 15 lakh) which was made possible by constant promotion through social media, digital "Green Zones", "Synergy" with school children, RWA interactions etc.

The Samvaad Portal, which gives a single screen view to customers about their individual information and enables the utility broadcast information, has also been launched and has garnered viewership of 1.3 lakh customers annually.

Engagement activities were conducted both online as well as offline following all Covid-19 SOPs. 45000 customers were touched through monthly activities like Resident Welfare Association meet, quarterly Industrial Welfare Association meet, Samman (meet for Senior Citizens), Tata Volunteering Week (TVW), Green Zones, Synergy outreaches and Tejas webinars etc.

All these measures have helped the Company in improving its Customer Delight Survey Score to an overall score of 81 (Top Box) obtained against the baseline score of 73 achieved in previous year i.e. FY 2020-21.

Capital Expenditure

Tata Power-DDL has executed distribution related capital expenditure works (CAPEX) amounting to ₹ 395 crore in FY 2021-22 (FY 2020-21: ₹ 425 crore). This amount has been judiciously utilized for enhancement of reliability of system through network improvements, reduction of AT&C losses and improvement in consumer services.

During FY 2021-22, total capitalization was ₹ 416 crore (FY 2020-21: ₹ 501 crore).

- **Generation Initiatives**

Rithala Power Plant

As per DERC order, 108 MW Rithala Power Plant has been allowed to function till 31st March 2018. Subsequently, the Company is exploring options for its disposal.

At its meeting held on 31st October 2017, the Board had approved the sale/auction of the plant on “as is where is basis”. The auction was carried out on 29th June 2021. As per Management’s view, since highest bid price of ₹ 20.10 crore was too low to proceed, therefore, other innovative ways to put this asset to use are being explored.

Your Company has approached APTEL for claim of differential capital cost issue emanating from useful life determination and the matter is still pending before APTEL.

Solar Projects

Solar & New Business Initiatives

In 2016, Tata Power-DDL became the first and only power utility to be awarded by the Ministry of New & Renewable Energy (MNRE), Govt. of India with National Award for “Utility Enabler for Rooftop Solar Project”. A total of 1578 cases of solar net meters have been installed in FY 2021-22 with a capacity of 46.8 MWp.

The Company has also installed 15nos. of Rooftop Solar Plants on its different buildings having capacity of 1.8 MWp. In FY 2021-22, a total of 2.01 MUs were generated through these solar plants. Letter of Award has been received from different states like Assam for Rooftop Solar Projects in association with REC Power Development and Consultancy Limited (RECPDCL). The Company has also collaborated with Tata Trust, General Electric (GE) and Massachusetts Institute of Technology (MIT) for setting up two Solar Micro-Grid Projects in Bihar. The objective of setting up of these Solar Micro-Grids is to create a sustainable model for providing reliable supply to un-electrified households. Tata Power-DDL is also involved in the Off-Grid Solar Installation of 13179 nos. of 300 MWp Solar Home Power Packs and 4184 nos. of 40 MWp Solar Street Lights for electrification of 895 nos. of Off-Grid Villages in Arunachal Pradesh under Deen Dayal Upadhyaya Gram Jyoti Yojana (DDUGJY) alongwith RECPDCL.

Recently, the Company has associated with International Solar Alliance and submitted proposal for setting up of 1 MWp Rooftop Solar Demonstration Projects in 15 member countries in association with MyWay Solar (a RESCO Project Developer, partner with YES Bank). Tata Power-DDL has also associated with other institutes like GIZ, World Bank, E&Y, CEEW, U.S.-India Clean Energy Finance Task Force and International Solar Alliance etc. for various initiatives.

DERC regulations and guidelines for net, virtual and group metering have been implemented. Under MNRE Phase-II guidelines, 400 kW solar installed for 74 domestic (residential) consumers under subsidy scheme. Tata Power- DDL in its solar EPC activity has done awareness campaigns at RWAs, IWAs and customer meetings covering domestic & industrial customers and one-to-one outreach has been carried out for express and key customers, educational institutes and high revenue customers etc. A total of 149 leads generated with 25.6 MW solar load, the customers are being followed up for conversion. Solar EPC order of 224 kW has been received from three consumers, out of which 70 kW is commissioned.

SCADA EMS, DMS, OMS Getting Upgraded to ADMS

Tata Power-DDL had implemented SCADA EMS (Energy Management System) with Grid Substation Automation System (GSAS) to control and monitor the 66/33 kV network with the main objective of improving operational efficiency from 2007 onwards. Your Company has been a pioneer Discom in India to operate the entire network from a central location with all load management decisions being based on real time power flow information from the system. As of now, all 82 grids have been automated and are unmanned.

Distribution Management System (DMS) along with first phase of Distribution Automation was successfully implemented during FY 2010-11 to monitor and control the 11 kV network. Its implementation along with Distribution Automation has helped in curtailing downtime of the 11 kV network by online identification of faults and centralized restoration of power supply from the control centre. As part of Tata Power-DDL's continued efforts towards ensuring customer delight by enhancing reliability of network and further reducing the fault restoration time, the Company implemented Outage Management System (OMS) for faster and more accurate location and restoration of faults in the LT Network, thereby, significantly reducing the downtime.

All the above stated technologies have been unique and path breaking at the time of implementation. To upgrade these technologies, the Company implemented Advanced Distribution Management System (ADMS), a real-time power distribution management system that operates by unifying SCADA, Advanced Distribution Management Applications and Outage Management System (OMS) functionality in a single modular solution taking network data directly from Geographical Information System (GIS) in an integrated manner along with SAP-PM/ISU/CRM extending its seamless benefits to the consumers providing synchronous operation for a utility. Tata Power-DDL became the first utility in India to deploy ADMS which was fully rolled out in March 2018, making it first such kind of installation in Asia and biggest in size in the world.

In the year under review, ADMS has been integrated with home grown Field Force Automation (FFA) and Smart Meter Data Management for faster reflection of any event at Control Room level/ field level. Further, advanced application like Automated Power Restoration System (APRS), Integrated Volt-Var Control (IVVC) and Grid Tele-Control (GTC) has also been rolled out to assist Control Room operators in providing best-in class services to its end consumers. Holistically, this integration has reduced outage time by providing faster resolution of faults through more efficient and accurate results, which has ultimately improved reliability, operational safety and consumer satisfaction.

Technology

Tata Power-DDL has been a front runner in implementation of latest technologies in the distribution sector and plays an instrumental role in reforming Power Distribution sector in India. The Company is not only working to provide reliable and quality power to its consumers within its licensed area, but also crafting a niche by achieving sectorial sustenance to become a world class leader by its innovative technology adoption.

Under the Horizon 2020 program, funded by the European Union, the Company is deploying an Energy Islanding System at one of its distribution substations, integrating key technologies by installing Smart Transformer(s), Smart Meter(s) for its customers, Low Voltage Automation, Battery Energy Storage System (with penetration of excess renewable energy generated from the solar into the battery), to utilize the same to create energy islanding system for its substation. The outcome of the study including the one on the Key

Performance Indicators that will be done by IIT Comillas and CIRCE will be utilized for its scalability and replicability of creating individual community storage systems in India and other parts of Europe. This is the first project funded by the European Union wherein actual demonstration is happening at 11kV distribution substation located at St. Xavier's School, Delhi. The project has been inaugurated in March 2022, which was attended by the delegates from the European Union, the French Embassy, the Government of India and all project partners.

The project also focuses on community engagement as its key aspect, wherein, the students, teachers and the management have been engaged to sensitize them about energy conservation and the benefits of the project. On the same lines, Energy Warrior campaign for the school students was initiated for depicting ideas on clean energy and climate change etc. through video and voice messages, artwork, slogans and tree plantation initiatives. The school faculty along with the teachers will be given a tour of Tata Power-DDL's Smart Grid Lab, to help them experience how things work in real world. The key partners of the project are ENEDIS (French Discom), M/s Schneider Electric, M/s Odit-e (Technology partners), M/s GECO Global (Community engagement partner) and IIT Comillas & CIRCE (study partners).

Tata Power-DDL and Nexcharge (a joint venture between Exide India and Leclanché) launched India's first Grid-Connected Community Energy Storage System (CESS) in Rani Bagh, New Delhi. The installation of the 150 kW CESS at Ranibagh Substation will improve the supply reliability at the distribution level that is mainly at load centre to mitigate peak load on distribution transformers. The setup will help in providing continuous and reliable power to key consumers during any exigency. In continuation to the storage application being experimented in the Company, a pole-mounted Battery Energy Storage unit has been installed in District Rohini. The unit will be helpful in contributing to a greener, more cost-effective and reliable grid.

In other major technology drive, the Company, in partnership with SUN Mobility- provider of energy infrastructure platform and services for electric vehicles, will set up a network of battery swap points across North and North-West Delhi. SUN Mobility launched the first swap point with two interchange stations to serve the growing demand of EVs in the Azadpur area, one of the busiest marketplaces of the capital. This initiative is in line with the Delhi Government's "Switch Delhi" campaign and aims at setting up a broad network of battery swapping infrastructure that makes swapping accessible to customers at the same scale and ease as conventional refueling.

Smart Grid

Smart, self-shaping, fully adaptable networks that connect the energy provider with the consumers on a real-time basis represent the essence of smart grids.

In 2016, the Company inaugurated the Smart Grid Lab to provide a "one place" view of the entire distribution network and how these various technologies thread through and provide seamless integration all the way from the time the Company takes on transmission to the edge of the grid. The lab imbues both the transference as well as convergence of smart technologies at play and how the intersection of these technologies allows for stronger, reliable and responsive organization. The lab that is divided in two areas - Technology Zone and Consumer Experience Zone provides "hands-on" demonstration of various technologies, products and solutions for power distribution utilities and how these technologies help in providing an improved connectivity, efficiency and reliability that is both sustainable and scalable.

The Technology Zone provides end-to-end technology deployment and integration that have been commissioned to demonstrate solutions from sub-transmission level (66kV/33kV level) up to the last mile (230V) i.e. Smart Meter to the customer's appliances, from foundational technologies such as Advanced Distribution Management System (ADMS), Geographical Information System (GIS), SAP based utility architecture, Smart Meters with Advanced Metering Infrastructure to edge of the grid technologies viz. Utility Controlled Battery Storage, Demand Response, Home Automation, EV Charging Station, Distribution Grid Digitization and Integrated Energy Islanding. While these technologies cover the span of the distribution grid, the technologies that operate to sense, control and optimize to respond to grid changes such as power quality, predictive load forecasting are also showcased at the Smart Grid Lab.

Working on the need to make the complete system smart through sensing and back end data analytics, the technologies related to live parameter sensing at edge of the grid, its back end integration with core technologies, real-time monitoring and auto triggers for fast response have also been demonstrated. Taking giant leap towards the urban micro grid, hybrid energy islanding serving demand through integration of solar, battery and grid connected power gives a glimpse of maturity that has been achieved in technology adoption and its real world applications.

Customer Experience area of Smart Grid Lab was developed to build a tactile space and reduce the burden of "unknown" associated with technology for our customers or general public. Various Demand-Side Management (DSM) initiatives and energy conservation solutions which have been commissioned are displayed for an easy understanding of those foundational principles. Our efforts to promote green energy in the form of rooftop solar and an extended roadmap of energy efficiency continues to be the forefront of all our initiatives.

Appreciating the steps taken towards technology adaptation and innovation, Department of Science and Industrial Research (DSIR) under the Ministry of Science and Technology has certified the Smart Grid lab at Tata Power- DDL as 'In-house R&D unit'.

Since inception, the lab draws an average of 100 visits and a footfall of 750 every year. These visits include regulators, stakeholders such as United States Agency for International Development (USAID), United States Trade and Development Agency (USTDA), technology partners, institutions such as University of California, Los Angeles (UCLA), Massachusetts Institute of Technology (MIT), Academia from across the world and aspiring collaborators looking to work with Tata Power-DDL. A journey which began almost two decades ago now holds the potential to transform the distribution sector in India. The Smart Grid lab provides a perfect place to showcase that journey spanning across both time and technologies put in place to empower - the consumers, the grid and most of all, empower green energy growth. Overhauling the conventional framework under which utilities are governed and opening up to use of new and renewable generation which would help usher distribution utilities to a new era of grid modernization across the globe.

AMI Project

The Company has always been a pioneer in technology adoption based on understanding of customer needs. In 2013, the Company conducted "Smart Grid Road Map" study through M/s Quanta and subsequently National Tariff Policy, 2016 was released by Central Government. The Company has taken its first step in its Smart metering journey with the learning of several proof of concepts on different communication technologies.

Considering the viability of RF-Mesh network which is found to be the best suited technology for AMI implementation in the Company having a geographical spread of 510 sq. kms in North and North West Delhi. The head-end system shall support Network Operation Center (NOC) and administrative activities with role based user access for outage management, RF network deployment, network monitoring, alerts/notification, reading data, remote configurations, network reporting etc. Meter Data Management System supports different actions like reading extraction, revenue protection module, integration with different IT/OT utility applications, analytical report preparation which had helped in improvement in consumer services and cost optimization. In addition to providing real time communication and monitoring capability, this initiative will also provide accurate information on energy consumption patterns, enhanced monitoring and control points throughout network on real time basis and reduced commercial losses.

As a part of learning and capacity building, it has also been understood that a mix of communication technologies is the future need and necessary for pan-India scenarios. The Company has also adopted Narrow Band internet of Things (NBIoT) cellular technology, amongst all other available technologies after due considerations and approvals from DERC. Separate Head-End System was also implemented and integrated with multiple meter manufacturers.

For integration of two different head end system of RF-Mesh and NBIoT technologies, unified Meter Data Management System was placed initially while planning, with the vision of future requirements. Till now, 2.80 lakh smart meters have been deployed in the Company consisting of 2.70 lakh and 0.10 lakh smart meters on RF-Mesh and NBIoT, respectively. Both these technologies are strategically placed for meter types, consumer segments, geographical location, gestation time and use case requirements. Multiple meter manufacturers (3 in each communication technology) have been integrated to cater to supply chain issues. Presently, Smart meters deployment is mainly focused on the business needs.

Several commercial and operational enablement were achieved with AMI deployment like lean prepaid, over the air firmware upgrade and mode change, increased transparency of data with consumers and dashboard on customer applications with more than 4.4 lakh hits with features such as customized alerts, Time of the Day (ToD) and prepaid balance. Capability of demand response has been demonstrated by reducing load 7.86 MW, connect/ disconnect having operations of 42,000 each, sustained billing reads over 98.6% per month, peer to peer project which has been done with i-Electrix, integration with Distributed Energy Resources (rooftop or ground mount solar, EV and battery storage), distribution automation through transformer health monitoring through DIDO installed in specially designed DT smart meter, asset optimization by distribution transformer swapping and outage management integration with last gasp in phased manner.

Moving ahead, NBIoT CT meters integration is being carried out and planned for rollout. Low cost smart metering, universal NIC module, lean prepaid in NBIoT technology, load balancing at DT level to reduce technical losses are the next steps planned in the journey of Smart Grid implementation.

4. RESERVES

The Board of Directors has decided to retain the entire amount of profit for the financial year 2021-22 in the statement of profit and loss.

5. SUBSIDIARIES/ JOINT VENTURES/ ASSOCIATES

During FY 2021-22, the existing subsidiary did not cease to be a subsidiary of the Company. There has been no major change in the nature of business of your Company and its subsidiary. Currently, there is no joint venture and associate of the Company.

6. DIRECTORS AND KEY MANAGERIAL PERSONNEL

- **Policy on Board Diversity & Director Attributes and Remuneration Policy for Directors, Key Managerial Personnel and other employees**

In terms of the provisions of Section 178(3) of the Companies Act, 2013 ("the Act"), the Nomination and Remuneration Committee ("NRC") is responsible for formulating the criteria for determining qualifications, positive attributes and independence of a Director. The NRC is also responsible for recommending to the Board a policy relating to the remuneration of Directors, Key Managerial Personnel (KMP) and other employees.

Based on the recommendations of the NRC and as per the requirements of the Act and the rules made thereunder, the Board had approved and adopted the Remuneration Policy for Directors, KMP and other employees. The philosophy for remuneration of Directors, KMP and all other employees of the Company is based on commitment of fostering a culture of leadership with trust. The Remuneration Policy is aligned to the same.

The Remuneration Policy of the Company is a comprehensive policy which is competitive, in consonance with the industry practices and rewards good performance of the employees of the Company. The policy ensures equality, fairness and consistency in rewarding the employees on the basis of performance against set objectives.

The Company endeavors to attract, retain, develop and motivate a high performance workforce.

Diversity at Board level is a necessary requirement in ensuring an effective Board. A mix of Executive, Independent and other Non-Executive Directors is one important facet of diverse attributes that the Company desires. Further, a diverse Board representing differences in the educational qualifications, knowledge, experience, gender, age, thought and perspective results in delivering a competitive advantage and a better appreciation of the interests of stakeholders. These differences should be balanced against the need for a cohesive and effective Board. All Board appointments shall be made on merit in terms of the policy.

In line with this requirement, the Board has adopted the Policy on Board Diversity & Director attributes, which is reproduced as per Annexure-I and the Remuneration Policy for Directors, Key Managerial Personnel and other employees of the Company, which is reproduced as per Annexure-II.

The Company has also placed a copy of Policy on Board Diversity & Director attributes and Remuneration Policy for Directors, Key Managerial Personnel and other employees of the Company on the website of the Company and the web-link of such policies is: https://tatapowerddl.com/Editor_UploadedDocuments/Content/TPDDL_company's_policy_on_directors'_appointment_&_remuneration.pdf

The Directors nominated by Delhi Power Company Limited and the Independent Directors draw only sitting fee from the Company. Amongst the Directors nominated by Tata Power, only Mr. Arup Ghosh and Ms. Satya Gupta, Directors, draw sitting fee from the Company. No Commission is payable to any Director of the Company.

Governance Guidelines:

The Company has also adopted Governance Guidelines on Board effectiveness. The governance guidelines cover aspects related to:

- Composition and role of the Board (this includes elements on the size, composition, role of the Board, the Chairman and the Directors. It also covers definition of independence, Directors' term, retirement age and Committees of the Board)
- Nomination, appointment, induction and development of Directors
- Directors' remuneration
- Board effectiveness review (this includes aspects related to the process for evaluation of Board as a whole, Individual Directors including Managing Director/ Executive Director/ Non-Executive Director/ Independent Director/ Chairman and Board Committees)
- Mandates of Board Committees (this includes the mandate for Audit Committee, Nomination and Remuneration Committee and Corporate Social Responsibility Committee).

- **Additions/ Retirements/Resignations of Directors**

Presently, the Company has three Independent Directors i.e. Mr. K M Chandrasekhar, Mr. Ajay Shankar and Dr. Amar Jit Chopra.

During FY 2021-22, Mr. Ramesh Narayanswamy Subramanyam had resigned as Director of the Company, w.e.f. close of working hours of 20th January 2022. The Board places on record its appreciation for the valuable contribution made by him as member of the Board.

Based on the recommendation of Nomination and Remuneration Committee, the Board had appointed Mr. Ajay Kapoor as an Additional Director on the Board of the Company w.e.f 21st January 2022. The Company has received a notice under Section 160(1) of the Act from a shareholder proposing the name of Mr. Ajay Kapoor, for his appointment for the office of Director at the forthcoming Annual General Meeting (AGM).
In accordance with the requirements of the Act and the Company's Articles of Association, Mr. Ajit Kumar Singh, Mr. Jasmine Shah and Mr. Sanjay Kumar Banga, Directors retire by rotation and are eligible for re-appointment.

None of the Company's Directors are disqualified from being appointed as Directors as specified in Section 164 of the Act.

Members' approval is being sought at the ensuing AGM for the aforesaid appointment/ re-appointment of Directors.

Key Managerial Personnel: As on 31st March 2022, following are the Key Managerial Personnel (KMP) of the Company:

(i) Mr. Ganesh Srinivasan, Chief Executive Officer (CEO)
(ii) Mr. Suranjit Mishra, Chief Financial Officer (CFO)
(iii) Ms. Monica Mehra, Company Secretary (CS)

During FY 2021-22, Mr. Hemant Goyal resigned as CFO & KMP w.e.f close of working hours of 31st May 2021 and Mr. Suranjit Mishra has been appointed as CFO & KMP of the Company w.e.f 19th July 2021 in place of Mr. Hemant Goyal.

Further, Mr. Ajay Kalsie resigned as CS & KMP w.e.f close of working hours of 31st October 2021 and Ms. Monica Mehra has been appointed as CS & KMP of the Company w.e.f 1st November 2021 in place of Mr. Ajay Kalsie.

- **Number of Board Meetings and dates**:

Meetings are scheduled well in advance and minimum seven (7) days' advance notice of each Board meeting is given in writing to the Directors. The Board meets atleast four (4) times in a year to review quarterly performance and financial results.

The Company Secretary in consultation with the Chairman and the Chief Executive Officer prepares a detailed agenda for the meetings. The Board papers comprising the agenda and other explanatory notes are circulated to the Directors in advance. The members of the Board have complete access to all information of the Company and are free to recommend inclusion of any matter in the agenda for discussion. Senior Management is invited to attend the Board meetings so as to provide additional inputs to the items being discussed by the Board as well as to get Board's first hand perspective on critical issues. The directions of the Board are further communicated down the line by the Senior Management through various town hall meetings and dialogue sessions.

Four (4) meetings of the Board of Directors were held during the year 2021-22 and the gap between two meetings did not exceed 120 days. The meetings were held on 23rd April 2021, 19th July 2021, 18th October 2021 and 21st January 2022.

Twentieth (20th) Annual General Meeting of the Company was held on 21st June 2021.

The attendance of each Director at the Board Meetings and last Annual General Meeting held during the year is listed below:

S. No.	Name of the Director	Nature of Relationship	No. of Board meetings held	No. of Board meetings attended	Attendance at the 20th AGM
1.	Dr. Praveer Sinha	Chairman Non-Executive Director (Nominated by The Tata Power Company Limited)	4	4	Yes
2.	Mr. K M Chandrasekhar	Independent Director	4	4	Yes
3.	Mr. Ajay Shankar	Independent Director	4	4	Yes
4.	Dr. Amar Jit Chopra	Independent Director	4	4	Yes
5.	Mr. Sanjay Kumar Banga	Non-Executive Director	4	4	Yes

S. No.	Name of the Director	Nature of Relationship	No. of Board meetings held	No. of Board meetings attended	Attendance at the 20th AGM
		(Nominated by The Tata Power Company Limited)			
6.	Mr. Jasmine Shah	Non-Executive Director (Nominated by Delhi Power Company Limited)	4	4	Yes
7.	Mr. Ajit Kumar Singh	Non-Executive Director (Nominated by Delhi Power Company Limited)	4	4	Yes
8.	Ms. Rashmi Krishnan	Woman Director (Nominated by Delhi Power Company Limited)	4	4	Yes
9.	Mr. Naveen ND Gupta	Non-Executive Director (Nominated by Delhi Power Company Limited)	4	4	No
10.	Mr. Arup Ghosh	Non-Executive Director (Nominated by The Tata Power Company Limited)	4	4	No
11.	Ms. Satya Gupta	Woman Director (Nominated by The Tata Power Company Limited)	4	4	No
12.	Mr. Ajay Kapoor (Appointed w.e.f. 21st January 2022)	Non-Executive Director (Nominated by The Tata Power Company Limited)	1	1	N.A.
13.	Mr. Ramesh Narayanswamy Subramanyam (Resigned w.e.f. close of working hours of 20th January 2022)	Non-Executive Director (Nominated by The Tata Power Company Limited)	3	3	Yes

- **A statement on declaration given by Independent Directors under Section 149:** Mr. K M Chandrasekhar, Mr. Ajay Shankar and Dr. Amar Jit Chopra, Independent Directors of the Company have confirmed that they comply with the requirements specified under Section 149 of the Act and the Companies (Appointment and Qualifications of Directors) Rules, 2014, as amended from time to time, for being Independent, Non- Executive Directors of the Company.

- **A statement regarding opinion of the Board with regard to integrity, expertise and experience (including the proficiency) of the Independent Directors of the Company:** Based on the declaration(s) received by the Independent Directors, the Board is of the opinion that Independent Directors have integrity, expertise, experience and proficiency (to the extent applicable) as prescribed under the provisions of the Act and the rules made thereunder.

- **Independent Directors have complied with the Code for Independent Directors prescribed in Schedule IV to the Act.**

- **Statement indicating all pecuniary relationship or transactions of the Non-Executive Directors vis-à-vis the Company:** None of the Non-Executive Directors had any pecuniary relation or transactions with the Company other than the sitting fees and reimbursement of expenses incurred by them (as applicable), for the purpose of attending meetings of the Board/Committee of the Company.

- **Meeting of Independent Directors**
  During the year, the Independent Directors of the Company met once on 23rd April 2021, without the presence of Non-Independent Directors and other members of management. The Independent Directors reviewed the performance of Non-Independent Directors, the Chairman and the Board as a whole. They also assessed the quality and adequacy of the information between the Company's Management and the Board.

- **<u>COMMITTEES OF THE BOARD:</u>**

(i) <u>Audit Committee</u>:

Terms of reference of Audit Committee are given below:

(i) recommendation for appointment, remuneration and terms of appointment of auditors of the Company;
(ii) review and monitor the auditor's independence and performance, and effectiveness of audit process;
(iii) examination of the financial statement and the auditors' report thereon;
(iv) approval or any subsequent modification of transactions of the Company with related parties;
(v) scrutiny of inter-corporate loans and investments;
(vi) valuation of undertakings or assets of the Company, wherever it is necessary;
(vii) evaluation of internal financial controls and risk management systems;
(viii) monitoring the end use of funds raised through public offers and related matters

The Company complies with the provisions of Section 177 of the Act, pertaining to Audit Committee and its functioning. The Board has also approved and adopted charter of Audit Committee.

Currently, the Audit Committee comprises of the following Directors:

1. Dr. Amar Jit Chopra, Chairman, Independent Director
2. Mr. Ajay Shankar, Member, Independent Director
3. Mr. K M Chandrasekhar, Member, Independent Director
4. Mr. Naveen ND Gupta, Member, Non- Executive Director
5. Mr. Ajay Kapoor, Member, Non- Executive Director

All members are financially literate and bring in expertise in the fields of finance, economics, development, strategy and management.

The Audit Committee met four (4) times during the year 2021-22. These meetings were held on 22nd April 2021, 19th July 2021, 16th October 2021 and 20th January 2022.

The number and attendance of Audit Committee Meetings is as follows:

S. No.	Name of the Director	Category	No. of meetings attended
1.	Dr. Amar Jit Chopra	Independent, Non-Executive	4
2.	Mr. Ajay Shankar		4
3.	Mr. K M Chandrasekhar		4
4.	Mr. Naveen ND Gupta	Non Independent, Non-Executive	4
5.	Mr. Sanjay Kumar Banga*		2
6.	Mr. Ramesh Narayanswamy Subramanyam**		2
7.	Mr. Ajay Kapoor***		N.A.

*Mr. Sanjay Kumar Banga had ceased to be a member of Audit Committee w.e.f. 19th July 2021.

** Mr. Ramesh Narayanswamy Subramanyam was appointed as a member of Audit Committee w.e.f. 19th July 2021 and ceased to be a member thereof w.e.f. 20th January 2022.

*** Mr. Ajay Kapoor was appointed as a member of Audit Committee w.e.f. 21st January 2022.

In addition to above, Chief Executive Officer and Chief Financial Officer of the Company have attended Audit Committee meetings held during the year. The Audit Committee invites such of the other executives as it considers appropriate to be present at its meetings. The Statutory Auditors, Internal Auditor and Cost Auditors are also invited to the meetings.

The minutes of the meetings of Audit Committee were placed before the Board.

(ii) Corporate Social Responsibility Committee

The Company has adopted a Corporate Social Responsibility (CSR) Policy which indicates the activities to be undertaken by the Company as specified in Schedule VII to the Act. The policy, including overview of projects or programs proposed to be undertaken, is provided on the Company website:
https://www.tatapower-ddl.com/Editor_UploadedDocuments/Content/CSR_POLICY_Tata_Power-DDL_FY_21-22.pdf

The broad terms of reference of the CSR Committee are as under:

a) Formulate and recommend to the Board, a CSR Policy which shall indicate the activities to be undertaken by the Company in areas or subject as specified in Schedule VII to the Act;
b) Recommend the amount of expenditure to be incurred on the activities referred to in the above clause; and
c) Monitor the CSR Policy of the Company from time to time.

Currently, the CSR Committee comprises of the following Directors:

1. Mr. Ajay Shankar, Chairman, Independent Director
2. Mr. Jasmine Shah, Member, Non- Executive Director
3. Mr. Ajit Kumar Singh, Member, Non- Executive Director
4. Mr. Sanjay Kumar Banga, Member, Non- Executive Director
5. Mr. Arup Ghosh, Member, Non- Executive Director

The Committee met thrice during the year 2021-22. The meetings were held on 13th May 2021, 13th October 2021 and 22nd March 2022.

The number and attendance of CSR Committee meetings is as under:

Sl. No.	Name of the Director	Category	No. of meetings attended
1.	Mr. Ajay Shankar	Independent, Non-Executive	3
2.	Mr. Jasmine Shah	Non Independent, Non-Executive	3
3.	Mr. Ajit Kumar Singh		3
4.	Mr. Sanjay Kumar Banga		3
5.	Mr. Arup Ghosh		3

The minutes of the meetings of the CSR Committee were placed before the Board.

(iii) Nomination and Remuneration Committee:

Terms of Reference

The Committee shall identify persons who are qualified to become Directors and who may be appointed in senior management in accordance with the criteria laid down, recommend to the Board their appointment and removal and shall specify the manner for effective evaluation of performance of Board, its Committees and individual Directors to be carried out either by the Board, by the Nomination and Remuneration Committee (NRC) or by an independent external agency and review its implementation and compliance.

The Committee shall formulate the criteria for determining qualifications, positive attributes and independence of a Director and recommend to the Board a policy relating to the remuneration for the Directors, Key Managerial Personnel and other employees.

The Board also approved and adopted charter of NRC.

Currently, the Nomination and Remuneration Committee comprises of the following Directors:

1. Mr. K M Chandrasekhar, Chairman, Independent Director
2. Dr. Praveer Sinha, Member, Non- Executive Director
3. Mr. Ajay Shankar, Member, Independent Director
4. Ms. Rashmi Krishnan, Member, Non- Executive Director

The Committee met thrice during the financial year 2021-22 on 23rd April 2021, 19th July 2021 and 18th October 2021.

The number and attendance of NRC meetings is as under:

Sl. No.	Name of the Director	Category	No. of meeting attended
1.	Mr. K M Chandrasekhar	Independent, Non-Executive	3
2.	Mr. Ajay Shankar		3
3.	Dr. Praveer Sinha	Non Independent, Non-Executive Director	3
4.	Ms. Rashmi Krishnan		3

The minutes of the meetings of the NRC were placed before the Board.

(iv) Operations Review Committee

The Operations Review Committee (ORC) regularly reviews progress on all important issues pertaining to operational aspects of the Company and such other matters as may be delegated to it by the Board of Directors from time to time. Currently, ORC comprises of the following Directors:

1. Mr. Sanjay Kumar Banga, Chairman, Non- Executive Director
2. Mr. Arup Ghosh, Member, Non- Executive Director
3. Mr. Ajay Kapoor, Member, Non- Executive Director

Mr. Ramesh Narayanswamy Subramanyam ceased to be a member of ORC w.e.f. 20th January 2022 and Mr. Ajay Kapoor appointed as a member of ORC w.e.f. 21st January 2022.

(v) Long Term Loans and Borrowings Committee

The Long Term Loans and Borrowings Committee (LTBC) reviews and approves terms and conditions pertaining to all long term loans and borrowings and such other matters as may be delegated to it by the Board of Directors from time to time.

Currently, LTBC comprises of the following Directors:

1. Mr. K M Chandrasekhar, Chairman, Independent Director
2. Dr. Praveer Sinha, Member, Non- Executive Director

(vi) Committee for Liquidation of Regulatory Assets

The Committee for Liquidation of Regulatory Assets explores and advises the management on various ways to reduce the regulatory assets of the Company and to engage external industry experts and consultants, if required and such other matters as may be delegated to it by the Board of Directors from time to time.

Currently, the Committee for Liquidation of Regulatory Assets comprises of the following Directors:

1. Mr. Ajay Shankar, Chairman, Independent Director
2. Dr. Amar Jit Chopra, Member, Independent Director
3. Mr. Jasmine Shah, Member, Non- Executive Director
4. Mr. K M Chandrasekhar, Member, Independent Director
5. Mr. Naveen ND Gupta, Member, Non- Executive Director

7. ANNUAL EVALUATION OF BOARD PERFORMANCE AND PERFORMANCE OF ITS COMMITTEES AND INDIVIDUAL DIRECTORS

Statement indicating the manner in which formal annual evaluation has been made by the Board:-

The Company has instituted a process for evaluation of the performance of the Board, Statutory Committees of the Board and of Individual Directors by various governance organs - the full Board, the NRC and Independent Directors. The evaluation requires each Director to make an assessment confidentially of the performance of the Board as a body and of each individual Director. The assessments so made are collated and the blended opinion of the Directors who have responded is discussed in the various aforementioned governance organs, as statutorily mandated. In the case of Statutory Committees, assessments are made by the Committee Members and a report based on them is presented to the Board. Feedback was provided to the Directors, as appropriate. During the year under review, the recommendations made in the previous year were satisfactorily implemented.

8. REGULATORY & LEGAL

REGULATORY ENVIRONMENT

- **CHANGES TO LAW AND REGULATORY GUIDELINES**

I. **Central Electricity Regulatory Commission (Deviation Settlement Mechanism and Related Matters) Regulations, 2022-** CERC notified these regulations on 22nd March 2022. These regulations layout a commercial mechanism to ensure that users of the grid do not deviate from and adhere to their schedule of drawl and injection of electricity. The same ensures security and stability of the grid. These regulations mandate that any deviation shall be managed by the Load Despatch Centre as per the Ancillary Services Regulations. In addition to this, the computation, charges and related matters in respect of such deviation shall be dealt as per the relevant provisions of these regulations. The method for computation of deviation and charges for deviation is also provided within the regulations. The purpose of these regulations is to simplify and streamline them with respect to Deviation Settlement Mechanism. Any violation of the permitted deviations specified in these regulations are not passed through Aggregate Revenue Requirement for distribution Company.

II. **Central Electricity Authority (Installation and Operation of Meters) (Amendment) Regulations, 2022-** These regulations amend Central Electricity Authority (Installation and Operation of Meters) Regulations, 2006. As per the amendment, it has been specified that consumers in areas with communication network shall be supplied electricity with Smart Meters working in prepaid mode, conforming to relevant International Standards, within the timelines as specified by the Central Government. The regulations have come into force from 28th February 2022. The amendment has also inserted the definition of 'Advanced Metering Infrastructure Service Provider' and 'Advanced Metering Infrastructure'. An important inserted provision states that consumer smart meters shall generally be owned by the Distribution Licensee.

III. **Amendment to the Guidelines for short-term (i.e. for a period of more than one day to one year) Procurement of Power by Distribution Licensees through Tariff based bidding process-** On 22nd February 2022, the Ministry of Power, Government of India has issued the amendment to the appropriate guidelines dated 30th March 2016. The amendment addresses the issue of sale of power by generators in the market without the consent of procurer. A new provision to Clause 6.4 (vi) (f) of the existing guidelines describes the consequences on Sale of Contracted Power to Third Party without consent of the Procurer. The anomaly has been addressed in case the Seller fails to offer the contracted power as per the Agreement to the Procurer and sells this power without Procurer's consent to any other party, the Procurer shall be entitled to claim damages from the Seller for an amount equal to the higher of:

a. twice the Tariff as per the PPA for the corresponding contracted power; and
b. the entire sale revenue accrued from Third Parties on account of sale of this contracted power.

These damages shall be in addition to the Liquidated Damages as per Para 6.4(e) of the existing guidelines for failure to supply the Instructed Capacity. It also states that on a complaint to this effect by the Procurer to the concerned load dispatch centre, the Seller shall be debarred from participating in power exchanges and also from scheduling of this power in any short term/ medium term/ long term contracts from that generating station for a period of three months from the establishment of default. The period of debarment can be increased to six months for second default and shall be one year for each successive default.

IV. **The Central Electricity Regulatory Commission (Ancillary Services) Regulations, 2022-** The Central Electricity Regulatory Commission (Ancillary Services) Regulations, 2022 have been notified on 12th February 2022. These regulations aim to provide mechanisms (administered as well as market-based mechanisms) for procurement, deployment and payment of Ancillary Services at the regional and national level for maintaining the grid frequency close to 50 Hz, restoring the grid frequency within the allowable band as specified in the Grid Code and for relieving congestion in the transmission network to ensure smooth operation of the power system along with safety and security of the grid.

V. **Delhi Electricity Regulatory Commission (Group Net Metering and Virtual Net Metering for Renewable Energy) (Third Amendment) Guidelines, 2022-** The third amendment to Delhi Electricity Regulatory Commission [Group Net Metering (GNM) and Virtual Net Metering (VNM) for Renewable Energy] Guidelines, 2019 has been notified by DERC on 28th September 2019. Erstwhile, Guideline 3(6) (Applicability of VNM) has been amended to provide that the Distribution Licensees shall facilitate and bear the capital expenditure on account of Service Line cum Development (SLD) and network augmentation towards Renewable Energy projects. The same shall be allowed to pass through in Aggregate Revenue Requirement (ARR) for the schemes under VNM and GNM mode. However, such waiver of SLD will be effective till additional capacity does not exceed 75 MW, 50 MW, 30 MW and 10 MW for BSES Rajdhani Power Limited (BRPL), Tata Power Delhi Distribution Limited (TPDDL), BSES Yamuna Power Limited (BYPL) and New Delhi Municipal Council (NDMC), respectively for projects under VNM and GNM in each Distribution Licensee. In addition to this, it has been made mandatory for Distribution Licensees to submit quarterly progress reports for Net Metering, GNM and VNM to the Commission and DoP, GoNCTD in order to get the expenditure incurred for Renewable Energy Projects trued-up in ARR. The precondition viz. Renewable Energy Project should be registered under Mukhya Mantri Kisaan Aay Badhotari Yojna has been now removed and amended as stated above.

VI. **Delhi Electricity Regulatory Commission (Group Net Metering and Virtual Net Metering for Renewable Energy) (Fourth Amendment) Guidelines, 2022-** These guidelines amend Guideline 13 of Delhi Electricity Regulatory Commission (Group Net Metering and Virtual Net Metering for Renewable Energy) Guidelines, 2019 with effect from 24th February 2022. The erstwhile Guideline 13 provided that the Renewable Energy System commissioned till 31st March 2022 under DERC (Net Metering for Renewable Energy) Regulations, 2014, shall be exempted during its useful life from payment of wheeling charge, banking charge, cross subsidy charge and any other charge(s), as decided by the Commission by an order. The fourth amendment has now extended the existing deadline of 31st March 2022 to 31st March 2024. The amendment is to encourage the generation of Renewable Energy in States.

VII. **Directions to State Commission for devising a formula for Automatic Pass through of the fuel and power procurement cost in tariff for ensuring the viability of the power sector-** Ministry of Power has released instructions dated 9th November 2021 for State Commissions to devise a formula for automatic pass through of fuel and power procurement cost in tariff for ensuring the viability of the power sector. Ministry of Power noted that stakeholders have been witnessing issues relating to availability of fuel, mainly coal and gas for the power plants due to sudden spike in the price of fuel in the international markets. Ministry noted that the lack of a robust mechanism of timely automatic pass through of fuel cost and transportation cost results in shortage of supply in the grid which may affect the power supply to the consumer.

Further, the Ministry observed that the distribution companies (Discoms) face revenue constraints as the corresponding pass through of cost is not done regularly and timely in the retail tariff. Timely collection of revenue from consumer would ensure timely payment by the distribution company to the generating stations and coal companies. This will also help in ensuring availability of supply to meet the expected increase in demand. It was further noted that some of the states have already devised a formula for fuel surcharge adjustment which is being used for this purpose. However, this is not an automatic pass through and there remains need for approval of the State Commission. The present mechanism leads to delays. Thus, Ministry of Power has instructed the State Commission to provide for automatic pass through in tariff change in costs on account of change in law/ power purchase costs in accordance with a formula laid down by the State Regulatory Commissions. It also provides that until a suitable formula is prescribed by the State Commissions, the formula given in the Electricity (Timely Recovery of Costs due to Change in Law) Rules, 2021 may be adopted. After devising a formula, the Discoms shall send relevant papers/calculation sheets to the State Commissions and the commission shall verify and confirm the pass through within 60 days.

VIII. **DERC order notifying the Accredited Laboratories for Testing of Tampered Meters dated 06.12.2021 -** DERC vide its order notified a list of Accredited Laboratory for Testing of Tampered Meter as required under Delhi Electricity Regulatory Commission (Supply Code and Performance Standards) Regulations, 2017. The Order charts out the procedure for the Distribution Licensees for removal and sealing of the meter from a site/consumer's premises. It provides that the Distribution Licensee shall schedule a date and time for testing of meter in consultation with notified Meter Testing Laboratories and shall give prior notice to the consumer as per the provisions of Order dated 31.08.2017 for the procedure along with Schedule of Charges as provided under Delhi Electricity Regulatory Commission (Supply Code and Performance Standards) Regulations, 2017.

IX. **Electricity (Timely Recovery of Costs due to Change in Law) Rules, 2021-** Ministry of Power has notified the change in law rules for the power sector. The rules have come into force with effect from 22nd October 2021. The change in law rules cover the aspects in relation to tariff and any change leading to corresponding changes in the cost requiring change in tariff. It also includes a change in interpretation of any law by a competent court, change in any domestic tax, including duty, levy, cess, charge or surcharge, a change in any condition of an approval or license obtained or to be obtained for purchase, supply or transmission of electricity, unless specifically excluded in the agreement for the purchase, supply or transmission of electricity, which results in any change in the cost. However, it does not include any change in any withholding tax on income or dividends distributed to the shareholders of the generating company or transmission licensee or change in respect of deviation settlement charges or frequency intervals by an Appropriate Commission. Timely recovery of the costs due to change in law is very important as the investment in the power sector largely depends upon the timely payments. At present, the pass through under change of law takes time. This impacts the viability of the sector and the developers get financially stressed. The Rules would help in creating investment friendly environment in the country. A formula has been devised to calculate adjustment in the monthly tariff due to the impact of change in law.

X. **Clarification on Electricity Timely Recovery of Costs due to Change in Law Rules, 2021:** Ministry of Power has issued clarification dated 21st February 2022 as the Stakeholders of power sector have informed the Ministry of Power that Electricity (Timely Recovery of Costs due to Change in Law) Rules, 2021 is being applied retrospectively by the Central Electricity Regulatory Commission (CERC) for petitions which have been filed before the notification of these rules, the Commission has directed the parties to settle the change in law claims amongst themselves and approach the Commission only under the newly notified Change in Law Rules. Ministry of Power, Government of India has issued this clarification and stated that Change in Law Rules, 2021 are to apply prospectively only. In other words, the Change in Law Rules, 2021 will be applicable to the petitions being filed after 22nd October 2021.

XI. **The Electricity (Promotion of Generation of Electricity from Must-Run Power Plant) Rules, 2021-** Ministry of Power, Government of India notified the appropriate rules that came into force on 22nd October 2021. It states that a wind, solar, wind-solar hybrid or hydro power plant (in case of excess water leading to spillage) or a power plant from any other sources, as may be notified by the Appropriate Government, which has entered into an agreement to sell the electricity to any person, shall be treated as a must-run power plant. It further states that in the event of a curtailment of supply from a must-run power plant, compensation shall be payable by the procurer to the must-run power plant at the rates specified in the agreement for purchase or supply of electricity.

In the event of any technical constraint in the electricity grid or for reasons of security of the electricity grid, procurer must give the notice for curtailment to the must-run power plant in advance, prior to the start of the day ahead market or real time market or any other product introduced from time to time in the power exchange, the must-run power plant shall sell the electricity not scheduled by the procurer in the power exchange. Any deficit in realization of amount, with respect to the compensation shall be paid by the procurer on monthly basis. Any excess realization of amount during a month from sale of electricity in a power exchange, if any, shall be carried forward and adjusted in the next month or months. It also states that an intermediary procurer which may be an agency will be nominated by the Central Government or State Government that may procure electricity through a transparent process of bidding in accordance with the guidelines issued by the Central Government under section 63 of the Electricity Act, 2003 for sale to one or more distribution licensees.

XII. Open Access Charges and related matters (Fourth Amendment) Order, 2021 dated 03.09.2021 and Open Access Charges and related matters (Fifth Amendment) Order, 2021 dated 22.12.2021 – DERC on 03.09.2021 has notified the fourth amendment to its Order dated 1.6.2017. The Commission has given exemption of Wheeling Charges, Transmission Charges, Cross Subsidy Surcharge and Additional Surcharge to the extent of quantum of RPO compliance as specified in the Delhi Electricity Regulatory Commission (Renewable Purchase Obligation and Renewable Energy Certificate Framework Implementation) Regulations, 2021 to the Open Access Consumer. Before this Amendment, the Open Access Consumers were availing exemptions (except the Cross Subsidy Surcharge) on whole Renewable Energy Procurement. It further provides that no banking facility shall be provided for supply of electricity from renewable energy sources through Open Access.

Further, DERC on 22.12.2021 has notified Open Access Charges and related matters (Fifth Amendment) Order, 2021. This amendment amended the Clause 2.3 of Order dated 1.6.2017 on 'Additional Surcharge' which is substituted as under: -

Sl. No.	Description	Power Purchase (MUs)	Fixed Cost (₹ in crore)	Fixed cost (₹ per unit)	Additional Surcharge (Paisa per unit)	
					October-April	May-September
1.	TPDDL	9663	1833.85	1.898	189.8	94.9
2.	BRPL	11813	2017	1.707	170.7	85.4
3.	BYPL	8065	1071	1.328	132.8	66.4

XIII. Electricity (Rights of Consumers) Amendment Rules, 2021- Ministry of Power, Government of India notified the first amendment to the Electricity (Rights of Consumers) Rules, 2020 in June 2021. The amended rules inserted definitions of “gross metering”, “net-billing or net feed-in” and “net-metering” in the Electricity (Rights of Consumers) Rules, 2020. It provides that the solar energy generated by Prosumers shall be adjusted against energy consumed and bill amount as per regulations made by the Commission for Grid interactive rooftop Solar Photovoltaic System. The arrangements for net-metering, gross-metering, net-billing or net feed-in shall be in accordance with the regulations made by the State Commission, from time to time. It provides that in the case of Prosumers availing net-billing or net feed-in, the Commission may introduce time-of-the-day tariffs whereby Prosumers are incentivized to install energy storage for utilization of stored solar energy by them or feeding into the grid during peak hours, thus, helping the grid by participating in demand response of the Discom. It also provides that in case of net-metering or net-billing or net feed-in, the distribution licensee may install a solar energy meter to measure the gross solar energy generated from the Grid interactive rooftop Solar Photovoltaic System for the purpose of renewable energy purchase obligation credit, if any. The Commission has been given discretionary power to permit gross-metering for Prosumers who would like to sell all the generated solar energy to the distribution licensee instead of availing the net-metering, net-billing or net feed-in facility and the Commission shall decide for this purpose the generic tariff for gross-metering as per tariff regulations.

XIV. Ministry of Power guidelines on choice to DISCOMs/ state's for exit from PPA's /BPSA of Central Generating Stations more than 25 years in commercial operation, clarification regarding clause 2(VII) of the Guidelines – Ministry of Power has released clarification for Clause 2(VII) of the MOP guidelines on choice to DISCOMs/ state's for exit from Power Purchase Agreement (PPA's) / Bulk Power Supply Agreement (BPSA) of Central Generating Stations more than 25 years in commercial operation dated 22nd March 2021 vide letter dated 5th July 2021, after examining the representation received from the stakeholders. It was clarified that the word 'entire' in clause 2(VIII) of the said guidelines issued on 22.03.2021 read as: "In case of Bulk Power Supply Agreement (BPSA) also, the State/Discoms may relinquish entire allocated power from such projects which have completed 25 years since commissioning of the project. Power supply from other projects shall continue as per the terms of the PPA" means the entire allocated power from the project which has completed 25 years from the date of commissioning of the project. It is also clarified that allocated power cannot be surrendered partly from a project. It was further stated that the clause 2(VIII) read with clause 2(1) and 2(11) stipulates that the first right to avail power from Central Generating Stations developed u/s 62 of the Electricity Act 2003, even beyond the term of PPA i.e. on completion of 25 years from the date of commissioning of the plant or a period specified in the PPA will continue to be with the State/Discoms with whom the PPA was signed. Accordingly, the State may choose to continue to take power from a project or project(s) under clause 2(VIII) even after completion of 25 years from the date of commissioning of the project or exit from a project or project(s) under clause 2(VIII) after completion of 25 years from the date of commissioning of the project.

XV. Central Electricity Authority (Cyber Security in Power Sector) Guidelines, 2021- Central Electricity Authority has notified appropriate guidelines on 7th October 2021 for down framework and cardinal principles for cyber security in power sector. The guidelines inter alia, provide for the appointment of a Chief Information Security Officer. Ministry of Power has created 6 (six) sectoral CERTs namely Thermal, Hydro, Transmission, Grid Operation, Renewable Energy and Distribution for ensuring cyber security in Indian power sector. Each sectoral CERT has prepared its sub-sector specific model Cyber Crisis Management Plan (C-CMP) for countering cyber-attacks and cyber terrorism. Each sectoral CERT has circulated its model C-CMPs for preparation and implementation of organization specific C-CMP by each of their Constituent Utilities. It provides that all Responsible Entities, Service Providers, Equipment Suppliers/Vendors and Consultants engaged in power sector are equally responsible for ensuring cyber security of the Power Supply System. They are to act timely upon each threat intelligence, advisories and other inputs received from authenticated sources for continuous improvement in their cyber security posture. The Guidelines on Cyber Security are drawn in the form of Articles for compliance by the Requester as well as User as per the provisions on cyber security provided in Regulation 10 of "Central Electricity Authority (Technical Standards for Connectivity to the Grid) (Amendment) Regulations, 2019. "

XVI. DERC (Renewable Purchase Obligation and Renewable Energy Certificate Framework Implementation) Regulations, 2021- DERC notified these Regulations on 20th April 2021. These Regulations extend to the whole of National Capital Territory of Delhi and apply to the following Obligated Entities in the NCT of Delhi:

(i) Distribution Licensees;

(ii) Any Captive user, using other than Renewable Energy Sources exceeding 1 MW; and,

(iii) Any Open Access Consumer having contract demand exceeding 1 MW and sourcing power from other than Renewable Sources of Energy.

The Regulations provide that every Obligated Entity shall purchase electricity from Renewable Energy Sources for fulfilment of a defined minimum percentage of the total consumption during the financial years 2020-21, 2021-22 and 2022-23, under the Renewable Purchase Obligation, as specified below –

S. No.	Particulars		FY 2020-21	FY 2021-22	FY 2022-23
1.	Non-Solar	Other Non-Solar RPO	10.25%	10.25%	10.50%
		HPO (applicable only for Distribution Licensees)		0.18%	0.35%
2.	Solar		7.25%	8.75%	10.50%
TOTAL			**17.50%**	**19.18%**	**21.35%**

As per the regulations, the targets specified for Obligated Entities for FY 2022-23 shall be continued beyond FY 2022-23 unless specified by the Commission separately.

Further the targets with respect to the Hydro Purchase Obligation (HPO) shall be fulfilled by the Distribution Licensees in the following manner:

a. HPO benefits may be met from the power procured from eligible LHPs (> 25 MW) including pumped storage projects commissioned on and after 08/03/2019 and upto 31/03/2030 in respect of 70% of the total generated capacity for a period of 12 years from the date of commissioning.
b. To further facilitate compliance of HPO, Hydro Energy Certificate mechanism as available to be utilized by Distribution Licensees.
c. The HPO Trajectory shall be trued up on an annual basis depending on the revised commissioning schedule of Hydro projects.
d. Hydro power imported from outside India shall not be considered for meeting HPO.

The new regulations allow flexibility to the licensees to swap between the Renewable Energy sources (between Solar and Non-Solar) for meeting the RPO Compliance targets when certain threshold level of RPO for one category is achieved.

XVII. Draft DERC (Compensation to Victims of Electrical Accidents) Regulations, 2021- These draft regulations were released on 3rd November 2021 and Stakeholders were requested to forward their suggestions/comments/objections on the Draft Regulations to the Commission, latest by 23rd November 2021. The draft regulations focus on compensating the victims of electrical accidents/electrocution. The draft regulations provide for a wider definition for the term 'victim' and includes loss of life or injury to human or animal or bird in consequence to an electrical accident. The same mandates that licensee shall follow Central Electricity Authority (Measures relating to Safety and Electric Supply) to maintain safety standards. It further provides that the compensation paid to the victim/beneficiary shall not be allowed to pass through/recoverable in the Aggregate Revenue Requirement (ARR) of the Utilities. Furthermore, it provides that the compensation shall not be paid for injury or damage or loss of life occurring out of irresponsible act on the part of the victim or his employer/owner. The amount of compensation has been quantified for victims of electrical accidents in regulation 6. It further provides that there is a scope for enhancement of compensation by periodical revision. It also provides that right of any person to claim compensation under the draft regulations shall not affect the right of any such person to recover the compensation payable under any other law. The regulations also provide that provides for dispute resolution and mandates that disputes shall be filed before Consumer Grievances Redressal Forum for resolution.

9. There were no significant and material orders passed by the regulators or courts or tribunals impacting the going concern status and company's operations in future.

10. RISK MANAGEMENT FRAMEWORK

Risk Management Committee/framework/policy/review mechanism

Enterprise Risk Management at Tata Power-DDL is monitored by the Corporate Level Risk Management Committee (CLRMC) and is reviewed by Audit Committee and Board. Based on the suggestions of the Audit Committee, a comprehensive model covering the qualitative/quantitative impact of risks has been adopted. The Company has developed an in-house web based application for risk management to register and monitor risks. The Audit Committee and the Board review the actions taken by the Company to value and mitigate these risks.

Top risks of the Company are:

1. Amount Recoverable from DERC (Regulatory Overhang)
2. Rithala Plant disallowance of cost
3. NTPC – GAIL gas related Take or Pay liability
4. Cyber Risk

Financial risk impact of Covid-19 is given below:

Capital and Financial Resources:

The Company is the joint venture of The Tata Power Company Limited (51%) and Government of Delhi (49%). The Company has taken necessary measures to raise further capital and funds to meet its requirements due to Covid-19 situation that may arise in future.

Profitability:

The Company is primarily engaged in the business of distribution and generation of power in North and North-West of Delhi. Due to the nature of the regulatory business, the Company doesn’t expect any significant financial impact of Covid-19 on its profitability. However, due to changes in collection pattern, there will be impact on incentive income, additional interest cost and late payment charges etc. but it would not be material.

Liquidity Position:

The Covid-19 situation may cause liquidity challenges for the Company due to drop in consumption pattern and delays in collection. However, the Company is working out possible arrangement(s) through deferred payment, bill discounting with its vendors, power generators and transmission companies etc. The Company is taking measures to raise short term funds to be able to meet liquidity needs that may arise in future.

Assets:

While the impact of Covid-19 on carrying values of assets and liabilities has not been of any significance as of now, the Company is closely monitoring developments, its operations, liquidity and capital resources and is actively working to minimize the impact, if any.

Internal Financial Reporting and Control

Since the Company's operations are covered in essential services, most of the controls continued to operate even during the lock down period.

INTERNAL CONTROL OVER FINANCIAL REPORTING

The Company has a robust system of internal control over financial reporting to provide reasonable assurance regarding the reliability of financial reporting and the preparation of financial statements for external purposes in accordance with generally accepted accounting principles.

Some significant features of the internal controls over financial reporting are:

- The Audit Committee of the Board of Directors, comprising of majority of Independent Directors, regularly reviews the audit plans, significant audit findings, adequacy of internal controls, compliance with accounting standards as well as reasons for changes in accounting policies and practices, if any.
- Reinforcement of Tata Code of Conduct is prevalent across the organization. The code covers integrity of financial reporting, ethical conduct, regulatory compliance, conflict of interests review and reporting of concerns etc.
- Anti-Fraud programs such as proactive vigilance and Vigil Mechanism are operative across the organization.
- A comprehensive delegation of power exists for smooth decision making which is being reviewed periodically to align it with changing business environment.
- A well established, Independent, multi-disciplinary internal audit team operates in line with governance best practices. In order to ensure that adequate checks and balances are in place and all internal control systems are in order, regular and exhaustive internal audits (based on annual audit plans approved by Audit Committee) are conducted by the team and significant observations are periodically presented to Management and Audit Committee about compliance with internal controls along with efficiency and effectiveness of the operations.
- Detailed business plan including capital expenditure, investment strategies, year-on-year reviews, annual financial and operating plans and monthly monitoring are part of the established practices for all operating and service functions.
- Majority of organizations' 264 documented processes are configured suitably with the state-of-the-art SAP enterprise resource planning system. The access rights and segregation of duties violations are periodically monitored through SAP GRC (governance, risk and compliance) system and necessary corrective/preventive action taken, if deemed necessary. The Company also maintains a comprehensive information security policy and undertakes continuous upgrades of its IT systems. Existing IMS Processes have been aligned and integrated with People Capability Maturity Model (PCMM) and competency framework.

11. SUSTAINABILITY

11.1 SAFETY – CARE FOR OUR PEOPLE

S. No.	Safety Parameters (Employees and contractors)	FY 2022	FY 2021
1	Fatality (Number)	0	1
2	LWDC (Lost Work Day Case)	1	1
3	LTIFR (Lost Time Injuries Frequency Rate per million man hours)	0.06	0.11
4	First Aid Cases (Number)	11	4
5	Medical Treatment Cases (MTC)	1	2

11.2 CARE FOR OUR COMMUNITY/COMMUNITY RELATIONS

CORPORATE SOCIAL RESPONSIBILITY

The Tata Group is a value driven organization. One of the core values underpinning the way the business is carried, clearly demonstrates that “we must continue to be responsible and sensitive to the countries, communities and environments in which we work, always ensuring that what comes from the people goes back to the people many times over”. Community welfare is central to the core values of the Company and serves as one of the major purposes of our existence. The concern for bringing about a positive change in people’s lives drives us as a Company.

Tata philosophy “to give back to the community manifold” and Tata Power-DDL’s Mission Statement “Reach out and engage in community development programs and initiatives” provide the necessary direction and the rationale to create an environment supporting these communities.

The Company has won two prominent awards- Platinum Award under the ‘Best Country Award for Overall CSR Performance’ category and Silver Award for ‘Best Community Programme’ category at the prestigious 13th Global CSR Awards. The Company has also won Social Impact Award for Promoting Gender Equality and Women Empowerment (Indian Chamber of Commerce). The Company also bagged the Highest Participation Rate Award in ‘medium category’ for clocking a total of 43045 hours during Tata Volunteering Week 16.

A total of 13.86 lakh beneficiaries have been benefitted through CSR initiatives of the Company, viz. Ujjwal (> 5.66 lakh), Sanjeevani (> 5.00 lakh), Unnati (> 2.35 lakh), Club Enerji (> 0.59 lakh) and Disaster Management & Unforeseen Contingencies {Covid-19 Response/Activities} (> 0.20 lakh). Several initiatives have been taken in FY 2021-22 like CSR Effectiveness Index, E-tablet distribution to school students, distribution of Aids & Appliances to the differently abled, telemedicine, Lok Bharti (NSDC) certification, distribution of face mask & jute bag, Paper Cup Production through Self- Help Groups (SHGs), Impact4Nutrition and CSR support for the rural belt under the licensed area of the Company. Some of the existing CSR initiatives are Women Literacy Centres, ABHAs, Self-

Help Groups (SHGs), Vocational Training Centres, Mobile Dispensaries, Potable RO Water Plants, Energy Conservation Sensitization Sessions and Tree Plantation.

Prescribed CSR expenditure of two per cent of the average net profits of the Company made during the three immediately preceding financial years was ₹ 10.95 crore as per the requirements of the Act and the rules made thereunder and the Company has spent ₹ 11.04 crore during FY 2021-22. The Annual Report on CSR Activities is provided in Annexure III.

11.3 AFFIRMATIVE ACTION

The Company's journey in the realm of Affirmative Action began with the signing of the Code for Affirmative Action on 3rd February 2007. The "Policy on Affirmative Action for Scheduled Caste (SC) & Scheduled Tribe (ST) Communities" was approved by the Board of Directors on 18th July 2007. In order to supplement efforts of the government to improve condition of socially and economically underprivileged SC/STs and to create a level playing field, concrete steps for giving better opportunities in the private sector were initiated. The Company's Affirmative Action aiming towards upliftment of SC and ST communities are classified under 4Es viz. Education, Employability, Employment and Entrepreneurship. 737 students pursuing professional and other degree courses have been provided scholarship (financial assistance), more than 5000 girls have been supported under soft skills development training program at 15 schools, 1300 beneficiaries are enrolled at special training centres under Meri Pathshala and 163 students are being mentored and guided by the mentors (employees) under Mentor-Mentee Program. A new initiative – Career Counselling was introduced in FY 2021-22 for the students across 1042 government schools, under Affirmative Action Program.

12. HUMAN RESOURCES

- **Organizational Workforce**

The Company has recruited people from various technical & non-technical colleges at trainee and lateral levels to cater to manpower requirements during the period under review. The employee strength of the Company for FY 2021-22 was 3400 (including 211 fixed term employees).

- **Diversity & Inclusion**

With an objective to strengthen Diversity & Inclusion (D&I) in the organization, D&I Council has been introduced. D&I Policy has been implemented with the focused objectives of enhancing female diversity, equal opportunity for specially abled and supporting social inclusion. Additionally, various initiatives like elevation of women employees to leadership roles, reimbursement of nanny expenses post maternity, special casual leaves employment opportunities for specially abled and inclusion of separate D&I section on website, were introduced. On the occasion of International Women's Day, celebrations were held throughout the organization and new initiatives like single parent policy, installation of sanitary napkin vending machines at 4 major locations, organizing fireside chat of women employees with Top Management Team (TMT), celebrating new life hampers for all employees becoming parents and RISE- Employee Success Stories were also launched.

Women oriented initiatives like "Break in Service", "Protection of Performance Ratings while proceeding on Maternity Leave", "Re-orientation Programs post Maternity Leave", "Customized Leadership Program for Women Employees", "Dialogue with Senior

Leadership" etc. have been implemented for women employees to promote equality and provide career development opportunities. Females accounted for 18% out of the total recruitments done in FY 2021-22.

The Company also participated in Workforce Gender Equality Accelerated Leadership Program supported by USAID's Engendering Utilities program in collaboration with Fulbright University, Vietnam.

Recruitment done under Affirmative Action was 14% during the year under review.

- **Employee Connect & Engagement**

The Employee Grievance Redressal Index of HR Connect was 100% with 2 average days for addressing the grievances in FY 2021-22.

During the year under review, 80% of distinct employees were recognized under the various rewards & recognition schemes.

Multiple engagement initiatives were undertaken like:
1. Launch of employee mobile app – Mitr.
2. Introduction of Health+ App (in collaboration with Visit Health).
3. Career development and growth initiatives like Mentoring by Choice, Talent Highway, Career Acceleration Scheme etc.
4. Launch of hobby clubs like photography, music etc.
5. Introduction of new hire experiences like welcome kit, welcome messages, buddy allotment etc. to provide enhanced engagement from day one.
6. Multiple contests and events to celebrate festivals and team spirit across the organization.
7. Revision and simplification of policies like leave policy, conveyance allowance, shift allowance, hostel accommodation etc.

- **Capability Development**

In order to improve the increase engagement levels of the employees and to develop them further, about 72% employees in Executive cadre and 59% employees in Non-Executive cadre having experience of more than 5 years in the same role have been given job rotation/enrichment during the year under review.

Functional Competency Assessments have been done for 1900+ employees and 4500 development needs have been identified. These gaps were allocated to various interventions: training program by DOSEC, talent development, on-the-job training through mentoring, departmental competency based Seekh sessions and self-learning. 84% of active competency gaps have been addressed through competency based trainings and mentoring (on-the-job training).

- **Talent Development**

A conscious approach is undertaken to develop and retain people with aptitude and abilities to meet the current and future organizational requirements.

In FY 2021-22, 99% executive and 81% non-executive employees were covered in various training & development programs. The Company tied up with Skillsoft's Intelligent learnings – Percipio to provide best in class and 24x7 learning opportunity to the employees in 2019.

Total Gyankosh learning hours in FY 2021-22 were 44469 (12552 assignments were completed). To promote self-learning, various digital learning platforms like My learn TTU, uPGRAD & Simpli Learn were offered to employees for engaging and developing them.

Classroom and online sessions were organized for the employees resulting in 40000+ learning hours for almost 3000 employees. 35% women employees were covered in women specific interventions through Women Leadership series-WILL, WE-ACE Evolve 2022, WILL forum and Women Power by Global Talent. Power talk session for women employees on Expand & Build Your Network and workshop on Diversity & Inclusion were organized for HoDs/HOGs by external trainer.

Some of the other learning and development initiatives during the year were as follows:

1. 738 unique employees covered in various internal and external programs focusing on Future Growth Areas like Electric Mobility and Charging Infrastructure, Distributed Energy Resources, Data Analytics, AMI and Digitization.
2. Launch of Talent 100 2.0- to build future leaders.
3. Conduct of in-house 360 degree feedback for Senior Leadership Team.
4. Launch of Mentoring by Choice Platform.
5. Trainee engagement and development interventions-Series of Youth Power Confluence.
6. Extension of Gyankosh license to Supervisor cadre.
7. Design Thinking Workshops for capability development.
8. Tie up with Great Learning for customized program on AI & Machine Learning.
9. Master Trainer Program from internal faculties.

- **Industrial Relations**

The industrial relations situation in the Company continued to be peaceful during the year under review. Management's relation with employees continued to be cordial and cooperative. HR Business Partners have continuously improved direct interface with all employees. Voice of Employees sessions were organized at multiple locations by Chief- HR, IR & Health Services. Open House sessions were also conducted with women employees, trainee batches, employees selected for career progression, BA employees, employees affected with Covid-19 along with Leadership connect session.

- **Prevention of Sexual Harassment**

The Sexual Harassment of Women at Workplace (Prevention, Prohibition and Redressal) Act, 2013 ("the POSH Act"), as amended from time to time notified in December, 2013 requires an organization employing 10 or more persons to constitute an Internal Complaints Committee ("ICC") for hearing complaints of sexual harassment and to include in its annual report the number of cases filed with the ICC and disposed under the POSH Act in the previous financial year.

In line with the POSH Act, an Internal Committee has been constituted to investigate/ redress grievances relating to sexual harassment.

Disclosures as per the Sexual Harassment of Women at Workplace (Prevention, Prohibition and Redressal) Act, 2013

The Company has zero tolerance for sexual harassment at workplace and has adopted a Policy on Prevention, Prohibition and Redressal of Sexual Harassment at workplace in line with the provisions of the Sexual Harassment of Women at Workplace (Prevention, Prohibition and Redressal) Act, 2013 and the Rules made thereunder for prevention and redressal of complaints of sexual harassment at workplace.

The following is a summary of sexual harassment issues raised, attended and dispensed during FY 2021-22:

Sr. No.	Particulars	No.
1.	Complaints received	0
2.	Complaints disposed of	N.A.
3.	Cases pending	0
4.	Cases pending for more than 90 days	0
5.	Established cases of Sexual Harassment	0
6.	Sessions conducted on awareness	10

Creating Awareness

In order to create an engaging and immersive e-learning experience, videos on awareness of POSH were also shared with all the employees along with sharing of awareness messages through central platform of Sandesh.

Pursuant to the provisions of Rule (8)(5)(x) of the Companies (Accounts) Rules, 2014, the Company has complied with provisions relating to the constitution of Internal Complaints Committee under the POSH Act.

Ethics Management

Ethics Management at Tata Power-DDL has been institutionalized through Tata Code of Conduct (TCoC). To spread awareness and sustain an ethical culture across the organization, ethics management is modified as a 5-tier structure from the earlier 3-tier structure. Ethics Management Apex Team (EMAT), led by the CEO in his capacity as the Principal Ethics Officer (PEO) and represented by other senior leadership members of the level of Additional General Manager and above, play the lead role in guiding, reviewing and monitoring ethical issues. At the 2nd tier, there is a team of Ethics Mentors, who are always available as one of the listening posts for grievances of all stakeholders. At the 3rd tier, there is team of Locational Ethics Counsellors (LECs) comprising of officers at the level of Senior Manager to Deputy General Manager, who are present at key locations across the Company and are readily approachable to all the locational employees and other stakeholders. The 4th tier comprises of Ethics Champions (ECs) who are officers up to Manager level to assist Locational Ethics Counsellors and spread awareness about TCoC and other Ethics related policies among employees at their respective locations. The 5th tier comprises of BA Ethics Champions who are exclusively dealing with the concerns of contract employees. Another initiative undertaken during FY 2021-22 was release of Annual Ethics Calendar which clearly depicted ethics related sessions and open house sessions planned during the year for all stakeholders. Other major change during the year was deployment of Ethics Mentors and BA Ethics Champions. The strength of EMAT Members, LECs and ECs were also enhanced with addition of more women employees.

The Company has established a robust Ethical Concern resolution process, centrally controlled by Chief Ethics Counsellor (CEC). Concerns are logged and monitored through an online portal and tracking process wherein all complaints are resolved in a time bound manner. Corrective actions are taken, if the concerns raised are found to be valid. Ethical conduct is considered as one of the parameters while finalizing contracts of BAs. Exemplary ethical practices are rewarded by leadership in various forums and Reward & Recognition ceremonies.

TCoC is available at: https://tatapower-ddl.com/Editor_UploadedDocuments/Content/TCoC-2015-English.pdf

Vigil Mechanism

As per the requirements of the Act and the rules made thereunder, the Company has also formulated Vigil Mechanism for its Directors, employees and stakeholders to approach the Chief Ethics Counsellor/ Chairman of the Audit Committee to report concerns of unethical behaviour, actual or suspected fraud or violation of the Company's code of conduct or ethics related policies. This mechanism provides adequate safeguards against victimization of persons who use the mechanism and shall also ensure direct access to the Chief Ethics Counsellor or Chairman of the Audit Committee in appropriate or exceptional cases.

Under Vigil Mechanism, complainant must disclose his/her identity. Anonymous disclosures are not favoured under the Vigil Mechanism. However, when an anonymous complainant provides specific and credible information, then the Company may consider investigating the complaint.

The Company has placed a copy of Vigil Mechanism on the Company's website at the following web-link:
https://www.tatapower-ddl.com/Editor_UploadedDocuments/Content/Vigil_Mechanism_Jan_'22.pdf

The Company sensitizes the availability of the above Vigil Mechanism for its Directors and employees from time to time.

Gift Policy

The Company has formulated Gift Policy in line with the commitment made in Gifts & Hospitality clause of TCoC which is available at the following web-link:
https://www.tatapower-ddl.com/Editor_UploadedDocuments/Content/TPDDL_Gift_Policy_(Rev_5)_01102019.pdf

SA-8000-2014: Tata Power-DDL is certified for SA-8000-2014 version, an international standard for social accountability. In order to address social and environmental challenges, the Company continues to strive to identify areas where it can make a difference.

13. CREDIT RATING

The Company's borrowing facilities (both fund and non-fund based) are rated by ICRA, the credit rating agency. As on 31st March, 2022, the Company had long term credit rating as AA with stable outlook and short term rating as A1+ for bank lines, long term rating has been upgraded from AA- to AA and short term rating has been reaffirmed on 2nd July 2021. The Company also has A1+ rating for its Commercial Paper from ICRA (obtained on 31st January 2022) and CRISIL (obtained on 30th November 2021).

14. LOANS, GUARANTEES, SECURITIES AND INVESTMENTS

The Company, being an Infrastructure Company, is exempt from the provisions as applicable to loans, guarantees and securities under Section 186 of the Act. The details of investments are provided in the notes forming part of the financial statements.

15. FOREIGN EXCHANGE EARNINGS AND OUTGO

(₹ crore)

Particulars – Standalone	FY 2021-22	FY 2020-21
Foreign Exchange Earnings mainly on account of interest, dividend	Nil	Nil
Foreign Exchange Earnings mainly on account of consultancy services	0.11	0.80
Foreign Exchange Outflow mainly on account of:		
Fuel purchase	*Nil*	*Nil*
Interest on foreign currency borrowings, NRI dividends	*Nil*	*Nil*
Purchase of capital equipment, components and spares and other miscellaneous expenses	*Nil*	*Nil*
Foreign consultancy & other expenses	*1.14*	*0.71*
Foreign travelling expenses	*0.03*	*0.01*

16. DISCLOSURE OF PARTICULARS

Particulars of employees who are employed throughout the financial year or part of financial year and were in receipt of remuneration not less than Rupees One Crore and Two Lakh per annum or Rupees Eight Lakh and Fifty Thousand per month, respectively - This is not applicable as Section 197(12) of the Act read with rule 5(2) of The Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014, is applicable only to listed companies.

17. SUBSIDIARIES

The Company has one wholly owned subsidiary i.e. NDPL Infra Limited. Pursuant to Section 129(3) of the Act and the rules made thereunder, a statement containing salient features of financial statements of the subsidiary of the Company in form AOC-1 is attached to financial statements of the Company.

During FY 2021-22, the existing subsidiary did not cease to be a subsidiary of the Company. There has been no major change in the nature of business of your Company and its subsidiary. Currently, there is no joint venture and associate of the Company.

Report on the performance and financial position of NDPL Infra Limited and its contribution to the overall performance of the Company is given below:

Performance, Financial Highlights and contribution of the subsidiary to the overall performance of the Company

NDPL Infra Limited has earned other income of ₹ 1.40 crore during FY 2021-22, a decrease of about 5.6% from ₹ 1.49 crore in FY 2020-21. NDPL Infra Limited has earned profit before tax (PBT) of ₹ 1.13 crore for the year ended 31st March 2022 as against ₹ 1.07 crore for the year ended 31st March 2021 and total comprehensive income of ₹ 0.82 crore for the year ended 31st March 2022 as against ₹ 0.99 crore for the year ended 31st March 2021.

18. AUDITORS

Statutory Audit: Members of the Company at the Annual General Meeting (AGM) held on 21st June 2021 had approved the appointment of M/s T R Chadha & Co LLP, Chartered Accountants (Firm Registration No. 006711N/N500028), as the Statutory Auditors of the Company, to examine and audit the accounts of the Company, for five years commencing from the conclusion of 20th AGM of the Company till the conclusion of the 25th AGM to be held in 2026 (i.e. from FY 2021-22 to FY 2025-26).

Internal Audit: Mr. Piyush Kumar Jain is the Internal Auditor (AGM, Internal Audit & Risk Appraisal) of the Company.

Secretarial Audit: M/s Sanjay Grover & Associates, Company Secretaries were appointed as Secretarial Auditors of the Company for FY 2021-22 at the Board Meeting held on 23rd April 2021 to conduct the secretarial audit for the year under review.

Based on the recommendation of the Audit Committee, the Board at its meeting held on 22nd April 2022 has approved the re-appointment of M/s Sanjay Grover & Associates, Company Secretaries, as the Secretarial Auditors of the Company for FY 2022-23. They have, pursuant to provisions of the Act and the rules made thereunder, furnished a certificate regarding their eligibility for appointment as the Secretarial Auditors of the Company.

19. AUDITORS' REPORT

The standalone and the consolidated financial statements of the Company have been prepared in accordance with Indian Accounting Standards (IndAS) notified under Section 133 of the Act.

We are pleased to append herewith the auditors' report. Comments of the auditors in their report and the notes forming part of the accounts are self-explanatory. There are no qualifications, reservations, remarks or disclaimers made by the auditors in their standalone as well as consolidated auditors' report.

20. COST ACCOUNTS, COST AUDITOR AND COST AUDIT REPORT

Pursuant to provisions of Rule 8(5)(ix) of the Companies (Accounts) Rules, 2014, the Company is required to maintain cost records as specified by the Central Government under Section 148(1) of the Act. Further, in accordance with the requirement of the Central Government and pursuant to Section 148 of the Act and the rules made thereunder, the Company carries out an audit of the cost accounts relating to electricity every year since 2006.

M/s Chandra Wadhwa & Co., Cost Accountants (Firm Registration No. 000239) were appointed as Cost Auditors of the Company for FY 2021-22 at the Board Meeting held on 23rd April 2021 to conduct the cost audit for the year under review.

Based on the recommendation of the Audit Committee, the Board at its meeting held on 22nd April 2022 has approved the re-appointment of M/s Chandra Wadhwa & Co., Cost Accountants (Firm Registration No. 000239) as the Cost Auditors of the Company for the financial year 2022-23, to audit the cost accounts relating to electricity, subject to the ratification of remuneration by the members in the ensuing Annual General Meeting of the Company. They have, pursuant to Section 148 of the Act, furnished a certificate regarding their eligibility for appointment as the Cost Auditors of the Company. They have also certified their independence and arm's length relationship with the Company.

The Cost Audit Report of the Company for the financial year ended 31st March 2021 was filed with the Central Government, Ministry of Corporate Affairs on 9th August 2021 through Extensible Business Reporting Language (XBRL), before the due date of 30th September 2021.

21. Secretarial Audit Report

M/s Sanjay Grover & Associates, Company Secretaries, were appointed as Secretarial Auditor to conduct Secretarial Audit of records and documents of the Company for FY 2021-22 at the Board Meeting held on 23rd April 2021 and Secretarial Audit was conducted by them. The Secretarial Audit Report confirms that the Company has generally complied with the provisions of the Act, rules, regulations and guidelines.

The Secretarial Audit Report is provided in Annexure-IV.

22. Conservation of Energy, Technology Absorption

The information on conservation of energy and technology absorption stipulated under Section 134(3)(m) of the Act read with rule 8 of the Companies (Accounts) Rules, 2014, is provided in Annexure V and Annexure VI respectively.

23. Related Party Transactions

In line with the requirements of the Act, the Company has adopted a related party transactions framework.

Details of related party transactions as per AOC-2 are provided in Annexure-VII.

24. Annual Return

Pursuant to provisions of Section 92 (3) and Section 134(3)(a) of the Act and the rules made thereunder, as amended from time to time, the Annual Return as on 31st March 2022 in Form MGT-7 is available on the Company's website on https://www.tatapower-ddl.com/Editor_UploadedDocuments/Content/Form_MGT_7_Annual_Return_Tata_Power-DDL_FY_21-22.pdf

25. Deposits

The Company has not accepted any deposits from public and as such, no amount on account of principal or interest on deposits from public was outstanding as on the date of the balance sheet.

26. Explanations or comments by the Board on every qualification, reservation or adverse remark or disclaimer made

(I) By the Auditor in his report (standalone and consolidated financial statements): There are no qualifications, reservations or adverse remarks or disclaimers.

(II) By the Company secretary in practice in his secretarial audit report: There are no qualifications, reservations or adverse remarks or disclaimers.

27. There were no material changes and commitments affecting the financial position of the Company which have occurred between the end of the financial year of the Company to which the financial statements relate and date of the Board Report.

28. COMPLIANCE WITH SECRETARIAL STANDARDS

The Company complies with all applicable Secretarial Standards issued by the Institute of Company Secretaries of India (ICSI).

29. DIRECTORS' RESPONSIBILITY STATEMENT

Pursuant to Section 134(5) of the Act, the Board of Directors, to the best of their knowledge and ability, confirm that:

a) In the preparation of the annual accounts, the applicable accounting standards have been followed and that there are no material departures therefrom;

b) They had, in the selection of the accounting policies, consulted the statutory auditors and had applied them consistently and made judgments and estimates that are reasonable and prudent so as to give a true and fair view of the state of affairs of the Company at the end of the financial year and of the profit of the Company for that period;

c) They had taken proper and sufficient care for the maintenance of adequate accounting records in accordance with the provisions of the Act, for safeguarding the assets of the Company and for preventing and detecting fraud and other irregularities;

d) They had prepared the annual accounts on a going concern basis;

e) They had laid down internal financial controls to be followed by the Company and that such internal financial controls are adequate and were operating effectively.

f) They had devised proper systems to ensure compliance with the provisions of all applicable laws and that such systems were adequate and operating effectively.

30. INSOLVENCY AND BANKRUPTCY CODE, 2016

No application under Insolvency and Bankruptcy Code, 2016 has been made by the Company for initiating its corporate insolvency resolution process nor any such proceedings are pending against the Company as per Company's records.

31. VALUATION

The details of difference between the amount of the valuation done at the time of one time settlement and the valuation done while taking loan from the Banks or Financial Institutions along with the reasons thereof: Not Applicable

32. FRAUD REPORTING

No frauds have been reported to the Audit Committee/ Board during FY 2021-22, therefore, Section 134(3)(ca) of the Act pertaining to details of frauds reported by auditors under sub-section (12) of Section 143 other than those which are reportable to the Central Government is not applicable to the Company.

33. APPRECIATION

Your Company has been able to operate efficiently because of the culture of professionalism, creativity, integrity and continuous improvement in all functions and areas as well as the efficient utilization of the Company's resources for sustainable and profitable growth.

The Directors hereby wish to place on record their appreciation of the efficient and loyal services rendered by each and every employee, without whose whole-hearted efforts, the overall satisfactory performance would not have been possible. Your Directors look forward to the long term future with confidence.

34. ACKNOWLEDGEMENTS

The Board of Directors wish to thank the Government of India (including Ministry of Power), Government of National Capital Territory of Delhi, Delhi Electricity Regulatory Commission, Delhi Power Company Limited, Delhi Transco Limited, Power Suppliers, USTDA & their associates, financial institutions, bankers, customers, shareholders, employees of the Company and all individuals and agencies that have contributed in one or the other way, for their co-operation and support extended to the Company.

On behalf of the Board of Directors
For **Tata Power Delhi Distribution Limited**

Sd/-
Praveer Sinha
Chairman
(DIN: 01785164)

Delhi, 22nd April 2022

Annexures to Board's Report

ANNEXURE I - POLICY ON BOARD DIVERSITY & DIRECTOR ATTRIBUTES

1. **Objective**

1.1 The Policy on Board Diversity ('the Policy') sets out the approach to diversity on the Board of Directors ('the Board') of Tata Power Delhi Distribution Limited (the Company).

1.2 The Company recognises that diversity at Board level is a necessary requirement in ensuring an effective Board. A mix of executive, Independent and other Non-Executive Directors is one important facet of diverse attributes that the Company desires. Further, a diverse Board representing differences in the educational qualifications, knowledge, experience, gender, age, thought and perspective results in delivering a competitive advantage and a better appreciation of the interests of stakeholders. These differences should be balanced against the need for a cohesive, effective Board. All Board appointments shall be made on merit having regard to this policy.

2. **Attributes of Directors**

The following attributes need to be considered in considering optimum Board composition:

i) Gender diversity:
Having at least one woman Director on the Board with an aspiration to reach three women Directors.

ii) Age
The average age of Board members should be in the range of 60 - 65 years.

iii) Competency
The Board should have a mix of members with different educational qualifications, knowledge and with adequate experience in finance, accounting, economics, legal and regulatory matters, the environment, green technologies, operations of the Company's businesses, energy commodity markets and other disciplines related to the Company's businesses.

iv) Independence
The Independent Directors should satisfy the requirements of the Act and the listing agreements in respect of the 'independence' criterion.

Additional Attributes

- The Directors should not have any other pecuniary relationship with the Company, its subsidiaries, associates or joint ventures and the Company's promoters, besides sitting fees and commission.
- The Directors should not have any of their relatives (as defined in the Act and the Rules made thereunder) as Directors or employees or other stakeholders (other than with immaterial dealings) of the Company, its subsidiaries, associates or joint ventures.
- The Directors should maintain an arm's length relationship between themselves and the employees of the Company, as also with the Directors and employees of its subsidiaries, associates, joint ventures, promoters and stakeholders for whom the relationship with these entities is material.
- The Directors should not be the subject of allegations of illegal or unethical behaviour, in their private or professional lives.

- The Directors should have ability to devote sufficient time to the affairs of the Company.

3. **<u>Role of the Nomination and Remuneration Committee</u>**

3.1 The Nomination and Remuneration Committee ('the NRC') shall review and assess Board composition whilst recommending the appointment or reappointment of Independent Directors.

4. **<u>Review of the Policy</u>**

4.1 The NRC will review this policy periodically and recommend revisions to the Board for consideration.

ANNEXURE II – REMUNERATION POLICY FOR DIRECTORS, KEY MANAGERIAL PERSONNEL AND OTHER EMPLOYEES

The philosophy for remuneration of Directors, Key Managerial Personnel ("KMP") and all other employees of Tata Power Delhi Distribution Limited ("Company") is based on the commitment of fostering a culture of leadership with trust. The remuneration policy is aligned to this philosophy.

This remuneration policy has been prepared pursuant to the provisions of Section 178(3) of the Companies Act, 2013 ("**Act**"). In case of any inconsistency between the provisions of law and this Remuneration Policy, the provisions of the law shall prevail and the Company shall abide by the applicable law. While formulating this policy, the Nomination and Remuneration Committee ("**NRC**") has considered the factors laid down under Section 178(4) of the Act, which are as under:

"(a) the level and composition of remuneration is reasonable and sufficient to attract, retain and motivate Directors of the quality required to run the Company successfully;

(b) relationship of remuneration to performance is clear and meets appropriate performance benchmarks; and

(c) remuneration to Directors, Key Managerial Personnel and Senior Management involves a balance between fixed and incentive pay reflecting short and long-term performance objectives appropriate to the working of the Company and its goals"

Key principles governing this Remuneration Policy are as follows:

- **Remuneration for Independent Directors and Non-Independent Non-Executive Directors**
  - Independent Directors ("ID") and non-Independent non-executive Directors ("NED") may be paid sitting fees (for attending the meetings of the Board and of Committees of which they may be members) and commission within regulatory limits.
  - Within the parameters prescribed by law, the payment of sitting fees and commission will be recommended by the NRC and approved by the Board.
  - Overall remuneration (sitting fees and commission) should be reasonable and sufficient to attract, retain and motivate Directors aligned to the requirements of the Company (taking into consideration the challenges faced by the Company and its future growth imperatives).
  - Overall remuneration should be reflective of size of the Company, complexity of the sector/ industry/ Company's operations and the Company's capacity to pay the remuneration.
  - Overall remuneration practices should be consistent with recognized best practices.
  - Quantum of sitting fees may be subject to review on a periodic basis, as required.
  - The aggregate commission payable to all the NEDs and IDs will be recommended by the NRC to the Board based on Company performance, profits, return to investors, shareholder value creation and any other significant qualitative parameters as may be decided by the Board.
  - The NRC will recommend to the Board the quantum of commission for each Director based upon the outcome of the evaluation process which is driven by various factors including attendance and time spent in the Board and Committee meetings, individual contributions at the meetings and contributions made by Directors other than in meetings.
  - In addition to the sitting fees and commission, the Company may pay to any Director such fair and reasonable expenditure, as may have been incurred by the Director while performing his/ her role as a Director of the Company. This could include reasonable expenditure incurred by the Director for attending Board/ Board Committee meetings, general meetings, court convened meetings, meetings with shareholders/ creditors/ management, site visits, induction and training (organized by the Company for Directors) and in obtaining professional advice from Independent advisors in the furtherance of his/ her duties as a Director.

- **Remuneration for managing Director ("MD")/ executive Directors ("ED")/ KMP/ rest of the employees**
  - The extent of overall remuneration should be sufficient to attract and retain talented and qualified individuals suitable for every role. Hence remuneration should be
    - Market competitive (market for every role is defined as companies from which the Company attracts talent or companies to which the Company loses talent)
    - Driven by the role played by the individual,
    - Reflective of size of the Company, complexity of the sector/ industry/ Company's operations and the Company's capacity to pay,
    - Consistent with recognized best practices and
    - Aligned to any regulatory requirements.

  - In terms of remuneration mix or composition,
    - The remuneration mix for the MD/ EDs is as per the contract approved by the shareholders. In case of any change, the same would require the approval of the shareholders.
    - Basic/ fixed salary is provided to all employees to ensure that there is a steady income in line with their skills and experience.
    - In addition to the basic/ fixed salary, the Company provides employees with certain perquisites, allowances and benefits to enable a certain level of lifestyle and to offer scope for savings and tax optimization, where possible. The Company also provides all employees with a social security net (subject to limits) by covering medical expenses and hospitalization through re-imbursements or insurance cover and accidental death and dismemberment through personal accident insurance.
    - The Company provides retirement benefits as applicable.
    - In addition to the basic/ fixed salary, benefits, perquisites and allowances as provided above, the Company provides MD/ EDs such remuneration by way of an annual incentive remuneration/ performance linked bonus subject to the achievement of certain performance criteria and such other parameters as may be considered appropriate from time to time by the Board. An indicative list of factors that may be considered for determination of the extent of this component are:
      - Company performance on certain defined qualitative and quantitative parameters as may be decided by the Board from time to time,
      - Industry benchmarks of remuneration,
      - Performance of the individual.
    - The Company provides the rest of the employees a performance linked bonus. The performance linked bonus would be driven by the outcome of the performance appraisal process and the performance of the Company.

- **Remuneration payable to Director for services rendered in other capacity**
  The remuneration payable to the Directors shall be inclusive of any remuneration payable for services rendered by such Director in any other capacity unless:
  a. The services rendered are of a professional nature; and
  b. The NRC is of the opinion that the Director possesses requisite qualification for the practice of the profession.

- **Policy implementation**
  The NRC is responsible for recommending the remuneration policy to the Board. The Board is responsible for approving and overseeing implementation of the remuneration policy.

ANNEXURE III– Annual Report on CSR Activities

Format for the Annual Report on CSR Activities for Financial Year Commencing on or After 1st Day of April, 2020

1. **Brief outline on CSR Policy of the Company:**

   As a part of the Tata Group, Tata Power-DDL believes in the Tata Group's ethos of giving back to society. Rich heritage and unmatchable legacy of Tata Group for holistic development of underprivileged communities, societies and nation becomes the guiding force for adoption of community development initiatives. The Company is committed for promoting social wellbeing and to bring more compliments to the business. The community outreach programs, working on the lines of triple bottom line approach, aims to serve key communities in a systematic and planned way.

   There are 200+ listed JJ clusters & resettlement colonies, unauthorized colonies and villages that fall in Company's area of operation. The residents of JJ clusters are basically migrants from different communities, culture, ethnicity and creed who drifted from their native places. The Company is committed to ensuring the social wellbeing of the residents of JJ Clusters/ resettlement colonies/ villages in the vicinity of its operational areas through Corporate Social Responsibility (CSR) initiatives in alignment with Tata Power-DDL 2.0 strategy.

   These clusters also have a very high representation of SC/ST communities which further emphasizes the need for inducing various developmental initiatives therein. The Company's CSR program has been restructured and rebranded under the mother brand SAATHI with the Guiding Principles being UNNATI (Women & Youth Empowerment), UJJWAL (Support to SC/ST Communities), SANJEEVANI (Health) and CLUB ENERJI (Environment) which are meant to serve marginalized societal sections and communities falling in its licensed area of supply and its geographical locations of business development projects.

   The Company undertakes its CSR initiatives as per the provisions of the Act and the rules made thereunder. Any surplus arising out of the CSR activities shall not form part of the business profit of the Company and shall be ploughed back into the same project or shall be transferred to the Unspent CSR Account and spent in pursuance of CSR Policy and Annual Action Plan of the Company or transfer such surplus amount to a fund specified in Schedule VII, within a period of six months of the expiry of the financial year.

2. **Composition of CSR Committee:**

Sl. No.	Name of Director(s)	Designation / Nature of Directorship	Number of meetings of CSR Committee held during the year	Number of meetings of CSR Committee attended during the year
1	Mr. Ajay Shankar	Chairman- Independent Director	3	3
2	Mr. Arup Ghosh	Member-Director	3	3
3	Mr. Sanjay Kumar Banga	Member-Director	3	3
4	Mr. Jasmine Shah	Member-Director	3	3
5	Mr. Ajit Kumar Singh	Member-Director	3	3

3. **Provide the web-link where Composition of CSR committee, CSR Policy and CSR projects approved by the board are disclosed on the website of the company:**

   The Company's CSR Policy for FY 2021-22, including overview of projects or programs undertaken or proposed to be undertaken, is provided on the Company website: https://www.tatapower-ddl.com/Editor_UploadedDocuments/Content/CSR_POLICY_Tata_Power-DDL_FY_21-22.pdf

4. **Provide the details of Impact assessment of CSR projects carried out in pursuance of sub-rule (3) of rule 8 of the Companies (Corporate Social Responsibility Policy) Rules, 2014, if applicable (attach the report): Not Applicable**

5. **Details of the amount available for set off in pursuance of sub-rule (3) of rule 7 of the Companies (Corporate Social Responsibility Policy) Rules, 2014 and amount required for set off for the financial year, if any: Nil**

Sl. No.	Financial Year	Amount available for set-off from preceding financial years (in ₹)	Amount required to be set-off for the financial year, if any (in ₹)
Nil			
	Total		

6. **Average net profit of the company as per section 135(5) : ₹ 5,48,51,01,119.33/-**
7. **a) Two percent of average net profit of the company as per section 135(5): ₹ 10,95,60,000/-**
   b) Surplus arising out of the CSR projects or programmes or activities of the previous financial years: Not Applicable
   c) Amount required to be set off for the financial year, if any: Nil
   d) Total CSR obligation for the financial year (7a+7b-7c): ₹ 10,95,60,000/-

8. **(a) CSR amount spent or unspent for the financial year-**

Total Amount Spent for the Financial Year (in ₹)	Amount Unspent (in ₹)				
	Total Amount transferred to Unspent CSR Account as per section 135(6)		Amount transferred to any fund specified under Schedule VII as per second proviso to section 135(5)		
	Amount	Date of transfer	Name of the Fund	Amount	Date of transfer
₹ 11,03,99,000 /-	Nil	-	-	Nil	-

(b) Details of CSR amount spent against ongoing projects for the financial year: Not Applicable

(1)	(2)	(3)	(4)	(5)		(6)	(7)	(8)	(9)	(10)	(11)	
S. No.	Name of the Project	Item from the list of activities in Schedule VII to the Act	Local area (Yes/ No)	Location of the project		Project duration	Amount allocated for the project (in ₹)	Amount spent in the current financial Year (in ₹)	Amount transferred to Unspent CSR Account for the project as per Section 135(6) (in ₹)	Mode of Implementation - Direct (Yes/No)	Mode of Implementation - Through Implementing Agency	
				State	District						Name	CSR Registration number
1.												
2.												
3.												
	Total											

(c) Details of CSR amount spent against other than ongoing projects for the financial year

1	2	3	4	5		6	7	8	
S. No	Name of the CSR Project/ activity identified	Item from the list of activities in schedule VII to the Act	Local area (Yes / No)	Location of the Project/ Programs		Amount spent for the project (in ₹)	Mode of Implementation- Direct (Yes/No)	Mode of implementation - Through implementing agency.	
				State	District			Name	CSR Registration Number
1	Women Literacy Centres	ii	Yes	Delhi	North, North-West Delhi	2,18,00,000	No	Virmani Aradhya Prayas	CSR00000337 CSR00000246 CSR00001803
2	ABHA Program	i	Yes	Delhi	North, North-West Delhi	1,80,00,000	No	Virmani Cadam Prayas	CSR00000337 CSR00004191 CSR00001803
3	Support to Disability Counselling Centre	ii	Yes	Delhi	North, North-West Delhi	4,50,400	No	VSSD	CSR00000105
4	Vocational Training cum Tutorial Program	ii	Yes	Delhi	North, North-West Delhi	2,69,27,000	No	Prayas VSSD DAV Aradhya MASS Unnati Sofia Nanak ANK Ashima SAVE	CSR00001803 CSR00000105 CSR00000241 CSR00000246 CSR00000323 CSR00001571 CSR00000251 CSR00003753 CSR00000002 CSR00003748 CSR00000214
5	General Duty Assistance	ii	Yes	Delhi	North, North-West Delhi	4,50,000	No	Prayas	CSR00001803

1	2	3	4	5		6	7	8	
S. No	**Name of the CSR Project/ activity identified**	**Item from the list of activities in schedule VII to the Act**	**Local area (Yes / No)**	**Location of the Project/ Programs**		**Amount spent for the project (in ₹)**	**Mode of Implementation- Direct (Yes/No)**	**Mode of implementation - Through implementing agency.**	
				State	**District**			**Name**	**CSR Registration Number**
6	Self Help Group - Entrepreneurship Development Program/DHAGA Project	ii	Yes	Delhi	North, North-West Delhi	16,82,000	No	Ashima SAFE Society SAVE MASS	CSR00003748 CSR00003132 CSR00000214 CSR00000323
7	Community Awareness –NGO meet, ABHA, WLC session & TVW	ii	Yes	Delhi	North, North-West Delhi	23,40,000	No		
8	Career Counselling Program in Government Schools	ii	Yes	Delhi	North, North-West Delhi	14,50,000	No	Aasman Foundation	CSR00001937
9	Cheque Scholarship to SC/ST students	ii	Yes	Delhi	North, North-West Delhi	24,98,000	Yes		
10	Scholarship to SC/ST under FAEA Program	ii	Yes	Delhi	North, North-West Delhi	3,50,000	No	FAEA	CSR00002144
11	Soft skill development training for girls in school- Roshni	ii	Yes	Delhi	North, North-West Delhi	16,33,000	No	Roshni	CSR00006167
12	Meri PathShala (Special training Centres)	ii	Yes	Delhi	North, North-West Delhi	16,99,000	Yes		
13	Mobile Dispensary	i	Yes	Delhi	North, North-West Delhi	1,16,52,000	No	Eduquest DAV	CSR00000165 CSR00000241
14	RO Water plant	i	Yes	Delhi	North, North-West Delhi	23,98,000	Yes		
15	Project Aarogya	i	Yes	Delhi	North, North-West Delhi	18,85,000	No	Eduquest	CSR00000165
16	Blood Donation Camp	i	Yes	Delhi	North, North-West Delhi	78,000	Yes		
17	Club Enerji	iv	Yes	Delhi	North, North-West Delhi	2,47,000	Yes		
18	Tree Plantation (No. of Saplings)	iv	Yes	Delhi	North, North-West Delhi	1,10,000	Yes		
19	CSR Initiatives at Lucknow & Ranchi	ii	No	Lucknow, Uttar Pradesh Ranchi, Jharkhand	Lucknow, Uttar Pradesh Ranchi, Jharkhand	14,36,000	No	SAVE Sofia	CSR00000214 CSR00000251
20	Rural Sports	vii	Yes	Delhi	North, North-West Delhi	15,99,000	No	VSSD	CSR00000105

1	2	3	4	5		6	7	8	
S. No	**Name of the CSR Project/ activity identified**	**Item from the list of activities in schedule VII to the Act**	**Local area (Yes / No)**	**Location of the Project/ Programs**		**Amount spent for the project (in ₹)**	**Mode of Implementation-Direct (Yes/No)**	**Mode of implementation - Through implementing agency.**	
				State	**District**			**Name**	**CSR Registration Number**
21	Disaster Management/ Unforeseen contingencies	xii	Yes	Delhi	North, North-West Delhi	10,77,000	No	Save Life Foundation	CSR00000728
22	Covid -19 Response/ Activities	xii	Yes	Delhi	North, North-West Delhi	1,06,38,000	Yes		
	Total CSR Expenditure					**11,03,99,000**			

(d) Amount spent in Administrative Overheads: Not Applicable

(e) Amount spent on Impact Assessment, if applicable: Not Applicable

(b) Total amount spent for the Financial Year (8b+8c+8d+8e): ₹ 11,03,99,000/-

(c) Excess amount for set off, if any: Nil

Sl. No.	Particulars	Amount (in ₹)
(i)	Two percent of average net profit of the company as per section 135(5)	10,95,60,000/-
(ii)	Total amount spent for the Financial Year	11,03,99,000/-
(iii)	Excess amount spent for the financial year [(ii)-(i)]	8,39,000/-
(iv)	Surplus arising out of the CSR projects or programmes or activities of the previous financial years, if any	Nil
(v)	Amount available for set off in succeeding financial years [(iii)-(iv)]	Nil

9. (a) Details of Unspent CSR amount for the preceding three financial years- Not Applicable

Sl. No.	Preceding Financial Year	Amount transferred to Unspent CSR Account under section 135 (6) (in ₹)	Amount spent in the reporting Financial Year (in ₹)	Amount transferred to any fund specified under Schedule VII as per section 135(6), if any			Amount remaining to be spent in succeeding financial years (in ₹)
				Name of the Fund	Amount (in ₹)	Date of transfer	
1.							
	Total						

(b) **Details of CSR amount spent in the financial year for ongoing projects of the preceding financial year(s)- Not Applicable**

(1)	(2)	(3)	(4)	(5)	(6)	(7)	(8)	(9)
Sl. No.	**Project ID**	**Name of the Project**	**Financial Year in which the project was commenced**	**Project duration**	**Total amount allocated for the project (in ₹)**	**Amount spent on the project in the reporting Financial Year (in ₹)**	**Cumulative amount spent at the end of reporting Financial Year (in ₹)**	**Status of the project - Completed /Ongoing**
	Total							

10. In case of creation or acquisition of capital asset, furnish the details relating to the asset so created or acquired through CSR spent in the financial year- Nil

CSR ASSET WISE DETAILS FOR FY 2021-22					
		(a)	(b)	(c)	(d)
S. No	**Asset**	**Date of creation/ Acquisition of capital asset (s)**	**Amount of CSR spent for creation or acquisition of capital asset (in ₹)**	**Details of the entity of Public Authority or Beneficiary under whose name such a capital asset is registered, their address etc.**	**Details of the capital asset(s) created or acquired (include complete address and location of the capital asset)**
1.					
		TOTAL			

11. Specify the reason(s), if the company has failed to spend two per cent of the average net profit as per section 135(5): Not Applicable, the Company has spent CSR expenditure in accordance with Section 135 of the Act and the rules made thereunder.

Sd/-
Ganesh Srinivasan
(Chief Executive Officer)
(DIN: 08208444)
Delhi, 22nd April 2022

Sd/-
Ajay Shankar
(Independent Director)
(Chairman, CSR Committee)
(DIN: 01800443)
Delhi, 22nd April 2022

ANNEXURE IV– SECRETARIAL AUDIT REPORT

Form No. MR-3
SECRETARIAL AUDIT REPORT
For the Financial Year ended 31st March 2022
[Pursuant to section 204(1) of the Companies Act, 2013 and rule no.9 of the Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014]

To,
The Board of Directors,
Tata Power Delhi Distribution Limited
(CIN: U40109DL2001PLC111526)
NDPL House,
Hudson Lines, Kingsway Camp,
Delhi 110 009

We have conducted the Secretarial Audit of the compliance of the applicable provisions of the Companies Act, 2013 and the adherence to good corporate practices by **Tata Power Delhi Distribution Limited** (hereinafter called "the Company"), which is an Unlisted Company. Secretarial Audit was conducted in a manner that provided us a reasonable basis for evaluating the corporate conducts/statutory compliances and expressing our opinion thereon.

We report that-

a) Maintenance of secretarial records is the responsibility of the management of the Company. Our responsibility is to express an opinion on these secretarial records based on our audit.

b) We have followed the audit practices and processes as were appropriate to obtain reasonable assurance about the correctness of the contents of the secretarial records. The verification was done on test basis to ensure that correct facts are reflected in secretarial records. We believe that the processes and practices, we followed, provide a reasonable basis for our opinion.

c) We have not verified the correctness and appropriateness of the financial statements of the Company.

d) Wherever required, we have obtained the Management representation about the compliances of laws, rules and regulations and happening of events etc.

e) The compliance of the provisions of the corporate and other applicable laws, rules, regulation, standards is the responsibility of the management. Our examination was limited to the verification of procedures on test basis.

f) The Secretarial Audit Report is neither an assurance as to the future viability of the Company nor of the efficacy or effectiveness with which the management has conducted the affairs of the Company.

g) We adhered to best professional standards and practices as could be possible while carrying out audit during the conditions due to Covid-19. The Company made due efforts to make available all the relevant records and documents which were verified through online means to conduct and complete the audit in the aforesaid conditions.

Based on our verification of the Company's books, papers, minute books, forms and returns filed and other records maintained by the Company and also the information provided by the Company, its officers, agents and authorized representatives during the conduct of Secretarial Audit, we hereby report that in our opinion, the Company has, during Financial Year ended on 31st March 2022 (Audit Period), complied with the statutory provisions listed hereunder and also that the Company has proper Board processes and compliance mechanism in place to the extent, in the manner and subject to the reporting made hereinafter.

We have examined the books, papers, minute books, forms and returns filed and other records maintained by the Company for the Audit Period according to the provisions of:

(i) The Companies Act, 2013 (the Act) and the rules made thereunder;
(ii) The Depositories Act, 1996 and the Regulations and Bye-laws framed thereunder;
(iii) Foreign Exchange Management Act, 1999 and the rules and regulations made thereunder to the extent of Foreign Direct Investment, Overseas Direct Investment and External Commercial Borrowings {Not Applicable during the audit period}
(iv) The Company is engaged in the business of electricity distribution and on the basis of management representation and our check on test basis, we are of the view that the Company has adequate system to ensure compliance of laws specifically applicable on it which are mentioned herein below:

- The Electricity Act, 2003;
- The Electricity (Supply) Act 1948;
- The Indian Electricity Rules, 1956;
- The Rules, regulations and applicable order(s) under Central and State Electricity Regulatory Commission/Authority;
- The Energy Conservation Act, 2001

We have also examined compliance with the applicable clauses of the Secretarial Standard on Meetings of the Board of Directors and General Meetings issued by the Institute of Company Secretaries of India, which the Company has been generally complied.

During the Audit Period, the Company has complied with the provisions of the Act, Rules, Regulations and Guidelines to the extent applicable, as mentioned above.

We further report that the Board of Directors of the Company is duly constituted with proper balance of Non-Executive Directors, Woman Directors and Independent Directors. There were changes in the composition of the Board of Directors during the period under review which were in Compliance of the provisions of the Act.

Adequate notices were given to all Directors to schedule the Board Meetings, Committee meetings, agenda and detailed notes on agenda were sent at least seven days in advance, and a system exists for seeking and obtaining further information and clarifications on the agenda items before the meeting and for meaningful participation at the meeting.

Board decisions were carried out with unanimous consent and therefore, no dissenting views were required to be captured and recorded as part of the minutes.

We further report that there are systems and processes in the Company commensurate with the size and operations of the Company to monitor and ensure compliance with applicable laws, rules, regulations and guidelines.

We further report that Statutory Registers as required under the Act were maintained by the Company.

We further report that during the audit period the Company had no specific events or actions which are having a major bearing on the Company's Affairs in pursuance of the above referred laws, rules, regulations, guidelines, standards, etc. referred to above except as under:

The Board in its meeting held on 21st January 2022 had accorded its approval for issuance of Listed/Unlisted Non-Convertible Debentures upto ₹ 500 crore.

For Sanjay Grover & Associates
Company Secretaries
Firm Registration No. P2001DE052900

Sd/-

Place: New Delhi

Kapil Dev Taneja
Partner

Date: April 14, 2022

FCS No: F4019, CP No: 22944
UDIN: F004019D000118595

Annexure V – Conservation of Energy

(i) The steps taken or impact on conservation of energy

(ii) The steps taken by the Company for utilizing alternate sources of energy

Demand Side Management Initiatives for Conservation of Energy

Being the pioneer in the field of Demand Side Management and Energy Efficiency, the Company is committed to promote energy conservation and its efficient use among its consumers. In line with the same, the Company has introduced several energy efficiency programs for its consumers over the years. These initiatives include replacement of conventional lighting with efficient lighting (LED applications), rebate based BEE 5 star rated ceiling fans, appliance replacement program for air conditioners, automated demand response etc.

The Company has received various public accolades for driving energy efficiency initiatives for its customers:-

1. AC Replacement Scheme

Project Name	Objective	Brief Description	Status/Progress
Replacement of Non Star Rated Air Conditioner (AC) with BEE 5 Star Rated/ Inverter AC	-Summer Peak Reduction -To accelerate the adoption of Energy Efficient ACs through the Discount based scheme	Up to 56% discount offered on MRP and 5 years of comprehensive warranty -Participating consumer would be benefitted by the annual reduction of approx. ₹ 5500 in the electricity bill depending upon their usage. -All the old ACs collected under the scheme are disposed-off in an environment friendly manner. -Tariff Neutral from year 1	Scheme launched on 10th July 2015 - VOLTAS, Hitachi and Godrej were the participating OEMs -Total Installed Quantity till now – 23603 Nos. -Deemed Load Reduction – 19.66 MW -Annual Cumulative Energy Savings- 20.92 MUs -Annual CO_2 Reduction - 17.1544 MT

2. UJALA-Program: Distribution of LED Light and Ceiling Fan

Project Name	Objective	Brief Description	Status/Progress
UJALA Program- Distribution of Energy Efficient LED Light and Ceiling Fan at the discounted rates	To evolve a framework to encourage Tata Power-DDL customers for usage of the Energy Efficiency Appliances through Ujala Yojana	-LED lights (Bulb and Tube light) and BEE 5 star rated ceiling fans would be offered at discounted rates in association with Energy Efficiency Services Limited (EESL). -Distribution of 9 watt LED bulb @ ₹ 70/- - 20 watt LED T8 Tube light @ ₹ 220/- - BEE 5 star ceiling fan @ ₹ 1110/- -Tata Power-DDL to facilitate distribution of the products through ABHA members on chargeable basis.	-MoU signed between Tata Power-DDL and EESL about the SOP and commercial part regarding the Company's facilitation charges as the Company is the only DISCOM allowed by EESL for working as distribution partner. -Scheme launched on 7th February 2017 -Program Targets:- a. Bulbs – 1288057 Nos. b. Tube lights – 96648 Nos. c. Fans – 11102 Nos. Cumulative quantity: 1395807 Nos. Total Deemed MW Saving: 38.86 MW Total MU savings: 40.99 MUs Total CO_2 emission reduction: 33.61

3. *Energy Efficiency Services for Tata Power-DDL consumers – ESCO (Energy Service Company)*

Project Name	Objective	Brief Description	Status/Progress
Energy Efficiency Program through ESCO	- To evolve a framework to encourage customers within and outside the Company for conducting Energy Audits and implementation of the Energy Efficiency (EE) measures through Discom driven ESCO route. -To optimize the Company's peak load consumption. -To provide value added services to customers. -Single window energy efficiency solution to consumers.	-Empanelled and developed a pool of Grade 2 ESCOs. Customer Specific: -An ESCO identifies energy improvements, provide capital required, install improvements, offer turn-key installation, monitor and guarantee energy savings. -This service is available for all type of customers segments including domestic, commercial and industrial. Institution Specific: -EESL awarded contract to Tata Power-DDL for conducting Energy Audit for Government buildings on PAN India basis. - Smart Energy Management projects with collaboration partners.	-Empaneled six ESCO agencies for conducting energy audit. -Total audit done of 87 MW (72.21 MW from customer specific and 14.79 MW from EESL Energy Audit project). -Energy Efficiency Project implemented for 24.91 MW (10.68 MW from customer specific and 14.23 MW from NDMC streetlight project package 1). -Collaboration with The Tata Power Company Limited/Tata Power Trading Company Limited: 42 customers identified, 40 sites visited, 30 proposals of ₹ 139.8 lakh shared, out of which 10 SEM proposals with billing value of ₹ 10.29 lakh converted successfully. One project is for outside the Company's licensed area which is its first case for deployment of Value Added Services (VAS) offerings outside its areas. -Collaboration with Smart Joules: Modalities jointly framed along with legal agreements to make a successful business case for APFC and ESCO projects. 30 potential customers identified for APFC project, site visits done; 6 proposals received from Smart Joules; successfully converted 1 APFC OPEX proposal with Lions Club International.

4. *NDMC Streetlight Project*

Project Name	Objective	Brief Description	Status/Progress
NDMC Streetlight Project	-Replacement of existing HPSV lamps with energy efficient LED light fixtures	- Tata Power-DDL in consortium with Havells awarded the NDMC LED streetlight Project. -Havells as technology partner and Tata Power-DDL as implementation partner as ESCO.	The project was awarded in two phases. In both phases, total 1.76 lakh LED points have been installed and are connected through 3334 Central control monitoring system yielding into monthly billing of ₹ 1.65 crore.

(iii) The capital investment on energy conservation equipment: Nil

Energy Savings achieved due to implementation of Energy Efficiency improvement measures

S. No.	DSM Program till date	Scale (Nos.)	Energy Savings (MU)	Load Reduction (MW)	CO2 reduction (MT)
1	LED Lights (DELP Scheme)	14,00,000	40.7	9.7	33.37
2	LED Lights & Fan (UJALA Scheme)	13,95,807	40.99	38.86	33.61
3	Whole range LED Light with Crompton	1,04,687	4.67	1.84	4
4	BEE 5 Star Ceiling Fan with Crompton	50,000	5.4	1	4
5	5 Star LED Bulb Scheme with Crompton	1,04,687	4.67	1.84	4
6	Non Star AC Replacement Scheme	23,603	20.92	19.66	17.15
7	Energy Efficiency Implementation Project	-	-	24.91	-
8	Rooftop Solar through Net Metering of 45.80 MWp	1578	-	-	-

On behalf of the Board of Directors
For **Tata Power Delhi Distribution Limited**

Sd/-
Praveer Sinha
Chairman
(DIN: 01785164)

Delhi, 22nd April 2022

ANNEXURE VI – TECHNOLOGY ABSORPTION

Technology Absorption

1	The efforts made towards technology absorption	i. Smart Metering with new communication module of NBIoT ii. Mass roll out of CCD 11kV Cable iii. Designing Unitized Substation (USS) - DT, RMU & LT Switch on single platform iv. Monopole having handrails on arms for safe maintenance work – Safety in Design v. Pilot of Di-electric Jacket vi. Prototype design of Distance Hot Line Tool for LT Live Works at height vii. Mass roll out of DT Cooling Fan Temperature Monitoring System viii. Commissioning of Digital Grid Substation at Bawana-6 ix. Planned to adopt SF6 free Switchgear at 33kV Indoor Panel x. Mass roll out of Talk-Back Seals xi. Pilot installation of LT Line Isolator xii. Development of Ladder for uneven surface xiii. Introduction of new design to utilize the NM/SM dismantled Single Phase DTs by converting into DT Bank for use as Three Phase DT. xiv. Implementation of android based environment friendly E-site visit form for site visit report and generation of automated mail through APP for all stakeholders, which leads to saving of manpower as well as usage of paper printout of site visit forms. xv. Initiative has been taken for introduction of automation in scheme creation process and generation of various automated supporting documents like executive summary, justification sheet etc. xvi. An initiative for SAP based dynamic dashboard for tracking and utilization of the dismantled material like Distribution Transformer, RMU, Cable etc. within six months' time frame.
2	The benefits derived like product improvement, cost reduction, product development or import substitution	i. Smart Metering Technology with NBIoT is new technology which has been introduced and around 20K meters are under installation including all types of meters. This has a unique advantage of ease of update in HES as per the field requirement. Cost of meter is also less than RF Smart meters. ii. CCD 11kV Cable is rolled out for around 85 km. As the layer of extra protection is in-built on the outer surface of cable, there is no requirement of HDPE Pipe during installation of this cable at site. Cost of installation has been reduced drastically with this CCD Cable. iii. Unitised Substation (USS) can be installed for single side open plot with reduction in space requirement by 65%. Further, any component of this unit can be replaced independently without disturbing others.

<table>
<tr><td></td><td></td><td>
iv. Monopoles are generally designed for arm without having any support, the design of these arms are modified by incorporating handrails and support for maintenance works.
v. Di-electric jacket will be used for online operation and maintenance work. This will minimize the risk of electrical hazard during operations.
vi. Hotline Tool will help in connection and disconnection of service lines from a distance, reduce the risk of electrocution and also reduce the risk of working at height.
vii. DT Cooling System is rolled out to enhance the capacity utilization of DTs and the existing DTs can be run with additional load. This will help to reduce the Capex reduction for current FY and defer Capex investment.
viii. Digital Substation installed at Bawana-6 and other one is under execution at Bhalswa-2. Monitoring of asset and operation will be more reliable and fast. Civil cost and control cable cost is also reduced.
ix. SF6 free 33kV Switchgear will help to eliminate the hazard of SF6 in environment and also reduce the cost of equipment and cost of maintenance.
x. 1 lakh seal will be installed in high revenue consumers. Advantage of these seals is that tampering and duplicity of the same can be detected without manual intervention and it will also facilitate ease of detection of theft case at site.
xi. LT Line isolators are installed at the small section of a complete feeder. This will help to reduce the SAIDI & SAIFI and can also be used for back feeding of supply.
xii. Prototype development of ladder for uneven surfaces for reduction of risk of falling from height due to uneven site surfaces.
xiii. Utilization of non-moving assets i.e. 1 phase transformer dismantled from various locations, will have a huge saving in Capex cost for procurement of new Distribution Transformer.
xiv. The android based environment friendly E-site visit form for site visit report which generates automated mail through APP leads to saving of manpower and paper site visit forms.
xv. Re-usage of salvaged batch assets like DT, RMU, fencing GO Switch, ACB etc. with cost reduction of ₹ 9.5 crore.
xvi. Loading capacity of distribution transformers from 80% to 90% in industrial area for optimizing asset utilization.
</td></tr>
<tr><td>3</td><td>In case of imported technology (imported during the last three years reckoned from the beginning of the financial year):
a) the details of technology imported
b) the year of import</td><td>
<table>
<tr><td>(a)</td><td>(b)</td><td>(c)</td></tr>
<tr><td>Technology imported</td><td>Year of Import</td><td>Has technology been fully absorbed</td></tr>
<tr><td>Implementation of ADMS infrastructure &</td><td>2018</td><td>Fully Absorbed</td></tr>
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	c) whether the technology been fully absorbed d) if not fully absorbed, areas where absorption has not taken place and reasons thereof		changes in related interfaces			
			Field Force Automation	2018	Fully Absorbed	
			Advanced Metering Infrastructure(AMI)	2018	Fully Absorbed	
			Integrated Communication Technology(ICT)	2018	Fully Absorbed	
			Battery Energy Storage System (BESS)	2018	Fully Absorbed	
			Integrated Security Solution (ISS)	2018	Fully Absorbed	
			Smart Street Light Management System	2018	Fully Absorbed	
			Field Force Automation 2.0 (NCC & Streetlight)	2021	Fully Absorbed	
			Advanced ADMS Application	2021	Fully Absorbed	

1	Specific area in which R & D carried out by the Company	i. Utilization of Power Transformer till its full life-the concept of Run-Till-Life ii. Digitization in site visit process and scheme framing process iii. Higher Rating (minimum of 1.5 times) DT having reduced foot print iv. Asset Monitoring System for better prediction of failure and preventive action to avoid the failure. v. R&D and Technology Projects • Behavioural Demand Response • Community Energy Storage System • Pole Mounted Storage System • Vegetation Management System • IElectrix
2	Benefits derived as a result of the above R & D	i. CAPEX optimization ii. Process oriented and Eco-friendly iii. Capacity enhancement of same DSS iv. Enhancement of reliability and product life v. R&D and Technology Projects vi. Capacity building and load forecasting efficiency enhancement vii. Cost optimization and revenue generation opportunities viii. Improved customer participation and engagement leading to customer empowerment and better customer services ix. Enablement for smooth energy transition x. Establishment of brand image as a green/sustainable Company among external stakeholders xi. Better maintenance planning, vegetation management and improved operational management aspects xii. Set-up of energy storage units will be helpful in contributing to a greener, cost-effective and reliable grid solutions
3	Future plan of action	i. Process for complete automation of site visit as well as scheme framing process through input provided in site visit APP ii. Introduction of Movable Power Transformer with Switchgears having capacity of 10MVA for mergence load mitigation at 33kV & 66kV level.

		iii. Identifying pilots as a business case for scaling up opportunities
4	Expenditure on R & D (in ₹ crore) a) Capital b) Operational c) Recurring d) Total	 a) 0.54 b) 0.19 c) Nil d) 0.73

On behalf of the Board of Directors
For **Tata Power Delhi Distribution Limited**

Sd/-
Praveer Sinha
Chairman
(DIN: 01785164)

Delhi, 22nd April 2022

Annexure VII– Related Party Transactions

FORM AOC-2

(Pursuant to clause (h) of sub-section (3) of section 134 of the Act and Rule 8(2) of the Companies (Accounts) Rules, 2014)

Form for disclosure of particulars of contracts/arrangements entered into by the Company with related parties referred to in section 188(1) of the Companies Act 2013 including certain arm's length transactions under third proviso thereto

1. Details of contracts or arrangements or transactions not at arm's length basis: NIL

(a)	(b)	(c)	(d)	(e)	(f)	(g)	(h)
Name(s) of the related party and nature of relationship	Nature of contracts/ arrangements/ transactions	Duration of contracts/ arrangements/ transactions	Salient terms of the contracts/ arrangements/ transactions Including the value, if any	Justification for entering into such contracts/ arrangements/ transactions	Date (s) of approval by the Board	Amount paid as advances, if any	Date on which the special resolution was passed in general meeting as required under first proviso to section 188
Nil	Nil	Nil	Nil	Nil	Nil	Nil	Nil

2. Details of material contracts or arrangements or transactions at arm's length basis:

	(a)	(b)	(c)	(d)	(e)	(f)
Sl. No.	Name(s) of the related party and nature of relationship	Nature of contracts/ arrangements/ transactions	Duration of the contracts/ arrangements/ transactions	Salient terms of the contracts/ arrangements/ transactions including the value, if any	Date(s) of approval by the Board, if any	Amount paid as advances, if any
1	Tata Power Trading Company Limited (TPTCL)	Power Procurement	Validity of Power Purchase Agreement [from CLP Power India Private Limited (CLP) is 19th July 2037 and Maithon Power Limited (MPL) is 23rd July 2042].	Power from both CLP and MPL is sourced through TPTCL as per the initial agreement between the parties executed on 20th January 2009 (between Tata Power-DDL and TPTCL) and 10th September 2009 (between Tata Power-DDL, TPTCL and MPL). Tariff of MPL is decided by the CERC while tariff applicable of CLP was determined under competitive bidding. Both these PPAs are approved by the DERC. Trading margin of 4 paise per	These were approved by the Audit Committee	Nil

				kWh for the energy scheduled from MPL and trading margin of 2% of power purchase bill (Capacity and Energy Charges) of CLP is payable by Tata Power-DDL to TPTCL. Accordingly, trading margin paid to TPTCL on account of power scheduled from MPL in FY 2021-22 is ₹ 818.82 lakh and on account of the power scheduled from CLP in FY 2021-22 is ₹ 596.32 lakh.		

On behalf of the Board of Directors
For **Tata Power Delhi Distribution Limited**

Sd/-
Praveer Sinha
Chairman
(DIN: 01785164)

Delhi, 22nd April 2022

Independent Auditor's Report
To the Members of Tata Power Delhi Distribution Limited
Report on the Audit of the Standalone Financial Statements

Opinion

We have audited the accompanying standalone financial statements of **Tata Power Delhi Distribution Limited ('the Company'),** which comprise the Standalone Balance Sheet as at 31st March 2022, the Standalone Statement of Profit and Loss (including Other Comprehensive Income), the Standalone Statement of Changes in Equity and the Standalone Statement of Cash Flows for the year ended on that date and notes to the standalone financial statements, including a summary of significant accounting policies and other explanatory information (hereinafter referred to as "the standalone financial statements").

In our opinion and to the best of our information and according to the explanations given to us, the aforesaid standalone financial statements give the information required by the Companies Act, 2013, as amended (the "Act") in the manner so required and give a true and fair view in conformity with the Indian Accounting Standards prescribed under Section 133 of the Act read with the Companies (Indian Accounting Standards) Rules, 2015, as amended, and other accounting principles generally accepted in India, of the state of affairs of the Company as at 31st March 2022, and its profit (including other comprehensive income), its cash flows and the changes in equity for the year ended on that date.

Basis for Opinion

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

Information other than the Financial Statements and Auditor's Report thereon

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

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

In connection with our audit of the standalone financial statements, our responsibility is to read the other information identified above and, in doing so, consider whether the other information is materially inconsistent with the standalone financial statements or our knowledge obtained in the audit or otherwise appears to be materially misstated.

If, based on the work we have performed, we conclude that there is a material misstatement of this other information, we are required to report that fact. The Annual Report is not made available to us at the date of this Auditor's Report. We have nothing to report in this regard.

Responsibilities of Management and Those Charged with Governance for the Standalone Financial Statements

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

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

The Board of Directors is also responsible for overseeing the Company's financial reporting process.

T R Chadha & Co. LLP Chartered Accountants NEW DELHI

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

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

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

- Identify and assess the risks of material misstatement of the standalone financial statements, whether due to fraud or error, design and perform audit procedures responsive to those risks, and obtain audit evidence that is sufficient and appropriate to provide a basis for our opinion. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control;

- Obtain an understanding of internal control relevant to the audit in order to design audit procedures that are appropriate in the circumstances. Under section 143(3)(i) of the Act, we are also responsible for expressing our opinion on whether the Company has adequate internal financial controls with reference to these standalone financial statements in place and the operating effectiveness of such controls;

- Evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by management;

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

T R Chadha & Co. LLP New Delhi Chartered Accountants

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

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

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

Other Matter

The standalone financial statements of the Company for the year ended 31st March 2021 were audited by another auditor whose report dated 23rd April 2021 expressed an unmodified opinion on those standalone financial statements. Our opinion is not modified in respect of this matter.

Report on Other Legal and Regulatory Requirements

As required by the Companies (Auditor's Report) Order, 2020 ('the Order') issued by the Central Government of India in terms of section 143(11) of the Act, we give in the **Annexure A**, a statement on the matters specified in paragraphs 3 and 4 of the Order.

As required by section 143(3) of the Act, based on our audit, we report, to the extent applicable, that:

a) we have sought and obtained all the information and explanations which to the best of our knowledge and belief were necessary for the purpose of our audit of the accompanying standalone financial statements;

b) in our opinion, proper books of account as required by law have been kept by the Company so far as it appears from our examination of those books;

c) the Standalone Balance Sheet, the Standalone Statement of Profit and Loss (including Other Comprehensive Income), the Standalone Statement of Changes in Equity and the Standalone Statement of Cash Flows dealt with by this report are in agreement with the books of account;

d) in our opinion, the aforesaid standalone financial statements comply with the Indian Accounting Standards prescribed under Section 133 of the Act read with the Companies (Indian Accounting Standards) Rules, 2015, as amended;

e) On the basis of the written representations received from the directors and taken on record by the Board of Directors, none of the directors is disqualified as on 31 March 2022 from being appointed as a director in terms of section 164(2) of the Act;

f) With respect to the adequacy of the internal financial controls with reference to these standalone Ind AS financial statements and the operating effectiveness of such controls, refer to our separate Report in **"Annexure B"**.

g) With respect to the other matters to be included in the Auditor's Report in accordance with the requirements of section 197(16) of the Act, as amended:

In our opinion and to the best of our information and according to the explanations given to us, the company has not paid or provided for any managerial remuneration during the year. Accordingly, reporting under Section 197 (16) of the Act is not applicable.

h) With respect to the other matters to be included in the Auditor's Report in accordance with Rule 11 of the Companies (Audit and Auditors) Rules, 2014 (as amended), in our opinion and to the best of our information and according to the explanations given to us:

i. the Company, as detailed in Note 28 and 30.2 to the standalone financial statements, has disclosed the impact of pending litigations on its financial position as at 31st March 2022;

ii. the Company did not have any long-term contracts including derivative contracts for which there were any material foreseeable losses as at 31st March 2022;

iii. there were no amounts which were required to be transferred to the Investor Education and Protection Fund by the Company during the year ended 31st March 2022; and

iv. (a) The Management has represented that, to the best of its knowledge and belief, no funds (which are material either individually or in the aggregate) have been advanced or loaned or invested (either from borrowed funds or share premium or any other sources or kind of funds) by the Company to or in any other person or entity, including foreign entity ("Intermediaries"), with the understanding, whether recorded in writing or otherwise, that the Intermediary shall, whether, directly or indirectly lend or invest in other persons or entities identified in any manner whatsoever by or on behalf of the

Company ("Ultimate Beneficiaries") or provide any guarantee, security or the like on behalf of the Ultimate Beneficiaries;

(b) The Management has represented, that, to the best of its knowledge and belief, no funds (which are material either individually or in the aggregate) have been received by the Company from any person or entity, including foreign entity ("Funding Parties"), with the understanding, whether recorded in writing or otherwise, that the Company shall, whether, directly or indirectly, lend or invest in other persons or entities identified in any manner whatsoever by or on behalf of the Funding Party ("Ultimate Beneficiaries") or provide any guarantee, security or the like on behalf of the Ultimate Beneficiaries;

(c) Based on the audit procedures that have been considered reasonable and appropriate in the circumstances, nothing has come to our notice that has caused us to believe that the representations under sub-clause (i) and (ii) of Rule 11(e), as provided under (a) and (b) above, contain any material misstatement.

v. The dividend declared or paid by the Company during the year is in accordance with Section 123 of the Companies Act, 2013.

For T R Chadha & Co LLP
Chartered Accountants
Firm's Registration No. 006711N/N500028

T R Chadha & Co LLP Chartered Accountants NEW DELHI

Hitesh Garg
Partner
Membership No. 502955

Place: New Delhi
Date: 22nd April 2022

UDIN: 22502955AIAZWL3474

"Annexure A" as referred to in paragraph 1 under 'Report on Other Legal and Regulatory Requirements' section of our report of even date

To the best of our information and according to the explanations provided to us by the Company and the books of account and records examined by us in the normal course of audit, we report that:

(i) In respect of the Company's Property, Plant and Equipment and Intangible Assets

(a) (A) The Company has maintained proper records showing full particulars, including quantitative details and situation of Property, Plant and Equipment and relevant details of right-of-use assets covered under Ind AS 116, 'Leases'.

(B) The Company has maintained proper records showing full particulars of intangible assets.

(b) The Company has a program of physical verification of Property, Plant and Equipment and right-of-use assets so as to cover all the assets in a phased manner over a period of three years, which, in our opinion, is reasonable having regard to the size of the Company and the nature of its assets. In accordance with this program, certain Property, Plant and Equipment were physically verified by the management during the year. According to the information and explanations given to us, no material discrepancies were noticed on such verification.

(c) The Company does not hold any land in its name. Land and buildings were transferred to company in terms of the DERA, transfer Scheme Rules 2001 on as is where is basis. The Company retains operational rights over the land and buildings used for the purpose of carrying out distribution business under a license granted by Delhi Electricity Regulatory Commission (DERC). Refer Note 4.4.13 to the Standalone Financial Statements of the Company.

(d) The Company has not revalued any of its property, plant and equipment (including Right of Use assets) and intangible assets during the year.

(e) No proceedings have been initiated during the year or are pending against the Company as at 31st March 2022 for holding any benami property under the Benami Transactions (Prohibition) Act, 1988 (as amended in 2016) and rules made thereunder.

(ii) (a) The inventories were physically verified by the management at reasonable intervals during the year. In our opinion, the coverage and procedure of such verification by the management is appropriate having regard to the size of the company and nature of its operations. Further, no discrepancies of 10% or more in the aggregate for each class of inventories, between physical inventory and book records, were noticed on such physical verification.

(b) The Company has been sanctioned working capital limits in excess of Rs. 5 crores, in aggregate, from banks or financial institutions on the basis of security of current assets of the company. In our opinion and according to the information and explanations given to us, the quarterly returns or statements comprising stock statements, book debt statements and other stipulated financial information filed by the Company with such banks or financial institutions till the date of this report are in agreement with the books of account of the Company of the respective quarters and no material discrepancies have been observed. The company is yet to submit the return/ statement for the quarter ended 31st March 2022 with the banks or financial institutions.

(iii) The Company has not made any investments in, provided any guarantee or security, and granted any loans or advances in the nature of loans, secured or unsecured, to companies, firms, Limited Liability Partnerships or any other parties during the year, and hence reporting under clause 3(iii) of the Order is not applicable.

(iv) The Company has not granted any loans, made investments or provided guarantees or securities during the year and hence, reporting under clause 3(iv) of the Order is not applicable.

(v) The Company has not accepted any deposits or amounts which are deemed to be deposits within the meaning of Sections 73 to 76 of the Act and the Companies (Acceptance of Deposits) Rules, 2014 (as amended). Hence, reporting under clause 3(v) of the Order is not applicable.

(vi) The maintenance of cost records has been specified by the Central Government under sub-section (1) of Section 148 of the Act in respect of Company's products/services. We have broadly reviewed the books of account maintained by the Company pursuant to the Rules made by the Central Government for the maintenance of cost records and the report of cost auditors of the company for the year and 31st March 2021. Accordingly, we are of the opinion that, prima facie, the prescribed accounts and records have been made and maintained. However, we have not made a detailed examination of the cost records with a view to determine whether they are accurate or complete.

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(vii) (a) The Company has generally been regular in depositing undisputed statutory dues including Goods and Servies Tax, provident fund, employee state insurance, income-tax, sales tax, service tax, duty of customs, duty of excise, value added tax, cess and other material statutory dues, as applicable, to the appropriate authorities. Further, there were no undisputed amounts payable in respect thereof which were outstanding at the year-end for a period of more than six months from the date they became payable.

(b) Details of statutory dues referred to in sub-clause (a) above which have not been deposited as on 31st March 2022 on account of any dispute, are given below:

Name of the statute	Nature of dues	Amount (₹ in lacs)	Amount paid under protest (₹ in lacs)	Period to which the amount relates (FY)	Forum where dispute is pending
Income Tax Act, 1961	Demand on account of disallowance of certain expenses	1,951.56	1,951.56	2005-06	Assessing Officer
Income Tax Act, 1961	Demand on account of disallowance of certain expenses	0.12	-	2009-10	Commissioner of Income Tax (Appeals)
Income Tax Act, 1961	Demand on account of disallowance of certain expenses and short allowance of TDS and interest thereon	78.39	39.20	2010-11	Income Tax Appellate Tribunal
Income Tax Act, 1961	Demand on short allowance of TDS and excess interest charged	46.15	23.08	2011-12	Income Tax Appellate Tribunal
Income Tax Act, 1961	Demand on short allowance of TDS and excess interest charged	19.59	-	2012-13	Income Tax Appellate Tribunal

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Income Tax Act, 1961	Demand on account of disallowance under Section 43B, short credit of TDS, non-grant of FTC under Section 91	354.17	-	2017-18	Commissioner of Income Tax (Appeals)

(viii) There were no transactions relating to previously unrecorded income that have been surrendered or disclosed as income during the year in the tax assessments under the Income Tax Act, 1961 (43 of 1961).

(ix) (a) In our opinion, the Company has not defaulted in the repayment of loans or other borrowings or in the payment of interest thereon to any lender during the year.

(b) The Company has not been declared wilful defaulter by any bank or financial institution or government or any government authority.

(c) In our opinion, term loans availed by the Company were applied by the Company during the year for the purposes for which the loans were obtained.

(d) On an overall examination of the financial statements of the Company, the funds raised on short-term basis have, prima facie, not been used for long-term purposes by the Company.

(e) On an overall examination of the financial statements of the Company, the Company has not taken any funds from any entity or person on account of or to meet the obligations of its subsidiaries, associates or joint ventures.

(f) The Company has not raised loans during the year on the pledge of securities held in its subsidiaries or joint ventures or associate companies.

(x) (a) The Company has not raised moneys by way of initial public offer or further public offer (including debt instruments) during the year and hence, reporting under clause 3(x)(a) of the Order is not applicable.

(b) The Company has not made any preferential allotment or private placement of shares or convertible debentures (fully, partially or optionally convertible) during the year and hence, reporting under clause 3(x)(b) of the Order is not applicable.

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(xi) (a) To the best of our knowledge, no fraud by the Company and no material fraud on the Company has been noticed or reported during the year.

(b) To the best of our knowledge, no report under sub-section (12) of section 143 of the Companies Act has been filed, by us or cost accountant or company secretary in practice conducting secretarial audit under Section 204 of the Act, in Form ADT-4 as prescribed under rule 13 of Companies (Audit and Auditors) Rules, 2014 with the Central Government, during the year and upto the date of this report.

(c) We have taken into consideration the whistle blower complaints received by the Company during the year and provided to us, while determining the nature, timing and extent of our audit procedures.

(xii) The Company is not a Nidhi Company and hence reporting under clause 3(xii) of the Order is not applicable.

(xiii) In our opinion, all transactions with the related parties are in compliance with Section 177 and 188 of the Act, where applicable, and the requisite details have been disclosed in the financial statements as required by the applicable Indian Accounting Standards.

(xiv) (a) In our opinion, the Company has an adequate internal audit system commensurate with the size and the nature of its business.

(b) We have considered the internal audit reports for the year under audit, issued during the year and till date, in determining the nature, timing and extent of our audit procedures.

(xv) In our opinion, the Company has not entered into any non-cash transactions, with the directors or persons connected with them, which are covered under Section 192 of the Act.

(xvi) (a) The Company is not required to be registered under Section 45-IA of the Reserve Bank of India Act, 1934. Hence, reporting under clause 3 (xvi)(a), (b) and (c) of the Order is not applicable.

(b) The Group has more than one CIC (Core Investment Company) as part of the group. As per the information and explanation given to us, there are 06 CIC's forming part of the group.

(xvii) The Company has not incurred cash losses during the financial year covered by our audit and the immediately preceding financial year.

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(xviii) There has been no resignation of the statutory auditors of the Company during the year.

(xix) On the basis of the financial ratios, ageing and expected dates of realization of financial assets and payment of financial liabilities, other information accompanying the financial statements and our knowledge of the Board of Directors and management plans and based on our examination of the evidence supporting the assumptions, nothing has come to our attention, which causes us to believe that any material uncertainty exists as on the date of the audit report indicating that Company is not capable of meeting its liabilities existing at the date of balance sheet as and when they fall due within a period of one year from the balance sheet date. We, however, state that this is not an assurance as to the future viability of the Company. We further state that our reporting is based on the facts up to the date of the audit report and we neither give any guarantee nor any assurance that all liabilities falling due within a period of one year from the balance sheet date, will get discharged by the Company as and when they fall due.

(xx) The company has fully spent the required amount towards Corporate Social Responsibility (CSR) and there are no unspent CSR amounts for the year requiring a transfer to a Fund specified in Schedule VII to the Companies Act or special account in compliance with the provision of sub-section (6) of section 135 of the Act. Accordingly, reporting under clause 3(xx) of the Order is not applicable.

For T R Chadha & Co LLP
Chartered Accountants
Firm's Registration No. 006711N/N500028

Hitesh Garg
Partner
Membership No. 502955

Place: New Delhi
Date: 22nd April 2022

UDIN: 22502955AIAZWL3474

"Annexure B" as referred to in paragraph 2(f) under 'Report on Other Legal and Regulatory Requirements' section of our report of even date

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

We have audited the internal financial controls over financial reporting of Tata Power Delhi Distribution Limited ("the Company") as of 31st March 2022 in conjunction with our audit of the standalone financial statements of the Company for the year ended on that date.

Management's Responsibility for Internal Financial Controls

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

Auditors' Responsibility

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

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

We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our audit opinion on the Company's internal financial controls system over financial reporting.

Meaning of Internal Financial Controls over Financial Reporting

A company's internal financial control over financial reporting is a process designed to provide reasonable assurance regarding the reliability of financial reporting and the preparation of financial statements for external purposes in accordance with generally accepted accounting principles. A company's internal financial control over financial reporting includes those policies and procedures that:

a) pertain to the maintenance of records that, in reasonable detail, accurately and fairly reflect the transactions and dispositions of the assets of the company;

b) provide reasonable assurance that transactions are recorded as necessary to permit preparation of financial statements in accordance with generally accepted accounting principles, and that receipts and expenditures of the company are being made only in accordance with authorizations of management and directors of the company; and

c) provide reasonable assurance regarding prevention or timely detection of unauthorized acquisition, use, or disposition of the company's assets that could have a material effect on the financial statements.

Inherent Limitations of Internal Financial Controls Over Financial Reporting

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

Opinion

In our opinion, to the best of our information and according to the explanations given to us, the Company has, in all material respects, an adequate internal financial controls system

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over financial reporting and such internal financial controls over financial reporting were operating effectively as at 31 March 2022, based on the internal control over financial reporting criteria established by the Company considering the essential components of internal control stated in the Guidance Note on Audit of Internal Financial Controls Over Financial Reporting issued by the Institute of Chartered Accountants of India.

For T R Chadha & Co LLP
Chartered Accountants
Firm Regn No. 006711N / N500028

Hitesh Garg
Partner
Membership No. 502955

Place: New Delhi
Date: 22nd April 2022

UDIN: 22502955AIAZWL3474

TATA POWER DELHI DISTRIBUTION LIMITED
STANDALONE BALANCE SHEET AS AT 31 MARCH, 2022

	Notes	As at 31.03.2022 ₹/Lakhs	As at 31.03.2021 ₹/Lakhs
I. ASSETS			
(1) Non-current assets			
(a) Property, plant and equipment	4	4,07,596.92	4,03,696.35
(b) Capital work-in-progress	4	17,672.87	19,711.18
(c) Right-of-use assets	5	7,661.88	8,756.43
(d) Intangible assets	4	6,223.06	7,891.13
(e) Financial assets			
(i) Investments	6	5.00	5.00
(ii) Other financial assets	7	78.78	85.56
(f) Income tax assets (net)	8	355.03	3,247.48
(g) Other non-current assets	9	3,119.62	2,957.41
Total non-current assets		**4,42,713.16**	**4,46,350.54**
(2) Current assets			
(a) Inventories	10	1,411.12	1,682.76
(b) Financial assets			
(i) Trade receivables	11	18,606.45	27,443.16
(ii) Cash and cash equivalents	12	2,521.59	4,612.64
(iii) Bank balances other than (ii) above	12	7,420.24	9,879.99
(iv) Other financial assets	13	42,709.59	37,306.87
(c) Other current assets	14	24,015.50	15,287.36
Total current assets		**96,684.49**	**96,212.78**
Assets classified as held for sale	34.7.1	2,004.00	2,004.00
Total assets before regulatory deferral account balance		**5,41,401.65**	**5,44,567.32**
(3) Regulatory deferral account debit balances	34	5,84,222.83	5,51,170.50
Total assets		**11,25,624.48**	**10,95,737.82**
II. EQUITY AND LIABILITIES			
EQUITY			
(a) Equity share capital	15	1,05,200.00	1,05,200.00
(b) Other equity	16	3,03,089.65	2,71,809.78
Total equity		**4,08,289.65**	**3,77,009.78**
LIABILITIES			
(1) Non-current liabilities			
(a) Financial liabilities			
(i) Long-term borrowings	17	1,98,611.07	2,30,820.70
(ii) Lease liabilities	5	6,086.30	7,020.74
(iii) Other financial liabilities	18	79,123.11	70,280.09
(b) Provisions	19	5,671.18	5,741.27
(c) Deferred tax liabilities (net)	38	43,421.57	35,001.24
(d) Capital grants	20	363.68	433.68
(e) Contributions for capital works and service line charges	21	80,145.14	80,324.66
(f) Other non-current liabilities	22	40,522.69	27,352.66
Total non-current liabilities		**4,53,944.74**	**4,56,975.04**
(2) Current liabilities			
(a) Financial liabilities			
(i) Short-term borrowings	23	89,644.23	1,01,819.28
(ii) Lease liabilities	5	934.44	2,419.93
(iii) Trade payables	24		
- total outstanding dues of micro enterprises and small enterprises		2,518.77	2,511.46
- total outstanding dues of creditors other than micro enterprises and small enterprises		1,21,346.26	1,15,820.96
(iv) Other financial liabilities	25	19,996.77	18,323.63
(b) Provisions	26	1,277.61	1,008.61
(c) Other current liabilities	27	27,672.01	19,849.13
Total current liabilities		**2,63,390.09**	**2,61,753.00**
Total equity and liabilities		**11,25,624.48**	**10,95,737.82**

See accompanying notes forming part of standalone financial statements (1-45)

In terms of our report attached of even date

For T. R. Chadha & Co. LLP
Chartered Accountants
Firm's Registration No.: 006711N/N500028

T R Chadha & Co. LLP NEW DELHI Chartered Accountants

Hitesh Garg
Partner
Membership No.: 502955

New Delhi
22 April, 2022

For and on behalf of the Board of Directors

Ajay Shankar
Director
DIN: 01800443

Ajay Kapoor
Director
DIN: 00466631

Ganesh Srinivasan
Chief Executive Officer

Monica Mehra
Company Secretary

Suranjit Mishra
Chief Financial Officer

New Delhi
22 April, 2022

TATA POWER DELHI DISTRIBUTION LIMITED
STANDALONE STATEMENT OF PROFIT AND LOSS FOR THE YEAR ENDED 31 MARCH, 2022

		Notes	Year ended 31.03.2022 ₹/Lakhs	Year ended 31.03.2021 ₹/Lakhs
I	Revenue from operations	29	7,64,789.27	7,00,703.05
II	Other income	29	16,158.01	11,602.08
III	**Total income**		**7,80,947.28**	**7,12,305.13**
IV	**Expenses**			
	Cost of power purchased (net) (excludes own generation)	30	5,95,691.96	5,30,625.73
	Employee benefits expense (net)	31	51,572.46	55,712.49
	Finance costs	32	32,405.18	34,390.98
	Depreciation and amortisation expense	4,5	37,113.58	35,381.68
	Other expenses	33	33,712.04	29,426.95
	Total expenses		**7,50,495.22**	**6,85,537.83**
V	**Profit/(Loss) before movement in regulatory deferral account balance and tax**		**30,452.06**	**26,767.30**
	Movement in regulatory deferral account balance (net)	34	33,052.33	28,985.39
VI	**Profit/(Loss) before tax**		**63,504.39**	**55,752.69**
VII	Tax expense			
	(i) Current tax	38		
	- For the year		11,228.13	9,160.51
	- Adjustments for prior periods (refer note 38.5)		-	(932.03)
	(ii) Deferred tax	38	8,410.18	4,706.98
VIII	**Profit/(Loss) for the year**		**43,866.08**	**42,817.23**
IX	**Other comprehensive income/(expense)**			
	(i) Items that will not be reclassified to profit or loss			
	Remeasurement gain/(loss) of defined benefit plans		58.09	196.92
	(ii) Income tax credit/(charge) relating to items that will not be reclassified to profit or loss			
	(a) Current tax	38	(10.15)	(34.41)
	(b) Deferred tax	38	(10.15)	(34.41)
	Other comprehensive income/(expense) for the year		**37.79**	**128.10**
X	**Total comprehensive income for the year**		**43,903.87**	**42,945.33**
	Earnings per equity share (face value ₹ 10/- each)	35		
(i)	Basic and Diluted earnings per equity share before net movement in regulatory deferral account balance (₹)		2.13	2.28
(ii)	Basic and Diluted earnings per equity share after net movement in regulatory deferral account balance (₹)		4.17	4.07

See accompanying notes forming part of standalone financial statements (1-45)

In terms of our report attached of even date

For T. R. Chadha & Co. LLP
Chartered Accountants
Firm's Registration No.: 006711N/N500028

T R Chadha & Co. LLP NEW DELHI Chartered Accountants

Hitesh Garg
Partner
Membership No.: 502955

New Delhi
22 April, 2022

For and on behalf of the Board of Directors

Ajay Shankar
Director
DIN: 01800443

Ajay Kapoor
Director
DIN: 00466631

Ganesh Srinivasan
Chief Executive Officer

Monica Mehra

Monica Mehra
Company Secretary

Surabjit Mishra
Chief Financial Officer

New Delhi
22 April, 2022

TATA POWER DELHI DISTRIBUTION LIMITED

STANDALONE STATEMENT OF CHANGES IN EQUITY FOR THE YEAR ENDED 31 MARCH, 2022

A. Equity share capital

	Particulars	Amount (₹/Lakhs)
(i)	**Balance as at 1 April, 2020**	**55,200.00**
(ii)	Add: Bonus equity shares issued during the year	50,000.00
(iii)	**Balance as at 31 March, 2021**	**1,05,200.00**
(i)	**Balance as at 1 April, 2021**	**1,05,200.00**
(ii)	Changes in equity share capital during the year	-
(iii)	**Balance as at 31 March, 2022**	**1,05,200.00**

B. Other equity

₹/Lakhs

	Particulars	Reserves and Surplus			Total
		Capital Redemption Reserve	General Reserve	Retained Earnings	
(i)	**Balance as at 1 April, 2020**	50,000.00	9,150.00	2,32,962.45	2,92,112.45
(ii)	Profit for the year	-	-	42,817.23	42,817.23
(iii)	Other comprehensive income/(expense) for the year (net of tax)	-	-	128.10	128.10
(iv)	**Total comprehensive income {(ii)+(iii)}**	-	-	42,945.33	42,945.33
(v)	Dividend paid	-	-	(13,248.00)	(13,248.00)
(vi)	Bonus equity shares issued during the year out of capital redemption reserve (refer note 15.8)	(50,000.00)	-	-	(50,000.00)
(vii)	**Balance as at 31 March, 2021 {(i)+(iv)+(v)+(vi)}**	**-**	**9,150.00**	**2,62,659.78**	**2,71,809.78**
(i)	**Balance as at 1 April, 2021**	-	9,150.00	2,62,659.78	2,71,809.78
(ii)	Profit for the year	-	-	43,866.08	43,866.08
(iii)	Other comprehensive income/(expense) for the year (net of tax)	-	-	37.79	37.79
(iv)	**Total comprehensive income {(ii)+(iii)}**	-	-	43,903.87	43,903.87
(v)	Dividend paid	-	-	(12,624.00)	(12,624.00)
(vi)	**Balance as at 31 March, 2022 {(i)+(iv)+(v)}**	**-**	**9,150.00**	**2,93,939.65**	**3,03,089.65**

See accompanying notes forming part of standalone financial statements (1-45)

In terms of our report attached of even date

For T. R. Chadha & Co. LLP
Chartered Accountants
Firm's Registration No.: 006711N/N500028

T R Chadha & Co. LLP NEW DELHI Chartered Accountants

Hitesh Garg
Partner
Membership No.: 502955

New Delhi
22 April, 2022

For and on behalf of the Board of Directors

Ajay Shankar
Director
DIN: 01800443

Ajay Kapoor
Director
DIN: 00466631

Ganesh Srinivasan
Chief Executive Officer

Monica Mehra
Company Secretary

Suranjit Mishra
Chief Financial Officer

New Delhi
22 April, 2022

TATA POWER DELHI DISTRIBUTION LIMITED
STANDALONE STATEMENT OF CASH FLOWS FOR THE YEAR ENDED 31 MARCH, 2022

		Year ended 31.03.2022 ₹/Lakhs	Year ended 31.03.2021 ₹/Lakhs
A. Cash flow from operating activities			
Profit for the year		43,866.08	42,817.23
Adjustments to reconcile profit for the year to net cash flows:			
Income tax recognised as expense in Statement of Profit and Loss		19,638.31	12,935.46
Depreciation and amortisation expense		37,113.58	35,381.68
Finance costs (net of capitalisation)		32,405.18	34,390.98
Interest income		(698.82)	(228.84)
Gain on sale/fair value of mutual fund investment measured at FVTPL		(0.58)	(5.50)
Loss on disposal of property, plant and equipment		1,817.57	220.56
Amortisation of capital grants		(70.00)	(72.98)
Amortisation of contribution for capital works and service line charges		(8,307.76)	(7,965.20)
Obsolete inventory written off/allowance for obsolete inventory		201.40	482.90
Bad debts written off/(written back)		422.84	1,505.24
Late payment surcharge		(2,190.86)	(2,480.43)
Allowance for doubtful debts		412.36	(938.77)
Net unrealised foreign exchange (gain) / loss		(7.04)	24.18
Operating profit before working capital changes		1,24,602.26	1,16,066.51
Working capital adjustments:			
Adjustments for (increase)/decrease in operating assets:			
Inventories		70.24	(848.71)
Trade receivables		7,448.74	3,271.07
Other financial assets - current		(5,435.41)	(4,143.17)
Other financial assets - non current		6.78	29.08
Other non-current assets		(2.26)	(3.52)
Other current assets		(8,728.14)	5,429.67
Regulatory deferral account debit balances		(33,052.33)	(28,985.39)
Adjustments for increase/(decrease) in operating liabilities:			
Trade payables		5,532.61	7,214.48
Other financial liabilities - current		2,723.23	908.43
Other financial liabilities - non current		234.58	(6.45)
Other current liabilities		7,822.88	(6,517.74)
Other non-current liabilities		13,029.14	(1,759.82)
Provision for employee benefits - current		269.00	(638.00)
Provision for employee benefits - non current		(12.00)	277.15
Cash generated from operations		1,14,509.32	90,082.19
Taxes paid (including tax deducted at source net of refund)		(8,345.83)	(8,774.82)
Net cash from/(used in) operating activities	(A)	**1,06,163.49**	**81,307.37**
B. Cash flow from investing activities			
Purchase of property, plant and equipment (including capital advances)		(39,854.99)	(39,788.61)
Proceeds from sale of property, plant and equipment		1,216.41	1,209.35
Proceeds from bank deposits (net)		2,459.75	254.30
Interest received		872.40	650.27
Late payment surcharge received		2,190.86	2,480.43
Purchase of current investments		(15,400.00)	(23,400.00)
Proceeds from sale of current investments		15,400.58	31,905.69
Net cash from/(used in) investing activities	(B)	**(33,114.99)**	**(26,688.57)**
C. Cash flow from financing activities			
Finance cost paid		(33,941.13)	(34,460.29)
Payment of lease liabilities		(1,644.96)	-
Proceeds from short-term borrowings and working capital demand loans		5,86,585.07	4,36,900.23
Repayment of short-term borrowings and working capital demand loans		(6,06,690.82)	(4,37,984.43)
Net (repayment)/proceeds from cash credit and other credit facilities		4,335.37	6,094.19
Proceeds from long-term borrowings		55,000.00	40,000.00
Repayment of long-term borrowings		(83,614.30)	(57,434.37)
Net (refund)/proceeds from contribution for capital works		5,247.29	1,109.35
Proceeds from service line charges		2,880.95	2,602.21
Net (repayment)/proceeds from consumers' security deposits		9,326.98	2,561.71
Dividend paid to equity shareholders		(12,624.00)	(13,248.00)
Net cash from/(used in) financing activities	(C)	**(75,139.55)**	**(53,859.40)**
Net increase/(decrease) in cash and cash equivalents	(A+B+C)	**(2,091.05)**	**759.40**
Cash and cash equivalents at the beginning of the year		4,612.64	3,853.24
Cash and cash equivalents at the end of the year (refer note 12)		**2,521.59**	**4,612.64**

See accompanying notes forming part of standalone financial statements (1-45)

In terms of our report attached of even date

For T. R. Chadha & Co. LLP
Chartered Accountants
Firm's Registration No.: 006711N/N500028

T R Chadha & Co. LLP
NEW DELHI
Chartered Accountants

Hitesh Garg
Partner
Membership No.: 502955

New Delhi
22 April, 2022

For and on behalf of the Board of Directors

Ajay Shankar
Director
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Chief Executive Officer

Monica Mehra

Monica Mehra
Company Secretary

Suranjit Mishra
Chief Financial Officer

New Delhi
22 April, 2022

Note 1

General Information

Tata Power Delhi Distribution Limited (Tata Power-DDL) or (the Company) is a public limited company incorporated and domiciled in India and is primarily engaged in the business of distribution of electricity in North and North-West Delhi. The Company was set up in terms of Delhi Electricity Reforms (Transfer Scheme) Rules 2001. The undertaking of the erstwhile Delhi Vidyut Board (DVB) engaged in distribution and retail supply of electricity in the North & North-West districts in the National Capital Territory of Delhi along with the personnel employed therein were transferred to the Company with effect from 1 July, 2002 which also marked the commencement of commercial operations for the Company.

The address of its registered office and principal place of business is NDPL House, Hudson Lines, Kingsway Camp, Delhi- 110009. The Company has been granted a license under Section 20 of the Delhi Electricity Reform Act, 2000 (Act No. 2 of 2001) by the Delhi Electricity Regulatory Commission (DERC) on 11 March, 2004. The license is valid for a period of twenty-five years. During the period from 1 July, 2002 to the date of grant of license, Tata Power-DDL was a deemed licensee.

The Company is subsidiary of Tata Power Company Limited (TPCL) which holds 51% equity shares and controlling stake and 49% equity shares is held by Delhi Power Company Limited.

Note 2

2.1 **Statement of compliance**

The financial statements have been prepared in accordance with Indian Accounting Standards (Ind AS) as notified under the Companies (Indian Accounting Standards) Rules, 2015 (as amended) read with Section 133 of the Companies Act, 2013 ("the Act") and other relevant provisions of the Act. As the Company is governed by Electricity Act, 2003 and the saved provisions of Electricity (Supply) Act, 1948, the provisions of the said Acts prevail wherever these are inconsistent with the provisions of the Companies Act, 2013.

2.2 **Basis of preparation and presentation**

The financial statements have been prepared on accrual basis and on historical cost convention except for certain financial instruments that are measured at fair values at the end of each reporting period, as explained in the accounting policies below.

Historical cost is generally based on the fair value of the consideration given in exchange for goods and services.

Fair value is the price that would be received to sell an asset or paid to transfer a liability in an orderly transaction between market participants at the measurement date, regardless of whether that price is directly observable or estimated using another valuation technique. In estimating the fair value of an asset or a liability, the Company takes into account the characteristics of the asset or liability if market participants would take those characteristics into account when pricing the asset or liability at the measurement date. Fair value for measurement and/or disclosure purposes in these standalone financial statements is determined on such basis, except for leasing transactions that are within the scope of Ind AS 116/Ind AS 17 (as applicable), and measurements that have some similarities to fair value but are not fair value, such as net realisable value in Ind AS 2 or value in use in Ind AS 36.

In addition, for financial reporting purposes, fair value measurements are categorised into Level 1, 2, or 3 based on the degree to which the inputs to the fair value measurements are observable and the significance of the inputs to the fair value measurement in its entirety, which are described as follows:

(i) Level 1 inputs are quoted prices (unadjusted) in active markets for identical assets or liabilities that the entity can access at the measurement date;

(ii) Level 2 inputs are inputs, other than quoted prices included within Level 1, that are observable for the asset or liability, either directly or indirectly; and

(iii) Level 3 inputs are not based on observable market data (unobservable inputs). Fair values are determined in whole or in part using a valuation model based on assumptions that are neither supported by prices from observable current market transactions in the same instrument nor are they based on available market data.

Note 3
Other significant accounting policies

Accounting policies are set out along with respective explanatory notes where it specifically relates to such transactions or balances. Other significant accounting policies are set out below:

3.1 **Foreign currencies**

These financial statements are presented in Indian rupees, which is the functional currency of the Company. The functional currency represents the currency of the primary economic environment in which the Company operates.

Income and expenses in foreign currencies are recorded at exchange rates prevailing on the date of the transaction. Foreign currency denominated monetary assets and liabilities are translated at the exchange rate prevailing on the Balance Sheet date and exchange gains and losses arising on settlement and restatement are recognised in the Statement of Profit and Loss.

Non-monetary assets and liabilities that are measured in terms of historical cost in foreign currencies are not retranslated.

Exchange differences on monetary items are recognised in the Statement of Profit and Loss in the period in which they arise except for exchange differences on foreign currency borrowings relating to assets under construction for future productive use, which are included in the cost of those assets when they are regarded as an adjustment to interest costs on those foreign currency borrowings.

3.2 **Current versus non-current classification**

The Company has determined its operating cycle as 12 months for the purpose of classification of its assets and liabilities as current and non-current.

Deferred tax assets and liabilities are classified as non-current assets and liabilities.

3.3 **Financial instruments**

Financial assets and financial liabilities are recognised when the Company becomes a party to the contractual provisions of the instruments.

Except for trade receivables, financial assets and financial liabilities are initially measured at fair value. Trade receivables are measured at the transaction price. Transaction costs that are directly attributable to the acquisition or issue of financial assets and financial liabilities (other than financial assets at fair value through profit or loss) are added to or deducted from the fair value of the financial assets or financial liabilities, as appropriate, on initial recognition. Transaction costs directly attributable to the acquisition of financial assets at fair value through profit or loss are recognised immediately in the Statement of Profit and Loss.

3.3.1 **Offsetting of financial instruments**

Financial assets and financial liabilities are offset and the net amount is reported in the balance sheet if there is a currently enforceable legal right to offset the recognised amounts and there is an intention to settle on a net basis, to realise the asset and settle the liabilities simultaneously.

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3.4 **Financial assets**

All recognised financial assets are subsequently measured in their entirety at either amortised cost or fair value, depending on the classification of the financial assets.

3.4.1 **Amortised cost**

A financial asset shall be measured at amortised cost using effective interest rates if both of the following conditions are met:

(i) financial asset is held within a business model whose objective is to hold financial assets in order to collect contractual cash flows; and
(ii) contractual terms of the financial asset give rise on specified dates to cash flows that are solely payments of principal and interest on the principal amount outstanding.

The effective interest method is a method of calculating the amortised cost of a financial asset and of allocating interest income over the relevant period. The effective interest rate is the rate that exactly discounts estimated future cash receipts (including all fees paid or received that form an integral part of the effective interest rate, transaction costs and other premiums or discounts) through the expected life of the financial asset, or, where appropriate, a shorter period, to the net carrying amount on initial recognition.

3.4.2 **Financial assets at fair value through profit or loss (FVTPL)**

Financial assets at FVTPL include financial assets that either do not meet the criteria for amortised cost classification or are equity instruments held for trading or that meet certain conditions and are designated at FVTPL upon initial recognition. All derivative financial instruments also fall into this category, except for those designated and effective as hedging instruments, for which the hedge accounting requirements may apply. Assets in this category are measured at fair value with gains or losses recognized in the Statement of Profit and Loss. The fair values of financial assets in this category are determined by reference to active market transactions or using a valuation technique where no active market exists.

3.4.3 **Financial assets at fair value through other comprehensive income (FVTOCI)**

On initial recognition, the Company can make an irrevocable election (on an instrument-by-instrument basis) to present the subsequent changes in fair value in other comprehensive income pertaining to investments in equity instruments. This election is not permitted if the equity investment is held for trading. These elected investments are initially measured at fair value plus transaction costs. Subsequently, they are measured at fair value with gains and losses arising from changes in fair value recognised in other comprehensive income and accumulated in the 'Reserve for equity instruments through other comprehensive income'. The cumulative gain or loss is not reclassified to the Statement of Profit and Loss on disposal of the investments.

A financial asset is held for trading if:
(i) it has been acquired principally for the purpose of selling it in the near term; or
(ii) on initial recognition it is part of a portfolio of identified financial instruments that the Company manages together and has a recent actual pattern of short-term profit-taking; or
(iii) it is a derivative that is not designated and effective as a hedging instrument or a financial guarantee.

Dividends on these investments in equity instruments are recognised in the Statement of Profit and Loss when the Company's right to receive the dividends is established, it is probable that the economic benefits associated with the dividend will flow to the entity, the dividend does not represent a recovery of part of cost of the investment and the amount of dividend can be measured reliably. Dividends recognised in the Statement of Profit and Loss are included in the 'Other income' line item.

3.4.4 **Impairment of financial asset**

The Company applies the expected credit loss model for recognising impairment loss on financial assets measured at amortised cost, trade receivables and other contractual rights to receive cash or other financial asset not designated as at FVTPL.

For trade receivables or any contractual right to receive cash or another financial asset that result from transactions that are within the scope of Ind AS 115 "Revenue from Contracts with Customers", the Company always measures the loss allowance at an amount equal to lifetime expected credit losses using the simplified approach permitted under Ind AS 109 "Financial Instruments".

Expected credit losses are the weighted average of credit losses with the respective risks of default occurring as the weights. Credit loss is the difference between all contractual cash flows that are due to the Company in accordance with the contract and all the cash flows that the Company expects to receive (i.e. all cash shortfalls), discounted at the original effective interest rate (or credit-adjusted effective interest rate for purchased or originated credit-impaired financial assets). The Company estimates cash flows by considering all contractual terms of the financial instrument (for example, prepayment, extension, call and similar options) through the expected life of that financial instrument.

Further, for the purpose of measuring lifetime expected credit loss allowance for trade receivables, the Company has used a practical expedient as permitted under Ind AS 109. This expected credit loss allowance is computed based on a provision matrix which takes into account historical credit loss experience and adjusted for forward-looking information.

3.4.5 **Derecognition of financial asset**

The Company derecognises a financial asset when the contractual rights to the cash flows from the asset expire, or when it transfers the financial asset and substantially all the risks and rewards of ownership of the asset to another party.

3.5 **Financial liabilities and equity instruments**

3.5.1 **Classification as debt or equity**

Debt and equity instruments issued by the Company are classified as either financial liabilities or as equity in accordance with the substance of the contractual arrangements and the definitions of a financial liability and an equity instrument.

3.5.2 **Equity instruments**

An equity instrument is any contract that evidences a residual interest in the assets of an entity after deducting all of its liabilities. Incremental costs directly attributable to the issuance of new ordinary shares and share options are recognized as a deduction from equity, net of any tax effects.

3.5.3 **Financial liability**

All financial liabilities are subsequently measured at amortised cost using the effective interest method.

3.5.3.1 **Financial liabilities subsequently measured at amortised cost**

Financial liabilities that are not held-for-trading and are not designated as at FVTPL are measured at amortised cost at the end of subsequent reporting periods. The carrying amounts of financial liabilities that are subsequently measured at amortised cost are determined based on the effective interest method.

The effective interest method is a method of calculating the amortised cost of a financial liability and of allocating interest expense over the relevant reporting period. The effective interest rate is the rate that exactly discounts estimated future cash payments (including all fees paid or received that form an integral part of the effective interest rate, transaction costs and other premiums or discounts) through the expected life of the financial liability, or (where appropriate) a shorter period, to the net carrying amount on initial recognition.

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Monica

3.5.3.2 Derecognition of financial liabilities

The Company derecognises financial liabilities when, and only when, the Company's obligations are discharged, cancelled or have expired. An exchange with a lender of debt instruments with substantially different terms is accounted for as an extinguishment of the original financial liability and the recognition of a new financial liability. The difference between the carrying amount of the financial liability derecognised and the consideration paid and payable is recognised in the Statement of Profit and Loss.

3.6 Reclassification of financial assets & liabilities

The Company determines classification of financial assets and liabilities on initial recognition. After initial recognition, no reclassification is made for financial assets which are equity instruments and financial liabilities. For financial assets which are debt instruments, a reclassification is made only if there is a change in the business model for managing those assets. Changes to the business model are expected to be infrequent. The Company's senior management determines change in the business model as a result of external or internal changes which are significant to the Company's operations. Such changes are evident to external parties. A change in the business model occurs when the Company either begins or ceases to perform an activity that is significant to its operations. If the Company reclassifies financial assets, it applies the reclassification prospectively from the reclassification date which is the first day of the immediately next reporting period following the change in business model. The Company does not restate any previously recognised gains, losses (including impairment gains or losses) or interest.

3.7 Dividend

Final dividends on shares are recorded as a liability on the date of approval by the shareholders and interim dividends are recorded as a liability on the date of declaration by the Company's Board of Directors.

3.8 Changes in accounting policies and disclosures

All the Ind AS issued and notified by the Ministry of Corporate Affairs under the Companies (Indian Accounting Standards) Rules, 2015 (as amended) till the financial statements are authorised have been considered in preparing these financial statements.

3.9 Deferred tax recoverable/payable

In the regulated operations of the Company where tariff recovered from consumers is determined on cost plus return on equity, the Income tax cost is pass through cost and accordingly the Company recognises Deferred tax recoverable/ payable against any Deferred tax expense/ income. As per the opinion pronounced by the Expert Advisory Committee of The Institute of Chartered Accountants of India, the Company has recognised Deferred tax recoverable/ payable under regulatory deferral account debit/ credit balance.

3.10 Critical accounting estimates and judgements

In the application of the Company's accounting policies, management of the Company is required to make judgements, estimates and assumptions about the carrying amounts of assets and liabilities that are not readily apparent from other sources. The estimates and associated assumptions are based on historical experience and other factors that are considered to be relevant. Actual results may differ from these estimates.

The estimates and underlying assumptions are reviewed on an ongoing basis. Revisions to accounting estimates are recognised in the period in which the estimate is revised if the revision affects only that period, or in the period of the revision and future periods if the revision affects both current and future periods. Detailed information about each of these estimates and judgements is included in relevant notes together with information about the basis of calculation for each affected line item in the financial statements.

The areas involving critical estimates or judgements are:

1. Estimates used for impairment of property, plant and equipment of certain cash generating units (CGU) - Note 4
2. Estimated fair value of unquoted securities and impairment of investments - Note 6
3. Estimation of defined benefit obligation - Note 19, 26 and 31
4. Estimation of current tax and deferred tax expense (including Minimum Alternate Tax credit) - Note 38
5. Estimation of regulatory deferral account balances - Note 34
6. Estimation of provision and contingent liability - Note 19, 26 and 28
7. Estimation of impairment of financial assets - Note 11
8. Estimation of unbilled revenue - Note 13(c) and 14(a)

Estimates and judgement are continually evaluated. They are based on historical experience and other factors, including expectations of future events that may have a financial impact on the Company and that are believed to be reasonable under the circumstances.

3.11 Impact of COVID-19

Spread of second wave of Coronavirus disease (COVID-19) led to lockdown in Delhi from 19 April, 2021 which was gradually lifted during subsequent months. Due to the lockdown, economic activity in general was significantly impacted and remained much below normal level. The demand of electricity in the distribution area was subdued compared to the normal year. To manage the expected liquidity risk, the Company has taken various measures including availment of seller's side bill discounting for a portion of power purchase supplies invoices from generating companies, reprioritized capital expenditure in immediate future and extended credit period from vendors. Gradually the demand of electricity and collection is returning back to normal level, however the Company continues to closely monitor the cash flow situation and is actively working to minimize the impact of this unprecedented situation.

T R Chadha & Co. LLP * Chartered Accountants * NEW DELHI

Note 4
Property, plant and equipment and intangible assets

Accounting policy

4.1 **Property, plant and equipment**

Property, plant and equipment are stated at cost less accumulated depreciation and impairment, if any. The initial cost of an asset comprises its purchase price or construction cost and any costs directly attributable in bringing the assets to their working condition for their intended use.

Asset transferred from erstwhile DVB are stated at the transaction value notified by the Government of National Capital Territory of Delhi (GNCTD) under the Transfer Scheme. Values are assigned to different heads of individual property, plant and equipment as on the date of the transfer i.e. 1 July, 2002 as per an independent technical valuer's estimation.

With effect from 1 April, 2014, Schedule II of the Companies Act, 2013 has been notified and in accordance with Part B of Schedule II, the rate or useful life and residual value given in DERC regulations are applied for computing depreciation on assets. However, in case of assets where no useful life is prescribed in DERC regulations, the useful life and residual value as given in Part C of Schedule II of the Companies Act , 2013 is followed. Further, in case of any class of asset where useful life as estimated by management and/or certified by independent valuer is lower than DERC or Part C of Schedule II of the Companies Act, 2013 then such lower useful life is followed for computing depreciation on such asset.

As per DERC (Terms & Conditions for Determination of Tariff) Regulations,2017 notified on 31 January, 2017 applicable from financial year (FY) 2017-18 onwards, DERC has changed rate of depreciation @ 5.83% up to 12 years of useful life on plant and equipment (comprising of transformers including fixed apparatus, switch gears, lighting arresters, overhead/underground cables) and balance WDV up to 90% over remaining period of useful life of assets instead of equal rate of depreciation applicable in previous regulations. The new regulations have also changed useful life of other class of property, plant and equipment. Accordingly w.e.f. 1 April, 2017 the Company has started charging the depreciation @ 5.83% p.a. on plant and equipment whose useful life has not yet been over up to 12 years, changed useful life of other class of property plant and equipment as per new regulations.

Depreciation for the reporting period in respect of property, plant and equipment has been provided on the straight line method so as to write off the cost of the assets over the useful lives as per DERC regulations/Schedule II of the Companies Act 2013, as applicable.

Residual value is taken at the rate of 10% for assets where rate or useful life is prescribed in DERC regulations and 5% where useful life as per Part C of Schedule II of the Companies Act, 2013 is considered.

Assets (other than project assets) costing less than ₹ 5,000 where useful life is considered as per Part C of schedule II to the Companies Act, 2013 are depreciated fully in the year of first use.

Depreciation for the reporting period in respect of property, plant and equipment used for electricity generation has been provided on straight line method as per rates/ useful life prescribed in regulations notified by DERC on 31 January, 2017. The depreciation has been calculated in a manner which has the effect of depreciating 90% of the capitalized cost of each such depreciable asset.

Subsequent costs are included in the asset's carrying amount or recognised as a separate asset, as appropriate, only when it is probable that future economic benefits associated with the item will flow to the Company and the cost of the item can be measured reliably. The carrying amount of the replaced part is derecognised. Similarly, when a major inspection is performed, its cost is recognised in the carrying amount of the plant and equipment as a replacement, if the recognition criteria are satisfied.

All other repairs and maintenance are charged to the Statement of Profit and Loss during the financial period in which they are incurred.

Depreciation on subsequent expenditure on property, plant and equipment arising on account of capital improvement or other factors is provided for prospectively over the remaining useful life.

Depreciation on refurbished/revamped assets which are capitalized separately is provided for over the reassessed useful life, which is not more than the life specified in DERC regulations/Schedule II to the Companies Act, 2013, as applicable.

Based on the above, the useful life used for various class of assets are:

Description/Class of Assets	Useful life (years)
Office buildings, housing colonies	50
Temporary structures	0
Meters (including smart meters)	10
General plant & machinery, SCADA (excluding IT software/hardware), street lightening	15
SCADA IT software/hardware	6
Office furniture & related equipments (excluding communication equipment)	10
Communication Equipment	15
Batteries	5
IT equipment including software	6
Overhead lines, solar PV	25
Electrical plant & machinery (not covered in above classes)	25
Underground cables	35
Motor vehicles	10

Projects under which tangible property, plant and equipment are not yet ready for their intended use are carried at cost, comprising direct costs, other directly attributable costs of construction and attributable interest.

An item of property, plant and equipment is derecognised upon disposal or when no future economic benefits are expected to arise from the continued use of the asset. Any gain or loss arising on the disposal or retirement of an item of property, plant and equipment is determined as the difference between the sales proceeds and the carrying amount of the asset and is recognised in the Statement of Profit and Loss.

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4.2 **Intangible assets**

Intangible assets with finite useful lives that are acquired separately are carried at cost less accumulated amortisation and accumulated impairment losses. Amortisation is recognised on a straight-line basis over their estimated useful lives. The estimated useful life and amortisation method are reviewed at the end of each reporting period, with the effect of any changes in estimate being accounted for on a prospective basis.

4.3 **Impairment of tangible and intangible assets**

At the end of each reporting period, the Company reviews the carrying amounts of its tangible and intangible assets of a "Cash Generating Unit" (CGU) to determine whether there is any indication that those assets have suffered an impairment loss. Individual assets are grouped for impairment assessment purposes at the lowest level at which there are identifiable cash flows that are largely independent of the cash flows of other groups of assets. If any such indication exists, the recoverable amount of the asset is estimated in order to determine the extent of the impairment loss (if any). When it is not possible to estimate the recoverable amount of an individual asset, the Company estimates the recoverable amount of the cash-generating unit to which the asset belongs. When a reasonable and consistent basis of allocation can be identified, corporate assets are also allocated to individual cash-generating units, or otherwise they are allocated to the smallest group of cash-generating units for which a reasonable and consistent allocation basis can be identified.

Recoverable amount is the higher of fair value less costs of disposal and value in use. In assessing value in use, the estimated future cash flows are discounted to their present value using a pre-tax discount rate that reflects current market assessments of the time value of money and the risks specific to the asset for which the estimates of future cash flows have not been adjusted.

If the recoverable amount of an asset (or cash-generating unit) is estimated to be less than its carrying amount, the carrying amount of the asset (or cash-generating unit) is reduced to its recoverable amount. An impairment loss is recognised immediately in profit or loss.

When an impairment loss subsequently reverses, the carrying amount of the asset (or a cash-generating unit) is increased to the revised estimate of its recoverable amount. The increased carrying amount does not exceed the carrying amount that would have been determined had no impairment loss been recognised for the asset (or cash-generating unit) in prior years. A reversal of an impairment loss is recognised immediately in the Statement of Profit and Loss.

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Note 4.4

₹/Lakhs

Particulars	Cost					Accumulated depreciation and amortisation				Net carrying amount	
	As at 01.04.2021	Additions	Borrowing costs capitalised	Disposals	As at 31.03.2022	As at 01.04.2021	Depreciation/ amortisation expense	Eliminated on disposals	As at 31.03.2022	As at 31.03.2022	As at 31.03.2021
4.4.1 Property, plant and equipment											
(a) Buildings - Plant	32,105.18	1,206.11	13.30	-	33,324.59	10,523.88	487.67	-	11,011.55	22,313.04	21,581.30
(b) Building - Others	4,935.40	242.17	2.53	-	5,180.10	3,485.30	285.47	-	3,770.77	1,409.33	1,450.10
(c) Plant and equipment	3,28,390.03	21,388.79	95.20	6,125.07	3,43,748.95	1,45,421.90	18,658.94	4,031.65	1,60,049.19	1,83,699.76	1,82,968.13
(d) Transmission lines and cable network	3,24,344.07	17,200.31	80.47	1,047.78	3,40,577.07	1,32,069.19	14,228.28	513.99	1,45,783.48	1,94,793.59	1,92,274.88
(e) Furniture and fixtures	1,231.64	50.43	0.67	5.08	1,277.66	747.82	70.12	4.74	813.20	464.46	483.82
(f) Vehicles	3,604.37	782.58	-	587.61	3,799.34	823.43	320.78	210.69	933.52	2,865.82	2,780.94
(g) Office equipment	4,622.27	202.16	0.56	202.11	4,622.88	2,465.09	279.47	172.60	2,571.96	2,050.92	2,157.18
Total	**6,99,232.96**	**41,072.55**	**192.73**	**7,967.65**	**7,32,530.59**	**2,95,536.61**	**34,330.73**	**4,933.67**	**3,24,933.67**	**4,07,596.92**	**4,03,696.35**
As at 31.03.2021	(6,56,568.81)	(46,460.79)	(320.34)	(4,116.98)	(6,99,232.96)	(2,65,194.39)	(33,029.29)	(2,687.07)	(2,95,536.61)	(4,03,696.35)	
4.4.2 Intangible assets											
Computer software	16,982.41	310.76	-	-	17,293.17	9,091.28	1,978.83	-	11,070.11	6,223.06	7,891.13
Total	**16,982.41**	**310.76**	**-**	**-**	**17,293.17**	**9,091.28**	**1,978.83**	**-**	**11,070.11**	**6,223.06**	**7,891.13**
As at 31.03.2021	(13,624.42)	(3,357.99)	-	-	(16,982.41)	(7,539.53)	(1,551.75)	-	(9,091.28)	(7,891.13)	
Grand total	**7,16,215.37**	**41,383.31**	**192.73**	**7,967.65**	**7,49,823.76**	**3,04,627.89**	**36,309.56**	**4,933.67**	**3,36,003.78**	**4,13,819.98**	**4,11,587.48**
As at 31.03.2021	(6,70,193.23)	(49,818.78)	(320.34)	(4,116.98)	(7,16,215.37)	(2,72,733.92)	(34,581.04)	(2,687.07)	(3,04,627.89)	(4,11,587.48)	
4.4.3 Capital work-in-progress (CWIP)	**19,711.18**	**38,295.93**	**285.82**	**40,620.06**	**17,672.87**	**-**	**-**	**-**	**-**	**17,672.87**	**19,711.18**
As at 31.03.2021	(27,339.37)	(42,099.79)	(411.14)	(50,139.12)	(19,711.18)	(-)	(-)	(-)	(-)		

4.4.4 Property plant & equipment and intangible assets (movable and immovable) are hypothecated against secured borrowings of ₹ 1,95,334.80 lakhs (as at 31 March, 2021 ₹ 1,90,229.17 lakhs) {refer note 17.1(i), 23.1, 23.3}.

4.4.5 CWIP is stated at cost, net of accumulated impairment loss, if any. CWIP includes closing capital inventory of ₹ 6,664.99 lakhs (as at 31 March, 2021 ₹ 7,028.28 lakhs).

4.4.6 Carrying amount of capital inventory hypothecated as security for borrowings is ₹ 6,664.99 lakhs (net of provision of ₹ 369.77 lakhs) (as at 31 March, 2021 ₹ 6,994.97 lakhs) {refer note 17.1(i), 23.1, 23.3}.

4.4.7 During the year ended 31 March, 2022 the borrowing cost of ₹ 285.82 lakhs (as at 31 March, 2021 ₹ 411.14 lakhs) relating to capital work-in-progress includes ₹ 187.00 lakhs (as at 31 March, 2021 ₹ 208.09 lakhs) on account of capitalisation of interest expense on lease liability.

4.4.8 Depreciation and amortisation charge to Statement of Profit and Loss :

₹/Lakhs

Particulars	Year ended 31.03.2022	Year ended 31.03.2021
Depreciation on tangible assets	34,330.73	33,029.29
Add: Depreciation on right of use assets (refer note 5)	804.02	800.64
Add: Amortisation on intangible assets	1,978.83	1,551.75
Total	**37,113.58**	**35,381.68**

4.4.9 During the year ended 31 March, 2019 the property, plant and equipment relating to Rithala Power Generation Plant had been classified as assets held for sale (refer note 34.7.1).

4.4.10 The Company does not own any land in its name. The Company retain operational rights over the land and buildings used for the purpose of carrying out distribution business under a license granted by Delhi Electricity Regulatory Commission (DERC).

4.4.11 Figures in bracket represents previous year figures.

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4.4.12 There are no proceedings which have been initiated or are pending against the Company for holding any benami property under the Benami Transactions (Prohibition) Act, 1988 (45 of 1988) and rules made thereunder.

4.4.13 **Details of immovable property included in Property, plant and equipment not held in the name of the Company.**

As at 31 March, 2022

Relevant line item in the Balance sheet	Description of item of property	Gross carrying value (₹ Lakhs)	Title deeds held in the name of	Whether title deed holder is a promoter, director or relative of promoter/director or employee of promoter/director	Property held since which date	Reason for not being held in the name of the Company
Property Plant & Equipment	Land	Nil	Government of National Capital Territory of Delhi (GNCTD) {Land and buildings were transferred to company in terms of the DERA, transfer Scheme Rules 2001 on as is where is basis to be occupied and utilised for distribution business}	No	July 2002 to March 2022	The Company does not own any land in its name. The Company retain operational rights over the land and buildings used for the purpose of carrying out distribution business under a license granted by Delhi Electricity Regulatory Commission (DERC).
	Buildings - Plant	33,324.59				Post acquisition of licence, the Company has made additions on the acquired land & building whose title deeds are not held in name of the Company.
	Building - Others	5,180.10				

As at 31 March, 2021

Relevant line item in the Balance sheet	Description of item of property	Gross carrying value (₹ Lakhs)	Title deeds held in the name of	Whether title deed holder is a promoter, director or relative of promoter/director or employee of promoter/director	Property held since which date	Reason for not being held in the name of the Company
Property Plant & Equipment	Land	Nil	Government of National Capital Territory of Delhi (GNCTD) {Land and buildings were transferred to company in terms of the DERA, transfer Scheme Rules 2001 on as is where is basis to be occupied and utilised for distribution business}	No	July 2002 to March 2021	The Company does not own any land in its name. The Company retain operational rights over the land and buildings used for the purpose of carrying out distribution business under a license granted by Delhi Electricity Regulatory Commission (DERC).
	Buildings - Plant	32,105.18				Post acquisition of licence, the Company has made additions on the acquired land & building whose title deeds are not held in name of the Company.
	Building - Others	4,935.40				

4.4.14 **Age of capital work-in-progress (CWIP)**

Ageing schedule as at 31 March, 2022

₹/Lakhs

Particulars	Amount in CWIP for a period of				Total
	Less than 1 year	1-2 years	2-3 years	More than 3 years	
Projects in progress	6,896.76	1,420.50	665.93	1,774.85	**10,758.04**
Projects temporarily suspended	12.01	93.45	43.92	100.46	**249.84**
Capital inventory	4,052.23	910.09	379.73	1,322.94	**6,664.99**
Total	**10,961.00**	**2,424.04**	**1,089.58**	**3,198.25**	**17,672.87**

Ageing schedule as at 31 March, 2021

₹/Lakhs

Particulars	Amount in CWIP for a period of				Total
	Less than 1 year	1-2 years	2-3 years	More than 3 years	
Projects in progress	6,717.71	1,187.66	2,081.54	1,998.79	**11,985.70**
Projects temporarily suspended	24.68	82.23	44.64	545.65	**697.20**
Capital inventory	2,598.71	2,241.82	631.20	1,556.55	**7,028.28**
Total	**9,341.10**	**3,511.71**	**2,757.38**	**4,100.99**	**19,711.18**

4.4.15 There is no significant amount which is lying in capital-work-in progress whose completion is overdue or has exceeded its cost compared to its original plan.

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Note 5
Leases

Accounting Policy
At inception of contract, the Company assesses whether the contract is, or contains, a lease. A contract is, or contains, a lease if the contract conveys the right to control the use of an identified asset for a period of time in exchange for consideration. To assess whether a contract conveys the right to control the use of an identified asset, the Company assessed whether:
- the contract involves the use of identified asset;
- the Company has the right to obtain substantially all of the economic benefits from use of the asset throughout the period of use; and
- the Company has the right to direct the use of the asset.

At inception or on reassessment of a contract that contains a lease component, the Company allocates consideration in the contract to each lease component on the basis of their relative stand alone price.

As a lessee
(i) Right-of-use assets
The Company recognises right-of-use assets at the commencement date of the lease. Right-of-use assets are measured at cost, less any accumulated depreciation and impairment losses, and adjusted for any remeasurement of lease liabilities. The cost of right-of-use assets includes the amount of lease liabilities recognised, initial direct costs incurred, lease payments made at or before the commencement date less any lease incentives received and estimate of costs to dismantle. Right-of-use assets are depreciated on a straight-line basis over the shorter of the lease term and the estimated useful lives of the assets, as follows:

Description/Class of Assets	Lease term (years)
Land	10 (Period of license)

The Company has disclosed right-to-use assets that do not meet the definition of investment property separately in the Balance Sheet.

(ii) Lease liabilities
At the commencement date of the lease, the Company recognises lease liabilities measured at the present value of lease payments to be made over the lease term. In calculating the present value of lease payments, the Company generally uses its incremental borrowing rate at the lease commencement date if the discount rate implicit in the lease is not readily determinable.

After the commencement date, the amount of lease liabilities is increased to reflect the accretion of interest and reduced for the lease payments made. The carrying amount is remeasured when there is a change in future lease payments arising from a change in index or rate. In addition, the carrying amount of lease liabilities is remeasured if there is a modification, a change in the lease term, a change in the lease payments or a change in the assessment of an option to purchase the underlying asset.

The Company has disclosed lease liabilities separately under the head 'Financial liabilities' in the Balance Sheet.

(iii) Short term leases and leases of low value of assets
The Company applies the short-term lease recognition exemption to its short-term leases. It also applies the lease of low-value assets recognition exemption that are considered to be low value. Lease payments on short-term leases and leases of low value assets are recognised as expense on a straight-line basis over the lease term.

(iv) Disclosures under Ind AS 116
The Company has entered into lease contracts for land used in its operations. Leases of land has been considered for a lease term of 10 years however, the Company's future lease payments in respect of land leases are dependent upon extension of its distribution licence. The Company may assign and sub-lease the leased assets.

₹/Lakhs

Particulars	As at 31.03.2022	As at 31.03.2021
(a) Right-of-use assets		
Cost		
Opening balance	10,945.54	10,945.54
Add: Additions during the period/year	-	-
Closing balance	10,945.54	10,945.54
Accumulated depreciation and amortisation		
Opening balance	2,189.11	1,094.55
Add: Depreciation for the period/year	1,094.55	1,094.56
Closing balance	3,283.66	2,189.11
Net carrying amount		
Closing balance	7,661.88	8,756.43
(b) Lease liabilities		
Opening balance	9,440.67	8,665.70
Add: Interest expense accrued on lease liabilities (refer note 32)	704.52	774.97
Less: Lease liabilities paid	3,124.45	-
Closing balance	7,020.74	9,440.67
Non-current lease liabilities	6,086.30	7,020.74
Current lease liabilities	934.44	2,419.93

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₹/Lakhs

Particulars	Year ended 31.03.2022	Year ended 31.03.2021
(a) Amount recognised in Statement of Profit & Loss		
(i) Depreciation on Right-of-use assets (classified under Depreciation and amortisation expense)	804.02	800.64
(ii) Interest on lease liabilities (classified under Finance costs)	517.52	566.88
(iii) Expenses related to short term leases (classified under Other expenses)	400.91	164.19
(b) Amount transferred to capital work-in-progress		
(i) Depreciation on Right-of-use assets	290.53	293.92
(ii) Interest on lease liabilities	187.00	208.09
(c) Amount recognised in Statement of Cash Flows		
(i) Total cash outflow of leases	3,476.27	158.60

(i) The incremental rate of borrowing as at 1 April, 2019 has been considered at 8.60% p.a.
(ii) Refer note 39.3.3 for maturity analysis of lease liabilities.

As a lessor
Leases are classified as finance lease whenever the terms of the lease transfer substantially all the risks and rewards incidental to ownership to the lessee. All other leases are classified as operating lease. The Company recognises lease payments received under operating leases as income on a straight-line basis over the lease term as part of other income.

When the Company is an intermediate lessor, it accounts for its interests in the head lease and the sublease separately. The sublease is classified as a finance or operating lease by reference to the right-of-use asset arising from the head lease.

The Company has entered into operating sub-lease arrangement for its certain land. These typically have lease terms of between 1 to 3 years. The Company has recognised an amount of ₹ 117.24 lakhs as rental income for operating lease during the year ended March 31, 2022 (for the year ended 31 March, 2021 ₹ 70.09 lakhs).

Future minimum rentals receivable under operating leases as at 31 March, 2022 are as follows:

₹/Lakhs

Particulars	As at 31.03.2022	As at 31.03.2021
(i) Upto 1 year	126.67	6.28
(ii) 1 to 2 years	129.22	-
(iii) 2 to 3 years	22.65	-

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Note 6
Investments - non current

Accounting policy

6.1 **Investments in subsidiary**

A subsidiary is an entity that is controlled by the Company. Control is achieved when the Company:
- has power over the investee;
- is exposed, or has rights, to variable returns from its involvement with the investee; and
- has the ability to use its power to affect its returns.

The Company records the investments in subsidiary at cost less impairment, if any.

After initial recognition, the Company determines whether there is any objective evidence of impairment as a result of one or more events that occurred after the initial recognition of the investment in a subsidiary and that event (or events) has an impact on the estimated future cash flows from the investment that can be reliably estimated. If there exists such an objective evidence of impairment, then it is necessary to recognise impairment loss with respect to the Company's investment in a subsidiary.

When necessary, the cost of the investment is tested for impairment in accordance with Ind AS 36, Impairment of Assets, as a single asset by comparing its recoverable amount (higher of value in use or fair value less costs of disposal) with its carrying amount, any impairment loss recognised is adjusted from the cost of the investment. Any reversal of that impairment loss is recognised in accordance with Ind AS 36 to the extent that the recoverable amount of the investment subsequently increases.

Upon disposal of investment in a subsidiary, a gain or loss is recognised in the Statement of Profit and Loss and is calculated as the difference between (a) the aggregate of the fair value of consideration received and (b) the previous carrying amount of the investment in subsidiary.

	As at 31.03.2022 ₹/Lakhs	As at 31.03.2021 ₹/Lakhs
6.2 **Investments in equity instruments**		
- Investment in subsidiaries (Unquoted) - at cost less accumulated impairment, if any		
(a) Investments in fully paid-up equity shares of wholly owned subsidiary company		
NDPL Infra Limited (0.50 lakhs (as at 31 March, 2021 0.50 lakhs) equity shares of ₹ 10 each, fully paid up)	5.00	5.00
6.3 Aggregate carrying value of unquoted investments	5.00	5.00
6.4 Aggregate amount of impairment in value of investments	-	-

Note 7
Other financial assets - non current
(Unsecured and considered good, at amortised cost)

(a) Security deposits	56.93	59.78
(b) Recoverable from SVRS Trust (refer note 28.14)	21.85	25.78
	78.78	85.56

Note 8
Income tax assets (net)

Income tax (net of provision for income tax of ₹ 1,20,604.62 lakhs (as at 31 March, 2021 net of provision of income tax ₹ 1,09,366.34 lakhs))	355.03	3,247.48

Note 9
Other non-current assets
(Unsecured and considered good)

(a) Capital advances	673.16	513.21
(b) Income tax paid under protest against demand	2,321.84	2,321.84
(c) Prepaid expenses	26.66	43.35
(d) Others	97.96	79.01
	3,119.62	2,957.41

Note 10
Inventories

Accounting policy

10.1 Inventories of stores and spares and loose tools are valued at lower of cost net of provision for diminution in value or net realisable value. Costs of inventories are determined on 'Weighted Average' basis.

Components and spares inventory include items which could be issued for projects to be capitalised.

Net realisable value is the estimated selling price in the ordinary course of business less any applicable selling expenses.

	As at 31.03.2022 ₹/Lakhs	As at 31.03.2021 ₹/Lakhs
(a) Stores and spares	1,598.97	1,903.02
(b) Loose tools	99.90	75.58
	1,698.87	1,978.60
(c) Less: Allowance for non-moving inventories	287.75	295.84
	1,411.12	1,682.76

10.2 Stores and spares includes traded inventory amounting to ₹ 28.32 Lakhs
10.3 Inventories are hypothecated as security for borrowings (refer note 17.1(i), 23.1, 23.3).

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	As at 31.03.2022 ₹/Lakhs	As at 31.03.2021 ₹/Lakhs
Note 11		
Trade receivables		
(At amortised cost)		
(a) Debtors for sale of power in licensed area (refer note 11.1 below)		
(i) Considered good - secured	6,263.63	7,180.82
(ii) Considered good - unsecured	6,278.59	9,428.19
(iii) Credit impaired	14,362.83	13,932.05
	26,905.05	30,541.06
Less: Allowance for doubtful trade receivables	14,362.83	13,932.05
	12,542.22	16,609.01
(b) Debtors for sale of power other than Tata Power-DDL licensed area		
(i) Considered good - unsecured	-	285.22
(c) Other debtors		
(i) Considered good - unsecured	6,064.23	10,548.93
(ii) Credit impaired	589.54	49.60
	6,653.77	10,598.53
Less: Allowance for doubtful trade receivables	589.54	49.60
	6,064.23	10,548.93
	18,606.45	27,443.16
11.1 Government subsidy included in note 11(a)	113.53	375.76

11.2 The Company considers non-payment of trade receivables within credit period as increase in credit risk. Further, some part of these receivables is secured by security deposits made by the customers. The status of ageing of trade receivable is given in note 11.4.1.

11.3 The average credit period for the trade receivable in note 11(a) for distribution of power in license area is 15 clear days.

Late payment surcharge (LPSC) is charged at 1.5% per month on principal component for number of days of delay in receiving payment as per DERC regulations.

11.4 The Company has used a practical expedient by computing the expected credit loss allowance for trade receivables based on a provision matrix. The provision matrix takes into account historical credit loss experience and adjusted for forward looking information. The expected credit loss allowance is based on the ageing of the days the receivables (excluding government receivables in case of energy debtors) are due and the rates as given in the provision matrix. The provision matrix at the end of the reporting period is as follows:

11.4.1 **Ageing of receivables**

Expected credit loss provision matrix

(i) **Debtors for sale of power in licensed area**

Particulars	Expected Credit loss (%) As at 31.03.2022	Expected Credit loss (%) As at 31.03.2021
(a) Within the credit period	0.48%	0.56%
(b) 1-90 days past due	0.85%	1.06%
(c) 91-182 days past due	3.62%	3.80%
(d) 183 days-1 year past due	9.74%	11.54%
(e) 1-2 year past due	21.26%	23.55%
(f) 2-3 year past due	30.77%	33.75%
(g) >3 years past due	100.00%	100.00%

(ii) **Other debtors**

Particulars	Expected Credit loss (%) As at 31.03.2022	Expected Credit loss (%) As at 31.03.2021
(a) Within the credit period	0.75%	0.53%
(b) 1-90 days past due	0.74%	0.46%
(c) 91-182 days past due	0.81%	0.72%
(d) 183 days-1 year past due	2.31%	1.08%
(e) 1-2 year past due	7.27%	0.75%
(f) 2-3 year past due	14.67%	19.11%
(g) >3 years past due	50.00%	100.00%

Age of receivables

Ageing schedule as at 31 March, 2022

₹/Lakhs

Outstanding for following periods from due date of payment #	Undisputed		Disputed		Total
	Considered Good	credit impaired	Considered Good	credit impaired	
(a) Less than 6 months	7,016.19	89.27	-	435.48	7,540.94
(b) 6 months - 1 year	2,260.93	131.45	-	282.94	2,675.32
(c) 1-2 year	1,913.02	323.77	-	316.08	2,552.87
(d) 2-3 year	1,387.00	490.51	-	852.74	2,730.25
(e) More than 3 years	387.15	4,316.65	-	7,682.59	12,386.39
(f) **Total overdue**	**12,964.29**	**5,351.65**	**-**	**9,569.83**	**27,885.77**
(g) Not due	5,642.16	30.83	-	0.06	5,673.05
(h) **Total Trade Receivables (f+g)**	**18,606.45**	**5,382.48**	**-**	**9,569.89**	**33,558.82**

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Ageing schedule as at 31 March, 2021

₹/Lakhs

Outstanding for following periods from due date of payment #	Undisputed		Disputed		Total
	Considered Good	credit impaired	Considered Good	credit impaired	
(a) Less than 6 months	10,316.67	97.36	-	247.21	**10,661.24**
(b) 6 months - 1 year	3,339.24	141.12	-	109.58	**3,589.94**
(c) 1-2 year	3,103.93	447.87	-	803.31	**4,355.11**
(d) 2-3 year	2,119.19	379.59	-	889.20	**3,387.98**
(e) More than 3 years	396.95	4,085.24	-	6,752.13	**11,234.32**
(f) **Total overdue**	**19,275.98**	**5,151.18**	**-**	**8,801.43**	**33,228.59**
(g) Not due	8,167.18	28.59	-	0.45	**8,196.22**
(h) Total Trade Receivables (f+g)	**27,443.16**	**5,179.77**	**-**	**8,801.88**	**41,424.81**

where due date of payment is not available, date of the transaction has been considered.

11.4.2 **Movement in the allowance for doubtful trade receivables based on expected credit loss:**

₹/Lakhs

Particulars	**As at 31.03.2022**	**As at 31.03.2021**
Debtors for billed revenue		
Balance at beginning of the year	13,981.65	14,644.77
Additions/(reversal) in expected credit loss allowance on trade receivables calculated at lifetime expected credit losses for the year	224.84	(77.16)
Specific allowance/ (reversal) on trade receivables for the year	745.88	(585.96)
Balance at end of the year	14,952.37	13,981.65

11.5 The concentration of credit risk is limited due to the fact that the customer base is large and unrelated. There is no consumer who represents more than 5% of the total balance of trade receivables other than mentioned below:

₹/Lakhs

Particulars	**As at 31.03.2022**	**As at 31.03.2021**
Delhi Metro Rail Corporation (DMRC)	6,248.43	5,770.78
Havells India Limited	2,637.78	-*
REC Power Distribution Company Ltd (RECPDCL)	2,586.56	5,353.43

* do not fall under 5% criteria during previous year.

Note 12
Cash and bank balances

Accounting policy

12.1 Cash and cash equivalents comprise cash at banks and on hand and short-term deposits with an original maturity of three months or less, which are subject to an insignificant risk of changes in value. Cash and cash equivalents include balances with banks which are unrestricted for withdrawal and usage.

For the purpose of the Statement of Cash Flows, cash and cash equivalents consist of cash and short-term deposits, as defined above, net of outstanding bank overdrafts as they are considered an integral part of the Company's cash management.

	As at 31.03.2022 ₹/Lakhs	**As at 31.03.2021 ₹/Lakhs**
12.2 **Cash and cash equivalents**		
(a) Balances with banks - in current accounts	1,675.35	2,405.56
(b) Cheques, drafts on hand*	840.43	2,184.49
(c) Cash on hand	5.81	22.59
	2,521.59	4,612.64

* Includes balances held with vendors.

12.2.1 **Reconciliation of liabilities from financing activities:**

₹/Lakhs

Particulars	**As at 31.03.2021**	**Cash flows**		**Non-cash transactions**		**As at 31.03.2022**
		Proceeds	**Repayment**	**Additions**	**Amortisation**	
(a) Long-term borrowings (including current maturities)	2,93,303.70	55,000.00	(83,614.30)	-	-	2,64,689.40
(b) Lease liabilities (including current maturities)	9,440.67	-	(2,419.93)	-	-	7,020.74
(c) Short-term borrowings and working capital demand loans	30,785.80	5,86,585.07	(6,06,690.82)	-	-	10,680.05
(d) Cash credit and other credit facilities(net)	8,550.48	4,335.37	-	-	-	12,885.85
(e) Consumer contribution for:						
- capital works	62,469.77	5,247.29	-	-	(5,050.64)	62,666.42
- service line	17,854.89	2,880.95	-	-	(3,257.12)	17,478.72
(f) Consumer security deposits (net)	74,366.62	9,326.98	-	-	-	83,693.60
Total	**4,96,771.93**	**6,63,375.66**	**(6,92,725.05)**	**-**	**(8,307.76)**	**4,59,114.78**

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	As at 31.03.2022 ₹/Lakhs	As at 31.03.2021 ₹/Lakhs
12.3 Other balances with banks		
(a) Deposits with banks with original maturity more than 3 months upto 12 months	84.80	80.90
(b) Restricted bank deposits (Earmarked pursuant to court order or contractual obligations)	7,335.44	9,799.09
	7,420.24	9,879.99

Note 13
Other financial assets - current
(Unsecured and considered good, unless otherwise stated, at amortised cost)

(a) Security deposits	845.70	597.71
(b) Accruals		
Interest accrued on fixed deposits	73.09	105.78
(c) Unbilled revenue	41,501.51	36,534.99
(d) Others		
(i) Recoverable from SVRS Trust (refer note 28.14)	3.93	3.16
(ii) Other receivables (including recoverable against street light)	464.73	244.60
Less: Allowance for doubtful assets against street light	179.37	179.37
	285.36	65.23
	42,709.59	37,306.87

Note 14
Other current assets
(Unsecured and considered good)

(a) Unbilled revenue (contract asset)	713.20	1,909.50
(b) Prepaid insurance	801.75	769.02
(c) Prepaid expenses	903.03	1,218.97
(d) Power banking	11,318.40	4,135.40
(e) Advance to vendors	4,640.52	3,913.09
(f) Others	5,638.60	3,341.38
	24,015.50	15,287.36

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	As at 31.03.2022 ₹/Lakhs	As at 31.03.2021 ₹/Lakhs
Note 15		
Share capital		
Authorised		
12,500 lakhs (as at 31 March, 2021 12,500 lakhs) equity shares of ₹ 10/- each with voting rights.	1,25,000.00	1,25,000.00
500 lakhs (as at 31 March, 2021 500 lakhs) 12% cumulative redeemable preference shares of ₹ 100/- each without voting rights.	50,000.00	50,000.00
	1,75,000.00	1,75,000.00
Issued, subscribed and paid up		
10,520 lakhs (as at 31 March, 2021 10,520 lakhs) equity shares of ₹ 10/- each fully paid up with voting rights.	1,05,200.00	1,05,200.00

Of the above:

15.1 5,365.20 lakhs (as at 31 March, 2021 5,365.20 lakhs) i.e. 51% (as at 31 March, 2021 51%) equity shares of ₹ 10/- each with voting rights, are held by Tata Power Company Limited, the holding company.

15.2 5,154.80 lakhs (as at 31 March, 2021 5,154.80 lakhs) i.e. 49% (as at 31 March, 2021 49%) equity shares of ₹ 10/- each with voting rights, are held by Delhi Power Company Limited.

15.3 The equity shares of the Company have a par value of ₹ 10/- each. Each shareholder is eligible for one vote per share held. In the event of liquidation of the Company, the holders of equity shares will be entitled to receive any of the remaining assets of the Company in proportion to the number of equity shares held by the shareholders, after distribution of all preferential amounts.

15.4 Reconciliation of the number of shares and amount outstanding at the beginning and at the end of the reporting period:

Particulars	As at 31.03.2022		As at 31.03.2021	
	No. of Shares Lakhs	Amount ₹/Lakhs	No. of Shares Lakhs	Amount ₹/Lakhs
At the beginning of the year	10,520.00	1,05,200.00	5,520.00	55,200.00
Add: Bonus share issued during the year	-	-	5,000.00	50,000.00
Outstanding at the end of the year	**10,520.00**	**1,05,200.00**	**10,520.00**	**1,05,200.00**

15.5 **Shareholding of Promoters**

Shares held by promoters at the end of the year				% of Change during the year
Sr. No.	Promoter Name	No. of Shares (In Lakhs)	% of total Shares	
1	The Tata Power Company Limited	5,365.20	51%	Nil
2	Delhi Power Company Limited	5,154.80	49%	Nil
Total		10,520.00	100%	Nil

15.6 During the current year, the Company has paid final dividend of ₹ 1.20 per share on fully paid equity shares for FY 2020-21 amounting to ₹ 12,624.00 lakhs upon approval of shareholders in Annual General Meeting dated 21 June, 2021. During the previous year ended 31 March, 2021, the Company had paid final dividend of ₹ 2.40 per share on fully paid equity shares for FY 2019-20 amounting to ₹ 13,248.00 lakhs. The Finance Act 2020 has repealed the Dividend Distribution Tax (DDT). Companies are now required to pay/distribute dividend after deducting applicable taxes.

15.7 For the year ended 31 March, 2022 the Board of Directors at its meeting held on 22 April, 2022 have proposed a final dividend of ₹ 1.20 per share to be paid on fully paid equity shares. The equity dividend is subject to approval by shareholders at the ensuing Annual General Meeting and has not been disclosed as a liability in these financial statements. The proposed equity dividend is payable to all holders of fully paid equity shares. The total estimated equity dividend to be paid is ₹ 12,624.00 lakhs.

15.8 During previous year, the board of directors in their meeting held on 25 November, 2020 and the shareholders of the Company in their Extra-Ordinary General Meeting (EGM) held on 4 December, 2020 have approved to increase the authorised share capital of the Company from ₹ 1,25,000 lakhs to ₹ 1,75,000 lakhs by creation of additional 5,000 lakhs equity shares of ₹ 10/- each. It has also been approved to issue 5,000 lakhs new bonus equity shares of ₹ 10/- each (amounting to ₹ 50,000 lakhs) at par to the Tata Power Company Limited (TPCL) and Delhi Power Company Limited (DPCL) in proportion to their existing shareholding in the Company i.e. 51% to TPCL (2,550 lakhs equity shares of ₹ 10/- each fully paid) and 49% to DPCL (2,450 lakhs equity shares of ₹ 10/- each fully paid) by utilisation of capital redemption reserve of ₹ 50,000 lakhs. The issue of bonus equity shares has been approved by share allotment committee in the meeting held on 12 March, 2021.

	As at 31.03.2022 ₹/Lakhs	As at 31.03.2021 ₹/Lakhs
Note 16		
Other equity		
16.1 **Capital redemption reserve**		
(a) Opening balance	-	50,000.00
(b) Add : Amount transferred from retained earnings (net)	-	-
(c) Less: Bonus shares issued (refer note 15.8)	-	50,000.00
(d) Closing balance	-	-
16.2 **General reserve**		
(a) Opening balance	9,150.00	9,150.00
(b) Add : Amount transferred from retained earnings (net)	-	-
(c) Closing balance	9,150.00	9,150.00
16.3 **Retained earnings**		
(a) Opening balance	2,62,659.78	2,32,962.45
(b) Add : Additions during the year	43,903.87	42,945.33
(c) Less : Payment of dividend on equity share capital (refer note 15.6)	12,624.00	13,248.00
(d) Closing balance	2,93,939.65	2,62,659.78
	3,03,089.65	2,71,809.78

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Nature and purpose of reserves:

Capital redemption reserve
Capital redemption reserve represents amounts set aside on redemption of preference shares. The reserve is utilised in accordance with the provisions of section 69 of the Companies Act, 2013 for issuance of bonus equity shares.

General reserve
General reserve is used from time to time to transfer profits from retained earnings for appropriation purposes. As the general reserve is created by a transfer from one component of equity to another and is not an item of other comprehensive income, items included in the general reserve will not be reclassified subsequently to Statement of Profit and Loss.

Retained earnings
Retained earnings are the profits of the Company earned till date net of appropriations.

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Note 17
Long-term borrowings

	As at 31.03.2022 ₹/Lakhs	As at 31.03.2021 ₹/Lakhs
17.1 Secured - at amortised cost		
(i) Term loans from banks		
(a) Axis Bank	6,428.71	4,595.00
(b) Bank of Baroda	5,000.00	6,666.67
(c) Canara Bank	15,486.11	23,680.56
(d) HDFC Bank	69,979.17	79,368.05
(e) Indian Bank*	15,677.08	43,385.42
(f) Punjab National Bank	14,375.00	16,875.00
(g) Punjab & Sind Bank	14,790.00	16,875.00
(h) State Bank of India	56,875.00	39,375.00
Total long-term borrowings	1,98,611.07	2,30,820.70

* Allahabad Bank merged with Indian Bank with effect from 1 April, 2020.

17.2 Current maturities of long-term borrowings

For the current maturities of long-term borrowings, refer note 23.3(a), Short Term Borrowings. Current maturities of long term borrowings includes repayment to be made before due date of 12 months, due date being a holiday.

17.3 Terms of repayment

17.3.1 Secured - at amortised cost

₹/Lakhs

S. No.		Name of Bank	Refer note for security	As at 31.03.2022	FY 2022-23	FY 2023-24	FY 2024-25	FY 2025-26	FY 2026-27	FY 2027-28 to FY 2031-32
- Term loans from banks										
(a)	i	Axis Bank	17.7	4,595.00	4,595.00	-	-	-	-	-
	ii	Axis Bank	17.7	9,285.71	2,857.00	2,857.00	2,857.00	714.71	-	-
(b)	i	Bank of Baroda	17.7	6,666.67	1,666.67	1,666.67	1,666.67	1,666.66	-	-
(c)	i	Canara Bank	17.6	1,388.89	1,111.11	277.78	-	-	-	-
	ii	Canara Bank	17.6	5,000.00	2,500.00	2,500.00	-	-	-	-
	iii	Canara Bank	17.6	5,625.00	1,250.00	1,250.00	1,250.00	1,250.00	625.00	-
	iv	Canara Bank	17.7	11,666.66	3,333.33	3,333.33	3,333.33	1,666.67	-	-
(d)	i	HDFC Bank	17.6	8,125.00	1,250.00	1,250.00	1,250.00	1,250.00	1,250.00	1,875.00
	ii	HDFC Bank	17.6	8,437.50	1,250.00	1,250.00	1,250.00	1,250.00	1,250.00	2,187.50
	iii	HDFC Bank	17.6	2,708.33	833.33	833.33	833.33	208.34	-	-
	iv	HDFC Bank	17.6	18,750.00	2,500.00	2,500.00	2,500.00	2,500.00	2,500.00	6,250.00
	v	HDFC Bank	17.6	10,000.00	-	-	1,250.00	1,250.00	1,250.00	6,250.00
	vi	HDFC Bank	17.7	3,888.89	2,222.22	1,666.67	-	-	-	-
	vii	HDFC Bank	17.7	9,000.00	4,000.00	4,000.00	1,000.00	-	-	-
	viii	HDFC Bank	17.7	2,708.34	833.34	833.33	833.33	208.34	-	-
	ix	HDFC Bank	17.7	8,750.00	2,500.00	2,500.00	2,500.00	1,250.00	-	-
	x	HDFC Bank	17.7	17,000.00	4,000.00	4,000.00	4,000.00	4,000.00	1,000.00	-
(e)	i	Indian Bank	17.6	6,250.00	1,250.00	1,250.00	1,250.00	1,250.00	1,250.00	-
	ii	Indian Bank	17.7	5,468.75	3,125.00	2,343.75	-	-	-	-
	iii	Indian Bank	17.7	5,000.00	1,666.67	1,666.67	1,666.66	-	-	-
	iv	Indian Bank	17.7	6,666.66	1,666.66	1,666.67	1,666.67	1,666.66	-	-
(f)	i	Punjab National Bank	17.6	16,875.00	2,500.00	2,500.00	2,500.00	2,500.00	2,500.00	4,375.00
(g)	i	Punjab & Sind Bank	17.6	5,000.00	1,250.00	1,250.00	1,250.00	1,250.00	-	-
	ii	Punjab & Sind Bank	17.7	3,750.00	3,750.00	-	-	-	-	-
	iii	Punjab & Sind Bank	17.7	3,125.00	2,500.00	625.00	-	-	-	-
	iv	Punjab & Sind Bank	17.7	5,000.00	2,500.00	2,500.00	-	-	-	-
	v	Punjab & Sind Bank	17.7	9,583.00	1,668.00	1,668.00	1,668.00	1,668.00	1,668.00	1,243.00
(h)	i	State Bank of India	17.6	5,625.00	2,500.00	2,500.00	625.00	-	-	-
	ii	State Bank of India	17.6	18,750.00	2,500.00	2,500.00	2,500.00	2,500.00	2,500.00	6,250.00
	iii	State Bank of India	17.6	20,000.00	-	2,500.00	2,500.00	2,500.00	2,500.00	10,000.00
	iv	State Bank of India	17.6	20,000.00	2,500.00	2,500.00	2,500.00	2,500.00	2,500.00	7,500.00
		Total		2,64,689.40	66,078.33	56,188.20	42,649.99	33,049.38	20,793.00	45,930.50

17.4 Installments for all the term loans are on quarterly basis.

17.5 The closing rate of interest for term loans from banks ranges from 6.95% to 7.35%. The rate of interest for term loans from banks are subject to reset annually except the term loan from Punjab & Sind Bank on quarterly reset, HDFC Bank (refer note 17.3.1 (d (x))) on half-yearly reset. Term loan from HDFC Bank (refer note 17.3.1 (d (v))) has fixed rate of interest at 6.95% for the entire term of 10 years.

17.6 Secured against first pari-passu charge on all present and future property, plant and equipment and intangible assets (movable and immovable) including stores & spares and third pari-passu charge on all present and future receivables.

17.7 Secured against fourth pari-passu charge on all present and future receivables including regulatory deferral account balances.

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Note 18
Other financial liabilities - non current
(At amortised cost)

	As at 31.03.2022 ₹/Lakhs	As at 31.03.2021 ₹/Lakhs
(a) Security deposits		
(i) Consumers' security deposit	78,178.80	69,570.36
(ii) Others	698.08	479.65
(b) Retention money payable	246.23	230.08
	79,123.11	70,280.09

Note 19
Provisions - non current

Accounting policy

A provision is recognised if, as a result of a past event, the Company has a present legal or constructive obligation that can be estimated reliably, and it is probable that an outflow of economic benefits will be required to settle the obligation.

The amount recognised as a provision is the best estimate of the consideration required to settle the present obligation at the end of the reporting period, taking into account the risks and uncertainties surrounding the obligation. When a provision is measured using the cash flows estimated to settle the present obligation, its carrying amount is the present value of those cash flows (when the effect of the time value of money is material).

When some or all of the economic benefits required to settle a provision are expected to be recovered from a third party, a receivable is recognised as an asset if it is virtually certain that reimbursement will be received and the amount of the receivable can be measured reliably.

	As at 31.03.2022 ₹/Lakhs	As at 31.03.2021 ₹/Lakhs
Provision for employee benefits		
(a) Compensated absences	5,537.35	5,601.91
(b) Other employee benefits	133.83	139.36
	5,671.18	5,741.27

19.1 Other employee benefits represent pension liability to VSS employees.

19.2 **Defined contribution plan**

(i) **Provident fund plan and employees state insurance scheme**
The Company makes contribution towards Provident Fund which is a defined contribution retirement benefit plan for qualifying employees. The Company's contribution to the Employees Provident Fund is deposited by the Company under the Employees Provident Fund and Miscellaneous Provisions Act, 1952 which is recognised by the Income Tax authorities. The provident fund plan is operated by the Regional Provident Fund Commissioner. Under the scheme, the Company is required to contribute a specified percentage of payroll cost to the retirement benefit scheme to fund the benefits. The Company has no obligation, other than the contribution payable to the respective fund. The contributions payable to these plans by the Company are at rates specified in the rules of the schemes.

The Company makes contribution towards Employee State Insurance Scheme (ESIS) which is a defined contribution benefit plan for qualifying employees. The Company's contribution to the ESIS is deposited by the Company under the Employees State Insurance Act, 1948.

(ii) **Pension and leave salary contribution**
The Company makes contributions towards pension and leave salary to a defined contribution retirement plan for erstwhile DVB employees. The Company's contribution is deposited into the DVB Employees Terminal benefit Fund 2002 ('the Trust') as per the transfer scheme on the basis of the Fundamental Rules and Service Rules (FRSR Rules).

On account of Defined Contribution Plans, a sum of ₹ 4,193.05 lakhs (for the year ended 31 March, 2021 ₹ 4,331.77 lakhs) has been charged to the Statement of Profit and Loss during the year.

19.3 **Defined benefit plan (Gratuity plan)**

The gratuity liability arises on retirement, withdrawal, resignation and death of an employee. The aforesaid liability is calculated on the basis of fifteen days salary (i.e. last drawn basic salary) for each completed year of service subject to completion of two years service.

19.4 **Policy for recognising actuarial gains and losses**

Actuarial gains and losses of defined benefit plan arising from experience adjustments and effects of changes in actuarial assumptions are immediately recognised in other comprehensive income.

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19.5 Risks associated with the plan provisions are actuarial risks. These risks are investment risk, interest rate risk, demographic risk and salary escalation risk.

(a) **Investment risk:**
The probability or likelihood of occurrence of losses relative to the expected return on any particular investment.

(b) **Interest rate risk:**
The plan exposes the Company to the risk of fall in interest rates. A fall in interest rates will result in an increase in the ultimate cost of providing the above benefit and will thus result in an increase in the value of the liability (as shown in financial statements).

(c) **Demographic risk:**
The Company has used certain mortality and attrition assumptions in valuation of the liability. The Company is exposed to the risk of actual experience turning out to be worse compared to the assumption.

(d) **Salary escalation risk:**
The present value of the defined benefit plan is calculated with the assumption of salary increase rate of plan participants in future. Deviation in the rate of increase of salary in future for plan participants from the rate of increase in salary used to determine the present value of obligation will have a bearing on the plan's liability.

19.6 The following tables set out the funded status of the gratuity plan and amounts recognised in the Company's financial statements as at 31 March, 2022. The valuation has been carried out using the Project Unit Credit Method as per Ind AS 19 "Employee Benefits" to determine the present value of defined benefit obligations and the related current service cost and, where applicable, past service cost.

₹/Lakhs

Particulars	**Gratuity (Funded)**	
	As at 31.03.2022	**As at 31.03.2021**
(i) **Net liability arising from defined benefit obligation**	**370.73**	**27.16**
(ii) **Change in benefit obligations:**		
(a) Present value of obligations as at 1 April	4,164.90	4,357.23
(b) Current service cost	364.23	371.32
(c) Interest expense or cost	278.75	267.64
(d) Remeasurement (gains)/losses: Actuarial (gains)/losses	(39.71)	(226.88)
(e) Benefits Paid	628.12	604.41
(f) Transfer in liability (group transfer cases)	25.70	-
Present value of defined benefit obligation as at 31 March (a+b+c+d-e+f)	**4,165.75**	**4,164.90**
(iii) **Change in plan assets**		
(a) Fair Value of Plan Assets as at 1 April	4,137.74	3,792.76
(b) Investment income	267.02	227.44
(c) Employer's Contribution	-	751.91
(d) Remeasurement (gains)/losses:		
- Return on plan assets (excluding amounts included in net interest expense)	18.38	(29.96)
(e) Benefits Paid	628.12	604.41
Fair value of plan asset as at 31 March (a+b+c+d-e)	**3,795.02**	**4,137.74**

(iv) **Expenses recognised in the Statement of Profit and Loss**

₹/Lakhs

Particulars	**Gratuity (Funded)**	
	Year ended 31.03.2022	**Year ended 31.03.2021**
(a) Current service cost	364.23	371.33
(b) Net interest expense/(income)	11.73	40.20
(c) Other adjustments	11.68	(46.32)
Defined benefit cost recognised in the Statement of Profit and Loss (a+b+c)	**387.64**	**365.21**

(v) **Amount recognised in other comprehensive income (remeasurements)**

₹/Lakhs

Particulars	**Gratuity (Funded)**	
	Year ended 31.03.2022	**Year ended 31.03.2021**
(a) Actuarial (gains)/losses arising from:		
- changes in demographic assumptions	24.39	79.76
- changes in financial assumptions	(186.87)	(197.01)
- experience adjustments	122.77	(109.63)
(b) Return on plan assets (excluding amounts included in net interest expense)	(18.38)	29.96
Components of defined benefit costs recognised in other comprehensive income (a+b)	**(58.09)**	**(196.92)**

(vi) **Principal actuarial assumptions:**

Particulars	**Notes**	**Year ended 31.03.2022**	**Year ended 31.03.2021**
Financial assumptions:			
(a) Discount Rate (per annum)	1.	7.20%	6.75%
(b) Salary growth rate (per annum)	2.	8.00%	8.00%

Notes:

1. **Discount Rate**: The discount rate indicated above reflects the estimated timing and currency of benefit payments. It is based on the yields/rates available on government bonds as on the current valuation date.

2. **Salary growth rate:** The salary growth rate indicated above is the Company's best estimate of an increase in salary of the employees in future years, determined considering the general trend in inflation, seniority, promotions, past experience and other relevant factors such as demand and supply in employment market, etc.

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Particulars	Year ended 31.03.2022	Year ended 31.03.2021
Demographic assumptions:		
(a) Normal retirement age	60 years	60 years
(b) Mortality rate	100% of Indian Assured Lives Mortality (2012-2014)	100% of Indian Assured Lives Mortality (2012-2014)
(c) Withdrawal rate (per annum)	5%	6%

(vii) **Major categories of plan assets as a percentage of total plan assets:**

Particulars	As at 31.03.2022	As at 31.03.2021
Government of India Securities	83.73%	79.55%
Debt instruments	10.37%	14.41%
Equity and preference shares	3.94%	5.85%
Other deposits	0.08%	0.19%
	98.12%	**100.00%**

The Company's liability on account of gratuity is ascertained by actuarial valuer and planned assets of the Company are managed by Life Insurance Corporation of India in terms of an insurance policy taken to fund obligations of the Company with respect to its gratuity plan. The difference between the liability ascertained on account of gratuity by Life Insurance Corporation of India and actuarial valuer is provided for in the financial statements of the Company.

The categories of plan assets as a percentage of total plan assets is based on information provided by Life Insurance Corporation of India with respect to its investment pattern for group gratuity fund for investments managed in total for several other companies.

(viii) **Sensitivity Analysis**

Significant actuarial assumptions for the determination of the defined benefit obligation are discount rate, expected salary increase and mortality. The sensitivity analysis below have been determined based on reasonably possible changes of the assumptions occurring at the end of the reporting period, while holding all other assumptions constant.

1. Changes in defined benefit obligation due to 1% increase/decease in discount rate, if all other assumptions remain constant:

₹/Lakhs

Particulars	As at 31.03.2022	As at 31.03.2021
(a) Decrease in defined benefit obligation due to 1% increase in discount rate	401.27	384.19
(b) Increase in defined benefit obligation due to 1% decrease in discount rate	470.96	449.20

2. Changes in defined benefit obligation due to 1% increase/decease in expected salary growth rate, if all other assumptions remain constant:

₹/Lakhs

Particulars	As at 31.03.2022	As at 31.03.2021
(a) Decrease in defined benefit obligation due to 1% decrease in expected salary growth rate	401.96	383.36
(b) Increase in defined benefit obligation due to 1% increase in expected salary growth rate	462.53	439.18

Changes in defined benefit obligation due to 1% increase/decease in mortality rate, if all other assumptions remain constant is insignificant.

The sensitivity analysis presented above may not be representative of the actual change in the defined benefit obligation as it is unlikely that the change in assumptions would occur in isolation of one another as some of the assumptions may be correlated.

There is no change in the method of the valuation for the prior period. For change in assumptions please refer to table in (vi) above, where assumptions for prior period, if applicable, are given.

(ix) **Effect of plan on Company's future cash flows**

(a) Funding arrangements and funding Policy

The Company has purchased an insurance policy to provide payment of gratuity to the employees. Every year, the insurance company carries out a funding valuation based on the latest employee data provided by the Company. Any deficit in the assets arising as a result of such valuation is funded by the Company.

(b) The expected maturity analysis of undiscounted defined benefit obligation is as follows

(₹/Lakhs)

Particulars	As at 31.03.2022	As at 31.03.2021
Upto 1 year	252.00	300.26
1 - 2 year	282.79	273.36
2 - 3 year	324.45	311.49
3 - 4 year	275.40	325.38
4 - 5 year	359.27	316.38
More than 5 years	8,997.26	7,931.90
Total	**10,491.17**	**9,458.77**
Weighted average duration of the defined benefit obligation	11 years	10 years

(c) The contribution expected to be made by the Company during the financial year 2022-23 is ₹ 724.32 lakhs.

(d) The actual return on plan assets is ₹ 285.40 lakhs (for the year ended 31 March, 2021 ₹ 197.48 lakhs).

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19.7 **Principal actuarial assumptions for long-term compensated absences**

(i) **Financial assumptions:**

Particulars	Notes	Year ended 31.03.2022	Year ended 31.03.2021
(a) Discount rate (per annum)	1.	7.20%	6.75%
(b) Salary growth rate (per annum)	2.	8.00%	8.00%

Notes:

1. **Discount rate**: The discount rate indicated above reflects the estimated timing and currency of benefit payments. It is based on the yields / rates available on applicable bonds as on the current valuation date.
2. **Salary growth rate:** The salary growth rate indicated above is the Company's best estimate of an increase in salary of the employees in future years, determined considering the general trend in inflation, seniority, promotions, past experience and other relevant factors such as demand and supply in employment market, etc.

(ii) **Demographic assumptions:**

Particulars	Year ended 31.03.2022	Year ended 31.03.2021
(a) Normal retirement age	60 years	60 years
(b) Mortality rate	100% of Indian Assured Lives Mortality (2012-2014)	100% of Indian Assured Lives Mortality (2012-2014)
(c) Withdrawal rate (per annum)	5%	6%
(d) Rate of leave availment (per annum)	4%	4%
(e) Rate of leave encashment during employment (per annum)	4%	4%

Note 20
Capital grants

Accounting policy

Government grants are recognised if there is reasonable assurance that the assistance will be received and the conditions attached to assistance will be complied. Where the grant relates to a specified asset, it is recognised as deferred income, and amortised over the expected useful life of the asset. Other grants relating to revenue are recognised in the Statement of Profit and Loss.

Where the Company receives non-monetary grants, the asset and the grant are recorded gross at fair value and released to the Statement of Profit and Loss over the expected useful life and pattern of consumption of the benefit of the underlying asset.

	As at 31.03.2022 ₹/Lakhs	As at 31.03.2021 ₹/Lakhs
(i) Opening balance	433.68	506.66
(ii) Less: Amortisation during the year	70.00	72.98
(iii) Closing balance	363.68	433.68

Note 21
Contributions for capital works and service line charges

Accounting policy

Refer note 29.2 for accounting policy on contrbutions for capital works and service line charges.

Deferred revenue

21.1 **Capital works**

(i) Opening balance	62,469.77	66,073.50
(ii) Add : Additions during the year	5,247.29	2,798.28
(iii) Less: Amortisation during the year	5,050.64	4,713.08
(iv) Less: Refund during the period/year (refer note 21.3)	-	1,688.93
(v) Closing balance	62,666.42	62,469.77

21.2 **Service line charges**

(i) Opening balance	17,854.89	18,504.80
(ii) Add : Additions during the year	2,880.95	2,602.21
(iii) Less: Amortisation during the year	3,257.12	3,252.12
(iv) Closing balance	17,478.72	17,854.89
Total contribution for capital works and service line charges	**80,145.14**	**80,324.66**

21.3 Delhi Electricity Regulatory Commission (DERC) had made an amendment in schedule of charges & the procedure under Delhi Electricity Regulatory Commission (Supply Code and Performance Standards) Regulations, 2017, dated 31 August, 2017, with respect to the Service Line cum Development (SLD) charges to be collected from unelectrified area for taking new electricity connection at LT supply for the connections upto 200KW/215 KVA. As per the amendment, SLD charges to be collected from unelectrified area for new connection has been reduced w.e.f. 1 September, 2017. The Company ~~has~~ ~~adjusted~~/ refunded the difference amount of SLD charges already collected at the rates for un-electrified area and estimated SLD charges to be collected as per the rates for electrified area applicable as on date of application.

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	As at 31.03.2022 ₹/Lakhs	As at 31.03.2021 ₹/Lakhs
Note 22		
Other non current liabilities		
Consumers' deposits for works and service line charges	40,522.69	27,352.66
Note 23		
Short-term borrowings		
23.1 **Secured - at amortised cost**		
From Banks		
(a) Cash credit	1,665.82	1,054.02
(b) Working capital demand loan		
(i) Punjab National Bank	-	2,175.00
(ii) Yes Bank	1,600.00	1,600.00
	1,600.00	3,775.00
	3,265.82	4,829.02
23.2 **Unsecured - at amortised cost**		
From Banks		
(a) Unsecured credit facilities		
(i) Axis Bank	11,220.03	7,496.46
	11,220.03	7,496.46
(b) Short term loan		
(i) HDFC Bank	-	10,000.00
	-	10,000.00
(c) Working capital demand loan		
(i) Axis Bank	80.05	17,000.00
(ii) IDFC First Bank	-	10.80
(iii) HDFC Bank	9,000.00	-
	9,080.05	17,010.80
	20,300.08	34,507.26
23.3 **Current maturities of long-term borrowings (refer note 17)**		
Secured - at amortised cost		
(a) Term loans from banks		
(i) Axis Bank	7,452.00	9,858.00
(ii) Bank of Baroda	1,666.67	1,666.67
(iii) Canara Bank	8,194.44	9,861.11
(iv) HDFC Bank	19,388.89	17,138.89
(v) Indian Bank	7,708.33	7,708.33
(vi) Punjab National Bank	2,500.00	2,500.00
(vii) Punjab & Sind Bank	11,668.00	10,000.00
(viii) State Bank of India	7,500.00	3,750.00
	66,078.33	62,483.00
Total short-term borrowings	**89,644.23**	**1,01,819.28**

23.4 **Secured credit facilities**

The Company has availed secured cash credit limits of ₹ 22,800 lakhs from four banks i.e. State Bank of India, Punjab National Bank, Yes Bank and HDFC Bank, presently at an interest rate ranging from 6.95% to 7.90% per annum. 60% of the sanctioned cash credit limit of banks has to be first utilised as working capital demand loan in order to avail cash credit facility. These facilities are secured against first pari-passu charge on all present and future property, plant and equipment and intangible assets (movable and immovable) including stores and spares and third pari-passu charge on all present and future receivables.

The Company has availed secured Short term facility limits of ₹ 20,000 lakhs in the form of STL (₹ 10,000 lakhs) & Invoice financing (₹ 10,000 lakhs) from Deutsche Bank. STL facility has been availed at an interest rate ranging from 5.30% to 5.90% per annum during the financial year. The STL facility (which is fungible) can be utilised for any amount lower than or equal to ₹ 20,000 lakhs, for a period of minimum 7 days upto maximum 1 year. During the financial year, the tenor for utilization of STL ranges from 7 days to 77 days. The facility is secured against first pari-passu charge on all present and future property, plant and equipment and intangible assets (movable and immovable) including stores and spares and third pari-passu charge on all present and future receivables.

23.5 **Unsecured credit facilities**

The Company has unsecured fund based credit facilities of ₹ 30,000 lakhs from Axis Bank, ₹ 15,000 lakhs from Canara Bank and ₹ 10,000 lakhs for HDFC Bank, presently at an interest rate of 7.35%, 7.35% and 4.40% per annum respectively. 60% of the sanctioned limit of banks has to be first utilised as working capital demand loan in order to avail such facility.

The Company has unsecured overdraft facilities of ₹ 200 lakhs from IDFC First Bank, presently at an interest rate of 8.30%.

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23.6 **Unsecured - Term loans - from other parties**

(a) Commercial paper

During the current year, the Company has issued and repaid commercial paper as follows:

Particulars		Units	FY 2021-22
(i)	Date of issue		07.05.2021
(ii)	Repayment date		06.08.2021
(iii)	Discount rate	% p.a	4.10%
(iv)	Amount	₹/Lakhs	14,848.23
(v)	Face value	₹/Lakhs	15,000.00

(b) Short term loan

During the current year, the Company has availed and/or repaid short term loan as follows:

S. no.	Name of the bank	Disbursement taken on	Repayment date	Interest Rate (% p.a.)	Amount (₹ Lakhs)
(i)	HDFC Bank	26.02.2021	25.08.2021	4.40%	10,000.00
(ii)	Karnataka Bank	25.05.2021	13.09.2021	6.60%	5,000.00
(iii)	Karnataka Bank	05.06.2021	29.09.2021	6.60%	5,000.00

23.7 The information/ statement of current assets filed by the Company with banks are in agreement with the books of accounts and there are no material variations.

Note 24
Trade payables (at amortised cost)

		As at 31.03.2022 ₹/Lakhs	As at 31.03.2021 ₹/Lakhs
(a)	Total outstanding dues of micro enterprises and small enterprises	2,518.77	2,511.46
(b)	Total outstanding dues of creditors other than micro enterprises and small enterprises	1,21,346.26	1,15,820.96
		1,23,865.03	1,18,332.42

24.1 As at 31 March, 2022 trade payables include bill discounting of ₹ 13,371.66 lakhs (as at 31 March, 2021 ₹ 24,685.57 lakhs). To manage the expected liquidity risk due to Covid-19, the Company has availed seller's side bill discounting facility for a portion of power purchase and transmission supplies invoices from generating and transmission companies. As per said bill discounting arrangement, bill discounting charges including interest will be borne by the Company and the Company will make payment of these bills payable on due date to the designated bank account on behalf of vendor. In case of any default/non-payment of bills on due date, suppliers are liable towards their bankers and the Company is liable towards suppliers for payment of dues.

24.2 The average credit period on purchases from long-term power purchase arrangement ranges from 30 days to 60 days. Thereafter, interest is charged which generally ranges from 1.25% per month to 1.5% per month on the unpaid amount. In addition, Ministry of Power , Govt. of India vide Gazette Notification dated 22 February, 2021 has notified LPSC rate as marginal cost of funds based lending rate for one year of the State Bank of India, as applicable on the 1st April of the financial year in which the default period lies, plus five percent. Rebate is generally available @ 1.5% if payment is made within 5 days from the presentation of bill as per CERC Regulation and @ 2% if payment is made within 2 days from the presentation of bill as per DERC Regulation or @ 1% if payment is made within 30 days from date of presentation. In some cases day-wise rebate is also available. In case of short-term power purchase arrangement, credit period ranges from 1 day to 30 days.

24.3 Micro and small enterprises under the Micro, Small and Medium Enterprises Development Act, 2006 have been determined based on the information available with the Company and the required disclosures are given below:

₹/Lakhs

Particulars		As at 31.03.2022	As at 31.03.2021
(a)	Principal amount remaining unpaid as at 31 March	2,518.77	2,511.46
(b)	Interest due thereon as at 31 March	-	-
(c)	The amount of interest paid in terms of section 16 of the Micro, Small and Medium Enterprises Development Act, 2006 (27 of 2006), along with the amounts of the payment made to the supplier beyond the appointed day during each accounting year.	-	-
(d)	The amount of interest due and payable for the period of delay in making payment (which has been paid but beyond the appointed day during the period) but without adding the interest specified under the Micro, Small and Medium Enterprises Development Act, 2006.	-	-
(e)	The amount of interest accrued and remaining unpaid as at 31 March	-	-
(f)	The amount of further interest due and payable even in the succeeding years, until such date when the interest dues as above are actually paid to the small enterprise.	-	-

24.4 **Age of payables**

Ageing schedule as at 31 March, 2022

₹/Lakhs

Outstanding for following periods from due date of payment #		Undisputed		Disputed		Total
		MSME *	Others	MSME *	Others	
(a)	Less than 1 year	-	254.97	-	-	**254.97**
(b)	1-2 year	-	298.30	9.90	-	**308.20**
(c)	2-3 year	-	232.68	11.86	34.85	**279.39**
(d)	More than 3 years	-	185.68	-	197.34	**383.02**
(e)	Trade payables which are not due	2,497.01	1,01,416.96	-	4.85	**1,03,918.82**
(f)	**Total**	**2,497.01**	**1,02,388.59**	**21.76**	**237.04**	**1,05,144.40**
(g)	Unbilled trade payables					**18,720.63**
(h)	**Total Trade Payable (f+g)**					**1,23,865.03**

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Ageing schedule as at 31 March, 2021

₹/Lakhs

Outstanding for following periods from due date of payment #	Undisputed		Disputed		Total
	MSME *	Others	MSME *	Others	
(a) Less than 1 year	-	217.10	11.20	-	**228.30**
(b) 1-2 year	-	245.61	12.80	35.05	**293.46**
(c) 2-3 year	-	155.82	-	-	**155.82**
(d) More than 3 years	-	103.13	-	301.18	**404.31**
(e) Trade payables which are not due	2,487.46	80,051.37	-	-	**82,538.83**
(f) **Total**	**2,487.46**	**80,773.03**	**24.00**	**336.23**	**83,620.72**
(g) Unbilled trade payables					**34,711.70**
(h) **Total Trade Payable (f+g)**					**1,18,332.42**

* Micro & small enterprise
# where due date of payment is not available, date of the transaction has been considered.

	As at 31.03.2022 ₹/Lakhs	As at 31.03.2021 ₹/Lakhs
Note 25		
Other financial liabilities - current		
(At amortised cost)		
(a) Security deposits		
(i) Consumers' security deposit	5,514.80	4,796.26
(ii) Others	1,042.33	806.64
	6,557.13	5,602.90
(b) Interest accrued but not due on borrowings	539.64	822.07
(c) Retention money payable	3,669.39	3,785.74
(d) Payables on purchase of property, plant and equipment	643.75	1,570.14
(e) Earnest money deposits	115.39	101.77
(f) Consumers' deposits for works	4,874.73	5,486.40
(g) Others	3,596.74	954.61
	19,996.77	18,323.63
Note 26		
Provisions - current		
Provision for employee benefits		
(a) Compensated absences (refer note 19)	890.33	963.97
(b) Defined benefit plans (Gratuity) (refer note 19)	370.73	27.16
(c) Other employee benefits (refer note 26.1)	16.55	17.48
	1,277.61	1,008.61

26.1 Other employee benefits represent pension liability to VSS employees.
26.2 Refer note 19 for accounting policy on provisions.

	As at 31.03.2022 ₹/Lakhs	As at 31.03.2021 ₹/Lakhs
Note 27		
Other current liabilities		
(a) Income received in advance	1,754.20	1,347.13
(b) Statutory dues	9,894.25	7,732.97
(c) Advance from consumers	10,732.71	8,586.53
(d) Advance government subsidy (to be adjusted upon billing)	3,026.46	-
(e) Payable for Pension Trust Surcharge (including unbilled)	2,012.95	1,918.49
(f) Others	251.44	264.01
	27,672.01	19,849.13

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Note 28
Contingent liabilities and commitments
(to the extent not provided for)

Accounting policy
A possible obligation that arises from past events and the existence of which will be confirmed only by the occurrence or non-occurrence of one or more uncertain future events not wholly within the control of the enterprise are disclosed as contingent liability and not provided for. Such liability is not disclosed if the possibility of outflow of resources is remote.

A contingent asset is a possible asset that arises from past events and whose existence will be confirmed only by the occurrence or non-occurrence of one or more uncertain future events not wholly within the control of the entity. Contingent assets are not recognised but disclosed only when an inflow of economic benefits is probable.

₹/Lakhs

Particulars	As at 31.03.2022	As at 31.03.2021
Contingent liabilities*		
28.1 Claims against the Company not acknowledged as debts:		
(i) Legal cases filed by consumers, employees and others under litigation	4,991.36	3,578.43
(ii) Water charges demand raised by Delhi Jal Board (DJB)	-	71.69
28.2 Liabilities arising out of litigation etc. due to provisions of Transfer Scheme pursuant to Delhi Electricity Reforms Act, 2002	100.00	100.00
28.3 Direct taxation matters for which liability, relating to issues of deductibility and taxability, is disputed by the Company and provision is not made (computed on the basis of assessments which have been re-opened and assessments remaining to be completed):		
(i) Matters on which decisions with the CIT(A) and various appellate authorities are pending	1,397.61	1,397.61
(ii) Interest demanded (as per demand order and appeal effect order)	939.82	929.50
(iii) Total demand (i+ii)	2,337.43	2,327.11
(iv) Out of the above demand, amount paid under protest/adjusted by Income Tax authorities	2,013.84	2,013.84
The above does not include any amount where the Income Tax department has preferred an appeal against issues already decided in favour of the Company.		
28.4 Indirect taxation matters relating to sales tax, service tax, GST where demand is under contest before judicial/appellate authorities	72.91	72.91
28.5 Claims of power suppliers, not acknowledged as expense and credits	25,179.13	20,947.48
28.6 Demand for interest on delayed payment of land license fee raised by Department of Power (Govt. of NCT Delhi) challenged by the Company before the High Court	273.72	450.20
28.7 Environmental compensation notice issued by Delhi Pollution Control Committee (DPCC)	50.00	50.00
28.8 Additional provident fund contribution (including interest and damages) payable by the Company pursuant to the Supreme Court order dated 28 February, 2019 in case the amendment is applied retrospectively w.e.f. April, 2014	1,616.04	1,413.38
28.9 Way leave charges demanded by North DMC on the installation and laying services carried out by the Company in North DMC periphery	1,348.23	1,348.23
*No provision is considered necessary since the Company expects favourable decisions.		
Commitments		
28.10 Estimated amount of contracts remaining to be executed on capital account (net of advances) and not provided for	20,485.74	26,917.28

28.11 As detailed in note 34.7.1 on Rithala Power Generation Plant, the Company has challenged the DERC Order dated 11 November, 2019 before APTEL for allowance of balance depreciation along with other associated claims i.e. interest on debt, return on equity (RoE) etc. which is yet to be disposed off. Based on legal opinion and internal analysis, the management is hopeful of favourable judgement.

28.12 Due to COVID-19 and lock down imposed from 25 March, 2020, there has been decrease in demand and delay in collection towards the end of March, 2020 which has impacted the expected billing and collection efficiency for the financial year 2019-20. Consequently, it has impact on incentive/disincentive on overachievement /underachievement of AT&C targets as per tariff regulations for financial year 2019-20. Upon drop in demand and collection, the DERC has clarified to Discoms regarding treatment of this unprecedented calamity as 'force majeure' condition under the provision of DERC (Supply Code and Performance Standards) Regulations, 2017 and has stated that the standard of performance shall remain suspended during lockdown period. The Commission has assured that targets of billing and collection efficiency for financial year 2019-20 will be re-considered at the time of true-up of ARR for financial year 2019-20 subject to prudence check.

In the detailed true-up order for the financial year 2019-20 issued on 12 October, 2021, the DERC has allowed AT&C incentive towards overachievement of billing efficiency, however no incentive/disincentive has been considered towards collection efficiency. In addition, DERC has also changed the entitlement of O&M expense on actual basis instead of normative which has resulted in reduction in company's O&M allowance. Since the company has challenged various disallowances in the tariff order and got stay against the tariff order from APTEL, therefore, the impact of said AT&C incentive & consequential O&M disallowance has not been recorded in the books of accounts till the adjudication of matter which is next listed for hearing on 22 April, 2022.

28.13 The Code on Social Security 2020 has been notified in the Official Gazette on 29th September, 2020. The Code is not yet effective and related rules are yet to be notified. Impact if any of the change will be assessed and recognized in the period in which said Code becomes effective and the rules framed thereunder are notified.

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28.14 The Company had introduced a Voluntary Separation Scheme (VSS) for its employees in December 2003, in response to which initially 1,798 employees were separated. The early retirement of these employees led to a dispute between the Company and the DVB Employees Terminal Benefit Fund, 2002 ('the Trust') with respect to payout of retirement benefits that these employees were eligible for. The Trust is of the view that its liability to pay retiral benefits arises only on the employee attaining the age of superannuation or on death, whichever is earlier.

The Company filed a writ petition with the Hon'ble Delhi High Court which pronounced its judgement on 2 July, 2007 on this issue and provided two options to the Discoms for paying retiral benefits to the Trust. The Company chose the option whereby the Discoms were required to pay to the Trust an 'Additional Contribution' on account of premature payout by the Trust which shall be computed by an Arbitral Tribunal of Actuaries to be appointed within a stipulated period. The matter was further challenged by the Trust before Hon'ble Supreme Court, however, no interim relief has been granted by the Hon'ble Supreme Court. Till date no Arbitral Tribunal of Actuaries has been appointed and therefore, no liability has been recorded based on option chosen by the Company.

While the above referred writ petition was pending, the Company had already advanced ₹ 7,774.35 lakhs to the Special Voluntary Retirement Scheme Retirees Terminal Benefit Fund, 2004 Trust (SVRS Trust) for payment of retiral dues to separated employees. In addition to the payment of retiral benefits/residual pension to the SVRS Trust, in pursuant to the order of the Hon'ble Delhi High Court dated 2 July, 2007 the Company also paid interest @ 8% per annum, ₹ 801.27 lakhs in the financial year 2008-09 thereby increasing the total contribution to the SVRS Trust to ₹ 8,575.62 lakhs recorded as recoverable from SVRS Trust. As the Company was entitled to get reimbursement against advanced retiral benefit amount on superannuation age, the Company had recovered/adjusted ₹ 8,549.84 lakhs as at 31 March, 2022 (as at 31 March, 2021 ₹ 8,546.68 lakhs), leaving a balance recoverable ₹ 25.78 lakhs as at 31 March, 2022 (as at 31 March, 2021 ₹ 28.94 lakhs) from the SVRS Trust which includes current portion of ₹ 3.93 lakhs (as at 31 March, 2021 ₹ 3.16 lakhs).

28.15 The liability stated in the opening Balance Sheet of the Company as per the Transfer Scheme as on 1 July, 2002 in respect of consumers' security deposit was ₹ 1,000 lakhs. The Company had engaged an independent agency to validate the sample data in digitized form of consumer security deposit received by the erstwhile DVB from its consumers. As per the validation report submitted by this agency the amount of security deposit received from consumers aggregated to ₹ 6,670.51 lakhs. The Company has been advised that as per the Transfer Scheme, the liability in excess of ₹ 1,000 lakhs towards refund of the opening consumer deposits and interest thereon is not to the account of the Company. Since the GNCTD was of the view that the aforesaid liability is that of the Company, the matter was referred to Delhi Electricity Regulatory Commission (DERC). During the year 2007-08, DERC vide its letter dated 23 April, 2007 conveyed its decision to the GNCTD upholding the Company's view. As GNCTD has refused to accept the DERC decision as binding on it, the Company has filed a writ petition in the Hon'ble Delhi High Court and the matter was made regular on 24 October, 2011. No stay has been granted by the High Court in the matter for refund of consumer security deposits and payment of interest thereon.

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Note 29
Revenue recognition

Accounting policy

Revenue from contracts with customers is recognised when control of the goods or services are transferred to the customer at an amount that reflects the consideration to which the Company expects to be entitled in exchange for those goods or services.

Revenue is measured based on the consideration specified in a contract with a customer and excludes amounts collected on behalf of third parties. There is no significant judgement involved while evaluating the timing as to when customers obtain control of promised goods and services.

29.1 **Sale of power**

Revenue from the supply of power is recognised net of any trade discounts, cash rebates, etc. when the power is supplied and units of electricity are delivered as it best depicts the value to the customer and complete satisfaction of performance obligation.

Revenue from power supply is accounted for on the basis of billings to consumers and includes unbilled revenues accrued up to the end of the reporting period. Revenue from power supply is recognised net of the applicable taxes which the Company collects from the customer on behalf of the government/state authorities. Revenue from such contracts is recognised over time for each unit of electricity delivered at the pre-determined rate.

The Company, as per the prevalent Delhi Electricity Regulatory Commission (Terms and Conditions for Determination of Wheeling Tariff and Retail Supply Tariff) Regulations (referred as 'Tariff Regulations') for distribution business, is required to recover its Annual Revenue Requirement (ARR) comprising of expenditure on account of power purchase costs, operations & maintenance expenses, financing cost, as per the said regulations and an assured return on DERC approved equity with additional incentive on over achievement of distribution loss and collection efficiency targets. As per the said Tariff Regulations, the Company determines the ARR and any excess/shortfall in recovery of ARR during the year is accounted for in "Regulatory Deferral Account Balance".

In respect of power generation, the Company is entitled to recover fuel cost, operations and maintenance expenses and other cost along with return on equity as stated in Delhi Electricity Regulatory Commission (Terms and Conditions for Determination of Generation Tariff) Regulations subject to the availability factor.

Revenue in respect of the following is recognised as and when recovered because its ultimate collection is uncertain:
(a) Late Payment Surcharge (LPSC) on electricity billed
(b) Bills raised for dishonest abstraction of power
(c) Interest on Unscheduled Interchange (UI).

29.2 **Contribution for capital works & service line charges**

Consumer's contribution towards cost of capital assets and service line charges is treated as capital receipt and credited in liabilities until transferred to a separate account on commissioning of the assets and installation of connection respectively. An amount equivalent to the depreciation charge for the year on such assets is appropriated from this account as income to the Statement of Profit and Loss over the useful life of the assets.

29.3 **Rendering of Services**

Revenue from a contract to provide consultancy services is recognised based on:

Input method : The extent of progress towards completion is measured based on the ratio of costs incurred to date to the total estimated costs at completion of performance obligation. Revenue, including estimated fees or profits, are recorded proportionally based on measure of progress.

Output method : Direct measurements of value to the customer based on the survey of performance completed to date.

		Year ended 31.03.2022 ₹/Lakhs	Year ended 31.03.2021 ₹/Lakhs
29.4	**Revenue from operations**		
29.4.1	**Revenue from sale of power and open access**		
(a)	Sale of power	7,81,783.37	7,16,312.55
	Less: rebate availed by consumers	-	97.02
	Less: energy tax	30,385.19	27,642.74
		7,51,398.18	6,88,572.79
(b)	Income from open access charges	2,428.55	1,604.28
		7,53,826.73	6,90,177.07
29.4.2	**Other operating revenue**		
(a)	Amortisation of service line charges	3,257.12	3,252.12
(b)	Commission on		
	- DVB arrears collection	0.41	2.06
	- Energy tax collection	891.55	824.30
(c)	Maintenance charges (refer note 29.4.2(i))	1,250.26	1,324.93
(d)	Amortisation of capital grants	70.00	72.98
(e)	Amortisation of consumer contribution for capital works	5,050.64	4,713.08
(f)	Miscellaneous operating income	442.56	336.51
		10,962.54	10,525.98
		7,64,789.27	7,00,703.05

29.4.2(i) Includes incentive on street light maintenance of ₹ 115.50 lakhs pertaining to financial year 2021-22 (for the year ended 31 March, 2021 ₹ 109.56 lakhs).

29.5 **Other income**

Accounting Policy
- Interest income

Interest income from a financial asset is recognised when it is probable that the economic benefits will flow to the Company and the amount of income can be measured reliably. Interest income is accrued on a time basis, by reference to the principal outstanding and at the effective interest rate applicable, which is the rate that exactly discounts estimated future cash receipts through the expected life of the financial asset to that asset's net carrying amount on initial recognition.

		Year ended 31.03.2022 ₹/Lakhs	Year ended 31.03.2021 ₹/Lakhs
(a)	Late payment surcharge	2,190.86	2,480.43
(b)	Interest Income	698.82	228.84
(c)	Gain on sale/fair value of mutual fund investment measured at FVTPL	0.58	5.50
(d)	Foreign exchange fluctuation gain (net)	0.74	-
(e)	Income other than energy business	6,585.88	8,684.18
(f)	Excess provisions write back (refer note 29.5.1)	6,417.35	-
(g)	Other non-operating income	263.78	203.13
		16,158.01	11,602.08

29.5.1 During previous years, the actual pay-out of performance pay and incentive to employees were lower than the provision created in books. Accordingly, the company has reversed excess provision of ₹ 6,417.35 lakhs during the year ended 31 March, 2022.

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29.6 Disaggregation of revenue

Revenue recognised from contracts with customers mainly comprises of sale of power from distribution and retail supply of electricity in the North & North-west Delhi wherein nature, amount, timing and uncertainty of revenue is in accordance with prevailing DERC regulations and tariff order.

Set out below is the disaggregation of the Company's revenue from contracts with customers:

₹/Lakhs

Particulars	Year ended 31.03.2022	Year ended 31.03.2021
(A) Revenue from contracts with customers		
- Based on nature of goods/services		
(i) Distribution of power		
(a) Sale of power (net of energy tax)	7,51,398.18	6,88,669.81
Less: rebate availed by consumers	-	97.02
	7,51,398.18	6,88,572.79
(b) Income from open access charges	2,428.55	1,604.28
(c) Late payment surcharge	2,190.86	2,480.43
(d) Amortisation of service line charges	3,257.12	3,252.12
(e) Commission on		
- DVB arrears collection	0.41	2.06
- Energy tax collection	891.55	824.30
(f) Maintenance charges	1,250.26	1,324.93
(g) Amortisation of consumer contribution for capital works	5,050.64	4,713.08
(h) Miscellaneous income	474.52	372.85
(ii) Business Development (Project management and other consultancy services)	6,468.64	8,614.09
	7,73,410.73	**7,11,760.93**
(B) Other revenue		
(i) Distribution/generation of power		
(a) Amortisation of capital grants	70.00	72.98
(b) Interest income	698.82	228.84
(c) Others	231.82	166.79
(ii) Business Development (Project management and other consultancy services)	117.24	70.09
(iii) Others		
(a) Gain on sale/fair value of mutual fund investment measured at FVTPL	0.58	5.50
(b) Excess provisions write back	6.417.35	-
(c) Foreign exchange fluctuation gain (net)	0.74	-
	7,536.55	**544.20**
Total revenue	**7,80,947.28**	**7,12,305.13**

29.7 Contract Balances

The following table provides information about receivables, contract assets and contract liabilities from contract with customers:

₹/Lakhs

Particulars	As at 31.03.2022	As at 31.03.2021
Contract assets		
Unbilled revenue other than passage of time (refer note 14(a))	713.20	1,909.50
Total contract assets	**713.20**	**1,909.50**
Contract liabilities		
Income received in advance (refer note 27(a))	1,754.20	1,347.13
Advance from consumers (refer note 27(c))	10,732.71	8,586.53
Deferred revenue from consumers -		
Consumers' deposits for works and service line charges (refer note 22 & 25 (f))	45,397.42	32,839.06
Total contract liabilities	**57,884.33**	**42,772.72**
Receivables		
Trade receivables (gross) (refer note 11)	33,558.82	41,424.81
Unbilled revenue for passage of time (refer note 13(c))	41,501.51	36,534.99
Less : Allowances for doubtful debts (refer note 11)	14,952.37	13,981.65
Net receivables	**60,107.96**	**63,978.15**

29.7.1 Contract assets and contract liabilities

Contract asset is the right to consideration in exchange for goods or services transferred to the customer.
A contract liability is the obligation to transfer goods or services to a customer for which the Company has received consideration (or an amount of consideration is due) from the customer. If a customer pays consideration before the Company transfers goods or services to the customer, a contract liability is recognised when the payment is made or the payment is due (whichever is earlier). Contract liabilities are recognised as revenue when the Company performs under the contract including advance received from customer.

Contract assets are transferred to receivables when the rights become unconditional and contract liabilities are recognised as and when the performance obligation is satisfied.

Significant changes in the contract assets and the contract liabilities balances during the year are as follows:

₹/Lakhs

Particulars	Contract Assets	
	As at 31.03.2022	As at 31.03.2021
- Unbilled revenue other than passage of time		
Opening balance as at 1 April	1,909.50	2,320.07
Add: Revenue recognised during the year apart from above	3,081.15	4,527.64
Less: Transfer from contract assets to receivables	4,277.45	4,938.21
Closing Balance	**713.20**	**1,909.50**

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₹/Lakhs

Particulars	Contract Liabilities					
	As at 31.03.2022			As at 31.03.2021		
	Income received in advance	Advance from consumers	Deferred Revenue	Income received in advance	Advance from consumers	Deferred Revenue
Opening balance as at 1st April	1,347.13	8,586.53	32,839.06	1,273.93	7,893.43	34,229.56
Revenue recognised during the year from balance at the beginning of the year	(1,100.23)	(5,283.36)	-	(1,089.46)	(5,245.82)	-
Advance received during the year not recognised as revenue	1,507.30	7,429.54	20,686.60	1,162.66	5,938.92	2,321.06
Transfer from contract liabilities upon satisfaction of performance obligation	-	-	(8,128.24)	-	-	(3,711.56)
Closing Balance	**1,754.20**	**10,732.71**	**45,397.42**	**1,347.13**	**8,586.53**	**32,839.06**

29.8 **Transaction price - remaining performance obligation**

The remaining performance obligation represents disclosure of aggregate amount of the transaction price yet to be recognised as at the end of the reporting period and an explanation as to when the Company expects to recognise these amounts in revenue. Remaining performance obligation estimates are subject to change and are affected by several factors, including terminations, changes in the scope of contracts, periodic revalidations and adjustment for revenue that has not materialised.

The aggregate value of performance obligations for project management and other consultancy projects that are unsatisfied or partially satisfied as at 31 March, 2022 is ₹ 10,759.33 lakhs (as at 31 March, 2021 is ₹ 19,295.33 lakhs). Out of this, the Company expects to recognise revenue of around 49.53% (as at 31 March, 2021 38.11%) within next one year and the remaining thereafter on contract-by-contract basis based on extent of progress of the projects.

Note 30
Power purchase cost

30.1 The Company has entered into power purchase agreements based on projected demand of power to be supplied to the consumers. During certain time slots, the power arranged may be in excess of the actual demand and in some time slots, the demand may exceed prior arrangements. In the event power procured exceeds demand, since the same cannot be stored, is either sold through bilateral arrangements or allowed to be drawn by other utilities from the Grid at an Unscheduled Interchange (UI) charge. During the current year, the Company has sold/under-drawn 1,855.62 million units (for the year ended 31 March, 2021 810.80 million units) of power to/in favour of other utilities. The power purchase cost of ₹ 5,95,691.96 lakhs (for the year ended 31 March, 2021 ₹ 5,30,625.73 lakhs) is net of sale of power/UI receivables ₹ 74,723.89 lakhs (for the year ended 31 March, 2021 ₹ 24,990.12 lakhs), rebate on power purchase ₹ 7,879.88 lakhs (for the year ended 31 March, 2021 ₹ 5,932.70 lakhs) and excludes in-house power generation cost.

30.2 Power generation companies such as NTPC have been raising power purchase bills from their coal based generating station to beneficiaries based on the coal price as charged by coal companies, however, Gross Calorific Value (GCV) of coal on received basis used for calculation of Energy Charge Rate (ECR) was not in accordance with the price paid for the coal with a grade slippage to the tune of 5-8 bands. In various judgments by Central Electricity Regulatory Commission (CERC) i.e. in petition no. 33/MP/2014 and 283/GT/2014 on this issue, CERC had ordered that there cannot be significant variation in GCV of coal at the loading point and unloading point at site. The matter of excess charges refund by Gencos had been further taken up by the Company through a separate petition 311/MP/2015 at CERC which is currently under adjudication.

In the GCV matter, NTPC has admitted 5 grade slippage in the Gross Calorific Value (GCV) of coal received from CIL used for calculation of Energy Charge Rate (ECR). Also, in compliance with the CERC directives in petition no. 311/MP/2015, NTPC furnished the invoices for coal and transportation which also substantiated the fact that there was grade slippage to the tune of 4-7 grades. Hence, the Company has computed the difference of estimated excess bill charged by NTPC coal based power generating stations including Aravali Jhajjar (NTPC comprises of around 50% of the total coal station allocation to the Company) for the period April, 2014 to August, 2017 (in line with CERC Regulations 14-19) amounting to ₹ 1,48,350 lakhs approx. (unaudited) and the same has been submitted in CERC under affidavit on 24 November, 2017. The Grade slippage matter in Petition No. 311/MP/2015 was listed on 11 April,2019 which was adjourned and next date of hearing is yet to be notified.

30.3 **Bilateral Power Purchase Agreement**
The Company has made bilateral arrangements with other power utilities to bank power or vice versa and take back or return the same over the agreed period. The Delhi Electricity Regulatory Commission (DERC) has directed to treat the normative cost of power banking transaction at weighted average variable cost of all long term sources of power purchase of relevant year. Details of power banked during the year ended 31 March, 2022 are as follows:

Particulars	Year ended 31.03.2022	Year ended 31.03.2021
	Receivable MU's	Receivable MU's
(a) Opening balance as at 1 April	147.31	128.93
(b) Power banked (Outflow)	468.00	200.35
(c) Power due against banked	473.04	206.22
(d) Power receipt against opening	147.31	128.93
(e) Power receipt against current year transactions	36.72	58.91
(f) Balance receivable {(a)+(c)-(d)-(e)}	436.32	147.31

Note 31
Employee benefits expense (net)

Accounting policy

Employee benefits include salaries and wages, provident fund, gratuity, compensated absences and other terminal benefits.

31.1 **Defined contribution plans**

The Company's contribution to provident fund, etc. is considered as defined contribution plan and is charged as an expense based on the amount of contribution required to be made when services are rendered by the employees. The Company has categorised defined contribution plan for different employees into two categories:

31.1.1 **Erstwhile DVB Employees:**
The Company's contributions into the DVB Employees Terminal benefit Fund 2002 ('the Trust') for the erstwhile DVB Employees as per the Transfer Scheme are defined contribution plans. Provisions for contributions towards all terminal/retirement benefits including gratuity, pension and leave encashment on separation of erstwhile DVB employees are made on the basis of the Fundamental Rules and Service Rules (FRSR Rules) as determined by the trustees of the Trust. Payments to defined contribution retirement benefit schemes are charged as an expense as they fall due.

31.1.2 **Employees other than from Erstwhile DVB:**
The Company makes contribution towards provident fund to a defined contribution retirement benefit plan for qualifying employees. The Company's contribution to the Employees Provident Fund is deposited by the Company under the Employees Provident Fund and Miscellaneous Provisions Act, 1952 which is recognised by the Income Tax authorities. The provident fund plan is operated by the Regional Provident Fund Commissioner. Under the scheme, the Company is required to contribute a specified percentage of payroll cost to the retirement benefit scheme to fund the benefits.

The Company makes contribution towards Employee State Insurance Scheme (ESIS), a defined contribution benefit plan for qualifying employees. The Company's contribution to the ESIS is deposited by the Company under the Employees State Insurance Act, 1948.

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31.2 **Defined benefit plans**

31.2.1 **Employees other than from Erstwhile DVB:**

The Company's gratuity plan is a defined benefit plan. The present value of the obligation under such defined benefit plan is determined based on actuarial valuation using the projected unit credit method, which recognises each reporting period of service as giving rise to additional unit of employee benefit entitlement and measures each unit separately to build up the final obligation. The obligation is measured at the present value of the estimated future cash flows. The discount rate used for determining the present value of the obligation under defined benefit plans, is based on the prevailing market yields on government securities as at the Balance Sheet date.

Remeasurement, comprising actuarial gains and losses, the effect of the changes to the asset ceiling (if applicable) and the return on plan assets (excluding net interest), is reflected immediately in the Balance Sheet with a charge or credit recognised in Other Comprehensive Income in the reporting period in which they occur. Remeasurement recognised in Other Comprehensive Income is reflected immediately in retained earnings and is not reclassified to the Statement of Profit and Loss. Past service cost is recognised in the Statement of Profit and Loss in the period of a plan amendment. Net interest is calculated by applying the discount rate at the beginning of the reporting period to the net defined benefit liability or asset. Defined benefit costs are categorised as follows:

(a) Service cost (including current service cost, past service cost, as well as gains and losses on curtailments and settlements);

(b) Net interest expense or income; and

(c) Remeasurement

The Company presents the first two components of defined benefit costs in the Statement of Profit and Loss in the line item 'Employee benefits expense'. Curtailment gains and losses are accounted for as past service costs.

The Company has taken the group policy with Life Insurance Corporation of India (LIC) to meet its obligation towards gratuity.

The Company contributes all ascertained liabilities to a gratuity fund administered through a separate trust which is governed by board of trustees. The board of trustee comprises of the officers of the Company.

The retirement benefit obligation recognised in the Balance Sheet represents the actual deficit or surplus in the Company's defined benefit plans. Any surplus resulting from this calculation is limited to the present value of any economic benefits available in the form of refunds from the plans or reductions in future contributions to the plans.

31.3 **Short-term employee benefits**

Short term employee benefits are recognised as an expense at the undiscounted amount in the Statement of Profit and Loss of the reporting period in which the related service is rendered. These benefit includes performance incentive, salaries and wages, bonus and leave travel allowance.

31.4 **Other long-term employee benefits**

31.4.1 **Employees other than from Erstwhile DVB employees:**

Benefits comprising compensated absences as per the Company policy constitute other long term employee benefits. The liability for compensated absences is provided on the basis of an actuarial valuation done by an independent actuary at the reporting period end. Actuarial gains and losses are recognised immediately in the Statement of Profit and Loss.

31.4.2 **Erstwhile DVB Employees:**

The liability for retirement pension payable to the VSS optees till their respective dates of normal retirement or death (whichever is earlier) is provided on the basis of an actuarial valuation done by an independent actuary at the year-end. Actuarial gains and losses are recognised immediately in the Statement of Profit and Loss.

		Year ended 31.03.2022 ₹/Lakhs	Year ended 31.03.2021 ₹/Lakhs
(a)	Salaries, allowances and incentives	47,170.56	45,610.12
(b)	Contribution to provident and other funds (refer note 19 and 26)	5,488.48	5,716.14
(c)	Seventh pay commission revision for previous years	-	5,901.66
(d)	Staff welfare expenses	3,225.60	2,795.85
(e)	Other personnel cost	1,120.11	1,466.10
		57,004.75	61,489.87
	Less: Transferred to capital work-in-progress	5,445.43	5,808.63
		51,559.32	55,681.24
(f)	Pension and other payment to VSS and other retirees (refer note 28.14)	13.14	31.25
		51,572.46	55,712.49

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NOTE 32
Finance costs

Accounting policy

Borrowing Costs
Borrowing costs incurred for qualifying assets are capitalised up to the date the asset is ready for intended use, based on borrowings incurred specifically for financing the asset or the weighted average rate of all other borrowings if no specific borrowings have been incurred for the asset.

All other borrowing costs are recognised in the Statement of Profit and Loss in the reporting period in which they accrue.

		Year ended 31.03.2022 ₹/Lakhs	Year ended 31.03.2021 ₹/Lakhs
(a)	On borrowings - carried at amortised Cost		
	(i) Interest on term loan (gross)	19,854.87	22,908.08
	Less: Capitalised (refer note 32.1)	291.55	523.39
	Interest on term loans (net)	19,563.32	22,384.69
	(ii) Interest on cash credit accounts/short-term borrowings	3,934.11	5,698.08
(b)	Interest on lease liability (gross)	704.52	774.97
	Less: Capitalised	187.00	208.09
	Interest on lease liability (net)	517.52	566.88
(c)	Interest on consumer security deposits	5,464.97	5,558.75
(d)	Other borrowing costs	53.56	179.07
(e)	Other interest	2,871.70	3.51
		32,405.18	34,390.98

32.1 The weighted average capitalisation rate used to determine the amount of borrowing costs eligible for capitalisation is 7.27% per annum (for the year ended 31 March, 2021 8.01% per annum).

32.2 Interest on consumer security deposits

As per the provisions of Section 47(4) of the Electricity Act, 2003 interest on consumer security deposits is payable at the bank rate or more as per the notification by State Commission. During the year 2017, Delhi Electricity Regulatory Commission (DERC) had amended Delhi Electricity Regulatory Commission (Supply Code and Performance Standards) Regulations, 2017 through notification in the Official Gazette and as per Clause 20(3) of the Regulations, interest is payable on consumer security deposits at Marginal Cost of Fund based Lending Rate (MCLR) as notified by State Bank of India prevailing on the 1 April of that financial year.

In view of the fact that the matter of liability on account of opening consumer security deposits in excess of ₹ 1,000 lakhs (as at 31 March, 2021 ₹ 1,000 lakhs) transferred to the Company as per the Transfer Scheme is sub-judice and no stay has been granted on payment of interest on and/or refund of opening consumer security deposits in excess of ₹ 1,000 lakhs (as at 31 March, 2021 ₹ 1,000 lakhs), the Company has provided interest expense aggregating to ₹ 5,464.97 lakhs (for the year ended 31 March, 2021 ₹ 5,558.75 lakhs) during the year on the outstanding consumer security deposits received by the Company since takeover of business in July, 2002 and also on the estimated total consumer security deposits received by the erstwhile DVB as per the Company's records. Out of the above interest expenditure, an amount of ₹ 188.77 lakhs (for the year ended 31 March, 2021 ₹ 208.59 lakhs) would be recoverable from DPCL if the Company's contention is upheld by the Hon'ble High Court that the Company's liability for interest payment/refund on account of opening consumer security deposits is only to the extent of ₹ 1,000 lakhs liability transferred to it as per the statutory transfer scheme.

32.3 The company receives deposit from the customers for undertaking various capital works as per applicable tariff regulations. DERC has passed an order dated 5 December, 2019 directing the company to refund the unspent amount of deposits. Aggrieved by the said order, the Company has filed a petition with the APTEL where the unspent amount has been offered as means of finance in the tariff. The judgment was pronounced by APTEL on 31 August, 2021. Based on the APTEL judgement, certain information was sought by DERC and the company has submitted the desired information to DERC. Pending implementation of this judgement by DERC, the company has worked out the refund liability which is subject to final reconciliation with customers and created an interest provision of ₹ 2,436.71 lakhs on the unspent amount.

Note 33
Other expenses

		Year ended 31.03.2022 ₹/Lakhs	Year ended 31.03.2021 ₹/Lakhs
Operating and maintenance expenses			
(a)	Stores and spares consumed (net of recoveries)	4,809.59	4,182.64
(b)	Repairs and maintenance:		
	(i) Building	540.82	522.77
	(ii) Plant and equipment	9,670.76	9,307.37
	(iii) Others	5,461.11	5,242.39
(c)	Loss on disposal of property, plant and equipment	1,817.57	220.56
		22,299.85	19,475.73
Administrative and general expenses			
(a)	Communication expenses	237.18	239.82
(b)	Printing and stationery	240.43	168.43
(c)	Legal and professional charges		
	- Legal expenses (refer note 33.1)	1,940.19	1,047.65
	- Professional charges (refer note 33.2)	506.37	457.62
(d)	Travelling and conveyance	462.48	318.58
(e)	Insurance	821.73	795.64
(f)	Advertisement, publicity and business promotion	171.20	197.87
(g)	Corporate social responsibility expenses (excluding 5% admin. exp.) (refer note 33.3)	1,103.99	1,057.85
(h)	Rent and hire charges	90.42	115.42
(i)	Rates and taxes	605.80	682.54
(j)	Freight, handling and packing expenses	56.11	43.88
(k)	Bill collection and distribution expenses	815.47	703.50
(l)	Postage and courier charges	19.36	18.21
(m)	EDP expenses	1,370.58	1,228.84
(n)	Housekeeping expenses	1,064.65	1,019.21
(o)	Foreign exchange fluctuation loss (net)	-	10.25
(p)	Bad debts written off/(written back)	422.84	1,505.24
(q)	Allowance for doubtful debts	412.36	(938.77)
(r)	Miscellaneous expenses	1,071.03	1,279.44
		11,412.19	9,951.22
	Total other expenses	33,712.04	29,426.95

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33.1 Out of total Legal expenses of ₹ 1,940.19 lakhs (for the year ended 31 March, 2021 ₹ 1,047.65 lakhs), an amount of ₹ 623.94 lakhs (for the year ended 31 March, 2021 ₹ 245.00 lakhs) pertains to legal expenses where the Company has challenged DERC's orders/Regulations at various forums.

33.2 **Auditors remuneration***

Professional charges include auditor's remuneration as follows:

₹/Lakhs

Particulars	Year ended 31.03.2022	Year ended 31.03.2021
(a) For statutory audit	45.00	62.70
(b) For tax audit	-	8.93
(c) For company law matters	-	1.00
(d) For other services	7.00	11.50
(e) For reimbursement of expenses	1.16	1.34
Total	**53.16**	**85.47**

* Exclusive of Goods & Services Tax.

33.3 **Corporate social responsibility**

As per Section 135 of the Companies Act, 2013, a company, meeting the eligibility criteria, needs to spend at least 2% of its average net profit for the immediately preceding three financial years on corporate social responsibility (CSR) activities. Tata Power-DDL's CSR programs/projects focuses on sectors and issues as mentioned in Schedule VII read with Section 135 of Companies Act, 2013. A CSR committee has been formed by the Company as per the Act.

₹/Lakhs

33.3.1

Particulars	Year ended 31.03.2022	Year ended 31.03.2021
(a) Gross amount required to be spent by the Company during the year	1,095.60	1,001.01
(b) Amount spent during the year on CSR (excluding 5% administrative expenses) (refer 33.3.2)	1,103.99	1,057.85
(c) Shortfall for the year	-	-
(d) Transaction with related party for the year (refer Note 41)	-	43.94
(e) Movement of provision	-	-

₹/Lakhs

33.3.2

Particulars	In Cash	Yet to be paid in cash	Total
(i) Construction/acquisition of any asset	128.25	-	128.25
(ii) On purposes other than (i) above	975.74	-	975.74

33.3.3 The nature of CSR activities undertaken by the Company

₹/Lakhs

Nature of activities as per Schedule VII of Companies Act, 2013	Particulars	Year ended 31.03.2022	Year ended 31.03.2021
Eradicating hunger, poverty and malnutrition, promoting health care including preventive health care and sanitation including contribution to the Swach Bharat Kosh set-up by the Central Government for the promotion of sanitation and making available safe drinking water. (Clause (i))	- Consultation & supply of medicine through mobile dispensary - Facilitation of potable water - Health care facility to under nurished womens & children - Organising blood donation camp - ABHA Program - Providing connection between TPDDL & community to facilitate the needy people.	340.13	247.68
Promoting education, including special education and employment enhancing vocation skills especially among children, women, elderly and the differently abled and livelihood enhancement projects. (Clause (ii))	- Community awareness program - Literacy, education & skill development program - Vocational training program - Career counselling program - Scholarship distribution program - Entrepreneurship development program	627.15	456.93
Ensuring environmental sustainability, ecological balance, protection of flora and fauna, animal welfare, agroforestry, conservation of natural resources and maintaining quality of soil, air and water including contribution to the Clean Ganga Fund set-up by the Central Government for rejuvenation of river Ganga. (Clause (iv))	- Energy, water and climate conservation and sensitization sessions - Tree Plantation	3.57	8.50
Training to promote rural sports, nationally recognized sports, Paralympic sports and Olympic sports. (Clause (vii))	- Rural development & sports in village area	15.99	-
Disaster management, including relief, rehabilitation and reconstruction activities. (Clause (xii))	- Supply of cooked meals & Dry ration - Donation to Covid 19 response fund - Distribution of mask, sanitizers, PPE Kit, gloves, IR thermometer,etc	117.15	344.74
Total		**1,103.99**	**1,057.85**

33.4 **Disclosure under Clause 87 of DERC (Terms and Conditions for Determination of Tariff) Regulations, 2017 of statutory levies and taxes**

As per the DERC (Terms and Conditions for Determination of Tariff) Regulations, 2017 , Clause no. 87 has defined the requirement for the disclosure of water charges, statutory levies and taxes separately. Management considers applicability of the following expenses as covered under Clause 87 :

₹/Lakhs

Particulars	Year ended 31.03.2022
(a) Statutory taxes -	
(i) Impact of GST (unaudited)	4,026.12
(b) Water charges	98.61
(c) Statutory levies -	
(i) Impact of minimum wages (unaudited)	2,572.77
(ii) 7th Pay Commission Leave salary contribution/Pension contribution paid during FY 21-22 pertaining to previous period (gross)	8,974.82
(iii) Differential impact of 7th Pay Commission Vs 6th Pay Commission for current financial year (gross)	8,208.23
(iv) Common effluent treatment plant charges	37.28
(v) Property tax	218.01
(vi) Licensee fees	342.54
(vii) Land license fees	1,562.23

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Note 34
Regulatory deferral account balances

Accounting policy

The Company's operations of power distribution are a rate regulated activity as defined in Ind AS 114 "Regulatory Deferral Accounts" read with the Guidance Note on Rate Regulated Activities issued by ICAI and based on the principles laid down under the relevant Tariff Regulations/Tariff Orders notified by the DERC. Accordingly, the Company recognises regulatory deferral account balance in respect of difference between allowable controllable/ uncontrollable expenses and revenue actually collected from regulated activities. Debit balance in the regulatory deferral account balance represents cumulative shortfall in recovery which is allowable to the Company through tariff revision in future periods whereas credit balance in regulatory deferral account balance represents cumulative excess recovery which is refundable through future tariff reductions. The Company records regulatory deferral account balance as at the reporting date based on prevailing regulatory guidelines, various judgments given by judicial authorities, past practices and opinion of legal experts. Any change in the regulatory deferral account balance in respect of past periods due to changes in regulatory guidelines and their interpretation consequent to orders/ judgements of regulator, judicial authorities, etc. are recorded in the period of such change.

34.1 As per Ind AS 114 "Regulatory Deferral Accounts", the business of electricity distribution is a rate regulated activity where the Delhi Electricity Regulatory Commission (DERC) determines Retail Supply Tariff (RST) to be charged from consumers based on prevailing regulations in place.

34.2 In the latest Tariff Order dated 30 September, 2021 issued on 12 October, 2021, the DERC has trued up regulatory deferral account balance up to 31 March, 2020 at ₹ 1,76,281 lakhs as against ₹ 4,91,925.26 lakhs as per financial books of accounts excluding amount recoverable towards deferred tax liabilities of ₹ 30,259.85 lakhs. There is no provision in tariff regulations for one to one allowance of deferred tax but the same is allowed in the form of actual rate of tax as and when deferred tax liability gets converted to actual tax liability. The difference in regulatory deferral account is largely due to provisional truing up of capitalisation, disallowance of de-capitalised property, plant and equipment, its corresponding impact on return on capital employed (ROCE), income tax and carrying cost. These disallowances have already been challenged in APTEL for amount disallowed up to FY 19-20. The difference in regulatory deferral account is also due to pending implementation of Rithala tariff order issued by the DERC vide order dated 11 November, 2019 and partial allowance of approved Rithala plant cost which is under challenge with APTEL and delay in execution of other previous review/APTEL appeal orders.

The Company had filed a stay petition seeking stay of tariff order with APTEL due to certain arbitrary disallowances by DERC in its latest tariff order dated 30 September, 2021 and also filed appeal with APTEL against the disallowances. On 21 January, 2022 as an interim measure, a stay order was granted by APTEL on the operation of tariff order dated 30 September, 2021 till further notice and based on legal opinion taken from the counsel, there is likelihood of success in appeal therefore no material adjustments are expected in the carrying value of the Regulatory deferral account balance on account of implementation of tariff order dated 30 September, 2021. Accordingly, no adjustment has been made in the Regulatory deferral account balance in the books based on latest tariff order dated 30 September, 2021, till the conclusion of the above petition.

On the issue of provisional true up of capitalisation, DERC has shared preliminary draft report of physical verification of fixed asset for the period FY 2004-05 to FY 2015-16. The Company after analysing the draft report have submitted the response along with necessary documents in support of capitalisation on 29 December, 2020 and further action on the same is awaited from DERC. The true up of capitalisation for FY17-18 has been completed by DERC. For the financial years FY16-17, FY 18-19 and FY19-20 the physical verification and true up of capitalisation are in progress.

34.3 The DERC Business Plan Regulations, 2019 is applicable for the control period starting FY 2020-21 to FY 2022-23. As part of yearly tariff determination exercise, the company has filed True up petition for FY 2020-21 and Annual Revenue Requirement (ARR) for FY 2022-23 on 30 November, 2021.

34.4 The Company on a regular basis evaluates the changes in the DERC regulations and other factors which may trigger the impairment of the regulatory deferral account balances.

34.5 The regulatory deferral account balance as on 31.03.2020 as per financial books of account was ₹ 4,91,925.26 lakhs, excluding amount recoverable towards deferred tax liabilities of ₹ 30,259.85 lakhs, which is not being liquidated for a long time. Such accumulation of regulatory deferral account has been due to non-availability of cost reflective tariff year on year. On this issue, the Company had filed a petition with the DERC on 08 March, 2021 seeking for a roadmap to liquidate regulatory deferral account in a time bound manner, which was dismissed by DERC with no relief. Further, the Company has challenged the order of DERC before Supreme Court on 6 September, 2021, which has been admitted and the hearing is in progress.

34.6 The movement in regulatory deferral account balance as at 31 March, 2022 is as follows:

₹/Lakhs

Particulars	Year ended 31.03.2022	Year ended 31.03.2021
(a) Opening regulatory deferral account debit balance	5,51,170.50	5,22,185.11
(b) Net movement during the year		
(i) Power purchase cost	6,03,701.00	5,36,735.00
(ii) All other prudent O&M cost including ROCE, carrying cost etc.	1,94,342.00	1,88,033.00
(iii) Collection available for Annual Revenue Requirement (ARR) as per MYT order	7,73,411.00	7,00,524.00
(iv) Net movement before recovery of deferred tax {(i)+(ii)-(iii)}	**24,632.00**	**24,244.00**
(v) Deferred tax recoverable in future tariff	8,420.33	4,741.39
(c) Net movement shown in the Statement of Profit and Loss {(iv)+(v)}	**33,052.33**	**28,985.39**
(d) Closing regulatory deferral account debit balance (a+c)	**5,84,222.83**	**5,51,170.50**

34.7 **Rithala Power Generation Plant**

On 31 August, 2017 the DERC issued the Order fixing the operational norms as specified in the DERC MYT Regulations, 2007 and allowed capital cost of the plant at ₹ 19,770 lakhs against ₹ 30,239 lakhs as per financial books of accounts. Further, the DERC has recognised tariff of the plant for 6 years (project life) from the date of commercial operation (COD) in combined cycle mode upto 31 March, 2018 as against 15 years, being the life of the plant. In accordance with the Order, the Company had stopped the billing of Rithala Power Plant from 1 April, 2018, adjusted a sum of ₹ 46,986 lakhs towards Rithala billing (including carrying costs) and recorded an impairment loss of ₹ 5,564.93 lakhs till 31 March, 2019.

Further, DERC has issued Tariff Order dated 11 November, 2019 for Rithala Power Plant and allowed depreciation for 6 years only. Aggrieved by the said order of lower allowance of depreciation, the Company has challenged the order before APTEL for balance depreciation along with other associated claims i.e. interest on debt, return on equity (RoE) etc.

As required by Ind AS 105 "Non-current Assets Held for Sale and Discontinued Operations" the asset has been classified under the head "Assets Held for Sale" and the remaining written down value (WDV) less fair value of plant cost of ₹ 19,770 lakhs has been shown as recoverable from future tariff on the basis of management evaluation supported by legal opinion with the condition that the net sale/scrap proceeds for Rithala Power Plant after recovering the 10% salvage value shall be offered in ARR. The Company is continuing to claim the remaining WDV in the form of annual depreciation, ROCE etc. in annual ARR filing for distribution business pending its petition with respect to allowance of the same in APTEL.

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34.7.1 Assets classified as held for sale

Accounting policy

Non-current assets or disposal group are classified as held for sale if their carrying amount will be recovered principally through a sale transaction rather than through continuing use. This condition is regarded as met only when the asset or disposal group is available for immediate sale in its present condition subject only to terms that are usual and customary for sale of such asset or disposal group and its sale is highly probable. Management must be committed to the sale, which should be expected to qualify for recognition as a completed sale within one year from the date of classification. As at each Balance Sheet date, the management reviews the appropriateness of such classification.

Non-current assets or disposal group classified as held for sale are measured at the lower of their carrying amount and fair value less costs to sell.

The Company treats sale/distribution of the asset or disposal group to be highly probable when:
(a) the appropriate level of management is committed to a plan to sell the asset (or disposal group),
(b) an active programme to locate a buyer and complete the plan has been initiated (if applicable),
(c) the asset (or disposal group) is being actively marketed for sale at a price that is reasonable in relation to its current fair value,
(d) the sale is expected to qualify for recognition as a completed sale within one year from the date of classification, and
(e) actions required to complete the plan indicate that it is unlikely that significant changes to the plan will be made or that the plan will be withdrawn.

Property, plant and equipment and intangible assets once classified as held for sale/distribution to owners are not depreciated or amortised.

In financial year ended 31 March, 2019 the property, plant and equipment relating to Rithala Power Generation Plant was classified as "Assets Held for Sale" pursuant to derecognition of Rithala plant as source of power with effect from 1 April, 2018 and management's intention to sell the plant. The management remains committed to the plan to dispose off the plant and therefore, continues to classify it as "Asset Held for Sale".

The assets classified as held for sale have been accounted at lower of carrying amount and fair value less cost to disposal. The fair value of property, plant and equipment classified as assets held for sale as at 31 March, 2022 and 31 March, 2021 has been determined based on a valuation report given by an expert who has used Level 3 valuation techniques.

The carrying value and fair value less cost to disposal of Rithala Power Generation Plant classified as assets held for sale is detailed below:

₹/Lakhs

Particulars	As at 31.03.2022			As at 31.03.2021		
	Carrying value	Impairment Loss	Fair value less costs to disposal	Carrying value	Impairment Loss	Fair value less costs to disposal
	(A)	(B)	(C)=(A)-(B)	(D)	(E)	(F) = (D)-(E)
Property, plant and equipment	2,004.00	-	2,004.00	2,004.00	-	2,004.00

The significant unobservable input used in the non-recurring fair value measurement categorised within Level 3 of the fair value hierarchy as at 31 March, 2022 and as at 31 March, 2021 are as shown below:

Particulars	*Level in fair value hierarchy	Valuation techniques	Date of valuation	Significant unobservable inputs
Assets classified as held for sale	3	Valuation at salvage value	31.03.2022 and 31.03.2021	Salvage value discounted by the estimated cost of removable assets.

* Refer Note 2.2 for fair value hierarchy based on inputs to valuation techniques that are used to measure fair value, that are either observable or unobservable and consists of three levels.

The disposal group does not constitute a separate major line of business of the Company and therefore, has not been classified as discontinued operations.

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Note 35

Earnings per equity share (EPS)

Accounting policy

Basic earnings per equity share has been computed by dividing the profit/(loss) for the reporting period attributable to equity shareholders by the weighted average number of equity shares outstanding during the reporting period in accordance with Ind AS 33, "Earnings Per Share". Diluted earnings per share is computed by dividing the profit/(loss) for the reporting period attributable to equity shareholders as adjusted for dividend, interest and other charges to expense or income (net of any attributable taxes) relating to the dilutive potential equity shares by the weighted average number of equity shares outstanding during the reporting period as adjusted to the effects of all dilutive potential equity shares, except where results are anti-dilutive.

The Company also presents Basic earnings per equity share in accordance with Ind AS 114, "Regulatory Deferral Accounts" which is computed by dividing the profit/(loss) for the reporting period before and after net movement in regulatory deferral account balance attributable to equity shareholders by the weighted average number of equity shares outstanding during the reporting period. Diluted earnings per share is computed by dividing the the profit/(loss) for the reporting period before and after net movement in regulatory deferral account balance attributable to equity shareholders as adjusted for dividend, interest and other charges to expense or income (net of any attributable taxes) relating to the dilutive potential equity shares by the weighted average number of equity shares outstanding during the reporting period as adjusted to the effects of all dilutive potential equity shares, except where results are anti-dilutive.

35.1 **EPS - Continuing operations (excluding regulatory income/expense)**

Particulars	**Units**	**Year ended 31.03.2022**	**Year ended 31.03.2021**
Profit for the year from continuing operations	₹/Lakhs	43,866.08	42,817.23
Net movement in regulatory deferral account balance	₹/Lakhs	33,052.33	28,985.39
Income-tax attributable to regulatory expenses	₹/Lakhs	(11,549.81)	(10,128.65)
Net movement in regulatory deferral account balance (net of tax)	₹/Lakhs	21,502.52	18,856.74
Profit for the year from continuing operations attributable to equity shareholders before net movement in regulatory deferral account balance	₹/Lakhs	22,363.56	23,960.49
Weighted average number of equity shares (refer note 35.3)	Nos./Lakhs	10,520.00	10,520.00
Basic & Diluted earnings per equity share of ₹ 10 each	₹	2.13	2.28
Face value of equity shares	₹	10.00	10.00

35.2 **EPS - Continuing operations (including regulatory income/expense)**

Particulars	**Units**	**Year ended 31.03.2022**	**Year ended 31.03.2021**
Profit for the year from continuing operations after net movement in regulatory deferral account balance attributable to equity shareholders	₹/Lakhs	43,866.08	42,817.23
Weighted average number of equity shares (refer note 35.3)	Nos./Lakhs	10,520.00	10,520.00
Basic & Diluted earnings per equity share of ₹ 10 each	₹	4.17	4.07
Face value of equity shares	₹	10.00	10.00

35.3 **Weighted average number of equity shares**

Particulars	**Units**	**Year ended 31.03.2022**	**Year ended 31.03.2021**
Weighted average number of equity shares (opening) (A)	Nos./Lakhs	10,520.00	5,520.00
Bonus equity shares issued (B)	Nos./Lakhs	-	5,000.00
Weighted average number of equity shares (closing) (A+B)	Nos./Lakhs	10,520.00	10,520.00

35.4 The Company does not have any potential dilutive equity share.

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Note 36
Disclosure pursuant to DERC directive 6.10(j) specified in Tariff Order, 2021.

Category-wise billing, collection & subsidy information

36.1 **Billing**

₹/Lakhs

S.No.	Category	Year ended 31.03.2022						
		Revenue	Deficit revenue recovery surcharge	PPAC	Electricity duty	Pension trust surcharge	TOD surcharge*	TOD rebate*
1	Domestic	2,57,026.51	16,035.57	19,087.43	10,503.30	10,967.32	0.12	(0.13)
2	Non-Domestic	2,02,146.13	12,555.11	16,837.60	6,711.54	8,808.30	1,973.77	(1,265.22)
3	Industrial*	2,97,779.77	18,343.40	25,796.64	11,115.40	12,998.26	4,001.50	(2,861.16)
4	Agriculture	1,038.46	65.01	90.18	14.78	45.38	0.92	(0.77)
5	Public Utilities	51,150.69	3,538.98	4,430.77	1,646.16	2,500.75	462.40	(410.51)
6	Advertisement & Hoardings	77.25	4.83	7.09	2.39	3.53	0.01	(0.01)
7	Staff	485.59	30.65	32.15	19.05	20.60	-	-
8	E-Rickshaw/E-Vehicle	1,374.54	83.87	119.40	62.46	60.28	12.93	(8.88)
9	Enforcement	1,190.39	75.23	75.50	45.23	40.41	-	-
	Grand Total	**8,12,269.33**	**50,732.65**	**66,476.76**	**30,120.31**	**35,444.83**	**6,451.65**	**(4,546.68)**

36.2 **Collection**

₹/Lakhs

S.No.	Category	Year ended 31.03.2022				
		Revenue	Deficit revenue recovery surcharge	PPAC	Electricity duty	Pension trust surcharge
1	Domestic	2,57,284.37	16,051.06	19,161.22	10,515.58	10,958.96
2	Non-Domestic	2,02,799.02	12,606.84	16,644.74	6,730.43	8,821.69
3	Industrial	2,98,783.70	18,421.59	25,175.21	11,134.45	13,036.35
4	Agriculture	1,033.17	63.92	85.89	14.92	44.02
5	Public Utilities	52,145.94	3,545.50	4,425.77	1,171.36	2,508.53
6	Advertisement & Hoardings	77.38	4.99	7.16	2.50	3.59
7	Staff	486.55	30.60	32.41	19.05	20.56
8	E-Rickshaw/E-Vehicle	1,403.73	85.50	119.51	63.54	61.10
9	Enforcement	1,190.39	75.23	75.49	45.23	40.41
	Grand Total	**8,15,204.25**	**50,885.23**	**65,727.40**	**29,697.06**	**35,495.21**

36.3 **Subsidy Disbursed (including amnesty scheme)**

₹/Lakhs

S.No.	Category	Year ended 31.03.2022
1	Agriculture	435.26
2	Domestic (including solar generation based incentive)	88,194.13
3	Non-Domestic (Lawyer Chambers)	274.93
	Grand Total	**88,904.32**

36.4 Billing & Collection against temporary connection & Misuse is included in respective tariff category.
36.5 The above figures exclude open access billing & collection.
36.6 Revenue billed & collected include energy charges, fixed charges, Etax, surcharge, PPAC, TOD surcharge, pension trust surcharge, TOD rebate etc.
36.7 Revenue collected includes deemed collection on account of subsidy, CD interest etc.
36.8 * After inter-head adjustment of ₹ 15,499.75 lakhs between TOD Surcharge and TOD rebate on account of one time bill correction

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Note 37
Segment reporting

The Company is engaged in the business of distribution and generation of power in North and North-west of Delhi and other ancillary activities. Chief Operating Decision Maker (CODM) reviews the financial information of the Company as a whole for decision making and accordingly the Company has single reportable segment in terms of Ind AS 108 "Operating Segments". However, as per the directives issued by the Delhi Electricity Regulatory Commission (DERC), the Company is required to disclose separate information about its distribution, generation and business development activities.

37.1 Set out below is the disclosure pursuant to Clause 4 of Delhi Electricity Regulatory Commission (Treatment of Income from Other Business of Transmission Licensee and Distribution Licensee) Regulations, 2005 and DERC directive 6.10(j)(ix) specified in Tariff Order, 2021

Based on the regulations of the DERC, the Company has identified following 3 segments/divisions:

(a) **Distribution**
Comprises of sale of power to retail customers through distribution network and related ancillary services.

(b) **Generation**
Comprises of generation of power from Rithala Power Generation Plant owned by the Company and generation of power from renewable energy sources i.e. solar.

(c) **Business Development**
Comprises of project management consultancy, project management agency, project implementation contracts, IT and SCADA implementation contracts, management and other technical services assistance.

Revenue and expenses directly attributable to segments are reported under each reportable segment. Expenses which are not directly identifiable to each reporting segment have been allocated on the basis of associated revenue of the segment and manpower efforts.

Assets and liabilities that are directly attributable or allocable to segments are disclosed under each reportable segment. All other assets and liabilities are disclosed as unallocable.

37.2 Segment revenue, segment results, segment assets and liabilities are detailed below:

₹/Lakhs

S.No.	Particulars	As at 31.03.2022				
		Distribution	Generation	Business Development	Inter Segment	Total
(i)	**Segment revenue**					
	Revenue from operations	7,64,767.35	151.26	-	(129.34)	7,64,789.27
	Other income	9,432.97	137.84	6,585.88	-	16,156.69
	Movement in regulatory deferral account balance (net)	33,052.33	-	-	-	33,052.33
(a)	**Total segment revenue**	**8,07,252.65**	**289.10**	**6,585.88**	**(129.34)**	**8,13,998.29**
	Less: Segment expenses (refer note 37.4)					
	Cost of power purchased (net)	5,95,821.30	-	-	(129.34)	5,95,691.96
	Employee benefits expense (net)	49,214.81	71.76	2,285.89	-	51,572.46
	Finance costs	31,745.44	659.02	0.72	-	32,405.18
	Depreciation and amortisation expense	37,026.88	86.70	-	-	37,113.58
	Other expenses	31,408.02	288.57	2,015.45	-	33,712.04
(b)	**Total segment expenses**	**7,45,216.45**	**1,106.05**	**4,302.06**	**(129.34)**	**7,50,495.22**
(ii)	**Total segment results (a-b)**	**62,036.20**	**(816.95)**	**2,283.82**	**-**	**63,503.07**
	Add/(Less): Unallocable income/(expense)					
(c)	Gain on sale/fair value of mutual fund investment measured at FVTPL					0.58
(d)	Foreign exchange fluctuation gain (net)					0.74
(e)	**Profit before tax (ii+c+d)**					**63,504.39**
(f)	Less: Tax expense					19,638.31
	Profit after tax (e-f)					**43,866.08**
(iii)	**Segment assets (refer note 37.3)**					
(a)	Property, plant and equipment	4,06,578.80	1,018.12	-	-	4,07,596.92
(b)	Capital work-in-progress	17,624.12	48.75	-	-	17,672.87
(c)	Right-of-use assets	7,661.88	-	-	-	7,661.88
(d)	Intangible assets	6,223.06	-	-	-	6,223.06
(e)	Non-current financial assets	83.78	-	-	-	83.78
(f)	Other non-current assets	797.78	-	-	-	797.78
(g)	Inventories	1,411.12	-	-	-	1,411.12
(h)	Current financial assets					
	- Trade receivables	12,856.05	-	5,750.40	-	18,606.45
	- Unbilled revenue	41,495.83	-	5.68	-	41,501.51
	- Others	11,149.91	-	-	-	11,149.91
(i)	Other current assets					
	- Unbilled revenue (contract asset)	2.34	-	710.86	-	713.20
	- Others	22,098.46	1,203.84	-	-	23,302.30
(j)	Assets classified as held for sale	-	2,004.00	-	-	2,004.00
(k)	Regulatory deferral account debit balances	5,74,604.83	9,618.00	-	-	5,84,222.83
	Total segment assets	**11,02,587.96**	**13,892.71**	**6,466.94**	**-**	**11,22,947.61**
(l)	Unallocable assets					
	- Income tax assets (net)					355.03
	- Income tax paid under protest against demand					2,321.84
	Total assets					**11,25,624.48**

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₹/Lakhs

S.No.	Particulars	As at 31.03.2022 Distribution	Generation	Business Development	Inter Segment	Total
(iv)	**Segment liabilities (refer note 37.3)**					
(a)	Non-current financial liabilities	2,83,234.54	585.94	-	-	2,83,820.48
(b)	Capital grants	199.03	164.65	-	-	363.68
(c)	Contributions for capital works and service line charges	80,145.14	-	-	-	80,145.14
(d)	Other non-current liabilities	40,522.69	-	-	-	40,522.69
(e)	Current financial liabilities	2,33,848.49	591.98	-	-	2,34,440.47
(f)	Other current liabilities					
	- Income received in advance	123.38	-	1,630.82	-	1,754.20
	- Others	25,913.05	4.76	-	-	25,917.81
	Total segment liabilities	**6,63,986.32**	**1,347.33**	**1,630.82**	**-**	**6,66,964.47**
(g)	Unallocable liabilities					
	- Provisions - non current					5,671.18
	- Deferred tax liabilities (net)					43,421.57
	- Provisions - current					1,277.61
	Total liabilities					**7,17,334.83**

₹/Lakhs

S.No.	Particulars	As at 31.03.2021 Distribution	Generation	Business Development	Inter Segment	Total
(i)	**Segment revenue**					
	Revenue from operations	7,00,678.45	201.44	-	(176.84)	7,00,703.05
	Other income	2,910.37	2.03	8,684.18	-	11,596.58
	Movement in regulatory deferral account balance (net)	28,985.39	-	-	-	28,985.39
(a)	**Total segment revenue**	**7,32,574.21**	**203.47**	**8,684.18**	**(176.84)**	**7,41,285.02**
	Less: Segment expenses (refer note 37.4)					
	Cost of power purchased (net)	5,30,802.57	-	-	(176.84)	5,30,625.73
	Employee benefits expense (net)	52,680.53	68.22	2,963.74	-	55,712.49
	Finance costs	33,766.01	624.97	-	-	34,390.98
	Depreciation and amortisation expense	35,253.97	127.71	-	-	35,381.68
	Other expenses	26,596.75	263.54	2,556.41	-	29,416.70
(b)	**Total segment expenses**	**6,79,099.83**	**1,084.44**	**5,520.15**	**(176.84)**	**6,85,527.58**
(ii)	**Total segment results (a-b)**	**53,474.38**	**(880.97)**	**3,164.03**	**-**	**55,757.44**
	Add/(Less): Unallocable income/(expense)					
(c)	Gain on sale/fair value of mutual fund investment measured at FVTPL					5.50
(d)	Foreign exchange fluctuation gain (net)					(10.25)
(e)	**Profit before tax (ii+c+d)**					**55,752.69**
(f)	Less: Tax expense					12,935.46
	Profit after tax (e-f)					**42,817.23**
(iii)	**Segment assets (refer note 37.3)**					
(a)	Property, plant and equipment	4,02,594.09	1,102.26	-	-	4,03,696.35
(b)	Capital work-in-progress	19,562.61	148.57	-	-	19,711.18
(c)	Right-of-use assets	8,756.43	-	-	-	8,756.43
(d)	Intangible assets	7,891.13	-	-	-	7,891.13
(e)	Non-current financial assets	90.56	-	-	-	90.56
(f)	Other non-current assets	635.57	-	-	-	635.57
(g)	Inventories	1,659.88	22.88	-	-	1,682.76
(h)	Current financial assets					
	- Trade receivables	17,263.89	-	10,179.27	-	27,443.16
	- Unbilled revenue	36,313.08	-	221.91	-	36,534.99
	- Others	15,264.51	-	-	-	15,264.51
(i)	Other current assets					
	- Unbilled revenue (contract asset)	-	-	1,909.50	-	1,909.50
	- Others	12,164.14	1,213.72	-	-	13,377.86
(j)	Assets classified as held for sale	-	2,004.00	-	-	2,004.00
(k)	Regulatory deferral account debit balances	5,41,552.50	9,618.00	-	-	5,51,170.50
	Total segment assets	**10,63,748.39**	**14,109.43**	**12,310.68**	**-**	**10,90,168.50**
(l)	Unallocable assets					
	- Income tax assets (net)					3,247.48
	- Income tax paid under protest against demand					2,321.84
	Total assets					**10,95,737.82**
(iv)	**Segment liabilities (refer note 37.3)**					
(a)	Non-current financial liabilities	3,07,066.84	1,054.69	-	-	3,08,121.53
(b)	Capital grants	247.11	186.57	-	-	433.68
(c)	Contributions for capital works and service line charges	80,324.66	-	-	-	80,324.66
(d)	Other non-current liabilities	27,352.66	-	-	-	27,352.66
(e)	Current financial liabilities	2,40,043.39	851.87	-	-	2,40,895.26
(f)	Other current liabilities	-				
	- Income received in advance	-	-	1,347.13	-	1,347.13
	- Others	18,499.76	2.24	-	-	18,502.00
	Total segment liabilities	**6,73,534.42**	**2,095.37**	**1,347.13**	**-**	**6,76,976.92**
(g)	Unallocable liabilities					
	- Provisions - non current					5,741.27
	- Deferred tax liabilities (net)					35,001.24
	- Provisions - current					1,008.61
	Total liabilities					**7,18,728.04**

37.3 Distribution segment also includes assets and liabilities of Business Development (except trade receivables, unbilled revenue and income received in advance) since it constitutes only insignificant portion of the closing balance and are not readily identifiable.

37.4 Total expenses of Business Development segment of ₹ 4,302.06 lakhs (for the year ended 31 March, 2021 ₹ 5,520.15 lakhs) includes allocated expenses of ₹ 370.70 lakhs (for the year ended 31 March, 2021 ₹ 605.20 lakhs). Balance expenses of ₹ 3,931.36 lakhs (for the year ended 31 March, 2021 ₹ 4,914.95 lakhs) are directly identifiable to this reporting segment.

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Note 38
Income tax

Accounting policy
Income tax expense represents the sum of the tax currently payable and deferred tax.

38.1 **Current tax**
The current tax payable is based on taxable profit for the reporting period. Current income tax assets and liabilities are measured at the amount expected to be recovered from or paid to the taxation authorities.
Taxable profit differs from 'profit before tax' as reported in the Statement of Profit and Loss because of items of income or expense that are treated differently according to Income Tax Act, 1961. The Company's current tax is calculated using tax rates that have been enacted or substantively enacted by the end of the reporting period.

Management periodically evaluates positions taken in the tax returns with respect to situations in which applicable tax regulations are subject to interpretation and establishes provisions where appropriate.

Current tax is recognised in the Statement of Profit and Loss, except when it relates to items that are recognised in other comprehensive income or directly in equity, in which case, the current tax is also recognised in Other Comprehensive Income or directly in Equity respectively.

38.2 Income tax expense recognised in the Statement of Profit and Loss consists of:

		Year ended 31.03.2022 ₹/Lakhs	Year ended 31.03.2021 ₹/Lakhs
	Income tax expense recognised in the Statement of Profit and Loss :		
(a)	Current tax (refer note 38.4)		
	- For the year	17,822.40	14,239.23
	- Adjustments for prior periods (refer note 38.5)	-	(932.03)
	Less: MAT credit adjusted during the year	6,594.27	5,078.72
	Current tax expense (net)	11,228.13	8,228.48
(b)	Deferred tax expense (net) (refer note 38.4)	8,410.18	4,706.98
	Total	**19,638.31**	**12,935.46**
	Income tax expense recognised in other comprehensive income :		
	Income tax relating to items that will not be reclassified to profit or loss:		
(c)	Current tax		
	Remeasurement of defined benefit obligation (refer note 38.4)	10.15	34.41
(d)	Deferred tax		
	Remeasurement of defined benefit obligation (refer note 38.4)	10.15	34.41
	Total	**20.30**	**68.82**
	Total income tax expense recognised during the year (a+b+c+d)	**19,658.61**	**13,004.28**

38.3 The income tax expense for the year can be reconciled to the accounting profit as follows:

₹/Lakhs

Particulars	Year ended 31.03.2022	Year ended 31.03.2021
Profit before tax	63,504.39	55,752.69
Enacted income tax rate in India	34.94%	34.94%
Computed expected tax expense	22,190.97	19,482.22
Add/(Less): Tax effect on account of:		
Tax effect due to non taxable income pertaining to deferred tax recoverable	(2,942.40)	(1,656.83)
Expenses not considered in determining taxable profit	236.70	259.39
Adjustments for prior periods	-	(932.03)
Reversal during tax holiday period	82.82	77.04
Deduction under chapter VI-A	(21.61)	(31.05)
Adjustment for MAT credit against previous year	-	(4,449.73)
Others	91.83	186.45
Income tax expense recognised in the Statement of Profit and Loss	**19,638.31**	**12,935.46**

38.4 The Company has made provision for income tax at the rate of 34.94% in accordance with normal provisions of Income Tax Act, 1961 for the year ended 31 March, 2022 and 31 March, 2021.

The Company has to pay taxes based on the higher of income-tax profit of the Company or minimum alternate tax (MAT) at 17.47% (FY 2020-21 17.47%) of book profit for the financial year 2021-22 and 2020-21.

The provision for deferred tax has been worked upon at the rate of 34.94% (substantially enacted tax rate at Balance Sheet date) for the year ended 31 March, 2022 and 31 March, 2021.

38.5 Finance Act 2009 has made a retrospective amendment for adding back the provision for diminution in value of an asset while computing book profits under Section 115JB. Since the provisions of Section 115JB has been amended retrospectively, the company has made a tax provision on doubtful debts from FY 2002-03 to FY 2006-07 during FY 2009-10 (including interest liability). The said amount was also included in regulatory deferral account balance though the same is not allowed by DERC till date. During FY 2020-21, the Company has reversed the tax provision (including interest) amounting to ₹ 932.03 lakhs which mainly pertains to FY 2002-03 and FY 2004-05 owing to closure of tax assessment of the said years. Further the company has also taken the corresponding impact of the said reversal in regulatory deferral account balance. Tax provision for the remaining years is being maintained due to ongoing litigation at High Court.

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38.6 **Deferred tax**

Accounting policy

Deferred tax is recognised on temporary differences between the carrying amounts of assets and liabilities in the financial statements and the corresponding tax bases used in the computation of taxable profit.

Deferred tax liabilities are generally recognised for all taxable temporary differences. Deferred tax assets are generally recognised for all deductible temporary differences to the extent that it is probable that taxable profits will be available against which those deductible temporary differences can be utilised. Such deferred tax assets and liabilities are not recognised if the temporary difference arises from the initial recognition of assets and liabilities in a transaction that affects neither the taxable profit nor the accounting profit.

Minimum alternative tax (MAT) paid in accordance with the tax laws, which gives rise to future economic benefits in the form of adjustment of future income tax liability, is considered as an asset if there is convincing evidence that the Company will pay normal income tax after the tax holiday period. Accordingly, MAT is recognised as an asset in the Balance Sheet when it is probable that the future economic benefit associated with it will flow to the Company and the asset can be measured reliably.

The carrying amount of deferred tax assets is reviewed at the end of each reporting period and reduced to the extent that it is no longer probable that sufficient taxable profits will be available to allow all or part of the asset to be recovered. Deferred tax liabilities and assets are measured at the tax rates that are expected to apply in the reporting period in which the liability is settled or the asset realised, based on tax rates as per the Income Tax Act, 1961 that have been enacted or substantively enacted by the end of the reporting period.

In the situations where one or more units of the Company are entitled to a tax holiday under the tax law, no deferred tax (asset or liability) is recognised in respect of temporary differences which reverse during the tax holiday period, to the extent the concerned unit's gross total income is subject to the deduction during the tax holiday period. Deferred tax in respect of temporary differences which reverse after the tax holiday period is recognised in the year in which the temporary differences originate. However, the Company restricts recognition of deferred tax assets to the extent it is probable that sufficient future taxable income will be available against which such deferred tax assets can be realised. For recognition of deferred taxes, the temporary differences which originate first are considered to reverse first.

The measurement of deferred tax liabilities and assets reflects the tax consequences that would follow from the manner in which the Company expects, at the end of the reporting period, to recover or settle the carrying amount of its assets and liabilities.

Deferred tax is recognised in the Statement of Profit and Loss, except when it relates to items that are recognised in Other comprehensive income or directly in equity, in which case, deferred tax is also recognised in Other Comprehensive Income or directly in equity respectively.

38.7 Deferred tax liabilities/assets (net) as at 31 March, 2022, as detailed below reflect the quantum of tax liabilities/(asset) accrued up to 31 March, 2022.

₹/Lakhs

Particulars (2021-22)	Opening Balance	Recognised in the Statement of Profit and Loss	Recognised in Other Comprehensive Income	Closing Balance
Deferred tax liability/(assets) on account of :				
Property plant and equipment (refer note 38.9)	69,919.61	2,153.25	-	72,072.86
Provision for doubtful debts	(2,794.58)	(144.09)	-	(2,938.67)
Provision for employee benefits	(2,358.68)	(79.66)	10.15	(2,428.19)
MAT credit	(29,350.31)	6,594.27	-	(22,756.04)
Others	(414.80)	(113.59)	-	(528.39)
Deferred tax liabilities/(asset) [net]	**35,001.24**	**8,410.18**	**10.15**	**43,421.57**

Deferred tax liabilities/assets (net) as at 31 March, 2021, as detailed below reflect the quantum of tax liabilities/(asset) accrued up to 31 March, 2021.

₹/Lakhs

Particulars (2020-21)	Opening Balance	Recognised in the Statement of Profit and Loss	Recognised in Other Comprehensive Income	Closing Balance
Deferred tax liability/(assets) on account of :				
Property plant and equipment	66,164.63	3,754.98	-	69,919.61
Provision for doubtful debts	(3,122.62)	328.04	-	(2,794.58)
Provision for employee benefits	(2,553.59)	160.50	34.41	(2,358.68)
MAT credit	(29,979.30)	5,078.72	-	(24,900.58)
MAT credit adjustment against previous year	-	(4,449.73)	-	(4,449.73)
Others	(249.27)	(165.53)	-	(414.80)
Deferred tax liabilities/(asset) [net]	**30,259.85**	**4,706.98**	**34.41**	**35,001.24**

38.8 As per MYT regulations for determination of tariff, tax expense shall be considered in tariff determination as and when and to the extent of income tax actually paid. Accordingly, the Company has made provision only for the amount of income tax that is actually payable and the deferred tax liability (net) as at 31 March, 2022 of ₹ 43,421.57 lakhs (as at 31 March, 2021 ₹ 35,001.24 lakhs) and deferred tax charge of ₹ 8,420.33 lakhs for the year ended 31 March, 2022 (for the year ended 31 March, 2021 ₹ 4,741.39 lakhs) has been shown as recoverable in regulatory deferral account balances.

38.9 As at 31 March, 2022 deferred tax liability of ₹ 72,072.86 lakhs (as at 31 March, 2021 ₹ 69,919.61 lakhs) on account of property, plant and equipment is net of deferred tax asset of ₹ 1,080.57 lakhs (as at 31 March, 2021 ₹ 1,359.41 lakhs) arising on assets classified as held for sale.

38.10 During the current year, the management has reassessed the recoverability of unavailed MAT credit and accordingly recognised MAT credit amounting to ₹ 22,756.04 lakhs as at 31 March, 2022 (as at 31 March, 2021 ₹ 29,350.31 lakhs).

38.11 The carrying amount of deferred tax assets is reviewed at the end of each reporting period and reduced to the extent that it is no longer probable that sufficient taxable profits will be available to allow all or part of the asset to be recovered. Deferred tax liabilities and assets are measured at the tax rates that are expected to apply in the reporting period in which the liability is settled or the asset realised, based on tax rates as per the Income Tax Act, 1961 that have been enacted or substantively enacted by the end of the reporting period. The Taxation Laws (Amendment) Ordinance, 2019 (2019 Tax Ordinance) provides the Company with an option to move to a lower tax rate of 25.17% accompanied with immediate expiry of carry forward balance of Minimum Alternative Tax (MAT) credit and certain other concessional tax rate benefits enjoyed by the Company presently. The Company has reviewed the implications of 2019 Tax Ordinance on its tax liability for the year and has chosen to continue to apply tax rate of 34.94% which allows the Company to set off carry forward balance of MAT credit and avail other tax concessions.

The Company also evaluated impact of 2019 Tax Ordinance for future period and is of the view that current tax rate of 34.94% will continue to remain favourable for foreseeable future. Therefore, the Company continues to measure deferred tax liability (net) at current applicable income tax rate.

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Note 39
Financial Instruments

39.1 **Capital management and gearing ratio**

For the purpose of the Company's capital management, capital includes issued equity capital and all other equity reserves attributable to the equity holders of the Company. The Company's objectives for managing capital comprise safeguarding the business as a going concern, creating value for stakeholders and supporting the development of the Company. In particular, the Company seeks to maintain an adequate capitalisation that enables it to achieve a satisfactory return for shareholders and ensure access to external sources of financing, in part by maintaining an adequate rating.

The Company manages its capital structure and makes adjustments in light of changes in economic conditions and requirements of the financial covenants. From time to time, the Company reviews its policy related to dividend payment to shareholders, return of capital to shareholders or fresh issue of shares. The Company monitors capital using gearing ratio, which is net debt divided by total capital plus net debt. As part of this review, the management considers the cost of capital and risks associated with each class of capital requirements and maintenance of adequate liquidity buffer.

The Company's capital structure consists of net debt and total equity. The Company includes within net debt, interest bearing borrowings, less cash and bank balances as detailed below. The position on reporting date is summarised in the following table:

₹/Lakhs

Particulars	As at 31.03.2022	As at 31.03.2021
Long-term borrowings	1,98,611.07	2,30,820.70
Short-term borrowings (includes Current maturities of long-term borrowings)	89,644.23	1,01,819.28
Total debt (a)	**2,88,255.30**	**3,32,639.98**
Less: Cash and bank balances (b)	9,941.83	14,492.63
Net debt {(c)=(a-b)}	**2,78,313.47**	**3,18,147.35**
Total equity (d)	4,08,289.65	3,77,009.78
Total equity and net debt {(e)=(c+d)}	**6,86,603.12**	**6,95,157.13**
Net debt to total equity plus net debt ratio (%) {(f)=(c)/(e)}	**40.53%**	**45.77%**

In order to achieve this overall objective, the Company's capital management, amongst other things, aims to ensure that it meets financial covenants attached to the interest-bearing borrowings that define capital structure requirements. Breaches in meeting the financial covenants would permit the bank to immediately call loans and borrowings. There have been no breaches in the financial covenants of any interest-bearing borrowing in the current reporting period.

No changes were made in the objectives, policies or processes for managing capital during the year ended 31 March, 2022 and 31 March, 2021.

39.2 **Categories of financial instruments**

₹/Lakhs

Particulars	As at 31.03.2022	As at 31.03.2021	As at 31.03.2022	As at 31.03.2021
	Fair Value		Carrying Value	
Financial assets				
(i) Measured at cost				
(a) Investments in equity instruments of wholly owned subsidiary company (unquoted)	5.00	5.00	5.00	5.00
(ii) Measured at amortised cost				
(a) Trade receivables	18,606.45	27,443.16	18,606.45	27,443.16
(b) Cash and cash equivalents	2,521.59	4,612.64	2,521.59	4,612.64
(c) Bank balances other than cash and cash equivalent above	7,420.24	9,879.99	7,420.24	9,879.99
(d) Security deposits	902.63	657.49	902.63	657.49
(e) Unbilled revenue	41,501.51	36,534.99	41,501.51	36,534.99
(f) Others	384.23	199.95	384.23	199.95
Total	**71,341.65**	**79,333.22**	**71,341.65**	**79,333.22**
Financial liabilities				
(i) Measured at amortised cost				
(a) Borrowings (including current maturities)	2,88,255.30	3,32,639.98	2,88,255.30	3,32,639.98
(b) Interest accrued but not due on borrowings	539.64	822.07	539.64	822.07
(c) Lease liabilities (including current maturities)	7,020.74	9,440.67	7,020.74	9,440.67
(d) Trade and other payables	1,23,865.03	1,18,332.42	1,23,865.03	1,18,332.42
(e) Consumers' security deposit	83,693.60	74,366.62	83,693.60	74,366.62
(f) Retention money payable	3,915.62	4,015.82	3,915.62	4,015.82
(g) Consumers' deposits for works	4,874.73	5,486.40	4,874.73	5,486.40
(h) Others	6,096.29	3,912.81	6,096.29	3,912.81
Total	**5,18,260.95**	**5,49,016.79**	**5,18,260.95**	**5,49,016.79**

39.2.1 **Fair values of financial assets and financial liabilities**

(a) The management assessed that the carrying value of cash and cash equivalents, other balances with bank, trade receivables, loans, unbilled revenue, borrowings and interest accrued thereon, consumers' security deposit, retention money payable, trade payables, other financial assets and liabilities approximate their fair value largely due to the short term maturities of these instruments/ buying subject to floating-rate. Fair value measurement of lease liabilities is not required.

(b) Investments in subsidiaries accounted at cost in accordance with Ind AS 27 "Separate Financial Statements".

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39.3 Financial risk management objectives and policies

The Company's principal financial liabilities comprise borrowings, consumers' security deposit, lease liabilities, trade and other payables and other financial liabilities. The main purpose of these financial liabilities is to finance the Company's operations. The Company's principal financial assets include investments, loans, trade and other receivables, cash and cash equivalents, other balances with banks , unbilled revenue and other financial assets that are derived directly from its operations.

The Company is exposed to market risk, credit risk and liquidity risk. The Company's Corporate Level Risk Management Committee (CLRMC) oversees the management of these risks and appropriate risk governance framework for the Company. The Company's CLRMC is supported by a Finance Risk Management Sub-Committee that reviews the financial risks. The Company's financial risk activities are governed by appropriate policies and procedures (in accordance with ISO 31000:2018 guidelines) and that financial risks are identified, measured and managed in accordance with the Company's policies and risk objectives. The risk management policy is approved by the Board of Directors.

The Company's focus is to ensure liquidity which is sufficient to meet Company's operational requirements, the management also monitors and manages key financial risks so as to minimize potential adverse effects on its financial performance. The management reviews and manages these risks, which are summarised below:

39.3.1 Market risk

Market risk is the risk that changes in market prices will affect the Company's income or value of it's holding of financial instruments. The objective of market risk management is to manage and control market risk exposures within acceptable parameters, while optimising the return. Financial instruments affected by market risk primarily comprises of term borrowings and current investments.

Market risk comprises of three types of risk: currency risk, interest rate risk and price risk.

(A) Foreign currency exchange risk management

Foreign currency exchange risk is the risk that the fair value or future cash flows of a financial instrument will fluctuate because of changes in exchange rates. The Company does not have significant foreign currency denominated transactions, hence the Company is not exposed to significant foreign currency exchange risk.

(B) Interest rate risk management

Interest rate risk is the risk that the fair value or future cash flows of a financial instrument will fluctuate because of changes in market interest rates.

The Company's exposure to the risk of changes in market interest rates relates primarily to the Company's long-term debt obligations with floating interest rates.

Interest rate risk sensitivity analysis

The sensitivity analysis below have been determined based on the exposure to interest rates for long term borrowings at the end of the reporting period. The analysis is prepared assuming the amount of the borrowing outstanding at the end of the reporting period was outstanding for the whole year. A 50 basis point increase or decrease is used for analysis which represents management's assessment of the reasonably possible change in interest rates.

The sensitivity analysis in the following section relates to the position as at 31 March, 2022 and 31 March, 2021. If the interest rates had been 50 basis points higher or lower and all the other variables were held constant, the effect on interest expense for the respective financial years and consequent effect on Company's profit in that financial year would have been as below:

₹/Lakhs

Particulars	As at 31.03.2022		As at 31.03.2021	
	50 bps increase	50 bps decrease	50 bps increase	50 bps decrease
Interest expense on term borrowings	1,323.45	(1,323.45)	1,466.52	(1,466.52)
Effect on profit before tax	(1,323.45)	1,323.45	(1,466.52)	1,466.52

In Company's opinion, the sensitivity analysis is unrepresentative of the inherent interest rate risk because the exposure at the end of the reporting period does not reflect the exposure during the year.

(C) Price risk

Price risk is the risk that the fair value or future cash flows of a financial instrument will fluctuate because of changes in net asset value (NAV) of the financial instruments held. As at year end, the Company does not have any investment measured at fair value through profit or loss, hence the Company is not exposed to significant price risk.

39.3.2 Credit risk

Credit risk refers to the risk that a counterparty will default on its contractual obligations resulting in financial loss to the Company. The Company is exposed to credit risk from its operating activities (primarily trade receivables and unbilled revenue) and other financial instruments.

₹/Lakhs

Particulars	As at 31.03.2022	As at 31.03.2021
(a) Trade receivables	18,606.45	27,443.16
(b) Unbilled revenue	41,501.51	36,534.99
(c) Security deposits	902.63	657.49
(d) Other financial assets	384.23	199.95
Total	**61,394.82**	**64,835.59**

Refer note 11 for credit risk and other information in respect of trade receivables. Other receivables as stated above are due from the parties under normal course of the business and as such the Company believes exposure to credit risk to be minimal.

Bank balances are held with reputed and creditworthy banking institutions.

As per its investment policy, the Company deploy its short term surplus funds in debt based mutual funds and/or liquid funds with no exposure to equities or fixed term deposits with scheduled banks or in inter-corporate deposits with such companies of the Tata Group as may be approved. Investments are normally made in debt/liquid/money market mutual funds of approved fund houses whose Assets Under Management (AUM) are in excess of ₹ 1,00,00,000 lakhs and ranks in the first three of CRISIL's latest available Composite Performance Ranking (CPR) at the time of investment. As per policy, the aggregate amounts invested in debt based mutual funds and/or liquid funds with no exposure to equities and in inter-corporate deposits being in nature of investments shall not exceed ₹ 35,000 lakhs at any point of time.

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39.3.3 Liquidity risk

Liquidity risk is the risk that the Company will encounter difficulty in meeting obligations associated with financial liabilities that are settled by delivering cash or another financial asset. The Company manages liquidity risk by maintaining adequate reserves, banking facilities and reserve borrowing facilities, by continuously monitoring forecast and actual cash flows, and by matching the maturity profiles of financial assets and liabilities. The Company has access to a sufficient variety of sources of funding.

The following table details the Company's remaining contractual maturity for its financial liabilities with agreed repayment periods, ignoring the call and refinancing options available with the Company. The tables have been drawn up based on the undiscounted cash flows of financial liabilities based on the earliest date on which the Company can be required to pay. The tables include both interest and principal cash flows. The amounts included below for variable interest rate instruments for non-derivative liabilities is subject to change if changes in variable interest rates differ to those estimates of interest rates determined at the end of the reporting period.

Expected contractual maturity for financial liabilities:

₹/Lakhs

Particulars	Upto 1 year	1 to 5 years	5+ years	Total
As at 31 March, 2022				
(a) Trade payables	1,23,865.03	-	-	1,23,865.03
(b) Short term borrowings	23,565.90	-	-	23,565.90
(c) Long term borrowings (including current maturities)	66,078.33	1,52,680.57	45,930.50	2,64,689.40
(d) Interest accrued but not due on borrowings	539.64	-	-	539.64
(e) Future interest on above long term borrowings	16,703.50	30,761.68	5,001.84	52,467.02
(f) Consumers' security deposit (see note 39.3.3a)	5,514.80	-	78,178.80	83,693.60
(g) Future interest on consumers' security deposit (refer note 39.3.3a)	5,472.52	21,890.06	27,362.58	54,725.16
(h) Lease liabilities (including current maturities)	934.44	4,652.03	1,434.27	7,020.74
(i) Future interest on above lease liabilities	627.79	1,596.88	127.95	2,352.62
(j) Retention money payable	3,669.39	237.71	8.52	3,915.62
(k) Consumers' deposits for works	4,874.73	-	-	4,874.73
(l) Other financial liabilities	5,398.21	483.84	214.24	6,096.29
	2,57,244.28	**2,12,302.77**	**1,58,258.70**	**6,27,805.75**
As at 31 March, 2021				
(a) Trade payables	1,18,332.42	-	-	1,18,332.42
(b) Short term borrowings	39,336.28	-	-	39,336.28
(c) Long term borrowings (including current maturities)	62,483.00	1,77,633.20	53,187.50	2,93,303.70
(d) Interest accrued but not due on above borrowings	822.07	-	-	822.07
(e) Future interest on above long term borrowings	19,526.88	37,638.44	6,790.32	63,955.64
(f) Consumers' security deposit (see note 39.3.3a)	4,796.26	-	69,570.36	74,366.62
(g) Future interest on consumers' security deposit (refer note 39.3.3a)	4,869.93	19,479.70	24,349.63	48,699.25
(h) Lease liabilities (including current maturities)	2,419.93	4,269.98	2,750.76	9,440.67
(i) Future interest on above lease liabilities	704.53	1,978.91	373.70	3,057.14
(j) Retention money payable	3,785.74	192.91	37.17	4,015.82
(k) Consumers' deposits for works	5,486.40	-	-	5,486.40
(l) Other financial liabilities	3,433.16	413.41	66.24	3,912.81
	2,65,996.60	**2,41,606.55**	**1,57,125.68**	**6,64,728.83**

39.3.3a Consumers' security deposit classified under more than 5 years maturity pertains to permanent connection which are refundable on surrender of connection subject to clearance of outstanding dues.

Future interest on consumers' security deposit has been considered at 7.00% per annum (as at 31 March, 2021 7.00% per annum) which is the prevailing SBI 1 year MCLR rate as at 1 April, 2022. For the purpose of computation of interest, the tenure of consumer security deposit has been taken as 10 years.

The Company has access to financing facilities as described in note 39.3.4 below. The Company expects to meet its obligations from operating cash flows and proceeds of maturing financial assets.

39.3.4 Financing facilities (short term)

₹/Lakhs

Particulars	As at 31.03.2022	As at 31.03.2021
Unsecured credit facilities, reviewed annually and payable at call		
Amount used and outstanding	20,300.08	24,507.26
Amount unused	34,899.92	30,692.74
Secured bank loan facilities with various maturity dates through to 31 March, 2022 and which may be extended by mutual agreement		
Amount used and outstanding	3,265.82	4,829.02
Amount unused	39,534.18	29,670.98

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Note 40
Financial Ratios

Particulars	Numerator (₹ Lakhs)		Denominator (₹ Lakhs)		Unit	As at 31.03.2022	As at 31.03.2021	Variance
	31.03.2022	31.03.2021	31.03.2022	31.03.2021				
(a) Current ratio*	2,16,120.73	2,15,426.19	2,63,390.09	2,61,753.00	Times	0.82	0.82	-0.30%
(b) Debt equity ratio	2,95,815.68	3,42,902.72	4,08,289.65	3,77,009.78	Times	0.72	0.91	-20.34%
(c) Debt service coverage ratio	1,01,359.68	99,213.52	93,161.44	85,699.72	Times	1.09	1.16	-6.02%
(d) Return on Equity	43,866.08	42,817.23	3,92,649.72	3,62,161.12	%	11.17%	11.82%	-5.51%
(e) Trade receivables turnover ratio	7,92,048.06	7,27,925.94	77,821.42	80,342.17	Days	36	40	-10.98%
(f) Trade payables turnover ratio	6,25,647.24	5,58,197.55	1,01,223.64	90,898.27	Days	59	59	-0.65%
(g) Net capital turnover ratio	7,97,841.60	7,29,688.44	20,283.05	19,398.19	Times	39.34	37.62	4.57%
(h) Net profit ratio	43,866.08	42,817.23	7,97,841.60	7,29,688.44	%	5.50%	5.87%	-6.30%
(i) Return on capital employed	90,444.60	84,584.92	7,51,220.32	7,43,575.49	%	12.04%	11.38%	5.84%
(j) Return on investment	172.27	231.67	13,46,275.80	14,25,027.74	%	4.67%	5.93%	-21.29%

* Current ratio is less than 1 mainly due to usage of working capital funds for funding of Regulatory asset.

40.1 **Formulas used to compute ratios**

Particulars	Formulas
(a) Current ratio	Current asset (refer note 40.2(a))
	Current liability
(b) Debt equity ratio	Total debt (refer note 40.2(b))
	Shareholder's equity
(c) Debt service coverage ratio	Earnings available for debt service (refer note 40.2(c))
	Debt Service (refer note 40.2(d))
(d) Return on Equity	Net Profits after taxes
	Average shareholder's equity
(e) Trade receivables turnover ratio	Gross credit sales (refer note 40.2(e))
	Average accounts receivable (refer note 40.2(f))
(f) Trade payables turnover ratio	Gross credit purchases (refer note 40.2(g))
	Average trade payables (refer note 40.2(h))
(g) Net capital turnover ratio	Net sales (refer note 40.2(i))
	Working capital (refer note 40.2(j))
(h) Net profit ratio	Net Profit
	Net sales (refer note 40.2(i))
(i) Return on capital employed	Earning before interest and taxes (refer note 40.2(k))
	Average Capital Employed (refer note 40.2(l))
(j) Return on investment	Investment income (refer note 40.2(m))
	Time weighted average investment (refer note 40.2(n))

40.2 **Notes**

(a) Current asset also includes current portion of regulatory asset + asset classified as held for sale

(b) Total debt includes long term borrowings + short term borrowings + interest accured on borrowings + lease liabilities

(c) Earnings available for debt service includes Net Profit after taxes + Non-cash operating expenses/(income) (depreciation, amortisation of SLD, CCCW or capital grants, amortizations(ROU)) + interest (excluding interest on consumer security deposits) - loss on sale of fixed assets

(d) Debt service = Interest (excluding interest on consumer security deposits) + lease payments + principal repayments of long term borrowing (except refinanced loans)

(e) Gross credit sales includes sale of power + open access charges + maintenance charges + income other than energy business

(f) Average Accounts Receivable includes unbilled revenue

(g) Gross credit purchases includes power purchase + O&M expenses (excluding foreign exchange fluctuation loss (net), bad debts written off/(written back), allowance for doubtful debts, loss on disposal of property, plant and equipment, corporate social responsibility expenses, etc.)

(h) Average trade payables excludes employee benefit expense related balances

(i) Net sales includes revenue from operations + movement in regulatory deferral account balance

(j) Working capital = current assets - current liabilities
Current liabilities excludes current maturities of long-term borrowings, current portion of leases & interest accrued but not due on borrowings
Current asset includes current portion of regulatory asset & asset classified as held for sale

(k) Earning before interest and taxes = Profit before tax + interest (excluding interest on consumer security deposits)

(l) Average Capital employed = tangible net worth + total debt (refer note 40.2(b)) + deferred tax liability

(m) Investment income includes interest on bank deposits + gain on mutual fund (including unrealised (if any))

(n) Time weighted average investment includes bank deposits + mutual funds

(o) The Company is engaged in the business of sale of power which doesnot involve any inventory therefore, Inventory Turnover ratio is not applicable for the Company

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Note 41
Related party disclosures

41.1 **List of related parties and description of relationship**

A. Holding company
Tata Power Company Limited (TPCL)

B. Promoters holding together with its Subsidiary more than 20% in Holding Company
Tata Sons Private Limited (Tata Sons)

C. Company exercising significant influence
Delhi Power Company Limited (DPCL) *(Government related entity)*

D. Subsidiaries (wholly-owned)
NDPL Infra Limited (NDPLIL)

E. Fellow Subsidiaries (with whom the Company has transactions)
(i) TP Ajmer Distribution Limited (TPADL)
(ii) TP Central Odisha Distribution Limited (TPCODL)
(iii) Tata Power International Pte. Limited (TPIPL)
(iv) TP Renewable Microgrid Limited (TPRML)
(v) Tata Power Solar Systems Limited (TPSSL)
(vi) Tata Power Southern Odisha Distribution Limited (TPSODL)
(vii) Tata Power Northern Odisha Distribution Limited (TPNODL)
(viii) Tata Power Trading Company Limited (TPTCL)
(ix) Tata Power Western Odisha Distribution Limited (TPWODL)

F. Joint Ventures of holding company (with whom the Company has transactions)
(i) Prayagraj Power Generation Co. Ltd. (PPGCL)
(ii) Powerlinks Transmission Ltd. (PTL)

G. Associates of holding company (with whom the Company has transactions)
(i) Tata Projects Limited (TPL)

H. Subsidiaries and Jointly Controlled Entities of Promoters of Holding Company - Promoter Group (with whom the Company has transactions)
(i) Infiniti Retail Limited (IRL)
(ii) Tata Industries Limited (TIL)
(iii) Tata AIG General Insurance Company Limited (Tata AIG)
(iv) Tata Advanced Systems Limited (TASL)
(v) Tata Autocomp Systems Limited (TACSL)
(vi) Tata Communications Limited (TCL)
(vii) Tata Consulting Engineers Ltd. (TCES)
(viii) Tata AIA Life Insurance Company Limited (Tata AIA)
(ix) Tata Teleservices Limited (TTSL)
(x) Tata Sky Broadband Private Limited (TSBPL)

I. Post retirement employee benefit trust
(i) North Delhi Power Limited Employees Group Gratuity Assurance Scheme (Gratuity Fund)
(ii) Special Voluntary Retirement Scheme Retirees Terminal Benefit Fund, 2004 (SVRS RTBF - 2004)

J. Key management personnel

Chief Executive Officer (CEO)
(i) Mr. Ganesh Srinivasan

Non-executive directors
(i) Dr. Praveer Sinha
(ii) Mr. Arup Ghosh
(iii) Mr. Amar Jit Chopra
(iv) Mr. Ajay Shankar
(v) Mr. Ramesh N. Subramanyam (ceased w.e.f. 20th January 2022)
(vi) Ms. Satya Gupta
(vii) Mr. Kesava Menon Chandrasekhar
(viii) Mr. Sanjay Kumar Banga
(ix) Mr. Jasmine Shah
(x) Mr. Ajit Kumar Singh
(xi) Ms. Rashmi Krishnan
(xii) Mr. Naveen ND Gupta
(xiii) Mr. Ajay Kapoor (appointed w.e.f. 21st January 2022)

41.2 **Transactions with related parties**

₹/Lakhs

Name of related party	Nature of transactions	Year ended 31.03.2022	Year ended 31.03.2021
A. Purchase of goods			
(i) TPCL	Purchase of spares	35.82	-
(ii) TPTCL	Purchase of power	1,40,940.02	1,02,909.41
	Rebate on power purchase	2,582.48	1,984.46
(iii) IRL	Purchase of gifts & gift vouchers	34.23	-
B. Purchase of property, plant and equipment			
(i) TPCL	Purchase of vehicle	-	1.89
(ii) TASL	Purchase of integrated security solutions	-	146.54
(iii) TPTCL	Purchase of IT asset	0.58	-
(iv) PTL	Purchase of IT asset	0.14	-
(v) TACSL	Purchase of consumables	2.48	-
(vi) IRL	Purchase of office equipment	0.34	0.40

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Transactions with related parties contd.

₹/Lakhs

Name of related party	Nature of transactions	Year ended 31.03.2022	Year ended 31.03.2021
C. Sale of property, plant and equipment			
(i) TPCL	Sale of vehicles & IT Assets	36.94	20.92
(ii) TPCODL	Sale of vehicles & IT Assets	30.93	70.29
(iii) TPNODL	Sale of vehicles & IT Assets	42.25	-
(iv) TPADL	Sale of IT Assets	-	0.28
(v) TPTCL	Sale of IT Assets	0.74	7.85
(vi) TPWODL	Sale of vehicles & IT Assets	29.38	39.09
(vii) TPSODL	Sale of vehicles & IT Assets	8.88	39.35
(viii) TPSSL	Sale of IT asset		0.15
(ix) PTL	Sale of vehicles & IT Assets	6.27	0.52
D. Rendering of services			
(i) TPCL	Management contract for deputation of employees	-	1.29
	Management contract for consultancy services	323.80	276.77
(ii) DPCL	Commission earned	0.41	2.06
(iii) NDPLIL	Management contract for consultancy services	12.77	20.29
(iv) TPADL	Management contract for consultancy services	7.00	9.02
(v) TPCODL	Management contract for consultancy services	97.29	300.27
(vi) TPWODL	Management contract for consultancy services	40.93	22.27
	Revenue from training	2.50	
(vii) TPSODL	Management contract for consultancy services	148.38	28.78
(viii) TPNODL	Management contract for consultancy services	144.86	-
(ix) TPIPL	Management contract for consultancy services	24.19	21.40
(x) TPTCL	Management contract for consultancy services	1.39	5.83
(xi) TPRML	Management contract for consultancy services	1.71	-
(xii) PPGCL	Management contract for deputation of employees	6.38	17.74
(xiii) TCES	Revenue from consultancy	-	10.92
(xiv) TSBPL	Revenue from use of assets	50.41	47.47
E. Receiving of services			
(i) TPCL	Management contract for deputation of key management personnel (KMP)	211.22	199.42
(ii) Tata Sons	Training	3.78	0.80
	Professional Charges	-	2.86
	Corporate social responsibility expenses	-	3.54
(iii) TPSSL	Annual maintenance contract of solar plants	10.76	10.37
(iv) Tata AIG	Insurance expense	271.17	198.72
(v) TCL	Communication expenses	23.52	32.62
(vi) TTSL	Automatic meter reading expenses, call center charges etc.	168.83	219.91
	Communication expenses	6.70	7.33
(vii) Tata AIA	Insurance expense	219.36	125.81
(viii) TCES	Consultancy services	17.11	1.36
(ix) TIL	Corporate social responsibility expenses	-	23.79
(x) TPL	Corporate social responsibility expenses	-	16.61
(xi) TASL	Repair & maintenance services	3.21	-
F. Reimbursement of expenses (paid)/received [net]			
(i) TPCL	Travelling, training and conveyance etc.	84.03	112.46
(ii) NDPLIL	Miscellaneous expenses etc.	1.05	1.66
(iii) TPADL	Travelling and conveyance etc.	-	0.08
(iv) TPTCL	Miscellaneous expenses etc.	(12.72)	(11.71)
(v) TPIPL	Travelling and conveyance, insurance etc.	2.63	13.56
(vi) TPNODL	Travelling and conveyance, insurance etc.	7.68	-
(vii) TPWODL	Travelling and conveyance, insurance etc.	2.17	4.80
(viii) TPSODL	Travelling and conveyance, insurance etc.	3.47	7.64
(ix) TPCODL	Travelling and conveyance, insurance etc.	13.32	8.91
G. Equity dividend paid			
(i) TPCL	Dividend on equity shares	6,438.24	6,756.48
(ii) DPCL	Dividend on equity shares	6,185.76	6,491.52
H. Transaction with Trust			
(i) Gratuity Fund	Contribution to trust	-	768.14

41.3 **Compensation of key managerial personnel**

₹/Lakhs

Name of related party	Nature of transaction	Year ended 31.03.2022	Year ended 31.03.2021
A. CEO	Deputation pay and other benefits		
	a. Mr. Ganesh Srinivasan	210.65	177.82
B. Non-executive directors	(i) Sitting fees*	57.23	93.75
	(ii) Consultancy fees -		
	a. Mr. Arup Ghosh (upto 31 May, 2019)**	-	0.49

* Exclusive of Goods & Services Tax
** Amount paid during FY 2020-21 pertains to AT&C Incentive of FY 2019-20

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41.4 **Balance outstanding with related parties**

₹/Lakhs

Name of related party	Nature of balances	As at 31.03.2022	As at 31.03.2021
A. Investment in equity shares			
(i) NDPLIL		5.00	5.00
B. Receivables			
(i) TPCL	Trade receivables net of payables	45.76	146.03
(ii) TPIPL	Trade receivables	-	13.77
(iii) TPADL	Trade receivables	1.54	5.00
(iv) TPCODL	Trade receivables	4.68	436.90
(v) PPGCL	Trade receivables	-	1.78
(vi) TPWODL	Trade receivables	27.86	71.62
(vii) TPSODL	Trade receivables	71.88	83.36
(viii) TPNODL	Trade receivables	19.84	-
(ix) PTL	Trade receivables	-	0.61
(x) TCES	Trade receivables net of security deposit and advances	1.45	0.51
(xi) SVRS RTBF-2004	Other financial assets	25.78	28.94
C. Payables			
(i) Tata Sons	Trade payables net of receivables including advances	-	0.09
(ii) DPCL	Trade payables	197.71	301.55
(iii) TPTCL	Trade payables net of receivables	8,107.43	1,804.47
(iv) TPSSL	Trade payables net of receivables including retention money and earnest money deposit	24.70	24.58
(v) TASL	Trade payables including retention money	280.47	310.97
(vi) TCL	Trade payables including security deposit, earnest money deposit net of advances	12.10	10.35
(vii) TTSL	Trade payables including retention money and security deposit	2.95	11.85
D. Unbilled revenues			
(i) TPCL	Management contract for consultancy services/Reimbursement of expenses	4.42	3.43
(ii) NDPLIL	Management contract for consultancy services	2.48	6.53
(iii) TPCODL	Management contract for consultancy services/Reimbursement of expenses	-	0.09
(iv) TPIPL	Management contract for consultancy services	-	0.71
E. Accrued expenses			
(i) TPCL	Purchase of spares	11.84	-
(ii) Tata Sons	Training	3.46	-
(iii) TPSSL	Annual maintenance contract of solar plants	2.64	-
(iv) TCES	Consultancy services	16.40	4.98
(v) TCL	Communication expenses	69.62	50.29
(vi) TTSL	Communication expenses, Automatic meter reading expenses & call centre charges	51.86	40.61
F. Prepaid expenses			
(i) TPTCL	Charges for letter of credit	4.23	4.29
(ii) Tata AIA	Prepaid insurance	-	225.25
(iii) Tata AIG	Prepaid insurance	112.12	112.60
G. Advance to suppliers			
(i) IRL	Advance to vendors	-	0.34
(ii) Tata AIG	Advance to vendors	8.48	20.31
(iii) Tata AIA	Advance to vendors	-	12.01
(iv) TCES	Advance to vendors	3.42	-
H. Other liabilities (Current & Non Current)			
(i) TPCL	Advance from consumers	1.75	1.00
I. Commitments made			
(i) TCES	Consultancy services	219.66	224.41
(ii) TTSL	Call center charges	0.12	1.62

J. Commitments made with TPTCL

Significant commitments of the Company includes commitment for trading margin with TPTCL.

The Company has entered into a long term power purchase agreement with TPTCL on 10 September, 2009 to draw power from Maithon Power Ltd. (MPL) for 30 years from the date of commissioning (COD) and on 20 January, 2009 to draw power from Jhajjar Power Ltd. (JPL) for 25 years from COD. A trading margin of 4 paise per kWh for the energy scheduled by MPL is payable by Tata Power-DDL to TPTCL. A trading margin of 2% of power purchase bill (capacity and energy charges) of JPL is payable by Tata Power-DDL to TPTCL.

Note 42
Relationship with Struck off Companies

Details of transactions entered with the companies struck off under section 248 of the Companies Act, 2013 or section 560 of Companies Act, 1956.

₹/Lakhs

S. No.	Name of struck off Companies	Nature of transactions with struck off Companies	Relationship with the struck off Companies	Transaction during the year ended 31.03.2022	As at 31.03.2022	As at 31.03.2021
(i)	Sharun Engineering Company (P) Ltd.	Balance written off	Customer	0.31	-	0.31
(ii)	Anand Vehicles India (P) Limited	Refund of Security Deposit	Vendor	0.06	-	-

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Note 43
Significant events after the reporting period

There were no significant adjusting events that occurred subsequent to the reporting period other than the events disclosed in the relevant notes.

Note 44
Transfer pricing

As per the Transfer Pricing Rules of the Income Tax Act, 1961 the Company is not required to get transfer pricing study conducted for FY 21-22. However, the company is required to substantiate, that the international transactions with related parties were undertaken at an arm's length basis. Benchmarking of the transactions during the year ended 31 March, 2022 is currently in progress and hence adjustments, if any, which may arise there from will be considered in the financial statements for the year ended 31 March, 2023. However, in the opinion of the Company's management, adjustments, if any, are not expected to be material.

Note 45
Approval of financial statements

These financial statements were approved for issue by the board of directors on 22 April, 2022.

In terms of our report attached of even date

For T. R. Chadha & Co. LLP
Chartered Accountants
Firm's Registration No.: 006711N/N500028

Hitesh Garg
Partner
Membership No.: 502955

T R Chadha & Co. LLP
NEW DELHI
Chartered Accountants

New Delhi
22 April, 2022

For and on behalf of the Board of Directors

Ajay Shankar
Director
DIN: 01800443

Ajay Kapoor
Director
DIN: 00466631

Ganesh Srinivasan
Chief Executive Officer

Monica Mehra
Company Secretary

Suranjit Mishra
Chief Financial Officer

New Delhi
22 April, 2022

Independent Auditor's Report
To the Members of Tata Power Delhi Distribution Limited
Report on the Audit of the Consolidated Financial Statements

Opinion

We have audited the accompanying Consolidated Financial Statements of **Tata Power Delhi Distribution Limited ('the Holding Company')** and its subsidiary (the Holding Company and its subsidiary together referred to as 'the Group'), which comprise the Consolidated Balance Sheet as at 31st March 2022, the Consolidated Statement of Profit and Loss (including Other Comprehensive Income), the Consolidated Statement of Changes in Equity and the Consolidated Statement of Cash Flows for the year ended on that date and notes to the consolidated financial statements, including a summary of significant accounting policies and other explanatory information (hereinafter referred to as "the consolidated financial statements").

In our opinion and to the best of our information and according to the explanations given to us, the aforesaid consolidated financial statements give the information required by the Companies Act, 2013, as amended (the "Act") in the manner so required and give a true and fair view in conformity with the Indian Accounting Standards prescribed under Section 133 of the Act read with the Companies (Indian Accounting Standards) Rules, 2015, as amended, and other accounting principles generally accepted in India, of the consolidated state of affairs of the Group as at 31st March 2022, their consolidated profit (including other comprehensive income), their consolidated cash flows and the consolidated changes in equity for the year ended on that date.

Basis for Opinion

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

Information other than the Consolidated Financial Statements and Auditor's Report thereon

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

Our opinion on the Consolidated Financial Statements does not cover the other information and we do not express any form of assurance conclusion thereon.

T R Chadha & Co LLP NEW DELHI Chartered Accountants

In connection with our audit of the Consolidated Financial Statements, our responsibility is to read the other information identified above and, in doing so, consider whether the other information is materially inconsistent with the Consolidated Financial Statements or our knowledge obtained in the audit or otherwise appears to be materially misstated.

If, based on the work we have performed, we conclude that there is a material misstatement of this other information, we are required to report that fact. The Annual Report is not made available to us at the date of this Auditor's Report. We have nothing to report in this regard.

Responsibilities of Management and Those Charged with Governance for the Consolidated Financial Statements

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

In preparing the Consolidated Financial Statements, the respective Board of Directors of the companies included in the Group are responsible for assessing the ability of the Group to continue as a going concern, disclosing, as applicable, matters related to going concern and using the going concern basis of accounting unless management either intends to liquidate the Group or to cease operations, or has no realistic alternative but to do so.

The respective Board of Directors of the companies included in the Group are also responsible for overseeing the financial reporting process of the Group.

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

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

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

- Identify and assess the risks of material misstatement of the Consolidated Financial Statements, whether due to fraud or error, design and perform audit procedures responsive to those risks, and obtain audit evidence that is sufficient and appropriate to provide a basis for our opinion. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control;

- Obtain an understanding of internal control relevant to the audit in order to design audit procedures that are appropriate in the circumstances. Under section 143(3)(i) of the Act, we are also responsible for expressing our opinion on whether the Holding Company and its subsidiary company have adequate internal financial controls with reference to these financial statements in place and the operating effectiveness of such controls;

- Evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by management;

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

- Evaluate the overall presentation, structure and content of the Consolidated Financial Statements, including the disclosures, and whether the Consolidated Financial Statements represent the underlying transactions and events in a manner that achieves fair presentation;

We communicate with those charged with governance of the Holding Company and Subsidiary Company included in the Consolidated Financial Statements of which we are the independent auditors, regarding, among other matters, the planned scope and timing of the audit and significant audit findings, including any significant deficiencies in internal control that we identify during our audit.

T R Chadha & Co LLP Chartered Accountants NEW DELHI

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

Other Matter

The consolidated financial statements of the Company for the year ended 31st March 2021 were audited by another auditor whose report dated 23rd April 2021 expressed an unmodified opinion on those consolidated financial statements. Our opinion is not modified in respect of this matter.

Report on Other Legal and Regulatory Requirements

1. As required by section 143(3) of the Act, based on our audit, we report, to the extent applicable, that:

   a) we have sought and obtained all the information and explanations which to the best of our knowledge and belief were necessary for the purpose of our audit of the aforesaid Consolidated Financial Statements;

   b) in our opinion, proper books of account as required by law relating to preparation of the aforesaid Consolidated Financial Statements have been kept so far as it appears from our examination of those books;

   c) the Consolidated Balance Sheet, the Consolidated Statement of Profit and Loss (including Other Comprehensive Income), the Consolidated Statement of Changes in Equity and the Consolidated Statement of Cash Flows dealt with by this report are in agreement with the books of account and records maintained for the purpose of preparation of the Consolidated Financial Statements;

   d) in our opinion, the aforesaid Consolidated Financial Statements comply with the Indian Accounting Standards prescribed under Section 133 of the Act read with the Companies (Indian Accounting Standards) Rules, 2015, as amended;

   e) On the basis of the written representations received from the directors of the Holding Company and its subsidiary company taken on record by the respective Board of Directors of these companies, none of the directors of the Group's companies is disqualified as on 31st March 2022 from being appointed as a director in terms of section 164(2) of the Act;

   f) With respect to the adequacy and the operating effectiveness of the internal financial controls with reference to these Consolidated financial statements of the Holding Company, and its subsidiary company, refer to our separate Report in **"Annexure A"**.

   g) With respect to the other matters to be included in the Auditor's Report in accordance with the requirements of section 197(16) of the Act, as amended:

T R Chadha & Co. LLP Chartered Accountants NEW DELHI

In our opinion and to the best of our information and according to the explanations given to us, the Holding company and its subsidiary company have not paid or provided for any managerial remuneration during the year. Accordingly, reporting under Section 197 (16) of the Act is not applicable.

h) With respect to the other matters to be included in the Auditor's Report in accordance with Rule 11 of the Companies (Audit and Auditors) Rules, 2014 (as amended), in our opinion and to the best of our information and according to the explanations given to us:

i. the Group, as detailed in Note 28 and 30.2 to the consolidated financial statements, has disclosed the impact of pending litigations on the consolidated financial position of the Group as at 31st March 2022;

ii. the Group did not have any long-term contracts including derivative contracts for which there were any material foreseeable losses as at 31st March 2022;

iii. there were no amounts which were required to be transferred to the Investor Education and Protection Fund by the Group during the year ended 31st March 2022; and

iv. (a) The respective managements of the company and its subsidiary company have represented that, to the best of their knowledge and belief, no funds (which are material either individually or in the aggregate) have been advanced or loaned or invested (either from borrowed funds or share premium or any other sources or kind of funds) by the Company or its subsidiary to or in any other person or entity, including foreign entity ("Intermediaries"), with the understanding, whether recorded in writing or otherwise, that the Intermediary shall, whether, directly or indirectly lend or invest in other persons or entities identified in any manner whatsoever by or on behalf of the Company or any of such subsidiaries ("Ultimate Beneficiaries") or provide any guarantee, security or the like on behalf of the Ultimate Beneficiaries;

(b) The respective managements of the company and its subsidiary company have represented, that, to the best of their knowledge and belief, no funds (which are material either individually or in the aggregate) have been received by the Company or its subsidiary from any person or entity, including foreign entity ("Funding Parties"), with the understanding, whether recorded in writing or otherwise, that the Company or its subsidiary shall, whether, directly or indirectly, lend or invest in other persons or entities identified in any manner whatsoever by or on behalf of the Funding Party ("Ultimate Beneficiaries") or provide any guarantee, security or the like on behalf of the Ultimate Beneficiaries;

T R Chadha & Co. LLP New Delhi Chartered Accountants

(c) Based on the audit procedures that have been considered reasonable and appropriate in the circumstances performed by us on the company and its subsidiary, nothing has come to our notice that has caused us to believe that the representations under sub-clause (i) and (ii) of Rule 11(e), as provided under (a) and (b) above, contain any material misstatement.

v. The dividend declared or paid by the Holding Company during the year is in accordance with Section 123 of the Companies Act, 2013.

2. With respect to the matters specified in paragraphs 3(xxi) and 4 of the Companies (Auditor's Report) Order, 2020 (the "Order"/ "CARO") issued by the Central Government in terms of Section 143 (11) of the Act, to be included in the Auditor's report, according to the information and explanations given to us, and based on the CARO reports issued by us for the Company and its subsidiary company included in the consolidated financial statements of the Company, to which reporting under CARO is applicable, we report that there are no qualifications or adverse remarks in these CARO reports.

For T R Chadha & Co LLP
Chartered Accountants
Firm's Registration No. 006711N/N500028

T R Chadha & Co. LLP ★ NEW DELHI ★ Chartered Accountants

Hitesh Garg
Partner
Membership No. 502955

Place: New Delhi
Date: 22nd April 2022

UDIN: 22502955AIXQGZ1768

"Annexure A" as referred to in paragraph 1(f) under 'Report on Other Legal and Regulatory Requirements' section of our report of even date

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

We have audited the internal financial controls over financial reporting of Tata Power Delhi Distribution Limited ("the Company") and its subsidiary company as of 31st March 2022 in conjunction with our audit of the consolidated financial statements of the Company for the year ended on that date.

Management's Responsibility for Internal Financial Controls

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

Auditors' Responsibility

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

Our audit involves performing procedures to obtain audit evidence about the adequacy of the internal financial controls system over financial reporting and their operating effectiveness. Our audit of internal financial controls over financial reporting included

Chadha & Co. LLP NEW DELHI Chartered Accountants obtaining an understanding of internal financial controls over financial reporting, assessing the risk that a material weakness exists, and testing and evaluating the design and operating effectiveness of internal control based on the assessed risk. The procedures selected depend on the auditor's judgment, including the assessment of the risks of material misstatement of the financial statements, whether due to fraud or error.

We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our audit opinion on the internal financial controls system over financial reporting of the company and its subsidiary company.

Meaning of Internal Financial Controls over Financial Reporting

A company's internal financial control over financial reporting is a process designed to provide reasonable assurance regarding the reliability of financial reporting and the preparation of financial statements for external purposes in accordance with generally accepted accounting principles. A company's internal financial control over financial reporting includes those policies and procedures that:

a) pertain to the maintenance of records that, in reasonable detail, accurately and fairly reflect the transactions and dispositions of the assets of the company;

b) provide reasonable assurance that transactions are recorded as necessary to permit preparation of financial statements in accordance with generally accepted accounting principles, and that receipts and expenditures of the company are being made only in accordance with authorizations of management and directors of the company; and

c) provide reasonable assurance regarding prevention or timely detection of unauthorized acquisition, use, or disposition of the company's assets that could have a material effect on the financial statements.

Inherent Limitations of Internal Financial Controls Over Financial Reporting

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

Chadha & Co. LLP * NEW DELHI * Chartered Accountants *

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Opinion

In our opinion, to the best of our information and according to the explanations given to us, the Company and its subsidiary company have, in all material respects, an adequate internal financial controls system over financial reporting and such internal financial controls over financial reporting were operating effectively as at 31 March 2022, based on the internal control over financial reporting criteria established by the respective Companies considering the essential components of internal control stated in the Guidance Note on Audit of Internal Financial Controls Over Financial Reporting issued by the Institute of Chartered Accountants of India.

For T R Chadha & Co LLP
Chartered Accountants
Firm Regn No. 006711N / N500028

T R Chadha & Co LLP
NEW DELHI
Chartered Accountants

Hitesh Garg
Partner
Membership No. 502955

Place: New Delhi
Date: 22nd April 2022

UDIN: 22502955AIXQGZ1768

TATA POWER DELHI DISTRIBUTION LIMITED
CONSOLIDATED BALANCE SHEET AS AT 31 MARCH, 2022

	Notes	As at 31.03.2022 ₹/Lakhs	As at 31.03.2021 ₹/Lakhs
I. ASSETS			
(1) Non-current assets			
(a) Property, plant and equipment	4	4,07,596.92	4,03,696.35
(b) Capital work-in-progress	4	17,672.87	19,711.18
(c) Right-of-use assets	5	7,661.88	8,756.43
(d) Intangible assets	4	6,223.06	7,891.13
(e) Financial assets			
(i) Other financial assets	6	458.55	85.56
(f) Income tax assets (net)	7	357.75	3,292.43
(g) Other non-current assets	8	3,157.16	2,986.97
Total non-current assets		**4,43,128.19**	**4,46,420.05**
(2) Current assets			
(a) Inventories	9	1,411.12	1,682.76
(b) Financial assets			
(i) Investments	10	23.67	33.25
(ii) Trade receivables	11	18,606.45	27,443.16
(iii) Cash and cash equivalents	12	2,522.10	4,613.20
(iv) Bank balances other than (iii) above	12	7,420.24	9,879.99
(v) Other financial assets	13	44,845.88	39,697.84
(c) Other current assets	14	24,015.50	15,291.20
Total current assets		**98,844.96**	**98,641.40**
Assets classified as held for sale	34.7.1	2,004.00	2,004.00
Total assets before regulatory deferral account balance		**5,43,977.15**	**5,47,065.45**
(3) Regulatory deferral account debit balances	34	5,84,222.83	5,51,170.50
Total assets		**11,28,199.98**	**10,98,235.95**
II. EQUITY AND LIABILITIES			
EQUITY			
(a) Equity share capital	15	1,05,200.00	1,05,200.00
(b) Other equity	16	3,05,661.07	2,74,299.13
Total equity attributable to equity holders of the Company		**4,10,861.07**	**3,79,499.13**
(c) Non-controlling interest		-	-
Total equity		**4,10,861.07**	**3,79,499.13**
LIABILITIES			
(1) Non-current liabilities			
(a) Financial liabilities			
(i) Long-term borrowings	17	1,98,611.07	2,30,820.70
(ii) Lease liabilities	5	6,086.30	7,020.74
(iii) Other financial liabilities	18	79,123.11	70,280.09
(b) Provisions	19	5,671.18	5,741.27
(c) Deferred tax liabilities (net)	37	43,421.60	35,001.28
(d) Capital grants	20	363.68	433.68
(e) Contributions for capital works and service line charges	21	80,145.14	80,324.66
(f) Other non-current liabilities	22	40,522.69	27,352.66
Total non-current liabilities		**4,53,944.77**	**4,56,975.08**
(2) Current liabilities			
(a) Financial liabilities			
(i) Short-term borrowings	23	89,644.23	1,01,819.28
(ii) Lease liabilities	5	934.44	2,419.93
(iii) Trade payables	24		
- total outstanding dues of micro enterprises and small enterprises		2,518.77	2,512.11
- total outstanding dues of creditors other than micro enterprises and small enterprises		1,21,349.35	1,15,828.13
(iv) Other financial liabilities	25	19,996.77	18,323.63
(b) Provisions	26	1,277.61	1,008.61
(c) Other current liabilities	27	27,672.63	19,850.05
(d) Current tax liabilities (Net)		0.34	-
Total current liabilities		**2,63,394.14**	**2,61,761.74**
Total equity and liabilities		**11,28,199.98**	**10,98,235.95**

See accompanying notes forming part of consolidated financial statements (1-45)

In terms of our report attached of even date

For T. R. Chadha & Co. LLP
Chartered Accountants
Firm's Registration No.: 006711N/N500028

Hitesh Garg
Partner
Membership No.: 502955

T R Chadha & Co. LLP NEW DELHI Chartered Accountants

For and on behalf of the Board of Directors

Ajay Shankar
Director
DIN: 01800443

Ajay Kapoor
Director
DIN: 00466631

Ganesh Srinivasan
Chief Executive Officer

Monica Mehra
Company Secretary

Surajit Mishra
Chief Financial Officer

New Delhi
22 April, 2022

New Delhi
22 April, 2022

TATA POWER DELHI DISTRIBUTION LIMITED

CONSOLIDATED STATEMENT OF PROFIT AND LOSS FOR THE YEAR ENDED 31 MARCH, 2022

		Notes	Year ended 31.03.2022 ₹/Lakhs	Year ended 31.03.2021 ₹/Lakhs
I	Revenue from operations	29	7,64,789.27	7,00,703.05
II	Other income	29	16,295.89	11,746.93
III	**Total income**		**7,81,085.16**	**7,12,449.98**
IV	**Expenses**			
	Cost of power purchased (net) (excludes own generation)	30	5,95,691.96	5,30,625.73
	Employee benefits expense (net)	31	51,582.92	55,729.12
	Finance costs	32	32,405.23	34,390.98
	Depreciation and amortisation expense	4,5	37,113.58	35,381.68
	Other expenses	33	33,726.88	29,448.25
	Total expenses		**7,50,520.57**	**6,85,575.76**
V	**Profit/(Loss) before movement in regulatory deferral account balance and tax**		**30,564.59**	**26,874.22**
	Movement in regulatory deferral account balance (net)	34	33,052.33	28,985.39
VI	**Profit/(Loss) before tax**		**63,616.92**	**55,859.61**
VII	Tax expense			
	(i) Current tax	37		
	- For the year		11,258.58	9,210.51
	- Adjustments for prior periods (refer note 37.5)		0.02	(932.03)
	(ii) Deferred tax	37	8,410.17	4,664.51
VIII	**Profit/(Loss) for the year**		**43,948.15**	**42,916.62**
IX	**Other comprehensive income/(expense)**			
	(i) Items that will not be reclassified to profit or loss			
	Remeasurement gain/(loss) of defined benefit plans		58.09	196.92
	(ii) Income tax credit/(charge) relating to items that will not be reclassified to profit or loss			
	(a) Current tax	37	(10.15)	(34.41)
	(b) Deferred tax	37	(10.15)	(34.41)
	Other comprehensive income/(expense) for the year		**37.79**	**128.10**
X	**Total comprehensive income for the year**		**43,985.94**	**43,044.72**
	Profit for the year attributable to:			
	Owners of the Company		43,948.15	42,916.62
	Non-controlling interests		-	-
			43,948.15	**42,916.62**
	Other comprehensive income/(expense) attributable to:			
	Owners of the Company		37.79	128.10
	Non-controlling interests		-	-
			37.79	**128.10**
	Total comprehensive income for the year attributable to:			
	Owners of the Company		43,985.94	43,044.72
	Non-controlling interests		-	-
			43,985.94	**43,044.72**
	Earnings per equity share (face value ₹ 10/- each)	35		
(i)	Basic and Diluted earnings per equity share before net movement in regulatory deferral account balance (₹)		2.13	2.29
(ii)	Basic and Diluted earnings per equity share after net movement in regulatory deferral account balance (₹)		4.18	4.08

See accompanying notes forming part of consolidated financial statements (1-45)

In terms of our report attached of even date

For T. R. Chadha & Co. LLP
Chartered Accountants
Firm's Registration No.: 006711N/N500028

Hitesh Garg
Partner
Membership No.: 502955

T R Chadha & Co. LLP NEW DELHI Chartered Accountants

New Delhi
22 April, 2022

For and on behalf of the Board of Directors

Ajay Shankar
Director
DIN: 01800443

Ajay Kapoor
Director
DIN: 00466631

Ganesh Srinivasan
Chief Executive Officer

Monica Mehra
Company Secretary

Suranjit Mishra
Chief Financial Officer

New Delhi
22 April, 2022

TATA POWER DELHI DISTRIBUTION LIMITED
CONSOLIDATED STATEMENT OF CHANGES IN EQUITY FOR THE YEAR ENDED 31 MARCH, 2022

A. Equity share capital

	Particulars	Amount (₹/Lakhs)
(i)	**Balance as at 1 April, 2020**	**55,200.00**
(ii)	Add: Bonus equity shares issued during the year	50,000.00
(iii)	**Balance as at 31 March, 2021**	**1,05,200.00**
(i)	**Balance as at 1 April, 2021**	**1,05,200.00**
(ii)	Changes in equity share capital during the year	-
(iii)	**Balance as at 31 March, 2022**	**1,05,200.00**

B. Other equity

₹/Lakhs

	Particulars	Reserves and Surplus			Total
		Capital Redemption Reserve	General Reserve	Retained Earnings	
(i)	**Balance as at 1 April, 2020**	50,000.00	9,150.00	2,35,352.41	2,94,502.41
(ii)	Profit for the year	-	-	42,916.62	42,916.62
(iii)	Other comprehensive income/(expense) for the year (net of tax)	-	-	128.10	128.10
(iv)	**Total comprehensive income {(ii)+(iii)}**	-	-	43,044.72	43,044.72
(v)	Dividend paid	-	-	(13,248.00)	(13,248.00)
(vi)	Bonus equity shares issued during the year out of capital redemption reserve (refer note 15.8)	(50,000.00)	-	-	(50,000.00)
(vii)	**Balance as at 31 March, 2021 {(i)+(iv)+(v)+(vi)}**	**-**	**9,150.00**	**2,65,149.13**	**2,74,299.13**
(i)	**Balance as at 1 April, 2021**	-	9,150.00	2,65,149.13	2,74,299.13
(ii)	Profit for the year	-	-	43,948.15	43,948.15
(iii)	Other comprehensive income/(expense) for the year (net of tax)	-	-	37.79	37.79
(iv)	**Total comprehensive income {(ii)+(iii)}**	-	-	43,985.94	43,985.94
(v)	Dividend paid	-	-	(12,624.00)	(12,624.00)
(vi)	**Balance as at 31 March, 2022 {(i)+(iv)+(v)}**	**-**	**9,150.00**	**2,96,511.07**	**3,05,661.07**
	Other equity attributable to:	-	9,150.00	2,96,511.07	3,05,661.07
	Owners of the Company	-	-	-	-
	Non-controlling interest	-	9,150.00	2,96,511.07	3,05,661.07

See accompanying notes forming part of consolidated financial statements (1-45)

In terms of our report attached of even date

For T. R. Chadha & Co. LLP
Chartered Accountants
Firm's Registration No.: 006711N/N500028

T R Chadha & Co. LLP
NEW DELHI
Chartered Accountants

Hitesh Garg
Partner
Membership No.: 502955

New Delhi
22 April, 2022

For and on behalf of the Board of Directors

Ajay Shankar
Director
DIN: 01800443

Ajay Kapoor
Director
DIN: 00466631

Ganesh Srinivasan
Chief Executive Officer

Monica Mehra

Monica Mehra
Company Secretary

Suranjit Mishra
Chief Financial Officer

New Delhi
22 April, 2022

TATA POWER DELHI DISTRIBUTION LIMITED
CONSOLIDATED STATEMENT OF CASH FLOWS FOR THE YEAR ENDED 31 MARCH, 2022

		Year ended 31.03.2022 ₹/Lakhs	Year ended 31.03.2021 ₹/Lakhs
A. Cash flow from operating activities			
Profit for the year		43,948.15	42,916.62
Adjustments to reconcile profit for the year to net cash flows:			
Income tax recognised as expense in Statement of Profit and Loss		19,668.77	12,942.99
Depreciation and amortisation expense		37,113.58	35,381.68
Finance costs (net of capitalisation)		32,405.23	34,390.98
Interest income		(836.67)	(355.97)
Gain on sale/fair value of mutual fund investment measured at FVTPL		(2.91)	(26.88)
Loss on disposal of property, plant and equipment		1,817.57	220.56
Amortisation of capital grants		(70.00)	(72.98)
Amortisation of contribution for capital works and service line charges		(8,307.76)	(7,965.20)
Obsolete inventory written off/allowance for obsolete inventory		201.40	482.90
Bad debts written off/(written back)		422.84	1,505.24
Late payment surcharge		(2,190.86)	(2,480.43)
Allowance for doubtful debts		412.36	(938.77)
Net unrealised foreign exchange (gain) / loss		(7.04)	24.18
Operating profit before working capital changes		1,24,574.66	1,16,024.92
Working capital adjustments:			
Adjustments for (increase)/decrease in operating assets:			
Inventories		70.24	(848.71)
Trade receivables		7,448.74	3,271.07
Other financial assets - current		(5,439.22)	(4,144.02)
Other financial assets - non current		6.78	29.08
Other non-current assets		(10.24)	53.97
Other current assets		(8,724.30)	5,425.87
Regulatory deferral account debit balances		(33,052.33)	(28,985.39)
Adjustments for increase/(decrease) in operating liabilities:			
Trade payables		5,527.88	7,217.21
Other financial liabilities - current		2,723.23	908.43
Other financial liabilities - non current		234.58	(6.45)
Other current liabilities		7,822.58	(6,518.52)
Other non-current liabilities		13,029.14	(1,759.82)
Provision for employee benefits - current		269.00	(638.00)
Provision for employee benefits - non current		(12.00)	277.15
Cash generated from operations		1,14,468.74	90,095.39
Taxes paid (including tax deducted at source net of refund)		(8,333.73)	(8,673.29)
Net cash from/(used in) operating activities	(A)	**1,06,135.01**	**81,422.10**
B. Cash flow from investing activities			
Purchase of property, plant and equipment (including capital advances)		(39,854.99)	(39,788.61)
Proceeds from sale of property, plant and equipment		1,216.41	1,209.35
Proceeds from bank deposits (net)		2,316.28	(954.70)
Interest received		1,032.44	769.28
Late payment surcharge received		2,190.86	2,480.43
Purchase of current investments		(16,478.60)	(24,894.97)
Proceeds from sale of current investments		16,491.09	34,376.28
Net cash from/(used in) investing activities	(B)	**(33,086.51)**	**(26,802.94)**
C. Cash flow from financing activities			
Finance cost paid		(33,941.18)	(34,460.29)
Payment of lease liabilities		(1,644.96)	-
Proceeds from short-term borrowings and working capital demand loans		5,86,585.07	4,36,900.23
Repayment of short-term borrowings and working capital demand loans		(6,06,690.82)	(4,37,984.43)
Net (repayment)/proceeds from cash credit and other credit facilities		4,335.37	6,094.19
Proceeds from long-term borrowings		55,000.00	40,000.00
Repayment of long-term borrowings		(83,614.30)	(57,434.37)
Net (refund)/proceeds from contribution for capital works		5,247.29	1,109.35
Proceeds from service line charges		2,880.95	2,602.21
Net (repayment)/proceeds from consumers' security deposits		9,326.98	2,561.71
Dividend paid to equity shareholders		(12,624.00)	(13,248.00)
Net cash from/(used in) financing activities	(C)	**(75,139.60)**	**(53,859.40)**
Net increase/(decrease) in cash and cash equivalents	(A+B+C)	**(2,091.10)**	**759.76**
Cash and cash equivalents at the beginning of the year		4,613.20	3,853.44
Cash and cash equivalents at the end of the year (refer note 12)		**2,522.10**	**4,613.20**

See accompanying notes forming part of consolidated financial statements (1-45)

In terms of our report attached of even date

For T. R. Chadha & Co. LLP
Chartered Accountants
Firm's Registration No.: 006711N/N500028

Hitesh Garg
Partner
Membership No.: 502955

T R Chadha & Co. LLP NEW DELHI Chartered Accountants

For and on behalf of the Board of Directors

Ajay Shankar
Director
DIN: 01800443

Ajay Kapoor
Director
DIN: 00466631

Ganesh Srinivasan
Chief Executive Officer

Monica Mehra

Monica Mehra
Company Secretary

Suranjit Mishra
Chief Financial Officer

New Delhi
22 April, 2022

New Delhi
22 April, 2022

Note 1

General Information

Tata Power Delhi Distribution Limited (Tata Power-DDL) or (the Company) is a public limited company incorporated and domiciled in India and is primarily engaged in the business of distribution of electricity in North and North-West Delhi. The Company was set up in terms of Delhi Electricity Reforms (Transfer Scheme) Rules 2001. The undertaking of the erstwhile Delhi Vidyut Board (DVB) engaged in distribution and retail supply of electricity in the North & North-West districts in the National Capital Territory of Delhi along with the personnel employed therein were transferred to the Company with effect from 1 July, 2002 which also marked the commencement of commercial operations for the Company.

The address of its registered office and principal place of business is NDPL House, Hudson Lines, Kingsway Camp, Delhi- 110009. The Company has been granted a license under Section 20 of the Delhi Electricity Reform Act, 2000 (Act No. 2 of 2001) by the Delhi Electricity Regulatory Commission (DERC) on 11 March, 2004. The license is valid for a period of twenty-five years. During the period from 1 July, 2002 to the date of grant of license, Tata Power-DDL was a deemed licensee.

The Company is subsidiary of Tata Power Company Limited (TPCL) which holds 51% equity shares and controlling stake and 49% equity shares is held by Delhi Power Company Limited.

The Company formed NDPL Infra Limited ('the Subsidiary') as wholly owned subsidiary (jointly referred as 'the Group'). The Subsidiary is a public limited company incorporated on 23 August, 2011 and domiciled in India. The Subsidiary is primarily engaged in the business of providing consultancy and other services in the infrastructure and power sector.

Note 2

2.1 **Statement of compliance**

The financial statements have been prepared in accordance with Indian Accounting Standards (Ind AS) as notified under the Companies (Indian Accounting Standards) Rules, 2015 (as amended) read with Section 133 of the Companies Act, 2013 ("the Act") and other relevant provisions of the Act. As the Group is governed by Electricity Act, 2003 and the saved provisions of Electricity (Supply) Act, 1948, the provisions of the said Acts prevail wherever these are inconsistent with the provisions of the Companies Act, 2013.

2.2 **Basis of preparation and presentation**

The financial statements have been prepared on accrual basis and on historical cost convention except for certain financial instruments that are measured at fair values at the end of each reporting period, as explained in the accounting policies below.

Historical cost is generally based on the fair value of the consideration given in exchange for goods and services.

Fair value is the price that would be received to sell an asset or paid to transfer a liability in an orderly transaction between market participants at the measurement date, regardless of whether that price is directly observable or estimated using another valuation technique. In estimating the fair value of an asset or a liability, the Group takes into account the characteristics of the asset or liability if market participants would take those characteristics into account when pricing the asset or liability at the measurement date. Fair value for measurement and/or disclosure purposes in these standalone financial statements is determined on such basis, except for leasing transactions that are within the scope of Ind AS 116/Ind AS 17 (as applicable), and measurements that have some similarities to fair value but are not fair value, such as net realisable value in Ind AS 2 or value in use in Ind AS 36.

In addition, for financial reporting purposes, fair value measurements are categorised into Level 1, 2, or 3 based on the degree to which the inputs to the fair value measurements are observable and the significance of the inputs to the fair value measurement in its entirety, which are described as follows:

(i) Level 1 inputs are quoted prices (unadjusted) in active markets for identical assets or liabilities that the entity can access at the measurement date;

(ii) Level 2 inputs are inputs, other than quoted prices included within Level 1, that are observable for the asset or liability, either directly or indirectly; and

(iii) Level 3 inputs are not based on observable market data (unobservable inputs). Fair values are determined in whole or in part using a valuation model based on assumptions that are neither supported by prices from observable current market transactions in the same instrument nor are they based on available market data.

2.3 **Basis of consolidation**

These consolidated financial statements relate to Tata Power Delhi Distribution Limited and its subsidiary. The financial statements of the Subsidiary used in the consolidation are drawn for the same reporting period as that of the Company i.e. year ended 31 March, 2022.

The consolidated financial statements incorporate the financial statements of the Company and entities controlled by the Company (its subsidiary). Control is achieved when the Company:
- has power over the investee;
- is exposed, or has rights, to variable returns from its involvement with the investee; and
- has the ability to use its power to affect its returns.

The Subsidiary is consolidated from the date control commences until the date control ceases.

The financial statements of the Subsidiary are consolidated on a line-by-line basis and intra-group balances and transactions including un-realized gain/loss from such transactions are eliminated upon consolidation. The consolidated financial statements are prepared by applying uniform policies in use at the Group.

Additional information as required by Schedule III of the Companies Act, 2013 is given below:

Name of the entity in the Group	Net assets i.e., total assets-total liabilities		Share in profit or loss		Share in other comprehensive income		Share in total comprehensive income	
	As % of consolidated net assets	Amount (₹/Lakhs)	As % of consolidated profit or (loss)	Amount (₹/Lakhs)	As % of consolidated other comprehensive income	Amount (₹/Lakhs)	As % of total comprehensive income	Amount (₹/Lakhs)
Parent:	99.37%	4,08,289.65	99.81%	43,866.08	100.00%	37.79	99.81%	43,903.87
Subsidiaries (Indian):								
1. NDPL Infra Limited	0.63%	2,576.42	0.19%	82.07	-	-	0.19%	82.07
Sub Total	100.00%	4,10,866.07	100.00%	43,948.15	100.00%	37.79	100.00%	43,985.94
Adjustment arising out of consolidation		(5.00)		-		-		-
Total		4,10,861.07		43,948.15		37.79		43,985.94

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Note 3
Other significant accounting policies

Accounting policies are set out along with respective explanatory notes where it specifically relates to such transactions or balances. Other significant accounting policies are set out below:

3.1 **Foreign currencies**

These financial statements are presented in Indian rupees, which is the functional currency of the Company. The functional currency represents the currency of the primary economic environment in which the Group operates.

Income and expenses in foreign currencies are recorded at exchange rates prevailing on the date of the transaction. Foreign currency denominated monetary assets and liabilities are translated at the exchange rate prevailing on the Balance Sheet date and exchange gains and losses arising on settlement and restatement are recognised in the Statement of Profit and Loss.

Non-monetary assets and liabilities that are measured in terms of historical cost in foreign currencies are not retranslated.

Exchange differences on monetary items are recognised in the Statement of Profit and Loss in the period in which they arise except for exchange differences on foreign currency borrowings relating to assets under construction for future productive use, which are included in the cost of those assets when they are regarded as an adjustment to interest costs on those foreign currency borrowings.

3.2 **Current versus non-current classification**

The Group has determined its operating cycle as 12 months for the purpose of classification of its assets and liabilities as current and non-current.

Deferred tax assets and liabilities are classified as non-current assets and liabilities.

3.3 **Financial instruments**

Financial assets and financial liabilities are recognised when the Group becomes a party to the contractual provisions of the instruments.

Except for trade receivables, financial assets and financial liabilities are initially measured at fair value. Trade receivables are measured at the transaction price. Transaction costs that are directly attributable to the acquisition or issue of financial assets and financial liabilities (other than financial assets at fair value through profit or loss) are added to or deducted from the fair value of the financial assets or financial liabilities, as appropriate, on initial recognition. Transaction costs directly attributable to the acquisition of financial assets at fair value through profit or loss are recognised immediately in the Statement of Profit and Loss.

3.3.1 **Offsetting of financial instruments**

Financial assets and financial liabilities are offset and the net amount is reported in the balance sheet if there is a currently enforceable legal right to offset the recognised amounts and there is an intention to settle on a net basis, to realise the asset and settle the liabilities simultaneously.

3.4 **Financial assets**

All recognised financial assets are subsequently measured in their entirety at either amortised cost or fair value, depending on the classification of the financial assets.

3.4.1 **Amortised cost**

A financial asset shall be measured at amortised cost using effective interest rates if both of the following conditions are met:

(i) financial asset is held within a business model whose objective is to hold financial assets in order to collect contractual cash flows; and
(ii) contractual terms of the financial asset give rise on specified dates to cash flows that are solely payments of principal and interest on the principal amount outstanding.

The effective interest method is a method of calculating the amortised cost of a financial asset and of allocating interest income over the relevant period. The effective interest rate is the rate that exactly discounts estimated future cash receipts (including all fees paid or received that form an integral part of the effective interest rate, transaction costs and other premiums or discounts) through the expected life of the financial asset, or, where appropriate, a shorter period, to the net carrying amount on initial recognition.

3.4.2 **Financial assets at fair value through profit or loss (FVTPL)**

Financial assets at FVTPL include financial assets that either do not meet the criteria for amortised cost classification or are equity instruments held for trading or that meet certain conditions and are designated at FVTPL upon initial recognition. All derivative financial instruments also fall into this category, except for those designated and effective as hedging instruments, for which the hedge accounting requirements may apply. Assets in this category are measured at fair value with gains or losses recognized in the Statement of Profit and Loss. The fair values of financial assets in this category are determined by reference to active market transactions or using a valuation technique where no active market exists.

3.4.3 **Financial assets at fair value through other comprehensive income (FVTOCI)**

On initial recognition, the Group can make an irrevocable election (on an instrument-by-instrument basis) to present the subsequent changes in fair value in other comprehensive income pertaining to investments in equity instruments. This election is not permitted if the equity investment is held for trading. These elected investments are initially measured at fair value plus transaction costs. Subsequently, they are measured at fair value with gains and losses arising from changes in fair value recognised in other comprehensive income and accumulated in the 'Reserve for equity instruments through other comprehensive income'. The cumulative gain or loss is not reclassified to the Statement of Profit and Loss on disposal of the investments.

A financial asset is held for trading if:
(i) it has been acquired principally for the purpose of selling it in the near term; or
(ii) on initial recognition it is part of a portfolio of identified financial instruments that the Group manages together and has a recent actual pattern of short-term profit-taking; or
(iii) it is a derivative that is not designated and effective as a hedging instrument or a financial guarantee.

Dividends on these investments in equity instruments are recognised in the Statement of Profit and Loss when the Group's right to receive the dividends is established, it is probable that the economic benefits associated with the dividend will flow to the entity, the dividend does not represent a recovery of part of cost of the investment and the amount of dividend can be measured reliably. Dividends recognised in the Statement of Profit and Loss are included in the 'Other income' line item.

3.4.4 **Impairment of financial asset**

The Group applies the expected credit loss model for recognising impairment loss on financial assets measured at amortised cost, trade receivables and other contractual rights to receive cash or other financial asset not designated as at FVTPL.

For trade receivables or any contractual right to receive cash or another financial asset that result from transactions that are within the scope of Ind AS 115 "Revenue from Contracts with Customers", the Group always measures the loss allowance at an amount equal to lifetime expected credit losses using the simplified approach permitted under Ind AS 109 "Financial Instruments".

Expected credit losses are the weighted average of credit losses with the respective risks of default occurring as the weights. Credit loss is the difference between all contractual cash flows that are due to the Group in accordance with the contract and all the cash flows that the Group expects to receive (i.e. all cash shortfalls), discounted at the original effective interest rate (or credit-adjusted effective interest rate for purchased or originated credit-impaired financial assets). The Group estimates cash flows by considering all contractual terms of the financial instrument (for example, prepayment, extension, call and similar options) through the expected life of that financial instrument.

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Further, for the purpose of measuring lifetime expected credit loss allowance for trade receivables, the Group has used a practical expedient as permitted under Ind AS 109. This expected credit loss allowance is computed based on a provision matrix which takes into account historical credit loss experience and adjusted for forward-looking information.

3.4.5 Derecognition of financial asset

The Group derecognises a financial asset when the contractual rights to the cash flows from the asset expire, or when it transfers the financial asset and substantially all the risks and rewards of ownership of the asset to another party.

3.5 Financial liabilities and equity instruments

3.5.1 Classification as debt or equity

Debt and equity instruments issued by the Company are classified as either financial liabilities or as equity in accordance with the substance of the contractual arrangements and the definitions of a financial liability and an equity instrument.

3.5.2 Equity instruments

An equity instrument is any contract that evidences a residual interest in the assets of an entity after deducting all of its liabilities. Incremental costs directly attributable to the issuance of new ordinary shares and share options are recognized as a deduction from equity, net of any tax effects.

3.5.3 Financial liability

All financial liabilities are subsequently measured at amortised cost using the effective interest method.

3.5.3.1 Financial liabilities subsequently measured at amortised cost

Financial liabilities that are not held-for-trading and are not designated as at FVTPL are measured at amortised cost at the end of subsequent reporting periods. The carrying amounts of financial liabilities that are subsequently measured at amortised cost are determined based on the effective interest method.

The effective interest method is a method of calculating the amortised cost of a financial liability and of allocating interest expense over the relevant reporting period. The effective interest rate is the rate that exactly discounts estimated future cash payments (including all fees paid or received that form an integral part of the effective interest rate, transaction costs and other premiums or discounts) through the expected life of the financial liability, or (where appropriate) a shorter period, to the net carrying amount on initial recognition.

3.5.3.2 Derecognition of financial liabilities

The Group derecognises financial liabilities when, and only when, the Group's obligations are discharged, cancelled or have expired. An exchange with a lender of debt instruments with substantially different terms is accounted for as an extinguishment of the original financial liability and the recognition of a new financial liability. The difference between the carrying amount of the financial liability derecognised and the consideration paid and payable is recognised in the Statement of Profit and Loss.

3.6 Reclassification of financial assets & liabilities

The Group determines classification of financial assets and liabilities on initial recognition. After initial recognition, no reclassification is made for financial assets which are equity instruments and financial liabilities. For financial assets which are debt instruments, a reclassification is made only if there is a change in the business model for managing those assets. Changes to the business model are expected to be infrequent. The Company's senior management determines change in the business model as a result of external or internal changes which are significant to the Company's operations. Such changes are evident to external parties. A change in the business model occurs when the Company either begins or ceases to perform an activity that is significant to its operations. If the Group reclassifies financial assets, it applies the reclassification prospectively from the reclassification date which is the first day of the immediately next reporting period following the change in business model. The Group does not restate any previously recognised gains, losses (including impairment gains or losses) or interest.

3.7 Dividend

Final dividends on shares are recorded as a liability on the date of approval by the shareholders and interim dividends are recorded as a liability on the date of declaration by the Company's Board of Directors.

3.8 Changes in accounting policies and disclosures

All the Ind AS issued and notified by the Ministry of Corporate Affairs under the Companies (Indian Accounting Standards) Rules, 2015 (as amended) till the financial statements are authorised have been considered in preparing these financial statements.

3.9 Deferred tax recoverable/payable

In the regulated operations of the Company where tariff recovered from consumers is determined on cost plus return on equity, the Income tax cost is pass through cost and accordingly the Company recognises Deferred tax recoverable/ payable against any Deferred tax expense/ income. As per the opinion pronounced by the Expert Advisory Committee of The Institute of Chartered Accountants of India, the Group has recognised Deferred tax recoverable/ payable under regulatory deferral account debit/ credit balance.

3.10 Critical accounting estimates and judgements

In the application of the Company's accounting policies, management of the Company is required to make judgements, estimates and assumptions about the carrying amounts of assets and liabilities that are not readily apparent from other sources. The estimates and associated assumptions are based on historical experience and other factors that are considered to be relevant. Actual results may differ from these estimates.

The estimates and underlying assumptions are reviewed on an ongoing basis. Revisions to accounting estimates are recognised in the period in which the estimate is revised if the revision affects only that period, or in the period of the revision and future periods if the revision affects both current and future periods. Detailed information about each of these estimates and judgements is included in relevant notes together with information about the basis of calculation for each affected line item in the financial statements.

The areas involving critical estimates or judgements are:

1. Estimates used for impairment of property, plant and equipment of certain cash generating units (CGU) - Note 4
2. Estimated fair value of unquoted securities and impairment of investments - Note 6 and 10
3. Estimation of defined benefit obligation - Note 19, 26 and 31
4. Estimation of current tax and deferred tax expense (including Minimum Alternate Tax credit) - Note 37
5. Estimation of regulatory deferral account balances - Note 34
6. Estimation of provision and contingent liability - Note 19, 26 and 28
7. Estimation of impairment of financial assets - Note 11
8. Estimation of unbilled revenue - Note 13(d) and 14(a)

Estimates and judgement are continually evaluated. They are based on historical experience and other factors, including expectations of future events that may have a financial impact on the Group and that are believed to be reasonable under the circumstances.

3.11 Impact of COVID-19

Spread of second wave of Coronavirus disease (COVID-19) led to lockdown in Delhi from 19 April, 2021 which was gradually lifted during subsequent months. Due to the lockdown, economic activity in general was significantly impacted and remained much below normal level. The demand of electricity in the distribution area was subdued compared to the normal year. To manage the expected liquidity risk, the Group has taken various measures including availment of seller's side bill discounting for a portion of power purchase supplies invoices from generating companies, reprioritized capital expenditure in immediate future and extended credit period from vendors. Gradually the demand of electricity and collection is returning back to normal level, however the Group continues to closely monitor the cash flow situation and is actively working to minimize the impact of this unprecedented situation.

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Note 4
Property, plant and equipment and intangible assets

Accounting policy

4.1 Property, plant and equipment

Property, plant and equipment are stated at cost less accumulated depreciation and impairment, if any. The initial cost of an asset comprises its purchase price or construction cost and any costs directly attributable in bringing the assets to their working condition for their intended use.

Asset transferred from erstwhile DVB are stated at the transaction value notified by the Government of National Capital Territory of Delhi (GNCTD) under the Transfer Scheme. Values are assigned to different heads of individual property, plant and equipment as on the date of the transfer i.e. 1 July, 2002 as per an independent technical valuer's estimation.

With effect from 1 April, 2014, Schedule II of the Companies Act, 2013 has been notified and in accordance with Part B of Schedule II, the rate or useful life and residual value given in DERC regulations are applied for computing depreciation on assets. However, in case of assets where no useful life is prescribed in DERC regulations, the useful life and residual value as given in Part C of Schedule II of the Companies Act , 2013 is followed. Further, in case of any class of asset where useful life as estimated by management and/or certified by independent valuer is lower than DERC or Part C of Schedule II of the Companies Act, 2013 then such lower useful life is followed for computing depreciation on such asset.

As per DERC (Terms & Conditions for Determination of Tariff) Regulations,2017 notified on 31 January, 2017 applicable from financial year (FY) 2017-18 onwards, DERC has changed rate of depreciation @ 5.83% up to 12 years of useful life on plant and equipment (comprising of transformers including fixed apparatus, switch gears, lighting arresters, overhead/underground cables) and balance WDV up to 90% over remaining period of useful life of assets instead of equal rate of depreciation applicable in previous regulations. The new regulations have also changed useful life of other class of property, plant and equipment. Accordingly w.e.f. 1 April, 2017 the Group has started charging the depreciation @ 5.83% p.a. on plant and equipment whose useful life has not yet been over up to 12 years, changed useful life of other class of property plant and equipment as per new regulations.

Depreciation for the reporting period in respect of property, plant and equipment has been provided on the straight line method so as to write off the cost of the assets over the useful lives as per DERC regulations/Schedule II of the Companies Act 2013, as applicable.

Residual value is taken at the rate of 10% for assets where rate or useful life is prescribed in DERC regulations and 5% where useful life as per Part C of Schedule II of the Companies Act, 2013 is considered.

Assets (other than project assets) costing less than ₹ 5,000 where useful life is considered as per Part C of schedule II to the Companies Act, 2013 are depreciated fully in the year of first use.

Depreciation for the reporting period in respect of property, plant and equipment used for electricity generation has been provided on straight line method as per rates/ useful life prescribed in regulations notified by DERC on 31 January, 2017. The depreciation has been calculated in a manner which has the effect of depreciating 90% of the capitalized cost of each such depreciable asset.

Subsequent costs are included in the asset's carrying amount or recognised as a separate asset, as appropriate, only when it is probable that future economic benefits associated with the item will flow to the Group and the cost of the item can be measured reliably. The carrying amount of the replaced part is derecognised. Similarly, when a major inspection is performed, its cost is recognised in the carrying amount of the plant and equipment as a replacement, if the recognition criteria are satisfied.

All other repairs and maintenance are charged to the Statement of Profit and Loss during the financial period in which they are incurred.

Depreciation on subsequent expenditure on property, plant and equipment arising on account of capital improvement or other factors is provided for prospectively over the remaining useful life.

Depreciation on refurbished/revamped assets which are capitalized separately is provided for over the reassessed useful life, which is not more than the life specified in DERC regulations/Schedule II to the Companies Act, 2013, as applicable.

Based on the above, the useful life used for various class of assets are:

Description/Class of Assets	**Useful life (years)**
Office buildings, housing colonies	50
Temporary structures	0
Meters (including smart meters)	10
General plant & machinery, SCADA (excluding IT software/hardware), street lightening	15
SCADA IT software/hardware	6
Office furniture & related equipments (excluding communication equipment)	10
Communication Equipment	15
Batteries	5
IT equipment including software	6
Overhead lines, solar PV	25
Electrical plant & machinery (not covered in above classes)	25
Underground cables	35
Motor vehicles	10

Projects under which tangible property, plant and equipment are not yet ready for their intended use are carried at cost, comprising direct costs, other directly attributable costs of construction and attributable interest.

An item of property, plant and equipment is derecognised upon disposal or when no future economic benefits are expected to arise from the continued use of the asset. Any gain or loss arising on the disposal or retirement of an item of property, plant and equipment is determined as the difference between the sales proceeds and the carrying amount of the asset and is recognised in the Statement of Profit and Loss.

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4.2 **Intangible assets**

Intangible assets with finite useful lives that are acquired separately are carried at cost less accumulated amortisation and accumulated impairment losses. Amortisation is recognised on a straight-line basis over their estimated useful lives. The estimated useful life and amortisation method are reviewed at the end of each reporting period, with the effect of any changes in estimate being accounted for on a prospective basis.

4.3 **Impairment of tangible and intangible assets**

At the end of each reporting period, the Group reviews the carrying amounts of its tangible and intangible assets of a "Cash Generating Unit" (CGU) to determine whether there is any indication that those assets have suffered an impairment loss. Individual assets are grouped for impairment assessment purposes at the lowest level at which there are identifiable cash flows that are largely independent of the cash flows of other groups of assets. If any such indication exists, the recoverable amount of the asset is estimated in order to determine the extent of the impairment loss (if any). When it is not possible to estimate the recoverable amount of an individual asset, the Group estimates the recoverable amount of the cash-generating unit to which the asset belongs. When a reasonable and consistent basis of allocation can be identified, corporate assets are also allocated to individual cash-generating units, or otherwise they are allocated to the smallest group of cash-generating units for which a reasonable and consistent allocation basis can be identified.

Recoverable amount is the higher of fair value less costs of disposal and value in use. In assessing value in use, the estimated future cash flows are discounted to their present value using a pre-tax discount rate that reflects current market assessments of the time value of money and the risks specific to the asset for which the estimates of future cash flows have not been adjusted.

If the recoverable amount of an asset (or cash-generating unit) is estimated to be less than its carrying amount, the carrying amount of the asset (or cash-generating unit) is reduced to its recoverable amount. An impairment loss is recognised immediately in profit or loss.

When an impairment loss subsequently reverses, the carrying amount of the asset (or a cash-generating unit) is increased to the revised estimate of its recoverable amount. The increased carrying amount does not exceed the carrying amount that would have been determined had no impairment loss been recognised for the asset (or cash-generating unit) in prior years. A reversal of an impairment loss is recognised immediately in the Statement of Profit and Loss.

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Note 4. 4

₹/Lakhs

Particulars	Cost					Accumulated depreciation and amortisation				Net carrying amount	
	As at 01.04.2021	Additions	Borrowing costs capitalised	Disposals	As at 31.03.2022	As at 01.04.2021	Depreciation/ amortisation expense	Eliminated on disposals	As at 31.03.2022	As at 31.03.2022	As at 31.03.2021
4.4.1 Property, plant and equipment											
(a) Buildings - Plant	32,105.18	1,206.11	13.30	-	33,324.59	10,523.88	487.67	-	11,011.55	22,313.04	21,581.30
(b) Building - Others	4,935.40	242.17	2.53	-	5,180.10	3,485.30	285.47	-	3,770.77	1,409.33	1,450.10
(c) Plant and equipment	3,28,390.03	21,388.79	95.20	6,125.07	3,43,748.95	1,45,421.90	18,658.94	4,031.65	1,60,049.19	1,83,699.76	1,82,968.13
(d) Transmission lines and cable network	3,24,344.07	17,200.31	80.47	1,047.78	3,40,577.07	1,32,069.19	14,228.28	513.99	1,45,783.48	1,94,793.59	1,92,274.88
(e) Furniture and fixtures	1,231.64	50.43	0.67	5.08	1,277.66	747.82	70.12	4.74	813.20	464.46	483.82
(f) Vehicles	3,604.37	782.58	-	587.61	3,799.34	823.43	320.78	210.69	933.52	2,865.82	2,780.94
(g) Office equipment	4,622.27	202.16	0.56	202.11	4,622.88	2,465.09	279.47	172.60	2,571.96	2,050.92	2,157.18
Total	**6,99,232.96**	**41,072.55**	**192.73**	**7,967.65**	**7,32,530.59**	**2,95,536.61**	**34,330.73**	**4,933.67**	**3,24,933.67**	**4,07,596.92**	**4,03,696.35**
As at 31.03.2021	(6,56,568.81)	(46,460.79)	(320.34)	(4,116.98)	(6,99,232.96)	(2,65,194.39)	(33,029.29)	(2,687.07)	(2,95,536.61)	(4,03,696.35)	
4.4.2 Intangible assets											
Computer software	16,982.41	310.76	-	-	17,293.17	9,091.28	1,978.83	-	11,070.11	6,223.06	7,891.13
Total	**16,982.41**	**310.76**	**-**	**-**	**17,293.17**	**9,091.28**	**1,978.83**	**-**	**11,070.11**	**6,223.06**	**7,891.13**
As at 31.03.2021	(13,624.42)	(3,357.99)	-	-	(16,982.41)	(7,539.53)	(1,551.75)	-	(9,091.28)	(7,891.13)	
Grand total	**7,16,215.37**	**41,383.31**	**192.73**	**7,967.65**	**7,49,823.76**	**3,04,627.89**	**36,309.56**	**4,933.67**	**3,36,003.78**	**4,13,819.98**	**4,11,587.48**
As at 31.03.2021	(6,70,193.23)	(49,818.78)	(320.34)	(4,116.98)	(7,16,215.37)	(2,72,733.92)	(34,581.04)	(2,687.07)	(3,04,627.89)	(4,11,587.48)	
4.4.3 Capital work-in-progress (CWIP)	**19,711.18**	**38,295.93**	**285.82**	**40,620.06**	**17,672.87**	**-**	**-**	**-**	**-**	**17,672.87**	**19,711.18**
As at 31.03.2021	(27,339.37)	(42,099.79)	(411.14)	(50,139.12)	(19,711.18)	(-)	(-)	(-)	(-)		

4.4.4 Property plant & equipment and intangible assets (movable and immovable) are hypothecated against secured borrowings of ₹ 1,95,334.80 lakhs (as at 31 March, 2021 ₹ 1,90,229.17 lakhs) {refer note 17.1(i), 23.1, 23.3}.

4.4.5 CWIP is stated at cost, net of accumulated impairment loss, if any. CWIP includes closing capital inventory of ₹ 6,664.99 lakhs (as at 31 March, 2021 ₹ 7,028.28 lakhs).

4.4.6 Carrying amount of capital inventory hypothecated as security for borrowings is ₹ 6,664.99 lakhs (net of provision of ₹ 369.77 lakhs) (as at 31 March, 2021 ₹ 6,994.97 lakhs) {refer note 17.1(i), 23.1, 23.3}.

4.4.7 During the year ended 31 March, 2022 the borrowing cost of ₹ 285.82 lakhs (as at 31 March, 2021 ₹ 411.14 lakhs) relating to capital work-in-progress includes ₹ 187.00 lakhs (as at 31 March, 2021 ₹ 208.09 lakhs) on account of capitalisation of interest expense on lease liability.

4.4.8 Depreciation and amortisation charge to Statement of Profit and Loss :

₹/Lakhs

Particulars	Year ended 31.03.2022	Year ended 31.03.2021
Depreciation on tangible assets	34,330.73	33,029.29
Add: Depreciation on right of use assets (refer note 5)	804.02	800.64
Add: Amortisation on intangible assets	1,978.83	1,551.75
Total	**37,113.58**	**35,381.68**

4.4.9 During the year ended 31 March, 2019 the property, plant and equipment relating to Rithala Power Generation Plant had been classified as assets held for sale (refer note 34.7.1).

4.4.10 The Company does not own any land in its name. The Company retain operational rights over the land and buildings used for the purpose of carrying out distribution business under a license granted by Delhi Electricity Regulatory Commission (DERC).

4.4.11 Figures in bracket represents previous year figures.

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4.4.12 There are no proceedings which have been initiated or are pending against the Group for holding any benami property under the Benami Transactions (Prohibition) Act, 1988 (45 of 1988) and rules made thereunder.

4.4.13 **Details of immovable property included in Property, plant and equipment not held in the name of the Group.**

As at 31 March, 2022

Relevant line item in the Balance sheet	Description of item of property	Gross carrying value (₹ Lakhs)	Title deeds held in the name of	Whether title deed holder is a promoter, director or relative of promoter/director or employee of promoter/director	Property held since which date	Reason for not being held in the name of the Group
Property Plant & Equipment	Land	Nil	Government of National Capital Territory of Delhi (GNCTD) {Land and buildings were transferred to company in terms of the DERA, transfer Scheme Rules 2001 on as is where is basis to be occupied and utilised for distribution business}	No	July 2002 to March 2022	The Company does not own any land in its name. The Company retain operational rights over the land and buildings used for the purpose of carrying out distribution business under a license granted by Delhi Electricity Regulatory Commission (DERC).
	Buildings - Plant	33,324.59				Post acquisition of licence, the Company has made additions on the acquired land & building whose title deeds are not held in name of the Company.
	Building - Others	5,180.10				

As at 31 March, 2021

Relevant line item in the Balance sheet	Description of item of property	Gross carrying value (₹ Lakhs)	Title deeds held in the name of	Whether title deed holder is a promoter, director or relative of promoter/director or employee of promoter/director	Property held since which date	Reason for not being held in the name of the Group
Property Plant & Equipment	Land	Nil	Government of National Capital Territory of Delhi (GNCTD) {Land and buildings were transferred to company in terms of the DERA, transfer Scheme Rules 2001 on as is where is basis to be occupied and utilised for distribution business}	No	July 2002 to March 2021	The Company does not own any land in its name. The Company retain operational rights over the land and buildings used for the purpose of carrying out distribution business under a license granted by Delhi Electricity Regulatory Commission (DERC).
	Buildings - Plant	32,105.18				Post acquisition of licence, the Company has made additions on the acquired land & building whose title deeds are not held in name of the Company.
	Building - Others	4,935.40				

4.4.14 **Age of capital work-in-progress (CWIP)**

Ageing schedule as at 31 March, 2022

₹/Lakhs

Particulars	Amount in CWIP for a period of				Total
	Less than 1 year	1-2 years	2-3 years	More than 3 years	
Projects in progress	6,896.76	1,420.50	665.93	1,774.85	**10,758.04**
Projects temporarily suspended	12.01	93.45	43.92	100.46	**249.84**
Capital inventory	4,052.23	910.09	379.73	1,322.94	**6,664.99**
Total	**10,961.00**	**2,424.04**	**1,089.58**	**3,198.25**	**17,672.87**

Ageing schedule as at 31 March, 2021

₹/Lakhs

Particulars	Amount in CWIP for a period of				Total
	Less than 1 year	1-2 years	2-3 years	More than 3 years	
Projects in progress	6,717.71	1,187.66	2,081.54	1,998.79	**11,985.70**
Projects temporarily suspended	24.68	82.23	44.64	545.65	**697.20**
Capital inventory	2,598.71	2,241.82	631.20	1,556.55	**7,028.28**
Total	**9,341.10**	**3,511.71**	**2,757.38**	**4,100.99**	**19,711.18**

4.4.15 There is no significant amount which is lying in capital work-in progress whose completion is overdue or has exceeded its cost compared to its original plan.

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Note 5
Leases

Accounting Policy
At inception of contract, the Group assesses whether the contract is, or contains, a lease. A contract is, or contains, a lease if the contract conveys the right to control the use of an identified asset for a period of time in exchange for consideration. To assess whether a contract conveys the right to control the use of an identified asset, the Company assessed whether:
- the contract involves the use of identified asset;
- the Group has the right to obtain substantially all of the economic benefits from use of the asset throughout the period of use; and
- the Group has the right to direct the use of the asset.

At inception or on reassessment of a contract that contains a lease component, the Group allocates consideration in the contract to each lease component on the basis of their relative stand alone price.

As a lessee
(i) Right-of-use assets
The Group recognises right-of-use assets at the commencement date of the lease. Right-of-use assets are measured at cost, less any accumulated depreciation and impairment losses, and adjusted for any remeasurement of lease liabilities. The cost of right-of-use assets includes the amount of lease liabilities recognised, initial direct costs incurred, lease payments made at or before the commencement date less any lease incentives received and estimate of costs to dismantle. Right-of-use assets are depreciated on a straight-line basis over the shorter of the lease term and the estimated useful lives of the assets, as follows:

Description/Class of Assets	Lease term (years)
Land	10 (Period of license)

The Group has disclosed right-to-use assets that do not meet the definition of investment property separately in the Balance Sheet.

(ii) Lease liabilities
At the commencement date of the lease, the Group recognises lease liabilities measured at the present value of lease payments to be made over the lease term. In calculating the present value of lease payments, the Group generally uses its incremental borrowing rate at the lease commencement date if the discount rate implicit in the lease is not readily determinable.

After the commencement date, the amount of lease liabilities is increased to reflect the accretion of interest and reduced for the lease payments made. The carrying amount is remeasured when there is a change in future lease payments arising from a change in index or rate. In addition, the carrying amount of lease liabilities is remeasured if there is a modification, a change in the lease term, a change in the lease payments or a change in the assessment of an option to purchase the underlying asset.

The Group has disclosed lease liabilities separately under the head 'Financial liabilities' in the Balance Sheet.

(iii) Short term leases and leases of low value of assets
The Group applies the short-term lease recognition exemption to its short-term leases. It also applies the lease of low-value assets recognition exemption that are considered to be low value. Lease payments on short-term leases and leases of low value assets are recognised as expense on a straight-line basis over the lease term.

(iv) Disclosures under Ind AS 116
The Group has entered into lease contracts for land used in its operations. Leases of land has been considered for a lease term of 10 years however, the Group's future lease payments in respect of land leases are dependent upon extension of its distribution licence. The Group may assign and sub-lease the leased assets.

₹/Lakhs

Particulars	As at 31.03.2022	As at 31.03.2021
(a) Right-of-use assets		
Cost		
Opening balance	10,945.54	10,945.54
Add: Additions during the period/year	-	-
Closing balance	10,945.54	10,945.54
Accumulated depreciation and amortisation		
Opening balance	2,189.11	1,094.55
Add: Depreciation for the period/year	1,094.55	1,094.56
Closing balance	3,283.66	2,189.11
Net carrying amount		
Closing balance	7,661.88	8,756.43
(b) Lease liabilities		
Opening balance	9,440.67	8,665.70
Add: Interest expense accrued on lease liabilities (refer note 32)	704.52	774.97
Less: Lease liabilities paid	3,124.45	-
Closing balance	7,020.74	9,440.67
Non-current lease liabilities	6,086.30	7,020.74
Current lease liabilities	934.44	2,419.93

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₹/Lakhs

Particulars	Year ended 31.03.2022	Year ended 31.03.2021
(a) Amount recognised in Statement of Profit & Loss		
(i) Depreciation on Right-of-use assets (classified under Depreciation and amortisation expense)	804.02	800.64
(ii) Interest on lease liabilities (classified under Finance costs)	517.52	566.88
(iii) Expenses related to short term leases (classified under Other expenses)	400.91	164.19
(b) Amount transferred to capital work-in-progress		
(i) Depreciation on Right-of-use assets	290.53	293.92
(ii) Interest on lease liabilities	187.00	208.09
(c) Amount recognised in Statement of Cash Flows		
(i) Total cash outflow of leases	3,476.27	158.60

(i) The incremental rate of borrowing as at 1 April, 2019 has been considered at 8.60% p.a.
(ii) Refer note 38.3.3 for maturity analysis of lease liabilities.

As a lessor
Leases are classified as finance lease whenever the terms of the lease transfer substantially all the risks and rewards incidental to ownership to the lessee. All other leases are classified as operating lease. The Group recognises lease payments received under operating leases as income on a straight-line basis over the lease term as part of other income.

When the Group is an intermediate lessor, it accounts for its interests in the head lease and the sublease separately. The sublease is classified as a finance or operating lease by reference to the right-of-use asset arising from the head lease.

The Group has entered into operating sub-lease arrangement for its certain land. These typically have lease terms of between 1 to 3 years. The Group has recognised an amount of ₹ 117.24 lakhs as rental income for operating lease during the year ended March 31, 2022 (for the year ended 31 March, 2021 ₹ 70.09 lakhs).

Future minimum rentals receivable under operating leases as at 31 March, 2022 are as follows:

₹/Lakhs

Particulars	As at 31.03.2022	As at 31.03.2021
(i) Upto 1 year	126.67	6.28
(ii) 1 to 2 years	129.22	-
(iii) 2 to 3 years	22.65	-

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	As at 31.03.2022 ₹/Lakhs	As at 31.03.2021 ₹/Lakhs

Note 6
Other financial assets - non current
(Unsecured and considered good, at amortised cost)

	As at 31.03.2022 ₹/Lakhs	As at 31.03.2021 ₹/Lakhs
(a) In deposit accounts (with remaining maturity more than 12 months) (refer note 6.1)	379.31	-
(b) Accrued interest on deposit accounts	0.46	-
(c) Security deposits	56.93	59.78
(d) Recoverable from SVRS Trust (refer note 28.14)	21.85	25.78
	458.55	85.56

6.1 Demand deposits maintained by the Company with banks comprise time deposits, which can be withdrawn at any point of time without prior notice with premature penalty as per bank norms.

Note 7
Income tax assets (net)

	As at 31.03.2022 ₹/Lakhs	As at 31.03.2021 ₹/Lakhs
Income tax (net of provision for income tax of ₹ 1,20,771.17 lakhs (as at 31 March, 2021 net of provision of income tax ₹ 1,09,682.90 lakhs))	357.75	3,292.43

Note 8
Other non-current assets
(Unsecured and considered good)

	As at 31.03.2022 ₹/Lakhs	As at 31.03.2021 ₹/Lakhs
(a) Capital advances	673.16	513.21
(b) Income tax paid under protest against demand	2,321.84	2,321.84
(c) Prepaid expenses	26.66	43.35
(d) Goods and services tax input credit receivable	37.54	29.51
(e) Others	97.96	79.06
	3,157.16	2,986.97

Note 9
Inventories

Accounting policy

9.1 Inventories of stores and spares and loose tools are valued at lower of cost net of provision for diminution in value or net realisable value. Costs of inventories are determined on 'Weighted Average' basis.

Components and spares inventory include items which could be issued for projects to be capitalised.

Net realisable value is the estimated selling price in the ordinary course of business less any applicable selling expenses.

	As at 31.03.2022 ₹/Lakhs	As at 31.03.2021 ₹/Lakhs
(a) Stores and spares	1,598.97	1,903.02
(b) Loose tools	99.90	75.58
	1,698.87	1,978.60
(c) Less: Allowance for non-moving inventories	287.75	295.84
	1,411.12	1,682.76

9.2 Stores and spares includes traded inventory amounting to ₹ 28.32 Lakhs
9.3 Inventories are hypothecated as security for borrowings {refer note 17.1(i), 23.1, 23.3}.

Note 10
Investments - current
(At fair value through profit or loss)

	As at 31.03.2022 ₹/Lakhs	As at 31.03.2021 ₹/Lakhs
Investments in mutual funds (unquoted)		
(a) DSP Liquidity Fund-Direct Plan-Growth (0.01 lakhs units (as at 31 March, 2021 Nil units) at face value of ₹ 10 each)	23.67	-
(b) ICICI Prudential Overnight Fund Direct Plan Growth (Nil units (as at 31 March, 2021 0.11 lakh units) at face value of ₹ 100 each)	-	33.25
	23.67	33.25
10.1 Aggregate purchase price of unquoted investments	23.53	33.08
10.2 Aggregate carrying value of unquoted investments	23.67	33.25

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		As at 31.03.2022 ₹/Lakhs	As at 31.03.2021 ₹/Lakhs
Note 11			
Trade receivables			
(At amortised cost)			
(a)	Debtors for sale of power in licensed area (refer note 11.1 below)		
	(i) Considered good - secured	6,263.63	7,180.82
	(ii) Considered good - unsecured	6,278.59	9,428.19
	(iii) Credit impaired	14,362.83	13,932.05
		26,905.05	30,541.06
	Less: Allowance for doubtful trade receivables	14,362.83	13,932.05
		12,542.22	16,609.01
(b)	Debtors for sale of power other than Tata Power-DDL licensed area		
	(i) Considered good - unsecured	-	285.22
(c)	Other debtors		
	(i) Considered good - unsecured	6,064.23	10,548.93
	(ii) Credit impaired	589.54	49.60
		6,653.77	10,598.53
	Less: Allowance for doubtful trade receivables	589.54	49.60
		6,064.23	10,548.93
		18,606.45	27,443.16
11.1	Government subsidy included in note 11(a)	113.53	375.76

11.2 The Group considers non-payment of trade receivables within credit period as increase in credit risk. Further, some part of these receivables is secured by security deposits made by the customers. The status of ageing of trade receivable is given in note 11.4.1.

11.3 The average credit period for the trade receivable in note 11(a) for distribution of power in license area is 15 clear days.

Late payment surcharge (LPSC) is charged at 1.5% per month on principal component for number of days of delay in receiving payment as per DERC regulations.

11.4 The Group has used a practical expedient by computing the expected credit loss allowance for trade receivables based on a provision matrix. The provision matrix takes into account historical credit loss experience and adjusted for forward looking information. The expected credit loss allowance is based on the ageing of the days the receivables (excluding government receivables in case of energy debtors) are due and the rates as given in the provision matrix. The provision matrix at the end of the reporting period is as follows:

11.4.1 **Ageing of receivables**

Expected credit loss provision matrix

(i) **Debtors for sale of power in licensed area**

Particulars	Expected Credit loss (%)	
	As at 31.03.2022	As at 31.03.2021
(a) Within the credit period	0.48%	0.56%
(b) 1-90 days past due	0.85%	1.06%
(c) 91-182 days past due	3.62%	3.80%
(d) 183 days-1 year past due	9.74%	11.54%
(e) 1-2 year past due	21.26%	23.55%
(f) 2-3 year past due	30.77%	33.75%
(g) >3 years past due	100.00%	100.00%

(ii) **Other debtors**

Particulars	Expected Credit loss (%)	
	As at 31.03.2022	As at 31.03.2021
(a) Within the credit period	0.75%	0.53%
(b) 1-90 days past due	0.74%	0.46%
(c) 91-182 days past due	0.81%	0.72%
(d) 183 days-1 year past due	2.31%	1.08%
(e) 1-2 year past due	7.27%	0.75%
(f) 2-3 year past due	14.67%	19.11%
(g) >3 years past due	50.00%	100.00%

Age of receivables

Ageing schedule as at 31 March, 2022

₹/Lakhs

Outstanding for following periods from due date of payment #	Undisputed		Disputed		Total
	Considered Good	credit impaired	Considered Good	credit impaired	
(a) Less than 6 months	7,016.19	89.27	-	435.48	**7,540.94**
(b) 6 months - 1 year	2,260.93	131.45	-	282.94	**2,675.32**
(c) 1-2 year	1,913.02	323.77	-	316.08	**2,552.87**
(d) 2-3 year	1,387.00	490.51	-	852.74	**2,730.25**
(e) More than 3 years	387.15	4,316.65	-	7,682.59	**12,386.39**
(f) **Total overdue**	**12,964.29**	**5,351.65**	**-**	**9,569.83**	**27,885.77**
(g) Not due	5,642.16	30.83	-	0.06	**5,673.05**
(h) **Total Trade Receivables (f+g)**	**18,606.45**	**5,382.48**	**-**	**9,569.89**	**33,558.82**

Ageing schedule as at 31 March, 2021

₹/Lakhs

Outstanding for following periods from due date of payment #	Undisputed		Disputed		Total
	Considered Good	credit impaired	Considered Good	credit impaired	
(a) Less than 6 months	10,316.67	97.36	-	247.21	**10,661.24**
(b) 6 months - 1 year	3,339.24	141.12	-	109.58	**3,589.94**
(c) 1-2 year	3,103.93	447.87	-	803.31	**4,355.11**
(d) 2-3 year	2,119.19	379.59	-	889.20	**3,387.98**
(e) More than 3 years	396.95	4,085.24	-	6,752.13	**11,234.32**
(f) Total overdue	**19,275.98**	**5,151.18**	**-**	**8,801.43**	**33,228.59**
(g) Not due	8,167.18	28.59	-	0.45	**8,196.22**
(h) Total Trade Receivables (f+g)	**27,443.16**	**5,179.77**	**-**	**8,801.88**	**41,424.81**

where due date of payment is not available, date of the transaction has been considered.

11.4.2 **Movement in the allowance for doubtful trade receivables based on expected credit loss:**

₹/Lakhs

Particulars	As at 31.03.2022	As at 31.03.2021
Debtors for billed revenue		
Balance at beginning of the year	13,981.65	14,644.77
Additions/(reversal) in expected credit loss allowance on trade receivables calculated at lifetime expected credit losses for the year	224.84	(77.16)
Specific allowance/ (reversal) on trade receivables for the year	745.88	(585.96)
Balance at end of the year	14,952.37	13,981.65

11.5 The concentration of credit risk is limited due to the fact that the customer base is large and unrelated. There is no consumer who represents more than 5% of the total balance of trade receivables other than mentioned below:

₹/Lakhs

Particulars	As at 31.03.2022	As at 31.03.2021
Delhi Metro Rail Corporation (DMRC)	6,248.43	5,770.78
Havells India Limited	2,637.78	-*
REC Power Distribution Company Ltd (RECPDCL)	2,586.56	5,353.43

* does not fall under 5% criteria during previous year

Note 12
Cash and bank balances

Accounting policy

12.1 Cash and cash equivalents comprise cash at banks and on hand and short-term deposits with an original maturity of three months or less, which are subject to an insignificant risk of changes in value. Cash and cash equivalents include balances with banks which are unrestricted for withdrawal and usage.

For the purpose of the Statement of Cash Flows, cash and cash equivalents consist of cash and short-term deposits, as defined above, net of outstanding bank overdrafts as they are considered an integral part of the Company's cash management.

	As at 31.03.2022 ₹/Lakhs	As at 31.03.2021 ₹/Lakhs
12.2 **Cash and cash equivalents**		
(a) Balances with banks - in current accounts	1,675.86	2,406.12
(b) Cheques, drafts on hand*	840.43	2,184.49
(c) Cash on hand	5.81	22.59
	2,522.10	4,613.20

* Includes balances held with vendors.

12.2.1 **Reconciliation of liabilities from financing activities:**

₹/Lakhs

Particulars	As at 31.03.2021	Cash flows		Non-cash transactions		As at 31.03.2022
		Proceeds	Repayment	Additions	Amortisation	
(a) Long-term borrowings (including current maturities)	2,93,303.70	55,000.00	(83,614.30)	-	-	2,64,689.40
(b) Lease liabilities (including current maturities)	9,440.67	-	(2,419.93)	-	-	7,020.74
(c) Short-term borrowings and working capital demand loans	30,785.80	5,86,585.07	(6,06,690.82)	-	-	10,680.05
(d) Cash credit and other credit facilities(net)	8,550.48	4,335.37	-	-	-	12,885.85
(e) Consumer contribution for:						
- capital works	62,469.77	5,247.29	-	-	(5,050.64)	62,666.42
- service line	17,854.89	2,880.95	-	-	(3,257.12)	17,478.72
(f) Consumer security deposits (net)	74,366.62	9,326.98	-	-	-	83,693.60
Total	**4,96,771.93**	**6,63,375.66**	**(6,92,725.05)**	**-**	**(8,307.76)**	**4,59,114.78**

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	As at 31.03.2022 ₹/Lakhs	As at 31.03.2021 ₹/Lakhs
12.3 Other balances with banks		
(a) Deposits with banks with original maturity more than 3 months upto 12 months	84.80	80.90
(b) Restricted bank deposits (Earmarked pursuant to court order or contractual obligations)	7,335.44	9,799.09
	7,420.24	9,879.99

Note 13
Other financial assets - current
(Unsecured and considered good, unless otherwise stated, at amortised cost)

	As at 31.03.2022 ₹/Lakhs	As at 31.03.2021 ₹/Lakhs
(a) Security deposits	845.70	597.71
(b) In deposit accounts (with remaining maturity less than 12 months) (refer note 6.1)	2,113.16	2,349.00
(c) Accruals		
Interest accrued on fixed deposits	98.45	153.79
(d) Unbilled revenue	41,499.28	36,528.95
(e) Others		
(i) Recoverable from SVRS Trust (refer note 28.14)	3.93	3.16
(ii) Other receivables (including recoverable against street light)	464.73	244.60
Less: Allowance for doubtful assets against street light	179.37	179.37
	285.36	65.23
	44,845.88	39,697.84

Note 14
Other current assets
(Unsecured and considered good)

	As at 31.03.2022 ₹/Lakhs	As at 31.03.2021 ₹/Lakhs
(a) Unbilled revenue (contract asset)	713.20	1,909.50
(b) Prepaid insurance	801.75	769.02
(c) Prepaid expenses	903.03	1,218.97
(d) Power banking	11,318.40	4,135.40
(e) Advance to vendors	4,640.52	3,913.09
(f) Goods and services tax refund receivable	-	3.84
(g) Others	5,638.60	3,341.38
	24,015.50	15,291.20

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	As at 31.03.2022 ₹/Lakhs	As at 31.03.2021 ₹/Lakhs
Note 15		
Share capital		
Authorised		
12,500 lakhs (as at 31 March, 2021 12,500 lakhs) equity shares of ₹ 10/- each with voting rights.	1,25,000.00	1,25,000.00
500 lakhs (as at 31 March, 2021 500 lakhs) 12% cumulative redeemable preference shares of ₹ 100/- each without voting rights.	50,000.00	50,000.00
	1,75,000.00	1,75,000.00
Issued, subscribed and paid up		
10,520 lakhs (as at 31 March, 2021 10,520 lakhs) equity shares of ₹ 10/- each fully paid up with voting rights.	1,05,200.00	1,05,200.00

Of the above:

15.1 5,365.20 lakhs (as at 31 March, 2021 5,365.20 lakhs) i.e. 51% (as at 31 March, 2021 51%) equity shares of ₹ 10/- each with voting rights, are held by Tata Power Company Limited, the holding company.

15.2 5,154.80 lakhs (as at 31 March, 2021 5,154.80 lakhs) i.e. 49% (as at 31 March, 2021 49%) equity shares of ₹ 10/- each with voting rights, are held by Delhi Power Company Limited.

15.3 The equity shares of the Company have a par value of ₹ 10/- each. Each shareholder is eligible for one vote per share held. In the event of liquidation of the Company, the holders of equity shares will be entitled to receive any of the remaining assets of the Company in proportion to the number of equity shares held by the shareholders, after distribution of all preferential amounts.

15.4 Reconciliation of the number of shares and amount outstanding at the beginning and at the end of the reporting period:

Particulars	As at 31.03.2022		As at 31.03.2021	
	No. of Shares Lakhs	Amount ₹/Lakhs	No. of Shares Lakhs	Amount ₹/Lakhs
At the beginning of the year	10,520.00	1,05,200.00	5,520.00	55,200.00
Add: Bonus share issued during the year	-	-	5,000.00	50,000.00
Outstanding at the end of the year	**10,520.00**	**1,05,200.00**	**10,520.00**	**1,05,200.00**

15.5 **Shareholding of Promoters**

Shares held by promoters at the end of the year				% of Change during the year
Sr. No.	Promoter Name	No. of Shares (In Lakhs)	% of total Shares	
1	The Tata Power Company Limited	5,365.20	51%	Nil
2	Delhi Power Company Limited	5,154.80	49%	Nil
Total		**10,520.00**	**100%**	**Nil**

15.6 During the current year, the Company has paid final dividend of ₹ 1.20 per share on fully paid equity shares for FY 2020-21 amounting to ₹ 12,624.00 lakhs upon approval of shareholders in Annual General Meeting dated 21 June, 2021. During the previous year ended 31 March, 2021, the Company had paid final dividend of ₹ 2.40 per share on fully paid equity shares for FY 2019-20 amounting to ₹ 13,248.00 lakhs. The Finance Act 2020 has repealed the Dividend Distribution Tax (DDT). Companies are now required to pay/distribute dividend after deducting applicable taxes.

15.7 For the year ended 31 March, 2022 the Board of Directors at its meeting held on 22 April, 2022 have proposed a final dividend of ₹ 1.20 per share to be paid on fully paid equity shares. The equity dividend is subject to approval by shareholders at the ensuing Annual General Meeting and has not been disclosed as a liability in these financial statements. The proposed equity dividend is payable to all holders of fully paid equity shares. The total estimated equity dividend to be paid is ₹ 12,624.00 lakhs.

15.8 During previous year, the board of directors in their meeting held on 25 November, 2020 and the shareholders of the Company in their Extra-Ordinary General Meeting (EGM) held on 4 December, 2020 have approved to increase the authorised share capital of the Company from ₹ 1,25,000 lakhs to ₹ 1,75,000 lakhs by creation of additional 5,000 lakhs equity shares of ₹ 10/- each. It has also been approved to issue 5,000 lakhs new bonus equity shares of ₹ 10/- each (amounting to ₹ 50,000 lakhs) at par to the Tata Power Company Limited (TPCL) and Delhi Power Company Limited (DPCL) in proportion to their existing shareholding in the Company i.e. 51% to TPCL (2,550 lakhs equity shares of ₹ 10/- each fully paid) and 49% to DPCL (2,450 lakhs equity shares of ₹ 10/- each fully paid) by utilisation of capital redemption reserve of ₹ 50,000 lakhs. The issue of bonus equity shares has been approved by share allotment committee in the meeting held on 12 March, 2021.

	As at 31.03.2022 ₹/Lakhs	As at 31.03.2021 ₹/Lakhs
Note 16		
Other equity		
16.1 **Capital redemption reserve**		
(a) Opening balance	-	50,000.00
(b) Add : Amount transferred from retained earnings (net)	-	-
(c) Less: Bonus shares issued (refer note 15.8)	-	50,000.00
(d) Closing balance	-	-
16.2 **General reserve**		
(a) Opening balance	9,150.00	9,150.00
(b) Add : Amount transferred from retained earnings (net)	-	-
(c) Closing balance	9,150.00	9,150.00
16.3 **Retained earnings**		
(a) Opening balance	2,65,149.13	2,35,352.41
(b) Add : Additions during the year	43,985.94	43,044.72
(c) Less : Payment of dividend on equity share capital (refer note 15.6)	12,624.00	13,248.00
(d) Closing balance	2,96,511.07	2,65,149.13
	3,05,661.07	2,74,299.13

Nature and purpose of reserves:

Capital redemption reserve
Capital redemption reserve represents amounts set aside on redemption of preference shares. The reserve is utilised in accordance with the provisions of section 69 of the Companies Act, 2013 for issuance of bonus equity shares.

General reserve
General reserve is used from time to time to transfer profits from retained earnings for appropriation purposes. As the general reserve is created by a transfer from one component of equity to another and is not an item of other comprehensive income, items included in the general reserve will not be reclassified subsequently to Statement of Profit and Loss.

Retained earnings
Retained earnings are the profits of the Company earned till date net of appropriations.

Note 17
Long-term borrowings

	As at 31.03.2022 ₹/Lakhs	As at 31.03.2021 ₹/Lakhs
17.1 Secured - at amortised cost		
(i) Term loans from banks		
(a) Axis Bank	6,428.71	4,595.00
(b) Bank of Baroda	5,000.00	6,666.67
(c) Canara Bank	15,486.11	23,680.56
(d) HDFC Bank	69,979.17	79,368.05
(e) Indian Bank*	15,677.08	43,385.42
(f) Punjab National Bank	14,375.00	16,875.00
(g) Punjab & Sind Bank	14,790.00	16,875.00
(h) State Bank of India	56,875.00	39,375.00
Total long-term borrowings	1,98,611.07	2,30,820.70

* Allahabad Bank merged with Indian Bank with effect from 1 April, 2020.

17.2 Current maturities of long-term borrowings

For the current maturities of long-term borrowings, refer note 23.3(a), Short Term Borrowings. Current maturities of long term borrowings includes repayment to be made before due date of 12 months, due date being a holiday.

17.3 Terms of repayment

17.3.1 Secured - at amortised cost

₹/Lakhs

S. No.		Name of Bank	Refer note for security	As at 31.03.2022	FY 2022-23	FY 2023-24	FY 2024-25	FY 2025-26	FY 2026-27	FY 2027-28 to FY 2031-32
- Term loans from banks										
(a)	i	Axis Bank	17.7	4,595.00	4,595.00	-	-	-	-	-
	ii	Axis Bank	17.7	9,285.71	2,857.00	2,857.00	2,857.00	714.71	-	-
(b)	i	Bank of Baroda	17.7	6,666.67	1,666.67	1,666.67	1,666.67	1,666.66	-	-
(c)	i	Canara Bank	17.6	1,388.89	1,111.11	277.78	-	-	-	-
	ii	Canara Bank	17.6	5,000.00	2,500.00	2,500.00	-	-	-	-
	iii	Canara Bank	17.6	5,625.00	1,250.00	1,250.00	1,250.00	1,250.00	625.00	-
	iv	Canara Bank	17.7	11,666.66	3,333.33	3,333.33	3,333.33	1,666.67	-	-
(d)	i	HDFC Bank	17.6	8,125.00	1,250.00	1,250.00	1,250.00	1,250.00	1,250.00	1,875.00
	ii	HDFC Bank	17.6	8,437.50	1,250.00	1,250.00	1,250.00	1,250.00	1,250.00	2,187.50
	iii	HDFC Bank	17.6	2,708.33	833.33	833.33	833.33	208.34	-	-
	iv	HDFC Bank	17.6	18,750.00	2,500.00	2,500.00	2,500.00	2,500.00	2,500.00	6,250.00
	v	HDFC Bank	17.6	10,000.00	-	-	1,250.00	1,250.00	1,250.00	6,250.00
	vi	HDFC Bank	17.7	3,888.89	2,222.22	1,666.67	-	-	-	-
	vii	HDFC Bank	17.7	9,000.00	4,000.00	4,000.00	1,000.00	-	-	-
	viii	HDFC Bank	17.7	2,708.34	833.34	833.33	833.33	208.34	-	-
	ix	HDFC Bank	17.7	8,750.00	2,500.00	2,500.00	2,500.00	1,250.00	-	-
	x	HDFC Bank	17.7	17,000.00	4,000.00	4,000.00	4,000.00	4,000.00	1,000.00	-
(e)	i	Indian Bank	17.6	6,250.00	1,250.00	1,250.00	1,250.00	1,250.00	1,250.00	-
	ii	Indian Bank	17.7	5,468.75	3,125.00	2,343.75	-	-	-	-
	iii	Indian Bank	17.7	5,000.00	1,666.67	1,666.67	1,666.66	-	-	-
	iv	Indian Bank	17.7	6,666.66	1,666.66	1,666.67	1,666.67	1,666.66	-	-
(f)	i	Punjab National Bank	17.6	16,875.00	2,500.00	2,500.00	2,500.00	2,500.00	2,500.00	4,375.00
(g)	i	Punjab & Sind Bank	17.6	5,000.00	1,250.00	1,250.00	1,250.00	1,250.00	-	-
	ii	Punjab & Sind Bank	17.7	3,750.00	3,750.00	-	-	-	-	-
	iii	Punjab & Sind Bank	17.7	3,125.00	2,500.00	625.00	-	-	-	-
	iv	Punjab & Sind Bank	17.7	5,000.00	2,500.00	2,500.00	-	-	-	-
	v	Punjab & Sind Bank	17.7	9,583.00	1,668.00	1,668.00	1,668.00	1,668.00	1,668.00	1,243.00
(h)	i	State Bank of India	17.6	5,625.00	2,500.00	2,500.00	625.00	-	-	-
	ii	State Bank of India	17.6	18,750.00	2,500.00	2,500.00	2,500.00	2,500.00	2,500.00	6,250.00
	iii	State Bank of India	17.6	20,000.00	-	2,500.00	2,500.00	2,500.00	2,500.00	10,000.00
	iv	State Bank of India	17.6	20,000.00	2,500.00	2,500.00	2,500.00	2,500.00	2,500.00	7,500.00
		Total		2,64,689.40	66,078.33	56,188.20	42,649.99	33,049.38	20,793.00	45,930.50

17.4 Installments for all the term loans are on quarterly basis.

17.5 The closing rate of interest for term loans from banks ranges from 6.95% to 7.35%. The rate of interest for term loans from banks are subject to reset annually except the term loan from Punjab & Sind Bank on quarterly reset, HDFC Bank (refer note 17.3.1 (d (x))) on half-yearly reset. Term loan from HDFC Bank (refer note 17.3.1 (d (v))) has fixed rate of interest at 6.95% for the entire term of 10 years.

17.6 Secured against first pari-passu charge on all present and future property, plant and equipment and intangible assets (movable and immovable) including stores & spares and third pari-passu charge on all present and future receivables.

17.7 Secured against fourth pari-passu charge on all present and future receivables including regulatory deferral account balances.

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	As at 31.03.2022 ₹/Lakhs	As at 31.03.2021 ₹/Lakhs

Note 18
Other financial liabilities - non current
(At amortised cost)

	As at 31.03.2022 ₹/Lakhs	As at 31.03.2021 ₹/Lakhs
(a) Security deposits		
(i) Consumers' security deposit	78,178.80	69,570.36
(ii) Others	698.08	479.65
(b) Retention money payable	246.23	230.08
	79,123.11	70,280.09

Note 19
Provisions - non current

Accounting policy

A provision is recognised if, as a result of a past event, the Group has a present legal or constructive obligation that can be estimated reliably, and it is probable that an outflow of economic benefits will be required to settle the obligation.

The amount recognised as a provision is the best estimate of the consideration required to settle the present obligation at the end of the reporting period, taking into account the risks and uncertainties surrounding the obligation. When a provision is measured using the cash flows estimated to settle the present obligation, its carrying amount is the present value of those cash flows (when the effect of the time value of money is material).

When some or all of the economic benefits required to settle a provision are expected to be recovered from a third party, a receivable is recognised as an asset if it is virtually certain that reimbursement will be received and the amount of the receivable can be measured reliably.

	As at 31.03.2022 ₹/Lakhs	As at 31.03.2021 ₹/Lakhs
Provision for employee benefits		
(a) Compensated absences	5,537.35	5,601.91
(b) Other employee benefits	133.83	139.36
	5,671.18	5,741.27

19.1 Other employee benefits represent pension liability to VSS employees.

19.2 **Defined contribution plan**

(i) **Provident fund plan and employees state insurance scheme**
The Group makes contribution towards Provident Fund which is a defined contribution retirement benefit plan for qualifying employees. The Group's contribution to the Employees Provident Fund is deposited by the Group under the Employees Provident Fund and Miscellaneous Provisions Act, 1952 which is recognised by the Income Tax authorities. The provident fund plan is operated by the Regional Provident Fund Commissioner. Under the scheme, the Group is required to contribute a specified percentage of payroll cost to the retirement benefit scheme to fund the benefits. The Group has no obligation, other than the contribution payable to the respective fund. The contributions payable to these plans by the Group are at rates specified in the rules of the schemes.

The Group makes contribution towards Employee State Insurance Scheme (ESIS) which is a defined contribution benefit plan for qualifying employees. The Group's contribution to the ESIS is deposited by the Group under the Employees State Insurance Act, 1948.

(ii) **Pension and leave salary contribution**
The Group makes contributions towards pension and leave salary to a defined contribution retirement plan for erstwhile DVB employees. The Group's contribution is deposited into the DVB Employees Terminal benefit Fund 2002 ('the Trust') as per the transfer scheme on the basis of the Fundamental Rules and Service Rules (FRSR Rules).

On account of Defined Contribution Plans, a sum of ₹ 4,193.05 lakhs (for the year ended 31 March, 2021 ₹ 4,331.77 lakhs) has been charged to the Statement of Profit and Loss during the year.

19.3 **Defined benefit plan (Gratuity plan)**

The gratuity liability arises on retirement, withdrawal, resignation and death of an employee. The aforesaid liability is calculated on the basis of fifteen days salary (i.e. last drawn basic salary) for each completed year of service subject to completion of two years service.

19.4 **Policy for recognising actuarial gains and losses**

Actuarial gains and losses of defined benefit plan arising from experience adjustments and effects of changes in actuarial assumptions are immediately recognised in other comprehensive income.

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19.5 Risks associated with the plan provisions are actuarial risks. These risks are investment risk, interest rate risk, demographic risk and salary escalation risk.

(a) **Investment risk:**
The probability or likelihood of occurrence of losses relative to the expected return on any particular investment.

(b) **Interest rate risk:**
The plan exposes the Group to the risk of fall in interest rates. A fall in interest rates will result in an increase in the ultimate cost of providing the above benefit and will thus result in an increase in the value of the liability (as shown in financial statements).

(c) **Demographic risk:**
The Group has used certain mortality and attrition assumptions in valuation of the liability. The Group is exposed to the risk of actual experience turning out to be worse compared to the assumption.

(d) **Salary escalation risk:**
The present value of the defined benefit plan is calculated with the assumption of salary increase rate of plan participants in future. Deviation in the rate of increase of salary in future for plan participants from the rate of increase in salary used to determine the present value of obligation will have a bearing on the plan's liability.

19.6 The following tables set out the funded status of the gratuity plan and amounts recognised in the Group's financial statements as at 31 March, 2022. The valuation has been carried out using the Project Unit Credit Method as per Ind AS 19 "Employee Benefits" to determine the present value of defined benefit obligations and the related current service cost and, where applicable, past service cost.

₹/Lakhs

Particulars	**Gratuity (Funded)**	
	As at 31.03.2022	**As at 31.03.2021**
(i) **Net liability arising from defined benefit obligation**	**370.73**	**27.16**
(ii) **Change in benefit obligations:**		
(a) Present value of obligations as at 1 April	4,164.90	4,357.23
(b) Current service cost	364.23	371.32
(c) Interest expense or cost	278.75	267.64
(d) Remeasurement (gains)/losses: Actuarial (gains)/losses	(39.71)	(226.88)
(e) Benefits Paid	628.12	604.41
(f) Transfer in liability (group transfer cases)	25.70	-
Present value of defined benefit obligation as at 31 March (a+b+c+d-e+f)	**4,165.75**	**4,164.90**
(iii) **Change in plan assets**		
(a) Fair Value of Plan Assets as at 1 April	4,137.74	3,792.76
(b) Investment income	267.02	227.44
(c) Employer's Contribution	-	751.91
(d) Remeasurement (gains)/losses:		
- Return on plan assets (excluding amounts included in net interest expense)	18.38	(29.96)
(e) Benefits Paid	628.12	604.41
Fair value of plan asset as at 31 March (a+b+c+d-e)	**3,795.02**	**4,137.74**

(iv) **Expenses recognised in the Statement of Profit and Loss**

₹/Lakhs

Particulars	**Gratuity (Funded)**	
	Year ended 31.03.2022	**Year ended 31.03.2021**
(a) Current service cost	364.23	371.33
(b) Net interest expense/(income)	11.73	40.20
(c) Other adjustments	11.68	(46.32)
Defined benefit cost recognised in the Statement of Profit and Loss (a+b+c)	**387.64**	**365.21**

(v) **Amount recognised in other comprehensive income (remeasurements)**

₹/Lakhs

Particulars	**Gratuity (Funded)**	
	Year ended 31.03.2022	**Year ended 31.03.2021**
(a) Actuarial (gains)/losses arising from:		
- changes in demographic assumptions	24.39	79.76
- changes in financial assumptions	(186.87)	(197.01)
- experience adjustments	122.77	(109.63)
(b) Return on plan assets (excluding amounts included in net interest expense)	(18.38)	29.96
Components of defined benefit costs recognised in other comprehensive income (a+b)	**(58.09)**	**(196.92)**

(vi) **Principal actuarial assumptions:**

Particulars	**Notes**	**Year ended 31.03.2022**	**Year ended 31.03.2021**
Financial assumptions:			
(a) Discount Rate (per annum)	1.	7.20%	6.75%
(b) Salary growth rate (per annum)	2.	8.00%	8.00%

Notes:

1. **Discount Rate**: The discount rate indicated above reflects the estimated timing and currency of benefit payments. It is based on the yields/rates available on government bonds as on the current valuation date.

2. **Salary growth rate:** The salary growth rate indicated above is the Group's best estimate of an increase in salary of the employees in future years, determined considering the general trend in inflation, seniority, promotions, past experience and other relevant factors such as demand and supply in employment market, etc.

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Particulars	Year ended 31.03.2022	Year ended 31.03.2021
Demographic assumptions:		
(a) Normal retirement age	60 years	60 years
(b) Mortality rate	100% of Indian Assured Lives Mortality (2012-2014)	100% of Indian Assured Lives Mortality (2012-2014)
(c) Withdrawal rate (per annum)	5%	6%

(vii) **Major categories of plan assets as a percentage of total plan assets:**

Particulars	As at 31.03.2022	As at 31.03.2021
Government of India Securities	83.73%	79.55%
Debt instruments	10.37%	14.41%
Equity and preference shares	3.94%	5.85%
Others	1.96%	0.19%
	100.00%	**100.00%**

The Group's liability on account of gratuity is ascertained by actuarial valuer and planned assets of the Group are managed by Life Insurance Corporation of India in terms of an insurance policy taken to fund obligations of the Group with respect to its gratuity plan. The difference between the liability ascertained on account of gratuity by Life Insurance Corporation of India and actuarial valuer is provided for in the financial statements of the Group.

The categories of plan assets as a percentage of total plan assets is based on information provided by Life Insurance Corporation of India with respect to its investment pattern for group gratuity fund for investments managed in total for several other companies.

(viii) **Sensitivity Analysis**

Significant actuarial assumptions for the determination of the defined benefit obligation are discount rate, expected salary increase and mortality. The sensitivity analysis below have been determined based on reasonably possible changes of the assumptions occurring at the end of the reporting period, while holding all other assumptions constant.

1. Changes in defined benefit obligation due to 1% increase/decease in discount rate, if all other assumptions remain constant:

₹/Lakhs

Particulars	As at 31.03.2022	As at 31.03.2021
(a) Decrease in defined benefit obligation due to 1% increase in discount rate	401.27	384.19
(b) Increase in defined benefit obligation due to 1% decrease in discount rate	470.96	449.20

2. Changes in defined benefit obligation due to 1% increase/decease in expected salary growth rate, if all other assumptions remain constant:

₹/Lakhs

Particulars	As at 31.03.2022	As at 31.03.2021
(a) Decrease in defined benefit obligation due to 1% decrease in expected salary growth rate	401.96	383.36
(b) Increase in defined benefit obligation due to 1% increase in expected salary growth rate	462.53	439.18

Changes in defined benefit obligation due to 1% increase/decease in mortality rate, if all other assumptions remain constant is insignificant.

The sensitivity analysis presented above may not be representative of the actual change in the defined benefit obligation as it is unlikely that the change in assumptions would occur in isolation of one another as some of the assumptions may be correlated.

There is no change in the method of the valuation for the prior period. For change in assumptions please refer to table in (vi) above, where assumptions for prior period, if applicable, are given.

(ix) **Effect of plan on Group's future cash flows**

(a) Funding arrangements and funding Policy

The Group has purchased an insurance policy to provide payment of gratuity to the employees. Every year, the insurance Group carries out a funding valuation based on the latest employee data provided by the Group. Any deficit in the assets arising as a result of such valuation is funded by the Group.

(b) The expected maturity analysis of undiscounted defined benefit obligation is as follows

(₹/Lakhs)

Particulars	As at 31.03.2022	As at 31.03.2021
Upto 1 year	252.00	300.26
1 - 2 year	282.79	273.36
2 - 3 year	324.45	311.49
3 - 4 year	275.40	325.38
4 - 5 year	359.27	316.38
More than 5 years	8,997.26	7,931.90
Total	**10,491.17**	**9,458.77**
Weighted average duration of the defined benefit obligation	11 years	10 years

(c) The contribution expected to be made by the Group during the financial year 2022-23 is ₹ 724.32 lakhs.

(d) The actual return on plan assets is ₹ 285.40 lakhs (for the year ended 31 March, 2021 ₹ 197.48 lakhs).

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19.7 **Principal actuarial assumptions for long-term compensated absences**

(i) **Financial assumptions:**

Particulars	Notes	Year ended 31.03.2022	Year ended 31.03.2021
(a) Discount rate (per annum)	1.	7.20%	6.75%
(b) Salary growth rate (per annum)	2.	8.00%	8.00%

Notes:

1. **Discount rate**: The discount rate indicated above reflects the estimated timing and currency of benefit payments. It is based on the yields / rates available on applicable bonds as on the current valuation date.
2. **Salary growth rate:** The salary growth rate indicated above is the Group's best estimate of an increase in salary of the employees in future years, determined considering the general trend in inflation, seniority, promotions, past experience and other relevant factors such as demand and supply in employment market, etc.

(ii) **Demographic assumptions:**

Particulars	Year ended 31.03.2022	Year ended 31.03.2021
(a) Normal retirement age	60 years	60 years
(b) Mortality rate	100% of Indian Assured Lives Mortality (2012-2014)	100% of Indian Assured Lives Mortality (2012-2014)
(c) Withdrawal rate (per annum)	5%	6%
(d) Rate of leave availment (per annum)	4%	4%
(e) Rate of leave encashment during employment (per annum)	4%	4%

Note 20
Capital grants

Accounting policy

Government grants are recognised if there is reasonable assurance that the assistance will be received and the conditions attached to assistance will be complied. Where the grant relates to a specified asset, it is recognised as deferred income, and amortised over the expected useful life of the asset. Other grants relating to revenue are recognised in the Statement of Profit and Loss.

Where the Group receives non-monetary grants, the asset and the grant are recorded gross at fair value and released to the Statement of Profit and Loss over the expected useful life and pattern of consumption of the benefit of the underlying asset.

	As at 31.03.2022 ₹/Lakhs	As at 31.03.2021 ₹/Lakhs
(i) Opening balance	433.68	506.66
(ii) Less: Amortisation during the year	70.00	72.98
(iii) Closing balance	363.68	433.68

Note 21
Contributions for capital works and service line charges

Accounting policy

Refer note 29.2 for accounting policy on contrbutions for capital works and service line charges.

Deferred revenue

21.1 **Capital works**

(i) Opening balance	62,469.77	66,073.50
(ii) Add : Additions during the year	5,247.29	2,798.28
(iii) Less: Amortisation during the year	5,050.64	4,713.08
(iv) Less: Refund during the period/year (refer note 21.3)	-	1,688.93
(v) Closing balance	62,666.42	62,469.77

21.2 **Service line charges**

(i) Opening balance	17,854.89	18,504.80
(ii) Add : Additions during the year	2,880.95	2,602.21
(iii) Less: Amortisation during the year	3,257.12	3,252.12
(iv) Closing balance	17,478.72	17,854.89
Total contribution for capital works and service line charges	**80,145.14**	**80,324.66**

21.3 Delhi Electricity Regulatory Commission (DERC) had made an amendment in schedule of charges & the procedure under Delhi Electricity Regulatory Commission (Supply Code and Performance Standards) Regulations, 2017, dated 31 August, 2017, with respect to the Service Line cum Development (SLD) charges to be collected from unelectrified area for taking new electricity connection at LT supply for the connections upto 200KW/215 KVA. As per the amendment, SLD charges to be collected from unelectrified area for new connection has been reduced w.e.f. 1 September, 2017. The Group has adjusted/ refunded the difference amount of SLD charges already collected at the rates for un-electrified area and estimated SLD charges to be collected as per the rates for electrified area applicable as on date of application.

		As at 31.03.2022 ₹/Lakhs	As at 31.03.2021 ₹/Lakhs
Note 22			
Other non current liabilities			
	Consumers' deposits for works and service line charges	40,522.69	27,352.66
Note 23			
Short-term borrowings			
23.1	**Secured - at amortised cost**		
	From Banks		
	(a) Cash credit	1,665.82	1,054.02
	(b) Working capital demand loan		
	(i) Punjab National Bank	-	2,175.00
	(ii) Yes Bank	1,600.00	1,600.00
		1,600.00	3,775.00
		3,265.82	4,829.02
23.2	**Unsecured - at amortised cost**		
	From Banks		
	(a) Unsecured credit facilities		
	(i) Axis Bank	11,220.03	7,496.46
		11,220.03	7,496.46
	(b) Short term loan		
	(i) HDFC Bank	-	10,000.00
		-	10,000.00
	(c) Working capital demand loan		
	(i) Axis Bank	80.05	17,000.00
	(ii) IDFC First Bank	-	10.80
	(iii) HDFC Bank	9,000.00	-
		9,080.05	17,010.80
		20,300.08	34,507.26
23.3	**Current maturities of long-term borrowings (refer note 17)**		
	Secured - at amortised cost		
	(a) Term loans from banks		
	(i) Axis Bank	7,452.00	9,858.00
	(ii) Bank of Baroda	1,666.67	1,666.67
	(iii) Canara Bank	8,194.44	9,861.11
	(iv) HDFC Bank	19,388.89	17,138.89
	(v) Indian Bank	7,708.33	7,708.33
	(vi) Punjab National Bank	2,500.00	2,500.00
	(vii) Punjab & Sind Bank	11,668.00	10,000.00
	(viii) State Bank of India	7,500.00	3,750.00
		66,078.33	62,483.00
	Total short-term borrowings	**89,644.23**	**1,01,819.28**

23.4 **Secured credit facilities**

The Company has availed secured cash credit limits of ₹ 22,800 lakhs from four banks i.e. State Bank of India, Punjab National Bank, Yes Bank and HDFC Bank, presently at an interest rate ranging from 6.95% to 7.90% per annum. 60% of the sanctioned cash credit limit of banks has to be first utilised as working capital demand loan in order to avail cash credit facility. These facilities are secured against first pari-passu charge on all present and future property, plant and equipment and intangible assets (movable and immovable) including stores and spares and third pari-passu charge on all present and future receivables.

The Company has availed secured Short term facility limits of ₹ 20,000 lakhs in the form of STL (₹ 10,000 lakhs) & Invoice financing (₹ 10,000 lakhs) from Deutsche Bank. STL facility has been availed at an interest rate ranging from 5.30% to 5.90% per annum during the financial year. The STL facility (which is fungible) can be utilised for any amount lower than or equal to ₹ 20,000 lakhs, for a period of minimum 7 days upto maximum 1 year. During the financial year, the tenor for utilization of STL ranges from 7 days to 77 days. The facility is secured against first pari-passu charge on all present and future property, plant and equipment and intangible assets (movable and immovable) including stores and spares and third pari-passu charge on all present and future receivables.

23.5 **Unsecured credit facilities**

The Company has unsecured fund based credit facilities of ₹ 30,000 lakhs from Axis Bank, ₹ 15,000 lakhs from Canara Bank and ₹ 10,000 lakhs for HDFC Bank, presently at an interest rate of 7.35%, 7.35% and 4.40% per annum respectively. 60% of the sanctioned limit of banks has to be first utilised as working capital demand loan in order to avail such facility.

The Company has unsecured overdraft facilities of ₹ 200 lakhs from IDFC First Bank, presently at an interest rate of 8.30%.

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23.6 **Unsecured - Term loans - from other parties**

(a) Commercial paper

During the current year, the Company has issued and repaid commercial paper as follows:

Particulars		Units	FY 2021-22
(i)	Date of issue		07.05.2021
(ii)	Repayment date		06.08.2021
(iii)	Discount rate	% p.a	4.10%
(iv)	Amount	₹/Lakhs	14,848.23
(v)	Face value	₹/Lakhs	15,000.00

(b) Short term loan

During the current year, the Company has availed and/or repaid short term loan as follows:

S. no.	Name of the bank	Disbursement taken on	Repayment date	Interest Rate (% p.a.)	Amount (₹ Lakhs)
(i)	HDFC Bank	26.02.2021	25.08.2021	4.40%	10,000.00
(ii)	Karnataka Bank	25.05.2021	13.09.2021	6.60%	5,000.00
(iii)	Karnataka Bank	05.06.2021	29.09.2021	6.60%	5,000.00

23.7 The information/ statement of current assets filed by the Company with banks are in agreement with the books of accounts and there are no material variations.

Note 24
Trade payables (at amortised cost)

		As at 31.03.2022 ₹/Lakhs	As at 31.03.2021 ₹/Lakhs
(a)	Total outstanding dues of micro enterprises and small enterprises	2,518.77	2,512.11
(b)	Total outstanding dues of creditors other than micro enterprises and small enterprises	1,21,349.35	1,15,828.13
		1,23,868.12	1,18,340.24

24.1 As at 31 March, 2022 trade payables include bill discounting of ₹ 13,371.66 lakhs (as at 31 March, 2021 ₹ 24,685.57 lakhs). To manage the expected liquidity risk due to Covid-19, the Group has availed seller's side bill discounting facility for a portion of power purchase and transmission supplies invoices from generating and transmission companies. As per said bill discounting arrangement, bill discounting charges including interest will be borne by the Group and the Group will make payment of these bills payable on due date to the designated bank account on behalf of vendor. In case of any default/non-payment of bills on due date, suppliers are liable towards their bankers and the Group is liable towards suppliers for payment of dues.

24.2 The average credit period on purchases from long-term power purchase arrangement ranges from 30 days to 60 days. Thereafter, interest is charged which generally ranges from 1.25% per month to 1.5% per month on the unpaid amount. In addition, Ministry of Power , Govt. of India vide Gazette Notification dated 22 February, 2021 has notified LPSC rate as marginal cost of funds based lending rate for one year of the State Bank of India, as applicable on the 1st April of the financial year in which the default period lies, plus five percent. Rebate is generally available @ 1.5% if payment is made within 5 days from the presentation of bill as per CERC Regulation and @ 2% if payment Is made within 2 days from the presentation of bill as per DERC Regulation or @ 1% if payment is made within 30 days from date of presentation. In some cases day-wise rebate is also available. In case of short-term power purchase arrangement, credit period ranges from 1 day to 30 days.

24.3 Micro and small enterprises under the Micro, Small and Medium Enterprises Development Act, 2006 have been determined based on the information available with the Company and the required disclosures are given below:

₹/Lakhs

Particulars		As at 31.03.2022	As at 31.03.2021
(a)	Principal amount remaining unpaid as at 31 March	2,518.77	2,512.11
(b)	Interest due thereon as at 31 March	-	-
(c)	The amount of interest paid in terms of section 16 of the Micro, Small and Medium Enterprises Development Act, 2006 (27 of 2006), along with the amounts of the payment made to the supplier beyond the appointed day during each accounting year.	-	-
(d)	The amount of interest due and payable for the period of delay in making payment (which has been paid but beyond the appointed day during the period) but without adding the interest specified under the Micro, Small and Medium Enterprises Development Act, 2006.	-	-
(e)	The amount of interest accrued and remaining unpaid as at 31 March	-	-
(f)	The amount of further interest due and payable even in the succeeding years, until such date when the interest dues as above are actually paid to the small enterprise.	-	-

24.4 **Age of payables**

Ageing schedule as at 31 March, 2022

₹/Lakhs

Outstanding for following periods from due date of payment #		Undisputed		Disputed		Total
		MSME *	Others	MSME *	Others	
(a)	Less than 1 year	-	255.05	-	-	**255.05**
(b)	1-2 year	-	298.30	9.90	-	**308.20**
(c)	2-3 year	-	232.68	11.86	34.85	**279.39**
(d)	More than 3 years	-	185.68	-	197.34	**383.02**
(e)	Trade payables which are not due	2,497.01	1,01,416.96	-	4.85	**1,03,918.82**
(f)	**Total**	**2,497.01**	**1,02,388.67**	**21.76**	**237.04**	**1,05,144.48**
(g)	Unbilled trade payables					**18,723.64**
(h)	**Total Trade Payable (f+g)**					**1,23,868.12**

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Ageing schedule as at 31 March, 2021

₹/Lakhs

Outstanding for following periods from due date of payment #	Undisputed		Disputed		Total
	MSME *	Others	MSME *	Others	
(a) Less than 1 year	0.65	220.02	11.20	-	**231.87**
(b) 1-2 year	-	245.61	12.80	35.05	**293.46**
(c) 2-3 year	-	155.82	-	-	**155.82**
(d) More than 3 years	-	103.13	-	301.18	**404.31**
(e) Trade payables which are not due	2,487.46	80,052.45	-	-	**82,539.91**
(f) **Total**	**2,488.11**	**80,777.03**	**24.00**	**336.23**	**83,625.37**
(g) Unbilled trade payables					**34,714.87**
(h) **Total Trade Payable (f+g)**					**1,18,340.24**

* Micro & small enterprise
# where due date of payment is not available, date of the transaction has been considered.

	As at 31.03.2022 ₹/Lakhs	As at 31.03.2021 ₹/Lakhs
Note 25		
Other financial liabilities - current		
(At amortised cost)		
(a) Security deposits		
(i) Consumers' security deposit	5,514.80	4,796.26
(ii) Others	1,042.33	806.64
	6,557.13	5,602.90
(b) Interest accrued but not due on borrowings	539.64	822.07
(c) Retention money payable	3,669.39	3,785.74
(d) Payables on purchase of property, plant and equipment	643.75	1,570.14
(e) Earnest money deposits	115.39	101.77
(f) Consumers' deposits for works	4,874.73	5,486.40
(g) Others	3,596.74	954.61
	19,996.77	18,323.63
Note 26		
Provisions - current		
Provision for employee benefits		
(a) Compensated absences (refer note 19)	890.33	963.97
(b) Defined benefit plans (Gratuity) (refer note 19)	370.73	27.16
(c) Other employee benefits (refer note 26.1)	16.55	17.48
	1,277.61	1,008.61

26.1 Other employee benefits represent pension liability to VSS employees.
26.2 Refer note 19 for accounting policy on provisions.

Note 27		
Other current liabilities		
(a) Income received in advance	1,754.20	1,347.13
(b) Statutory dues	9,894.87	7,733.89
(c) Advance from consumers	10,732.71	8,586.53
(d) Advance government subsidy (to be adjusted upon billing)	3,026.46	-
(e) Payable for Pension Trust Surcharge (including unbilled)	2,012.95	1,918.49
(f) Others	251.44	264.01
	27,672.63	19,850.05

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Note 28
Contingent liabilities and commitments
(to the extent not provided for)

Accounting policy
A possible obligation that arises from past events and the existence of which will be confirmed only by the occurrence or non-occurrence of one or more uncertain future events not wholly within the control of the enterprise are disclosed as contingent liability and not provided for. Such liability is not disclosed if the possibility of outflow of resources is remote.

A contingent asset is a possible asset that arises from past events and whose existence will be confirmed only by the occurrence or non-occurrence of one or more uncertain future events not wholly within the control of the entity. Contingent assets are not recognised but disclosed only when an inflow of economic benefits is probable.

₹/Lakhs

Particulars	As at 31.03.2022	As at 31.03.2021
Contingent liabilities*		
28.1 Claims against the Group not acknowledged as debts:		
(i) Legal cases filed by consumers, employees and others under litigation	4,991.36	3,578.43
(ii) Water charges demand raised by Delhi Jal Board (DJB)	-	71.69
28.2 Liabilities arising out of litigation etc. due to provisions of Transfer Scheme pursuant to Delhi Electricity Reforms Act, 2002	100.00	100.00
28.3 Direct taxation matters for which liability, relating to issues of deductibility and taxability, is disputed by the Group and provision is not made (computed on the basis of assessments which have been re-opened and assessments remaining to be completed):		
(i) Matters on which decisions with the CIT(A) and various appellate authorities are pending	1,397.61	1,397.61
(ii) Interest demanded (as per demand order and appeal effect order)	939.82	929.50
(iii) Total demand (i+ii)	2,337.43	2,327.11
(iv) Out of the above demand, amount paid under protest/adjusted by Income Tax authorities	2,013.84	2,013.84
The above does not include any amount where the Income Tax department has preferred an appeal against issues already decided in favour of the Group.		
28.4 Indirect taxation matters relating to sales tax, service tax, GST where demand is under contest before judicial/appellate authorities	72.91	72.91
28.5 Claims of power suppliers, not acknowledged as expense and credits	25,179.13	20,947.48
28.6 Demand for interest on delayed payment of land license fee raised by Department of Power (Govt. of NCT Delhi) challenged by the Group before the High Court	273.72	450.20
28.7 Environmental compensation notice issued by Delhi Pollution Control Committee (DPCC)	50.00	50.00
28.8 Additional provident fund contribution (including interest and damages) payable by the Group pursuant to the Supreme Court order dated 28 February, 2019 in case the amendment is applied retrospectively w.e.f. April, 2014	1,616.04	1,413.38
28.9 Way leave charges demanded by North DMC on the installation and laying services carried out by the Group in North DMC periphery.	1,348.23	1,348.23
*No provision is considered necessary since the Group expects favourable decisions.		
Commitments		
28.10 Estimated amount of contracts remaining to be executed on capital account (net of advances) and not provided for	20,485.74	26,917.28

28.11 As detailed in note 34.7.1 on Rithala Power Generation Plant, the Company has challenged the DERC Order dated 11 November, 2019 before APTEL for allowance of balance depreciation along with other associated claims i.e. interest on debt, return on equity (RoE) etc. which is yet to be disposed off. Based on legal opinion and internal analysis, the management is hopeful of favourable judgement.

28.12 Due to COVID-19 and lock down imposed from 25 March, 2020, there has been decrease in demand and delay in collection towards the end of March, 2020 which has impacted the expected billing and collection efficiency for the financial year 2019-20. Consequently, it has impact on incentive/disincentive on overachievement /underachievement of AT&C targets as per tariff regulations for financial year 2019-20. Upon drop in demand and collection, the DERC has clarified to Discoms regarding treatment of this unprecedented calamity as 'force majeure' condition under the provision of DERC (Supply Code and Performance Standards) Regulations, 2017 and has stated that the standard of performance shall remain suspended during lockdown period. The Commission has assured that targets of billing and collection efficiency for financial year 2019-20 will be re-considered at the time of true-up of ARR for financial year 2019-20 subject to prudence check.

In the detailed true-up order for the financial year 2019-20 issued on 12 October, 2021, the DERC has allowed AT&C incentive towards overachievement of billing efficiency, however no incentive/disincentive has been considered towards collection efficiency. In addition, DERC has also changed the entitlement of O&M expense on actual basis instead of normative which has resulted in reduction in Company's O&M allowance. Since the Company has challenged various disallowances in the tariff order and got stay against the tariff order from APTEL, therefore, the impact of said AT&C incentive & consequential O&M disallowance has not been recorded in the books of accounts till the adjudication of matter which is next listed for hearing on 22 April, 2022.

28.13 The Code on Social Security 2020 has been notified in the Official Gazette on 29th September, 2020. The Code is not yet effective and related rules are yet to be notified. Impact if any of the change will be assessed and recognized in the period in which said Code becomes effective and the rules framed thereunder are notified.

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28.14 The Company had introduced a Voluntary Separation Scheme (VSS) for its employees in December 2003, in response to which initially 1,798 employees were separated. The early retirement of these employees led to a dispute between the Company and the DVB Employees Terminal Benefit Fund, 2002 ('the Trust') with respect to payout of retirement benefits that these employees were eligible for. The Trust is of the view that its liability to pay retiral benefits arises only on the employee attaining the age of superannuation or on death, whichever is earlier.

The Company filed a writ petition with the Hon'ble Delhi High Court which pronounced its judgement on 2 July, 2007 on this issue and provided two options to the Discoms for paying retiral benefits to the Trust. The Company chose the option whereby the Discoms were required to pay to the Trust an 'Additional Contribution' on account of premature payout by the Trust which shall be computed by an Arbitral Tribunal of Actuaries to be appointed within a stipulated period. The matter was further challenged by the Trust before Hon'ble Supreme Court, however, no interim relief has been granted by the Hon'ble Supreme Court. Till date no Arbitral Tribunal of Actuaries has been appointed and therefore, no liability has been recorded based on option chosen by the Company.

While the above referred writ petition was pending, the Company had already advanced ₹ 7,774.35 lakhs to the Special Voluntary Retirement Scheme Retirees Terminal Benefit Fund, 2004 Trust (SVRS Trust) for payment of retiral dues to separated employees. In addition to the payment of retiral benefits/residual pension to the SVRS Trust, in pursuant to the order of the Hon'ble Delhi High Court dated 2 July, 2007 the Company also paid interest @ 8% per annum, ₹ 801.27 lakhs in the financial year 2008-09 thereby increasing the total contribution to the SVRS Trust to ₹ 8,575.62 lakhs recorded as recoverable from SVRS Trust. As the Company was entitled to get reimbursement against advanced retiral benefit amount on superannuation age, the Company had recovered/adjusted ₹ 8,549.84 lakhs as at 31 March, 2022 (as at 31 March, 2021 ₹ 8,546.68 lakhs), leaving a balance recoverable ₹ 25.78 lakhs as at 31 March, 2022 (as at 31 March, 2021 ₹ 28.94 lakhs) from the SVRS Trust which includes current portion of ₹ 3.93 lakhs (as at 31 March, 2021 ₹ 3.16 lakhs).

28.15 The liability stated in the opening Balance Sheet of the Company as per the Transfer Scheme as on 1 July, 2002 in respect of consumers' security deposit was ₹ 1,000 lakhs. The Company had engaged an independent agency to validate the sample data in digitized form of consumer security deposit received by the erstwhile DVB from its consumers. As per the validation report submitted by this agency the amount of security deposit received from consumers aggregated to ₹ 6,670.51 lakhs. The Company has been advised that as per the Transfer Scheme, the liability in excess of ₹ 1,000 lakhs towards refund of the opening consumer deposits and interest thereon is not to the account of the Company. Since the GNCTD was of the view that the aforesaid liability is that of the Company, the matter was referred to Delhi Electricity Regulatory Commission (DERC). During the year 2007-08, DERC vide its letter dated 23 April, 2007 conveyed its decision to the GNCTD upholding the Company's view. As GNCTD has refused to accept the DERC decision as binding on it, the Company has filed a writ petition in the Hon'ble Delhi High Court and the matter was made regular on 24 October, 2011. No stay has been granted by the High Court in the matter for refund of consumer security deposits and payment of interest thereon.

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Note 29
Revenue recognition

Accounting policy

Revenue from contracts with customers is recognised when control of the goods or services are transferred to the customer at an amount that reflects the consideration to which the Group expects to be entitled in exchange for those goods or services.

Revenue is measured based on the consideration specified in a contract with a customer and excludes amounts collected on behalf of third parties. There is no significant judgement involved while evaluating the timing as to when customers obtain control of promised goods and services.

29.1 Sale of power

Revenue from the supply of power is recognised net of any trade discounts, cash rebates, etc. when the power is supplied and units of electricity are delivered as it best depicts the value to the customer and complete satisfaction of performance obligation.

Revenue from power supply is accounted for on the basis of billings to consumers and includes unbilled revenues accrued up to the end of the reporting period. Revenue from power supply is recognised net of the applicable taxes which the Group collects from the customer on behalf of the government/state authorities. Revenue from such contracts is recognised over time for each unit of electricity delivered at the pre-determined rate.

The Group, as per the prevalent Delhi Electricity Regulatory Commission (Terms and Conditions for Determination of Wheeling Tariff and Retail Supply Tariff) Regulations (referred as 'Tariff Regulations') for distribution business, is required to recover its Annual Revenue Requirement (ARR) comprising of expenditure on account of power purchase costs, operations & maintenance expenses, financing cost, as per the said regulations and an assured return on DERC approved equity with additional incentive on over achievement of distribution loss and collection efficiency targets. As per the said Tariff Regulations, the Group determines the ARR and any excess/shortfall in recovery of ARR during the year is accounted for in "Regulatory Deferral Account Balance".

In respect of power generation, the Group is entitled to recover fuel cost, operations and maintenance expenses and other cost along with return on equity as stated in Delhi Electricity Regulatory Commission (Terms and Conditions for Determination of Generation Tariff) Regulations subject to the availability factor.

Revenue in respect of the following is recognised as and when recovered because its ultimate collection is uncertain:
(a) Late Payment Surcharge (LPSC) on electricity billed
(b) Bills raised for dishonest abstraction of power
(c) Interest on Unscheduled Interchange (UI).

29.2 Contribution for capital works & service line charges

Consumer's contribution towards cost of capital assets and service line charges is treated as capital receipt and credited in liabilities until transferred to a separate account on commissioning of the assets and installation of connection respectively. An amount equivalent to the depreciation charge for the year on such assets is appropriated from this account as income to the Statement of Profit and Loss over the useful life of the assets.

29.3 Rendering of Services

Revenue from a contract to provide consultancy services is recognised based on:

Input method : The extent of progress towards completion is measured based on the ratio of costs incurred to date to the total estimated costs at completion of performance obligation. Revenue, including estimated fees or profits, are recorded proportionally based on measure of progress.

Output method : Direct measurements of value to the customer based on the survey of performance completed to date.

		Year ended 31.03.2022 ₹/Lakhs	Year ended 31.03.2021 ₹/Lakhs
29.4	**Revenue from operations**		
29.4.1	**Revenue from sale of power and open access**		
(a)	Sale of power	7,81,783.37	7,16,312.55
	Less: rebate availed by consumers	-	97.02
	Less: energy tax	30,385.19	27,642.74
		7,51,398.18	6,88,572.79
(b)	Income from open access charges	2,428.55	1,604.28
		7,53,826.73	6,90,177.07
29.4.2	**Other operating revenue**		
(a)	Amortisation of service line charges	3,257.12	3,252.12
(b)	Commission on		
	- DVB arrears collection	0.41	2.06
	- Energy tax collection	891.55	824.30
(c)	Maintenance charges (refer note 29.4.2(i))	1,250.26	1,324.93
(d)	Amortisation of capital grants	70.00	72.98
(e)	Amortisation of consumer contribution for capital works	5,050.64	4,713.08
(f)	Miscellaneous operating income	442.56	336.51
		10,962.54	10,525.98
		7,64,789.27	7,00,703.05

29.4.2(i) Includes incentive on street light maintenance of ₹ 115.50 lakhs pertaining to financial year 2021-22 (for the year ended 31 March, 2021 ₹ 109.56 lakhs).

29.5 Other Income

Accounting Policy
- Interest Income

Interest income from a financial asset is recognised when it is probable that the economic benefits will flow to the Group and the amount of income can be measured reliably. Interest income is accrued on a time basis, by reference to the principal outstanding and at the effective interest rate applicable, which is the rate that exactly discounts estimated future cash receipts through the expected life of the financial asset to that asset's net carrying amount on initial recognition.

		Year ended 31.03.2022 ₹/Lakhs	Year ended 31.03.2021 ₹/Lakhs
(a)	Late payment surcharge	2,190.86	2,480.43
(b)	Interest Income	836.67	355.97
(c)	Gain on sale/fair value of mutual fund investment measured at FVTPL	2.91	26.88
(d)	Foreign exchange fluctuation gain (net)	0.74	-
(e)	Income other than energy business	6,583.58	8,680.52
(f)	Excess provisions write back (refer note 29.5.1)	6,417.35	-
(g)	Other non-operating income	263.78	203.13
		16,295.89	11,746.93

29.5.1 During previous years, the actual pay-out of performance pay and incentive to employees were lower than the provision created in books. Accordingly, the company has reversed excess provision of ₹ 6,417.35 lakhs during the year ended 31 March, 2022.

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29.6 Disaggregation of revenue

Revenue recognised from contracts with customers mainly comprises of sale of power from distribution and retail supply of electricity in the North & North-west Delhi wherein nature, amount, timing and uncertainty of revenue is in accordance with prevailing DERC regulations and tariff order.

Set out below is the disaggregation of the Group's revenue from contracts with customers:

₹/Lakhs

Particulars	Year ended 31.03.2022	Year ended 31.03.2021
(A) Revenue from contracts with customers		
- Based on nature of goods/services		
(I) Distribution of power		
(a) Sale of power (net of energy tax)	7,51,398.18	6,88,669.81
Less: rebate availed by consumers	-	97.02
	7,51,398.18	6,88,572.79
(b) Income from open access charges	2,428.55	1,604.28
(c) Late payment surcharge	2,190.86	2,480.43
(d) Amortisation of service line charges	3,257.12	3,252.12
(e) Commission on		
- DVB arrears collection	0.41	2.06
- Energy tax collection	891.55	824.30
(f) Maintenance charges	1,250.26	1,324.93
(g) Amortisation of consumer contribution for capital works	5,050.64	4,713.08
(h) Miscellaneous income	474.52	372.85
(II) Business Development (Project management and other consultancy services)	6,466.34	8,610.43
	7,73,408.43	**7,11,757.27**
(B) Other revenue		
(I) Distribution/generation of power		
(a) Amortisation of capital grants	70.00	72.98
(b) Interest income	836.67	355.97
(c) Others	231.82	166.79
(II) Business Development (Project management and other consultancy services)	117.24	70.09
(III) Others		
(a) Gain on sale/fair value of mutual fund investment measured at FVTPL	2.91	26.88
(b) Excess provisions write back	6,417.35	-
(c) Foreign exchange fluctuation gain (net)	0.74	-
	7,676.73	**692.71**
Total revenue	**7,81,085.16**	**7,12,449.98**

29.7 Contract Balances

The following table provides information about receivables, contract assets and contract liabilities from contract with customers:

₹/Lakhs

Particulars	As at 31.03.2022	As at 31.03.2021
Contract assets		
Unbilled revenue other than passage of time (refer note 14(a))	713.20	1,909.50
Total contract assets	**713.20**	**1,909.50**
Contract liabilities		
Income received in advance (refer note 27(a))	1,754.20	1,347.13
Advance from consumers (refer note 27(c))	10,732.71	8,586.53
Deferred revenue from consumers -		
Consumers' deposits for works and service line charges (refer note 22)	45,397.42	32,839.06
Total contract liabilities	**57,884.33**	**42,772.72**
Receivables		
Trade receivables (gross) (refer note 11)	33,558.82	41,424.81
Unbilled revenue for passage of time (refer note 13(d))	41,499.28	36,528.95
Less : Allowances for doubtful debts (refer note 11)	14,952.37	13,981.65
Net receivables	**60,105.73**	**63,972.11**

29.7.1 Contract assets and contract liabilities

Contract asset is the right to consideration in exchange for goods or services transferred to the customer.

A contract liability is the obligation to transfer goods or services to a customer for which the Group has received consideration (or an amount of consideration is due) from the customer. If a customer pays consideration before the Group transfers goods or services to the customer, a contract liability is recognised when the payment is made or the payment is due (whichever is earlier). Contract liabilities are recognised as revenue when the Group performs under the contract including advance received from customer.

Contract assets are transferred to receivables when the rights become unconditional and contract liabilities are recognised as and when the performance obligation is satisfied.

Significant changes in the contract assets and the contract liabilities balances during the year are as follows:

₹/Lakhs

Particulars	Contract Assets	
	As at 31.03.2022	As at 31.03.2021
- Unbilled revenue other than passage of time		
Opening balance as at 1 April	1,909.50	2,320.07
Add: Revenue recognised during the year apart from above	3,081.15	4,527.64
Less: Transfer from contract assets to receivables	4,277.45	4,938.21
Closing Balance	**713.20**	**1,909.50**

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₹/Lakhs

Particulars	Contract Liabilities					
	As at 31.03.2022			As at 31.03.2021		
	Income received in advance	Advance from consumers	Deferred Revenue	Income received in advance	Advance from consumers	Deferred Revenue
Opening balance as at 1st April	1,347.13	8,586.53	32,839.06	1,273.93	7,893.43	34,229.56
Revenue recognised during the year from balance at the beginning of the year	(1,100.23)	(5,283.36)	-	(1,089.46)	(5,245.82)	-
Advance received during the year not recognised as revenue	1,507.30	7,429.54	20,686.60	1,162.66	5,938.92	2,321.06
Transfer from contract liabilities upon satisfaction of performance obligation	-	-	(8,128.24)	-	-	(3,711.56)
Closing Balance	**1,754.20**	**10,732.71**	**45,397.42**	**1,347.13**	**8,586.53**	**32,839.06**

29.8 **Transaction price - remaining performance obligation**

The remaining performance obligation represents disclosure of aggregate amount of the transaction price yet to be recognised as at the end of the reporting period and an explanation as to when the Group expects to recognise these amounts in revenue. Remaining performance obligation estimates are subject to change and are affected by several factors, including terminations, changes in the scope of contracts, periodic revalidations and adjustment for revenue that has not materialised.

The aggregate value of performance obligations for project management and other consultancy projects that are unsatisfied or partially satisfied as at 31 March, 2022 is ₹ 10,759.33 lakhs (as at 31 March, 2021 is ₹ 19,295.33 lakhs). Out of this, the Group expects to recognise revenue of around 49.53% (as at 31 March, 2021 38.11%) within next one year and the remaining thereafter on contract-by-contract basis based on extent of progress of the projects.

Note 30
Power purchase cost

30.1 The Company has entered into power purchase agreements based on projected demand of power to be supplied to the consumers. During certain time slots, the power arranged may be in excess of the actual demand and in some time slots, the demand may exceed prior arrangements. In the event power procured exceeds demand, since the same cannot be stored, is either sold through bilateral arrangements or allowed to be drawn by other utilities from the Grid at an Unscheduled Interchange (UI) charge. During the current year, the Company has sold/under-drawn 1,855.62 million units (for the year ended 31 March, 2021 810.80 million units) of power to/in favour of other utilities. The power purchase cost of ₹ 5,95,691.96 lakhs (for the year ended 31 March, 2021 ₹ 5,30,625.73 lakhs) is net of sale of power/UI receivables ₹ 74,723.89 lakhs (for the year ended 31 March, 2021 ₹ 24,990.12 lakhs), rebate on power purchase ₹ 7,879.88 lakhs (for the year ended 31 March, 2021 ₹ 5,932.70 lakhs) and excludes in-house power generation cost.

30.2 Power generation companies such as NTPC have been raising power purchase bills from their coal based generating station to beneficiaries based on the coal price as charged by coal companies, however, Gross Calorific Value (GCV) of coal on received basis used for calculation of Energy Charge Rate (ECR) was not in accordance with the price paid for the coal with a grade slippage to the tune of 5-8 bands. In various judgments by Central Electricity Regulatory Commission (CERC) i.e. in petition no. 33/MP/2014 and 283/GT/2014 on this issue, CERC had ordered that there cannot be significant variation in GCV of coal at the loading point and unloading point at site. The matter of excess charges refund by Gencos had been further taken up by the Company through a separate petition 311/MP/2015 at CERC which is currently under adjudication.

In the GCV matter, NTPC has admitted 5 grade slippage in the Gross Calorific Value (GCV) of coal received from CIL used for calculation of Energy Charge Rate (ECR). Also, in compliance with the CERC directives in petition no. 311/MP/2015, NTPC furnished the invoices for coal and transportation which also substantiated the fact that there was grade slippage to the tune of 4-7 grades. Hence, the Company has computed the difference of estimated excess bill charged by NTPC coal based power generating stations including Aravali Jhajjar (NTPC comprises of around 50% of the total coal station allocation to the Company) for the period April, 2014 to August, 2017 (in line with CERC Regulations 14-19) amounting to ₹ 1,48,350 lakhs approx. (unaudited) and the same has been submitted in CERC under affidavit on 24 November, 2017. The Grade slippage matter in Petition No. 311/MP/2015 was listed on 11 April,2019 which was adjourned and next date of hearing is yet to be notified.

30.3 **Bilateral Power Purchase Agreement**
The Company has made bilateral arrangements with other power utilities to bank power or vice versa and take back or return the same over the agreed period. The Delhi Electricity Regulatory Commission (DERC) has directed to treat the normative cost of power banking transaction at weighted average variable cost of all long term sources of power purchase of relevant year. Details of power banked during the year ended 31 March, 2022 are as follows:

Particulars	Year ended 31.03.2022	Year ended 31.03.2021
	Receivable MU's	Receivable MU's
(a) Opening balance as at 1 April	147.31	128.93
(b) Power banked (Outflow)	468.00	200.35
(c) Power due against banked	473.04	206.22
(d) Power receipt against opening	147.31	128.93
(e) Power receipt against current year transactions	36.72	58.91
(f) Balance receivable {(a)+(c)-(d)-(e)}	436.32	147.31

Note 31
Employee benefits expense (net)

Accounting policy

Employee benefits include salaries and wages, provident fund, gratuity, compensated absences and other terminal benefits.

31.1 **Defined contribution plans**

The Group's contribution to provident fund, etc. is considered as defined contribution plan and is charged as an expense based on the amount of contribution required to be made when services are rendered by the employees. The Group has categorised defined contribution plan for different employees into two categories:

31.1.1 **Erstwhile DVB Employees:**
The Group's contributions into the DVB Employees Terminal benefit Fund 2002 ('the Trust') for the erstwhile DVB Employees as per the Transfer Scheme are defined contribution plans. Provisions for contributions towards all terminal/retirement benefits including gratuity, pension and leave encashment on separation of erstwhile DVB employees are made on the basis of the Fundamental Rules and Service Rules (FRSR Rules) as determined by the trustees of the Trust. Payments to defined contribution retirement benefit schemes are charged as an expense as they fall due.

31.1.2 **Employees other than from Erstwhile DVB:**
The Group makes contribution towards provident fund to a defined contribution retirement benefit plan for qualifying employees. The Group's contribution to the Employees Provident Fund is deposited by the Group under the Employees Provident Fund and Miscellaneous Provisions Act, 1952 which is recognised by the Income Tax authorities. The provident fund plan is operated by the Regional Provident Fund Commissioner. Under the scheme, the Group is required to contribute a specified percentage of payroll cost to the retirement benefit scheme to fund the benefits.

The Group makes contribution towards Employee State Insurance Scheme (ESIS), a defined contribution benefit plan for qualifying employees. The Group's contribution to the ESIS is deposited by the Group under the Employees State Insurance Act, 1948.

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31.2 Defined benefit plans

31.2.1 Employees other than from Erstwhile DVB:

The Group's gratuity plan is a defined benefit plan. The present value of the obligation under such defined benefit plan is determined based on actuarial valuation using the projected unit credit method, which recognises each reporting period of service as giving rise to additional unit of employee benefit entitlement and measures each unit separately to build up the final obligation. The obligation is measured at the present value of the estimated future cash flows. The discount rate used for determining the present value of the obligation under defined benefit plans, is based on the prevailing market yields on government securities as at the Balance Sheet date.

Remeasurement, comprising actuarial gains and losses, the effect of the changes to the asset ceiling (if applicable) and the return on plan assets (excluding net interest), is reflected immediately in the Balance Sheet with a charge or credit recognised in Other Comprehensive Income in the reporting period in which they occur. Remeasurement recognised in Other Comprehensive Income is reflected immediately in retained earnings and is not reclassified to the Statement of Profit and Loss. Past service cost is recognised in the Statement of Profit and Loss in the period of a plan amendment. Net interest is calculated by applying the discount rate at the beginning of the reporting period to the net defined benefit liability or asset. Defined benefit costs are categorised as follows:

(a) Service cost (including current service cost, past service cost, as well as gains and losses on curtailments and settlements);
(b) Net interest expense or income; and
(c) Remeasurement

The Group presents the first two components of defined benefit costs in the Statement of Profit and Loss in the line item 'Employee benefits expense'. Curtailment gains and losses are accounted for as past service costs.

The Group has taken the group policy with Life Insurance Corporation of India (LIC) to meet its obligation towards gratuity.

The Group contributes all ascertained liabilities to a gratuity fund administered through a separate trust which is governed by board of trustees. The board of trustee comprises of the officers of the Group.

The retirement benefit obligation recognised in the Balance Sheet represents the actual deficit or surplus in the Group's defined benefit plans. Any surplus resulting from this calculation is limited to the present value of any economic benefits available in the form of refunds from the plans or reductions in future contributions to the plans.

31.3 Short-term employee benefits

Short term employee benefits are recognised as an expense at the undiscounted amount in the Statement of Profit and Loss of the reporting period in which the related service is rendered. These benefit includes performance incentive, salaries and wages, bonus and leave travel allowance.

31.4 Other long-term employee benefits

31.4.1 Employees other than from Erstwhile DVB employees:

Benefits comprising compensated absences as per the Group policy constitute other long term employee benefits. The liability for compensated absences is provided on the basis of an actuarial valuation done by an independent actuary at the reporting period end. Actuarial gains and losses are recognised immediately in the Statement of Profit and Loss.

31.4.2 Erstwhile DVB Employees:

The liability for retirement pension payable to the VSS optees till their respective dates of normal retirement or death (whichever is earlier) is provided on the basis of an actuarial valuation done by an independent actuary at the year-end. Actuarial gains and losses are recognised immediately in the Statement of Profit and Loss.

		Year ended 31.03.2022 ₹/Lakhs	Year ended 31.03.2021 ₹/Lakhs
(a)	Salaries, allowances and incentives	47,181.02	45,626.75
(b)	Contribution to provident and other funds (refer note 19 and 26)	5,488.48	5,716.14
(c)	Seventh pay commission revision for previous years	-	5,901.66
(d)	Staff welfare expenses	3,225.60	2,795.85
(e)	Other personnel cost	1,120.11	1,466.10
		57,015.21	61,506.50
	Less: Transferred to capital work-in-progress	5,445.43	5,808.63
		51,569.78	55,697.87
(f)	Pension and other payment to VSS and other retirees (refer note 28.14)	13.14	31.25
		51,582.92	55,729.12

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NOTE 32
Finance costs

Accounting policy

Borrowing Costs
Borrowing costs incurred for qualifying assets are capitalised up to the date the asset is ready for intended use, based on borrowings incurred specifically for financing the asset or the weighted average rate of all other borrowings if no specific borrowings have been incurred for the asset.

All other borrowing costs are recognised in the Statement of Profit and Loss in the reporting period in which they accrue.

		Year ended 31.03.2022 ₹/Lakhs	Year ended 31.03.2021 ₹/Lakhs
(a)	On borrowings - carried at amortised Cost		
	(i) Interest on term loan (gross)	19,854.87	22,908.08
	Less: Capitalised (refer note 32.1)	291.55	523.39
	Interest on term loans (net)	19,563.32	22,384.69
	(ii) Interest on cash credit accounts/short-term borrowings	3,934.11	5,698.08
(b)	Interest on lease liability (gross)	704.52	774.97
	Less: Capitalised	187.00	208.09
	Interest on lease liability (net)	517.52	566.88
(c)	Interest on consumer security deposits	5,464.97	5,558.75
(d)	Other borrowing costs	53.56	179.07
(e)	Other interest	2,871.75	3.51
		32,405.23	34,390.98

32.1 The weighted average capitalisation rate used to determine the amount of borrowing costs eligible for capitalisation is 7.27% per annum (for the year ended 31 March, 2021 8.01% per annum).

32.2 Interest on consumer security deposits

As per the provisions of Section 47(4) of the Electricity Act, 2003 interest on consumer security deposits is payable at the bank rate or more as per the notification by State Commision. During the year 2017, Delhi Electricitry Regulatory Commission (DERC) had amended Delhi Electricity Regulatory Commission (Supply Code and Performance Standards) Regulations, 2017 through notification in the Official Gazette and as per Clause 20(3) of the Regulations, interest is payable on consumer security deposits at Marginal Cost of Fund based Lending Rate (MCLR) as notified by State Bank of India prevailing on the 1 April of that financial year.

In view of the fact that the matter of liability on account of opening consumer security deposits in excess of ₹ 1,000 lakhs (as at 31 March, 2021 ₹ 1,000 lakhs) transferred to the Company as per the Transfer Scheme is sub-judice and no stay has been granted on payment of interest on and/or refund of opening consumer security deposits in excess of ₹ 1,000 lakhs (as at 31 March, 2021 ₹ 1,000 lakhs), the Company has provided interest expense aggregating to ₹ 5,464.97 lakhs (for the year ended 31 March, 2021 ₹ 5,558.75 lakhs) during the year on the outstanding consumer security deposits received by the Company since takeover of business in July, 2002 and also on the estimated total consumer security deposits received by the erstwhile DVB as per the Company's records. Out of the above interest expenditure, an amount of ₹ 188.77 lakhs (for the year ended 31 March, 2021 ₹ 208.59 lakhs) would be recoverable from DPCL if the Company's contention is upheld by the Hon'ble High Court that the Company's liability for interest payment/refund on account of opening consumer security deposits is only to the extent of ₹ 1,000 lakhs liability transferred to it as per the statutory transfer scheme.

32.3 The company receives deposit from the customers for undertaking various capital works as per applicable tariff regulations. DERC has passed an order dated 5 December, 2019 directing the company to refund the unspent amount of deposits. Aggrieved by the said order, the Company has filed a petition with the APTEL where the unspent amount has been offered as means of finance in the tariff. The judgment was pronounced by APTEL on 31 August, 2021. Based on the APTEL judgement, certain information was sought by DERC and the company has submitted the desired information to DERC. Pending implementation of this judgement by DERC, the company has worked out the refund liability which is subject to final reconciliation with customers and created an interest provision of ₹ 2,436.71 lakhs on the unspent amount.

Note 33
Other expenses

		Year ended 31.03.2022 ₹/Lakhs	Year ended 31.03.2021 ₹/Lakhs
Operating and maintenance expenses			
(a)	Stores and spares consumed (net of recoveries)	4,809.59	4,182.64
(b)	Repairs and maintenance:		
	(i) Building	540.82	522.77
	(ii) Plant and equipment	9,670.76	9,307.37
	(iii) Others	5,461.11	5,242.39
(c)	Loss on disposal of property, plant and equipment	1,817.57	220.56
		22,299.85	19,475.73
Administrative and general expenses			
(a)	Communication expenses	237.18	239.82
(b)	Printing and stationery	240.43	168.43
(c)	Legal and professional charges		
	- Legal expenses (refer note 33.1)	1,940.19	1,047.65
	- Professional charges (refer note 33.2)	511.75	466.58
(d)	Travelling and conveyance	462.48	318.58
(e)	Insurance	821.73	795.64
(f)	Advertisement, publicity and business promotion	171.20	197.87
(g)	Corporate social responsibility expenses (excluding 5% admin. exp.) (refer note 33.3)	1,112.34	1,068.11
(h)	Rent and hire charges	90.42	115.42
(i)	Rates and taxes	605.85	682.58
(j)	Freight, handling and packing expenses	56.11	43.88
(k)	Bill collection and distribution expenses	815.47	703.50
(l)	Postage and courier charges	19.36	18.21
(m)	EDP expenses	1,370.58	1,228.84
(n)	Housekeeping expenses	1,064.65	1,019.21
(o)	Foreign exchange fluctuation loss (net)	-	10.25
(p)	Bad debts written off/(written back)	422.84	1,505.24
(q)	Allowance for doubtful debts	412.36	(938.77)
(r)	Miscellaneous expenses	1,072.09	1,281.48
		11,427.03	9,972.52
	Total other expenses	33,726.88	29,448.25

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33.1 Out of total Legal expenses of ₹ 1,940.19 lakhs (for the year ended 31 March, 2021 ₹ 1,047.65 lakhs), an amount of ₹ 623.94 lakhs (for the year ended 31 March, 2021 ₹ 245.00 lakhs) pertains to legal expenses where the Company has challenged DERC's orders/Regulations at various forums.

33.2 **Auditors remuneration***

Professional charges include auditor's remuneration as follows:

₹/Lakhs

Particulars	Year ended 31.03.2022	Year ended 31.03.2021
(a) For statutory audit	48.25	65.95
(b) For tax audit	-	9.68
(c) For company law matters	-	1.00
(d) For other services	7.00	11.50
(e) For reimbursement of expenses	1.16	1.54
Total	**56.41**	**89.67**

* Exclusive of Goods & Services Tax.

33.3 **Corporate social responsibility**

As per Section 135 of the Companies Act, 2013, a company, meeting the eligibility criteria, needs to spend at least 2% of its average net profit for the immediately preceding three financial years on corporate social responsibility (CSR) activities. Tata Power-DDL's CSR programs/projects focuses on sectors and issues as mentioned in Schedule VII read with Section 135 of Companies Act, 2013. A CSR committee has been formed by the Company as per the Act.

33.3.1

₹/Lakhs

Particulars	Year ended 31.03.2022	Year ended 31.03.2021
(a) Gross amount required to be spent by the Company during the year	1,103.95	1,011.27
(b) Amount spent during the year on CSR (excluding 5% administrative expenses) (refer 33.3.2)	1,112.34	1,068.11
(c) Shortfall for the year	-	-
(d) Transaction with related party for the year (refer Note 40)	-	48.20
(e) Movement of provision	-	-

33.3.2

₹/Lakhs

Particulars	In Cash	Yet to be paid in cash	Total
(i) Construction/acquisition of any asset	128.25	-	128.25
(ii) On purposes other than (i) above	984.09	-	984.09

33.3.3 The nature of CSR activities undertaken by the Company

₹/Lakhs

Nature of activities as per Schedule VII of Companies Act, 2013	Particulars	Year ended 31.03.2022	Year ended 31.03.2021
Eradicating hunger, poverty and malnutrition, promoting health care including preventive health care and sanitation including contribution to the Swach Bharat Kosh set-up by the Central Government for the promotion of sanitation and making available safe drinking water. (Clause (i))	- Consultation & supply of medicine through mobile dispensary - Facilitation of potable water - Health care facility to under nurished womens & children - Organising blood donation camp - ABHA Program - Providing connection between TPDDL & community to facilitate the needy people.	346.48	256.30
Promoting education, including special education and employment enhancing vocation skills especially among children, women, elderly and the differently abled and livelihood enhancement projects. (Clause (ii))	- Community awareness program - Literacy, education & skill development program - Vocational training program - Career counselling program - Scholarship distribution program - Entrepreneurship development program	627.15	456.93
Ensuring environmental sustainability, ecological balance, protection of flora and fauna, animal welfare, agroforestry, conservation of natural resources and maintaining quality of soil, air and water including contribution to the Clean Ganga Fund set-up by the Central Government for rejuvenation of river Ganga. (Clause (iv))	- Energy, water and climate conservation and sensitization sessions - Tree Plantation	5.57	10.14
Training to promote rural sports, nationally recognized sports, Paralympic sports and Olympic sports. (Clause (vii))	- Rural development & sports in village area	15.99	-
Disaster management, including relief, rehabilitation and reconstruction activities. (Clause (xii))	- Supply of cooked meals & Dry ration - Donation to Covid 19 response fund - Distribution of mask, sanitizers, PPE Kit, gloves, IR thermometer,etc	117.15	344.74
Total		**1,112.34**	**1,068.11**

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Note 34
Regulatory deferral account balances

Accounting policy

The Group's operations of power distribution are a rate regulated activity as defined in Ind AS 114 "Regulatory Deferral Accounts" read with the Guidance Note on Rate Regulated Activities issued by ICAI and based on the principles laid down under the relevant Tariff Regulations/Tariff Orders notified by the DERC. Accordingly, the Group recognises regulatory deferral account balance in respect of difference between allowable controllable/ uncontrollable expenses and revenue actually collected from regulated activities. Debit balance in the regulatory deferral account balance represents cumulative shortfall in recovery which is allowable to the Group through tariff revision in future periods whereas credit balance in regulatory deferral account balance represents cumulative excess recovery which is refundable through future tariff reductions. The Group records regulatory deferral account balance as at the reporting date based on prevailing regulatory guidelines, various judgments given by judicial authorities, past practices and opinion of legal experts. Any change in the regulatory deferral account balance in respect of past periods due to changes in regulatory guidelines and their interpretation consequent to orders/ judgements of regulator, judicial authorities, etc. are recorded in the period of such change.

34.1 As per Ind AS 114 "Regulatory Deferral Accounts", the business of electricity distribution is a rate regulated activity where the Delhi Electricity Regulatory Commission (DERC) determines Retail Supply Tariff (RST) to be charged from consumers based on prevailing regulations in place. Accordingly, the Group

34.2 In the latest Tariff Order dated 30 September, 2021 issued on 12 October, 2021, the DERC has trued up regulatory deferral account balance up to 31 March, 2020 at ₹ 1,76,281 lakhs as against ₹ 4,91,925.26 lakhs as per financial books of accounts excluding amount recoverable towards deferred tax liabilities of ₹ 30,259.85 lakhs. There is no provision in tariff regulations for one to one allowance of deferred tax but the same is allowed in the form of actual rate of tax as and when deferred tax liability gets converted to actual tax liability. The difference in regulatory deferral account is largely due to provisional truing up of capitalisation, disallowance of de-capitalised property, plant and equipment, its corresponding impact on return on capital employed (ROCE), income tax and carrying cost. These disallowances have already been challenged in APTEL for amount disallowed up to FY 19-20. The difference in regulatory deferral account is also due to pending implementation of Rithala tariff order issued by the DERC vide order dated 11 November, 2019 and partial allowance of approved Rithala plant cost which is under challenge with APTEL and delay in execution of other previous review/APTEL appeal orders.

The Company had filed a stay petition seeking stay of tariff order with APTEL due to certain arbitrary disallowances by DERC in its latest tariff order dated 30 September, 2021 and also filed appeal with APTEL against the disallowances. On 21 January, 2022 as an interim measure, a stay order was granted by APTEL on the operation of tariff order dated 30 September, 2021 till further notice and based on legal opinion taken from the counsel, there is likelihood of success in appeal therefore no material adjustments are expected in the carrying value of the Regulatory deferral account balance on account of implementation of tariff order dated 30 September, 2021. Accordingly, no adjustment has been made in the Regulatory deferral account balance in the books based on latest tariff order dated 30 September, 2021, till the conclusion of the above petition.

On the issue of provisional true up of capitalisation, DERC has shared preliminary draft report of physical verification of fixed asset for the period FY 2004-05 to FY 2015-16. The Company after analysing the draft report have submitted the response along with necessary documents in support of capitalisation on 29 December, 2020 and further action on the same is awaited from DERC. The true up of capitalisation for FY17-18 has been completed by DERC. For the financial years FY16-17, FY 18-19 and FY19-20 the physical verification and true up of capitalisation are in progress.

34.3 The DERC Business Plan Regulations, 2019 is applicable for the control period starting FY 2020-21 to FY 2022-23. As part of yearly tariff determination exercise, the company has filed True up petition for FY 2020-21 and Annual Revenue Requirement (ARR) for FY 2022-23 on 30 November, 2021.

34.4 The Company on a regular basis evaluates the changes in the DERC regulations and other factors which may trigger the impairment of the regulatory deferral account balances.

34.5 The regulatory deferral account balance as on 31.03.2020 as per financial books of account was ₹ 4,91,925.26 lakhs, excluding amount recoverable towards deferred tax liabilities of ₹ 30,259.85 lakhs, which is not being liquidated for a long time. Such accumulation of regulatory deferral account has been due to non-availability of cost reflective tariff year on year. On this issue, the Company had filed a petition with the DERC on 08 March, 2021 seeking for a roadmap to liquidate regulatory deferral account in a time bound manner, which was dismissed by DERC with no relief. Further, the Company has challenged the order of DERC before Supreme Court on 6 September, 2021, which has been admitted and the hearing is in progress.

34.6 The movement in regulatory deferral account balance as at 31 March, 2022 is as follows:

₹/Lakhs

Particulars	Year ended 31.03.2022	Year ended 31.03.2021
(a) Opening regulatory deferral account debit balance	5,51,170.50	5,22,185.11
(b) Net movement during the year		
(i) Power purchase cost	6,03,701.00	5,36,735.00
(ii) All other prudent O&M cost including ROCE, carrying cost etc.	1,94,342.00	1,88,033.00
(iii) Collection available for Annual Revenue Requirement (ARR) as per MYT order	7,73,411.00	7,00,524.00
(iv) Net movement before recovery of deferred tax {(i)+(ii)-(iii)}	**24,632.00**	**24,244.00**
(v) Deferred tax recoverable in future tariff	8,420.33	4,741.39
(c) Net movement shown in the Statement of Profit and Loss {(iv)+(v)}	**33,052.33**	**28,985.39**
(d) Closing regulatory deferral account debit balance (a+c)	**5,84,222.83**	**5,51,170.50**

34.7 **Rithala Power Generation Plant**

On 31 August, 2017 the DERC issued the Order fixing the operational norms as specified in the DERC MYT Regulations, 2007 and allowed capital cost of the plant at ₹ 19,770 lakhs against ₹ 30,239 lakhs as per financial books of accounts. Further, the DERC has recognised tariff of the plant for 6 years (project life) from the date of commercial operation (COD) in combined cycle mode upto 31 March, 2018 as against 15 years, being the life of the plant. In accordance with the Order, the Company had stopped the billing of Rithala Power Plant from 1 April, 2018, adjusted a sum of ₹ 46,986 lakhs towards Rithala billing (including carrying costs) and recorded an impairment loss of ₹ 5,564.93 lakhs till 31 March, 2019.

Further, DERC has issued Tariff Order dated 11 November, 2019 for Rithala Power Plant and allowed depreciation for 6 years only. Aggrieved by the said order of lower allowance of depreciation, the Company has challenged the order before APTEL for balance depreciation along with other associated claims i.e. interest on debt, return on equity (RoE) etc.

As required by Ind AS 105 "Non-current Assets Held for Sale and Discontinued Operations" the asset has been classified under the head "Assets Held for Sale" and the remaining written down value (WDV) less fair value of plant cost of ₹ 19,770 lakhs has been shown as recoverable from future tariff on the basis of management evaluation supported by legal opinion with the condition that the net sale/scrap proceeds for Rithala Power Plant after recovering the 10% salvage value shall be offered in ARR. The Company is continuing to claim the remaining WDV in the form of annual depreciation, ROCE etc. in annual ARR filing for distribution business pending its petition with respect to allowance of the same in APTEL.

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34.7.1 Assets classified as held for sale

Accounting policy

Non-current assets or disposal Group are classified as held for sale if their carrying amount will be recovered principally through a sale transaction rather than through continuing use. This condition is regarded as met only when the asset or disposal group is available for immediate sale in its present condition subject only to terms that are usual and customary for sale of such asset or disposal Group and its sale is highly probable. Management must be committed to the sale, which should be expected to qualify for recognition as a completed sale within one year from the date of classification. As at each Balance Sheet date, the management reviews the appropriateness of such classification.

Non-current assets or disposal group classified as held for sale are measured at the lower of their carrying amount and fair value less costs to sell.

The Group treats sale/distribution of the asset or disposal group to be highly probable when:
(a) the appropriate level of management is committed to a plan to sell the asset (or disposal Group),
(b) an active programme to locate a buyer and complete the plan has been initiated (if applicable),
(c) the asset (or disposal Group) is being actively marketed for sale at a price that is reasonable in relation to its current fair value,
(d) the sale is expected to qualify for recognition as a completed sale within one year from the date of classification, and
(e) actions required to complete the plan indicate that it is unlikely that significant changes to the plan will be made or that the plan will be withdrawn.

Property, plant and equipment and intangible assets once classified as held for sale/distribution to owners are not depreciated or amortised.

In financial year ended 31 March, 2019 the property, plant and equipment relating to Rithala Power Generation Plant was classified as "Assets Held for Sale" pursuant to derecognition of Rithala plant as source of power with effect from 1 April, 2018 and management's intention to sell the plant. The management remains committed to the plan to dispose off the plant and therefore, continues to classify it as "Asset Held for Sale".

The assets classified as held for sale have been accounted at lower of carrying amount and fair value less cost to disposal. The fair value of property, plant and equipment classified as assets held for sale as at 31 March, 2022 and 31 March, 2021 has been determined based on a valuation report given by an expert who has used Level 3 valuation techniques.

The carrying value and fair value less cost to disposal of Rithala Power Generation Plant classified as assets held for sale is detailed below:

₹/Lakhs

Particulars	As at 31.03.2022			As at 31.03.2021		
	Carrying value	Impairment Loss	Fair value less costs to disposal	Carrying value	Impairment Loss	Fair value less costs to disposal
	(A)	(B)	(C)=(A)-(B)	(D)	(E)	(F) = (D)-(E)
Property, plant and equipment	2,004.00	-	2,004.00	2,004.00	-	2,004.00

The significant unobservable input used in the non-recurring fair value measurement categorised within Level 3 of the fair value hierarchy as at 31 March, 2022 and as at 31 March, 2021 are as shown below:

Particulars	*Level in fair value hierarchy	Valuation techniques	Date of valuation	Significant unobservable inputs
Assets classified as held for sale	3	Valuation at salvage value	31.03.2022 and 31.03.2021	Salvage value discounted by the estimated cost of removable assets.

* Refer Note 2.2 for fair value hierarchy based on inputs to valuation techniques that are used to measure fair value, that are either observable or unobservable and consists of three levels.

The disposal group does not constitute a separate major line of business of the Company and therefore, has not been classified as discontinued operations.

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Note 35

Earnings per equity share (EPS)

Accounting policy

Basic earnings per equity share has been computed by dividing the profit/(loss) for the reporting period attributable to equity shareholders by the weighted average number of equity shares outstanding during the reporting period in accordance with Ind AS 33, "Earnings Per Share". Diluted earnings per share is computed by dividing the profit/(loss) for the reporting period attributable to equity shareholders as adjusted for dividend, interest and other charges to expense or income (net of any attributable taxes) relating to the dilutive potential equity shares by the weighted average number of equity shares outstanding during the reporting period as adjusted to the effects of all dilutive potential equity shares, except where results are anti-dilutive.

The Group also presents Basic earnings per equity share in accordance with Ind AS 114, "Regulatory Deferral Accounts" which is computed by dividing the profit/(loss) for the reporting period before and after net movement in regulatory deferral account balance attributable to equity shareholders by the weighted average number of equity shares outstanding during the reporting period. Diluted earnings per share is computed by dividing the the profit/(loss) for the reporting period before and after net movement in regulatory deferral account balance attributable to equity shareholders as adjusted for dividend, interest and other charges to expense or income (net of any attributable taxes) relating to the dilutive potential equity shares by the weighted average number of equity shares outstanding during the reporting period as adjusted to the effects of all dilutive potential equity shares, except where results are anti-dilutive.

35.1 **EPS - Continuing operations (excluding regulatory income/expense)**

Particulars	**Units**	**Year ended 31.03.2022**	**Year ended 31.03.2021**
Profit for the year from continuing operations	₹/Lakhs	43,948.15	42,916.62
Net movement in regulatory deferral account balance	₹/Lakhs	33,052.33	28,985.39
Income-tax attributable to regulatory expenses	₹/Lakhs	(11,549.81)	(10,128.65)
Net movement in regulatory deferral account balance (net of tax)	₹/Lakhs	21,502.52	18,856.74
Profit for the year from continuing operations attributable to equity shareholders before net movement in regulatory deferral account balance	₹/Lakhs	22,445.63	24,059.88
Weighted average number of equity shares (refer note 35.3)	Nos./Lakhs	10,520.00	10,520.00
Basic & Diluted earnings per equity share of ₹ 10 each	₹	2.13	2.29
Face value of equity shares	₹	10.00	10.00

35.2 **EPS - Continuing operations (including regulatory income/expense)**

Particulars	**Units**	**Year ended 31.03.2022**	**Year ended 31.03.2021**
Profit for the year from continuing operations after net movement in regulatory deferral account balance attributable to equity shareholders	₹/Lakhs	43,948.15	42,916.62
Weighted average number of equity shares (refer note 35.3)	Nos./Lakhs	10,520.00	10,520.00
Basic & Diluted earnings per equity share of ₹ 10 each	₹	4.18	4.08
Face value of equity shares	₹	10.00	10.00

35.3 **Weighted average number of equity shares**

Particulars	**Units**	**Year ended 31.03.2022**	**Year ended 31.03.2021**
Weighted average number of equity shares (opening) (A)	Nos./Lakhs	10,520.00	5,520.00
Bonus equity shares issued (B)	Nos./Lakhs	-	5,000.00
Weighted average number of equity shares (closing) (A+B)	Nos./Lakhs	10,520.00	10,520.00

35.4 The Group does not have any potential dilutive equity share.

Note 36

Segment reporting

The Group is primarily engaged in the business of distribution and generation of power in North and North-west of Delhi and other ancillary activities. Chief Operating Decision Maker (CODM) reviews the financial information of the Group as a whole for decision making and accordingly the Group has single reportable segment in terms of Ind AS 108 "Operating Segments". However, the Group has disclosed the segment information about its distribution, generation and business development activities in the standalone financial statements in order to comply with the directions of Delhi Electricity Regulatory Commission (DERC) pursuant to Clause 4 of DERC (Treatment of Income from Other Business of Transmission Licensee and Distribution Licensee) Regulations, 2005 and DERC directive 6.10(i)(ix) specified in Tariff Order, 2019.

No consumer individually accounted for more than 10% of the billed revenue for the year ended 31 March, 2022 and 31 March, 2021.

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Note 37
Income tax

Accounting policy
Income tax expense represents the sum of the tax currently payable and deferred tax.

37.1 **Current tax**
The current tax payable is based on taxable profit for the reporting period. Current income tax assets and liabilities are measured at the amount expected to be recovered from or paid to the taxation authorities.
Taxable profit differs from 'profit before tax' as reported in the Statement of Profit and Loss because of items of income or expense that are treated differently according to Income Tax Act, 1961. The Group's current tax is calculated using tax rates that have been enacted or substantively enacted by the end of the reporting period.

Management periodically evaluates positions taken in the tax returns with respect to situations in which applicable tax regulations are subject to interpretation and establishes provisions where appropriate.

Current tax is recognised in the Statement of Profit and Loss, except when it relates to items that are recognised in other comprehensive income or directly in equity, in which case, the current tax is also recognised in Other Comprehensive Income or directly in Equity respectively.

37.2 Income tax expense recognised in the Statement of Profit and Loss consists of:

	Year ended 31.03.2022 ₹/Lakhs	Year ended 31.03.2021 ₹/Lakhs
Income tax expense recognised in the Statement of Profit and Loss :		
(a) Current tax (refer note 37.4)		
- For the year	17,852.85	14,289.23
- Adjustments for prior periods (refer note 37.5)	0.02	(932.03)
Less: MAT credit adjusted during the year	6,594.27	5,078.72
Current tax expense (net)	11,258.60	8,278.48
(b) Deferred tax expense (net) (refer note 37.4)	8,410.17	4,664.51
Total	**19,668.77**	**12,942.99**
Income tax expense recognised in other comprehensive income :		
Income tax relating to items that will not be reclassified to profit or loss:		
(c) Current tax		
Remeasurement of defined benefit obligation (refer note 37.4)	10.15	34.41
(d) Deferred tax		
Remeasurement of defined benefit obligation (refer note 37.4)	10.15	34.41
Total	**20.30**	**68.82**
Total income tax expense recognised during the year (a+b+c+d)	**19,689.07**	**13,011.81**

37.3 The income tax expense for the year can be reconciled to the accounting profit as follows:

₹/Lakhs

Particulars	Year ended 31.03.2022	Year ended 31.03.2021
Profit before tax	63,616.92	55,859.61
Enacted income tax rate in India	34.94%	34.94%
Computed expected tax expense	22,230.30	19,519.58
Add/(Less): Tax effect on account of:		
Tax effect due to non taxable income pertaining to deferred tax recoverable	(2,942.39)	(1,656.83)
Expenses not considered in determining taxable profit	238.81	261.14
Adjustments for prior periods	0.02	(932.03)
Reversal during tax holiday period	82.82	77.04
Deduction under chapter VI-A	(21.61)	(31.05)
Effect of tax on income at different rates (refer note 37.6)	(11.00)	(10.45)
Adjustment for MAT credit against previous year	-	(4,449.73)
Effect on deferred tax balance due to taxability of income at LTCG rate	-	(21.13)
Others	91.83	186.45
Income tax expense recognised in the Statement of Profit and Loss	**19,668.78**	**12,942.99**

37.4 The Company has made provision for income tax at the rate of 34.94% in accordance with normal provisions of Income Tax Act, 1961 for the year ended 31 March, 2022 and 31 March, 2021.

The Company has to pay taxes based on the higher of income-tax profit of the Company or minimum alternate tax (MAT) at 17.47% (FY 2020-21 17.47%) of book profit for the financial year 2021-22 and 2020-21.

The provision for deferred tax has been worked upon at the rate of 34.94% (substantially enacted tax rate at Balance Sheet date) for the year ended 31 March, 2022 and 31 March, 2021.

37.5 Finance Act 2009 has made a retrospective amendment for adding back the provision for diminution in value of an asset while computing book profits under Section 115JB. Since the provisions of Section 115JB has been amended retrospectively, the company has made a tax provision on doubtful debts from FY 2002-03 to FY 2006-07 during FY 2009-10 (including interest liability). The said amount was also included in regulatory deferral account balance though the same is not allowed by DERC till date. During FY 2020-21, the Company has reversed the tax provision (including interest) amounting to ₹ 932.03 lakhs which mainly pertains to FY 2002-03 and FY 2004-05 owing to closure of tax assessment of the said years. Further the company has also taken the corresponding impact of the said reversal in regulatory deferral account balance. Tax provision for the remaining years is being maintained due to ongoing litigation at High Court.

37.6 The Subsidiary company has made provision for current tax at the rate of 25.17% in accordance with normal provisions of Income Tax Act, 1961 for the year ended 31 March, 2022 and 31 March, 2021. The provision for deferred tax has been worked upon at the rate of 25.17% (substantially enacted tax rate at balance sheet date) for the year ended 31 March, 2022 and 31 March, 2021.

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37.7 The Taxation Laws (Amendment) Ordinance, 2019 has inserted the new section 115 BAA in Income Tax Act applicable from FY 2019-20, which allows the company with an option to pay income tax at the lower tax rate of 22% plus 10% surcharge and 4% cess (i.e. 25.17%) without claiming any tax exemption & incentives. After evaluating the option, the Company had chosen to opt for new tax regime.

After evaluating the option, the Company continues to calculate tax expense as per old tax rate of 34.94% while the Subsidiary has opted for new tax rate of 25.17%.

37.8 **Deferred tax**

Accounting policy

Deferred tax is recognised on temporary differences between the carrying amounts of assets and liabilities in the financial statements and the corresponding tax bases used in the computation of taxable profit.

Deferred tax liabilities are generally recognised for all taxable temporary differences. Deferred tax assets are generally recognised for all deductible temporary differences to the extent that it is probable that taxable profits will be available against which those deductible temporary differences can be utilised. Such deferred tax assets and liabilities are not recognised if the temporary difference arises from the initial recognition of assets and liabilities in a transaction that affects neither the taxable profit nor the accounting profit.

Minimum alternative tax (MAT) paid in accordance with the tax laws, which gives rise to future economic benefits in the form of adjustment of future income tax liability, is considered as an asset if there is convincing evidence that the Group will pay normal income tax after the tax holiday period. Accordingly, MAT is recognised as an asset in the Balance Sheet when it is probable that the future economic benefit associated with it will flow to the Group and the asset can be measured reliably.

The carrying amount of deferred tax assets is reviewed at the end of each reporting period and reduced to the extent that it is no longer probable that sufficient taxable profits will be available to allow all or part of the asset to be recovered. Deferred tax liabilities and assets are measured at the tax rates that are expected to apply in the reporting period in which the liability is settled or the asset realised, based on tax rates as per the Income Tax Act, 1961 that have been enacted or substantively enacted by the end of the reporting period.

In the situations where one or more units of the Group are entitled to a tax holiday under the tax law, no deferred tax (asset or liability) is recognised in respect of temporary differences which reverse during the tax holiday period, to the extent the concerned unit's gross total income is subject to the deduction during the tax holiday period. Deferred tax in respect of temporary differences which reverse after the tax holiday period is recognised in the year in which the temporary differences originate. However, the Group restricts recognition of deferred tax assets to the extent it is probable that sufficient future taxable income will be available against which such deferred tax assets can be realised. For recognition of deferred taxes, the temporary differences which originate first are considered to reverse first.

The measurement of deferred tax liabilities and assets reflects the tax consequences that would follow from the manner in which the Group expects, at the end of the reporting period, to recover or settle the carrying amount of its assets and liabilities.

Deferred tax is recognised in the Statement of Profit and Loss, except when it relates to items that are recognised in Other comprehensive income or directly in equity, in which case, deferred tax is also recognised in Other Comprehensive Income or directly in equity respectively.

37.9 Deferred tax liabilities/assets (net) as at 31 March, 2022, as detailed below reflect the quantum of tax liabilities/(asset) accrued up to 31 March, 2022.

₹/Lakhs

Particulars (2021-22)	Opening Balance	Recognised in the Statement of Profit and Loss	Recognised in Other Comprehensive Income	Closing Balance
Deferred tax liability/(assets) on account of :				
Property plant and equipment (refer note 37.11)	69,919.61	2,153.25	-	72,072.86
Provision for doubtful debts	(2,794.58)	(144.09)	-	(2,938.67)
Provision for employee benefits	(2,358.68)	(79.66)	10.15	(2,428.19)
MAT credit	(29,350.31)	6,594.27	-	(22,756.04)
Others	(414.76)	(113.60)	-	(528.36)
Deferred tax liabilities/(asset) [net]	**35,001.28**	**8,410.17**	**10.15**	**43,421.60**

Deferred tax liabilities/assets (net) as at 31 March, 2021, as detailed below reflect the quantum of tax liabilities/(asset) accrued up to 31 March, 2021.

₹/Lakhs

Particulars (2020-21)	Opening Balance	Recognised in the Statement of Profit and Loss	Recognised in Other Comprehensive Income	Closing Balance
Deferred tax liability/(assets) on account of :				
Property plant and equipment	66,164.63	3,754.98	-	69,919.61
Provision for doubtful debts	(3,122.62)	328.04	-	(2,794.58)
Provision for employee benefits	(2,553.59)	160.50	34.41	(2,358.68)
MAT credit	(29,979.30)	5,078.72	-	(24,900.58)
MAT credit adjustment against previous year	-	(4,449.73)	-	(4,449.73)
Others	(206.76)	(208.00)	-	(414.76)
Deferred tax liabilities/(asset) [net]	**30,302.36**	**4,664.51**	**34.41**	**35,001.28**

37.10 As per MYT regulations for determination of tariff, tax expense shall be considered in tariff determination as and when and to the extent of income tax actually paid. Accordingly, the company has made provision only for the amount of income tax that is actually payable and the deferred tax liability (net) as at 31 March, 2022 of ₹ 43,421.57 lakhs (as at 31 March, 2021 ₹ 35,001.24 lakhs) and deferred tax charge of ₹ 8,420.33 lakhs for the year ended 31 March, 2022 (for the year ended 31 March, 2021 ₹ 4,741.39 lakhs) has been shown as recoverable in regulatory deferral account balances. The balance deferred tax liability of ₹ 0.03 lakhs (for the year ended 31 March, 2021 ₹ 0.04 lakhs) pertaining to subsidiary company which is not recoverable as it is not governed by tariff regulations.

37.11 As at 31 March, 2022 deferred tax liability of ₹ 72,072.86 lakhs (as at 31 March, 2021 ₹ 69,919.61 lakhs) on account of property, plant and equipment is net of deferred tax asset of ₹ 1,080.57 lakhs (as at 31 March, 2021 ₹ 1,359.41 lakhs) arising on assets classified as held for sale.

37.12 During the current year, the Group has reassessed the recoverability of unavailed MAT credit and accordingly recognised MAT credit amounting to ₹ 22,756.04 lakhs as at 31 March, 2022 (as at 31 March, 2021 ₹ 29,350.31 lakhs).

37.13 The carrying amount of deferred tax assets is reviewed at the end of each reporting period and reduced to the extent that it is no longer probable that sufficient taxable profits will be available to allow all or part of the asset to be recovered. Deferred tax liabilities and assets are measured at the tax rates that are expected to apply in the reporting period in which the liability is settled or the asset realised, based on tax rates as per the Income Tax Act, 1961 that have been enacted or substantively enacted by the end of the reporting period. The Taxation Laws (Amendment) Ordinance, 2019 (2019 Tax Ordinance) provides the Company with an option to move to a lower tax rate of 25.17% accompanied with immediate expiry of carry forward balance of Minimum Alternative Tax (MAT) credit and certain other concessional tax rate benefits enjoyed by the Company presently. The Company has reviewed the implications of 2019 Tax Ordinance on its tax liability for the year and has chosen to continue to apply tax rate of 34.94% which allows the Company to set off carry forward balance of MAT credit and avail other tax concessions except the subsidiary company which has chosen to continue to apply lower tax rate of 25.17% (including surcharge & cess) basis section 115BAA of the Income Tax Act 1961 without claiming any tax exemption & incentives.

The Company also evaluated impact of 2019 Tax Ordinance for future period and is of the view that current tax rate of 34.94% will continue to remain favourable for foreseeable future. Therefore, the Company continues to measure deferred tax liability (net) at current applicable income tax rate. The subsidiary company has measured its deferred tax liability (net) at current tax rate of 25.17%

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Note 38
Financial instruments

38.1 Capital management and gearing ratio

For the purpose of the Company's capital management, capital includes issued equity capital and all other equity reserves attributable to the equity holders of the Company. The Company's objectives for managing capital comprise safeguarding the business as a going concern, creating value for stakeholders and supporting the development of the Company. In particular, the Company seeks to maintain an adequate capitalisation that enables it to achieve a satisfactory return for shareholders and ensure access to external sources of financing, in part by maintaining an adequate rating.

The Company manages its capital structure and makes adjustments in light of changes in economic conditions and requirements of the financial covenants. From time to time, the Company reviews its policy related to dividend payment to shareholders, return of capital to shareholders or fresh issue of shares. The Company monitors capital using gearing ratio, which is net debt divided by total capital plus net debt. As part of this review, the management considers the cost of capital and risks associated with each class of capital requirements and maintenance of adequate liquidity buffer.

The Company's capital structure consists of net debt and total equity. The Company includes within net debt, interest bearing borrowings, less cash and bank balances as detailed below. The position on reporting date is summarised in the following table:

₹/Lakhs

Particulars	As at 31.03.2022	As at 31.03.2021
Long-term borrowings	1,98,611.07	2,30,820.70
Short-term borrowings (includes Current maturities of long-term borrowings)	89,644.23	1,01,819.28
Total debt (a)	**2,88,255.30**	**3,32,639.98**
Less: Cash and bank balances (b)	9,942.34	14,493.19
Net debt {(c)=(a-b)}	**2,78,312.96**	**3,18,146.79**
Total equity (d)	4,10,861.07	3,79,499.13
Total equity and net debt {(e)=(c+d)}	**6,89,174.03**	**6,97,645.92**
Net debt to total equity plus net debt ratio (%) {(f)=(c)/(e)}	**40.38%**	**45.60%**

In order to achieve this overall objective, the Company's capital management, amongst other things, aims to ensure that it meets financial covenants attached to the interest-bearing borrowings that define capital structure requirements. Breaches in meeting the financial covenants would permit the bank to immediately call loans and borrowings. There have been no breaches in the financial covenants of any interest-bearing borrowing in the current reporting period.

No changes were made in the objectives, policies or processes for managing capital during the year ended 31 March, 2022 and 31 March, 2021.

38.2 Categories of financial instruments

₹/Lakhs

Particulars	As at 31.03.2022	As at 31.03.2021	As at 31.03.2022	As at 31.03.2021
	Fair Value		Carrying Value	
Financial assets				
(i) Measured at fair value through profit or loss (FVTPL)				
(a) Investment in mutual fund (unquoted)	23.67	33.25	23.67	33.25
(ii) Measured at amortised cost				
(a) Trade receivables	18,606.45	27,443.16	18,606.45	27,443.16
(b) Cash and cash equivalents	2,522.10	4,613.20	2,522.10	4,613.20
(c) Bank balances other than cash and cash equivalent above	7,420.24	9,879.99	7,420.24	9,879.99
(d) Security deposits	902.63	657.49	902.63	657.49
(e) Unbilled revenue	41,499.28	36,528.95	41,499.28	36,528.95
(f) Others	2,902.52	2,596.96	2,902.52	2,596.96
Total	**73,876.89**	**81,753.00**	**73,876.89**	**81,753.00**
Financial liabilities				
(i) Measured at amortised cost				
(a) Borrowings (including current maturities)	2,88,255.30	3,32,639.98	2,88,255.30	3,32,639.98
(b) Interest accrued but not due on borrowings	539.64	822.07	539.64	822.07
(c) Lease liabilities (including current maturities)	7,020.74	9,440.67	7,020.74	9,440.67
(d) Trade and other payables	1,23,868.12	1,18,340.24	1,23,868.12	1,18,340.24
(e) Consumers' security deposit	83,693.60	74,366.62	83,693.60	74,366.62
(f) Retention money payable	3,915.62	4,015.82	3,915.62	4,015.82
(g) Consumers' deposits for works	4,874.73	5,486.40	4,874.73	5,486.40
(h) Others	6,096.29	3,912.81	6,096.29	3,912.81
Total	**5,18,264.04**	**5,49,024.61**	**5,18,264.04**	**5,49,024.61**

38.2.1 Fair values of financial assets and financial liabilities

(a) The management assessed that the carrying value of cash and cash equivalents, other balances with bank, trade receivables, loans, unbilled revenue, borrowings and interest accrued thereon, consumers' security deposit, retention money payable, trade payables, other financial assets and liabilities approximate their fair value largely due to the short term maturities of these instruments/ buying subject to floating-rate. Fair value measurement of lease liabilities is not required.

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(b) The Group assessed that the carrying value of investments in mutual funds (unquoted) approximate their fair value. Fair value of the liquid mutual fund units are based on the price quotations on the reporting date. The following table gives information on determination of its fair value, the valuation technique and inputs used.

Particulars	As at 31.03.2022 ₹/Lakhs	As at 31.03.2021 ₹/Lakhs	Fair value hierarchy	Valuation technique and key inputs	Date of valuation
Investments in mutual funds measured at fair value through profit or loss (FVTPL)	23.67	33.25	Level 1	Net asset value (NAV) of mutual funds	31.03.2022 and 31.03.2021 (as applicable)

Refer Note 2.2 for fair value hierarchy based on inputs to valuation techniques that are used to measure fair value, that are either observable or unobservable and consists of three levels.

38.3 Financial risk management objectives and policies

The Company's principal financial liabilities comprise borrowings, consumers' security deposit, lease liabilities, trade and other payables and other financial liabilities. The main purpose of these financial liabilities is to finance the Company's operations. The Company's principal financial assets include investments, loans, trade and other receivables, cash and cash equivalents, other balances with banks , unbilled revenue and other financial assets that are derived directly from its operations.

The Company is exposed to market risk, credit risk and liquidity risk. The Company's Corporate Level Risk Management Committee (CLRMC) oversees the management of these risks and appropriate risk governance framework for the Company. The Company's CLRMC is supported by a Finance Risk Management Sub-Committee that reviews the financial risks. The Company's financial risk activities are governed by appropriate policies and procedures (in accordance with ISO 31000:2018 guidelines) and that financial risks are identified, measured and managed in accordance with the Company's policies and risk objectives. The risk management policy is approved by the Board of Directors.

The Company's focus is to ensure liquidity which is sufficient to meet Company's operational requirements, the management also monitors and manages key financial risks so as to minimize potential adverse effects on its financial performance. The management reviews and manages these risks, which are summarised below:

38.3.1 Market risk

Market risk is the risk that changes in market prices will affect the Company's income or value of it's holding of financial instruments. The objective of market risk management is to manage and control market risk exposures within acceptable parameters, while optimising the return. Financial instruments affected by market risk primarily comprises of term borrowings and current investments.

Market risk comprises of three types of risk: currency risk, interest rate risk and price risk.

(A) Foreign currency exchange risk management

Foreign currency exchange risk is the risk that the fair value or future cash flows of a financial instrument will fluctuate because of changes in exchange rates. The Company does not have significant foreign currency denominated transactions, hence the Company is not exposed to significant foreign currency exchange risk.

(B) Interest rate risk management

Interest rate risk is the risk that the fair value or future cash flows of a financial instrument will fluctuate because of changes in market interest rates.
The Company's exposure to the risk of changes in market interest rates relates primarily to the Company's long-term debt obligations with floating interest rates.

Interest rate risk sensitivity analysis

The sensitivity analysis below have been determined based on the exposure to interest rates for long term borrowings at the end of the reporting period. The analysis is prepared assuming the amount of the borrowing outstanding at the end of the reporting period was outstanding for the whole year. A 50 basis point increase or decrease is used for analysis which represents management's assessment of the reasonably possible change in interest rates.

The sensitivity analysis in the following section relates to the position as at 31 March, 2022 and 31 March, 2021. If the interest rates had been 50 basis points higher or lower and all the other variables were held constant, the effect on interest expense for the respective financial years and consequent effect on Company's profit in that financial year would have been as below:

₹/Lakhs

Particulars	As at 31.03.2022		As at 31.03.2021	
	50 bps increase	50 bps decrease	50 bps increase	50 bps decrease
Interest expense on term borrowings	1,323.45	(1,323.45)	1,466.52	(1,466.52)
Effect on profit before tax	(1,323.45)	1,323.45	(1,466.52)	1,466.52

(C) Price risk

Price risk is the risk that the fair value or future cash flows of a financial instrument will fluctuate because of changes in net asset value (NAV) of the financial instruments held. As at year end, the Company does not have any investment measured at fair value through profit or loss, hence the Company is not exposed to significant price risk.

₹/Lakhs

Particulars	As at 31.03.2022	As at 31.03.2021
Investments in mutual funds	23.67	33.25

Price risk sensitivity analysis

The sensitivity analysis in the following section relates to the position as at 31 March, 2022 and 31 March, 2021. If the NAV of investments had been higher or lower by ₹ 0.50 and all the other variables were held constant, the effect on gain/(loss) on fair value of current investments for the respective financial years and consequent effect on Company's profit in that financial year would have been as below:

₹/Lakhs

Particulars	As at 31.03.2022		As at 31.03.2021	
	NAV appreciate by ₹ 0.50	NAV depreciate by ₹ 0.50	NAV appreciate by ₹ 0.50	NAV depreciate by ₹ 0.50
Gain on investments in liquid mutual funds	0.01	(0.01)	0.05	(0.05)
Effect on profit before tax	0.01	(0.01)	0.05	(0.05)

In Group's opinion, the sensitivity analysis is unrepresentative of the inherent interest rate risk and price risk because the exposure at the end of the reporting period does not reflect the exposure during the year.

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38.3.2 Credit risk

Credit risk refers to the risk that a counterparty will default on its contractual obligations resulting in financial loss to the Company. The Company is exposed to credit risk from its operating activities (primarily trade receivables and unbilled revenue) and other financial instruments.

₹/Lakhs

Particulars	As at 31.03.2022	As at 31.03.2021
(a) Trade receivables	18,606.45	27,443.16
(b) Unbilled revenue	41,499.28	36,528.95
(c) Security deposits	902.63	657.49
(d) Other financial assets	2,902.52	2,596.96
Total	**63,910.88**	**67,226.56**

Refer note 11 for credit risk and other information in respect of trade receivables. Other receivables as stated above are due from the parties under normal course of the business and as such the Company believes exposure to credit risk to be minimal.

Bank balances are held with reputed and creditworthy banking institutions.

As per its investment policy, the Company deploy its short term surplus funds in debt based mutual funds and/or liquid funds with no exposure to equities or fixed term deposits with scheduled banks or in inter-corporate deposits with such companies of the Tata Group as may be approved. Investments are normally made in debt/liquid/money market mutual funds of approved fund houses whose Assets Under Management (AUM) are in excess of ₹ 1,00,00,000 lakhs and ranks in the first three of CRISIL's latest available Composite Performance Ranking (CPR) at the time of investment. As per policy, the aggregate amounts invested in debt based mutual funds and/or liquid funds with no exposure to equities and in inter-corporate deposits being in nature of investments shall not exceed ₹ 35,000 lakhs at any point of time.

38.3.3 Liquidity risk

Liquidity risk is the risk that the Company will encounter difficulty in meeting obligations associated with financial liabilities that are settled by delivering cash or another financial asset. The Company manages liquidity risk by maintaining adequate reserves, banking facilities and reserve borrowing facilities, by continuously monitoring forecast and actual cash flows, and by matching the maturity profiles of financial assets and liabilities. The Company has access to a sufficient variety of sources of funding.

The following table details the Company's remaining contractual maturity for its financial liabilities with agreed repayment periods, ignoring the call and refinancing options available with the Company. The tables have been drawn up based on the undiscounted cash flows of financial liabilities based on the earliest date on which the Company can be required to pay. The tables include both interest and principal cash flows. The amounts included below for variable interest rate instruments for non-derivative liabilities is subject to change if changes in variable interest rates differ to those estimates of interest rates determined at the end of the reporting period.

Expected contractual maturity for financial liabilities:

₹/Lakhs

Particulars	Upto 1 year	1 to 5 years	5+ years	Total
As at 31 March, 2022				
(a) Trade payables	1,23,868.12	-	-	1,23,868.12
(b) Short term borrowings	23,565.90	-	-	23,565.90
(c) Long term borrowings (including current maturities)	66,078.33	1,52,680.57	45,930.50	2,64,689.40
(d) Interest accrued but not due on borrowings	539.64	-	-	539.64
(e) Future interest on above long term borrowings	16,703.50	30,761.68	5,001.84	52,467.02
(f) Consumers' security deposit (see note 38.3.3a)	5,514.80	-	78,178.80	83,693.60
(g) Future interest on consumers' security deposit (refer note 38.3.3a)	5,472.52	21,890.06	27,362.58	54,725.16
(h) Lease liabilities (including current maturities)	934.44	4,652.03	1,434.27	7,020.74
(i) Future interest on above lease liabilities	627.79	1,596.88	127.95	2,352.62
(j) Retention money payable	3,669.39	237.71	8.52	3,915.62
(k) Consumers' deposits for works	4,874.73	-	-	4,874.73
(l) Other financial liabilities	5,398.21	483.84	214.24	6,096.29
	2,57,247.37	**2,12,302.77**	**1,58,258.70**	**6,27,808.84**
As at 31 March, 2021				
(a) Trade payables	1,18,340.24	-	-	1,18,340.24
(b) Short term borrowings	39,336.28	-	-	39,336.28
(c) Long term borrowings (including current maturities)	62,483.00	1,77,633.20	53,187.50	2,93,303.70
(d) Interest accrued but not due on above borrowings	822.07	-	-	822.07
(e) Future interest on above long term borrowings	19,526.88	37,638.44	6,790.32	63,955.64
(f) Consumers' security deposit (see note 38.3.3a)	4,796.26	-	69,570.36	74,366.62
(g) Future interest on consumers' security deposit (refer note 38.3.3a)	4,869.93	19,479.70	24,349.63	48,699.25
(h) Lease liabilities (including current maturities)	2,419.93	4,269.98	2,750.76	9,440.67
(i) Future interest on above lease liabilities	704.53	1,978.91	373.70	3,057.14
(j) Retention money payable	3,785.74	192.91	37.17	4,015.82
(k) Consumers' deposits for works	5,486.40	-	-	5,486.40
(l) Other financial liabilities	3,433.16	413.41	66.24	3,912.81
	2,66,004.42	**2,41,606.55**	**1,57,125.68**	**6,64,736.65**

38.3.3a Consumers' security deposit classified under more than 5 years maturity pertains to permanent connection which are refundable on surrender of connection subject to clearance of outstanding dues.

Future interest on consumers' security deposit has been considered at 7.00% per annum (as at 31 March, 2021 7.00% per annum) which is the prevailing SBI 1 year MCLR rate as at 1 April, 2022. For the purpose of computation of interest, the tenure of consumer security deposit has been taken as 10 years.

The Company has access to financing facilities as described in note 38.3.4 below. The Company expects to meet its obligations from operating cash flows and proceeds of maturing financial assets.

38.3.4 Financing facilities (short term)

₹/Lakhs

Particulars	As at 31.03.2022	As at 31.03.2021
Unsecured credit facilities, reviewed annually and payable at call		
Amount used and outstanding	20,300.08	24,507.26
Amount unused	34,899.92	30,692.74
Secured bank loan facilities with various maturity dates through to 31 March, 2022 and which may be extended by mutual agreement		
Amount used and outstanding	3,265.82	4,829.02
Amount unused	39,534.18	29,670.98

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Note 39
Financial Ratios

Particulars	Numerator (₹ Lakhs)		Denominator (₹ Lakhs)		Unit	As at	As at	Variance
	31.03.2022	31.03.2021	31.03.2022	31.03.2021		31.03.2022	31.03.2021	
(a) Current ratio*	2,18,281.20	2,17,854.81	2,63,394.14	2,61,761.74	Times	0.83	0.83	-0.43%
(b) Debt equity ratio	2,95,815.68	3,42,902.72	4,10,861.07	3,79,499.13	Times	0.72	0.90	-20.32%
(c) Debt service coverage ratio	1,01,441.80	99,312.91	93,161.49	85,699.72	Times	1.09	1.16	-6.04%
(d) Return on Equity	43,948.15	42,916.62	3,95,180.10	3,64,600.77	%	11.12%	11.77%	-5.52%
(e) Trade receivables turnover ratio	7,92,045.76	7,27,922.28	77,817.28	80,335.70	Days	36	40	-10.98%
(f) Trade payables turnover ratio	6,25,653.73	5,58,208.59	1,01,229.09	90,904.73	Days	59	59	-0.65%
(g) Net capital turnover ratio	7,97,841.60	7,29,688.44	22,439.47	21,818.07	Times	35.56	33.44	6.31%
(h) Net profit ratio	43,948.15	42,916.62	7,97,841.60	7,29,688.44	%	5.51%	5.88%	-6.34%
(i) Return on capital employed	90,557.18	84,691.84	7,53,750.74	7,46,036.42	%	12.01%	11.35%	5.83%
(j) Return on investment	307.39	371.26	22,38,642.31	22,36,981.56	%	5.01%	6.06%	-17.27%

* Current ratio is less than 1 mainly due to usage of working capital funds for funding of Regulatory asset.

39.1 **Formulas used to compute ratios**

Particulars	Formulas
(a) Current ratio	Current asset (refer note 39.2(a))
	Current liability
(b) Debt equity ratio	Total debt (refer note 39.2(b))
	Shareholder's equity
(c) Debt service coverage ratio	Earnings available for debt service (refer note 39.2(c))
	Debt Service (refer note 39.2(d))
(d) Return on Equity	Net Profits after taxes
	Average shareholder's equity
(e) Trade receivables turnover ratio	Gross credit sales (refer note 39.2(e))
	Average accounts receivable (refer note 39.2(f))
(f) Trade payables turnover ratio	Gross credit purchases (refer note 39.2(g))
	Average trade payables (refer note 39.2(h))
(g) Net capital turnover ratio	Net sales (refer note 39.2(i))
	Working capital (refer note 39.2(j))
(h) Net profit ratio	Net Profit
	Net sales (refer note 39.2(i))
(i) Return on capital employed	Earning before interest and taxes (refer note 39.2(k))
	Average Capital Employed (refer note 39.2(l))
(j) Return on investment	Investment income (refer note 39.2(m))
	Time weighted average investment (refer note 39.2(n))

39.2 **Notes**

(a) Current asset also includes current portion of regulatory asset + asset classified as held for sale

(b) Total debt includes long term borrowings + short term borrowings + interest accured on borrowings + lease liabilities

(c) Earnings available for debt service includes Net Profit after taxes + Non-cash operating expenses/(income) (depreciation, amortisation of SLD, CCCW or capital grants, amortizations(ROU)) + interest (excluding interest on consumer security deposits) - loss on sale of fixed assets

(d) Debt service = Interest (excluding interest on consumer security deposits) + lease payments + principal repayments of long term borrowing (except refinanced loans

(e) Gross credit sales includes sale of power + open access charges + maintenance charges + income other than energy business

(f) Average Accounts Receivable includes unbilled revenue

(g) Gross credit purchases includes power purchase + O&M expenses (excluding foreign exchange fluctuation loss (net), bad debts written off/(written back), allowance for doubtful debts, loss on disposal of property, plant and equipment, corporate social responsibility expenses, etc.)

(h) Average trade payables excludes employee benefit expense related balances

(i) Net sales includes revenue from operations + movement in regulatory deferral account balance

(j) Working capital = current assets - current liabilities
Current liabilities excludes current maturities of long-term borrowings, current portion of leases & interest accrued but not due on borrowings
Current asset includes current portion of regulatory asset & asset classified as held for sale

(k) Earning before interest and taxes = Profit before tax + interest (excluding interest on consumer security deposits)

(l) Average Capital employed = tangible net worth + total debt (refer note 39.2(b)) + deferred tax liability

(m) Investment income includes interest on bank deposits + gain on mutual fund (including unrealised (if any))

(n) Time weighted average investment includes bank deposits + mutual funds

(o) The Company is engaged in the business of sale of power which doesnot involve any inventory therefore, Inventory Turnover ratio is not applicable for the Company

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Note 40
Related party disclosures

40.1 **List of related parties and description of relationship**

A. Holding company
Tata Power Company Limited (TPCL)

B. Promoters holding together with its Subsidiary more than 20% in Holding Company
Tata Sons Private Limited (Tata Sons)

C. Company exercising significant influence
Delhi Power Company Limited (DPCL) *(Government related entity)*

D. Fellow Subsidiaries (with whom the Company has transactions)
(i) TP Ajmer Distribution Limited (TPADL)
(ii) TP Central Odisha Distribution Limited (TPCODL)
(iii) Tata Power International Pte. Limited (TPIPL)
(iv) TP Renewable Microgrid Limited (TPRML)
(v) Tata Power Solar Systems Limited (TPSSL)
(vi) Tata Power Southern Odisha Distribution Limited (TPSODL)
(vii) Tata Power Northern Odisha Distribution Limited (TPNODL)
(viii) Tata Power Trading Company Limited (TPTCL)
(ix) Tata Power Western Odisha Distribution Limited (TPWODL)

E. Joint Ventures of holding company (with whom the Company has transactions)
(i) Prayagraj Power Generation Co. Ltd. (PPGCL)
(ii) Powerlinks Transmission Ltd. (PTL)

F. Associates of holding company (with whom the Company has transactions)
(i) Tata Projects Limited (TPL)

G. Subsidiaries and Jointly Controlled Entities of Promoters of Holding Company - Promoter Group (with whom the Company has transactions)
(i) Infiniti Retail Limited (IRL)
(ii) Tata Industries Limited (TIL)
(iii) Tata AIG General Insurance Company Limited (Tata AIG)
(iv) Tata Advanced Systems Limited (TASL)
(v) Tata Autocomp Systems Limited (TACSL)
(vi) Tata Communications Limited (TCL)
(vii) Tata Consulting Engineers Ltd. (TCES)
(viii) Tata AIA Life Insurance Company Limited (Tata AIA)
(ix) Tata Teleservices Limited (TTSL)
(x) Tata Sky Broadband Private Limited (TSBPL)

H. Post retirement employee benefit trust
(i) North Delhi Power Limited Employees Group Gratuity Assurance Scheme (Gratuity Fund)
(ii) Special Voluntary Retirement Scheme Retirees Terminal Benefit Fund, 2004 (SVRS RTBF - 2004)

I. Key management personnel

Chief Executive Officer (CEO)
(i) Mr. Ganesh Srinivasan

Non-executive directors
(i) Dr. Praveer Sinha
(ii) Mr. Arup Ghosh
(iii) Mr. Amar Jit Chopra
(iv) Mr. Ajay Shankar
(v) Mr. Ramesh N. Subramanyam (ceased w.e.f. 20th January 2022)
(vi) Ms. Satya Gupta
(vii) Mr. Kesava Menon Chandrasekhar
(viii) Mr. Sanjay Kumar Banga
(ix) Mr. Jasmine Shah
(x) Mr. Ajit Kumar Singh
(xi) Ms. Rashmi Krishnan
(xii) Mr. Naveen ND Gupta
(xiii) Mr. Ajay Kapoor (appointed w.e.f. 21st January 2022)

40.2 **Transactions with related parties**

₹/Lakhs

Name of related party	Nature of transactions	Year ended 31.03.2022	Year ended 31.03.2021
A. Purchase of goods			
(i) TPCL	Purchase of spares	35.82	-
(ii) TPTCL	Purchase of power	1,40,940.02	1,02,909.41
	Rebate on power purchase	2,582.48	1,984.46
(iii) IRL	Purchase of gifts & gift vouchers	34.23	-
B. Purchase of property, plant and equipment			
(i) TPCL	Purchase of vehicle	-	1.89
(ii) TASL	Purchase of integrated security solutions	-	146.54
(iii) TPTCL	Purchase of IT asset	0.58	-
(iv) PTL	Purchase of IT asset	0.14	-
(v) TACSL	Purchase of consumables	2.48	-
(vi) IRL	Purchase of office equipment	0.34	0.40

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Transactions with related parties contd.

₹/Lakhs

Name of related party	Nature of transactions	Year ended 31.03.2022	Year ended 31.03.2021
C. Sale of property, plant and equipment			
(i) TPCL	Sale of vehicles & IT Assets	36.94	20.92
(ii) TPCODL	Sale of vehicles & IT Assets	30.93	70.29
(iii) TPNODL	Sale of vehicles & IT Assets	42.25	-
(iv) TPADL	Sale of IT Assets	-	0.28
(v) TPTCL	Sale of IT Assets	0.74	7.85
(vi) TPWODL	Sale of vehicles & IT Assets	29.38	39.09
(vii) TPSODL	Sale of vehicles & IT Assets	8.88	39.35
(viii) TPSSL	Sale of IT asset	-	0.15
(ix) PTL	Sale of vehicles & IT Assets	6.27	0.52
D. Rendering of services			
(i) TPCL	Management contract for deputation of employees	-	1.29
	Management contract for consultancy services	323.80	276.77
(ii) DPCL	Commission earned	0.41	2.06
(iii) TPADL	Management contract for consultancy services	7.00	9.02
(iv) TPCODL	Management contract for consultancy services	97.29	300.27
(v) TPWODL	Management contract for consultancy services	40.93	22.27
	Revenue from training	2.50	-
(vi) TPSODL	Management contract for consultancy services	148.38	28.78
(vii) TPNODL	Management contract for consultancy services	144.86	-
(viii) TPIPL	Management contract for consultancy services	24.19	21.40
(ix) TPTCL	Management contract for consultancy services	1.39	5.83
(x) TPRML	Management contract for consultancy services	1.71	-
(xi) PPGCL	Management contract for deputation of employees	6.38	17.74
(xii) TCES	Revenue from consultancy	-	10.92
(xiii) TSBPL	Revenue from use of assets	50.41	47.47
E. Receiving of services			
(i) TPCL	Management contract for deputation of key management personnel (KMP)	211.22	199.42
(ii) Tata Sons	Training	3.78	0.80
	Professional Charges	-	2.86
	Corporate social responsibility expenses	-	3.54
(iii) TPSSL	Annual maintenance contract of solar plants	10.76	10.37
(iv) Tata AIG	Insurance expense	271.17	198.72
(v) TCL	Communication expenses	23.52	32.62
(vi) TTSL	Automatic meter reading expenses, call center charges etc.	168.83	219.91
	Communication expenses	6.70	7.33
(vii) Tata AIA	Insurance expense	219.36	125.81
(viii) TCES	Consultancy services	17.11	1.36
(ix) TIL	Corporate social responsibility expenses	-	23.79
(x) TPL	Corporate social responsibility expenses	-	20.87
(xi) TASL	Repair & maintenance services	3.21	-
F. Reimbursement of expenses (paid)/received [net]			
(i) TPCL	Travelling, training and conveyance etc.	84.03	112.46
(ii) TPADL	Travelling and conveyance etc.	-	0.08
(iii) TPTCL	Miscellaneous expenses etc.	(12.72)	(11.71)
(iv) TPIPL	Travelling and conveyance, insurance etc.	2.63	13.56
(v) TPNODL	Travelling and conveyance, insurance etc.	7.68	-
(vi) TPWODL	Travelling and conveyance, insurance etc.	2.17	4.80
(vii) TPSODL	Travelling and conveyance, insurance etc.	3.47	7.64
(viii) TPCODL	Travelling and conveyance, insurance etc.	13.32	8.91
G. Equity dividend paid			
(i) TPCL	Dividend on equity shares	6,438.24	6,756.48
(ii) DPCL	Dividend on equity shares	6,185.76	6,491.52
H. Transaction with Trust			
(i) Gratuity Fund	Contribution to trust	-	768.14

40.3 Compensation of key managerial personnel

₹/Lakhs

Name of related party	Nature of transaction	Year ended 31.03.2022	Year ended 31.03.2021
A. CEO	Deputation pay and other benefits		
	a. Mr. Ganesh Srinivasan	210.65	177.82
B. Non-executive directors	(i) Sitting fees*	57.23	93.75
	(ii) Consultancy fees -		
	a. Mr. Arup Ghosh (upto 31 May, 2019)**	-	0.49

* Exclusive of Goods & Services Tax
** Amount paid during FY 2020-21 pertains to AT&C Incentive of FY 2019-20

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40.4 **Balance outstanding with related parties**

₹/Lakhs

Name of related party	Nature of balances	As at 31.03.2022	As at 31.03.2021
A. Receivables			
(i) TPCL	Trade receivables net of payables	45.76	146.03
(ii) TPIPL	Trade receivables	-	13.77
(iii) TPADL	Trade receivables	1.54	5.00
(iv) TPCODL	Trade receivables	4.68	436.90
(v) PPGCL	Trade receivables	-	1.78
(vi) TPWODL	Trade receivables	27.86	71.62
(vii) TPSODL	Trade receivables	71.88	83.36
(viii) TPNODL	Trade receivables	19.84	-
(ix) PTL	Trade receivables	-	0.61
(x) TCES	Trade receivables net of security deposit and advances	1.45	0.51
(xi) SVRS RTBF-2004	Other financial assets	25.78	28.94
B. Payables			
(i) Tata Sons	Trade payables net of receivables including advances	-	0.09
(ii) DPCL	Trade payables	197.71	301.55
(iii) TPTCL	Trade payables net of receivables	8,107.43	1,804.47
(iv) TPSSL	Trade payables net of receivables including retention money and earnest money deposit	24.70	24.58
(v) TASL	Trade payables including retention money	280.47	310.97
(vi) TCL	Trade payables including security deposit, earnest money deposit net of advances	12.10	10.35
(vii) TTSL	Trade payables including retention money and security deposit	2.95	11.85
C. Unbilled revenues			
(i) TPCL	Management contract for consultancy services/Reimbursement of expenses	4.42	3.43
(ii) TPCODL	Management contract for consultancy services/Reimbursement of expenses	-	0.09
(iii) TPIPL	Management contract for consultancy services	-	0.71
D. Accrued expenses			
(i) TPCL	Purchase of spares	11.84	-
(ii) Tata Sons	Training	3.46	-
(iii) TPSSL	Annual maintenance contract of solar plants	2.64	-
(iv) TCES	Consultancy services	16.40	4.98
(v) TCL	Communication expenses	69.62	50.29
(vi) TTSL	Communication expenses, Automatic meter reading expenses & call centre charges	51.86	40.61
E. Prepaid expenses			
(i) TPTCL	Charges for letter of credit	4.23	4.29
(ii) Tata AIA	Prepaid insurance	-	225.25
(iii) Tata AIG	Prepaid insurance	112.12	112.60
F. Advance to suppliers			
(i) IRL	Advance to vendors	-	0.34
(ii) Tata AIG	Advance to vendors	8.48	20.31
(iii) Tata AIA	Advance to vendors	-	12.01
(iv) TCES	Advance to vendors	3.42	-
G. Other liabilities (Current & Non Current)			
(i) TPCL	Advance from consumers	1.75	1.00
H. Commitments made			
(i) TCES	Consultancy services	219.66	224.41
(ii) TTSL	Call center charges	0.12	1.62

I. Commitments made with TPTCL

Significant commitments of the Group includes commitment for trading margin with TPTCL.

The Company has entered into a long term power purchase agreement with TPTCL on 10 September, 2009 to draw power from Maithon Power Ltd. (MPL) for 30 years from the date of commissioning (COD) and on 20 January, 2009 to draw power from Jhajjar Power Ltd. (JPL) for 25 years from COD. A trading margin of 4 paise per kWh for the energy scheduled by MPL is payable by Tata Power-DDL to TPTCL. A trading margin of 2% of power purchase bill (capacity and energy charges) of JPL is payable by Tata Power-DDL to TPTCL.

Note 41
Relationship with Struck off Companies

Details of transactions entered with the companies struck off under section 248 of the Companies Act, 2013 or section 560 of Companies Act, 1956.

₹/Lakhs

S. No.	Name of struck off Companies	Nature of transactions with struck off Companies	Relationship with the struck off Companies	Transaction during the year ended 31.03.2022	As at 31.03.2022	As at 31.03.2021
(i)	Sharun Engineering Company (P) Ltd.	Balance written off	Customer	0.31	-	0.31
(ii)	Anand Vehicles India (P) Limited	Security Deposit refund	Vendor	0.06	-	-

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Chartered Accountants

Note 42
Significant events after the reporting period

There were no significant adjusting events that occurred subsequent to the reporting period other than the events disclosed in the relevant notes.

Note 43
Transfer pricing

As per the Transfer Pricing Rules of the Income Tax Act, 1961 the Company is not required to get transfer pricing study conducted for FY 21-22. However, the company is required to substantiate, that the international transactions with related parties were undertaken at an arm's length basis. Benchmarking of the transactions during the year ended 31 March, 2022 is currently in progress and hence adjustments, if any, which may arise there from will be considered in the financial statements for the year ended 31 March, 2023. However, in the opinion of the Company's management, adjustments, if any, are not expected to be material.

Note 44
Merger of the Subsidiary company with Tata Power Delhi Distribution Limited

The subsidiary company has not generated any operating revenue during the year ended 31 March 2022 & 31 March 2021 and further the management has proposed to merge NDPL Infra Ltd with Tata Power Delhi Distribution Limited, the holding company.

The Board of Directors of NDPL Infra Limited in their meeting held on 20 April, 2022 had granted in principle approval for merger of NDPL Infra Limited with Tata Power Delhi Distribution Limited. The merger process shall be initiated once the requisite approval is provided by Delhi Power Company Limited (DPCL) as per the terms of license agreement as it holds 49% equity share capital in Tata Power Delhi Distribution Limited.

Note 45
Approval of financial statements

These financial statements were approved for issue by the board of directors on 22 April, 2022.

In terms of our report attached of even date

For T. R. Chadha & Co. LLP
Chartered Accountants
Firm's Registration No.: 006711N/N500028

T R Chadha & Co. LLP ☆ Chartered Accountants ☆ NEW DELHI

Hitesh Garg
Partner
Membership No.: 502955

New Delhi
22 April, 2022

For and on behalf of the Board of Directors

Ajay Shankar
Director
DIN: 01800443

Ajay Kapoor
Director
DIN: 00466631

Ganesh Srinivasan
Chief Executive Officer

Monica Mehra
Company Secretary

Surajit Mishra
Chief Financial Officer

New Delhi
22 April, 2022

Form AOC-I

(Pursuant to first proviso to sub-section (3) of section 129 read with rule 5 of Companies (Accounts) Rules, 2014)

Statement containing salient features of the financial statement of subsidiaries or associate companies or joint ventures

Part "A": Subsidiaries

1.	Name of the subsidiary	NDPL Infra Limited
2.	The date since when subsidiary was acquired	23 August, 2011
3.	Reporting period for the subsidiary concerned, if different from the holding company's reporting period	1 April, 2021 to 31 March, 2022
4.	Reporting currency and Exchange rate as on the last date of the relevant Financial year in the case of foreign subsidiaries.	INR

Figures (in lakhs)

5.	Share capital	5.00
6.	Reserves and surplus	2,571.42
7.	Total assets	2,582.73
8.	Total Liabilities	6.31
9.	Investments	23.67
10.	Turnover	0.00
11.	Profit before taxation	112.53
12.	Provision for taxation	30.46
13.	Profit after taxation	82.07
14.	Proposed Dividend	-
15.	Extent of shareholding (in percentage)	100%

Notes:

1. There is no subsidiary which is yet to commence operations.
2. There is no subsidiary which has been liquidated or sold during the year.

Part "B": Associates and Joint Ventures - Not Applicable

For and on behalf of the Board of Directors

Ajay Shankar

Ajay Shankar
Director
DIN: 01800443

Ajay Kapoor
Director
DIN: 00466631

Ganesh Srinivasan
Chief Executive Officer

Monica Mehra

Monica Mehra
Company Secretary

Suranjit Mishra
Chief Financial Officer

New Delhi
22 April, 2022

Shareholder Information

To,
Company Secretary,
Tata Power Delhi Distribution Limited
NDPL House, Hudson Lines,
Kingsway Camp, Delhi - 110009

Updation of Shareholder Information

I/We request you to record the following information against our Folio No.:

General Information:

Folio No.:	
Name of the first named Shareholder:	
PAN: *	
CIN/ Registration No.: *(applicable to Corporate Shareholders)	
Tel No. with STD Code:	
Mobile No.:	
Email Id:	

*Self attested copy of the document(s) enclosed

Bank Details:

IFSC: (11 digit)	MICR: (9 digit)
Bank A/c Type:	Bank A/c No.: *
Name of the Bank:	
Bank Branch Address:	

* A blank cancelled cheque is enclosed to enable verification of bank details

I/We hereby declare that the particulars given above are correct and complete. If the transaction is delayed because of incomplete or incorrect information, I/we would not hold the Company/RTA responsible. I/We undertake to inform any subsequent changes in the above particulars as and when the changes take place. I/We understand that the above details shall be maintained by you till I/we hold the securities under the above mentioned Folio No.

Place:
Date:

Signature of Sole/ First holder