ANNUAL REPORT

2019-2020

(1st April 2019 to 31st March 2020)

TATA POWER-DDL

TATA POWER DELHI DISTRIBUTION LIMITED

(A Tata Power and Delhi Government Joint Venture)

formerly North Delhi Power Limited

Regd. Offc. : NDPL House, Hudson Lines,
Kingsway Camp, Delhi – 110009

COMPANY AT A GLANCE

FRONT RUNNER IN POWER DISTRIBUTION REFORMS

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

AT&C losses stand at 7.88% (as of March 2020) which is an unprecedented reduction of around 85% from an opening loss level of 53% in July 2002.

To ensure reliable power supply and to provide best in class service to its consumers, Tata Power–DDL has implemented several world-class technologies such as Advance Distribution Management system or 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 GIS , Integrated Geographical Information System (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.

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

Tata Power-DDL Corporate Mascot: Roshni

Tata Power-DDL provides various facilities and services to its consumers 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 Connection, etc.

COMMITTED TO BEING SUSTAINABLE

TATA Power-DDL has also added solar generation as a part of its sustainable initiatives since 2008, and has installed fourteen (14) Solar Plants in its Licensed Area with a total generation capacity of 1.65 MW. It has a total of net metering cumulative capacity of 33.7MWp.TATA Power-DDL has also been empaneled as “first Utility Channel Partner" with Ministry of New & Renewable Energy, Govt. of India and has also received the highest honor rating of SP IA as a “System Integration Grading for Solar PV projects”. 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 helped in building and sustaining competitive advantage in the changing business scenario. A journey which began a decade ago for empowering the consumers in Delhi now holds the potential to transform the distribution sector in India and similarly help utilities across the globe. Tata Power-DDL has a presence in India in nearly 16+ States and working with 30+ Discoms including Goa, Haryana, Uttar Pradesh, Chhattisgarh, J&K, MP, WB etc. as well as in International cities such as Benin, Lagos, 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 and 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. Tata Power-DDL 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://www.slideshare.net/TataPowerDDL

https://tatapower-ddl.blog/

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 8000:2008	An international certification standard that encourages organisations to develop, maintain and apply socially acceptable practices in the workplace.
OHSAS 18001:2007	Sets out the requirements for occupational health and safety management good practice for any size of organization.
ISO 31000:2009	Provides principles and guidelines for effective risk management.
ISO 50001: 2011	The standard aims to help organizations continually reduce their energy use, and therefore their energy costs and their greenhouse gas emissions
UN GLOBAL IMPACT REPORTING	Supports global companies that are committed to responsible business practices in the areas of human rights, labor, the environment, and corruption.

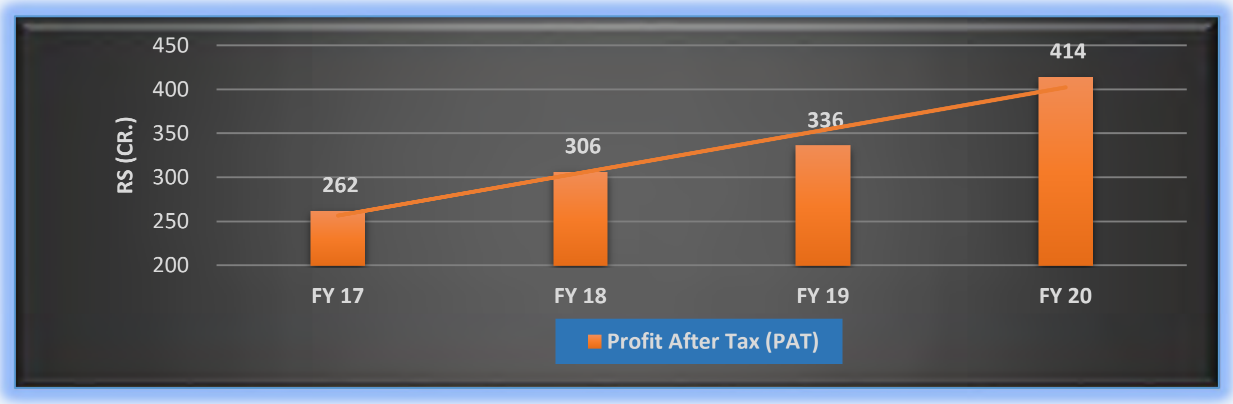
AWARDS AND RECOGNITIONS

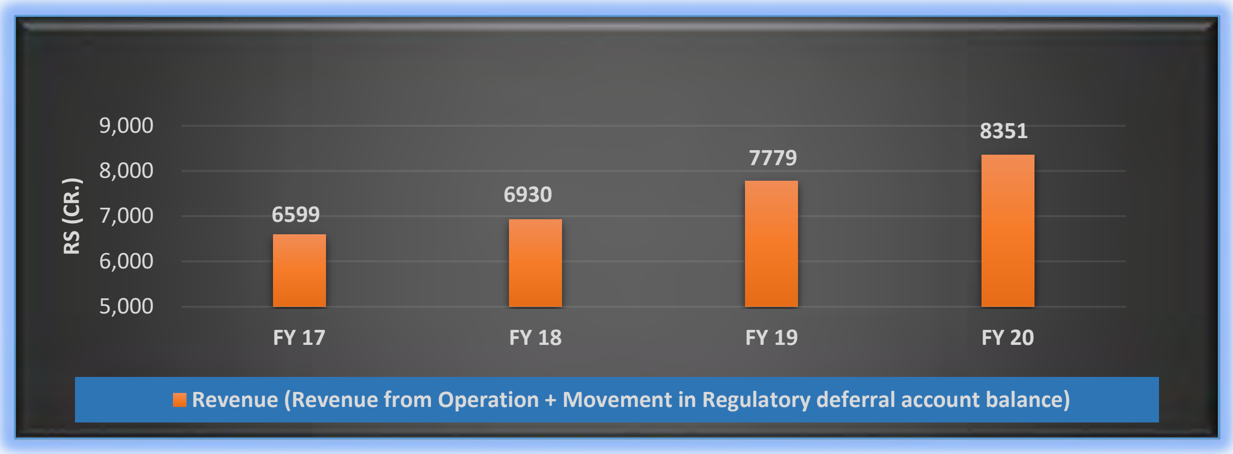
Various awards and recognitions have been bestowed on the Company and its executives during the year FY 2019-20. Some of the awards and recognitions received by the Company are as under:

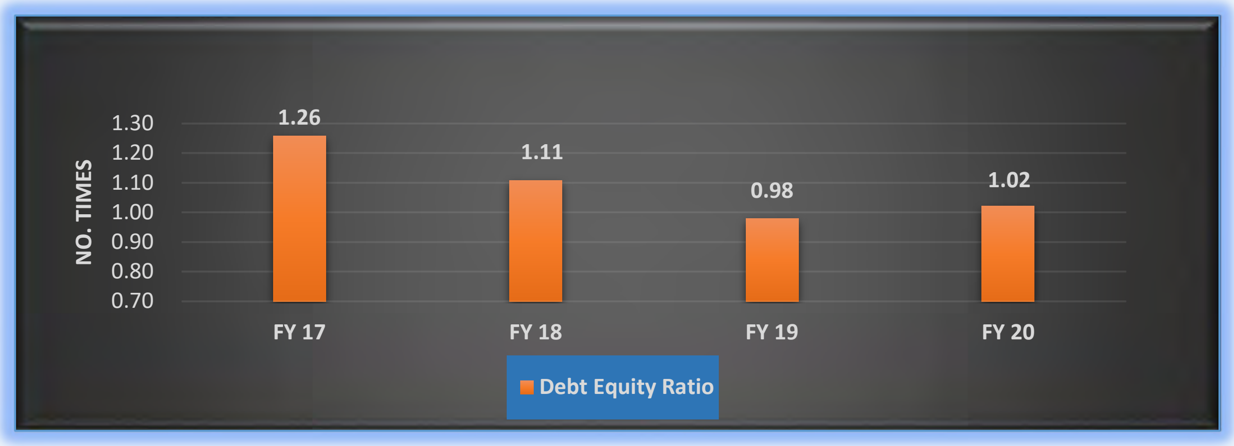
	CII Award 2019 • **"Innovative Financing & ESCO Model"** • **Excellent Energy Efficient Unit Award**
	Top 75 Workplaces for Women 2019
	TAAP Jury Award'2019 • Large Company with highest score in the category of employment and entrepreneurship • Recognition for 'Best practice of the year 2019 for Tata Power's ABHA
	Safety Innovation Award 2019 by Institution of Engineers (India).
	BML Munjal Award 2019 for driving Business Excellence through Learning & Development initiatives
	CMO Asia Award 2019 • Best Energy Conservation Campaign for its Pan India initiative "Bijli Bachao Star Banjao" Campaign • CSR program 'SAATHI'- Transforming lives and creating Social values
	Asian Power Awards'2019 • Utility of the year • Innovative Technology of the year for Field Force Automation
	3 Excellence Awards (Gold-1, Silver-2) at the **International Convention on Quality Control Circles 2019**
	IFSEC INDIA Awards 2019' for excellence in Cyber Security

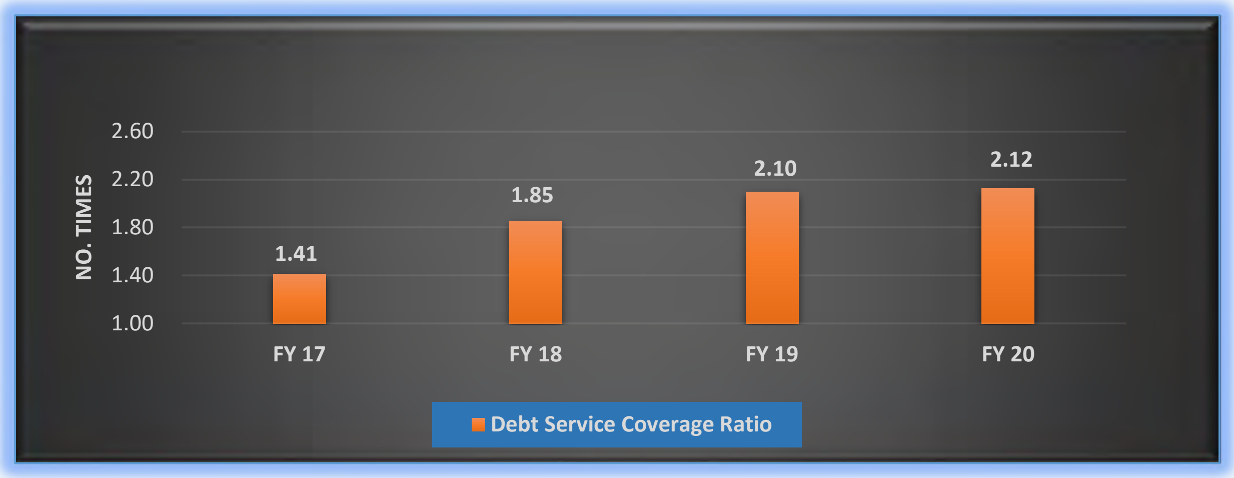
	18 Awards (QCC- 10 and Allied Kaizen -8) at **National Convention on Quality Concepts (NCQC)** 2019 at IIT BHU
	Outstanding Green Energy Campaigner by the Federation of Green Energy.
	Best initiative Award 2019-2020' for its Monitoring and evaluation initiative for NGO
	Business Excellence Awards at BEC 2019 - Overall engagement in EDGE Best practices program 2019 - Best Practices implementation through EPIC program 2019
	Innovation with Impact Award at ICC's 13th India Energy Summit under the category 'Quality of Service and Customer Empowerment'
	Highest Participation Per Capita Award (Medium Category) at Tata Volcon for the 12th Edition of Tata Volunteering Week.
	6 Awards at the India Smart Utility Week'20 organized by the India Smart Grid Week: - Best Smart Grid project in India by Utility: Gold Award (for ADMS) - Smart Technology of the Year: Diamond Award (for Big Data and Analytics) - Smart Technology of the Year: Certificate of Merit (for Field Force Automation).

KEY PERFORMANCE INDICATORS






NO. TIMES
1.30
1.20
1.10
1.00
0.90
0.80
0.70
1.26
1.11
0.98
1.02
FY 17
FY 18
FY 19
FY 20
Debt Equity Ratio


NO. TIMES
2.60
2.20
1.80
1.40
1.00
1.41
1.85
2.10
2.12
FY 17
FY 18
FY 19
FY 20
Debt Service Coverage Ratio

Board of Directors

Mr. Praveer Sinha
Chairman

Mr. Kesava Menon Chandrasekhar
Independent Director

Mr. Ajay Shankar
Independent Director

Mr. 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. Ramesh N. Subramanyam
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	**:**	**Friday, 17th July 2020**
Time	**:**	**12:30 noon**
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

Mr. Praveer Sinha	Chairman
Mr. Kesava Menon Chandrasekhar	Additional (Independent) Director (w.e.f. 24th March 2020)
Mr. Ajay Shankar	Independent Director (Re-appointed w.e.f 23rd March 2020)
Mr. Amar Jit Chopra	Independent Director (Re-appointed w.e.f 23rd March 2020)
Mr. Jasmine Shah	Additional Director (w.e.f. 20th January 2020)
Mr. Ajit Kumar Singh	Additional Director (w.e.f. 20th January 2020)
Mr. Naveen ND Gupta	Additional Director (w.e.f. 20th January 2020)
Ms. Rashmi Krishnan	Additional Director (w.e.f. 20th January 2020)
Mr. Sanjay Kumar Banga	Additional Director (w.e.f. 20th January 2020)
Mr. Ramesh Narayanswamy Subramanyam	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:

Messrs Walker Chandiok & Co., LLP, Chartered Accountants (LLP Identification No. AAC-2085, ICAI Firm Registration No.- 001076N/N500013)

SECRETARIAL AUDITORS:

Messrs Siddiqui & Associates, Company Secretaries (FCS 2229, CP No. 1284)

INTERNAL AUDITORS:

Mr. Piyush Kumar Jain

COST AUDITORS:

Messrs Ramanath Iyer & Company, Cost Accountants (Firm Registration No. 000019)

BANKERS:

Allahabad Bank	HDFC Bank	Punjab & Sind Bank
Axis Bank	IDFC First Bank	State Bank of India
Canara Bank	Indian Bank	Union Bank of India
Bank of Baroda	Punjab National Bank	Yes Bank

TATA POWER DELHI DISTRIBUTION LIMITED

NOTICE

NOTICE is hereby given that the Nineteenth Annual General Meeting of the members of Tata Power Delhi Distribution Limited will be held on Friday, the 17th July 2020 at 12:30 noon 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 as per relaxation given by Ministry of Corporate Affairs to hold Annual General Meeting through video conferencing (VC) or other audio visual means (OAVM) vide its General Circular No. 20/2020 dated 5th May 2020, due to COVID 19 pandemic]:*

Ordinary Business:

1. To receive, consider and adopt:
   (a) the Audited Standalone Financial Statements of the Company for the financial year ended 31st March 2020 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 2020 together with the Reports of the Auditors thereon.

2. To declare a dividend on Equity Shares for the financial year ended 31st March 2020.

3. To appoint a Director in place of Mr. Praveer Sinha (DIN: 01785164), who retires by rotation and being eligible, offers himself for re-appointment.

4. To appoint a Director in place of Mr. Ramesh Narayanswamy Subramanyam (DIN: 02421481), who retires by rotation and being eligible, offers himself for re-appointment.

5. To appoint a Director in place of Ms. Satya Gupta (DIN: 08172427), who retires by rotation and being eligible, offers herself for re-appointment.

Special Business (es):

6. **Appointment of Mr. Sanjay Kumar Banga as a Director**

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

   "**RESOLVED** that Mr. Sanjay Kumar Banga (DIN: 07785948), who was appointed as an Additional Director of the Company with effect from 20th January 2020, 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. **Appointment of Mr. Jasmine Shah as a Director**

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

   "**RESOLVED** that Mr. Jasmine Shah (DIN: 08621290), who was appointed as an Additional Director of the Company with effect from 20th January 2020, 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."

8. **Appointment of Mr. Ajit Kumar Singh as a Director**

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

"**RESOLVED** that Mr. Ajit Kumar Singh (DIN: 08628370), who was appointed as an Additional Director of the Company with effect from 20th January 2020, 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."

9. **Appointment of Ms. Rashmi Krishnan as a Director**

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

"**RESOLVED** that Ms. Rashmi Krishnan (DIN: 06796552), who was appointed as an Additional Director of the Company with effect from 20th January 2020, by the Board of Directors and who holds office upto the date of this Annual General Meeting of the Company under second proviso of section 149(1) read with 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 her candidature for the office of Director, be and is hereby appointed as Director of the Company, liable to retire by rotation."

10. **Appointment of Mr. Naveen ND Gupta as a Director**

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

"**RESOLVED** that Mr. Naveen ND Gupta (DIN: 00271748), who was appointed as an Additional Director of the Company with effect from 20th January 2020, 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."

11. **Re-appointment of Mr. Amar Jit Chopra as an Independent Director**

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

"RESOLVED that pursuant to the provisions of sections 149, 152 and other applicable provisions, if any, of the Companies Act, 2013 (the Act) (including any statutory modification or re-enactment thereof for the time being in force), the Companies (Appointment and Qualifications of Directors) Rules, 2014, read with Schedule IV to the Act, as amended from time to time, Mr. Amar Jit Chopra (DIN: 00043355), who has submitted a declaration that he meets the criteria for independence as provided in section 149(6) of the Act and Articles of Association of the Company and who is eligible for re-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 re-appointed as an Independent Director on the Board of the Company, to hold office for a second term of three years from 23rd March 2020 to 22nd March 2023 and he shall not be liable to retire by rotation."

12. **Re-appointment of Mr. Ajay Shankar as an Independent Director**

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

"RESOLVED that pursuant to the provisions of sections 149, 152 and other applicable provisions, if any, of the Companies Act, 2013 (the Act) (including any statutory modification or re-enactment thereof for the time being in force), the Companies (Appointment and Qualifications of Directors) Rules, 2014, read with Schedule IV to the Act, as amended from time to time, Mr. Ajay Shankar (DIN: 01800443), who has submitted a declaration that he meets the criteria for independence as provided in section 149(6) of the Act and Articles of Association of the Company and who is eligible for re-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 re-appointed as an Independent Director on the Board of the Company, to hold office for a second term of three years from 23rd March 2020 to 22nd March 2023 and he shall not be liable to retire by rotation."

13. **Appointment of Mr. Kesava Menon Chandrasekhar as a Director and as an Independent Director**

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

"**RESOLVED** that Mr. Kesava Menon Chandrasekhar (DIN: 06466854), who was appointed as an Additional (Independent) Director of the Company with effect from 24th March 2020, by the Board of Directors and who holds office upto the date of this Annual General Meeting of the Company under section 149 read with section 161(1) of the Companies Act, 2013 (the Act) and 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.

FURTHER RESOLVED that pursuant to the provisions of sections 149, 152 and other applicable provisions, if any, of the Act (including any statutory modification or re-enactment thereof for the time being in force), the Companies (Appointment and Qualifications of Directors) Rules, 2014, read with Schedule IV to the Act, as amended from time to time, the appointment of Mr. Kesava Menon Chandrasekhar (DIN: 06466854), who meets the criteria for independence as provided in Section 149(6) of the Act and the Rules framed thereunder and who has submitted a declaration to that effect, and who is eligible for appointment, as an Independent Director of the Company, not liable to retire by rotation, for a first term of three years commencing from 24th March 2020 upto 23rd March 2023, be and is hereby approved."

14. **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 or re-enactment 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 ₹ 2,18,900/- (plus other applicable taxes, travelling and out-of-pocket expenses) payable to M/s Ramanath Iyer & Co., who are appointed as Cost Auditors to conduct the audit of cost records maintained by the Company for the financial year 2020-21."

NOTES:

(1) The relative explanatory statement pursuant to section 102 of the Companies Act, 2013 (the Act) and the rules made thereunder, in regard to the business(es) set out in item nos. 6 to 14 and the relevant details of the Directors of the Company seeking re-appointment/ appointment as set out in item nos. 3 to 13 above as required under Secretarial Standard-2 on General Meetings issued by The Institute of Company Secretaries of India, are annexed hereto.

(2) In view of the continuing Covid-19 pandemic, social distancing is a norm to be followed, Government of India, the Ministry of Corporate Affairs ("MCA") allowed conducting AGM through Video Conferencing (VC) or Other Audio Visual Means (OAVM). Accordingly, MCA vide its circular dated 5th May 2020 read with circulars dated 8th April 2020 and 13th April 2020 (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 provisions of the Act and MCA Circulars, the AGM of the Company is being held through VC/OAVM. The detailed procedure for participation in AGM through VC /OAVM is as per note no.19 and available at the Company's website.

(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 or OAVM.

(4) In compliance with the aforesaid MCA Circulars, Notice of the AGM along with the Annual Report for FY 2019-20 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 2019-20 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 is 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 will be made in accordance with provisions of the Companies Act 2013 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) 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 DPs.

(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. ajay.kalsie@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 the PAN Card and any document (such as Driving License, Bank Statement, Election Card, Passport, AADHAR Card) in support of the address of the Member as registered with the Company; to the email address of the Company i.e. ajay.kalsie@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/registers by members/Register of Directors' and Key Managerial Personnel and their shareholding maintained under Section 170 of the Companies Act 2013, the Register of contracts or arrangements in which the Directors are interested under Section 189 of the Companies Act 2013 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 through electronic mode.

(15) The Company ensures that the AGM through VC or 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. ajay.kalsie@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 or OAVM, where physical attendance of members in any case has been dispensed with, there is no requirement for appointment of proxies. Accordingly, the facility of appointment of proxies by members will not be available for this AGM. However, in pursuance of section 112 and section 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 or 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=m4483c841a1fd0f852e21cc37ce865f8c
Password (if prompted) is: Tatapower
Self help guide for attending AGM through Webex is also annexed to this Notice for ready reference of the members.

(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. 9818100670 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 Companies Act 2013 and the rules made thereunder.

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

Delhi, 29th April 2020
Corporate Identity No. :
U40109DL2001PLC111526

Sd/-
(Ajay Kalsie)
Company Secretary
Membership No.13810

Registered Office:
NDPL House, Hudson Lines,
Kingsway Camp, Delhi 110 009
Tel:01166112222
Fax No: 01127468042
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 to 14 of the accompanying notice dated 29th April 2020.

Item no. 6: Based on the recommendation of the Nomination and Remuneration Committee (NRC), the Board of Directors appointed Mr. Sanjay Kumar Banga (DIN: 07785948), nominated by The Tata Power Company Limited (Tata Power) as an Additional Director of the Company with effect from 20th January 2020 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. Banga holds office only upto the date of the forthcoming 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. Banga's appointment as a Director.

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

Mr. Sanjay Kumar Banga is the President (T&D) of The Tata Power Company Limited ("Tata Power"). Mr. Banga had been a key member of the leadership team at Tata Power Delhi Distribution Limited (Tata Power-DDL) before he took charge as Chief Executive Officer, Tata Power-DDL in May 2018.

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 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.

Mr. Banga is an alumnus of the National Institute of Technology (NIT), Kurukshetra. He had 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 had successfully completed the Senior Executive Leadership Program from the most coveted Harvard Business School.

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

In compliance with the applicable provisions of the Act, the appointment of Mr. Sanjay Kumar Banga 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 the approval by the members of the Company.

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

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

Item no. 7: Department of Power, GoNCTD vide its letter no. F.11(129)/2002/Power/Vol.II/3072 dated 1st November 2019 and Delhi Power Company Limited (DPCL) vide its letter no. F.17/DPCL/CS/2019-20/158 dated 20th November 2019, had nominated Mr. Jasmine Shah (DIN: 08621290) as Director on the Board of the Company.

Based on the recommendation of the Nomination and Remuneration Committee (NRC), the Board of Directors appointed Mr. Jasmine Shah as an Additional Director of the Company with effect from 20th January 2020 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. Shah holds office only upto the date of the forthcoming 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. Shah's appointment as a Director.

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

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 had 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 had also worked on several crucial transport reforms of the Delhi Government such as the Electric Vehicle Policy, Common Mobility Card, Bus Route rationalization and last mile connectivity initiative, 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 was the Deputy Director of its South Asia office and prior to that at the Janaagraha Centre for Citizenship and Democracy.

Mr. 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.

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

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

The Board recommends the resolution at item no. 7 of the accompanying notice for the approval by the members of the Company.

Other than Mr. Shah, none of the Directors, Key Managerial Personnel (KMP) or their respective relatives are concerned or interested in the resolution at item no. 7 of the accompanying notice.

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

Item no. 8: Department of Power, GoNCTD vide its letter no. F.11(129)/2002/Power/Vol.II/3072 dated 1st November 2019 and Delhi Power Company Limited (DPCL) vide its letter no. F.17/DPCL/CS/2019-20/158 dated 20th November 2019, had nominated Mr. Ajit Kumar Singh (DIN: 08628370) as Director on the Board of the Company.

Based on the recommendation of the Nomination and Remuneration Committee (NRC), the Board of Directors appointed Mr. Ajit Kumar Singh as an Additional Director of the Company with effect from 20th January 2020 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. Singh holds office only upto the date of the forthcoming 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. Singh's appointment as a Director.

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

As a member of IAS, Mr. Ajit Kumar Singh had 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 had 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, 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 and water and sanitation master plan. He had attended course on "Dynamics of Public Policy" from Management and Development Centre, Shepherdstown, West Virginia, USA. His work exposure in different capacities and different departments in government had 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.

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 had worked in different capacities as Secretary Health, Education, Rural Development and Special Secretary (Tourism) and Chairman D&NH Development Authority. He had also served as Secretary to the Minister of Finance & Revenue, Education, 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.

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

The Board recommends the resolution at item no. 8 of the accompanying notice for the approval by the members of the Company.

Other than Mr. Singh, none of the Directors, Key Managerial Personnel (KMP) or their respective relatives are concerned or interested in the resolution at item no. 8 of the accompanying notice.

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

Item no. 9: Department of Power, GoNCTD vide its letter no. F.11(129)/2002/Power/Vol.II/3072 dated 1st November 2019 and Delhi Power Company Limited (DPCL) vide its letter no. F.17/DPCL/CS/2019-20/158 dated 20th November 2019, had nominated Ms. Rashmi Krishnan (DIN: 06796552) as Director on the Board of the Company.

Based on the recommendation of the Nomination and Remuneration Committee (NRC), the Board of Directors appointed Ms. Rashmi Krishnan as an Additional (Woman) Director of the Company with effect from 20th January 2020 in terms of Article 96 of Company's Articles of Association and second proviso of section 149(1) read with 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, Ms. Krishnan holds office only upto the date of the forthcoming 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 Ms. Krishnan's appointment as a Director.

In the opinion of the Board, Ms. Krishnan fulfills the conditions specified in the Act and the rules made thereunder for appointment as a Director.

Ms. Rashmi Krishnan is a retired IAS Officer of AGMU Cadre of batch 2000.

She commenced her career as a civil servant in 1984 as a DANICS Officer and had served for 35 ½ years in the NCT of Delhi and in the Andaman and Nicobar Islands.

Among her many assignments, those that had been in commercial areas are:

a) Sales Tax Officer
b) Assistant Commissioner Sales Tax
c) Deputy Commissioner Sales Tax
d) Additional Commissioner (Refunds), VAT
e) Director Property Tax, NDMC
f) Director Law, NDMC
g) Secretary Law, A&N Administration
h) Secretary Industries, A&N Administration
i) Member, Board of Directors, A&N Industrial Devt. Corpn.

She is a Law Graduate, having completed her LL.B. from Campus Law Centre, Delhi University. She had also completed her Post Graduation in Law from Delhi University in 1989.

She is known for her clean, transparent, administration and people-friendly, time-targeted approach throughout her many assignments.

Other departments she had served include Health, Education, Social Welfare, Women & Child Development and so on.

Further details and current Directorships of Ms. Krishnan are provided in the Annexure to this Notice.

In compliance with the applicable provisions of the Act, the appointment of Ms. Rashmi Krishnan as a Director is now being placed before the members for their approval.

The Board recommends the resolution at item no. 9 of the accompanying notice for the approval by the members of the Company.

Other than Ms. Krishnan, none of the Directors, Key Managerial Personnel (KMP) or their respective relatives are concerned or interested in the resolution at item no. 9 of the accompanying notice.

Ms. Krishnan is not related to any other Director or KMPs of the Company.

Item no. 10: Department of Power, GoNCTD vide its letter no. F.11(129)/2002/Power/Vol.II/3072 dated 1st November 2019 and Delhi Power Company Limited (DPCL) vide its letter no. F.17/DPCL/CS/2019-20/158 dated 20th November 2019, had nominated Mr. Naveen ND Gupta (DIN: 00271748) as Director on the Board of the Company.

Based on the recommendation of the Nomination and Remuneration Committee (NRC), the Board of Directors appointed Mr. Naveen ND Gupta as an Additional Director of the Company with effect from 20th January 2020 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. Gupta holds office only upto the date of the forthcoming 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. Gupta's appointment as a Director.

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

Mr. Naveen ND Gupta is a Fellow Chartered Accountant with All India – 25th Rank by Institute of Chartered Accountants of India and has about 25 years of experience in auditing, corporate laws, banking and finance with M/s. Dass Gupta & Associates, Chartered Accountants. He started his accountancy career as trainee in 1993 and was later elevated to position of Partner. He is a regular speaker and paper writer at national and international forums and had tackled intricate accounting, auditing, corporate governance and finance issues as Central Statutory Auditor of the top banks, insurance Companies and CPSEs.

Mr. Gupta was the Ex. President, Institute of Chartered Accountants of India. He has various professional achievements and possess relevant special knowledge and practical experience in banking, economics, finance, audit, etc.

He had served on various positions at Government, Regulatory Bodies, International Bodies, Public Interest Entities, Technical/Regulatory Committee(s) of Institute of Chartered Accountants of India. He is also an Author and Faculty & Speaker.

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

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

The Board recommends the resolution at item no. 10 of the accompanying notice for the approval by the members of the Company.

Other than Mr. Gupta, none of the Directors, Key Managerial Personnel (KMP) or their respective relatives are concerned or interested in the resolution at item no. 10 of the accompanying notice.

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

Item no. 11: Mr. Amar Jit Chopra (DIN: 00043355) was appointed as an Independent Director of the Company, not liable to retire by rotation, for a period of three years, with effect from 23rd March 2017 to 22nd March 2020. His first term of three years ended on 22nd March 2020.

As per section 149(10) of the Companies Act, 2013 ("Act"), an Independent Director shall hold office for a term upto five consecutive years on the Board of a Company, but shall be eligible for re-appointment on passing of a special resolution by the Company and disclosure of such appointment in the Board's Report . Further, as per Schedule IV to the Act, the re-appointment of Independent Director shall be on the basis of report of performance evaluation.

The Board had evaluated Mr. Chopra's performance and found it to be satisfactory.

In view of his performance, wide experience, thorough understanding of the business of the Company, based on the recommendation of Nomination and Remuneration Committee and subject to the approval of shareholders at the forthcoming AGM, the Board has approved re-appointment of Mr. Amar Jit Chopra as an Independent Director of the Company, not liable to retire by rotation, for a second term of three years, with effect from 23rd March 2020 to 22nd March 2023, pursuant to the provisions of sections 149, 178 read with Schedule IV and other applicable provisions, if any, of the Companies Act, 2013 and the rules made thereunder.

A notice under section 160(1) of the Act has been received from a member signifying his intention to propose Mr. Chopra's appointment as a Director.

The Company has received declaration from Mr. Chopra to the effect that he fulfills all the conditions specified under section 149 of the Act to qualify as an Independent Director on the Board of the Company.

In the opinion of the Board, Mr. Chopra fulfills the conditions specified in the Act and the rules made thereunder for re-appointment as an Independent Director and he is Independent of the management.

The terms and conditions of re-appointment of Mr. Chopra shall be open for inspection in accordance with provisions of the Companies Act 2013 and the rules made thereunder (including relaxations given by Ministry of Corporate Affairs, from time to time, due to COVID 19 pandemic) by any member. The terms and conditions of his re-appointment are disclosed on the Company's website.

Mr. Amar Jit Chopra is the former Chairman of the Institute of Chartered Accountants of India. He is a Chartered Accountant.

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

In view of the above and pursuant to the provisions of section 149 read with Schedule IV to the Act, the re-appointment of Mr. Chopra as an Independent Director is now being placed before the members for their approval.

The Board recommends the resolution at item no. 11 of the accompanying notice for the approval by the members of the Company.

Other than Mr. Chopra, none of the Directors, Key Managerial Personnel (KMP) or their respective relatives are concerned or interested in the resolution at item no. 11 of the accompanying notice.

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

Item no. 12: Mr. Ajay Shankar (DIN: 01800443) was appointed as an Independent Director of the Company, not liable to retire by rotation, for a period of three years, with effect from 23rd March 2017 to 22nd March 2020. His first term of three years ended on 22nd March 2020.

As per section 149(10) of the Companies Act, 2013 ("Act"), an Independent Director shall hold office for a term upto five consecutive years on the Board of a Company, but shall be eligible for re-appointment on passing of a special resolution by the Company and disclosure of such appointment in the Board's Report. Further, as per Schedule IV to the Act, the re-appointment of Independent Director shall be on the basis of report of performance evaluation.

The Board had evaluated Mr. Shankar's performance and found it to be satisfactory.

In view of his performance, wide experience, thorough understanding of the business of the Company, based on the recommendation of Nomination and Remuneration Committee and subject to the approval of shareholders at the forthcoming AGM, the Board has approved re-appointment of Mr. Ajay Shankar as an Independent Director of the Company, not liable to retire by rotation, for a second term of three years, with effect from 23rd March 2020 to 22nd March 2023, pursuant to the provisions of sections 149, 178 read with Schedule IV and other applicable provisions, if any, of the Companies Act, 2013 and the rules made thereunder.

A notice under section 160(1) of the Act has been received from a member signifying his intention to propose Mr. Shankar's appointment as a Director.

The Company has received declaration from Mr. Shankar to the effect that he fulfills all the conditions specified under section 149 of the Act to qualify as an Independent Director on the Board of the Company.

In the opinion of the Board, Mr. Shankar fulfills the conditions specified in the Act and the rules made thereunder for re-appointment as an Independent Director and he is Independent of the management.

The terms and conditions of re-appointment of Mr. Shankar shall be open for inspection in accordance with provisions of the Companies Act 2013 and the rules made thereunder (including relaxations given by Ministry of Corporate Affairs, from time to time, due to COVID 19 pandemic) by any member. The terms and conditions of his re-appointment are disclosed on the Company's website.

Mr. Ajay Shankar is a distinguished fellow at TERI, The Energy and Resources Institute. He has rich and varied experience in public service for over forty three years, primarily in the fields of industry, the power sector and urban development.

He was a member of the premier Indian Administrative Service which he joined in 1973 and retired as Secretary, Department of Industrial Policy and Promotion in the Government of India in December, 2009. He played a crucial role in putting together the stimulus packages at the time of the global economic crisis of 2008 which enabled the Indian economy to recover in a short time and again grow at over 8%. The plan for the ambitious Delhi-Mumbai Industrial Corridor Project was developed under his stewardship. The FDI policy was further liberalized and rationalized. He was the Chairman of the National Productivity Council and of the Quality Council of India and gave greater momentum to their activities. He initiated the setting up of Invest India.

He served for a three-year term, November 2011-2014, as Member Secretary of the National Manufacturing Competitiveness Council (NMCC), an advisory body comprising leading Captains of Industry, Key Secretaries of Government and eminent Academics. Some of the major recommendations of NMCC have been taken up for implementation by the Government including the National Skill Mission, Facilitating Start-ups, Reform of Labour Laws and reducing the Regulatory burden on enterprises. Sector specific recommendations for breakthroughs in manufacturing in Electronics and IT Hardware, Defence Manufacturing, Civilian Aircraft, Shipbuilding, Electric Vehicles, Steel and Textiles were evolved.

As Joint Secretary and then Additional Secretary in the Ministry of Power he played a key role in enactment of the Electricity Act, 2003, and rules and policies under it. This created a new liberal framework for the development of the power sector and was one of the major pieces of reform legislation at that time. He was also instrumental in promoting private sector participation in the Power Sector including the Ultra Mega Power Projects. He played a crucial role in the conceptualization and the launch of the national program for completing rural electrification which was launched in 2005 and under which over 1,00,000 villages have been electrified.

Before serving as Secretary (DIPP), he was Principal Adviser in the Planning Commission looking after Environment and Forests, Water and Sanitation as well as provision of Rural Infrastructure and contributed to the preparation of the Eleventh Five Year Plan in these areas.

He had served on the Boards of major public sector Companies such as IDBI, EXIM Bank, NTPC, NHPC, PFC and REC and had also served as an Independent Director on the Boards of HAL and Tata Global Beverages. He is presently serving as a non-executive Independent Director on the Board of Larsen and Toubro Limited. He is also a senior advisor at IRADE. He is also a Special Advisor on the Board of Power Roll Limited (Technology Company in UK, Washington Business Centre 2 Turbine Way, Sunderland SR5 3NZ) and Chairman of the Board of Trustees of the Foundation of MSME Clusters (FMC).

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

In view of the above and pursuant to the provisions of section 149 read with Schedule IV to the Act, the re-appointment of Mr. Shankar as an Independent Director is now being placed before the members for their approval.

The Board recommends the resolution at item no. 12 of the accompanying notice for the approval by the members of the Company.

Other than Mr. Shankar, none of the Directors, Key Managerial Personnel (KMP) or their respective relatives are concerned or interested in the resolution at item no. 12 of the accompanying notice.

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

Item no. 13: Based on the recommendation of Nomination and Remuneration Committee, the Board of Directors appointed Mr. Kesava Menon Chandrasekhar (DIN: 06466854) as Additional Director of the Company and also as Independent Director, not being liable to retire by rotation for a first term of three years with effect from 24th March 2020 to 23rd March 2023, subject to approval of members.

In terms of section 161(1) of the Act and Articles of Association of the Company, Mr. Chandrasekhar holds office only upto the date of this AGM of the Company and is eligible to be appointed as Director. A notice under section 160(1) of the Act has been received from a member signifying his intention to propose Mr. Chandrasekhar's appointment as a Director.

The Company has received declaration from Mr. Chandrasekhar to the effect that he fulfills all the conditions specified under section 149 of the Act to qualify as an Independent Director on the Board of the Company.

In the opinion of the Board, Mr. Chandrasekhar fulfills the conditions specified in the Act and the rules made thereunder for appointment as an Independent Director and he is Independent of the management.

The terms and conditions of appointment of Mr. Chandrasekhar shall be open for inspection in accordance with provisions of the Companies Act 2013 and the rules made thereunder (including relaxations given by Ministry of Corporate Affairs, from time to time, due to COVID 19 pandemic) by any member. The terms and conditions of his appointment are disclosed on the Company's website.

Mr. Kesava Menon Chandrasekhar entered the Indian Administrative Service in 1970. He was ranked third in the list in the batch. Prior to that, Mr. Chandrasekhar secured B.A. (Honours) in Economics and M.A. in History from St. Stephen's, College, University of Delhi. After entering Government service, Mr. Chandrasekhar did his M.A. in Management Studies from the University of Leeds in United Kingdom.

Mr. Chandrasekhar spent the first 25 years of his career in Kerala, holding such positions as Managing Director of the State Civil Supplies Corporation, District Collector, Idukki, Director of Fisheries, Principal Secretary (Industries) and Principal Secretary (Finance). During this period, Mr. Chandrasekhar was also Chairman of the Spices Board under the Ministry of Commerce, Government of India.

In 1996, Mr. Chandrasekhar left Kerala on Central Government deputation. During his 15 years tenure with the Government of India, from 1996 to 2011, Mr. Chandrasekhar was Joint Secretary in the key Trade Policy Division of the Ministry of Commerce, Deputy Chief of Mission in the Embassy of India, Brussels and the Ambassador and Permanent Representative of India in the World Trade Organization in Geneva. Mr. Chandrasekhar rose to the position of Union Cabinet Secretary. As Cabinet Secretary, Mr. Chandrasekhar was Head of all the Civil Services in India and reported directly to the Prime Minister. He retained that position for four years. Mr. Chandrasekhar retired from Government service in 2011 at the age of 63, having served Government for 41 years.

Post Retirement, he was, for 5 years, Vice-Chairman, Kerala State Planning Board with rank of Cabinet Minister of the State.

Mr. Chandrasekhar has considerable management experience having been associated as Chairman, Managing Director or member of the Board of Directors of more than 40 Companies in the public, joint and private sector. He has written several articles and presented papers. He has also been consultant to the Commonwealth Secretariat and to the UN Food and Agriculture Organization.

Mr. Chandrasekhar is presently President, Sree Chitra Institute of Medical Sciences and Technology, Trivandrum and Chairman, Centre for Development Studies, Trivandrum.

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

In view of the above and pursuant to the provisions of section 149 read with Schedule IV to the Act, the appointment of Mr. Chandrasekhar as an Independent Director is now being placed before the members for their approval.

The Board recommends the resolution at item no. 13 of the accompanying notice for the approval by the members of the Company.

Other than Mr. Chandrasekhar, none of the Directors, Key Managerial Personnel (KMP) or their respective relatives are concerned or interested in the resolution at item no. 13 of the accompanying notice.

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

Item no. 14: Pursuant to the provisions of section 148 of the Act, the Company is required to have the audit of its cost records conducted by a Cost Accountant in practice. On the recommendation of Audit Committee of Directors, the Board of Directors have approved the re-appointment of M/s Ramanath Iyer & Co as the Cost Auditors of the Company to conduct audit of cost records maintained by the Company (Generation and Distribution business) for the financial year 2020-21, at a remuneration of ₹ 2,18,900/- (plus other applicable taxes, traveling and out-of-pocket expenses).

M/s Ramanath Iyer & Co, have furnished a certificate regarding their eligibility for 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. 14 of the accompanying notice for ratification of the cost auditors' remuneration for FY 2020-21, 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. 14 of the accompanying notice.

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

Delhi, 29th April 2020
Corporate Identity No.
U40109DL2001PLC111526
Registered Office:
NDPL House, Hudson Lines,
Kingsway Camp, Delhi 110009
Tel:01166112222 Fax No:01127468042
email: TPDDL@tatapower-ddl.com
Website: http://www.tatapower-ddl.com/

Sd/-
(Ajay Kalsie)
Company Secretary
Membership No. 13810

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

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

Name of Director	**Mr. Praveer Sinha**	**Mr. Ramesh Narayanswamy Subramanyam**	**Ms. Satya Gupta**	**Mr. Sanjay Kumar Banga**	**Mr. Jasmine Shah**	**Mr. Ajit Kumar Singh**
Date of birth	8th April 1962	27th June 1969	18th March 1955	24th July 1967	27th April 1981	13th January 1954
Date of appointment	4th May 2018	16th June 2018	18th July 2018	20th January 2020	20th January 2020	20th January 2020
Expertise in functional areas	Mr. Praveer Sinha has over three decades of experience in the power sector and has been credited with transforming the power distribution sector and development and setting up of greenfield and brownfield power plants in India and abroad.	He has over two decades of experience in the field of Finance, Commercial, Corporate Treasury, Accounts and Secretarial functions. He has worked in Siemens AG, Monsanto India Limited, Hindustan Lever Limited and Lloyds Steel Industries Limited. He has served in various senior positions in The Tata Power Company Ltd. and its subsidiaries since 2007, and is presently it's Chief Finance Officer.	Ms. Satya Gupta has vast experience of more than four decades out of which almost 20 years are in Power Sector. She had been with Tata Power-DDL since December, 2002. She has rich experience in handling large IT & OT (Information Technology & Operational Technology) software development, integration and implementation projects, automation of processes, digitalization by identification and implementation of right technology, handling change management, business process re-engineering, etc. Ms. Gupta provided her professional expertise to the Company on several strategic initiatives and was part of many Cross Functional	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 /	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 had 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 had also worked on several crucial transport reforms of the Delhi Government such as the Electric Vehicle Policy,	As a member of IAS, Mr. Ajit Kumar Singh had 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 had 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, 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

			Teams and Innovation Council. As General Manager-IT at Tata Power-DDL, she has been instrumental in implementation of various automation technologies/ software applications, SAP practices, setting up IT infrastructure, integration of information and operational technologies. Ms Gupta was working in Delhi Vidyut Board (DVB), a state owned utility prior to joining Tata Power-DDL and has anchored the challenging journey of turning around a loss making utility with no computerization into almost fully automated organization with more than 90% of its processes automated and fully integrated. Ms. Gupta is considered as an expert in Power Sector Cyber Security and is the recipient of the 'Top 100 CISO' award for five consecutive years and also DSCI Excellence Award 2016 – 'Security in Energy Sector-	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 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.	Common Mobility Card, bus route rationalization and last mile connectivity initiative, 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 was the Deputy Director of its South Asia office and prior to that at the Janaagraha Centre for Citizenship and Democracy.	Singapore. He had visited Manila and Hongkong as a part of Asian Development Bank sponsored study tour for slum rejuvenation and water and sanitation master plan. He had attended course on "Dynamics of Public Policy" from Management and Development Centre, Shepherdstown, West Virginia, USA. His work exposure in different capacities and different departments in government had 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. Ministry of Home Affairs in the year, 2009 nominated Mr. Singh as a group for Prime Minister's Award for excellence in Public Administration

			Power'. Under her leadership, Tata Power-DDL became the only utility at global level to get the appraisal done successfully for CMMI Level 3 for both of its IT&OT systems. Her deep knowledge of various IT & OT technologies, cyber security, utility business processes and regulatory environment made her the recipient of 'Leading Woman in Energy' & 'Leading Woman Owned Innovative Project' for the year 2011 and 'SAP ACE Woman CIO (Chief Information Officer) of the year 2015' Awards. Ms Gupta is the Director in the Board of Tata Power – DDL since 2018. Post superannuation from Tata Power-DDL, Ms Gupta is mentoring energy related innovative technology projects being undertaken by incubators at 'Clean Energy International Innovation Centre'.			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 had worked in different capacities as Secretary Health, Education, Rural Development and Special Secretary (Tourism) and Chairman D&NH Development Authority. He had also served as Secretary to the Minister of Finance & Revenue, Education, 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	Master's Degree in Business Law from National	Graduate in Commerce from Nagpur	M.Tech from IIT Delhi, M. Sc. (Maths)	Alumnus of the National Institute of Technology	B.Tech. and M.Tech. degrees in Mechanical	IAS Officer

	Law School, Bengaluru and is also professionally trained as an Electrical Engineer. He is a Research Scholar at the Indian Institute of Technology Delhi and is also a visiting Scholar at Massachusetts Institute of Technology, Boston, USA.	University. He is a member of the Institute of Cost Accountants of India and Institute of Company Secretaries of India. He has also passed the CPA (Certified Public Accountants) examination of the American Institute of Certified Public Accountants (AICPA).	from Delhi University	(NIT), Kurukshetra. He had 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 had successfully completed the Senior Executive Leadership Program from the most coveted Harvard Business School.	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.	
Terms & conditions of appointment	Appointed as a Non-Executive Director	Appointed as a Non-Executive Director	Appointed as a Non-Executive (Woman) Director	Appointed as an Additional (Non-Executive) Director	Appointed as an Additional (Non-Executive) Director	Appointed as an Additional (Non-Executive) Director
Remuneration	Nil	Nil	Only sitting fee is paid.	Nil	Only sitting fee is paid.	Only sitting fee is paid.
Directorships held in other Companies (excluding foreign Companies)	• Chief Executive Officer and Managing Director of The Tata Power Company Limited • Chairman of the following Companies: 1. Tata Power Solar Systems Limited 2. Tata Power Renewable Energy Limited • Director of the following Company: 1. Tata Power Trading	• Director of the following Companies: 1. Tata Projects Limited 2. Coastal Gujarat Power Limited 3. Tata Power Renewable Energy Limited 4. Prayagraj Power Generation Company Limited 5. Far Eastern Natural Resources LLC	Nil	• Director of the following Companies: 1. TP Ajmer Distribution Limited (Chairman) 2. Powerlinks Transmission Limited (Additional Director) 3. Tata Projects Limited (Additional Director) 4. TP Renewable Microgrid Limited (Additional Director) 5. Tata Power Trading Company Limited	• Director of the following Companies: 1. BSES Rajdhani Power Limited (Additional Director) 2. BSES Yamuna Power Limited (Additional Director)	Nil

	Company Limited					
Committee positions held in other Companies	• Member of the following Committees: 1. The Tata Power Company Limited – Corporate Social Responsibility Committee, Executive Committee of the Board, Committee of Directors, Committee of Directors for Tata Power Group Re-Structuring and Committee for Sale of Properties 2. Tata Power Renewable Energy Limited- Nomination and Remuneration Committee 3. Tata Power Trading Company Limited- Committee of Directors/ Commercial Committee	• Member of the following Committees: 1. Coastal Gujarat Power Limited- Audit Committee 2. Tata Projects Limited- Audit Committee 3. Tata Power Renewable Energy Limited- Audit Committee	Nil	• Chairman of the following Committee: 1. TP Ajmer Distribution Limited- Committee of Directors	Nil	Nil
Number of Shares held	One equity share of ₹ 10/- in the Company jointly with The Tata Power Company Limited	Nil	Nil	One equity share of ₹ 10/- in the Company jointly with The Tata Power Company Limited	Nil	Nil

Name of Director	Ms. Rashmi Krishnan	Mr. Naveen ND Gupta	Mr. Kesava Menon Chandrasekhar	Mr. Amar Jit Chopra	Mr. Ajay Shankar
Date of birth	3rd September 1959	8th November 1972	20th February 1948	27th June 1952	26th December 1949
Date of appointment	20th January 2020	20th January 2020	24th March 2020	23rd March 2020 (Re-appointed as an Independent Director for second term of three years w.e.f 23rd March 2020 to 22nd March 2023)	23rd March 2020 (Re-appointed as an Independent Director for second term of three years w.e.f 23rd March 2020 to 22nd March 2023)
Expertise in functional areas	Ms. Rashmi Krishnan is a retired IAS Officer of AGMU Cadre of batch 2000. She commenced her career as a civil servant in 1984 as a DANICS Officer and had served for 35 ½ years in the NCT of Delhi and in the Andaman and Nicobar Islands. Among her many assignments, those that had been in commercial areas are: a) Sales Tax Officer b) Assistant Commissioner Sales Tax c) Deputy Commissioner Sales Tax d) Additional Commissioner (Refunds), VAT e) Director Property Tax, NDMC f) Director Law, NDMC g) Secretary Law, A&N Administration h) Secretary Industries, A&N Administration i) Member, Board of Directors, A&N Industrial Devt. Corpn. She is known for her clean, transparent, administration and	Mr. Naveen ND Gupta is a Fellow Chartered Accountant with All India – 25th Rank by Institute of Chartered Accountants of India and has about 25 years of experience in auditing, corporate laws, banking and finance with M/s. Dass Gupta & Associates, Chartered Accountants. He started his accountancy career as trainee in 1993 and was later elevated to position of Partner. He is a regular speaker and paper writer at national and international forums and had tackled intricate accounting, auditing, corporate governance and finance issues as Central Statutory Auditor of the top banks, insurance Companies and CPSEs. Mr. Gupta was the Ex. President, Institute of Chartered Accountants of India. He has various professional achievements and possess	Mr. Chandrasekhar spent the first 25 years of his career in Kerala, holding such positions as Managing Director of the State Civil Supplies Corporation, District Collector, Idukki, Director of Fisheries, Principal Secretary (Industries) and Principal Secretary (Finance). During this period, Mr. Chandrasekhar was also Chairman of the Spices Board under the Ministry of Commerce, Government of India. In 1996, Mr. Chandrasekhar left Kerala on Central Government deputation. During his 15 years tenure with the Government of India, from 1996 to 2011, Mr. Chandrasekhar was Joint Secretary in the key Trade Policy Division of the Ministry of Commerce, Deputy Chief of Mission in the Embassy of India, Brussels and the Ambassador and Permanent Representative of India in the World Trade Organization in Geneva. Mr. Chandrasekhar rose to the position	Mr. Amar Jit Chopra is the former Chairman of the Institute of Chartered Accountants of India.	Mr. Ajay Shankar is a distinguished fellow at TERI, The Energy and Resources Institute. He has rich and varied experience in public service for over forty three years, primarily in the fields of industry, the power sector and urban development. He was a member of the premier Indian Administrative Service which he joined in 1973 and retired as Secretary, Department of Industrial Policy and Promotion in the Government of India in December, 2009. He played a crucial role in putting together the stimulus packages at the time of the global economic crisis of 2008 which enabled the Indian economy to recover in a short time and again grow at over 8%. The plan for the ambitious Delhi-Mumbai Industrial Corridor Project was developed under his stewardship. The

	people-friendly, time-targeted approach throughout her many assignments. Other departments she had served include Health, Education, Social Welfare, Women & Child Development and so on.	relevant special knowledge and practical experience in banking, economics, finance, audit, etc. He had served on various positions at Government, Regulatory Bodies, International Bodies, Public Interest Entities, Technical/Regulatory Committee(s) of Institute of Chartered Accountants of India. He is also an Author and Faculty & Speaker.	of Union Cabinet Secretary. As Cabinet Secretary, Mr. Chandrasekhar was Head of all the Civil Services in India and reported directly to the Prime Minister. He retained that position for four years. Mr. Chandrasekhar retired from Government service in 2011 at the age of 63, having served Government for 41 years. Post Retirement, he was, for 5 years, Vice-Chairman, Kerala State Planning Board with rank of Cabinet Minister of the State. Mr. Chandrasekhar has considerable management experience having been associated as Chairman, Managing Director or member of the Board of Directors of more than 40 Companies in the public, joint and private sector. He has written several articles and presented papers. He has also been consultant to the Commonwealth Secretariat and to the UN Food and Agriculture Organization. Mr. Chandrasekhar is presently Chairman, Federal Bank; President, Sree Chitra Institute of Medical Sciences and Technology, Trivandrum and Chairman, Centre for Development		FDI policy was further liberalized and rationalized. He was the Chairman of the National Productivity Council and of the Quality Council of India and gave greater momentum to their activities. He initiated the setting up of Invest India. He served for a three-year term, November 2011-2014, as Member Secretary of the National Manufacturing Competitiveness Council (NMCC), an advisory body comprising leading Captains of Industry, key Secretaries of Government and eminent Academics. Some of the major recommendations of NMCC have been taken up for implementation by the Government including the National Skill Mission, Facilitating Start-ups, Reform of Labour Laws and reducing the Regulatory burden on enterprises. Sector specific recommendations for breakthroughs in manufacturing in Electronics and IT Hardware, Defence Manufacturing, Civilian Aircraft, Shipbuilding, Electric Vehicles, Steel and Textiles were evolved. As Joint Secretary and

			Studies, Trivandrum.		then Additional Secretary in the Ministry of Power he played a key role in enactment of the Electricity Act, 2003, and rules and policies under it. This created a new liberal framework for the development of the power sector and was one of the major pieces of reform legislation at that time. He was also instrumental in promoting private sector participation in the Power Sector including the Ultra Mega Power Projects. He played a crucial role in the conceptualization and the launch of the national program for completing rural electrification which was launched in 2005 and under which over 1,00,000 villages have been electrified. Before serving as Secretary (DIPP), he was Principal Adviser in the Planning Commission looking after Environment and Forests, Water and Sanitation as well as provision of Rural Infrastructure and contributed to the preparation of the Eleventh Five Year Plan in these areas. He had served on the Boards of major public sector Companies such

					as IDBI, EXIM Bank, NTPC, NHPC, PFC and REC and had also served as an Independent Director on the Boards of HAL and Tata Global Beverages. He is also a senior advisor at IRADE. He is also a Special Advisor on the Board of Power Roll Limited (Technology Company in UK, Washington Business Centre 2 Turbine Way, Sunderland SR5 3NZ) and Chairman of the Board of Trustees of the Foundation of MSME Clusters (FMC).
Qualifications	IAS Officer. Law Graduate, from Campus Law Centre, Delhi University. She had also completed her Post Graduation in Law from Delhi University in 1989.	Fellow Chartered Accountant with All India – 25th Rank by Institute of Chartered Accountants of India	IAS Officer ranked third in the list in the batch. Prior to that, Mr. Chandrasekhar secured B.A. (Honours) in Economics and M.A. in History from St. Stephen's, College, University of Delhi. M.A. in Management Studies from the Unversity of Leeds in United Kingdom.	Chartered Accountant	IAS Officer
Terms & conditions of appointment	Appointed as Additional (Non-Executive) (Woman) Director	Appointed as Additional (Non-Executive) Director	Appointed as Additional (Independent) Director	The terms and conditions of re-appointment of Mr. Chopra shall be open for inspection through electronic mode and are also disclosed on the Company's website.	The terms and conditions of re-appointment of Mr. Shankar shall be open for inspection through electronic mode and are also disclosed on the Company's website.
Remuneration	Only sitting fee is paid.	Only sitting fee is paid.	Only sitting fee is paid.	Only sitting fee is paid.	Only sitting fee is paid.
Directorships held in other Companies (excluding foreign Companies)	• Director of the following Company: 1. Sevachild India Foundation (Additional Director)	• Director of the following Companies: 1. Four Plus Security Services Private Limited	• Director of the following Companies: 1. Tata Advanced Systems Limited 2. KIMS Health Care Management	• Director of the following Companies: 1. Rico Auto Industries Limited 2. Rico Investments Limited	• Director of the following Company: 1. Larsen and Toubro Limited

		2. SMC Global Securities Limited 3. BSES Yamuna Power Limited (Additional Director) 4. BSES Rajdhani Power Limited (Additional Director)	Limited (Independent Director) 3. KIMS Al Shifa Healthcare Private Limited (Independent Director) 4. Coastal Gujarat Power Limited (Independent Director) 5. The Tata Power Company Limited	3. Roop Automotives Limited 4. ICAI Accounting Research Foundation 5. Village Financial Services Limited	
Committee positions held in other Companies	Nil	Nil	• Member of the following Committees: 1. The Tata Power Company Limited- Audit Committee and Corporate Social Responsibility Committee 2. Coastal Gujarat Power Limited-Audit Committee, Corporate Social Responsibility Committee and Nomination and Remuneration Committee 3. Tata Advanced Systems Limited- Audit Committee and Corporate Social Responsibility Committee	• Chairman of the following Committees: 1. Rico Auto Industries Limited-Audit Committee and Stakeholders Relationship Committee 2. ICAI Accounting Research Foundation- Audit Committee 3. Rico Investments Limited- Audit Committee • Member of the following Committees: 1. Rico Auto Industries Limited - Nomination & Remuneration Committee and Budget & Investment Committee 2. Village Financial Services Limited- Audit Committee 3. Roop Automotives Limited- Audit Committee	• Member of the following Committee: 1. Larsen and Toubro Limited- Stakeholders Relationship Committee
Number of Shares held	Nil	Nil	Nil	Nil	Nil

SOP for using

CISCO – WEBEX

Remote meeting solution

To Join from Laptop/Desktop:-

- **Copy the Link from invitation mail & Use the Google chrome to join in the meeting.**
- **Upon Clicking it will prompt and display the screen as below.**

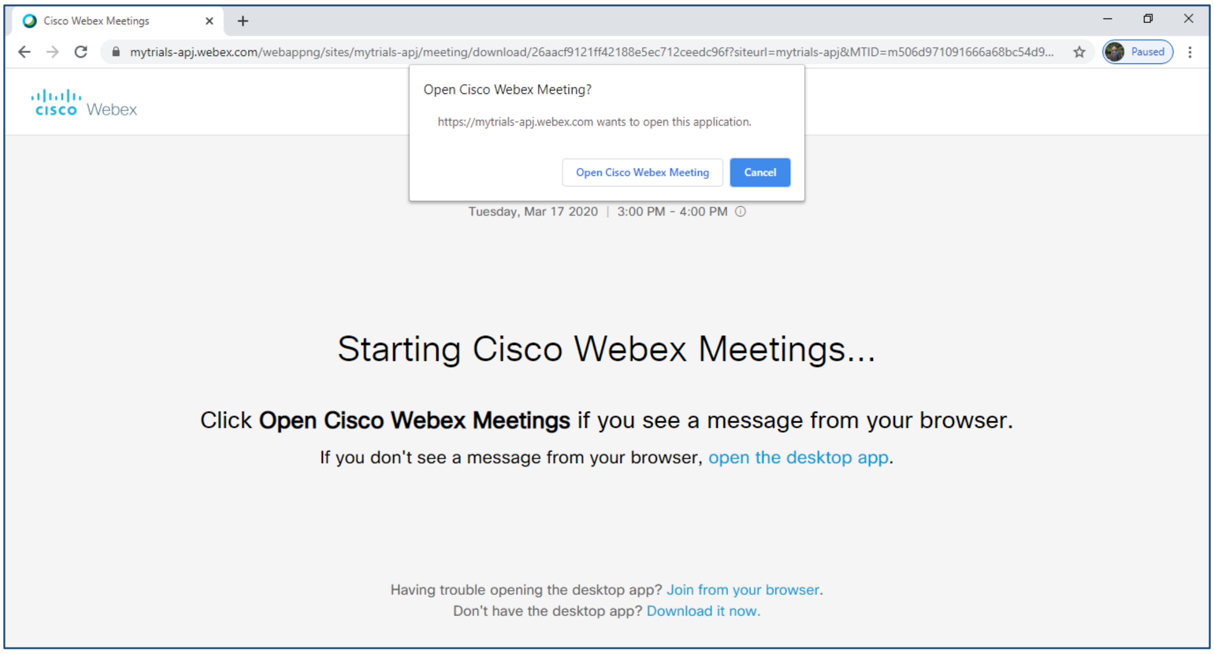
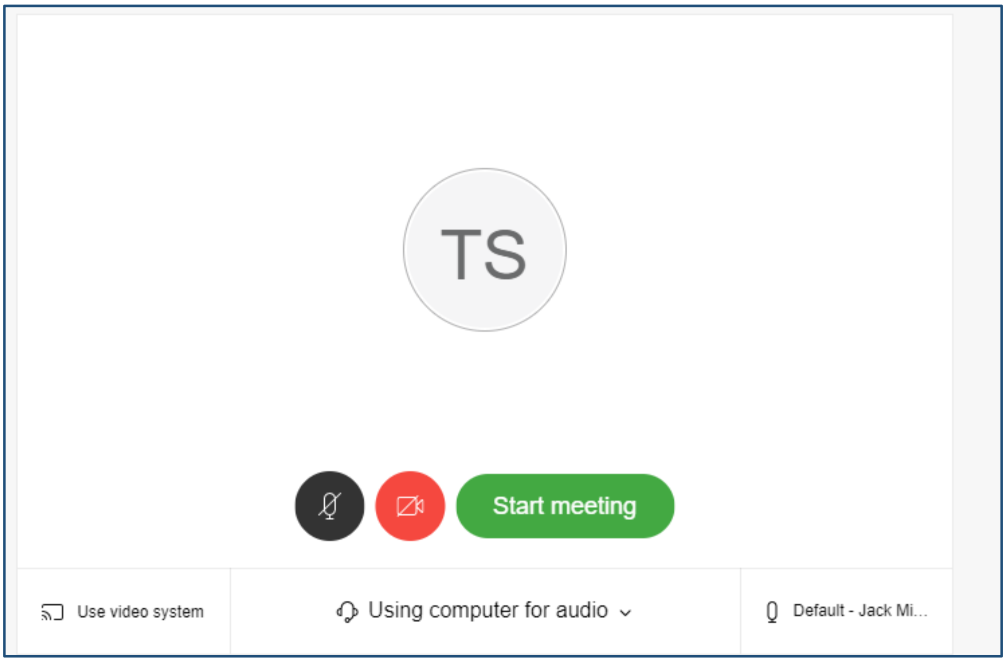


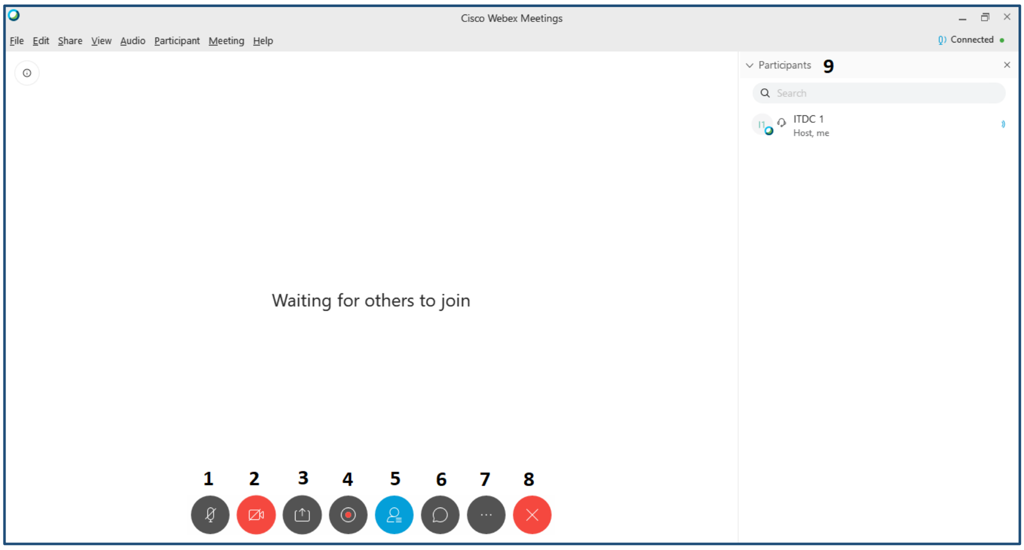
Fig.1

- **If you don't have Cisco Webex Desktop app , then click on Download it Now and install it. Or You can also use option Join from your browser (refer Fig.1).**
- **Click Open cisco WebEx Meeting to Join.**
- **You need to enter your Name and Email ID. Click on Join meeting.**



- **Audio Connection is Set to "Using Computer for Audio". Start and stop video as per requirement and click on "Start Meeting".**

Understanding about Meeting Zone

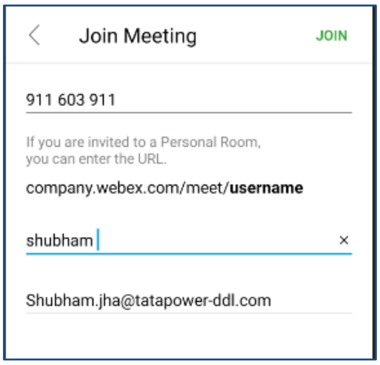


1) **Mute**
2) **To Switch Off/On your own Video**
3) **To Share the Screen / Content Sharing / Share Remote control to attendee**
4) **Recorder – To recode conference video on your laptop.**
5) **To hide Participant Pane i.e. no. 9 in above image**
6) **To Chat with one to one or with everyone in Conference**
7) **Additional Features – Notes , Invite & Remind, Managing Audio Connection**
8) **Leave or End Meeting**
9) **Participant List**

To Join from Mobile (Android/ios Device App):-

- **Download " Cisco Webex Meeting " from Play store/ios store. Webx Icon→**

- **Open Webex meeting app.**
- **Go to "Join Meeting".**
- **Enter "Meeting no.", "Name" and "Email ID". Then Go to Join at right upper corner.**



- **Then Go to join meeting.**
- **Enter the Password provided in invitation mail.**

Board's Report

To the Members,

The Directors present Nineteenth Annual Report of Tata Power Delhi Distribution Limited ("the Company" or "Tata Power-DDL") along with the audited financial statements for the financial year ended 31st March 2020. The consolidated performance of the Company and its subsidiary has been referred to wherever required.

1. FINANCIAL RESULTS

(Figures in ₹ crore)

Particulars	Standalone		Consolidated	
	2019-20	**2018-19**	**2019-20**	**2018-19**
Revenue from operations	7888	7600	7893	7611
Add: Other income	105	108	106	108
Total income	7993	7708	7999	7719
Expenditure (Excl. Depreciation, Interest & Tax)	7132	6685	7134	6689
Interest	345	349	345	349
Depreciation	333	310	333	310
Total Expenditure	7810	7344	7812	7348
Profit before tax and rate regulated activities	183	364	187	371
Net movement in regulatory deferral account balance	463	250	463	250
Profit before tax	646	614	650	621
Less: Exceptional Items: Impairment of Property , Plant and Equipment	0	18	0	18
Less: Exceptional Items: Impairment loss on assets classified as held for sale	0	88	0	88
Less: Provision for Taxes Current Income Tax Deferred income tax (including deferred tax on OCI)	 109 122	 101 71	 110 122	 102 71
Profit for the year	415	336	418	342
Other Comprehensive Income	-5	-1	-5	-1
Less: Statutory Appropriations				
Balance Profits available for appropriation	410	335	413	341
Add: Balance brought forward from the previous year	2039	2310	2060	2325
Total Profit available in P&L Account, which the Directors have appropriated as under to: i) Dividend paid and distribution tax thereon ii) Capital Redemption Reserve	2449 120 0	2645 106 500	2473 120 0	2666 106 500
Leaving a balance to be carried forward	2329	2039	2353	2060

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

2. DIVIDEND

The Board recommended a dividend of ₹ 2.40/- per fully paid Equity Share (24%) on 55,20,00,000 Equity Shares of face value of ₹ 10/- each, for the year ended 31st March 2020 (Previous year: 18% i.e. ₹ 1.80/- per share 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 17th July 2020.

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 ₹ 132.48 crore. The dividend on Equity Shares is 24% of the paid-up value of each share. The total dividend pay-out works out to 32% (Previous Year: 36%) of the net profit for the standalone results.

3. STATE OF COMPANY'S AFFAIRS

- **FINANCIAL HIGHLIGHTS**

Tata Power Delhi Distribution Limited (Tata Power-DDL) had revenues from operations aggregating to ₹ 7,888 crore during the financial year 2019-20, a growth of about 4% over the previous year revenues of ₹ 7,600 crore. The Company, however, earned a profit of ₹ 183 crore in FY 2019-20 as compared to a profit of ₹ 364 crore in FY 2018-19, prior to accounting for regulatory income amounting to ₹ 463 crore in FY 2019-20 as compared to ₹ 250 crore in FY 2018-19. 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 ₹ 463 crore (₹ 250 crore regulatory income in FY 2018-19), the resultant Profit Before Tax (PBT) is ₹ 646 crore in FY 2019-20 as compared to ₹ 614 crore in FY 2018-19, reflecting an increase of 5% over the previous year. However, Profit Before Tax subsequent to exceptional item of ₹ NIL in FY 2019-20 and ₹ 18 crore [impairment of Property Plant and Equipment (PPE)] & ₹ 88 crore [Impairment loss on assets classified as held for sale] in FY 2018-19 is ₹ 646 crore and ₹ 508 crore respectively. The profit after tax (PAT) for FY 2019-20 is ₹ 410 crore as compared to ₹ 335 crore in FY 2018-19, thereby reflecting 22% 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 CERC (Central Electricity Regulatory Commission) and SERCs (State Electricity Regulatory Commissions).

Your Company operates in the retail end of the electricity chain and it 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 with privatization of Orissa Distribution Utilities, continues to be largely Government owned, having negligible private sector participation with Delhi, Mumbai, Ahmedabad, Central Odisha and some urban centres being notable exceptions. The national average Aggregate Technical & Commercial (AT&C) Losses still hover around 22.31% ***(Source: - PFC Report on the Performance of State Power Utilities FY17-18)***. However, as on 31st March 2020, the AT&C losses for states covered under the UDAY scheme (data available for 32 States/UTs) stood at 18.93% (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 all state power utilities increased from ₹ 37,727 crore in 2016-17 to ₹ 39,698 crore in 2017-18. The average cost of supply increased from ₹ 5.31 /kwh in the year 2015-16 to ₹ 5.48 /kwh in 2016-17 and to ₹ 5.60 /kwh in 2017-18. The average revenue (with subsidy booked) increased from ₹ 4.84 /kwh in the year 2015-16 to ₹ 5.16 /kwh in 2016-17 and to ₹ 5.33 /kwh in 2017-18. ***(Source: PFC- Report on the Performance of State Power Utilities FY17-18.***

- **Operations**

Power Procurement

As in the past years, Tata Power-DDL had procured sufficient quantity of power during the period under review for meeting 100% peak demand of its consumers. The Company procured 9,752 MUs as of 31st March 2020, to ensure that the consumers are provided with 24x7 power supply.

Reliability and Other Operational Metrics

The Company sustained system reliability at 99.70% and touched the peak load at 2069 MW during the year. Further, street light functionality is 99.64%, there were 3758 collection avenues, Customer delight index was 94.3, Billing Efficiency and Collection Efficiency were at 92.82% and 99.24% respectively, as on 31st March 2020.

Technology Implementation

The Company has collaborated with 52 partners from technology, institutions and funding agencies across the globe to take technology and service delivery to the next levels. The Company has also moved forward in implementing the Smart Grid road map developed with Quanta and has rolled out Advanced Distribution Management System in its area of operations.

Tariff Related Matters

The tariffs chargeable to consumers by Power Distribution Utilities are determined by their respective State Electricity Regulatory Commissions, which in case of Tata Power-DDL, is the Delhi Electricity Regulatory Commission (DERC). DERC issues Tariff Regulations in order to determine the Retail Tariff. Tariff Regulations provide recovery of Annual Revenue Requirement comprising expenditure on account of power purchase cost, operation and maintenance expenses, financing 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 the DERC in its Business Plan Regulations.

DERC on 31st January 2017 has notified the Delhi Electricity Regulatory Commission (Composite Terms and Conditions for Tariff) Regulations, 2017 for determination of Annual Revenue Requirement and on 1st September 2017 has notified Business Plan Regulations, 2017 for 3rd MYT control period applicable from FY 2017-18 to FY 2019-20.

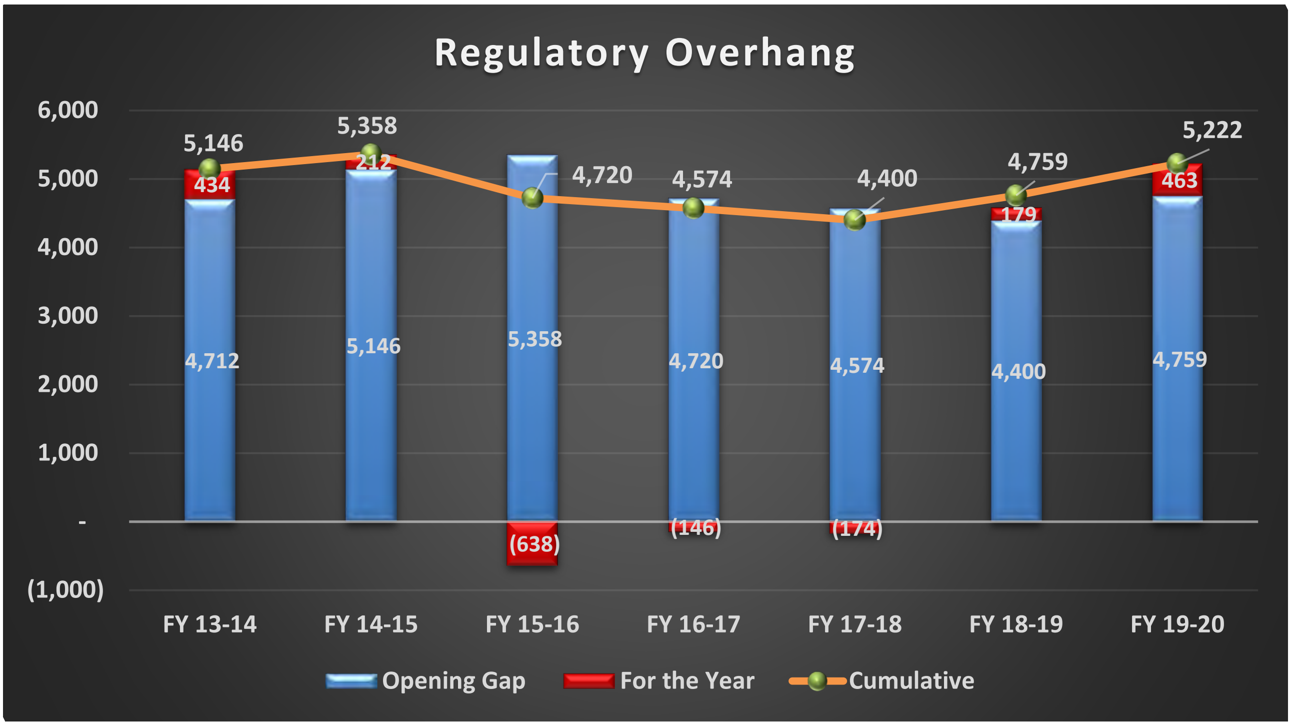
Based on the aforesaid regulations, DERC on 31st July 2019 had issued tariff order for truing up of FY 2017-18 and ARR for FY 2019-20.

Further, DERC has notified Business Plan Regulations, 2019 for the next control period applicable for FY 2020-21 to FY 2022-23.

For FY 2019-20, actual Power Purchase Costs constitute around 77% of total costs, Operation & Maintenance expenses (inclusive of Establishment Cost, Administrative & General Expenses and Repair & Maintenance Expenses) constitute around 9% with Depreciation around 3%, 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 the DERC and chargeable to the consumers.

During FY 2019-20, power purchase cost of the Company increased to ₹ 6.52/unit against the approved Power Purchase Cost of ₹ 5.53/unit. To meet out such increase in power purchase cost, the Company has provisionally charged @ 4.5% Power Purchase Cost Adjustment Charge on Retail Tariff throughout the year as per the methodology provided in Tariff Order and Business Plan Regulations. Further, based on DERC approvals, for Q1, additional PPAC of 7.05% was charged. Still, there is huge unrealized gap of power purchase cost due to which revenue gap for the year has increased.

During the current year, based on an opinion pronounced by the Expert Advisory Committee (EAC) of The Institute of Chartered Accountants of India (ICAI), the Company has recognised deferred asset for deferred tax liability as a regulatory deferral account debit/credit balance. Due to this, regulatory asset has been increased by ₹180 crore as on 31.3.2019. During the current year revenue gap has increased by ₹ 463 crore, which is evident from the graph below and this includes ₹ 122 crore pertaining to recoverable on account of deferred tax liability created during the year.



* Closing Balance of FY 2018-19 includes ₹ 180 crore w.r.t. to adjustment of deferred tax recoverable.

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 Losses refer 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 2019-20, 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 more difficult without significant capital investment, which is a challenge in view of large accumulated revenue gaps, associated financing and impact on tariff. During the year, Company's AT&C loss was at 7.88% which is much ahead of regulatory target of 8.46%.

Standards of Performance

The DERC has specified stringent performance assurance standards with respect to consumer service delivery. As in the past, the Company's compliance with assurance time lines in FY 2019-20 continued to be in the range of 100% with certain key services such as providing new connections (in average 2 days against DERC allowed 7 days), PA compliance for Operations is 99.51 for FY 2019-20, replacement of defective meters (2.37 days against 15 days allowed by DERC), being provided in significantly lesser (faster) time than stipulated by DERC. Tata Power-DDL has also implemented Field Force Automation in New Connection & Metering activities which will further help in reducing the timelines.

Customer Services

Tata Power-DDL has consistently implemented new technologies and process to improve its customer's satisfaction. Tata Power-DDL installed 1,94,000+ Smart Meters & TPDDL Connect App is made live for Smart Meter consumers, which will enable host of services for its consumer i.e. instant information on consumption, customized alerts on low power factor, High MDI and faster response by utility during power supply failure. Tata Power - DDL has implemented Interactive Bill on SMS/WhatsApp for better understanding and availability of information through latest technologies and interfaces. One step ahead in Digitization Tata Power-DDL provided one touch solution making available all services/notifications on the website. 330 Camps organized in FY 2019-20 under Digitization through various programs like GREEN Zone /Synergy/ Smart Citizen & touched 43K consumers resulting in download of 3.29 lakh TPDDL App in FY 2019-20 and total downloads has reached to 9 lakh plus.

Capital Expenditure

Tata Power-DDL has executed distribution related capital expenditure works (CAPEX) amounting to ₹ 494 crore in FY 2019-20 (FY 2018-19: ₹ 638 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 the year 2019-20, the total capitalisation was ₹ 568 crore (FY 2018-19: ₹ 570 crore).

- ## Generation Initiatives

Rithala CCPP

The Company has filed a petition with the DERC for approval of Terms of Agreement for supply of power from Rithala Generation Plant to the Company at tariffs to be determined by the DERC. Another petition has been filed for determination of final tariffs based on audited accounts and a third petition has been filed with respect to usage of land for Rithala Plant. All these petitions were disposed by Hon'ble DERC with a considerable lag on 31st August 2017. The DERC order has allowed the plant to function only till 31st March 2018 subsequent to which the Company is exploring options for disposal of the plant.

While the Rithala Plant had been allocated 0.4 million metric standard cubic meters per day (MMSCMD) from the Krishna Godavari (KG) Basin, the supply of KG D6 Basin Gas has been completely curtailed to the plant since 1st March 2013, owing to continuous decline in production of Gas and in line with the Gas Utilization Policy of Ministry of Petroleum and Natural Gas (MoPNG) which provides a higher priority to Fertilizer and LPG sectors on usage of KG D6 Gas. Tata Power-DDL had Spot RLNG contract with GAIL till 31st March 2018 to ensure continued availability of Rithala Plant. Subsequent to 31st March 2018, the Company is no longer declaring the availability of the Rithala Plant in line with the DERC Order. Further, DERC has issued Tariff Order dated 11th November, 2019 for Rithala Power Plant and allowed depreciation for 6 years only along with other component of fixed cost. However, its impact will be given in upcoming tariff order for distribution segment.

Solar Projects

Solar & New Business Initiatives:

In 2016, Tata Power-DDL became the first and only power utility to be awarded by Ministry of New & Renewable Energy, Govt. of India with National Award for “Utility Enabler for Rooftop Solar Project”. Tata Power-DDL has empaneled 11 turnkey solar project installation agencies for installing roof top solar plants for Tata Power-DDL consumers at costs much lower than MNRE/SECI declared rates. A total load of 528 kW was installed for approx. 50 customers through this turnkey solar project. A total of 958 cases of solar net meters have been installed till FY 2019-20 with a capacity of 33.7 MWp.

Tata Power-DDL has also installed 17 nos. of Rooftop Solar Plants on its different buildings having capacity of 1.79 MWp. In FY 2019-20, a total of 2.01 MUs were generated through these solar plants. LOA has been received from different states like Assam for Rooftop Solar Projects in association with RECPDCL. Tata Power-DDL has also collaborated with Tata Trust, GE and MIT for setting up two Solar Micro-Grid Projects in Bihar. 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 300MWp Solar Home Power Packs and 4184 Nos. of 40MWp 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, Tata Power-DDL has also associated with International Solar Alliance and has 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 been associated for various initiatives with other institutes like GIZ, World Bank, E&Y, CEEW, U.S.-India Clean Energy Finance Task Force, and International Solar Alliance etc.

In order to break into a new business avenue, TATA Power-DDL in mutual understanding with TATA Power Solar, has started a project of reaching out to its customers for Solar EPC activities. Awareness campaigns were done at RWA, IWA and Customer meetings covering domestic and industrial customers and One to one outreach done to Express and Key Customers, Educational Institutes and High Revenue Customers etc.

SCADA EMS, DMS OMS Getting Upgraded to ADMS

Tata Power-DDL had implemented SCADA EMS (Energy Management System) with GSAS (Grid S/Stn Automation System) to control and monitor the 66/33 KV network with the main objective of improving operational efficiency from 2007 onwards. Tata Power-DDL has been 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 65 grids have been automated and are unmanned.

DMS (Distribution Management System) along with first phase of DA (Distribution Automation) was successfully implemented during FY 2010-11 to monitor and control the 11 KV network. Its implementation along with DA has helped in curtailing downtime of the 11 KV network by online identification of faults and centralized restoration of power supply from the control center. 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, Tata Power-DDL had 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, however, these needed to be upgraded and made suitable for upcoming smart technologies. As a part of upgrade, Tata Power-DDL has implemented Advanced Distribution Management System (ADMS). Tata Power-DDL is the 1st utility in India to deploy ADMS, a real time power distribution management system that operates by unifying SCADA, Advanced Distribution Management Applications & Outage Management System (OMS) functionality in a single modular solution taking network data directly from GIS in an integrated manner along with SAP-PM/ISU/CRM extending its seamless benefits to the consumers providing synchronous operation for a utility. ADMS has been fully rolled out in March 2018, making it first such kind of installation in Asia and biggest in size in the world.

Technology

ADMS is going to be the biggest integrator in the utility sector which will lead us towards the digitalization of our utility. This will also lead to desired improvements in reliability and customer outage services. In the near future, the Company is going to integrate it with EV charging Solar roof top, Battery storage, micro grids, Energy Audit, DPS (CYME, ETAP), ADR etc. Tata Power-DDL also jointly developed 16 use cases with Hitachi on Advanced Data Analytics on areas focussing on reliability improvement, AT&C loss reduction, customer service, resource optimization, etc.

Tata Power-DDL has been a frontrunner in implementation of latest technologies in the distribution sector and is playing an instrumental role in reforming Power Distribution sector in India. Tata Power-DDL 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, Tata Power-DDL is deploying an Energy Islanding System at one of its Distribution sub stations, integrating key technologies by installing Smart Transformer, Smart Meters 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 sub-station. The outcomes of the study including the studies 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 sub-station located at St. Xavier’s school, Delhi.

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. The school faculty along with the teachers will also visit the Smart Grid Lab in April’2020 to witness the key technologies deployed at Tata Power-DDL. 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). The project began in May’2019 and is scheduled for its pilot deployment in March’2021.

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.

TPDDL embarked on this journey in 2002 have since then, drastically improved response time and enhanced the quality and efficiency of electricity distribution for its consumers across communities spanning over a space of 510 sq kms in North and North-West Delhi and brought down its aggregate transmission & distribution losses from 53% to a record 7.88%.

In 2016, Tata Power-DDL 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 TPDDL.

The lab that is divided in two areas - Technology Zone & 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 all the way 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, Geographical Information System, SAP based utility architecture, Smart Meters with Advanced Metering Infrastructure to edge of the grid technologies such as utility controlled battery storage, demand response, distributed rooftop solar PV, home automation and EV charging station.

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 showcased at the Smart Grid Lab.

To curb power theft losses emanating due to meter tempering, Tata Power-DDL co-innovated a sensor fitted with various commonly identified tempering mechanisms, time stamps the event for necessary action. This sensor by itself is temper proof and is a perfect example of an advanced sensing application and yet another milestone in making our grid efficient, responsive and secure.

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 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.

Since inception, the lab draws an average of 100 visits a year and a footfall of 750 each year.

These visits include regulators, stakeholders such as USAID, USTDA, technology partners, institutions such as UCLA, 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 convention 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

Tata Power-DDL initiated Advanced Meter Infrastructure (AMI) project in 2015, which includes RF communications network and equipment, head-end data collection system, Meter Data Management System (MDMS) and smart meters. The head-end system shall support NOC and admin activity with role based user access for outage, RF network deployment, network monitoring, alerts / notification, reading data, remote configuring, network reporting etc. Meter Data Management System will support reading extraction, integration with different IT / OT systems, analytical report extraction.

As per the mandate from the regulator, Tata Power-DDL initiated smart meter deployment using Radio Frequency Mesh Communication technology in its licensed area of 510 sq. km in North and North-West Delhi. 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.

Tata Power-DDL is working with Landis + Gyr, RF technology provider and Siemens, Meter Data Management Provider. This covers design, supply, installation, testing, commissioning and AMC of a single RF mesh platform that can support multiple applications like AMI (Advance Metering Infrastructure), DA (Distribution Automation), ADR (Automated Demand Response), Distributed Energy Resources (rooftop or ground mount Solar, EV), Street Light Management, Grid Substation Automation Solution (GSAS) Backup Communication.

Currently, Tata Power-DDL has stabilized communication in districts namely Pitampura, Civil Lines and is working on the remaining districts. Till date, 1,94,000+ Smart Meters have been installed.

The Company has implemented India's first ever integrated ADR and AMI project. This aims to reduce peak demand at the time of critical grid stress conditions like peak demand, peak pricing and grid collapse etc. through shedding of identified non critical load at the consumer premise. The project has yet covered 161 commercial & industrial consumers having sanctioned load of above 100 KW to achieve a cumulative shed potential of 17 MW. The integrated project would not only lead to improvement in reliability of supply but would also empower the participating consumers to analyze their consumption patterns closely to optimize their energy consumption. DERC has also given an in principle approval for providing incentives to consumers enrolling for this program in March 2016, providing an impetus for large scale deployment of this project.

4. RESERVES

The Board of Directors has decided to retain the entire amount of profit for Financial Year 2019-20 in the statement of profit and loss.

5. SUBSIDIARIES/ JOINT VENTURES/ ASSOCIATES

During FY 2019-20, 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 Company of the Company.

6. DIRECTORS AND KEY MANAGERIAL PERSONNEL

- **Policy on Board diversity and Director attributes and Remuneration policy for the Directors, Key Managerial Personnel and other employees**

  In terms of the provisions of section 178(3) of the Companies Act, 2013 ("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 the Directors, Key Managerial Personnel 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, Key Managerial Personnel and other employees. The philosophy for remuneration of Directors, KMP and all other employees of Tata Power-DDL is based on commitment of fostering a culture of leadership with trust. The Remuneration Policy is aligned to this philosophy.

  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, effective Board. All Board appointments shall be made on merit having regard to this policy.

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

The Company has also placed a copy of policy on Board diversity and 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://www.tatapower-ddl.com/Editor_UploadedDocuments/Content/TPDDL_Company's_policy_on_Directors'_appointment_&_remuneration.pdf

Directors take no commission from the venture. Except for Mr. Arup Ghosh and Ms. Satya Gupta, Directors, no other Director nominated by Tata Power on the Board draws any sitting fee nor commission from Tata Power-DDL.

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, role of the Chairman and role of 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 CSR Committee).

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

Presently, the Company has three Independent Directors i.e. Mr. Kesava Menon Chandrasekhar, Mr. Ajay Shankar and Mr. Amar Jit Chopra.

Mr. Ajay Shankar (DIN: 01800443) and Mr. Amar Jit Chopra (DIN: 00043355) were appointed as Independent Directors of the Company, not liable to retire by rotation, for a period of three years, with effect from 23rd March 2017 to 22nd March 2020. Their first term of three years ended on 22nd March 2020.

The Board had evaluated performance(s) of Mr. Shankar and Mr. Chopra and found it to be satisfactory.

In view of their performance(s), based on the recommendation of Nomination and Remuneration Committee and subject to the approval of shareholders at the forthcoming AGM, the Board had approved re-appointment of Mr. Ajay Shankar and Mr. Amar Jit Chopra as Independent Directors of the Company, not liable to retire by rotation, both for a second term of three years, with effect from 23rd March 2020 to 22nd March 2023, pursuant to the provisions of section(s) 149, 178 read with Schedule IV and other applicable provisions, if any, of the Companies Act 2013 and the rules made thereunder.

Based on the recommendation of Nomination and Remuneration Committee, the Board appointed Mr. Kesava Menon Chandrasekhar (DIN: 06466854) as an Additional (Independent) Director of the Company to hold office for a first term of three years with effect from 24th March 2020 to 23rd March 2023.

Mr. Minesh Shrikrishna Dave (DIN: 07604493) had resigned as Director of Tata Power-DDL w.e.f close of working hours of 30th November 2019.

Consequent upon expiration of second term of Mr. Nawshir Mirza (DIN: 00044816), Independent Director on 23rd March 2020, he had ceased to be Independent Director of the Company.

Vide their communication dated 7th November 2019, The Tata Power Company Limited had nominated Mr. Sanjay Kumar Banga (DIN: 07785948) as an Additional Director on the Board of the Company w.e.f 20th January 2020.

Department of Power, GoNCTD vide its letter no. F.11(129)/2002/Power/Vol.II/3072 dated 1st November 2019 and Delhi Power Company Limited (DPCL) vide its letter no. F.17/DPCL/CS/2019-20/158 dated 20th November 2019, had nominated Mr. Jasmine Shah, Mr. Ajit Kumar Singh, Ms. Rashmi Krishnan and Mr. Naveen ND Gupta as Director(s) on the Board of the Company.

Based on the recommendation of Nomination and Remuneration Committee, the Board had appointed Mr. Sanjay Kumar Banga (DIN: 077859480), Mr. Jasmine Shah (DIN: 08621290), Mr. Ajit Kumar Singh (DIN: 08628370), Ms. Rashmi Krishnan (DIN: 06796552) and Mr. Naveen ND Gupta (DIN: 00271748) as Additional Director(s), w.e.f. 20th January 2020 in terms of the provisions of section 161 of the Act and Article 96 of the Company's Articles of Association.

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

In accordance with the requirements of the Act and Company's Articles of Association, Mr. Praveer Sinha (DIN: 01785164), Mr. Ramesh Narayanswamy Subramanyam (DIN: 02421481) and Ms. Satya Gupta (DIN: 08172427), retires by rotation and are eligible for re-appointment.

The Company has received notice(s) under section 160(1) of the Act from shareholders proposing the name of Mr. Sanjay Kumar Banga, Mr. Jasmine Shah, Mr. Ajit Kumar Singh, Ms. Rashmi Krishnan, Mr. Naveen ND Gupta, Mr. Amar Jit Chopra, Mr. Ajay Shankar and Mr. Kesava Menon Chandrasekhar, for their appointment/re-appointment for the office of Director(s) at the forthcoming Annual General Meeting.

The Board places on record its appreciation for the valuable contribution made by the outgoing Directors as members of the Board and welcomes the new Director(s) on the Board.

Key Managerial Personnel (KMP): Mr. Ganesh Srinivasan is the Chief Executive Officer, Mr. Hemant Goyal is the Chief Financial Officer and Mr. Ajay Kalsie is the Company Secretary of the Company. They are the Key Managerial Personnel (KMPs) of Tata Power-DDL as on 31st March 2020.

During the financial year 2019-20, Mr. Sanjay Kumar Banga (DIN: 07785948) had been elevated as President (T&D) of The Tata Power Company Limited w.e.f. 1st December 2019 and hence he had stepped down as Chief Executive Officer of Tata Power-DDL w.e.f. close of working hours of 30th November 2019.

In terms of Article 3.5 of the Shareholders' Agreement executed between The Tata Power Company Limited ("Tata Power"), Delhi Power Company Limited and Tata Power Delhi

Distribution Limited ("Tata Power-DDL"), Tata Power had appointed Mr. Ganesh Srinivasan (PAN: ANXPS3136K), as Chief Executive Officer of the Company. Mr. Ganesh Srinivasan was appointed as Chief Executive Officer of Tata Power-DDL for a period of five years with effect from 1st December 2019 to 30th November 2024.

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

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

The Company Secretary in consultation with the Chairman, Chief Executive Officer (CEO) 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. The members of the Board are also 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 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 meetings of the Board of Directors were held during the year 2019-20 and the gap between two meetings did not exceed 120 days. The meetings were held on [11th April 2019 (Original) and 18th April 2019 (Adjourned)]; [12th July 2019 (Original) and 19th July 2019 (Adjourned)]; [15th October 2019 (Original) and 22nd October 2019 (Adjourned)], [20th January 2020]. One separate meeting of Independent Directors was also held on 18th April 2019 which was attended by all the Independent Directors.

Eighteenth Annual General Meeting of the Company was held on 17th May 2019.

No Extra-Ordinary General Meeting was held during the financial year 2019-20.

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 Directors	Business Relationship	No. of Board meetings held	No. of Board meetings attended	Attendance at the 18th AGM
1.	Mr. Praveer Sinha	Chairman Non-Executive Director (Nominated by Tata Power)	4	4	No
2.	Mr. Nawshir H. Mirza (ceased w.e.f. 23rd March 2020)	Independent Director	4	3	Yes
3.	Mr. Ajay Shankar (re-appointed for second term w.e.f 23rd March 2020)	Independent Director	4	4	No

S. No.	Name of the Directors	Business Relationship	No. of Board meetings held	No. of Board meetings attended	Attendance at the 18th AGM
4.	Mr. Amar Jit Chopra (re-appointed for second term w.e.f 23rd March 2020)	Independent Director	4	4	Yes
5.	Mr. Arup Ghosh	Non-Executive Director (Nominated by Tata Power)	4	4	Yes
6.	Mr. Minesh Shrikrishna Dave (ceased w.e.f 30th November 2019)	Non-Executive Director (Nominated by Tata Power)	4	3	Yes
7.	Mr. Ramesh Narayanswamy Subramanyam	Non-Executive Director (Nominated by Tata Power)	4	2	No
8.	Ms. Satya Gupta	Woman Director (Nominated by Tata Power)	4	4	Yes
9.	Mr. Sanjay Kumar Banga (appointed w.e.f 20th January 2020)	Non-Executive Director (Nominated by Tata Power)	4	1	N.A.
10.	Mr. Jasmine Shah (appointed w.e.f 20th January 2020)	Non-Executive Director (Nominated by Delhi Power Company Limited)	4	1	N.A.
11.	Mr. Ajit Kumar Singh (appointed w.e.f 20th January 2020)	Non-Executive Director (Nominated by Delhi Power Company Limited)	4	1	N.A.
12.	Ms. Rashmi Krishnan (appointed w.e.f 20th January 2020)	Woman Director (Nominated by Delhi Power Company Limited)	4	1	N.A.
13.	Mr. Naveen ND Gupta (appointed w.e.f 20th January 2020)	Non-executive Director (Nominated by Delhi Power Company Limited)	4	1	N.A.

S. No.	Name of the Directors	Business Relationship	No. of Board meetings held	No. of Board meetings attended	Attendance at the 18th AGM
14.	Mr. Kesava Menon Chandrasekhar (appointed w.e.f 24th March 2020)	Independent Director	4	0	N.A.

- **A statement on declaration given by Independent Directors under section 149:** Mr. Kesava Menon Chandrasekhar, Mr. Ajay Shankar and Mr. 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 appointed during the year:** Based on the declaration(s) received by the Independent Directors, the Board is of the opinion that Independent Directors appointed during the year have integrity, expertise, experience and proficiency (to the extent applicable) as prescribed under the provisions of the Companies Act, 2013 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 (NED) vis-à-vis the Company:** None of the NEDs had any pecuniary relation or transactions with the Company other than the sitting fees and reimbursement of expenses incurred by them 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 18th April 2019, without the presence of Executive 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.

- **COMMITTEES OF THE BOARD:**

(i) Audit Committee:

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 also approved and adopted charter of Audit Committee.

Currently, Audit Committee comprises of the following Directors:

1. Mr. Amar Jit Chopra, Chairman, Independent Director
2. Mr. Ajay Shankar, Member, Independent Director
3. Mr. Kesava Menon Chandrasekhar, Member, Independent Director
4. Mr. Sanjay Kumar Banga, Member, Non- Independent Director
5. Mr. Naveen ND Gupta, Member, Non- Independent Director

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

The Audit Committee met 4 times during the year. These meetings were held on 18th April 2019, 19th July 2019, 22nd October 2019 and 20th January 2020.

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

S. No.	Name of the Director	Category	No. of meetings attended
1.	Mr. Amar Jit Chopra	Independent, Non-Executive	4
2.	Mr. Ajay Shankar		3
3.	Mr. Nawshir H. Mirza*		4
4.	Mr. Minesh Shrikrishna Dave**	Non Independent, Non-Executive	3
5.	Mr. Sanjay Kumar Banga***		Nil
6.	Mr. Naveen ND Gupta***		Nil
7.	Mr. Kesava Menon Chandrasekhar****	Independent, Non-Executive	Nil

*Mr. Nawshir H. Mirza had ceased to be member of Audit Committee w.e.f. 23rd March 2020.
**Mr. Minesh Shrikrishna Dave had ceased to be member of Audit Committee w.e.f. 30th November 2019.
***Mr. Sanjay Kumar Banga and Mr. Naveen ND Gupta were appointed as members of Audit Committee, both w.e.f. 20th January 2020.
****Mr. Kesava Menon Chandrasekhar was appointed as member of Audit Committee w.e.f. 24th March 2020.

In addition to Mr. Sanjay Kumar Banga, Chief Executive Officer (upto 30th November 2019), Mr. Ganesh Srinivasan, Chief Executive Officer (w.e.f 1st December 2019) Mr. Hemant Goyal, Chief Financial Officer, Mr. Arup Ghosh, Non-Executive Director and Mr. B.M. Panigrahi (upto 30th November 2019) and Mr. Piyush Kumar Jain (w.e.f. 1st December 2019), Company's Internal Auditor 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, Internal and Cost Auditors are also invited to the meetings.

(ii) Corporate Social Responsibility Committee

The Company has adopted a 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: http://www.tatapower-ddl.com.

The broad terms of reference of the Corporate Social Responsibility (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 or may be prescribed by the rules thereto;
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, 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 financial year 2019-20. The meetings were held on 19th July 2019, 18th January 2020 and 16th March 2020.

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	1
3.	Mr. Ajit Kumar Singh*		1
4.	Mr. Sanjay Kumar Banga*		1
5.	Mr. Arup Ghosh		3
6.	Mr. Minesh Shrikrishna Dave **		1

*Mr. Jasmine Shah, Mr. Ajit Kumar Singh and Mr. Sanjay Kumar Banga were appointed as members of Corporate Social Responsibility Committee w.e.f. 20th January 2020.
**Mr. Minesh Shrikrishna Dave had ceased to be member of Corporate Social Responsibility Committee w.e.f. 30th November 2019.

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, NRC comprises of the following Directors:
1. Mr. Kesava Menon Chandrasekhar, Chairman, Independent Director
2. Mr. Ajay Shankar, Member, Independent Director
3. Mr. Praveer Sinha, Member, Non- Executive Director
4. Ms. Rashmi Krishnan, Member, Non- Executive Director

The Committee met thrice during the financial year 2019-20 on 18th April 2019, 22nd October 2019 and 20th January 2020.

The number and attendance of NRC meetings is as under:

<table>
<tr><th>Sl. No.</th><th>Name of the Director</th><th>Category</th><th>No. of meeting attended</th></tr>
<tr><td>1.</td><td>Mr. Nawshir H. Mirza*</td><td rowspan="3">Independent, Non-Executive</td><td>2</td></tr>
<tr><td>2.</td><td>Mr. Kesava Menon Chandrasekhar**</td><td>Nil</td></tr>
<tr><td>3.</td><td>Mr. Ajay Shankar</td><td>3</td></tr>
<tr><td>4.</td><td>Mr. Praveer Sinha</td><td rowspan="2">Non Independent, Non-Executive Director</td><td>3</td></tr>
<tr><td>5.</td><td>Ms. Rashmi Krishnan***</td><td>Nil</td></tr>
</table>

*Mr. Nawshir H. Mirza has ceased to be Chairman of Nomination and Remuneration Committee w.e.f. 23rd March 2020.
**Mr. Kesava Menon Chandrasekhar was appointed as Chairman of Nomination and Remuneration Committee w.e.f. 24th March 2020.
***Ms. Rashmi Krishnan was appointed as member of Nomination and Remuneration Committee w.e.f. 20th January 2020.

The minutes of the meetings of the Nomination and Remuneration Committee were placed before the Board.

(iv) Operations Review Committee

The Operations Review Committee 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, Operations Review Committee (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. Ramesh Narayanswamy Subramanyam, Member, Non- Executive Director

The Committee met once during the financial year 2019-20 on 16th March 2020.

The number and attendance of ORC meeting is as under:

Sl. No.	Name of the Director	Category	No. of meeting attended
1.	Mr. Sanjay Kumar Banga*	Non-Independent, Non-Executive	1
2.	Mr. Minesh Shrikrishna Dave**		Nil
3.	Mr. Ramesh Narayanswamy Subramanyam		Nil
4.	Mr. Arup Ghosh		1

*Mr. Sanjay Kumar Banga was appointed as Chairman of Operations Review Committee w.e.f 20th January 2020.
**Mr. Minesh Shrikrishna Dave had ceased to be Chairman of Operations Review Committee w.e.f 30th November 2019.

The minutes of the meetings of the Operations Review Committee were placed before the Board.

(v) Long Term Loans and Borrowings Committee

The Long Term Loans and Borrowings Committee 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, Long Term Loans and Borrowings Committee comprises of the following Directors:

1. Mr. Kesava Menon Chandrasekhar, Chairman, Independent Director (w.e.f 24th March 2020)
2. Mr. Praveer Sinha, 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 report, the recommendations made in the previous year were satisfactorily implemented.

8. 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.

9. REGULATORY & LEGAL –

REGULATORY ENVIRONMENT

- **CHANGES TO LAW AND REGULATORY GUIDELINES**

1. In exercise of powers conferred under Section 181 read with Section 61 and Section 86(1)(b) of the Electricity Act, 2003 and all other powers enabling it in this behalf and after previous publication, the Delhi Electricity Regulatory Commission notified Delhi Electricity Regulatory Commission (Business Plan) Regulations, 2019.

2. Central Electricity Regulatory Commission based on the objections raised by various stakeholders in respect of DSM Fourth Amendment Regulations 2018, has considered to introduce the Central Electricity Regulatory Commission (Deviation Settlement Mechanism and related matters) (Fifth Amendment) Regulations, 2019.The objective of introducing the proposed amendments is to take a considered view on technical and operational difficulties raised by the stakeholders in effective implementation of the DSM Regulations. However, the same is effective from 3.6.2019 and relaxation given towards sign change issue mentioned under Regulation 7 (10) will be till 30.11.2020. It has been extended vide order dated 29.5.2020 in Suo motu order passed by CERC.

3. Delhi Electricity Regulatory Commission in exercise of its powers conferred under the relevant provisions of the Electricity Act, 2003 introduced Delhi Electricity Regulatory Commission (Supply Code and Performance Standards) (Fourth Amendment) Regulation, 2019 providing for amendment in the Regulation pertaining to '*Transfer of connection'*.

4. Delhi Electricity Regulatory Commission in exercise of its powers conferred under Regulation 85 of the Regulations passed Delhi Electricity Regulatory Commission Supply Code and Performance Standards (Relaxation) Second Order, 2019 in respect of the provisions for raising demand note and payment of charges for release of electricity connection.

10. RISK MANAGEMENT FRAMEWORK

Risk Management Committee/framework/policy/review mechanism

Enterprise Risk Management at Tata Power-DDL is monitored by the 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. Tata Power-DDL has developed in house web based application for risk management to register and monitor risks. The frequency of reviews is Quarterly. The Audit Committee and Board reviews the actions taken by the Company to value and mitigate these risks.

Top risks of Tata Power-DDL are:

1. Rithala disallowance of Fixed and Variable Costs
2. Under funding of opening liability towards Retiral Benefits and Medical and LTA
3. Amount Recoverable from DERC (Regulatory Overhang)

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 the profitability of the Company. However, due to changes in collection pattern, there will be impact on incentives 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, transmission cos etc. The Company is taking measures to raise short term funds to be able to liquidity needs that may arise in future.

Ability to service debt and other financing arrangements:

The Company has not availed the Debt & Interest moratorium scheme announced by RBI. Based on the liquidity projection, the Company is confident of meeting its debt & other financing service obligation.

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 of this unprecedented situation.

Internal Financial Reporting and Control:

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

INTERNAL CONTROL OVER FINANCIAL REPORTING

Under the supervision of the Company's Chief Executive Officer and Chief Financial Officer and effected by the Company's Board of Directors, Management, and other personnel, 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, 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 presented to Management and Audit Committee periodically about compliance with internal controls and 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' 266 documented processes (which been optimized from 389 IMS Processes last year as key initiative as part of our TQM journey) 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 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 & integrated with PCMM competency framework also.

11. SUSTAINABILITY

11.1 SAFETY – CARE FOR OUR PEOPLE

Sl. No.	Safety Parameters (Employees and contractors)	FY 2019	FY 2020
1	Fatality (Number)	1	0
2	LWDC (Lost Work Day Case)	7*	3
3	LTIFR (Lost Time Injuries Frequency Rate per million man hours)	0.373	0.158
4	First Aid Cases (Number)	13	9
5	Medical Treatment Cases (MTC)	2	1

*Excluding One Fatality Case.

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 demonstrate 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 Tata Power-DDL 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 to communities we operate in" provide the necessary direction and the rationale to create an environment supporting these communities.

Tata Power-DDL has won highest participation per capita award in medium category of Tata Group Companies, Tata Power Arpan award for monitoring & evaluation initiative of NGO Score Card, SKOCH order of merit award for CSR initiatives and CMO Asia Award for commendable work in Women Empowerment.

More than 49,000 beneficiaries in Unnati, 55,000 beneficiaries in Club Energy, 13,000 in Ujjwal, 4.71 lakh in Sanjeevani, 4000 in BD CSR and 80,000 in Disaster Management & unforeseen contingencies a total of 6.74 lakh beneficiaries have been benefitted through CSR initiatives of Tata Power-DDL. Several new initiatives have been initiated this year like SEWA Portal to capture volunteering data, NGO Score card to evaluate performance of NGOs, Haqdarshak, Call Centre training program, Project Bhojanam, Project Aarogya, Paper Cup Unit, Dhaaga, sensitization of non-communicable disease, Eye Camps, Gender sensitization session and Soft Skills Development program. Some of the existing CSR initiative are Women Literacy Centres, ABHA, Self-Help Group, Vocational Training Centres, Mobile Dispensaries, Potable RO Water Plants, Energy conservation sensitization sessions and Tree Plantation.

During FY 2019-20 following were the thrust areas in terms of Schedule VII and section 135 of the Act and the rules thereunder:

- 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.
- Promoting education, including special education and employment enhancing vocation skills especially among children, women, elderly and the differently abled and livelihood enhancement projects.
- Promoting gender equality, empowering women, setting up homes and hostels for women and orphans; setting up old age homes, day care centres and such other facilities for senior citizens and measures for reducing inequalities faced by socially and economically backward groups.
- 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.

Prescribed CSR expenditure of two per cent of the net profits of the Company was ₹ 7.78 crore and Company has spent ₹ 8.11 crore during FY 2019-20 till 31st March 2020 as per the requirements of the Act and the rules made thereunder. The details of CSR spend are provided under Annexure V.

<u>Tata Power-DDL's Preparedness for prevention and containment of Covid-19 is through various initiatives for supporting communities against Covid-19 which are as under:</u>

<u>Support to the Delhi Government:</u>

- Supporting initiative of the Delhi Government's meal scheme: Tata Power-DDL had sponsored 2 lakh meals to the underprivileged communities/distressed migrant workers through '*Give Foundation.'*
- Tata Power-DDL had also coordinated with Taj Hotels for providing meals to the medical staff and patients under observation in Government hospitals in Delhi. Over 4000 meals per day had been provided to medical staff and patients at 5 major Government Hospitals.
- Testing Kits: Tata Power-DDL through the support from Tata Sons had also facilitated in providing 417 Nos. of COVID 19 testing kits. (1 kit can conduct approx.100 individual tests.)

<u>Supporting Community:</u>

- Distribution of meals through Community kitchen: Tata Power-DDL, in its licensed area, had distributed 20,000 meals to the underprivileged communities through Community Kitchen. The cooked meals were distributed by Company's NGO partners and volunteers.
- Guiding and Connecting the community to the free meal centres: Tata Power-DDL Brand Ambassadors – ABHAs and the Community Mobilizers- NGOs were helping the communities by making them aware about the availability of free meal centers of the Government.
- Portable Water Supply: Tata Power-DDL is ensuring continuous potable water supply by operating and maintaining RO Plants. RO plants were functional at 22 locations - 8 JJ Clusters and 14 Government Schools which had been converted into shelter homes and isolation wards for those affected by COVID-19 by Delhi Government. More than 1 lakh people were using this facility of water, everyday.
- Health facility/Awareness: Two Mobile Dispensaries had been deployed in the communities to distribute masks and carry out other duties needed for community welfare including awareness about protection and prevention from COVID 19 covering more than 9000 people in 71 locations. All COVID-19 specific Government policies and schemes were being disseminated in the communities by ABHAs and WLCs through virtual platforms covering around 200 locations.

➢ **<u>Preparedness for prevention and containment of Covid-19 at Tata Power-DDL is through various initiatives which were as under:</u>**

<u>At the organization level</u>

- An Apex Committee had been constituted comprising of representatives across all major functions to review and monitor the progress of various preventive measures taken for COVID-19 on a weekly basis.
- There is strong focus on cash flows. Bill discounting options were being explored for generators (NTPC, NHPC, DVC, CLP, PGCIL, etc.)

- ROTA system is implemented for Tata Power-DDL employees along with facility of "Work From Home" to minimize the risk of exposure to COVID -19. Operation activities were restricted to ensure summer preparedness. Rotation of Tata Power-DDL Operations team including BA staff to ensure the continuity of emergency services.
- "Business Continuity Plan" had been deployed in view of possible spread of COVID -19 affecting the employees.
- Timely disbursal of salaries of all BA staff had been ensured through BA Legal Cell.
- Provision and distribution of adequate Hand Sanitizers /Face Masks/paper soaps/Tissue Papers to all Tata Power-DDL and BA employees had been facilitated. The Hand Sanitizers had also been facilitated at the entry gate of all offices.
- Frequent cleaning and sanitizing of all buildings is being done as a preventive measure.
- Infrared Temperature Gun is available at major locations along with CMO office for regular screening of employees.
- All necessary guidelines, Govt. Advisories, Video Messages, Health Tips, Posters, etc. were being circulated from time to time for general awareness against COVID-19.

Measures taken at functional levels:

- Daily health check-up of employees, who are unwell are being done by team of internal Doctors. These cases are then being referred to the hospitals as per Govt. advisory.
- SMSs and emails were also being sent to the consumers encouraging them for bill payments through online mode.
- Availability of essential material/equipment is being ensured for continuity of O&M activities without interruption.
- Boarding and lodging arrangement is in place for all field staff. Identification of alternate resources for deployment in field in place to deal with contingency situation. Tata Power-DDL's hostel facility at CENPEID had been extended to employees for stay.
- Remote login functionality had been implemented at Call Centre for transferring calls to Agent's mobile at home.
- Extensive use of Web/Online Portals were being used for conducting meetings.

11.3 AFFIRMATIVE ACTION

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 & Scheduled Tribe 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. Company's Affirmative Action aiming towards upliftment of Schedule castes and Schedule tribe communities are classified under 4Es, viz. Education, Employability, Employment and Entrepreneurship. More than 8000 students have been benefitted through Career Counselling programs at 46 Government Schools, 551 students pursuing professional and other degree courses have been provided scholarship, 4182 girls have been supported under soft skills development training program at 14 schools, 35 students have been supported under TCS Employability training program, and 40 students of Polytechnic have been supported under skill enhancement training program. Two new initiatives have been started this year under Affirmative action program. 400 students have been benefitted at 10 Special Training Centres under Meri Pathshala and

103 students have been benefitted through Career counselling program at Child Care Institutes.

12. HUMAN RESOURCES

- **Organizational Workforce**

Tata Power-DDL recruited people from various technical and non - technical colleges at trainee level and also enhanced its bench strength to cater to manpower requirements at various business development (BD) projects. The employee strength of FY 2019-20 was 3717 (including 373 employees deputed at BD and its projects).

- **Diversity & Inclusion**

39.24% of females recruited under the recruitments done in FY 2019-20. 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”, “Flexible Working Hours”, etc. have been implemented for women employees to promote equality and provide career development opportunities.

Recruitment done under Affirmative Action during FY 2019-20 was 20.25%.

- **Tata Power – DDL appraised at PCMM Level 4**

Tata Power – DDL has been successfully appraised at PCMM Maturity 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. An appraisal at Level 4 indicates that the organization is performing at “Predictable” Level and has showcased 19 process areas (encompassing Level 2, 3 and 4 process areas like Quantitative Performance Management, Empowered Workgroups, Competency Development, Competency Based Assets, etc.). The Final Audit (SCAMPI A) was conducted by an external High Maturity Lead Appraiser from KPMG from 11th February – 21st February 2020 for Level 4 High Maturity Level.

During the rigorous assessment process, more than 4000 artefacts and process documents were audited by the Appraisal Team along with interactions with representatives from Operations, Commercial, HR and other support groups including IT, Admin, Safety, Medical and Corporate Communications and Senior Leadership Team.

- **India’s Best Companies to Work for 2019**

Tata Power – DDL has been ranked 4th amongst the top 100 companies of the prestigious “India’s Best Companies to Work for 2019” and amongst TOP 75 in India’s Best Workplaces for Women 2019 in The Survey conducted by The Economic Times in partnership with the Great Place to Work® Institute.

- **BML Munjal Awards 2019**

Tata Power-DDL has been adjudged the ‘Winner’ at the prestigious BML Munjal Awards 2019 for driving Business Excellence through Learning & Development initiatives in the Private Services Category. The award was given by Bharat Ratna awardee Former President of India, Shri Pranab Mukherjee to TATA Power-DDL. The award recognizes organizations that create and implement innovative strategies for Learning and Development using people development as a tool to achieve Business Excellence and creates a platform for sharing best practices in the field of Learning & Development by the participating companies.

- **Employee Connect & Engagement**

  The Employee Grievance Redressal Index of HR Connect is 100% in FY 2019-20. This year the average days to address the grievances was reduced to 10 days from 16 days.

  New recognition schemes like Skill Enhancement WOW cards and Kudos Cards were introduced to appreciate the employees for developing their skills and to provide an opportunity to senior leadership to instantly recognize the work of the employees. In FY 2019-20, 75% of distinct employees have been covered under the various rewards & recognition schemes.

- **Capability Development**

  In order to increase engagement levels of employees and develop them, about 83% employees in Executive Cadre and 49.15% employees in Non-Executive Cadre having experience of more than 5 years in the same role have been given job rotation/enrichment in the FY 2019-20.

  Functional Competency Assessments have been done for 900+ employees in FY 2019-20 and development needs have been identified. The employees are now being provided with Competency based trainings and Mentoring (on the job trainings) for enabling them to move to the desired levels of functional competencies.

- **Talent Management**

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

  Tata Power-DDL has launched an e-learning platform- Gyankosh- powered by Skillsoft-Percipio for the executive cadre employees. The idea is to provide new 24X7 learning opportunities to the employees to Learn, Lead & Accelerate. Interactive Mentors have also been assigned for supporting the learning initiatives.

  In FY 2019-20, 90% executive and 87.9% non-executive employees were covered in various training & development programs. Strategic Leadership Program (Module 2: Leadership of People) was also held for the development of 21 Leaders. The Training effectiveness was 94.24% (Level 1) and 86.78% (Level 2) for the Internal Training programs.

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

  1. Psychometric Workshops for ET/MT Batch 2019-20 and their Reporting Officers (Exploring Self & Building Bonds).
  2. Power Learning sessions with Chiefs / Heads covering 500 employees.
  3. Gender Equity Executive Leadership Program (GEELP), Co-developed by USAID, Tetratech and Georgetown University.
  4. Blended Learning Programs for Managers (Winning with Us).

- **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. Joint Interaction Forums, Voice of Employees and HR Nodal Officers have continuously improved direct interface with all employees. 8 Voice of Employee sessions have been conducted across different locations.

- **Prevention of Sexual Harassment**

The Sexual Harassment of Women at Workplace (Prevention, Prohibition and Redressal) Act, 2013 ("the 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 Act in the previous financial year.

In line with the 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 2019-20:
No. of complaints received: 2
No. of complaints disposed of: 2
No. of cases pending: 0
No. of cases pending for more than 90 days: 0
No. of established cases of Sexual Harassment: 1

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 Sexual Harassment of Women at Workplace (Prevention, Prohibition and Redressal) Act, 2013.

Ethics Management

Ethics Management at Tata Power-DDL has been institutionalized through TATA Code of Conduct (TCoC). To create and sustain an ethical culture, govern and implement ethics management across the organization a three tier structure exists which is revisited from time to time, depending on requirements. 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 Addln. GM and above, plays the lead role in guiding, reviewing and monitoring ethical issues. At the 2nd tier, there is a council of Locational Ethics Counsellors (LECs) comprising of officers of the level of Sr. Manager to DGM, led by the Chief Ethics Counselor (CEC), who are present at key locations across the Company and are readily approachable to all the locational employees and other stakeholders. The 3rd 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, BA employees and other stakeholders.

Company has established a robust Ethical Concern resolution process, centrally controlled by CEC. Concerns are logged and monitored through an online portal and tracking process and all complaints are resolved in a time bound manner. Based on the concerns raised and found to be valid, necessary corrective actions are taken. 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 R&R ceremonies.

Every alternate year, an Independent External Leadership of Business Ethics (LBE) Survey is carried out with the help of Tata Business Excellence Group. The LBE score in the recently concluded survey has shown improvement not only in terms of participation by employees and suppliers but also there has been considerable improvement in overall score of each of the five perspectives viz. Leadership Engagement; Environment for Ethics; Awareness & Training; Ethics Counsellor's Role; and Systems & Processes. The participation summary of the external LBE Survey of 2017 and 2019 along with perspective wise overall score are given below –

I. Participation % comparison of external surveys conducted in 2017 and 2019 :

1. Executive Cadre – 64% (2017); 78% (2019) - 14% increase
2. Non-Executive Cadre – 48% (2017); 65% (2019) - 17% increase
3. Suppliers – 53% (2017); 49% (2019) - Although in % terms, there is 4% decrease, the actual count of participants increased from 80 to 116

II. Overall Score – Perspective Wise

1. Leadership Engagement – 89% (2017); 92% (2019) - 3% increase
2. Environment for Ethics – 86% (2017); 89% (2019) - 3% increase
3. Awareness & Training – 92% (2017); 95% (2019) - 3% increase
4. Ethics Counsellor's Role – 87% (2017); 91% (2019) - 4% increase
5. Systems & Processes - 87% (2017); 91% (2019) - 4% increase

Various new initiatives were taken in the FY 2018-19 by LBE viz. JRD TATA Memorial Lecture, Combining of Safety and Ethics Oath, Film on Ethics, Strengthening Ethics In Generation Next, Ethics Conclave have been carried on in the second year too i.e. 2019-20 and additionally some new initiatives have also been taken during the year like Ethics Masterclass for all the 3-tier Ethics Management Team; Function-wise Town Hall on Ethics and Quality; Netritva Ke Aadarsh : Video Chat with Senior Leadership to be shared during LBE events/activities to present our Leadership as Role Model; and Duvidha Par Charcha : Sharing Ethical Dilemmas among TATA Power-DDL employees and getting responses from them, along with all other ongoing events/activities.

Vigil Mechanism

As per the requirements of the Companies Act 2013 and the rules made thereunder, Tata Power-DDL has also formulated Vigil Mechanism with a view to providing a mechanism for the Directors, employees and stakeholders of the Company to approach the Chief Ethics Counsellor/ Chairman of the Audit Committee of the Board to report concerns of unethical behavior, 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 Counselor or Chairman of the Audit Committee in appropriate or exceptional cases.

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

The Company has placed a copy of Vigil Mechanism on the Company website, and web-link of Vigil Mechanism is https://www.tatapower-ddl.com/corporate/our-Company/corporate-policies/tpddl-vigil-mechanism.pdf

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

Gift Policy

The Company has formulated Gift Policy in line with the commitment made in Gifts & Hospitality Clause of TCoC. The web-link of Gift Policy is https://www.tatapower-ddl.com/corporate/our-Company/corporate-policies/TPDDL Gifft Hospitality Policy.pdf

UN Global Compact

Tata Power-DDL is a signatory to United Nations Global Compact and is now a part of a group of reputed organizations worldwide. Tata Power-DDL is committed to upholding the 10 principles in the areas of Human Rights, Labour and Environment & Anti-Corruption.

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. Tata Power-DDL continues to strive to identify areas where it can make a difference.

13. CREDIT RATING

Company's borrowing facilities (both fund and non-fund based) are rated by ICRA, the credit rating agency. As on 31st March 2020, the Company had long term credit rating as AA- with stable outlook and short term rating as A1+. Company also took second rating from CRISIL for its Commercial Paper, which is A1+.

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

(₹ in crore)

Particulars – Standalone	FY2019-20	FY 2018-19
Foreign Exchange Earnings mainly on account of interest, dividend	Nil	Nil
Foreign Exchange Earnings mainly on account of consultancy services	*13.20*	7.68
Foreign Exchange Outflow mainly on account of:		

Particulars – Standalone	FY2019-20	FY 2018-19
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	*4.50*	*2.69*
Foreign travelling expenses	*1.43*	*2.14*

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 Companies Act, 2013, read with Rule 5(2) of Companies (Appointment And Remuneration of Managerial Personnel) Rules, 2014, is applicable only to listed companies.

17. SUBSIDIARIES

Tata Power-DDL 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 2019-20, 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 Company 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.

<u>Financial Highlights and contribution of the subsidiary to the overall performance of the Company:</u>

NDPL Infra Limited has earned revenues of ₹ 6.31 crore during FY 2019-20, a decrease of about 46.39% over the previous year revenues of ₹ 11.77 crore from FY 2018-19. The Company has earned Profit Before Tax (PBT) of ₹ 3.59 crore for the year ended 31st March 2020 as against ₹ 7.38 crore for the year ended 31st March 2019 and total comprehensive income of ₹ 2.71 crore for the year ended 31st March 2020 as against ₹ 5.65 crore for the year ended 31st March 2019. The main reason for decline in revenue during current year is the termination of contract with M/s VIPL Global Services Limited (Nigeria) – the sole customer of the Company w.e.f 15th September 2019. However, the Company believes that there is no immediate impact on the going concern of NDPL Infra Limited.

<u>Performance</u>

Existing service agreement with M/S VIPL Global Services Limited has been ceased from 15th September 2019. No other opportunities are being pursued by the Company.

18. AUDITORS

Statutory Audit: DERC vide letters no F.6 (10)/AF/DERC/2012-13/6101 dated 22nd February, 2013, had directed the Company that services of same Statutory Auditor may be availed for a maximum period of three years i.e. rotation of Statutory Auditors was to be done every three years and that they should be empaneled with C&AG.

Based on the above directions of DERC, M/s Walker Chandiok & Co LLP (ICAI Firm Registration No. 001076N/N500013, LLP Identification No. AAC-2085), have conducted the Statutory Audit of the Company from FY 2016-17 to FY 2018-19.

Subsequently, DERC vide its letter no. F.6(10)AF/DERC/2012-13/3781/956 dated 25th May 2018, had directed that services of the same Statutory Auditor may be availed for a maximum period of 5 years instead of 3 years.

Since the performance of M/s Walker Chandiok & Co LLP, Chartered Accountants, Statutory Auditors for the said period was found to be satisfactory. Hence, they were re-appointed as Statutory Auditors of the Company for second term of two years to hold office from the conclusion of 18th Annual General Meeting (AGM) upto the conclusion of 20th AGM (i.e. from FY 2019-20 to FY 2020-21). The requirement to place the matter relating to appointment of Statutory Auditors for ratification by Members at every AGM has been done away by the Companies (Amendment) Act, 2017 with effect from 7th May 2018.

Internal Audit: Mr. Piyush Kumar Jain is Internal Auditor (A G M, Internal Audit & Risk Appraisal) of Tata Power-DDL.

Secretarial Audit: Based upon the recommendations of the Audit Committee, the Board at its meeting held on 29th April 2020 approved the re-appointment of M/s Siddiqui & Associates, Company Secretaries, as the Secretarial Auditors of the Company for the financial year 2020-21.

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 Companies Act, 2013.

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

In accordance with the requirement of the Central Government and pursuant to section 148 of the Act and the rules made there under, the Company carries out an audit of the cost accounts relating to electricity every year since 2006. Subject to the ratification of remuneration by the members of the Company and based on the recommendation of the Audit Committee, the Board of Directors of the Company at its meeting held on 29th April 2020 has re-appointed M/s Ramanath Iyer & Company, Cost Accountants (Firm Registration No. 000019) to audit the cost accounts relating to electricity for FY 2020-21. They have, pursuant to section 148 of the Act, furnished a certificate regarding their eligibility for re-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 2019 was filed with the Central Government, Ministry of Corporate Affairs on 7th August 2019 through Extensive Business Reporting Language (XBRL), before the due date of 30th September 2019.

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 sub-section (1) of section 148 of the Companies Act, 2013 and accordingly such accounts and records are made and maintained.

21. SECRETARIAL AUDIT REPORT

M/s Siddiqui & Associates, Company secretaries, were re-appointed as Secretarial Auditor to conduct Secretarial Audit of records and documents of the Company for FY 2019-20. 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-VIII.

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 attached as Annexure II & Annexure I 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-VI.

24. EXTRACT OF ANNUAL RETURN

Pursuant to section 92 of the Act and rule 12 of the Companies (Management and Administration) Rules, 2014, the extract of Annual Return in Form MGT-9, is provided in Annexure VII.

The Company has also placed a copy of the annual return on the website of the Company, and the web-link of such annual return is https://www.tatapower-ddl.com/regulations-and-compliances/business-mis/companies-act-compliances.

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. SECRETARIAL STANDARDS

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

29. DIRECTORS' RESPONSIBILITY STATEMENT

Pursuant to section 134(5) of the Companies Act, 2013, 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 devised proper systems to ensure compliance with the provisions of all applicable laws and that such systems were adequate and operating effectively.

30. FRAUD REPORTING

No frauds have been reported to the Audit Committee/ Board during FY 2019-20, 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.

31. 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.

32. 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, 29th April 2020

Annexures to Board's Report

ANNEXURE I – TECHNOLOGY ABSORPTION

1	Specific area in which R & D carried out by the Company	i. 100% rewinding of failed transformer. ii. Use of natural ester in high rating transformers to enhance fire safety.
2	Benefits derived as a result of the above R & D	i. OPEX optimization. One 160KVA DT rewind and tested successfully. ii. Enhancement in fire safety at congested area.
3	Future plan of action	i. 100% rewinding of rating 250KVA. ii. Use of natural ester for conventional DT for specific site having space constraints.
4	Expenditure on R & D (in ₹ crore) a) Capital b) Recurring c) Total	a) Nil b) ₹ 0.15 crore c) ₹ 0.15 crore

- Technology absorption, adaptation and innovation

1	Efforts, in brief, made towards technology absorption, adaptation and innovation	i. Design of sub-stations with bare minimum foot-print like I-Type, Vertical, Double Decker, Four Pole lifted and Single Pole Sub-Stations. ii. Design of Underground and Submersible Sub-Station. iii. Design of Digital Grid Stations iv. Designing of communicable seals to reduce and identify meter tempering and theft case booking. v. Designing of Distribution Transformer Smart Metering Kit with oil level and temperature rise indicators.
2	Benefits derived as a result of the above efforts	i. Implementation of some of these sub-station were already done and some are under execution. These type of Sub-Stations are extremely beneficial for over load mitigation, release new connections in unauthorised colonies and ultimately customer satisfaction, as the space requirement is less than 50%. ii. Underground Sub-Station is under execution in Narela and this type of sub-station can be installed under parks, parking lot or under the road to cater the vertical load growth in congested areas. iii. Latest technology for Grid Stations. Digital Grid is under execution at Bawana- 6 with process bus and digital CRP. This will reduce the space required, increase the reliability and monitoring. iv. 10K Talk Back Seal has been implemented at site. Advantage of these seals are, tampering and duplicity of seals can be detected without manual intervention, accordingly it will be error free identification. v. More than 4k DT Smart Meter kit is under installation at site. This will monitor the transformer oil temperature and oil level. Advantage of this kit is, it will prevent DT failure due to over loading and damage due to oil theft at site.

3	In case of imported technology (imported during the last five years reckoned from the beginning of the financial year), following information may be furnished: a) Technology Imported b) Year of Import c) Has technology been fully absorbed If not fully absorbed, areas where this has not taken place, reasons thereof and future plans of action	(a) **Technology imported**	(b) **Year of Import**	(c) **Has technology been fully absorbed**
		SAP-HANA	2016	Fully Absorbed
		Implementation of ADMS infrastructure & changes in related interfaces	2018	Fully Absorbed
		Field Force Automation	2018	Fully Absorbed
		Advanced Metering Infrastructure(AMI)	2018	Partially 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

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

Sd/-
Praveer Sinha
Chairman
(DIN: 01785164)

Delhi, 29th April 2020

Annexure II – Conservation of Energy

- *The steps taken or impact on conservation of energy*
- *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, Tata Power-DDL is committed to promote energy conservation and its efficient use among its consumers. Working on similar lines, Tata Power-DDL 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.

Tata Power-DDL 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 48 % discount offered on MRP and 5 years of comprehensive warranty -Participating consumer would be benefitted by the annual reduction of appx. 5500 in the electricity bill depending upon their usage. -All the old ACs collected under the scheme disposed-off in the environment friendly manner. -Tariff Neutral from year 1	- Scheme launched on July 10,2015 - VOLTAS, Hitachi & Godrej were the Participating OEM -Total Installed Quantity till now – 20222 **Nos** -Deemed Load Reduction – 18.07 **MW** -Annual cumulative Energy Savings- 17.86 **MUs** -Annual CO_2 Reduction - 5949.39 **MT**

2. UJALA-Program: Distribution of LED Light & 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 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 in 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 TATA POWER-DDL facilitation charges as TATA POWER-DDL is the only DISCOM allowed by EESL for working as distribution partner. -Scheme launched on 7th February 2017 -Program Targets:- a. Bulbs – 1180733 Nos b. Tube lights – 95981 Nos c. Fans – 11027 Nos Cumulative quantity:1287741 Nos *Total Deemed MW Saving: 35.84 MW* *Total MU savings: 37.31 MUs* *Total CO_2 emission reduction:12059.87 MT*

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 TATA POWER- DDL and outside TATA POWER-DDL customers for conducting Energy Audits & Implementation of the Energy Efficiency (EE) measures through Discom driven ESCO route. -To optimize TATA POWER- DDL peak load consumption. -To provide value added services to customers. -Single window energy efficiency solution to consumers.	-Empanelled and developed a pool of Grade 1 ESCOs. Customer Specific: -An ESCO as Company 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.	-Empaneled six ESCO agencies for conducting energy audit. -Total audit done of 70.07 MW (55.28 MW from customer specific and 14.79 MW from EESL Energy Audit project). -Energy Efficiency Project implemented of 24.91 MW (10.68 MW from customer specific and 14.23 MW from NDMC streetlight project package 1).

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.	- Till date around 1.73 lakh LED street lights have been fixed - Estimated load reduction under Tata Power-DDL area is around 19.83 MW

- *The capital investment on energy conservation equipment: NIL*

Annual Energy savings achieved due to implementation of Energy Efficiency improvement measures

S No	DSM Program till date	Scale (Nos)	Annual Energy Savings (MU)	Load Reduction (MW)	Annual CO2 reduction (MT)
1	**LED Lights (DELP Scheme)**	14,00,000	44.1	10.5	14,685
2	**LED Lights & Fan (UJALA Scheme)**	**12,87,741**	37.31	35.84	12059.87
3	**Whole range LED Light with Crompton**	100,000	3.01	2.8	1,003
4	**BEE 5 star Ceiling Fan with Crompton**	60,000	5.4	1	1,798
5	**Non Star AC replacement Scheme**	19,795	17.65	17.81	5,877
6	**Energy efficiency Implementation project**	-	-	24.91	2,946

S No	DSM Program till date	Scale (Nos)	Annual Energy Savings (MU)	Load Reduction (MW)	Annual CO2 reduction (MT)
7	**Rooftop Solar through Net Metering of 33.61 MWp**	958		-	-

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

Sd/-
Praveer Sinha
Chairman
(DIN: 01785164)

Delhi, 29th April 2020

ANNEXURE III - 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. **Role of the Nomination and Remuneration Committee**

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. **Review of the Policy**

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

ANNEXURE IV – 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**

o 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.
o Within the parameters prescribed by law, the payment of sitting fees and commission will be recommended by the NRC and approved by the Board.
o 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).
o 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.
o Overall remuneration practices should be consistent with recognized best practices.
o Quantum of sitting fees may be subject to review on a periodic basis, as required.
o 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.
o 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.
o 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**

o 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.

o 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:
  o Company performance on certain defined qualitative and quantitative parameters as may be decided by the Board from time to time,
  o Industry benchmarks of remuneration,
  o 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 V– DETAILS OF CORPORATE SOCIAL RESPONSIBILITY SPEND

1. A brief outline of the Company's CSR policy, including overview of projects or programs proposed to be undertaken and a reference to the web-link to the CSR policy and projects or programs: As a part of the Tata Group, Tata Power Delhi Distribution Ltd. 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.

   Tata Power-DDL's CSR vision corroborates being a responsible corporate and aims at imbibing social alignment as a key component of all its business processes and strategy. 'Reaching out to communities we operate in' is an integral part of our mission statement. Tata Power-DDL's inclusive approach to reach out to its stakeholders and maintaining equilibrium brings more agility 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 which fall in Company's area of operation. The residents of these JJ clusters are basically migrants from different communities, culture, ethnicity and creed who drifted from their native places. These clusters also have a very high representation of SC/ST communities which further emphasizes the need for inducing various developmental initiatives there. Creating avenues for Education, Employability, Health Services, Environment, Entrepreneurship Development and Empowering marginalized societal sections & communities in distress are the focus areas of community development at Tata Power-DDL.

   Tata Power-DDL looks forward for an enhanced and valuable contribution in the lives of communities by the Company, create a win-win situation for all stakeholders and strives for achieving the milestones of sustainable development and inclusive growth.

   The Company's CSR policy 2019-20, including overview of projects or programs undertaken or proposed to be undertaken, is provided on the Company website: https://www.tatapower-ddl.com/corporate/our-Company/corporate-policies

2. The Composition of the CSR Committee.
   Mr. Ajay Shankar- Chairman - Independent Director
   Mr. Jasmine Shah - Member - Director
   Mr. Ajit Kumar Singh - Member - Director
   Mr. Sanjay Kumar Banga - Member - Director
   Mr. Arup Ghosh - Member- Director

3. Average net profit of the Company for last three financial years: **₹ 389.01 crore.**

4. Prescribed CSR Expenditure (two per cent of the amount as in item 3 as above): **₹ 7.78 crore**

5. Details of CSR spent during the financial year 2019-20.

   (a) Total amount spent for the financial year : **₹ 8.11 crore**
   (b) Amount unspent, if any; **NA**
   (c) Manner in which the amount spent during the financial year is detailed below:

6. In case the Company has failed to spend the two per cent of the average net profit of the last three financial years or any part thereof, the Company shall provide the reasons for not spending the amount in its Board report: **NA**

CSR Expenditure FY 2019-20 in ₹ (Reporting Framework)							
1	2	3	4	5	6	7	8
S. No	**CSR Project/ activity identified**	**Sector Sch VII**	**Project/ Programs 1. Local area or Others 2. State District**	**Amount outlay (budget) project/ programs wise**	**Amount Spent by Project/ Programs 1. Direct 2. Overheads**	**Cumulative expenditure spend up to reporting period**	**Amount spent direct/ through implementing agency**
1	Women Literacy Centres	ii	North, North-West Delhi	2,18,06,400	2,18,06,400	2,18,06,400	Implementing Agency (Dhanpat Mal Virmani Education Trust & Management, Prayas Juvenile Aid Centre Society and Aradhya)
2	ABHA Program	i	North, North-West Delhi	1,78,32,000	1,78,32,000	1,78,32,000	Implementing Agency (Dhanpat Mal Virmani Education Trust & Management, Prayas Juvenile Aid Centre Society and Center for Alternative Dalit Media)
3	Support to Disability Counselling Centre	i	North, North-West Delhi	1,50,000	1,50,000	1,50,000	Implementing Agency (Viklang Sahara Samiti Delhi)
4	Vocational Training cum Tutorial Program	i	North, North-West Delhi	1,41,88,687	1,41,88,687	1,41,88,687	Implementing Agency (Viklang Sahara Samiti Delhi, Prayas Juvenile Aid Centre Society, Aradhya, Society for Advancement of Village Economy, ANK, Daya Nand Adarsh Vedic Education & Welfare Society, Matrix Society for Social Venture, Bansuri Charitable Trust, , NANAK, Sofia Educational & Welfare Society, Ashima Foundation and SGBS Unnati Foundation)
5	SHG training program - EDP	ii	North, North-West Delhi	4,00,000	4,00,000	4,00,000	Implementing Agency (Society for Advancement of Village Economy and Matrix Society for Social Venture)
6	DHAAGA Project	ii	North, North-West Delhi	3,09,388	3,09,388	3,09,388	Implementing Agency (Ashima Foundation)
7	Project Bhojanam	ii	North, North-West Delhi	5,24,990	5,24,990	5,24,990	Implementing Agency (Society for Advancement of Village Economy)
8	Abhipra Project	i	North, North-West Delhi	11,800	11,800	11,800	Implementing Agency (Abhipra)
9	Call Centre Training Program	i	North, North-West Delhi	1,20,000	1,20,000	1,20,000	Implementing Agency (SGBS Unnati Foundation)

10	Community awareness - Socio economic survey, NGO meet, ABHA session & TVW	ii	North, North-West Delhi	18,34,125	18,34,125	18,34,125	Directly/ Implementing Agency (Viklang Sahara Samiti Delhi)
11	Project Parivartan	i	North, North-West Delhi	0	0	0	
12	Gender sensitisation session	ii	North, North-West Delhi	0	0	0	
13	Soft skill development training at VT Centres	ii	North, North-West Delhi	0	0	0	
14	Session for WLC Instructors	i	North, North-West Delhi	0	0	0	
15	Haqdarshak	ii	North, North-West Delhi	0	0	0	
16	Paper Cup Unit	ii	North, North-West Delhi	0	0	0	
17	Career Counselling Program in Government Schools	ii	North, North-West Delhi	13,90,000	13,90,000	13,90,000	Implementing Agency (ADMIZZIONZ CAMPUZ)
18	Cheque Scholarship to SC/ST students	ii	North, North-West Delhi	34,65,315	34,65,315	34,65,315	Directly
19	Scholarship to SC/ST under FAEA Program	ii	North, North-West Delhi	3,50,000	3,50,000	3,50,000	Directly
20	Soft skill development training for girls in school-Roshni	ii	North, North-West Delhi	18,37,500	18,37,500	18,37,500	Implementing Agency (Roshni)
21	Meri PathShala (Special training Centres)	ii	North, North-West Delhi	40,26,603	40,26,603	40,26,603	Directly/ Implementing Agency (Tata Class Edge and Delhi Government)
22	TCS Employability Training	ii	North, North-West Delhi	0	0	0	
23	Skill enhancement training of Polytechnic students	ii	North, North-West Delhi	0	0	0	
24	Mentor mentee program	ii	North, North-West Delhi	0	0	0	
25	Mobile Dispensary	i	North, North-West Delhi	63,29,175	63,29,175	63,29,175	Implementing Agency (Eduquest)
26	Blood Donation Camp	i	North, North-West Delhi	1,43,537	1,43,537	1,43,537	Directly
27	RO Water plant	i	North, North-West Delhi	11,68,013	11,68,013	11,68,013	Directly
28	Project Aarogya	i	North, North-West Delhi	40,608	40,608	40,608	Directly/ Implementing Agency (Eduquest)
29	Drug De addiction Camp	i	North, North-West Delhi	15,000	15,000	15,000	Implementing Agency (Prajapita Bramkumari)

30	Non Communicable disease sensitization sessions	i	North, North-West Delhi	0	0	0	
31	Eye Camps	i	North, North-West Delhi	0	0	0	
32	Club energy	iv	North, North-West Delhi	5,76,333	5,76,333	5,76,333	Directly
33	Tree Plantation (No of Saplings)	iv	North, North-West Delhi	1,90,560	1,90,560	1,90,560	Directly
34	CSR Initiatives at Lucknow & Ranchi	ii	North, North-West Delhi	13,13,400	13,13,400	13,13,400	Implementing Agency (Sofia Educational & Welfare Society and Society for Advancement of Village Economy)
35	GoNCTD - Hunger Relief Fund (COVID - 19)	ii	North, North-West Delhi	12,00,000	12,00,000	12,00,000	Implementing Agency (GIVE Foundation)
36	Unforeseen contingencies	i, ii	North, North-West Delhi	19,06,291	19,06,291	19,06,291	Directly/ Implementing Agency (TISS, Society for Advancement of Village Economy and Matrix Society for Social Venture)
	Total Budget Expenditure			**8,11,29,725**	**8,11,29,725**	**8,11,29,725**	

Responsibility Statement: Pursuant to the provisions of section 135 of the Companies Act, 2013 read with the Companies (Corporate Social Responsibility Policy) Rules, 2014, Mr. Ajay Shankar, Independent Director, Chairman, CSR Committee and Mr. Ganesh Srinivasan, Chief Executive Officer, do confirm that the implementation and monitoring of CSR Policy, is in compliance with the CSR objectives and Policy of the Company.

CSR plan of Tata Power-DDL also include:

Taking up new projects specified in Schedule VII read with section 135 of the Companies Act, 2013 and rules made thereunder and any amendments made thereto from time to time.

Note: Surplus arising out of the CSR programs/projects or activities shall not form part of the business profit of the Company.

sd/-

Ganesh Srinivasan
(Chief Executive Officer)
(DIN: 08208444)
Delhi, 29th April 2020

sd/-

Ajay Shankar
(Independent Director)
(Chairman, CSR Committee)
(DIN: 01800443)
Delhi, 29th April 2020

Annexure VI– Related Party Transactions

- 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 (FORM AOC-2)

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

Name(s) of the related party and nature of relationship	Nature of contracts/ arrangements/ transaction	Duration of contracts / arrange ments/ transacti on	Salient terms of the contracts / arrange ments/ transacti on including value	Justification for entering into such contracts/ arrangemen ts/ 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:

Sl. No.	Name(s) of the related party and nature of relationship	Nature of contracts/ arrangements/ transactions	Duration of the contracts/ arrangements/ transaction	Salient terms of the contracts/ arrangements/ transaction including value, if any	Date (s) of approval by the Board	Amount paid as advances, if any
1	Tata Power Trading Company Limited	Power Procurement		Both CLP and MPL power is sourced through TPTCL as per the initial agreement between the parties executed on 20/01/2009 (between Tata Power-DDL and TPTCL) and 10/09/2009 (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	These were approved by the Audit Committee	Nil

				of 4 paise per 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 2019-20 is ₹ 773.87 lakh and on account of the power scheduled from CLP in FY 2019-20 is ₹ 533 lakh		

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

Sd/-
Praveer Sinha
Chairman
(DIN: 01785164)

Delhi, 29th April 2020

Annexure VII– EXTRACT OF ANNUAL RETURN

Form No. MGT-9
EXTRACT OF ANNUAL RETURN
as on the financial year ended 31st March 2020
[Pursuant to section 92(3) of the Companies Act, 2013 and rule 12(1) of the Companies (Management and Administration) Rules, 2014]

I. REGISTRATION AND OTHER DETAILS:

(i)	CIN	:	U40109DL2001PLC111526
(ii)	Registration Date	:	4th July 2001
(iii)	Name of the Company:	:	Tata Power Delhi Distribution Limited
(iv)	Category / Sub-Category of the Company:	:	Unlisted Public Limited Company Electricity Distribution
(v)	Address of the Registered office and contact details:	:	NDPL House, Hudson Lines, Kingsway Camp, Delhi 110009. Tel: 011-66112222 Fax: 011-27468042
(vi)	Whether listed Company Yes / No	:	No
(vii)	Name, Address and Contact details of Registrar and Transfer Agent, if any	:	Alankit Assignments Limited, 2E/21 Jhandewalan Extension New Delhi – 110055, Tel: 91-11-4254 1234.

II. PRINCIPAL BUSINESS ACTIVITIES OF THE COMPANY

All the business activities contributing 10% or more of the total turnover of the Company shall be stated:-

Sl. No.	Name and Description of main products / services	NIC Code of the Product/ service	% to total turnover of the Company
1	Sale of Power	N.A.	97%

III. PARTICULARS OF HOLDING, SUBSIDIARY AND ASSOCIATE COMPANIES

S. No.	Name and address of the Company	CIN/GLN	Holding/ Subsidiary/ Associate	% of Shares Held	Applicable Section
1	The Tata Power Company Limited Address: Bombay House 24, Homi Mody Street Mumbai - 400 001	L28920MH1919PLC000567	Holding Company	51%	2(46)
2	NDPL Infra Limited Address : Jeevan Bharati Tower # 1, 10th Floor, 124, Connaught Circus, New Delhi -110001	U40106DL2011PLC223982	Subsidiary Company	100%	2(87)

IV. SHARE HOLDING PATTERN (Equity Share Capital Breakup as percentage of Total Equity)

i) Category-wise Share Holding

Category of Shareholders	No. of Shares held at the beginning of the year [As on 01-April-2019]				No. of Shares held at the end of the year [As on 31-March-2020]				% Change during the year
	Demat	Physical	Total	% of Total Shares	Demat	Physical	Total	% of Total Shares	
A. Promoters									
(1) **Indian**									
a) Individual/ HUF	0	10	10	0	6	4	10	0	60
b) Central Govt	0	0	0	0	0	0	0	0	0
c) State Govt(s)	270479994	2	270479996	49	270479996	0	270479996	49	0
d) Bodies Corp.	281519994	0	281519994	51	281519994	0	281519994	51	0
e) Banks / FI	0	0	0	0	0	0	0	0	0
f) Any other	0	0	0	0	0	0	0	0	0
Sub Total (A) (1)	551999988	12	552000000	100	551999996	4	552000000	100	0
(2) **Foreign**									
a) NRI Individuals	0	0	0	0	0	0	0	0	0
b) Other Individuals	0	0	0	0	0	0	0	0	0
c) Bodies Corp.	0	0	0	0	0	0	0	0	0
d) Banks//FI									
e) Any other	0	0	0	0	0	0	0	0	0
Sub Total (A) (2)	0	0	0	0	0	0	0	0	0
Total shareholding of Promoter (A) = (A)(1)+(A)(2)	551999988	12	552000000	100	551999996	4	552000000	100	0
B. Public Shareholding									
1. Institutions									
a) Mutual Funds	0	0	0	0	0	0	0	0	0
b) Banks / FI	0	0	0	0	0	0	0	0	0
c) Central Govt	0	0	0	0	0	0	0	0	0
d) State Govt(s)	0	0	0	0	0	0	0	0	0
e) Venture Capital Funds	0	0	0	0	0	0	0	0	0
f) Insurance Companies	0	0	0	0	0	0	0	0	0
g) FIIs	0	0	0	0	0	0	0	0	0
h) Foreign Venture Capital Funds	0	0	0	0	0	0	0	0	0

Category of Shareholders	No. of Shares held at the beginning of the year [As on 01-April-2019]				No. of Shares held at the end of the year [As on 31-March-2020]				% Change during the year
	Demat	Physical	Total	% of Total Shares	Demat	Physical	Total	% of Total Shares	
i) Others (specify)	0	0	0	0	0	0	0	0	0
Sub-total (B)(1):-	0	0	0	0	0	0	0	0	0
1. Non-Institutions									
a) Bodies Corp.									
i) Indian	0	0	0	0	0	0	0	0	0
ii) Overseas	0	0	0	0	0	0	0	0	0
b) Individuals	0	0	0	0	0	0	0	0	0
i) Individual shareholders holding nominal share capital upto ₹ 1 lakh	0	0	0	0	0	0	0	0	0
ii) Individual shareholders holding nominal share capital in excess of ₹ 1 lakh	0	0	0	0	0	0	0	0	0
c) Others (specify)	0	0	0	0	0	0	0	0	0
Sub-total (B)(2):-	0	0	0	0	0	0	0	0	0
Total Public Shareholding (B)=(B)(1)+ (B)(2)	0	0	0	0	0	0	0	0	0
C. Shares held by Custodian for GDRs & ADRs	0	0	0	0	0	0	0	0	0
Grand Total (A+B+C)	551999988	12	552000000	100	551999996	4	552000000	100	0

(ii) Shareholding of Promoters

Sl No.	Shareholder's Name	Shareholding at the beginning of the year			Shareholding at the end of the Year			
		No. of Shares	% of total Shares of the Company	%of Shares Pledged / encumbered to total shares	No. of Shares	% of total Shares of the Company	%of Shares Pledged / encumbered to total shares	% change in share holding during the year
1	The Tata Power Company Limited	281520000	51%	Nil	281520000	51%	Nil	Nil

2	Delhi Power Company Limited	270480000	49%	Nil	270480000	49%	Nil	Nil
	Total	552000000	100%	Nil	552000000	100%	Nil	Nil

(iii) Change in Promoters' Shareholding (please specify, if there is no change): NO CHANGE

Sl. No.		Shareholding at the beginning of the year		Cumulative Shareholding during the year	
		No. of shares	% of total shares of the Company	No. of shares	% of total shares of the Company
1	At the beginning of the year	552000000	100	552000000	100
2	Date wise Increase/ decrease in Promoters Shareholding during the year specifying the reasons for increase/decrease (e.g.)	Nil	Nil	Nil	Nil
3	Allotment/transfer/bonus/sweat equity etc):	Nil	Nil	Nil	Nil
4	At the end of the year	552000000	100	552000000	100

(iv) Shareholding Pattern of top ten Shareholders (other than Directors, Promoters and Holders of GDRs and ADRs): NOT APPLICABLE

Sl. No.		Shareholding at the beginning of the year		Cumulative Shareholding during the Year	
1	For Each of the Top 10 Shareholders	No. of shares	% of total shares of the Company	No. of shares	% of total shares of the Company
2	At the beginning of the year	N.A.	N.A.	N.A.	N.A.
3	Date wise Increase / Decrease in Share holding during the year specifying the reasons for increase / decrease (e.g. allotment / transfer/bonus /sweat equity etc):	N.A.	N.A.	N.A.	N.A.
4	At the End of the year (or on the date of separation, if separated during the year)	N.A.	N.A.	N.A.	N.A.

(v) Shareholding of Directors and Key Managerial Personnel :

Sl. No.		Shareholding at the beginning of the year		Cumulative Shareholding during the year	
1	For Each of the Directors and KMP	No. of shares	% of total shares of the Company	No. of shares	% of total shares of the Company
2	At the beginning of the year	3	Nil	3	Nil
3	Date wise Increase / Decrease in Share holding during the year specifying the reasons for increase / decrease (e.g. allotment / transfer / bonus / sweat equity etc):	Nil	Nil	Nil	Nil
4	At the End of the year	3	Nil	3	Nil

V. INDEBTEDNESS

Indebtedness of the Company including interest outstanding/ accrued but not due for payment

(Amount in ₹)

	Secured Loans	**Unsecured Loans**	**Deposits**	**Total Indebtedness**
Indebtedness at the beginning of				
the financial year				
i) Principal Amount	28,688,344,911	2,440,067,000		31,128,411,911
ii) Interest due but not paid	-	-		-
iii) Interest accrued but not due	57,679,290	-		57,679,290
Total (i+ii+iii)	**28,746,024,201**	**2,440,067,000**	**-**	**31,186,091,201**
Change in Indebtedness during				
the financial year				
• Addition	18,077,534,081	45,399,355,035		63,476,889,116
• Reduction	15,555,320,814	44,507,734,884		60,063,055,698
Net Change	**2,522,213,267**	**891,620,151**	**-**	**3,41,38,33,418**
Indebtedness at the				
end of the financial year				
i) Principal Amount	31,17,56,93,234	3,330,744,000		34,506,437,234
ii) Interest due but not paid	-	-		-
iii) Interest accrued but not due	92,544,233	943,151		93,487,384
Total (i+ii+iii)	**31,268,237,468**	**3,331,687,151**	**-**	**34,599,924,618**

Notes:-
The difference between opening CC and closing CC has been shown as addition/reduction, whichever is applicable.
Opening Interest accrued has been shown as a part of reduction.
Closing Interest accrued has been shown as part of addition.

VI. A. REMUNERATION TO MANAGING DIRECTOR, WHOLE TIME DIRECTOR AND/OR MANAGER- Not Applicable

(in ₹)

Sl. no.	Particulars of Remuneration	*NAME OF THE MD/WTD/MANAGER*	*Total Amount*
1.	Gross salary (a) Salary as per provisions contained in section 17(1) of the Income-tax Act, 1961	N.A.	N.A.
	(b) Value of perquisites u/s 17(2) Income-tax Act, 1961	N.A.	N.A.
	(c) Profits in lieu of salary under section 17(3) Income tax Act, 1961	N.A.	N.A.
2.	Stock option	N.A.	N.A.
3.	Sweat equity	N.A.	N.A.
4.	Commission -as % of profit - others, specify	N.A.	N.A.
5.	Others, please specify*(Deputation Pay and other benefits)	N.A.	N.A.
	Total	N.A.	N.A.

VI.B. REMUNERATION TO OTHER DIRECTORS

DISCLOSURE OF REMUNERATION PAID TO DIRECTORS

Disclosure regarding receipt of commission by a Director from the holding or subsidiary of a Company, in which such person is a managing or whole time Director: Mr. Praveer Sinha, Chairman of Tata Power Delhi Distribution Limited (Tata Power-DDL) receives commission from The Tata Power Company Limited (Holding Company).

Remuneration of Directors:

Directors take no commission from the venture. Except for the nominated directors - Mr. Arup Ghosh and Ms. Satya Gupta, no other director nominated by The Tata Power Company Limited (Tata Power) on the Board draws any sitting fee nor commission from Tata Power-DDL.

Mr. Praveer Sinha, Mr. Minesh Shrikrishna Dave (upto 30th November 2019), Mr. Ramesh Narayanswamy Subramanyam and Mr. Sanjay Kumar Banga (w.e.f 20th January 2020), Non Executive Directors (NEDs), nominated by Tata Power were not paid any sitting fee/commission by the Company.

Non Executive Directors (NEDs) were paid remuneration by way of Sitting Fees of ₹ 75000/- (Rupees Seventy Five Thousand only) per meeting of the Board, ₹ 75000/- (Rupees Seventy Five Thousand only) per meeting of the Independent Directors', ₹ 50,000/- per meeting for Audit

Committee, ₹ 50,000/- per meeting for Nomination and Remuneration Committee, ₹ 30,000/- per meeting for Corporate Social Responsibility Committee (till 31st December 2019).

Thereafter, sitting fees was revised by the Board of Directors w.e.f. 1st January 2020, which is ₹ 75000/- (Rupees Seventy Five Thousand only) per meeting of the Board, ₹ 75000/- (Rupees Seventy Five Thousand only) per meeting of the Independent Directors', ₹ 75,000/- per meeting for Audit Committee, ₹ 65,000/- per meeting for Nomination and Remuneration Committee, ₹ 65,000/- per meeting for Corporate Social Responsibility Committee.

During the period under review 4 Board Meetings, 4 Audit Committee Meetings, 3 Corporate Social Responsibility Committee Meetings, 3 Nomination and Remuneration Committee Meeting, 1 Independent Directors' Meeting and 1 Operations Review Committee Meeting were held.

None of the NEDs had any pecuniary relation or transactions with the Company other than mentioned below.

(in ₹)

Tata Power Delhi Distribution Ltd.				
Detail of payments made to Directors during the period from 01.04.19 to 31.03.2020				
S. No.	**Name of Directors**	**Fee Amount**	**Others Reimbursement**	**Total**
1	Mr. Nawshir Mirza	599,750/-	-	599,750/-
2	Ms. Satya Gupta	300,000/-	82,600/-	382,600/-
3	Mr. Amar Jit Chopra	611,250/-	-	611,250/-
4	Mr. Ajay Shankar	944,500/-	-	944,500/-
5	Mr. Arup Ghosh	415,000/-	14,567/-	429,567/-
6	Mr. Jasmine Shah	140,000/-		140,000/-
7	Mr. Ajit Kumar Singh	140,000/-		140,000/-
8	Ms. Rashmi Krishnan	75,000/-		75,000/-
9	Mr. Naveen ND Gupta	75,000/-		75,000/-
	Total	**3,300,500/-**	**97,167/-**	**33,97,667/-**

Consultancy fees paid to Directors for FY 2019-20:

1. Mr. Arup Ghosh ₹ 11,98,938/-
2. Ms. Satya Gupta ₹ 8,26,036/-

VI. C. REMUNERATION TO KEY MANAGERIAL PERSONNEL OTHER THAN MD/MANAGER/ WTD:

(in ₹)

S.No	Particulars of Remuneration Key Managerial Personnel	Key Managerial Personnel				
		Company Secretary Mr. Ajay Kalsie	CFO Mr. Hemant Goyal	CEO Mr. Sanjay Kumar Banga (1st April 2019 to 30th November 2019)	CEO Mr. Ganesh Srinivasan (w.e.f. 1st December 2019 to 31st March 2020)	Total
1.	Gross salary (a) Salary as per provisions contained in section 17(1) of the Income-tax Act, 1961	78,50,690/-	1,32,31,203/-	-	-	2,10,81,893/-
2.	(b) Value of perquisites u/s 17(2) Income-tax Act, 1961 (c) Profits in lieu of salary under section 17(3) Income- tax Act, 1961	36,300/-	39,600/-	-	-	75,900/-
3.	Stock option	Nil	Nil	Nil	Nil	Nil
4.	Sweat equity	Nil	Nil	Nil	Nil	Nil
5.	Commission -as % of profit - others, specify	Nil	Nil	Nil	Nil	Nil
6.	Others, please specify *(Deputation Pay and other benefits)	Nil	Nil	1,34,40,669/-	43,52,692/-	1,77,93,361/-
	Total	**78,86,990/-**	**1,32,70,803/-**	**1,34,40,669/-**	**43,52,692/-**	**3,89,51,154/-**

VII. PENALTIES/PUNISHMENT/COMPOUNDING OF OFFENCES: NIL

Type	Section of the Companies Act	Brief Description	Details of Penalty / Punishment/ Compounding fees imposed Authority	Authority [RD / NCLT/ COURT]	Appeal made, if any (give Details)
A. Company					
Penalty	Nil	Nil	Nil	Nil	Nil
Punishment	Nil	Nil	Nil	Nil	Nil
Compounding	Nil	Nil	Nil	Nil	Nil
B. Directors					
Penalty	Nil	Nil	Nil	Nil	Nil
Punishment	Nil	Nil	Nil	Nil	Nil
Compounding	Nil	Nil	Nil	Nil	Nil

C. Other Officers in Default					
Penalty	Nil	Nil	Nil	Nil	Nil
Punishment	Nil	Nil	Nil	Nil	Nil
Compounding	Nil	Nil	Nil	Nil	Nil

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

Sd/-
Praveer Sinha
Chairman
(DIN: 01785164)

Delhi, 29th April 2020

ANNEXURE VIII– SECRETARIAL AUDIT REPORT

Form No. MR-3
SECRETARIAL AUDIT REPORT
For the Financial Year ended 31st March 2020

[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 Members,
Tata Power Delhi Distribution Limited
NDPL House,
Hudson Lines, Kingsway Camp,
Delhi 110 009

We have conducted the secretarial audit of the compliance of applicable statutory provisions and the adherence to good corporate practices by **Tata Power Delhi Distribution Limited** having **CIN U40109DL2001PLC111526** (hereinafter called the Company). Secretarial Audit was conducted in a manner that provided us a reasonable basis for evaluating the corporate conducts/statutory compliances and expressing my opinion thereon.

Based on our verification of **Tata Power Delhi Distribution Limited'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 the audit period covering the financial year ended on **31st March 2020** 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 **Tata Power Delhi Distribution Limited** ("the Company") for the financial year ended on **31st March 2020** according to the provisions of:

i. The Companies Act, 2013 (the Act) and the rules made thereunder;
ii. The Securities Contracts (Regulation) Act, 1956 ('SCRA') and the rules made thereunder; **Not Applicable**
iii. The Depositories Act, 1996 and the Regulations and Bye-laws framed thereunder;
iv. 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;
The Company has complied with the provisions, rules & regulations of FEMA to the extent applicable. The Company is not having any FDI, ODI and ECB.

v. The following Regulations and Guidelines prescribed under the Securities and Exchange Board of India Act, 1992 ('SEBI Act') including any statutory modification or re-enactment thereof:-

  a. The Securities and Exchange Board of India (Substantial Acquisition of Shares and Takeovers) Regulations, 2011; **Not Applicable**
  b. The Securities and Exchange Board of India (Prohibition of Insider Trading) Regulations, 1992; **Not Applicable**

c. The Securities and Exchange Board of India (Issue of Capital and Disclosure Requirements) Regulations, 2009; **Not Applicable**

d. The Securities and Exchange Board of India (Employee Stock Option Scheme and Employee Stock Purchase Scheme) Guidelines, 1999;
Not Applicable

e. The Securities and Exchange Board of India (Issue and Listing of Debt Securities) Regulations, 2008; **Not Applicable**

f. The Securities and Exchange Board of India (Registrars to an Issue and Share Transfer Agents) Regulations, 1993 regarding the Companies Act and dealing with client; **Not Applicable**

g. The Securities and Exchange Board of India (Delisting of Equity Shares) Regulations, 2009; **Not Applicable** and

h. The Securities and Exchange Board of India (Buyback of Securities) Regulations, 1998; **Not Applicable**

vi The Company has also complied with various provisions of Electricity Laws, Labour Laws, Environment Laws and related laws to the extent applicable to the Company.

We have also examined compliance with the applicable clauses of the following:

i. Secretarial Standards issued by The Institute of Company Secretaries of India: Secretarial Standard-1 on the Meetings of the Board of Directors and Secretarial Standard-2 on General Meetings.

ii. The Listing Agreements entered into by the Company with Stock Exchange(s), if applicable;
Not Applicable

During the period under review, the Company has complied with the provisions of the Acts, Rules, Regulations, Guidelines, Standards, etc. as aforesaid.

We further report that

The Board of Directors of the Company is duly constituted with proper balance of Non-Executive Directors, Women Directors and Independent Directors. The changes in the composition of the Board of Directors that took place during the period under review were carried out in compliance with the provisions of the Act.

Adequate notice is given to all Directors to schedule the Board 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. Majority decision is carried through while the dissenting members' views are captured and recorded as part of the minutes.

We further report that there are adequate 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 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.

for Siddiqui & Associates
Company Secretaries

Place: New Delhi **K.O.SIDDIQUI**
Date: 8th April 2020 **FCS 2229; CP 1284**

Walker Chandiok & Co LLP
21st Floor, DLF Square
Jacaranda Marg, DLF Phase II
Gurugram - 122 002
India

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Independent Auditor's Report

To the Members of Tata Power Delhi Distribution Limited

Report on the Audit of the Standalone Financial Statements

Opinion

1. We have audited the accompanying standalone financial statements of Tata Power Delhi Distribution Limited ('the Company'), which comprise the Balance Sheet as at 31 March 2020, the Statement of Profit and Loss (including Other Comprehensive Income), the Cash Flow Statement and the Statement of Changes in Equity for the year then ended, and a summary of the significant accounting policies and other explanatory information.

2. 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 ('Act') in the manner so required and give a true and fair view in conformity with the accounting principles generally accepted in India including Indian Accounting Standards ('Ind AS') specified under section 133 of the Act, of the state of affairs (financial position) of the Company as at 31 March 2020, and its profit (financial performance including other comprehensive income), its cash flows and the changes in equity for the year ended on that date.

Basis for opinion

3. We conducted our audit 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 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 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 the Code of Ethics. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion.

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

4. The Company's Board of Directors is responsible for the other information. Other information does not include the financial statements and our auditor's report thereon.

   Our opinion on the 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 financial statements, our responsibility is to read the other information and, in doing so, consider whether the other information is materially inconsistent with the financial statements or our knowledge obtained in the audit or otherwise appears to be materially misstated.

If, based on the work we have performed on the other information obtained prior to the date of this auditor's report, we conclude that there is a material misstatement of this other information, we are required to report that fact. Reporting under this section is not applicable as no other information is obtained at the date of this auditor's report.

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

5. 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 state of affairs (financial position), profit or loss (financial performance including other comprehensive income), changes in equity and cash flows of the Company in accordance with the accounting principles generally accepted in India, including the Ind AS specified under section 133 of the Act. 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 financial statements that give a true and fair view and are free from material misstatement, whether due to fraud or error.

6. In preparing the 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.

7. Those Board of Directors are also responsible for overseeing the Company's financial reporting process.

Auditor's Responsibilities for the Audit of the Financial Statements

8. Our objectives are to obtain reasonable assurance about whether the 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.

9. 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 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 explaining our opinion on whether the company has adequate internal financial controls system in place and the operating effectiveness of such controls.

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

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- 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 financial statements or, if such disclosures are inadequate, to modify our opinion. Our conclusions are based on the audit evidence obtained up to the date of our auditor's report. However, future events or conditions may cause the Company to cease to continue as a going concern.

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

10. 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.

Report on Other Legal and Regulatory Requirements

11. 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.

12. As required by the Companies (Auditor's Report) Order, 2016 ('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.

13. Further to our comments in Annexure A, as required by section 143(3) of the Act, we report that:

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

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

    c) the standalone financial statements dealt with by this report are in agreement with the books of account;

    d) in our opinion, the aforesaid standalone financial statements comply with Ind AS specified under section 133 of the Act;

    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 2020 from being appointed as a director in terms of section 164(2) of the Act;

    f) we have also audited the internal financial controls over financial reporting (IFCoFR) of the Company as on 31 March 2020 in conjunction with our audit of the standalone financial statements of the Company for the year ended on that date and our report dated 29 April 2020 as per Annexure B expressed unmodified opinion;

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g) 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 31 and 33.2 to the standalone financial statements, has disclosed the impact of pending litigations on its financial position as at 31 March 2020;

ii. Company did not have any long-term contracts including derivative contracts for which there were any material foreseeable losses as at 31 March 2020;

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 31 March 2020;

iv. the disclosure requirements relating to holdings as well as dealings in specified bank notes were applicable for the period from 8 November 2016 to 30 December 2016, which are not relevant to these standalone financial statements. Hence, reporting under this clause is not applicable.

For **Walker Chandiok & Co LLP**
Chartered Accountants
Firm's Registration No.: 001076N/N500013

Neeraj Goel

Neeraj Goel
Partner
Membership No.: 99514

WALKER CHANDIOK & CO LLP * CHARTERED ACCOUNTANTS *

UDIN - 20099514AAAACB3118

Place: Gurugram
Date: 29 April 2020

Annexure A to the Independent Auditor's Report of even date to the Members of Tata Power Delhi Distribution Limited, on the standalone financial statements for the year ended 31 March 2020

Annexure A

Based on the audit procedures performed for the purpose of reporting a true and fair view on the financial statements of the Company and taking into consideration the information and explanations given to us and the books of account and other records examined by us in the normal course of audit, and to the best of our knowledge and belief, we report that:

(i) (a) The Company has maintained proper records showing full particulars, including quantitative details and situation of fixed assets.

(b) The Company has a regular program of physical verification of its fixed assets under which fixed assets are verified 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 fixed assets were verified during the year and no material discrepancies were noticed on such verification.

(c) The Company does not hold any land in its name. As regard the buildings, the Company retains the operational right over the buildings used for the purpose of carrying out distribution business under a license granted by Delhi Electricity Regulatory Commission ('DERC'). Thus, verification of title deeds is not applicable on buildings.

(ii) In our opinion, the management has conducted physical verification of inventory at reasonable intervals during the year and no material discrepancies between physical inventory and book records were noticed on physical verification.

(iii) The Company has not granted any loan, secured or unsecured to companies, firms, Limited Liability Partnerships (LLPs) or other parties covered in the register maintained under Section 189 of the Act. Accordingly, the provisions of clauses 3(iii)(a), 3(iii)(b) and 3(iii)(c) of the Order are not applicable.

(iv) In our opinion, the Company has complied with the provisions of Section 186 in respect of investment. Further, in our opinion, the Company has not entered into any transaction covered under Section 185 and Section 186 of the Act in respect of loans, guarantees and security.

(v) In our opinion, the Company has not accepted any deposits within the meaning of Sections 73 to 76 of the Act and the Companies (Acceptance of Deposits) Rules, 2014 (as amended). Accordingly, the provisions of clause 3(v) of the Order are not applicable.

(vi) 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 under sub-section (1) of Section 148 of the Act in respect of Company's products/services and 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.

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

WALKER CHANDIOK & CO LLP CHARTERED ACCOUNTANTS

Annexure A to the Independent Auditor's Report of even date to the members of Tata Power Delhi Distribution Limited, on the standalone financial statements for the year ended 31 March 2020 (Continued)

(b) The dues outstanding in respect of income-tax, sales-tax, service-tax, duty of customs, duty of excise and value added tax on account of any dispute, are as follow:

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 account of disallowance of certain expenses	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

(viii) The Company has not defaulted in repayment of loans or borrowings to any bank or financial institution or government during the year. The Company did not have any outstanding debentures during the year.

(ix) The Company did not raise moneys by way of initial public offer or further public offer (including debt instruments). In our opinion, the term loans were applied for the purposes for which the loans were obtained.

(x) No fraud by the Company or on the Company by its officers or employees has been noticed or reported during the period covered by our audit.

(xi) The Company has not paid or provided for any managerial remuneration. Accordingly, the provisions of Clause 3(xi) of the Order are not applicable.

(xii) In our opinion, the Company is not a Nidhi Company. Accordingly, provisions of clause 3(xii) of the Order are 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 etc., as required by the applicable Ind AS.

(xiv) During the year, the Company did not make any preferential allotment or private placement of shares or fully or partly convertible debentures.

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Annexure A to the Independent Auditor's Report of even date to the members of Tata Power Delhi Distribution Limited, on the standalone financial statements for the year ended 31 March 2020 (Continued)

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

(xvi) The Company is not required to be registered under Section 45-IA of the Reserve Bank of India Act, 1934.

For **Walker Chandiok & Co LLP**
Chartered Accountants
Firm's Registration No.: 001076N/N500013

Neeraj Goel
Partner
Membership No.: 99514

UDIN - 20099514AAAACB3118

Place: Gurugram
Date: 29 April 2020

Annexure B to the Independent Auditor's Report of even date to the Members of Tata Power Delhi Distribution Limited, on the standalone financial statements for the year ended 31 March 2020

Annexure B

Independent Auditor's report on the Internal Financial Controls under Clause (i) of Sub-section 3 of Section 143 of the Companies Act, 2013 ("the Act")

1. In conjunction with our audit of the financial statements of Tata Power Delhi Distribution Limited ("the Company") as of and for the year ended 31 March 2020, we have audited the internal financial controls over financial reporting (IFCoFR) of the Company as at that date.

Responsibilities of Management and Those Charged with Governance for Internal Financial Controls

2. The Company's Board of Directors is responsible for establishing and maintaining internal financial controls based on the internal control over financial reporting criteria established by the Company considering the essential components of internal control stated in the Guidance note on Audit of Internal Financial Controls over Financial Reporting issued by the Institute of Chartered Accountants of India. These responsibilities include the design, implementation and maintenance of adequate internal financial controls that were operating effectively for ensuring the orderly and efficient conduct of the Company's 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 Act.

Auditors' Responsibility for the Audit of the Internal Financial Controls

3. Our responsibility is to express an opinion on the Company's IFCoFR based on our audit. We conducted our audit in accordance with the Standards on Auditing, issued by the Institute of Chartered Accountants of India (ICAI) prescribed under section 143(10) of the Act, to the extent applicable to an audit of IFCoFR, and the Guidance Note on Audit of Internal Financial Controls Over Financial Reporting (the "Guidance Note") issued by the ICAI. 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 IFCoFR were established and maintained and if such controls operated effectively in all material respects.

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

5. 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 IFCoFR.

Meaning of Internal Financial Controls over Financial Reporting

6. A Company's IFCoFR 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 IFCoFR includes those policies and procedures that (1) pertain to the maintenance of records that, in reasonable detail, accurately and fairly reflect the transactions and dispositions of the assets of the Company; (2) provide reasonable assurance that transactions are recorded as necessary to permit preparation of financial statements in accordance with generally accepted accounting principles, and that receipts and expenditures of the Company are being made only in accordance with authorisations of management and directors of the Company; and (3) provide reasonable assurance regarding prevention or timely detection of unauthorised acquisition, use, or disposition of the Company's assets that could have a material effect on the financial statements.

WALKER CHANDIOK & CO LLP * CHARTERED ACCOUNTANTS *

Annexure B to the Independent Auditor's Report of even date to the Members of Tata Power Delhi Distribution Limited, on the standalone financial statements for the year ended 31 March 2020

Inherent Limitations of Internal Financial Controls over Financial Reporting

7. Because of the inherent limitations of IFCoFR, 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 IFCoFR to future periods are subject to the risk that IFCoFR may become inadequate because of changes in conditions, or that the degree of compliance with the policies or procedures may deteriorate.

Opinion

8. In our opinion, the Company has, in all material respects, adequate internal financial controls over financial reporting and such internal financial controls over financial reporting were operating effectively as at 31 March 2020, based on the internal control over financial reporting criteria established by the Company considering the essential components of internal control stated in the Guidance note on Audit of Internal Financial Controls over Financial Reporting issued by the Institute of Chartered Accountants of India.

For **Walker Chandiok & Co LLP**
Chartered Accountants
Firm's Registration No.: 001076N/N500013

Neeraj Goel

Neeraj Goel
Partner
Membership No.: 99514

WALKER CHANDIOK & CO LLP * CHARTERED ACCOUNTANTS *

UDIN - 20099514AAAACB3118

Place: Gurugram
Date: 29 April 2020

TATA POWER DELHI DISTRIBUTION LIMITED
STANDALONE BALANCE SHEET AS AT 31 MARCH, 2020

	Notes	As at 31.03.2020 ₹/Lakhs	As at 31.03.2019 ₹/Lakhs
I. ASSETS			
(1) Non-current assets			
(a) Property, plant and equipment	4	3,91,374.42	3,68,643.34
(b) Capital work-in-progress	4	27,339.37	34,720.12
(c) Right-of-use assets	5	9,850.99	-
(d) Intangible assets	4	6,084.89	7,405.96
(e) Financial assets			
(i) Investments	6	5.00	5.00
(ii) Loans	7	134.78	196.20
(iii) Other financial assets	8	54.86	89.68
(f) Income tax assets (net)	9	2,735.55	2,263.48
(g) Other non-current assets	10	3,229.13	2,875.98
Total non-current assets		**4,40,808.99**	**4,16,199.76**
(2) Current assets			
(a) Inventories	11	1,316.95	1,306.99
(b) Financial assets			
(i) Investments	12	8,500.19	-
(ii) Trade receivables	13	31,604.97	25,447.20
(iii) Cash and cash equivalents	14	3,853.24	2,425.12
(iv) Bank balances other than (iii) above	14	10,134.29	3,580.97
(v) Loans	15	311.31	239.05
(vi) Other financial assets	16	32,618.10	34,654.39
(c) Other current assets	17	20,717.03	26,934.18
Total current assets		**1,09,056.08**	**94,587.90**
Assets classified as held for sale	37.6.1	2,004.00	2,004.00
Total assets before regulatory deferral account balance		**5,51,869.07**	**5,12,791.66**
(3) Regulatory deferral account debit balances	37	5,22,185.11	4,75,913.86
Total assets		**10,74,054.18**	**9,88,705.52**
II. EQUITY AND LIABILITIES			
EQUITY			
(a) Equity share capital	18	55,200.00	55,200.00
(b) Other equity	19	2,92,112.45	2,63,063.84
Total equity		**3,47,312.45**	**3,18,263.84**
LIABILITIES			
(1) Non-current liabilities			
(a) Financial liabilities			
(i) Long-term borrowings	20	2,63,382.77	2,22,188.07
(ii) Lease liabilities	5	7,878.44	-
(iii) Other financial liabilities	21	68,168.83	62,856.47
(b) Provisions	22	5,661.04	4,569.98
(c) Deferred tax liabilities (net)	42	30,259.85	18,044.60
(d) Capital grants	23	506.66	581.49
(e) Contributions for capital works and service line charges	24	84,578.30	86,464.61
(f) Other non-current liabilities	25	34,229.56	22,580.72
Total non-current liabilities		**4,94,665.45**	**4,17,285.94**
(2) Current liabilities			
(a) Financial liabilities			
(i) Short-term borrowings	26	34,326.29	35,090.67
(ii) Trade payables	27		
- total outstanding dues of micro enterprises and small enterprises		1,208.26	134.79
- total outstanding dues of creditors other than micro enterprises and small enterprises		1,09,909.68	1,24,021.80
(iii) Other financial liabilities	28	58,618.57	67,660.11
(b) Provisions	29	1,646.61	1,070.50
(c) Other current liabilities	30	26,366.87	25,177.87
Total current liabilities		**2,32,076.28**	**2,53,155.74**
Total equity and liabilities		**10,74,054.18**	**9,88,705.52**

See accompanying notes forming part of standalone financial statements (1-47)

In terms of our report attached of even date

For Walker Chandiok & Co LLP
Chartered Accountants
Firm's Registration No.: 001076N/N500013

Neeraj Goel
Partner
Membership No.: 99514

Gurugram
29 April, 2020

For and on behalf of the Board of Directors

Sanjay Kumar Banga
Director
DIN: 07785948

Satya Gupta
Director
DIN: 08172427

Ganesh Srinivasan
Chief Executive Officer

Ajay Kalsie
Company Secretary

Hemant Goyal
Chief Financial Officer

New Delhi
29 April, 2020

TATA POWER DELHI DISTRIBUTION LIMITED
STANDALONE STATEMENT OF PROFIT AND LOSS FOR THE YEAR ENDED 31 MARCH, 2020

		Notes	Year ended 31.03.2020 ₹/Lakhs	Year ended 31.03.2019 ₹/Lakhs
I	Revenue from operations	32	7,88,795.48	7,60,006.70
II	Other income	32	10,531.57	10,802.04
III	**Total income**		**7,99,327.05**	**7,70,808.74**
IV	**Expenses**			
	Cost of power purchased (net) (excludes own generation)	33	6,29,963.08	5,89,686.12
	Employee benefits expense (net)	34	50,489.90	46,969.84
	Finance costs	35	34,490.06	34,887.85
	Depreciation and amortisation expense	4,5	33,316.06	30,964.17
	Other expenses	36	32,732.59	31,893.83
	Total expenses		**7,80,991.69**	**7,34,401.81**
V	**Profit/(Loss) before movement in regulatory deferral account balance, exceptional items and tax**		**18,335.36**	**36,406.93**
	Movement in regulatory deferral account balance (net)	37	46,271.25	24,976.74
VI	**Profit/(Loss) before exceptional items and tax**		**64,606.61**	**61,383.67**
	Add/(Less): Exceptional Items			
	Impairment of property, plant and equipment	4,37.6	-	(1,807.88)
	Impairment loss on assets classified as held for sale	37.6	-	(8,832.34)
VII	**Profit/(Loss) before tax**		**64,606.61**	**50,743.45**
VIII	Tax expense			
	(i) Current tax	42	10,872.82	10,056.28
	(ii) Deferred tax	42	12,319.32	7,100.95
IX	**Profit/(Loss) for the year**		**41,414.47**	**33,586.22**
X	**Other comprehensive income/(expense)**			
	(i) Items that will not be reclassified to profit or loss			
	Remeasurement gain/(loss) of defined benefit plans	22.6	(595.62)	(61.26)
	(ii) Income tax credit/(charge) relating to items that will not be reclassified to profit or loss			
	(a) Current tax	42	104.07	13.20
	(b) Deferred tax	42	104.07	8.21
	Other comprehensive income/(expense) for the year		**(387.48)**	**(39.85)**
XI	**Total comprehensive income for the year**		**41,026.99**	**33,546.37**
	Earnings per equity share (face value ₹ 10/- each)	39		
(i)	Basic and Diluted earnings per equity share before net movement in regulatory deferral account balance (₹)		2.05	3.14
(ii)	Basic and Diluted earnings per equity share after net movement in regulatory deferral account balance (₹)		7.50	6.08

See accompanying notes forming part of standalone financial statements (1-47)

In terms of our report attached of even date

For Walker Chandiok & Co LLP
Chartered Accountants
Firm's Registration No.: 001076N/N500013

Neeraj Goel
Partner
Membership No.: 99514

Gurugram
29 April, 2020

For and on behalf of the Board of Directors

Sanjay Kumar Banga
Director
DIN: 07785948

Satya Gupta
Director
DIN: 08172427

Ganesh Srinivasan
Chief Executive Officer

Ajay Kalsie
Company Secretary

Hemant Goyal
Chief Financial Officer

New Delhi
29 April, 2020

TATA POWER DELHI DISTRIBUTION LIMITED

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

A. Equity share capital

Particulars	Amount (₹/Lakhs)
(i) **Balance as at 1 April, 2018**	**55,200.00**
(ii) Changes in equity share capital during the year	-
(iii) **Balance as at 31 March, 2019**	**55,200.00**
(i) **Balance as at 1 April, 2019**	**55,200.00**
(ii) Changes in equity share capital during the year	-
(iii) **Balance as at 31 March, 2020**	**55,200.00**

B. Other equity

₹/Lakhs

Particulars	Reserves and Surplus			Total
	Capital Redemption Reserve	General Reserve	Retained Earnings	
(i) **Balance as at 1 April, 2018**	-	9,150.00	2,31,014.92	2,40,164.92
(ii) Profit for the year	-	-	33,586.22	33,586.22
(iii) Other comprehensive income/(expense) for the year (net of tax)	-	-	(39.85)	(39.85)
(iv) **Total comprehensive income {(ii)+(iii)}**	-	-	33,546.37	33,546.37
(v) Dividend paid (including tax on dividend)	-	-	(10,647.45)	(10,647.45)
(vi) Transfer to capital redemption reserve on redemption of non-convertible cumulative redeemable preference share capital	50,000.00	-	(50,000.00)	-
(vii) **Balance as at 31 March, 2019 {(i)+(iv)+(v)+(vi)}**	**50,000.00**	**9,150.00**	**2,03,913.84**	**2,63,063.84**
(i) **Balance as at 1 April, 2019**	50,000.00	9,150.00	2,03,913.84	2,63,063.84
(ii) Profit for the year	-	-	41,414.47	41,414.47
(iii) Other comprehensive income/(expense) for the year (net of tax)	-	-	(387.48)	(387.48)
(iv) **Total comprehensive income {(ii)+(iii)}**	-	-	41,026.99	41,026.99
(v) Dividend paid (including tax on dividend)	-	-	(11,978.38)	(11,978.38)
(vi) **Balance as at 31 March, 2020 {(i)+(iv)+(v)}**	**50,000.00**	**9,150.00**	**2,32,962.45**	**2,92,112.45**

See accompanying notes forming part of standalone financial statements (1-47)

In terms of our report attached of even date

For Walker Chandiok & Co LLP
Chartered Accountants
Firm's Registration No.: 001076N/N500013

Neeraj Goel
Partner
Membership No.: 99514

Gurugram
29 April, 2020

For and on behalf of the Board of Directors

Sanjay Kumar Banga
Director
DIN: 07785948

Satya Gupta
Director
DIN: 08172427

Ganesh Srinivasan
Chief Executive Officer

Ajay Kalsie
Company Secretary

Hemant Goyal
Chief Financial Officer

New Delhi
29 April, 2020

TATA POWER DELHI DISTRIBUTION LIMITED
STANDALONE STATEMENT OF CASH FLOWS FOR THE YEAR ENDED 31 MARCH, 2020

		Year ended 31.03.2020 ₹/Lakhs	Year ended 31.03.2019 ₹/Lakhs
A. Cash flow from operating activities			
Profit for the year		41,414.47	33,586.22
Adjustments to reconcile profit for the year to net cash flows:			
Income tax recognised as expense in Statement of Profit and Loss		23,192.14	17,157.23
Depreciation and amortisation expense		33,316.06	30,964.17
Impairment of property, plant and equipment		-	1,807.88
Impairment loss on assets classified as held for sale		-	8,832.34
Finance costs (net of capitalisation)		34,490.06	34,887.85
Interest income		(274.11)	(627.54)
Gain on sale/fair value of mutual fund investment measured at FVTPL		(21.02)	(647.11)
Loss on disposal of property, plant and equipment		1,909.09	2,790.41
Amortisation of capital grants		(74.83)	(74.25)
Amortisation of contribution for capital works and service line charges		(8,023.57)	(7,510.83)
Obsolete inventory written off/allowance for obsolete inventory		2.97	(34.10)
Bad debts written off/(written back)		400.01	195.18
Allowance for doubtful debts		1,218.44	40.02
Operating profit before working capital changes		1,27,549.71	1,21,367.47
Working capital adjustments:			
Adjustments for (increase)/decrease in operating assets:			
Inventories		(12.93)	(72.99)
Trade receivables		(8,569.89)	(3,896.24)
Loans - current		(72.26)	(44.41)
Loans - non current		61.42	(59.79)
Other financial assets - current		2,067.59	(2,524.25)
Other financial assets - non current		34.82	31.82
Other non-current assets		(13.09)	615.12
Other current assets		4,893.23	22,153.68
Regulatory deferral account debit balances		(46,271.25)	(24,976.74)
Adjustments for increase/(decrease) in operating liabilities:			
Trade payables		(13,038.65)	1,654.76
Other financial liabilities - current		(2,495.84)	(1,587.47)
Other financial liabilities - non current		397.28	69.68
Other current liabilities		1,189.00	3,852.05
Other non-current liabilities		11,648.84	(1,289.89)
Provision for employee benefits - current		(19.51)	(97.40)
Provision for employee benefits - non current		1,091.06	309.17
Cash generated from operations		78,439.53	1,15,504.57
Taxes paid (including tax deducted at source)		(11,240.82)	(9,999.54)
Net cash from/(used in) operating activities	(A)	**67,198.71**	**1,05,505.03**
B. Cash flow from investing activities			
Purchase of property, plant and equipment (including capital advances)		(48,647.27)	(61,832.24)
Proceeds from sale of property, plant and equipment		928.30	942.06
Proceeds from bank deposits (net)		(6,553.32)	6.91
Interest received		242.81	514.84
Purchase of current investments		(74,500.00)	(3,81,201.00)
Proceeds from sale of current investments		66,020.83	3,81,848.11
Net cash from/(used in) investing activities	(B)	**(62,508.65)**	**(59,721.32)**
C. Cash flow from financing activities			
Redemption of non-convertible cumulative redeemable preference share capital		-	(50,000.00)
Finance cost paid		(35,126.99)	(28,905.48)
Payment of lease liabilities		(955.92)	-
Proceeds from short-term borrowings and working capital demand loans		5,21,042.35	72,900.00
Repayment of short-term borrowings and working capital demand loans		(4,96,372.35)	(65,700.00)
Net (repayment)/proceeds from cash credit and other credit facilities		(25,434.38)	(3,191.65)
Proceeds from long-term borrowings		1,12,791.65	86,000.00
Repayment of long-term borrowings		(78,247.03)	(55,793.09)
Proceeds from contribution for capital works		3,243.29	5,024.52
Proceeds from service line charges		2,893.97	3,048.43
Net (repayment)/proceeds from consumers' security deposits		4,881.85	7,521.75
Dividend paid to preference shareholders (including dividend distribution tax)		-	(13,812.67)
Dividend paid to equity shareholders (including dividend distribution tax)		(11,978.38)	(10,647.45)
Net cash from/(used in) financing activities	(C)	**(3,261.94)**	**(53,555.64)**
Net increase/(decrease) in cash and cash equivalents	(A+B+C)	**1,428.12**	**(7,771.93)**
Cash and cash equivalents at the beginning of the year		2,425.12	10,197.05
Cash and cash equivalents at the end of the year (refer note 14)		**3,853.24**	**2,425.12**

See accompanying notes forming part of standalone financial statements (1-47)

In terms of our report attached of even date

For Walker Chandiok & Co LLP
Chartered Accountants
Firm's Registration No.: 001076N/N500013

Neeraj Goel
Partner
Membership No.: 99514

Gurugram
29 April, 2020

For and on behalf of the Board of Directors

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Director
DIN: 07785948

Satya Gupta
Director
DIN: 08172427

Ganesh Srinivasan
Chief Executive Officer

Ajay Kalsie
Company Secretary

Hemant Goyal
Chief Financial Officer

New Delhi
29 April, 2020

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.

3.4 **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.

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 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.

3.7 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.

3.7.1 New and amended standards and interpretations

The Company applied for the first time certain new standards/amendments to the standards, which are effective for annual periods beginning on or after 1 April, 2019. The nature and the impact of each amendment is described below:

3.7.1.1 Ind AS 116 - Leases

Ind AS 116 Leases was notified in March 2019 and it replaces Ind AS 17 Leases. Ind AS 116 is effective for annual periods beginning on or after 1 April, 2019. The Company has applied Ind AS 116 "Leases" (Ind AS 116) with a date of initial application of 1 April, 2019 using modified retrospective approach, under which the cumulative effect of initial application is recognised as at 1 April, 2019.

Lessor accounting under Ind AS 116 is substantially unchanged from Ind AS 17. As a lessee, the Company previously classified leases as operating or finance lease based on its assessment of whether the lease transferred significantly all of the risk and rewards incidental to the ownership of the underlying asset of the Company. Under Ind AS 116, the Company recognises the right-of-use assets and lease liabilities as stated in the note 5.

On adoption of Ind AS 116, the Company has recognised 'right-of-use' assets amounting to ₹ 10,945.54 lakhs (adjusted by the prepaid lease payments amounting to ₹ 1,323.92 lakhs) and 'lease liabilities' amounting to ₹ 9,621.62 lakhs as at 1 April, 2019. There is no impact on retained earnings as at 1 April, 2019.

When measuring lease liabilities, the Company discounted lease payments using the incremental rate of borrowing as at 1 April, 2019. Further, the comparative information has not been restated and continues to be reported under Ind AS 17 "Leases".

Transition to Ind AS 116

The Company has applied Ind AS 116 only to the contracts that were previously identified as leases. As a practical expedient, contracts previously identified as lease under Ind AS 17 has not reassessed as to whether a contract is, or contains, a lease under Ind AS 116.

The Company has used the following practical expedients when applying Ind AS 116 to leases:

- Applied a single discount rate to a portfolio of leases with similar characteristics.
- Relied on its assessment of whether leases are onerous immediately before the date of initial application.
- Applied the exemption not to recognise right-of-use asset and liabilities for leases with remaining lease term of 12 months or less.
- Excluded initial direct costs from measuring the right-of-use asset at the date of application.
- Used hindsight when determining the lease term if the contract contains options to extend or terminate the lease.

The lease liabilities as at 1 April, 2019 can be reconciled to the operating lease commitments as of 31 March, 2019 as follows:

Particulars	Amount (₹/Lakhs)
(a) Operating lease commitments relating to leasehold land as at 31 March, 2019 (undiscounted minimum expected payments)	14,298.34
(b) Weighted average incremental borrowing rate as at 1 April, 2019	8.60%
(c) Discounting impact of minimum expected payments referred in (a) above	4,676.72
Lease liabilities as at 1 April , 2019 (a-c)	**9,621.62**

The Company is not required to make any adjustments on transition to Ind AS 116 for leases where it acts as a lessor.

Accounting Policy for Leases till 31 March, 2019

Leases are classified as finance leases whenever the terms of the lease transfer substantially all the risks and rewards of ownership to the lessee. All other leases are classified as operating leases.

Company as a lessee

Rental expense from operating leases is generally recognised on a straight-line basis over the term of the relevant lease. Where the rentals are structured solely to increase in line with expected general inflation to compensate for the lessor's expected inflationary cost increases, such increases are recognised in that reporting period in which such benefits accrue.

3.7.1.2 **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. Until previous year, the same was presented under 'Tax Expenses' in the Standalone Ind AS Financial Statements. During the current year, pursuant to an opinion by the Expert Advisory Committee of The Institute of Chartered Accountants of India, the same has now been included in 'Movement in regulatory deferral account balance (net)'. There is no impact in the Other Equity and Profit/(Loss) on account of such change in presentation. Impact of this restatement in the comparative period is disclosed in note 38 "Restatement of financial statement".

3.8 **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 Note 12
3. Estimation of defined benefit obligation - Note 22 ,29 and 34
4. Estimation of current tax and deferred tax expense (including Minimum Alternate Tax credit) - Note 42
5. Estimation of regulatory deferral account balances - Note 37
6. Estimation of provision and contingent liability - Note 22 ,29 and 31
7. Estimation of impairment of financial assets - Note 13
8. Estimation of unbilled revenue - Note 16(b) and 17(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.

3.9 **Impact of COVID-19**

Consequent to spread of Coronavirus disease (COVID 2019), the Government of India has announced nation wide lock down from 25 March, 2020. The Company is engaged in provision of essential services and therefore continues to operate, there has not been a significant impact in this pandemic situation. The Company has seen reduction in demand of electricity in its distribution area and delays in collection from consumers and accordingly immediately represented the situation to CERC/DERC/Delhi Government and power suppliers. To help and address the situation post lockdown, the CERC and DERC have extended immediate relief in the form of extended credit period from power suppliers and rebate scheme to retail consumers. Apart from relief provided by CERC/DERC, to manage the expected liquidity risk, the Company has availed debt moratorium for some term loans under the relief package issued by the Reserve Bank of India (RBI) and would re-prioritize discretionary capital expenditure in immediate future and has increased the review frequency of cash planning. The Company has considered internal and external information up to the date of approval of these standalone financial statements including directives/communique issued by DERC and other government agencies, in determining the impact of global pandemic on carrying values of assets and liabilities as of 31 March, 2020. While the impact 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 of this unprecedented situation.

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 the new regulations notified on 31 January, 2017 for 3rd Multi Year Control period (MYT) 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 new regulations notified by DERC on 31 January, 2017. In case of second hand assets, where DERC is yet to determine the life of such assets, depreciation has been provided based on the life determined by an independent valuer which is average 15 years. 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	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.

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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.

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, Amortisation and Impairment					Carrying amount	
	As at 01.04.2019	Additions	Borrowing costs capitalised	Disposals	As at 31.03.2020	As at 01.04.2019	Depreciation/ amortisation expense	Impairment Charge	Eliminated on disposals	As at 31.03.2020	As at 31.03.2020	As at 31.03.2019
4.4.1 Property, plant and equipment												
(a) Buildings - Plant	30,325.96	97.37	1.58	-	30,424.91	9,614.54	450.55	-	-	10,065.09	20,359.82	20,711.42
(b) Building - Others	4,190.91	234.00	5.57	-	4,430.48	2,651.63	284.16	-	-	2,935.79	1,494.69	1,539.28
(c) Plant and equipment	2,80,728.07	29,899.32	108.69	5,059.26	3,05,676.82	1,16,112.20	16,836.62	-	2,945.37	1,30,003.45	1,75,673.37	1,64,615.87
(d) Transmission lines and cable network	2,82,538.80	24,221.01	226.40	128.18	3,06,858.03	1,05,896.63	12,711.54	-	57.86	1,18,550.31	1,88,307.72	1,76,642.17
(e) Furniture and fixtures	1,036.69	114.95	1.01	-	1,152.65	610.12	66.70	-	-	676.82	475.83	426.57
(f) Vehicles	3,436.84	1,085.38	-	1,006.81	3,515.41	821.87	304.28	-	377.25	748.90	2,766.51	2,614.97
(g) Office equipment	4,039.49	524.49	3.83	57.30	4,510.51	1,946.43	301.28	-	33.68	2,214.03	2,296.48	2,093.06
Total	**6,06,296.76**	**56,176.52**	**347.08**	**6,251.55**	**6,56,568.81**	**2,37,653.42**	**30,955.13**	-	**3,414.16**	**2,65,194.39**	**3,91,374.42**	**3,68,643.34**
As at 31.03.2019 Assets classified as held for sale (Carrying amount)	(5,91,607.19)	(51,549.54)	(265.99)	(6,889.27)	(6,36,533.45) (30,236.69)	(2,29,049.00)	(29,882.04)	(1,807.88)	(3,685.15)	(2,57,053.77) (19,400.35)	(3,79,479.68) (10,836.34)	
4.4.2 Intangible assets												
Computer software	13,384.52	239.90	-	-	13,624.42	5,978.56	1,560.97	-	-	7,539.53	6,084.89	7,405.96
Total	**13,384.52**	**239.90**	-	-	**13,624.42**	**5,978.56**	**1,560.97**	-	-	**7,539.53**	**6,084.89**	**7,405.96**
As at 31.03.2019	(9,256.81)	(5,136.43)	(0.95)	(1,009.67)	(13,384.52)	(5,377.75)	(1,082.13)	(-)	(481.32)	(5,978.56)	(7,405.96)	
Grand total	6,19,681.28	56,416.42	347.08	6,251.55	6,70,193.23	2,43,631.98	32,516.10	-	3,414.16	2,72,733.92	3,97,459.31	3,76,049.30
As at 31.03.2019 Assets classified as held for sale (Carrying amount)	(6,00,864.00)	(56,685.97)	(266.94)	(7,898.94)	(6,49,917.97) (30,236.69)	(2,34,426.75)	(30,964.17)	(1,807.88)	(4,166.47)	(2,63,032.33) (19,400.35)	(3,86,885.64) (10,836.34)	
4.4.3 Capital work-in-progress (CWIP)	**34,720.12**	**47,544.77**	**647.93**	**55,573.45**	**27,339.37**	-	-	-	-	-	**27,339.37**	**34,720.12**
As at 31.03.2019	(27,922.17)	(61,586.74)	(658.78)	(55,447.57)	(34,720.12)	(-)	(-)	(-)	(-)	(-)		

4.4.4 Property plant & equipment and intangible assets (movable and immovable) are hypothecated against secured borrowings of ₹ 1,65,125.00 lakhs (as at 31 March, 2019 ₹ 1,26,868.20 lakhs) {refer note 20.1(i), 26.1, 28(b)(i)}.

4.4.5 CWIP includes closing capital inventory of ₹ 7,311.42 lakhs (as at 31 March, 2019 ₹ 8,286.09 lakhs).

4.4.6 Carrying amount of capital inventory hypothecated as security for borrowings is ₹ 7,278.11 lakhs (as at 31 March, 2019 ₹ 8,252.78 lakhs) {refer note 20.1(i), 26.1, 28(b)(i)}.

4.4.7 During the year ended 31 March, 2020 the borrowing cost of ₹ 647.93 lakhs relating to capital work-in-progress includes ₹ 227.32 lakhs (for the year ended 31 March, 2019 ₹ Nil) 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 31.03.2020	Year ended 31.03.2019
Depreciation on tangible Assets	30,955.13	29,882.04
Add: Amortisation of Right of Use Assets (refer note 5)	799.96	-
Add: Amortisation on Intangible Assets	1,560.97	1,082.13
Total	**33,316.06**	**30,964.17**

4.4.9 During the previous year ended 31 March, 2019 the property, plant and equipment relating to Rithala Power Generation Plant has been classified as assets held for sale (refer note 37.6.1).

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.

Note 5
Leases

Accounting Policy from 1 April, 2019
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 lease contracts for land used in its operations. Leases of land has been considered for a lease term of 10 years as at 1 April, 2019 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.

Particulars	Amount (₹/Lakhs)
Nature of asset : Land (lease term: 10 years)	
(a) Right-of-use assets	
Cost	
Balance as on 1 April, 2019 due to adoption of Ind AS 116 (Refer note 3.7.1.1)	10,945.54
Add: Additions during the year	-
Balance as at 31 March, 2020	10,945.54
Accumulated depreciation and impairment	
Balance as on 1 April, 2019 due to adoption of Ind AS 116	-
Depreciation for the year {refer note (i) below}	1,094.55
Balance as at 31 March, 2020	1,094.55
Net carrying amount	
As at 31 March, 2020	9,850.99
(b) Lease liabilities {refer note (iii) below}	
Balance as on 1 April, 2019 due to adoption of Ind AS 116	9,621.62
Add: Interest expense accrued on lease liabilities {refer note (ii) below and note 35}	844.61
Less: Lease liabilities paid	1,800.53
Closing balance as at 31 March, 2020 (including current maturities of ₹ 787.26 lakhs)	8,665.70
(c) Amount recognised in Statement of Profit or Loss	
(i) Depreciation of Right-of-use assets (classified under Depreciation and amortisation expense)	799.96
(ii) Interest on lease liabilities (classified under Finance costs)	617.29
(iii) Expenses related to short term leases (classified under Other expenses)	156.30
(d) Amount recognised in Statement of Cash Flows	
Total cash outflow of leases	1,944.12

(i) The total amortisation expense on right-of-use asset for the year ended 31 March, 2020 is ₹ 1,094.55 lakhs. Of the total charge, ₹ 294.59 lakhs has been transferred to capital work-in-progress.
(ii) The incremental rate of borrowing as at 1 April, 2019 has been considered at 8.60% p.a.
(iii) Refer note 43.3.3 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 ₹ 65.67 lakhs as rental income for operating lease during the year ended March 31, 2020.
Future minimum rentals receivable under operating leases as at March 31, 2020 are as follows:

₹/Lakhs

Particulars	As at 31.03.2020
(i) Upto 1 year	70.09
(ii) 1 to 2 years	6.28

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 31.03.2020 ₹/Lakhs	As at 31.03.2019 ₹/Lakhs
6.2 Investments in equity instruments		
6.2.1 Investment in subsidiaries - at cost less accumulated impairment, if any		
(a) Unquoted		
Investments in fully paid-up equity shares of wholly owned subsidiary company NDPL Infra Limited (0.50 lakhs (as at 31 March, 2019 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
Loans - non current
(At amortised cost)

Security deposits		
(a) Considered good - unsecured	134.78	196.20

Note 8
Other financial assets - non current
(Unsecured and considered good, at amortised cost)

Recoverable from SVRS Trust (refer note 31.12)	54.86	89.68

Note 9
Income tax assets (net)

Income tax (net of provision for income tax of ₹ 1,01,103.44 lakhs (as at 31 March, 2019 net of provision of income tax ₹ 90,334.69 lakhs))	2,735.55	2,263.48

Note 10
Other non-current assets
(Unsecured and considered good)

(a) Capital advances	788.45	448.39
(b) Income tax paid under protest against demand	2,321.84	2,321.84
(c) Prepaid expenses	39.38	56.81
(d) Others	79.46	48.94
	3,229.13	2,875.98

Note 11
Inventories

Accounting policy

11.1 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 31.03.2020 ₹/Lakhs	As at 31.03.2019 ₹/Lakhs
(a) Stores and spares	1,542.68	1,523.33
(b) Loose tools	32.93	38.19
	1,575.61	1,561.52
(c) Less: Allowance for non-moving inventories	258.66	254.53
	1,316.95	1,306.99

11.2 Inventories are hypothecated as security for borrowings {refer note 20.1(i), 26.1, 28(b)(i)}.

Note 12
Investments - current
(At fair value through profit or loss)

		As at 31.03.2020 ₹/Lakhs	As at 31.03.2019 ₹/Lakhs
	Investments in mutual funds (unquoted)		
(a)	HDFC Overnight Fund - Direct Plan - Growth Option (1.68 lakhs units (as at 31 March, 2019 Nil units) at face value of ₹ 1,000 each)	5,000.12	-
(b)	ICICI Prudential Overnight Fund Direct Plan Growth (32.48 lakhs units (as at 31 March, 2019 Nil units) at face value of ₹ 100 each)	3,500.07	-
		8,500.19	-
12.1	Aggregate purchase price of unquoted investments	8,500.00	-
12.2	Aggregate carrying value of unquoted investments	8,500.19	-

Note 13
Trade receivables
(At amortised cost)

		As at 31.03.2020 ₹/Lakhs	As at 31.03.2019 ₹/Lakhs
(a)	Debtors for sale of power in licensed area (refer note 13.1 below)		
	(i) Considered good - secured	11,009.37	7,435.40
	(ii) Considered good - unsecured	11,402.24	7,023.36
	(iii) Credit impaired	13,667.59	12,603.79
		36,079.20	27,062.55
	Less: Allowance for doubtful trade receivables	13,667.59	12,603.79
		22,411.61	14,458.76
(b)	Debtors for sale of power other than Tata Power-DDL licensed area		
	(i) Considered good - unsecured	2,394.12	2,328.23
(c)	Other debtors		
	(i) Considered good - unsecured	6,799.24	8,660.21
	(ii) Credit impaired	977.18	45.22
		7,776.42	8,705.43
	Less: Allowance for doubtful trade receivables	977.18	45.22
		6,799.24	8,660.21
		31,604.97	25,447.20
13.1	Government subsidy included in note 13(a)	10.45	0.22

13.2 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 13.4.1.

13.3 The average credit period for the trade receivable in note 13(a) for distribution of power in license area is 15 clear days. However, DERC vide its Order dated 7 April, 2020 has extended the credit period for payment of electricity bills raised during the period from 24 March, 2020 till 30 June, 2020 by further two weeks.

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. However, DERC vide its Order dated 7 April, 2020 has restricted the LPSC charged from consumers at lower of working capital loan or 12% per annum for the bills raised during the period from 24 March, 2020 till 30 June, 2020.

13.4 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) are due and the rates as given in the provision matrix. The provision matrix at the end of the reporting period is as follows:

13.4.1 **Ageing of receivables**

Expected credit loss provision matrix

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

Particulars	Expected Credit loss (%) As at 31.03.2020	As at 31.03.2019
(a) Within the credit period	0.57%	0.56%
(b) 1-90 days past due	1.40%	1.66%
(c) 91-182 days past due	5.11%	5.26%
(d) 183 days-1 year past due	12.33%	11.07%
(e) 1-2 year past due	23.68%	21.59%
(f) 2-3 year past due	34.82%	32.73%
(g) >3 years past due	100.00%	100.00%

(ii) **Other debtors**

Particulars	Expected Credit loss (%) As at 31.03.2020	As at 31.03.2019
(a) Within the credit period	0.00%	0.00%
(b) 1-90 days past due	0.00%	1.57%
(c) 91-182 days past due	0.00%	15.85%
(d) 183 days-1 year past due	0.00%	20.57%
(e) 1-2 year past due	23.12%	23.12%
(f) 2-3 year past due	18.72%	29.72%
(g) >3 years past due	100.00%	100.00%

Age of receivables

₹/Lakhs

Particulars	As at 31.03.2020	As at 31.03.2019
(a) Within the credit period	4,007.58	8,926.62
(b) 1-90 days past due	17,194.81	7,947.32
(c) 91-182 days past due	2,650.49	2,279.14
(d) 183 days-1 year past due	4,069.76	4,476.15
(e) 1-2 year past due	5,054.53	2,851.29
(f) 2-3 year past due	2,581.48	2,022.37
(g) >3 years past due	10,691.09	9,593.32

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

₹/Lakhs

Particulars	As at 31.03.2020	As at 31.03.2019
Balance at beginning of the year	12,649.01	11,812.63
Additions/(reversal) in expected credit loss allowance on trade receivables calculated at lifetime expected credit losses for the year	576.53	(124.04)
Specific allowance on trade receivables for the year	1,419.23	960.42
Balance at end of the year (refer note 13.4.3)	14,644.77	12,649.01

13.4.3 As at 31 March, 2020, ₹ 8,678.46 lakhs (as at 31 March, 2019 ₹ 7,259.24 lakhs) is due from customers whose dues are under dispute pending for resolution and/or are under litigation. This amount has been fully provided for.

13.5 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 31.03.2020	As at 31.03.2019
Delhi Metro Rail Corporation (DMRC)	5,498.60	4,764.29
North Delhi Municipal Corporation (NDMC)	2,715.75	2,222.86

Note 14
Cash and bank balances

Accounting policy

14.1 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 31.03.2020 ₹/Lakhs	As at 31.03.2019 ₹/Lakhs
14.2 Cash and cash equivalents		
(a) Balances with banks - in current accounts	3,460.45	1,284.16
(b) Cheques, drafts on hand	392.79	1,044.30
(c) Cash on hand	-	96.66
	3,853.24	2,425.12

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

₹/Lakhs

Particulars	Opening Balance	Cash flows		Non-cash transactions	Closing Balance as at 31.03.2020
		Proceeds	Repayment	Amortisation	
(a) Long-term borrowings (including current maturities)	2,76,193.45	1,12,791.65	(78,247.03)	-	3,10,738.07
(b) Lease liabilities (including current maturities)	9,621.62	-	(955.92)	-	8,665.70
(c) Short-term borrowings and working capital demand loans	7,200.00	5,21,042.35	(4,96,372.35)	-	31,870.00
(d) Cash credit and other credit facilities(net)	27,890.67	-	(25,434.38)	-	2,456.29
(e) Consumer contribution for:					
- capital works	67,573.68	3,243.29	-	(4,743.47)	66,073.50
- service line	18,890.93	2,893.97	-	(3,280.10)	18,504.80
(f) Consumer security deposits (net)	66,923.06	4,881.85	-	-	71,804.91
Total	**4,74,293.41**	**6,44,853.11**	**(6,01,009.68)**	**(8,023.57)**	**5,10,113.27**

	As at 31.03.2020 ₹/Lakhs	As at 31.03.2019 ₹/Lakhs
14.3 Other balances with banks		
(a) Deposits with banks with original maturity more than 3 months upto 12 months	70.68	66.54
(b) Restricted bank deposits (Earmarked pursuant to court order or contractual obligations)	10,063.61	3,514.43
	10,134.29	3,580.97

Note 15
Loans - current
(At amortised cost)

Security deposits		
(a) Considered good - unsecured	311.31	239.05

Note 16
Other financial assets - current
(Unsecured and considered good, unless otherwise stated, at amortised cost)

(a) Accruals		
Interest accrued on fixed deposits	157.89	126.59
(b) Unbilled revenue	32,245.22	34,492.39
(c) Others		
(i) Recoverable from SVRS Trust (refer note 31.12)	33.09	13.37
(ii) Other receivables (including recoverable against street light)	361.27	201.41
Less: Allowance for doubtful assets against street light	179.37	179.37
	181.90	22.04
	32,618.10	34,654.39

Note 17
Other current assets
Unsecured and considered good

(a) Unbilled revenue (contract asset)	2,320.07	1,115.17
(b) Prepaid insurance	2,951.61	390.03
(c) Prepaid expenses	1,038.49	1,985.40
(d) Power banking	3,665.60	17,093.61
(e) Advance to vendors	7,102.42	4,503.35
(f) Others	3,638.84	1,846.62
	20,717.03	26,934.18

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	As at 31.03.2020 ₹/Lakhs	As at 31.03.2019 ₹/Lakhs
Note 18		
Share capital		
Authorised		
7,500 lakhs (as at 31 March, 2019 7,500 lakhs) equity shares of ₹ 10/- each with voting rights.	75,000.00	75,000.00
500 lakhs (as at 31 March, 2019 500 lakhs) 12% cumulative redeemable preference shares of ₹ 100/- each without voting rights.	50,000.00	50,000.00
	1,25,000.00	1,25,000.00
Issued, subscribed and paid up		
5,520 lakhs (as at 31 March, 2019 5,520 lakhs) equity shares of ₹ 10/- each fully paid up with voting rights.	55,200.00	55,200.00

Of the above:

18.1 2,815.20 lakhs (as at 31 March, 2019 2,815.20 lakhs) i.e. 51% (as at 31 March, 2019 51%) equity shares of ₹ 10/- each with voting rights, are held by Tata Power Company Limited, the holding company.

18.2 2,704.80 lakhs (as at 31 March, 2019 2,704.80 lakhs) i.e. 49% (as at 31 March, 2019 49%) equity shares of ₹ 10/- each with voting rights, are held by Delhi Power Company Limited.

18.3 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.

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

Particulars	As at 31.03.2020		As at 31.03.2019	
	No. of Shares Lakhs	Amount ₹/Lakhs	No. of Shares Lakhs	Amount ₹/Lakhs
At the beginning of the year	5,520.00	55,200.00	5,520.00	55,200.00
Fresh issue during the year	-	-	-	-
Outstanding at the end of the year	**5,520.00**	**55,200.00**	**5,520.00**	**55,200.00**

18.5 During the current year, the Company has paid final dividend of ₹ 1.80 per share on fully paid equity shares for the financial year 2018-19 aggregating to ₹ 11,978.38 lakhs (including dividend distribution tax thereon amounting to ₹ 2,042.38 lakhs) upon approval of shareholders in Annual General Meeting dated 17 May, 2019.
During the previous year ended 31 March, 2019, the Company had paid final dividend of ₹ 1.60 per share on fully paid equity shares for the financial year 2017-18 aggregating to ₹ 10,647.45 lakhs (including dividend distribution tax thereon amounting to ₹ 1,815.45 lakhs).

18.6 In respect of the year ended 31 March, 2020, the Board of Directors at its meeting held on 29 April, 2020 have proposed a final dividend of ₹ 2.40 per share to be paid on fully paid equity shares. The equity dividend is subject to approval by shareholders at the 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 ₹ 13,248.00 lakhs.

	As at 31.03.2020 ₹/Lakhs	As at 31.03.2019 ₹/Lakhs
Note 19		
Other equity		
19.1 **Capital redemption reserve**		
(a) Opening balance	50,000.00	-
(b) Add : Amount transferred from retained earnings (net)	-	50,000.00
(c) Closing balance	50,000.00	50,000.00
19.2 **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
19.3 **Retained earnings**		
(a) Opening balance	2,03,913.84	2,31,014.92
(b) Add : Additions during the year	41,026.99	33,546.37
(c) Less : Transfer to capital redemption reserve	-	50,000.00
(d) Less : Payment of dividend on equity share capital (refer note 18.5)	9,936.00	8,832.00
(e) Less : Dividend distribution tax on dividend paid on equity shares (refer note 18.5)	2,042.38	1,815.45
(f) Closing balance	2,32,962.45	2,03,913.84
	2,92,112.45	2,63,063.84

Nature and purpose of reserves:

Capital redemption reserve
Capital redemption reserve represents amounts set aside on redemption of preference 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.

	As at 31.03.2020 ₹/Lakhs	As at 31.03.2019 ₹/Lakhs
Note 20		
Long-term borrowings		
20.1 Secured - at amortised cost		
(i) Term loans from banks		
(a) Allahabad Bank	33,125.00	13,802.08
(b) Axis Bank	17,230.00	16,811.00
(c) Bank of Baroda*	8,750.00	10,000.00
(d) Canara Bank	33,819.44	43,402.77
(e) HDFC Bank	78,062.50	34,283.33
(f) IDFC First Bank	-	17,500.00
(g) Indian Bank	14,895.83	17,083.33
(h) Punjab National Bank	19,375.00	20,000.00
(i) Punjab & Sind Bank	29,375.00	38,125.00
(j) State Bank of India	28,750.00	10,625.00
(k) Union Bank of India	-	555.56
Total long-term borrowings	2,63,382.77	2,22,188.07

* Dena Bank amalgamated with Bank of Baroda w.e.f. 1 April, 2019.

20.2 **Current maturities of long-term borrowings**

For the current maturities of long-term borrowings, refer note 28(b), Other financial liabilities-current. Current maturities of long term borrowings includes repayment to be made before due date of 12 months, due date being a holiday.

The Company has availed moratorium under the COVID-19 relief package issued by the Reseve Bank of India (RBI notification no. RBI/2019-20/186 dated March 27, 2020) on the debt facilities of ₹ 3,10,738.07 lakhs outstanding as at 31 March, 2020. In line with the terms of the relief package, the Company have availed moratorium on principal and interest payments on the aforesaid facilities falling due between 2 April, 2020 to 31 May, 2020.

20.3 **Terms of repayment**

20.3.1 **Secured - at amortised cost**

₹/Lakhs

S. No.		Name of Bank	Refer note for security	As at 31.03.2020	FY 2020-21	FY 2021-22	FY 2022-23	FY 2023-24	FY 2024-25	FY 2025-26 to FY 2029-30
- Term loans from banks										
(a)	i	Allahabad Bank	20.6	17,083.33	2,083.33	-	1,875.00	1,875.00	1,875.00	9,375.00
	ii	Allahabad Bank	20.7	21,718.75	3,593.75	4,791.67	4,791.67	4,791.67	1,666.66	2,083.33
(b)	i	Axis Bank	20.7	16,811.00	4,581.00	6,108.00	6,122.00	-	-	-
	ii	Axis Bank	20.7	8,750.00	3,750.00	5,000.00	-	-	-	-
(c)	i	Bank of Baroda	20.7	10,000.00	1,250.00	1,666.67	1,666.67	1,666.67	1,666.66	2,083.33
(d)	i	Canara Bank	20.6	21,736.11	4,583.33	4,861.11	4,861.11	4,305.56	1,250.00	1,875.00
	ii	Canara Bank	20.7	21,666.66	5,000.00	5,000.00	3,333.33	3,333.33	3,333.33	1,666.67
(e)	i	HDFC Bank	20.6	44,375.00	1,770.83	4,583.33	5,833.33	5,833.33	5,833.34	20,520.84
	ii	HDFC Bank	20.7	42,208.33	6,750.00	9,555.56	9,555.56	9,555.55	5,333.33	1,458.33
(f)	i	Indian Bank	20.6	8,750.00	937.50	1,250.00	1,250.00	1,250.00	1,250.00	2,812.50
	ii	Indian Bank	20.7	8,333.33	1,250.00	1,666.67	1,666.67	1,666.67	1,666.66	416.66
(g)	i	Punjab National Bank	20.6	20,000.00	625.00	2,500.00	2,500.00	2,500.00	2,500.00	9,375.00
(h)	i	Punjab & Sind Bank	20.6	7,500.00	937.50	1,250.00	1,250.00	1,250.00	1,250.00	1,562.50
	ii	Punjab & Sind Bank	20.7	30,625.00	7,812.50	8,750.00	8,750.00	4,687.50	625.00	-
(i)	i	State Bank of India	20.6	30,625.00	1,875.00	3,750.00	5,000.00	5,000.00	3,750.00	11,250.00
(j)	i	Union Bank of India	20.6	555.56	555.56	-	-	-	-	-
		Total		3,10,738.07	47,355.30	60,733.01	58,455.34	47,715.28	31,999.98	64,479.16

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

20.5 The rate of interest for term loans from banks ranges from 8.15% to 8.80%. The rate of interest for term loans from banks are subject to reset annually except the term loan from Axis Bank referred in b(ii) of Note 20.3.1 for which the reset occurs half-yearly.

20.6 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.

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

20.8 For secured loans outstanding from banks amounting to ₹ Nil (as at 31 March, 2019 ₹ 13,750.00 lakhs) , The Tata Power Company Limited (the holding company) has given undertaking to retain management control and majority representation on the Board of Directors of the Company.

Note 21
Other financial liabilities - non current
(At amortised cost)

	As at 31.03.2020 ₹/Lakhs	As at 31.03.2019 ₹/Lakhs
(a) Security deposits		
(i) Consumers' security deposit	67,452.65	62,537.57
(ii) Others	415.35	318.90
(b) Retention money payable	300.83	-
	68,168.83	62,856.47

Note 22
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 31.03.2020 ₹/Lakhs	As at 31.03.2019 ₹/Lakhs
Provision for employee benefits		
(a) Compensated absences	5,504.08	4,367.72
(b) Other employee benefits	156.96	202.26
	5,661.04	4,569.98

22.1 Other employee benefits include pension liability to VSS employees.

22.2 **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 ₹ 3,467.91 lakhs (for the year ended 31 March, 2019 ₹ 3,376.98 lakhs) has been charged to the Statement of Profit and Loss during the year.

22.3 **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.

22.4 **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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22.5 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.

22.6 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, 2020. 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 31.03.2020	**As at 31.03.2019**
(i) **Net liability arising from defined benefit obligation**	**564.47**	**9.40**
(ii) **Change in benefit obligations:**		
(a) Present value of obligations as at 1 April	3,455.11	3,048.03
(b) Current service cost	391.26	310.67
(c) Interest expense or cost	268.65	247.50
(d) Remeasurement (gains)/losses: Actuarial (gains)/losses	586.06	54.07
(e) Benefits Paid	343.85	205.16
Present value of defined benefit obligation as at 31 March (a+b+c+d-e)	**4,357.23**	**3,455.11**
(iii) **Change in plan assets**		
(a) Fair Value of Plan Assets as at 1 April	3,445.71	2,804.07
(b) Investment income	250.46	219.07
(c) Employer's Contribution	450.00	634.91
(d) Remeasurement (gains)/losses:		
- Return on plan assets (excluding amounts included in net interest expense)	(9.56)	(7.19)
(e) Benefits Paid	343.85	205.15
Fair value of plan asset as at 31 March (a+b+c+d-e)	**3,792.76**	**3,445.71**

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

₹/Lakhs

Particulars	**Gratuity (Funded)**	
	Year ended 31.03.2020	**Year ended 31.03.2019**
(a) Current service cost	391.26	310.67
(b) Net interest expense/(income)	18.18	28.42
(c) Other adjustments	(14.94)	(43.16)
Defined benefit cost recognised in the Statement of Profit and Loss (a+b+c)	**394.50**	**295.93**

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

₹/Lakhs

Particulars	**Gratuity (Funded)**	
	Year ended 31.03.2020	**Year ended 31.03.2019**
(a) Actuarial (gains)/losses arising from:		
- changes in demographic assumptions	5.27	-
- changes in financial assumptions	466.98	2.42
- experience adjustments	113.81	51.65
(b) Return on plan assets (excluding amounts included in net interest expense)	9.56	7.19
Components of defined benefit costs recognised in other comprehensive income (a+b)	**595.62**	**61.26**

(vi) **Principal actuarial assumptions:**

Particulars	**Notes**	**Year ended 31.03.2020**	**Year ended 31.03.2019**
Financial assumptions:			
(a) Discount Rate (per annum)	1.	6.25%	7.60%
(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, senority, promotions, past experience and other relevant factors such as demand and supply in employment market, etc.

Particulars	Year ended 31.03.2020	Year ended 31.03.2019
Demographic assumptions:		
(a) Normal retirement age	60 years	60 years
(b) Mortality rate	100% of Indian Assured Lives Mortality (2012-2014)	Published rates under Indian Assured Lives Mortality (2006-2008) ultimate table
(c) Withdrawal rate	8% per annum	8% per annum

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

Particulars	As at 31.03.2020	As at 31.03.2019
Government of India Securities	74.84%	66.76%
Debt instruments	19.01%	25.89%
Equity and preference shares	5.95%	6.94%
Other deposits	0.20%	0.41%
	100.00%	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 31.03.2020	As at 31.03.2019
(a) Decrease in defined benefit obligation due to 1% increase in discount rate	362.01	252.11
(b) Increase in defined benefit obligation due to 1% decrease in discount rate	419.01	289.22

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 31.03.2020	As at 31.03.2019
(a) Decrease in defined benefit obligation due to 1% decrease in expected salary growth rate	359.65	253.43
(b) Increase in defined benefit obligation due to 1% increase in expected salary growth rate	407.64	285.24

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) Maturity profile of defined benefit obligation

Particulars	As at 31.03.2020	As at 31.03.2019
(i) Weighted average duration of the defined benefit obligation	9 years	13 years
(ii) Duration of defined benefit obligation	Amount (₹/Lakhs)	Amount (₹/Lakhs)
1 year	378.52	335.12
2 year	339.37	285.82
3 year	284.84	277.38
4 year	290.87	220.65
5 year	300.78	232.44
More than 5 years	2,762.85	2,103.70
Total	4,357.23	3,455.11
(iii) Duration of defined benefit payments	Amount (₹/Lakhs)	Amount (₹/Lakhs)
1 year	378.52	347.62
2 year	383.12	319.02
3 year	341.66	333.12
4 year	370.69	285.14
5 year	407.28	323.20
More than 5 years	6,654.76	5,737.62
Total	8,536.03	7,345.72

(c) The contribution expected to be made by the Company during the financial year 2020-21 is ₹ 949.84 lakhs.

(d) The actual return on plan assets is ₹ 240.90 lakhs (for the year ended 31 March, 2019 ₹ 211.88 lakhs).

22.7 **Principal actuarial assumptions for long-term compensated absences**

(i) **Financial assumptions:**

Particulars	Notes	Year ended 31.03.2020	Year ended 31.03.2019
(a) Discount rate (per annum)	1.	6.25%	7.60%
(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, senority, promotions, past experience and other relevant factors such as demand and supply in employment market, etc.

(ii) **Demographic assumptions:**

Particulars	Year ended 31.03.2020	Year ended 31.03.2019
(a) Normal retirement age	60 years	60 years
(b) Mortality rate	100% of Indian Assured Lives Mortality (2012-2014)	Published rates under Indian Assured Lives Mortality (2006-2008) ultimate table.
(c) Withdrawal rate (per annum)	8%	8%
(d) Rate of leave availment (per annum)	4%	5%
(e) Rate of leave encashment during employment (per annum)	4%	5%

Note 23
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 31.03.2020 ₹/Lakhs	As at 31.03.2019 ₹/Lakhs
(i) Opening balance	581.49	655.74
(ii) Add : Additions during the year	-	-
(iii) Less: Amortisation during the year	74.83	74.25
(iv) Closing balance	506.66	581.49

Note 24
Contributions for capital works and service line charges

Accounting policy

Refer note 32.2 for accounting policy on contrbutions for capital works and service line charges.

Deferred revenue		
(a) **Capital works**		
(i) Opening balance	67,573.68	67,118.11
(ii) Add : Additions during the year	3,243.29	5,024.52
(iii) Less: Amortisation during the year	4,743.47	4,568.95
(iv) Closing balance	66,073.50	67,573.68
(b) **Service line charges**		
(i) Opening balance	18,890.93	18,784.38
(ii) Add : Additions during the year	2,893.97	3,048.43
(iii) Less: Amortisation during the year	3,280.10	2,941.88
(iv) Closing balance	18,504.80	18,890.93
Total contribution for capital works and service line charges	**84,578.30**	**86,464.61**

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	As at 31.03.2020 ₹/Lakhs	As at 31.03.2019 ₹/Lakhs
Note 25		
Other non current liabilities		
Consumers' deposits for works and service line charges	34,229.56	22,580.72
Note 26		
Short-term borrowings		
26.1 **Secured - at amortised cost**		
From Banks		
(a) Cash credit	148.85	3,490.00
(b) Working capital demand loan		
(i) HDFC Bank	870.00	-
(ii) State Bank of India	-	7,200.00
	870.00	7,200.00
	1,018.85	10,690.00
26.2 **Unsecured - at amortised cost**		
From Banks		
(a) Unsecured credit facilities		
(i) Axis Bank	2,295.99	17,300.11
(ii) Canara Bank	11.45	7,100.56
	2,307.44	24,400.67
(b) Short term loan		
(i) Axis Bank	10,000.00	-
(c) Working capital demand loan		
(i) Axis Bank	12,000.00	-
(ii) Canara Bank	9,000.00	-
	21,000.00	-
	33,307.44	24,400.67
Total short-term borrowings	**34,326.29**	**35,090.67**

26.3 **Secured credit facilities**

The Company has availed secured cash credit limits of ₹ 14,500 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 7.85% to 9.85% per annum. 60% of the sanctioned cash credit limit of banks (except Punjab National Bank) 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.

26.4 **Unsecured credit facilities**

The Company has unsecured fund based credit facilities of ₹ 20,000 lakhs from Axis Bank and ₹ 15,000 lakhs from Canara Bank, presently at an interest rate of 8.20% and 8.35% 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.

26.5 **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 2019-20					
			1.	2.	3.	4.	5.	6.
(i)	Date of issue		05.04.2019	10.05.2019	13.05.2019	15.07.2019	08.08.2019	06.09.2019
(ii)	Repayment date		26.06.2019	08.08.2019	26.07.2019	29.08.2019	06.09.2019	04.10.2019
(iii)	Discount rate	% p.a	7.27	8.05	8.05	7.90	7.38	7.00
(iv)	Amount	₹/Lakhs	24,598.25	9,805.37	9,839.42	7,427.66	14,912.57	9,946.58
(v)	Face value	₹/Lakhs	25,000.00	10,000.00	10,000.00	7,500.00	15,000.00	10,000.00

(b) Short term loan

During the current year, the Company has availed and/or repaid short term loan as follows:

Particulars		Units		FY 2019-20				
				1.	2.	3.	4.	5.
(i)	Name of the bank			Axis Bank	State Bank of India	Axis Bank*	HDFC Bank	Axis Bank
(ii)	Disbursement taken on			02.05.2019	04.05.2019	26.06.2019	26.06.2019	11.03.2020
(iii)	Repayment date			20.05.2019	03.06.2019	22.10.2019	24.09.2019	10.06.2020
(iv)	Interest Rate	% p.a		8.75	8.30	8.45	8.50	8.05
(v)	Amount	₹/Lakhs		5,000.00	4,000.00	10,000.00	3,000.00	10,000.00

* Interest rate of 8.60% per annum for the period 26 June, 2019 to 22 August, 2019.

Note 27		
Trade payables (at amortised cost)	1,11,117.94	1,24,156.59

27.1 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% p.m. to 1.5% p.m on the unpaid amount. 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.

However as per CERC Order dated 3 April, 2020 and DERC Order dated 7 April, 2020 if any delayed payment by the distribution companies to the generating companies and transmission licensees beyond 45 days in case of Central Sector Generating Station(CSGS) and (Inter State Transmission Utility (ISTS) and 60 days in case of State Generating Station (SGS) and State Transmission Utility (STU) from the date of the presentation of the bills falls between 24 April, 2020 and 30 June, 2020, late payment surchage has been reduced to 12% per annum which translates into 1% per month.

27.2 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 31.03.2020	As at 31.03.2019
(a)	Principal amount remaining unpaid as at 31 March	1,208.26	134.79
(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 year) 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	-	-

	As at 31.03.2020 ₹/Lakhs	As at 31.03.2019 ₹/Lakhs
Note 28		
Other financial liabilities - current		
(At amortised cost)		
(a) Security deposits		
(i) Consumers' security deposit	4,352.26	4,385.49
(ii) Others	755.02	1,032.00
	5,107.28	5,417.49
(b) Current maturities of long-term borrowings (refer note 20)		
Secured - at amortised cost		
(i) Term loans from banks		
(a) Allahabad Bank	5,677.08	5,902.78
(b) Axis Bank	8,331.00	6,108.00
(c) Bank of Baroda	1,250.00	-
(d) Canara Bank	9,583.33	9,131.95
(e) HDFC Bank	8,520.83	2,716.67
(f) IDFC First Bank	-	6,250.00
(g) Indian Bank	2,187.50	2,916.67
(h) Punjab National Bank	625.00	-
(i) Punjab & Sind Bank	8,750.00	15,789.36
(j) State Bank of India	1,875.00	2,500.00
(k) Union Bank of India	555.56	2,689.95
Total current maturities of long-term borrowings	47,355.30	54,005.38
(c) Interest accrued but not due on borrowings	934.87	576.79
(d) Current maturities of lease liabilities (refer note 5)	787.26	-
(e) Retention money payable	3,628.08	6,259.47
(f) Payables on purchase of property, plant and equipment	148.46	362.52
(g) Earnest money deposits	100.07	325.10
(h) Others	557.25	713.36
	58,618.57	67,660.11

Note 29
Provisions - current

Provision for employee benefits		
(a) Compensated absences (refer note 22)	1,052.43	1,005.53
(b) Defined benefit plans (Gratuity) (refer note 22)	564.47	9.40
(c) Other employee benefits (refer note 29.1)	29.71	55.57
	1,646.61	1,070.50

29.1 Other employee benefits include pension liability to VSS employees.
29.2 Refer note 22 for accounting policy on provisions.

Note 30
Other current liabilities

(a) Income received in advance	1,273.93	534.49
(b) Statutory dues	7,503.94	8,549.17
(c) Advance from consumers	7,893.43	6,243.11
(d) Advance government subsidy (to be adjusted upon billing)	7,914.36	7,948.48
(e) Payable for Pension Trust Surcharge (including unbilled)	1,627.20	1,510.75
(f) Others	154.01	391.87
	26,366.87	25,177.87

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Note 31
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 31.03.2020	As at 31.03.2019
Contingent liabilities*		
31.1 Claims against the Company not acknowledged as debts:		
(i) Legal cases filed by consumers, employees and others under litigation	3,583.26	3,547.49
(ii) Water charges demand raised by Delhi Jal Board (DJB)	63.17	63.17
31.2 Liabilities arising out of litigation etc. due to provisions of Transfer Scheme pursuant to Delhi Electricity Reforms Act, 2002	100.00	100.00
31.3 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)	919.18	908.84
(iii) Total demand (i+ii)	2,316.79	2,306.45
(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.		
31.4 Indirect taxation matters relating to sales tax, service tax, GST where demand is under contest before judicial/appellate authorities	529.84	511.91
31.5 Claims of power suppliers, not acknowledged as expense and credits	16,133.09	19,922.85
31.6 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	450.20	-
31.7 Environmental compensation notice issued by Delhi Pollution Control Committee (DPCC)	50.00	-
31.8 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	1,210.71	-
*No provision is considered necessary since the Company expects favourable decisions.		
Commitments		
31.9 Estimated amount of contracts remaining to be executed on capital account (net of advances) and not provided for	34,209.33	35,508.51

31.10 As detailed in note 37.6 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. While the APTEL judgement is yet to come, management based on internal analysis supported by legal opinion believe favorable order from APTEL.

31.11 Due to COVID 2019 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 year. Consequently, it has impact on incentive/disincentive on overachievement /underachievement of AT&C targets as per tariff regulations. 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 FY 2019-20 will be re-considered at the time of true-up of ARR for FY 2019-20 subject to prudence check.

Considering the above referred communication of DERC and keeping the true up of billing and collection efficiency targets in abeyance, actual incentive/disincentive of AT&C targets will be accounted for at the time of true up.

31.12 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 write 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 ₹ 8,487.66 lakhs as at 31 March, 2020 (as at 31 March, 2019 ₹ 8,472.56 lakhs), leaving a balance recoverable ₹ 87.95 lakhs as at 31 March, 2020 (as at 31 March, 2019 ₹ 103.05 lakhs) from the SVRS Trust which includes current portion of ₹ 33.09 lakhs (as at 31 March, 2019 ₹ 13.37 lakhs).

31.13 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 32
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.

32.1 **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).

32.2 **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.

32.3 **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 31.03.2020 ₹/Lakhs	Year ended 31.03.2019 ₹/Lakhs
32.4	**Revenue from operations**		
32.4.1	**Revenue from sale of power and open access**		
(a)	Sale of power	8,05,916.53	7,74,896.84
	Less: rebate on no. of bills	-	(873.93)
	Less: energy tax	30,996.15	28,651.15
		7,74,920.38	7,47,119.62
(b)	Income from open access charges	1,258.60	1,009.94
		7,76,178.98	7,48,129.56
32.4.2	**Other operating revenue**		
(a)	Late payment surcharge	1,938.07	1,869.11
(b)	Amortisation of service line charges	3,280.10	2,941.88
(c)	Commission on		
	- DVB arrears collection	3.91	1.85
	- Energy tax collection	900.56	843.94
(d)	Maintenance charges {refer note 32.4.2(i)}	1,268.28	1,202.87
(e)	Amortisation of capital grants	74.83	74.25
(f)	Amortisation of consumer contribution for capital works	4,743.47	4,568.95
(g)	Miscellaneous operating income	407.28	374.29
		12,616.50	11,877.14
		7,88,795.48	7,60,006.70

32.4.2(i) Includes incentive on street light maintenance of ₹ 110.98 lakhs pertaining to financial year 2019-20 (for the year ended 31 March, 2019 ₹ 82.02 lakhs).

32.5 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 31.03.2020 ₹/Lakhs	Year ended 31.03.2019 ₹/Lakhs
(a)	Interest Income	274.11	627.54
(b)	Gain on sale/fair value of mutual fund investment measured at FVTPL	21.02	647.11
(c)	Foreign exchange fluctuation gain (net)	7.24	-
(d)	Income other than energy business	9,570.08	9,280.04
(e)	Other non-operating income	659.12	247.35
		10,531.57	10,802.04

32.6 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 31.03.2020	Year ended 31.03.2019
(A) Revenue from contracts with customers		
- Based on nature of goods/services		
(i) Distribution of power		
(a) Sale of power: Year ended 31.03.2020 7,74,920.38; Year ended 31.03.2019 7,46,245.69		
Less: Rebate on no. of bills: Year ended 31.03.2020 -; Year ended 31.03.2019 (873.93)	7,74,920.38	7,47,119.62
(b) Income from open access charges	1,258.60	1,009.94
(c) Late payment surcharge	1,938.07	1,869.11
(d) Amortisation of service line charges	3,280.10	2,941.88
(e) Commission on		
- DVB arrears collection	3.91	1.85
- Energy tax collection	900.56	843.94
(f) Maintenance charges	1,268.28	1,202.87
(g) Amortisation of consumer contribution for capital works	4,743.47	4,568.95
(h) Miscellaneous income	467.81	397.96
(ii) Business Development (Project management and other consultancy services)	9,504.41	9,234.92
	7,98,285.59	**7,69,191.04**
(B) Other revenue		
(i) Distribution/generation of power		
(a) Amortisation of capital grants	74.83	74.25
(b) Interest income	274.11	353.90
(c) Others	598.59	223.68
(ii) Business Development (Project management and other consultancy services)	65.67	45.12
(iii) Others		
(a) Interest income	-	273.64
(b) Gain on sale/fair value of mutual fund investment measured at FVTPL	21.02	647.11
(c) Foreign exchange fluctuation gain (net)	7.24	-
	1,041.46	**1,617.70**
Total revenue	**7,99,327.05**	**7,70,808.74**

32.7 Contract Balances

The following table provides information about receivables, contract assets and contract liabilities from contract with customers:

₹/Lakhs

Particulars	As at 31.03.2020	As at 31.03.2019
Contract assets		
Unbilled revenue other than passage of time (refer note 17(a))	2,320.07	1,115.17
Total contract assets	**2,320.07**	**1,115.17**
Contract liabilities		
Income received in advance (refer note 30(a))	1,273.93	534.49
Advance from consumers (refer note 30(c))	7,893.43	6,243.11
Deferred revenue from consumers -		
Consumers' deposits for works and service line charges (refer note 25)	34,229.56	22,580.72
Total contract liabilities	**43,396.92**	**29,358.32**
Receivables		
Trade receivables (gross) (refer note 13)	46,249.74	38,096.21
Unbilled revenue for passage of time (refer note 16(b))	32,245.22	34,492.39
Less : Allowances for doubtful debts (refer note 13)	14,644.77	12,649.01
Net receivables	**63,850.19**	**59,939.59**

32.7.1 **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 31.03.2020	As at 31.03.2019
- Unbilled revenue other than passage of time		
Opening balance as at 1 April	1,115.17	748.55
Add: Revenue recognised during the year apart from above	6,555.29	3,454.39
Less: Transfer from contract assets to receivables	(5,350.39)	(3,087.77)
Closing Balance	**2,320.07**	**1,115.17**

₹/Lakhs

Particulars	Contract Liabilities					
	As at 31.03.2020			As at 31.03.2019		
	Income received in advance	Advance from consumers	Deferred Revenue	Income received in advance	Advance from consumers	Deferred Revenue
Opening balance as at 1 April	534.49	6,243.11	22,580.72	145.88	3,544.43	23,870.61
Revenue recognised during the year from balance at the beginning of the year	(224.05)	(3,993.10)	-	(105.49)	(2,260.21)	-
Advance received during the year not recognised as revenue	963.49	5,643.42	17,786.10	494.10	4,958.89	6,783.06
Transfer from contract liabilities upon satisfaction of performance obligation	-	-	(6,137.26)	-	-	(8,072.95)
Closing Balance	**1,273.93**	**7,893.43**	**34,229.56**	**534.49**	**6,243.11**	**22,580.72**

32.8 **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, 2020 is ₹ 21,258.06 lakhs (as at 31 March, 2019 is ₹ 21,675.90 lakhs). Out of this, the Company expects to recognise revenue of around 35.20% (as at 31 March, 2019 37.31%) within next one year and the remaining thereafter on contract-by-contract basis based on extent of progress of the projects.

Note 33
Power purchase cost

33.1 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 504.06 million units (for the year ended 31 March, 2019 2,088.28 million units) of power to/in favour of other utilities. The power purchase cost of ₹ 6,29,963.08 lakhs (for the year ended 31 March, 2019 ₹ 5,89,686.12 lakhs) is net of sale of power/UI receivables ₹ 14,546.92 lakhs (for the year ended 31 March, 2019 ₹ 77,781.12 lakhs), rebate on power purchase ₹ 6,573.02 lakhs (for the year ended 31 March, 2019 ₹ 5,988.95 lakhs) and excludes in-house power generation cost.

33.2 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.

33.3 **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. Power banking transactions both ways were recorded at the rate of ₹ 4 per unit till 15 November, 2018 which was revised with effect from 16 November, 2018 as per DERC Order wherein it 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, 2020 are as follows:

Particulars	Year ended 31.03.2020	Year ended 31.03.2019
	Receivable MU's	Receivable MU's
(a) Opening balance as at 1 April	647.49	769.23
(b) Power banked (Outflow)	198.37	701.39
(c) Power due against banked	204.50	730.90
(d) Power receipt against opening	647.49	769.23
(e) Power receipt against current year transactions	75.57	83.41
(f) Balance receivable {(a)+(c)-(d)-(e)}	128.93	647.49

Note 34
Employee benefits expense (net)

Accounting policy
Employee benefits include salaries and wages, provident fund, gratuity, compensated absences and other terminal benefits.

34.1 **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:

34.1.1 **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.

34.1.2 **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.

34.2 **Defined benefit plans**

34.2.1 **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.

34.3 **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.

34.4 **Other long-term employee benefits**

34.4.1 **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.

34.4.2 **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 31.03.2020 ₹/Lakhs	Year ended 31.03.2019 ₹/Lakhs
(a)	Salaries, allowances and incentives	46,138.84	42,934.83
(b)	Contribution to provident and other funds (refer note 22 and note 29)	5,735.51	4,681.43
(c)	Staff welfare expenses	2,636.98	2,623.93
(d)	Other personnel cost	1,632.54	1,678.31
		56,143.87	51,918.50
	Less: Transferred to capital work-in-progress	5,652.41	4,973.64
		50,491.46	46,944.86
(e)	Pension and other payment to VSS and other retirees (refer note 31.12)	(1.56)	24.98
		50,489.90	46,969.84

NOTE 35
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 31.03.2020 ₹/Lakhs	Year ended 31.03.2019 ₹/Lakhs
(a)	On borrowings - carried at amortised Cost		
	(i) Interest on term loan (gross)	24,425.99	21,759.68
	Less: Capitalised (refer note 35.1)	767.69	925.72
	Interest on term loans (net)	23,658.30	20,833.96
	(ii) Interest on cash credit accounts/short-term borrowings	4,038.98	2,105.72
(b)	Interest on lease liability (gross)	844.61	-
	Less: Capitalised	227.32	-
	Interest on lease liability (net)	617.29	-
(c)	Interest on consumer security deposits	5,985.87	5,244.56
(d)	Dividend on non-convertible cumulative redeemable preference shares to related parties (refer note 35.3)	-	6,579.35
(e)	Other borrowing costs	166.27	16.15
(f)	Other interest	23.35	108.11
		34,490.06	34,887.85

35.1 The weighted average capitalisation rate used to determine the amount of borrowing costs eligible for capitalisation is 8.63% per annum (for the year ended 31 March, 2019 8.50% per annum).

35.2 Interest on consumer security deposits

As per the provisions of Section 47(4) of the Electricity Supply Act, 2003 interest on consumer security deposits is payable at the bank rate as per the notification by DERC. During the year 2007, DERC had issued Delhi Electric Supply Code and Performance Standards Regulations, which came into force from 18 April, 2007 through notification in the Official Gazette. As per Clause 16(vi) of the Regulations, interest at the rate of 6% per annum is payable on consumer security deposits which has been revised from 1 September 2017 vide DERC (Supply Code and Performance Standards) Regulations, 2017 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, 2019 ₹ 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, 2019 ₹ 1,000 lakhs), the Company has provided interest expense aggregating to ₹ 5,985.87 lakhs (for the year ended 31 March, 2019 ₹ 5,244.56 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 ₹ 238.65 lakhs (for the year ended 31 March, 2019 ₹ 246.98 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.

35.3 During the year ended 31 March, 2019 the Company had redeemed 500 lakhs 12% non-convertible cumulative redeemable preference shares of ₹ 100 each (255 lakhs i.e. 51% held by Tata Power Company Limited, the holding company and 245 lakhs i.e. 49% held by Delhi Power Company Limited) on 27 February, 2019. The dividend of ₹ 12 per share was paid to all holders of fully paid preference shares upto the date of redemption. The total dividend paid was ₹ 5,457.54 lakhs and the dividend distribution tax thereon amounted to ₹ 1,121.81 lakhs.

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		Year ended 31.03.2020 ₹/Lakhs	Year ended 31.03.2019 ₹/Lakhs
Note 36			
Other expenses			
Operating and maintenance expenses			
(a)	Stores and spares consumed (net of recoveries)	3,625.69	2,723.25
(b)	Repairs and maintenance:		
	(i) Building	522.33	451.95
	(ii) Plant and equipment	8,224.81	7,842.13
	(iii) Others	5,706.52	6,125.23
(c)	Loss on disposal of property, plant and equipment	1,909.09	2,790.41
		19,988.44	19,932.97
Administrative and general expenses			
(a)	Communication expenses	239.90	257.65
(b)	Printing and stationery	327.49	321.52
(c)	Legal and professional charges (refer note 36.1)	2,114.38	2,197.68
(d)	Travelling and conveyance	819.92	904.03
(e)	Insurance	630.96	513.62
(f)	Advertisement, publicity and business promotion	238.53	301.00
(g)	Corporate social responsibility expenses (excluding 5% administrative expenses) (refer note 36.2)	811.30	787.42
(h)	Rent and hire charges	128.75	255.73
(i)	Rates and taxes	1,236.00	2,007.51
(j)	Freight, handling and packing expenses	53.33	61.63
(k)	Bill collection and distribution expenses	1,121.83	1,143.24
(l)	Postage and courier charges	38.74	32.45
(m)	EDP expenses	1,240.98	888.74
(n)	Housekeeping expenses	982.54	920.45
(o)	Foreign exchange fluctuation loss (net)	-	7.75
(p)	Bad debts written off/(written back)	400.01	195.18
(q)	Allowance for doubtful debts	1,218.44	40.02
(r)	Miscellaneous expenses	1,141.05	1,125.24
		12,744.15	11,960.86
	Total other expenses	**32,732.59**	**31,893.83**

36.1 **Auditors remuneration***

Legal and professional charges include auditor's remuneration as follows:

₹/Lakhs

Particulars	Year ended 31.03.2020	Year ended 31.03.2019
(a) For statutory audit	62.70	57.00
(b) For taxation matters	8.93	8.92
(c) For company law matters	1.00	-
(d) For other services	9.40	8.10
(e) For reimbursement of expenses	3.38	3.54
Total	**85.41**	**77.56**

* Exclusive of Goods & Services Tax.

36.2 **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.

(a) Gross amount required to be spent by the Company during the year is ₹ 778.03 lakhs.

(b) Amount spent during the year on CSR (excluding 5% administrative expenses):

₹/Lakhs

Particulars	In Cash	Yet to be paid in cash	Total
(i) Construction/acquisition of any asset	71.77	-	71.77
(ii) On purposes other than (i) above	739.53	-	739.53

36.3 **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 31.03.2020
(a) Statutory taxes -	
(i) Impact of GST (unaudited)	3,723.11
(b) Water charges	179.36
(c) Statutory levies -	
(i) Impact of minimum wages (unaudited)	2,313.13
(ii) Impact of 7th Pay Commission (interim relief)	3,756.30
(iii) Provisional impact of 7th Pay Commission (Leave salary contribution/Pension contribution)	1,393.73
(iv) Common effluent treatment plant charges	654.07
(v) Property tax	198.44
(vi) Licensee fees	371.54
(vii) Land license fees	1,141.76

Note 37
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.

37.1. 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.

37.2 In the latest Tariff Order dated 31 July, 2019 the DERC has trued up regulatory deferral account balance up to 31 March, 2018 at ₹ 2,25,450 lakhs as against ₹ 4,39,985.26 lakhs as per financial books of accounts. 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. The difference in regulatory deferral account also includes impact of power purchase cost of Rithala Power Plant allowed by the DERC vide order dated 11 November, 2019 and other previous review/APTEL appeal orders. The disallowances not as per prevailing law, facts and figures have been challenged in Review Petition or at APTEL. For truing up of capitalisation, the DERC has initiated the exercise of physical verification of property, plant and equipment which is at advance stage of completion.

37.3 The DERC has notified Business Plan Regulations, 2019 for the next control period applicable for FY 2020-21 to FY 2022-23.

37.4 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.

37.5 The movement in regulatory deferral account balance as at 31 March, 2020 is as follows:

₹/Lakhs

Particulars	Year ended 31.03.2020	Year ended 31.03.2019
(A) Opening regulatory deferral account debit balance	4,75,913.86	4,50,937.12
(B) Net movement during the year		
(i) Power purchase cost	6,35,770.00	5,91,016.00
(ii) All other prudent O&M cost including ROCE, carrying cost etc.	1,88,799.00	1,86,978.00
(iii) Collection available for Annual Revenue Requirement (ARR) as per MYT order	7,90,513.00	7,60,110.00
(iv) Net movement before recovery of deferred tax {(iv)=(i)+(ii)-(iii)}	**34,056.00**	**17,884.00**
(v) Deferred tax recoverable in future tariff	12,215.25	7,092.74
(C) Net movement shown in the Statement of Profit and Loss {(iv)+(v)}	**46,271.25**	**24,976.74**
(D) Closing regulatory deferral account debit balance [(A)+(C)]	**5,22,185.11**	**4,75,913.86**

37.6 **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 unclaimed approved plant cost of ₹ 19,770 lakhs less fair value 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. However, the Company is yet to claim this amount in its true up petition considering its petition with respect to allowance of depreciation is pending before APTEL.

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37.6.1 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.

During the previous 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 costs to sell. The fair value of property, plant and equipment classified as assets held for sale as at 31 March, 2020 and 31 March, 2019 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 costs to sell of Rithala Power Generation Plant classified as assets held for sale is detailed below:

₹/Lakhs

Particulars	As at 31.03.2020			As at 31.03.2019		
	Carrying value	Impairment Loss	Fair value less costs to sell	Carrying value	Impairment Loss	Fair value less costs to sell
	(A)	(B)	(C)=(A)-(B)	(D)	(E)	(F)=(D)-(E)
Property, plant and equipment	2,004.00	-	2,004.00	10,836.34	8,832.34	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, 2020 and as at 31 March, 2019 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	31.03.2020 and 31.03.2019	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.

Note 38
Restatement of financial statement

During the current year, based on an opinion pronounced by the Expert Advisory Committee (EAC) of The Institute of Chartered Accountants of India (ICAI), the Company has recognised deferred asset for deferred tax liability as a regulatory deferral account debit/credit balance. Accordingly, the comparative financial information included in these financial statements, have been restated on account of classification of deferred assets for deferred tax liabilities. As an effect of restatement of financial statements, Balance Sheet as at 31 March, 2019 and Statement of Profit and Loss for the year ended 31 March, 2019 has been restated. The impact of restatement has been given below:-

(a) Impact on Statement of Profit and Loss for the year ended 31 March, 2019

₹/Lakhs

	Particulars	Year ended 31.03.2019 (Restated)	Year ended 31.03.2019 (Original)
(i)	Movement in regulatory deferral account balance (net)	24,976.74	17,884.00
(ii)	Profit before tax	50,743.45	43,650.71
(iii)	Tax expense	17,157.23	10,056.28
(iv)	Profit for the year	33,586.22	33,594.43
(v)	Income tax credit/(charge) relating to other comprehensive income	21.41	13.20
(vi)	Other comprehensive income/(expense) for the year	(39.85)	(48.06)
(vii)	Basic and Diluted earnings per equity share before net movement in regulatory deferral account balance (₹)	3.14	3.54
(viii)	Basic and Diluted earnings per equity share after net movement in regulatory deferral account balance (₹)	6.08	6.09

(b) Impact on Balance Sheet as at 31 March, 2019

₹/Lakhs

	Particulars	As at 31.03.2019 (Restated)	As at 31.03.2019 (Original)
(i)	Regulatory deferral account balances	4,75,913.86	4,57,869.26
(ii)	Deferred tax liabilities (net)	18,044.60	-

The above reclassification in the previous year have been made to confirm to the current year's classification/disclosure. This does not have any impact on the profit of the Company of previous year.

There is no impact on the retained earnings balance as at opening date of the comparative period i.e. 1 April, 2018 therefore, opening date balances have not been restated or presented.

Note 39
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.

39.1 **EPS - Continuing operations (excluding regulatory income/expense)**

Particulars	Units	Year ended 31.03.2020	Year ended 31.03.2019
Profit for the year from continuing operations	₹/Lakhs	41,414.47	33,586.22
Net movement in regulatory deferral account balance		46,271.25	24,976.74
Income-tax attributable to regulatory expenses		(16,169.03)	(8,727.87)
Net movement in regulatory deferral account balance (net of tax)	₹/Lakhs	30,102.22	16,248.87
Profit for the year from continuing operations attributable to equity shareholders before net movement in regulatory deferral account balance	₹/Lakhs	11,312.25	17,337.35
Weighted average number of equity shares	Nos./Lakhs	5,520.00	5,520.00
Basic and diluted earnings per equity share of ₹ 10 each	₹	2.05	3.14
Face value of equity shares	₹	10.00	10.00

39.2 **EPS - Continuing operations (including regulatory income/expense)**

Particulars	Units	Year ended 31.03.2020	Year ended 31.03.2019
Profit for the year from continuing operations after net movement in regulatory deferral account balance attributable to equity shareholders	₹/Lakhs	41,414.47	33,586.22
Weighted average number of equity shares	Nos./Lakhs	5,520.00	5,520.00
Basic and diluted earnings per equity share of ₹ 10 each	₹	7.50	6.08
Face value of equity shares	₹	10.00	10.00

39.3 The Company does not have any potential dilutive equity shares.

Note 40
Disclosure pursuant to DERC directive 6.10(i) specified in Tariff Order, 2019.

Category-wise billing, collection & subsidy information

40.1 **Billing**

₹/Lakhs

S.No.	Category	Year ended 31.03.2020						
		Revenue	Deficit revenue recovery surcharge	PPAC	Electricity duty	Pension trust surcharge	TOD surcharge	TOD rebate
1	Domestic	2,62,968.79	16,935.80	16,021.73	10,292.48	8,044.95	0.24	(0.22)
2	Non-Domestic	2,11,222.29	13,654.53	12,633.01	7,309.39	6,485.56	2,353.03	(1,498.33)
3	Industrial	2,96,198.64	19,149.57	17,215.92	11,173.41	9,095.41	4,329.68	(3,082.98)
4	Agriculture	842.28	55.08	51.02	13.25	26.13	0.09	(0.06)
5	Public Utilities	52,097.08	3,388.96	3,147.71	1,765.49	1,609.51	611.25	(581.47)
6	Advertisement & Hoardings	57.16	3.72	3.32	1.69	1.77	0.02	(0.01)
7	Temporary Supply	6,175.91	396.41	366.73	238.40	188.14	43.70	(33.42)
8	Staff	565.80	36.48	35.27	20.72	17.33	-	-
9	E-Rickshaw/E-Vehicle	1,104.28	70.89	62.62	50.87	33.67	10.66	(9.02)
10	Misuse	727.39	47.53	33.10	25.64	23.33	6.49	(4.23)
11	Enforcement	1,641.23	109.66	57.78	57.71	46.16	-	-
12	Other Adjustments	69.01	-	-	2.91	-	-	-
	Grand Total	**8,33,669.86**	**53,848.63**	**49,628.21**	**30,951.96**	**25,571.96**	**7,355.16**	**(5,209.74)**

40.2 **Collection**

₹/Lakhs

S.No.	Category	Year ended 31.03.2020				
		Revenue	Deficit revenue recovery surcharge	PPAC	Electricity duty	Pension trust surcharge
1	Domestic	2,66,997.76	17,371.44	16,039.65	10,499.16	8,246.04
2	Non-Domestic	2,13,042.10	13,761.03	12,671.87	7,393.77	6,533.97
3	Industrial	2,89,530.96	18,694.49	16,890.82	10,921.98	8,875.81
4	Agriculture	983.66	63.11	55.94	14.56	29.80
5	Public Utilities	50,351.78	3,349.98	3,132.68	1,028.84	1,590.88
6	Advertisement & Hoardings	82.86	5.43	4.83	2.52	2.57
7	Staff	571.68	36.91	35.45	20.77	17.52
8	E-Rickshaw/E-Vehicle	1,068.02	68.12	60.64	48.85	32.36
9	Enforcement	1,641.23	109.66	57.78	57.70	46:16
10	Other Adjustments	69.01	-	-	-	-
	Grand Total	**8,24,339.06**	**53,460.17**	**48,949.66**	**29,988.15**	**25,375.11**

40.3 **Subsidy Disbursed (including amnesty scheme)**

S.No.	Category	Year ended 31.03.2020 ₹/Lakhs
1	Agriculture	750.57
2	Domestic (including solar generation based incentive)	66,025.65
3	Non-Domestic (Lawyer Chambers)	202.12
	Grand Total	**66,978.34**

40.4 Collection against temporary connection & Misuse is included in respective tariff category.

40.5 The above figures exclude open access billing & collection.

40.6 Revenue billed & collected include energy charges, fixed charges, Etax, surcharge, PPAC, TOD surcharge, pension trust surcharge, TOD rebate etc.

40.7 Revenue collected includes deemed collection on account of subsidy, CD interest etc.

WALKER CHANDIOK & CO LLP * CHARTERED ACCOUNTANTS *

Note 41
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.

41.1 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(I)(ix) specified in Tariff Order, 2019

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.

41.2 Segment revenue, segment results, segment assets and liabilities are detailed below:

₹/Lakhs

S.No.	Particulars	As at 31.03.2020 Distribution	Generation	Business Development	Inter Segment	Total
(i)	**Segment revenue**					
	Revenue from operations (refer note 41.3)	7,88,769.51	(740.62)	-	766.59	7,88,795.48
	Other income	925.55	7.68	9,570.08	-	10,503.31
	Movement in regulatory deferral account balance (net)	46,271.25	-	-	-	46,271.25
(a)	**Total segment revenue**	**8,35,966.31**	**(732.94)**	**9,570.08**	**766.59**	**8,45,570.04**
	Less: Segment expenses (refer note 41.5)					
	Cost of power purchased (net)	6,29,196.49	-	-	766.59	6,29,963.08
	Employee benefits expense (net)	46,588.13	105.27	3,796.50	-	50,489.90
	Finance costs	33,971.43	518.63	-	-	34,490.06
	Depreciation and amortisation expense	33,166.87	149.19	-	-	33,316.06
	Other expenses	29,115.91	377.12	3,239.56	-	32,732.59
(b)	**Total segment expenses**	**7,72,038.83**	**1,150.21**	**7,036.06**	**766.59**	**7,80,991.69**
(ii)	**Total segment results (a-b)**	**63,927.48**	**(1,883.15)**	**2,534.02**	**-**	**64,578.35**
	Add/(Less): Unallocable income/(expense)					
(c)	Gain on sale/fair value of mutual fund investment measured at FVTPL					21.02
(d)	Foreign exchange fluctuation gain (net)					7.24
(e)	**Profit before tax (ii+c+d)**					**64,606.61**
(f)	Less: Tax expense					23,192.14
	Profit after tax (e-f)					**41,414.47**
(iii)	**Segment assets (refer note 41.4)**					
(a)	Property, plant and equipment	3,90,146.84	1,227.58	-	-	3,91,374.42
(b)	Capital work-in-progress	27,190.80	148.57	-	-	27,339.37
(c)	Right-of-use assets	9,850.99	-	-	-	9,850.99
(d)	Intangible assets	6,084.89	-	-	-	6,084.89
(e)	Non-current financial assets	194.64	-	-	-	194.64
(f)	Other non-current assets	900.81	6.48	-	-	907.29
(g)	Inventories	1,294.07	22.88	-	-	1,316.95
(h)	Current financial assets					
	- Trade receivables	25,050.30	-	6,554.67	-	31,604.97
	- Unbilled revenue	32,074.65	-	170.57	-	32,245.22
	- Others	23,171.91	-	-	-	23,171.91
(i)	Other current assets					
	- Unbilled revenue (contract asset)	-	-	2,320.07	-	2,320.07
	- Others	17,149.78	1,247.18	-	-	18,396.96
(j)	Assets classified as held for sale	-	2,004.00	-	-	2,004.00
(k)	Regulatory deferral account debit balances	5,12,567.11	9,618.00	-	-	5,22,185.11
	Total segment assets	**10,45,676.79**	**14,274.69**	**9,045.31**	**-**	**10,68,996.79**
(l)	Unallocable assets					
	- Income tax assets (net)					2,735.55
	- Income tax paid under protest against demand					2,321.84
	Total assets					**10,74,054.18**

₹/Lakhs

S.No.	Particulars	As at 31.03.2020				
		Distribution	Generation	Business Development	Inter Segment	Total
(iv)	**Segment liabilities (refer note 41.4)**					
(a)	Non-current financial liabilities	3,37,789.41	1,640.63	-	-	3,39,430.04
(b)	Capital grants	295.49	211.17	-	-	506.66
(c)	Contributions for capital works and service line charges	84,578.30	-	-	-	84,578.30
(d)	Other non-current liabilities	34,229.56	-	-	-	34,229.56
(e)	Current financial liabilities	2,03,042.51	1,020.29	-	-	2,04,062.80
(f)	Other current liabilities					
	- Income received in advance	-	-	1,273.93	-	1,273.93
	- Others	25,085.81	7.13	-	-	25,092.94
	Total segment liabilities	**6,85,021.08**	**2,879.22**	**1,273.93**	**-**	**6,89,174.23**
(g)	Unallocable liabilities					
	- Provisions - non current					5,661.04
	- Deferred tax liabilities (net)					30,259.85
	- Provisions - current					1,646.61
	Total liabilities					**7,26,741.73**

₹/Lakhs

S.No.	Particulars	As at 31.03.2019				
		Distribution	Generation	Business Development	Inter Segment	Total
(i)	**Segment revenue**					
	Revenue from operations	7,59,980.73	4,985.14	-	(4,959.17)	7,60,006.70
	Other income	601.16	0.09	9,280.04	-	9,881.29
	Movement in regulatory deferral account balance (net)	15,358.74	-	-	9,618.00	24,976.74
(a)	**Total segment revenue**	**7,75,940.63**	**4,985.23**	**9,280.04**	**4,658.83**	**7,94,864.73**
	Less: Segment expenses (refer note 41.5)					
	Cost of power purchased (net)	5,85,027.29	-	-	4,658.83	5,89,686.12
	Employee benefits expense (net)	43,071.24	149.27	3,749.33	-	46,969.84
	Finance costs	34,200.94	675.78	11.13	-	34,887.85
	Depreciation and amortisation expense	29,508.72	1,455.45	-	-	30,964.17
	Other expenses	29,298.78	372.39	2,222.66	-	31,893.83
	Impairment of property, plant and equipment	-	1,807.88	-	-	1,807.88
	Impairment loss on assets classified as held for sale	-	8,832.34	-	-	8,832.34
(b)	**Total segment expenses**	**7,21,106.97**	**13,293.11**	**5,983.12**	**4,658.83**	**7,45,042.03**
(ii)	**Total segment results (a-b)**	**54,833.66**	**(8,307.88)**	**3,296.92**	**-**	**49,822.70**
	Add/(Less): Unallocable income/(expense)					
(c)	Interest income					273.64
(d)	Gain on sale/fair value of mutual fund investment measured at FVTPL					647.11
(e)	**Profit before tax (ii+c+d)**					**50,743.45**
(f)	Less: Tax expense					17,157.23
	Profit after tax (e-f)					**33,586.22**
(iii)	**Segment assets (refer note 41.4)**					
(a)	Property, plant and equipment	3,67,268.65	1,374.69	-	-	3,68,643.34
(b)	Capital work-in-progress	34,571.55	148.57	-	-	34,720.12
(c)	Intangible assets	7,405.96	-	-	-	7,405.96
(d)	Non-current financial assets	290.88	-	-	-	290.88
(e)	Other non-current assets	547.64	6.50	-	-	554.14
(f)	Inventories	1,284.11	22.88	-	-	1,306.99
(g)	Current financial assets					
	- Trade receivables	16,964.10	-	8,483.10	-	25,447.20
	- Unbilled revenue	34,433.78	-	58.61	-	34,492.39
	- Others	6,407.14	-	-	-	6,407.14
(h)	Other current assets					
	- Unbilled revenue (contract asset)	-	-	1,115.17	-	1,115.17
	- Others	24,497.03	1,321.98	-	-	25,819.01
(i)	Assets classified as held for sale	-	2,004.00	-	-	2,004.00
(j)	Regulatory deferral account debit balances	4,66,295.86	9,618.00	-	-	4,75,913.86
	Total segment assets	**9,59,966.70**	**14,496.62**	**9,656.88**	**-**	**9,84,120.20**
(k)	Unallocable assets					
	- Income tax assets (net)					2,263.48
	- Income tax paid under protest against demand					2,321.84
	Total assets					**9,88,705.52**
(iv)	**Segment liabilities (refer note 41.4)**					
(a)	Non-current financial liabilities	2,82,635.69	2,408.85	-	-	2,85,044.54
(b)	Capital grants	344.35	237.14	-	-	581.49
(c)	Contributions for capital works and service line charges	86,464.61	-	-	-	86,464.61
(d)	Other non-current liabilities	22,580.72	-	-	-	22,580.72
(e)	Current financial liabilities	2,25,484.99	1,422.38	-	-	2,26,907.37
(f)	Other current liabilities	-	-	-	-	
	- Income received in advance	-	-	534.49	-	534.49
	- Others	24,627.18	16.20	-	-	24,643.38
	Total segment liabilities	**6,42,137.54**	**4,084.57**	**534.49**	**-**	**6,46,756.60**
(g)	Unallocable liabilities					
	- Provisions - non current					4,569.98
	- Deferred tax liabilities (net)					18,044.60
	- Provisions - current					1,070.50
	Total liabilities					**6,70,441.68**

41.3 Includes revenue reversal of ₹ 789.35 lakhs on account of APTEL judgment pronounced on 16 April, 2019 against batch Appeals of 4 solar plants and ₹ 216.37 lakhs on account of Rithala Tariff Order dated 11 November, 2019.

41.4 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.

41.5 Total expenses of Business Development segment of ₹ 7,036.06 lakhs (for the year ended 31 March, 2019 ₹ 5,983.12 lakhs) includes allocated expenses of ₹ 1,671.21 lakhs (for the year ended 31 March, 2019 ₹ 1,676.62 lakhs). Balance expenses of ₹ 5,364.85 lakhs (for the year ended 31 March, 2019 ₹ 4,306.50 lakhs) are directly identifiable to this reporting segment.

Note 42
Income tax

Accounting policy
Income tax expense represents the sum of the tax currently payable and deferred tax.

42.1 **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.

42.2 Income tax expense recognised in the Statement of Profit and Loss consists of:

	Year ended 31.03.2020 ₹/Lakhs	Year ended 31.03.2019 ₹/Lakhs
Income tax expense recognised in the Statement of Profit and Loss :		
(a) Current tax		
Current tax expense (refer note 42.4)	19,196.81	18,736.16
Less: MAT credit adjusted during the year	8,323.99	8,679.88
Current tax expense (net)	10,872.82	10,056.28
(b) Deferred tax expense (net) (refer note 42.4)	12,319.32	7,100.95
Total	**23,192.14**	**17,157.23**
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 42.4)	(104.07)	(13.20)
(d) Deferred tax		
Remeasurement of defined benefit obligation (refer note 42.4)	(104.07)	(8.21)
Total	**(208.14)**	**(21.41)**
Total income tax expense recognised during the year (a+b+c+d)	**22,984.00**	**17,135.82**

42.3 The income tax expense for the year can be reconciled to the accounting profit as follows:

₹/Lakhs

Particulars	**Year ended 31.03.2020**	**Year ended 31.03.2019**
Profit before tax	64,606.61	50,743.45
Less: Recognition of deferred tax liability as recoverable in regulatory deferral account debit balance (refer note 38)	-	7,092.74
Adjusted profit before tax	64,606.61	43,650.71
Enacted income tax rate in India	34.94%	34.94%
Computed expected tax expense	22,576.13	15,253.30
Add/(Less): Tax effect on account of:		
Expenses not considered in determining taxable profit	287.08	2,587.30
Reversal during tax holiday period	45.78	42.69
Deduction under chapter VI-A	(8.16)	(554.59)
Adjustment for MAT credit	425.88	(242.99)
Others	(134.57)	71.52
Income tax expense recognised in the Statement of Profit and Loss	**23,192.14**	**17,157.23**

42.4 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, 2020 and for the year ended 31 March, 2019.

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 2018-19 21.55%) of book profit for the financial year 2019-20 and 2018-19.

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, 2020 and 31 March, 2019.

WALKER CHANDIOK & CO LLP CHARTERED ACCOUNTANTS

42.5 **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.

42.6 Deferred tax liabilities/assets (net) as at 31 March, 2020, as detailed below reflect the quantum of tax liabilities/(asset) accrued up to 31 March, 2020.

₹/Lakhs

Particulars (2019-20)	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 42.8)	61,593.26	4,571.37	-	66,164.63
Provision for doubtful debts	(2,696.85)	(425.77)	-	(3,122.62)
Provision for employee benefits	(1,971.01)	(478.51)	(104.07)	(2,553.59)
MAT credit	(38,729.18)	8,749.88	-	(29,979.30)
Others	(151.62)	(97.65)	-	(249.27)
Deferred tax liabilities/(asset) [net]	**18,044.60**	**12,319.32**	**(104.07)**	**30,259.85**

Deferred tax liabilities/assets (net) as at 31 March, 2019, as detailed below reflect the quantum of tax liabilities/(asset) accrued up to 31 March, 2019.

₹/Lakhs

Particulars (2018-19)	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	62,831.24	(1,237.98)	-	61,593.26
Provision for doubtful debts	(2,675.30)	(21.55)	-	(2,696.85)
Provision for employee benefits	(1,875.60)	(87.20)	(8.21)	(1,971.01)
MAT credit	(47,166.07)	8,436.89	-	(38,729.18)
Others	(162.41)	10.79	-	(151.62)
Deferred tax liabilities/(asset) [net]	**10,951.86**	**7,100.95**	**(8.21)**	**18,044.60**

42.7 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, 2020 of ₹ 30,259.85 lakhs (as at 31 March, 2019 ₹ 18,044.60 lakhs) and deferred tax charge of ₹ 12,215.25 lakhs for the year ended 31 March, 2020 (for the year ended 31 March, 2019 ₹ 7,092.74 lakhs) has been shown as recoverable in regulatory deferral account balances.

42.8 As at 31 March, 2020 deferred tax liability of ₹ 66,164.63 lakhs (as at 31 March, 2019 ₹ 61,593.26 lakhs) on account of property, plant and equipment is net of deferred tax asset of ₹ 1,683.52 lakhs (as at 31 March, 2019 ₹ 2,060.47 lakhs) arising on assets classified as held for sale.

42.9 During the current year, the management has reassessed the recoverability of unavailed MAT credit and accordingly recognised MAT credit amounting to ₹ 29,979.30 lakhs as at 31 March, 2020 (as at 31 March, 2019 ₹ 38,729.18 lakhs).

42.10 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.

Note 43
Financial instruments

43.1 **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 31.03.2020	As at 31.03.2019
Long-term borrowings	2,63,382.77	2,22,188.07
Current maturities of long-term borrowings	47,355.30	54,005.38
Short-term borrowings	34,326.29	35,090.67
Total debt (a)	**3,45,064.36**	**3,11,284.12**
Less: Cash and bank balances (b)	13,987.53	6,006.09
Net debt {(c)=(a-b)}	**3,31,076.83**	**3,05,278.03**
Total equity (d)	3,47,312.45	3,18,263.84
Total equity and net debt {(e)=(c+d)}	**6,78,389.28**	**6,23,541.87**
Net debt to total equity plus net debt ratio (%) {(f)=(c)/(e)}	**48.80%**	**48.96%**

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, 2020 and 31 March, 2019.

43.2 **Categories of financial instruments**

₹/Lakhs

Particulars	As at 31.03.2020	As at 31.03.2019
Financial assets		
(i) Measured at fair value through profit or loss (FVTPL)		
(a) Investment in mutual fund (unquoted)	8,500.19	-
(ii) Measured at cost		
(a) Investments in equity instruments of wholly owned subsidiary company (unquoted)	5.00	5.00
(iii) Measured at amortised cost		
(a) Trade receivables	31,604.97	25,447.20
(b) Cash and cash equivalents	3,853.24	2,425.12
(c) Bank balances other than cash and cash equivalent above	10,134.29	3,580.97
(d) Loans: Security deposits	446.09	435.25
(e) Unbilled revenue	32,245.22	34,492.39
(f) Others	427.74	251.68
Total	**87,216.74**	**66,637.61**
Financial liabilities		
(i) Measured at amortised cost		
(a) Borrowings (including current maturities)	3,45,064.36	3,11,284.12
(b) Interest accrued but not due on borrowings	934.87	576.79
(c) Lease liabilities (including current maturities)	8,665.70	-
(d) Trade and other payables	1,11,117.94	1,24,156.59
(e) Consumers' security deposit	71,804.91	66,923.06
(f) Retention money payable	3,928.91	6,259.47
(g) Others	1,976.15	2,751.88
Total	**5,43,492.84**	**5,11,951.91**

43.2.1 **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".

(c) The management 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 31.03.2020 ₹/Lakhs	As at 31.03.2019 ₹/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)	8,500.19	-	Level 1	Net asset value (NAV) of mutual funds	31.03.2020

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.

43.3 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 31000:2009 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:

43.3.1 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, 2020 and 31 March, 2019. 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 31.03.2020		As at 31.03.2019	
	50 bps increase	50 bps decrease	50 bps increase	50 bps decrease
Interest expense on term borrowings	1,553.69	(1,553.69)	1,380.97	(1,380.97)
Effect on profit before tax	(1,553.69)	1,553.69	(1,380.97)	1,380.97

(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. The Company's price risk is mainly generated with fair value in respect of the investments held in mutual funds. Investments primarily include investment in liquid debt based mutual fund units with high credit-ratings assigned by credit-rating agencies and managed by asset management companies.

The carrying amount of the Company's current investments measured at fair value through profit or loss at the end of the reporting period are as follows:

₹/Lakhs

Particulars	As at 31.03.2020	As at 31.03.2019
Investments in mutual funds	8,500.19	-

Price risk sensitivity analysis

The sensitivity analysis in the following section relates to the position as at 31 March, 2020 and 31 March, 2019. 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 31.03.2020		As at 31.03.2019	
	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	17.08	(17.08)	-	-
Effect on profit before tax	17.08	(17.08)	-	-

In Company'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.

43.3.2 **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 31.03.2020	As at 31.03.2019
(a) Trade receivables	31,604.97	25,447.20
(b) Unbilled revenue	32,245.22	34,492.39
(c) Loans	446.09	435.25
(d) Other financial assets	427.74	251.68
Total	**64,724.02**	**60,626.52**

Refer note 13 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 quarterly Assets Under Management (AUM) are in excess of ₹ 500,000 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 ₹ 75,000 lakhs at any point of time. However, with effect from 28 February, 2019, the said limit has been revised to ₹ 35,000 lakhs. Further, the Company will restrict the extent of exposure to any asset management company to 20% of its investible corpus (only for investment above ₹ 20,000 lakhs).

43.3.3 **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, 2020				
(a) Trade payables	1,11,117.94	-	-	1,11,117.94
(b) Short term borrowings	34,326.29	-	-	34,326.29
(c) Long term borrowings (including current maturities)	47,355.30	1,98,903.61	64,479.16	3,10,738.07
(d) Interest accrued but not due on borrowings	934.87	-	-	934.87
(e) Future interest on above long term borrowings	24,806.49	51,697.77	9,955.99	86,460.25
(f) Consumers' security deposit (see note 43.3.3a)	4,352.26	-	67,452.65	71,804.91
(g) Future interest on consumers' security deposit (refer note 43.3.3a)	5,227.58	20,910.32	26,137.90	52,275.80
(h) Lease liabilities (including current maturities)	787.26	3,919.32	3,959.12	8,665.70
(i) Future interest on above lease liabilities	774.97	2,329.59	727.55	3,832.11
(j) Retention money payable	3,628.08	66.69	234.14	3,928.91
(k) Other financial liabilities	1,560.80	327.29	88.06	1,976.15
	2,34,871.84	**2,78,154.59**	**1,73,034.57**	**6,86,061.00**
As at 31 March, 2019				
(a) Trade payables	1,24,156.59	-	-	1,24,156.59
(b) Short term borrowings	35,090.67	-	-	35,090.67
(c) Long term borrowings (including current maturities)	54,005.38	1,76,317.24	45,870.83	2,76,193.45
(d) Interest accrued but not due on above borrowings	576.79	-	-	576.79
(e) Future interest on above long term borrowings	21,823.55	43,896.81	6,762.85	72,483.21
(f) Consumers' security deposit (see note 43.3.3a)	4,385.49	-	62,537.57	66,923.06
(g) Future interest on consumers' security deposit (refer note 43.3.3a)	5,346.96	21,387.85	26,734.81	53,469.62
(h) Retention money payable	6,259.47	-	-	6,259.47
(i) Other financial liabilities	2,432.98	281.53	37.37	2,751.88
	2,54,077.88	**2,41,883.43**	**1,41,943.43**	**6,37,904.74**

43.3.3a Consumers' security deposit classified under more than 5 years maturity pertains to permanent connection which are refundable only after surrender of connection subject to clearance of outstanding dues.

Future interest on consumers' security deposit has been considered at 7.75% per annum (as at 31 March, 2019 8.55% per annum) which is the prevailing SBI 1 year MCLR rate as at 1 April, 2020. 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 43.3.4 below. The Company expects to meet its obligations from operating cash flows and proceeds of maturing financial assets.

43.3.4 **Financing facilities (short term)**

₹/Lakhs

Particulars	As at 31.03.2020	As at 31.03.2019
Unsecured credit facilities, reviewed annually and payable at call		
Amount used and outstanding	23,307.44	24,400.67
Amount unused	11,692.56	10,599.33
Secured bank loan facilities with various maturity dates through to 31 March, 2021 and which may be extended by mutual agreement		
Amount used and outstanding	1,018.85	10,690.00
Amount unused	13,481.15	3,810.00

Note 44
Related party disclosures

44.1 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) Tata Power Trading Company Limited (TPTCL)
(ii) Tata Power Solar Systems Limited (TPSSL)
(iii) Tata Power International Pte. Limited (TPIPL)
(iv) TP Ajmer Distribution Limited (TPADL)
(v) TP Renewable Microgrid Limited (TPRML)

F. Joint Ventures (with whom the Company has transactions)
Prayagraj Power Generation Co. Ltd. (PPGCL)

G. Associates of holding company (with whom the Company has transactions)
(i) Tata Communications Limited (TCL) (ceased w.e.f. 28 May, 2018)
(ii) 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 AIG General Insurance Company Limited (Tata AIG)
(iii) Tata Advanced Systems Limited (TASL)
(iv) Tata Asset Management Limited (TAML)
(v) Tata Capital Financial Services Ltd. (TCFSL)
(vi) Tata Communications Limited (ceased to be an associate and became a subsidiary w.e.f. 28 May, 2018) (TCL)
(vii) Tata Consulting Engineers Ltd. (TCES)
(viii) Tata Industries Limited (ceased to be subsidiary and became a joint venture w.e.f. 27 March, 2019) (TIL)
(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 and Managing Director (CEO & MD)
Mr. Praveer Sinha (ceased w.e.f. 30 April, 2018)

Chief Executive Officer (CEO)
(i) Mr. Sanjay Kumar Banga (appointed w.e.f. 1 May, 2018 and ceased w.e.f. 30 November, 2019)
(ii) Mr. Ganesh Srinivasan (appointed w.e.f. 1 December, 2019)

Non-executive directors
(i) Mr. Praveer Sinha (appointed as chairman & director w.e.f. 4 May, 2018)
(ii) Mr. Anil Sardana (ceased w.e.f. 30 April, 2018)
(iii) Mr. Nawshir H. Mirza (ceased w.e.f. 23 March, 2020)
(iv) Mr. Arup Ghosh
(v) Mr. Amar Jit Chopra
(vi) Mr. Ajay Shankar
(vii) Mr. Ramesh N. Subramanyam (appointed w.e.f. 16 June, 2018)
(viii) Ms. Shalini Yogendranath Singh (ceased w.e.f. 15 June, 2018)
(ix) Mr. Minesh Shrikrishna Dave (appointed w.e.f 16 June, 2018 and ceased w.e.f. 30 November, 2019)
(x) Ms. Satya Gupta (appointed w.e.f. 18 July, 2018)
(xi) Mr. Kesava Menon Chandrasekhar, (independent director appointed w.e.f. 24 March, 2020)
(xii) Mr. Sanjay Kumar Banga (appointed w.e.f. 20 January, 2020)
(xiii) Mr. Jasmine Shah (appointed w.e.f. 20 January, 2020)
(xiv) Mr. Ajit Kumar Singh (appointed w.e.f. 20 January, 2020)
(xv) Ms. Rashmi Krishnan (appointed w.e.f. 20 January, 2020)
(xvi) Mr. Naveen ND Gupta (appointed w.e.f. 20 January, 2020)

44.2 Transactions with related parties

₹/Lakhs

Name of related party	Nature of transactions	Year ended 31.03.2020	Year ended 31.03.2019
A. Purchase of goods			
(i) TPTCL	Purchase of power	1,25,233.85	1,12,205.47
	Rebate on power purchase	2,113.32	1,664.55
(ii) TPSSL	Purchase of spares	6.17	-
(iii) IRL	Purchase of consumables	0.76	1.15
B. Sale of goods			
(i) TPTCL	Sale of power	-	1,531.87
	Rebate on sale of power	-	30.64
C. Purchase of property, plant and equipment			
(i) TASL	Purchase of integrated security solutions	932.54	1,346.41
(ii) IRL	Purchase of office equipment	-	0.96

Transactions with related parties contd.

₹/Lakhs

Name of related party	Nature of transactions	Year ended 31.03.2020	Year ended 31.03.2019
D. Sale of property, plant and equipment			
(i) TPCL	Sale of vehicles	35.86	-
(ii) TPTCL	Sale of vehicles	4.83	-
(iii) TPADL	Sale of energy meters	2.70	-
(iv) TCFSL	Sale of vehicles	-	4.50
E. Rendering of services			
(i) TPCL	Management contract for deputation of employees	17.71	23.41
	Management contract for consultancy services	182.61	103.86
	Revenue from training	-	0.66
(ii) Tata Sons	Revenue from training	0.40	-
(iii) DPCL	Commission earned	3.91	1.85
(iv) NDPLIL	Management contract for consultancy services	199.69	333.91
(v) TPIPL	Management contract for consultancy services	201.49	208.52
(vi) TPADL	Management contract for consultancy services	2.74	38.17
(vii) TPRML	Revenue from Training	1.68	-
(viii) PPGCL	Management contract for deputation of employees	14.65	-
(ix) TPL	Revenue from training	7.50	-
(x) TAML	Other income	-	0.07
(xi) TCFSL	Other income	0.10	0.07
(xii) TCES	Management contract for consultancy services	32.76	58.58
(xiii) TSBPL	Revenue from use of assets	40.15	2.57
F. Receiving of services			
(i) TPCL	Management contract for deputation of key management personnel (KMP)	212.21	198.57
	Management contract for deputation of employees	114.54	98.87
	Training	26.22	-
(ii) Tata Sons	Training	3.34	5.10
	Professional Charges	3.72	-
	Fees and subscription	5.31	3.54
	Repair & Maintenance	-	7.67
	Advertisement, publicity and business promotion	-	3.36
(iii) TPSSL	Annual maintenance contract of solar plants	9.88	15.34
(iv) TPL	Corporate social responsibility expenses	2.56	-
(v) TCL	Communication expenses	29.26	32.74
(vi) Tata AIG	Insurance	171.66	183.06
(vii) TTSL	Automatic meter reading expenses, call center charges etc.	238.85	271.24
	Communication expenses	7.75	7.87
(viii) TCFSL	Other borrowing costs (financing charges)	-	0.41
(ix) TCES	Consultancy services	15.80	-
(x) TIL	Corporate social responsibility expenses	20.93	-
G. Reimbursement of expenses (paid)/received [net]			
(i) TPCL	Travelling and conveyance etc.	75.92	58.18
(ii) Tata Sons	Travelling and conveyance etc.	0.61	0.18
(iii) NDPLIL	Travelling and conveyance, insurance etc.	33.61	65.89
(iv) TPTCL	Miscellaneous expenses etc.	(8.51)	-
(v) TPIPL	Travelling and conveyance, insurance etc.	9.86	9.13
(vi) TPADL	Travelling and conveyance etc.	0.31	3.66
(vii) TCES	Travelling and conveyance	3.74	-
H. Repayment of long term borrowings			
(i) TPCL	Redemption of preference share capital	-	25,500.00
(ii) DPCL	Redemption of preference share capital	-	24,500.00
I. Finance cost			
(i) TPCL	Dividend on preference shares	-	2,783.34
(ii) DPCL	Dividend on preference shares	-	2,674.19
J. Equity dividend paid			
(i) TPCL	Dividend on equity shares	5,067.36	4,504.32
(ii) DPCL	Dividend on equity shares	4,868.64	4,327.68
K. Transaction with Trust			
(i) Gratuity Fund	Contribution to trust	450.00	634.91
(ii) SVRS RTBF - 2004	Contribution to trust	46.51	61.70

44.3 **Compensation of key managerial personnel**

₹/Lakhs

Name of related party	Nature of transaction	Year ended 31.03.2020	Year ended 31.03.2019
A. CEO & MD	Deputation pay and other benefits a. Mr. Praveer Sinha (till 30 April, 2018)	-	139.96
B. CEO	Deputation pay and other benefits a. Mr. Sanjay Kumar Banga (w.e.f. 1 May, 2018 and upto 30 November, 2019)	134.41	89.53
	b. Mr. Ganesh Srinivasan (w.e.f. 1 December, 2019)	43.53	-
C. Non-executive directors	(i) Sitting fees*	32.78	20.60
	(ii) Consultancy fees - a. Mr. Arup Ghosh (upto 31 May, 2019)	11.99	60.88
	b. Ms. Satya Gupta (w.e.f. 18 July, 2018 and upto 12 July, 2019)	8.26	38.22

* Exclusive of Goods & Services Tax.

44.4 **Balance outstanding with related parties**

₹/Lakhs

Name of related party	Nature of balances	As at 31.03.2020	As at 31.03.2019
A. Investment in equity shares			
(i) NDPLIL		5.00	5.00
B. Receivables			
(i) TPCL	Trade receivables net of payables	187.58	61.41
(ii) NDPLIL	Trade receivables	-	8.74
(iii) TPIPL	Trade receivables	31.17	65.88
(iv) TPADL	Trade receivables	-	1.12
(v) TPRML	Trade receivables	1.98	-
(vi) PPGCL	Trade receivables	17.29	-
(vii) TCFSL	Trade receivables	-	4.75
(viii) TSBPL	Trade receivables	2.34	3.03
(ix) SVRS RTBF-2004	Other financial assets	87.95	103.05
C. Payables			
(i) Tata Sons	Trade payables net of receivables including advances	0.04	6.44
(ii) DPCL	Trade payables	346.45	488.07
(iii) TPTCL	Trade payables net of receivables	7,569.35	21,298.37
(iv) TPSSL	Trade payables including retention money and earnest money deposit	24.62	27.89
(v) TASL	Trade payables including retention money	407.75	474.83
(vi) TCES	Security deposit net of advances and receivables	9.78	14.64
(vii) TCL	Trade payables including security deposit, earnest money deposit net of advances	5.60	8.53
(viii) TTSL	Trade payables including retention money and security deposit	8.07	27.44
D. Unbilled revenues			
(i) TPCL	Management contract for consultancy services/Reimbursement of expenses	2.79	34.74
(ii) NDPLIL	Management contract for consultancy services	7.66	95.77
E. Accrued expenses			
(i) TPCL	Training	24.00	-
(ii) Tata Sons	Training	-	3.89
(iii) TCES	Consultancy services	3.67	26.36
(iv) TCL	Communication expenses	23.61	18.18
(v) TTSL	Communication expenses	33.26	10.74
F. Prepaid expenses			
(i) TPTCL	Charges for letter of credit	4.25	-
(ii) Tata AIG	Prepaid insurance	38.95	85.96
(iii) TTSL	Repair and maintenance	12.67	29.54
G. Advance to suppliers			
(i) IRL	Capital advances	-	0.76
(ii) Tata AIG	Advance to vendors	19.83	22.12
H. Commitments made			
(i) TCL	Communication expenses	3.36	-
(ii) TCES	Consultancy services	224.41	263.59
(iii) TASL	Capital commitment:Implementation of integrated security solution	105.30	494.34
(iv) TTSL	Call center charges	1.23	-

I. 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 45
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 46
Transfer pricing

As per the Transfer Pricing Rules of the Income Tax Act, 1961 the Company is required to get a transfer pricing study conducted to determine whether the transactions with related parties were undertaken at an arm's length basis for each financial year end. Transfer pricing study for the transactions during the year ended 31 March, 2020 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, 2021. However, in the opinion of the Company's management, adjustments, if any, are not expected to be material.

Note 47
Approval of financial statements

These financial statements were approved for issue by the board of directors on 29 April, 2020.

In terms of our report attached of even date

For Walker Chandiok & Co LLP
Chartered Accountants
Firm's Registration No.: 001076N/N500013

Neeraj Goel
Partner
Membership No.: 99514

Gurugram
29 April, 2020

For and on behalf of the Board of Directors

Sanjay Kumar Banga
Director
DIN: 07785948

Satya Gupta
Director
DIN: 08172427

Ganesh Srinivasan
Chief Executive Officer

Ajay Kalsie
Company Secretary

Hemant Goyal
Chief Financial Officer

New Delhi
29 April, 2020

Walker Chandiok & Co LLP
21st Floor, DLF Square
Jacaranda Marg, DLF Phase II
Gurugram - 122 002
India

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Independent Auditor's Report

To the Members of Tata Power Delhi Distribution Limited

Report on the Audit of the Consolidated Financial Statements

Opinion

1. 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 31 March 2020, the Consolidated Statement of Profit and Loss (including Other Comprehensive Income), the Consolidated Cash Flow Statement and the Consolidated Statement of Changes in Equity for the year then ended, and a summary of the significant accounting policies and other explanatory information.

2. 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 ('Act') in the manner so required and give a true and fair view in conformity with the accounting principles generally accepted in India including Indian Accounting Standards ('Ind AS') specified under section 133 of the Act, of the consolidated state of affairs (consolidated financial position) of the Group as at 31 March 2020, and its consolidated profit (consolidated financial performance including other comprehensive income), its consolidated cash flows and the consolidated changes in equity for the year ended on that date.

Basis for Opinion

3. We conducted our audit 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 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 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 the Code of Ethics. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion.

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

4. The Holding Company's Board of Directors is responsible for the other information. Other information 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.

WALKER CHANDIOK & CO LLP CHARTERED ACCOUNTANTS

In connection with our audit of the consolidated financial statements, our responsibility is to read the other information 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 on the other information obtained prior to the date of this auditor's report, we conclude that there is a material misstatement of this other information, we are required to report that fact. Reporting under this section is not applicable as no other information is obtained at the date of this auditor's report.

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

5. 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 state of affairs (consolidated financial position), consolidated profit or loss (consolidated financial performance including other comprehensive income), consolidated changes in equity and consolidated cash flows of the Group in accordance with the accounting principles generally accepted in India, including the Ind AS specified under section 133 of the Act. The respective Board of Directors/management 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 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 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.

6. 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.

7. Those Board of Directors are also responsible for overseeing the Group's financial reporting process.

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

8. 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 consolidated financial statements.

9. 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.

WALKER CHANDIOK & CO LLP CHARTERED ACCOUNTANTS

- 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 Group have adequate internal financial controls system in place and the operating effectiveness of such controls.

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

- Conclude on the appropriateness of management's use of the going concern basis of accounting and, based on the audit evidence obtained, whether a material uncertainty exists related to events or conditions that may cast significant doubt on the ability of the Group 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 consolidated 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.

10. 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.

Report on Other Legal and Regulatory Requirements

11. The Group has not paid or provided for any managerial remuneration during the year. Accordingly, reporting under section 197(16) of the Act is not applicable.

12. 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 financial statements dealt with by this report are in agreement with the relevant books of account maintained for the purpose of preparation of the consolidated financial statements;

    d) in our opinion, the aforesaid consolidated financial statements comply with Ind AS specified under section 133 of the Act;

    e) On the basis of the written representations received from the directors of the Holding Company and taken on record by the Board of Directors of the Holding Company and the reports of the statutory auditors of its subsidiary company, none of the directors of the Group companies are disqualified as on 31 March 2020 from being appointed as a director in terms of Section 164(2) of the Act

    f) With respect to the adequacy of the internal financial controls over financial reporting of the Holding Company, and its subsidiary company and the operating effectiveness of such controls, refer to our separate report in 'Annexure A';

WALKER CHANDIOK & CO LLP CHARTERED ACCOUNTANTS

g) 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 consolidated financial statements disclose the impact of pending litigations on the consolidated financial position of the Group as detailed in Note 30 and 32.2 to the consolidated financial statements;

ii. the Holding Company did not have any long-term contracts including derivative contracts for which there were any material foreseeable losses as at 31 March 2020;

iii. there were no amounts which were required to be transferred to the Investor Education and Protection Fund by the Holding Company, and its subsidiary company during the year ended 31 March 2020;

iv. the disclosure requirements relating to holdings as well as dealings in specified bank notes were applicable for the period from 8 November 2016 to 30 December 2016, which are not relevant to these consolidated financial statements. Hence, reporting under this clause is not applicable.

For **Walker Chandiok & Co LLP**
Chartered Accountants
Firm's Registration No.: 001076N/N500013

Neeraj Goel

Neeraj Goel
Partner
Membership No.: 99514

WALKER CHANDIOK & CO LLP * CHARTERED ACCOUNTANTS

UDIN - 20099514AAAACC9758

Place: Gurugram
Date: 29 April 2020

Annexure A to the Independent Auditor's Report of even date to the members of Tata Power Delhi Distribution Limited on the consolidated financial statements for the year ended 31 March 2020

Annexure A

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

1. In conjunction with our audit of the 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') as at and for the year ended 31 March 2020, we have audited the internal financial controls over financial reporting ('IFCoFR') of the Holding Company and its subsidiary company, as at that date.

Responsibilities of Management and Those Charged with Governance for Internal Financial Controls

2. The respective Board of Directors of the Holding 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 Holding Company and its subsidiary company considering the essential components of internal control stated in the Guidance Note on Audit of Internal Financial Controls over Financial Reporting (the 'Guidance Note') issued by 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 the company's business, including adherence to the 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 Act.

Auditor's Responsibility for the Audit of Internal Financial Controls

3. Our responsibility is to express an opinion on the IFCoFR of the Holding Company and its subsidiary company as aforesaid, based on our audit. We conducted our audit in accordance with the Standards on Auditing, issued by the ICAI prescribed under Section 143(10) of the Act, to the extent applicable to an audit of IFCoFR and the Guidance Note issued by the ICAI. 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 IFCoFR were established and maintained and if such controls operated effectively in all material respects.

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

5. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our audit opinion on the IFCoFR of the Holding Company and its subsidiary company as aforesaid.

Meaning of Internal Financial Controls over Financial Reporting

6. A company's IFCoFR 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 IFCoFR include those policies and procedures that (1) pertain to the maintenance of records that, in reasonable detail, accurately and fairly reflect the

WALKER CHANDIOK & CO LLP * CHARTERED ACCOUNTANTS *

Annexure A to the Independent Auditor's Report of even date to the members of Tata Power Delhi Distribution Limited on the consolidated financial statements for the year ended 31 March 2020

transactions and dispositions of the assets of the company; (2) provide reasonable assurance that transactions are recorded as necessary to permit preparation of financial statements in accordance with generally accepted accounting principles, and that receipts and expenditures of the company are being made only in accordance with authorisations of management and directors of the company; and (3) provide reasonable assurance regarding prevention or timely detection of unauthorised acquisition, use, or disposition of the company's assets that could have a material effect on the financial statements.

Inherent Limitations of Internal Financial Controls over Financial Reporting

7. Because of the inherent limitations of IFCoFR, 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 IFCoFR to future periods are subject to the risk that the IFCoFR may become inadequate because of changes in conditions, or that the degree of compliance with the policies or procedures may deteriorate.

Opinion

8. In our opinion, the Holding Company and its subsidiary company, have in all material respects, adequate internal financial controls over financial reporting and such controls were operating effectively as at 31 March 2020, based on the internal control over financial reporting criteria established by the Holding Company and its subsidiary company considering the essential components of internal control stated in the Guidance Note issued by ICAI.

For **Walker Chandiok & Co LLP**
Chartered Accountants
Firm's Registration No.: 001076N/N500013

Neeraj Goel

Neeraj Goel
Partner
Membership No.: 99514

WALKER CHANDIOK & CO LLP * CHARTERED ACCOUNTANTS *

UDIN - 20099514AAAACC9758

Place: Gurugram
Date: 29 April 2020

TATA POWER DELHI DISTRIBUTION LIMITED
CONSOLIDATED BALANCE SHEET AS AT 31 MARCH, 2020

	Notes	As at 31.03.2020 ₹/Lakhs	As at 31.03.2019 ₹/Lakhs
I. ASSETS			
(1) Non-current assets			
(a) Property, plant and equipment	4	3,91,374.42	3,68,643.34
(b) Capital work-in-progress	4	27,339.37	34,720.12
(c) Right-of-use assets	5	9,850.99	-
(d) Intangible assets	4	6,084.89	7,405.96
(e) Financial assets			
(i) Loans	6	134.78	196.20
(ii) Other financial assets	7	54.86	89.68
(f) Income tax assets (net)	8	2,821.95	2,448.86
(g) Other non-current assets	9	3,316.18	3,030.90
Total non-current assets		**4,40,977.44**	**4,16,535.06**
(2) Current assets			
(a) Inventories	10	1,316.95	1,306.99
(b) Financial assets			
(i) Investments	11	9,487.68	1,741.23
(ii) Trade receivables	12	31,604.97	25,594.07
(iii) Cash and cash equivalents	13	3,853.44	2,425.28
(iv) Bank balances other than (iii) above	13	10,134.29	3,580.97
(v) Loans	14	311.31	239.05
(vi) Other financial assets	15	33,791.10	34,568.20
(c) Current tax assets (net)		110.08	-
(d) Other current assets	16	20,717.07	26,982.65
Total current assets		**1,11,326.89**	**96,438.44**
Assets classified as held for sale	36.6.1	2,004.00	2,004.00
Total assets before regulatory deferral account balance		**5,54,308.33**	**5,14,977.50**
(3) Regulatory deferral account debit balances	36	5,22,185.11	4,75,913.86
Total assets		**10,76,493.44**	**9,90,891.36**
II. EQUITY AND LIABILITIES			
EQUITY			
(a) Equity share capital	17	55,200.00	55,200.00
(b) Other equity	18	2,94,502.41	2,65,183.29
Total equity attributable to equity holders of the Company		**3,49,702.41**	**3,20,383.29**
(c) Non-controlling interests		-	-
Total equity		**3,49,702.41**	**3,20,383.29**
LIABILITIES			
(1) Non-current liabilities			
(a) Financial liabilities			
(i) Long-term borrowings	19	2,63,382.77	2,22,188.07
(ii) Lease liabilities	5	7,878.44	-
(iii) Other financial liabilities	20	68,168.83	62,856.47
(b) Provisions	21	5,661.04	4,569.98
(c) Deferred tax liabilities (net)	41	30,302.36	18,085.41
(d) Capital grants	22	506.66	581.49
(e) Contributions for capital works and service line charges	23	84,578.30	86,464.61
(f) Other non-current liabilities	24	34,229.56	22,580.72
Total non-current liabilities		**4,94,707.96**	**4,17,326.75**
(2) Current liabilities			
(a) Financial liabilities			
(i) Short-term borrowings	25	34,326.29	35,090.67
(ii) Trade payables	26		
- total outstanding dues of micro enterprises and small enterprises		1,208.26	134.79
- total outstanding dues of creditors other than micro enterprises and small enterprises		1,09,914.77	1,24,035.53
(iii) Other financial liabilities	27	58,618.57	67,660.11
(b) Provisions	28	1,646.61	1,070.50
(c) Other current liabilities	29	26,368.57	25,189.72
Total current liabilities		**2,32,083.07**	**2,53,181.32**
Total equity and liabilities		**10,76,493.44**	**9,90,891.36**

See accompanying notes forming part of consolidated financial statements (1-46)

In terms of our report attached of even date

For Walker Chandiok & Co LLP
Chartered Accountants
Firm's Registration No.: 001076N/N500013

Neeraj Goel
Partner
Membership No.: 99514

Gurugram
29 April, 2020

For and on behalf of the Board of Directors

Sanjay Kumar Banga
Director
DIN: 07785948

Satya Gupta
Director
DIN: 08172427

Ganesh Srinivasan
Chief Executive Officer

Ajay Kalsie
Company Secretary

Hemant Goyal
Chief Financial Officer

New Delhi
29 April, 2020

TATA POWER DELHI DISTRIBUTION LIMITED
CONSOLIDATED STATEMENT OF PROFIT AND LOSS FOR THE YEAR ENDED 31 MARCH, 2020

		Notes	Year ended 31.03.2020 ₹/Lakhs	Year ended 31.03.2019 ₹/Lakhs
I	Revenue from operations	31	7,89,276.53	7,61,058.07
II	Other income	31	10,639.19	10,866.24
III	**Total income**		**7,99,915.72**	**7,71,924.31**
IV	**Expenses**			
	Cost of power purchased (net) (excludes own generation)	32	6,29,963.08	5,89,686.12
	Employee benefits expense (net)	33	50,654.39	47,244.89
	Finance costs	34	34,490.06	34,892.63
	Depreciation and amortisation expense	4,5	33,316.06	30,964.17
	Other expenses	35	32,797.61	31,991.29
	Total expenses		**7,81,221.20**	**7,34,779.10**
V	**Profit/(Loss) before movement in regulatory deferral account balance, exceptional items and tax**		**18,694.52**	**37,145.21**
	Movement in regulatory deferral account balance (net)	36	46,271.25	24,976.74
VI	**Profit/(Loss) before exceptional items and tax**		**64,965.77**	**62,121.95**
	Add/(Less): Exceptional Items			
	Impairment of property, plant and equipment	4,36.6	-	(1,807.88)
	Impairment loss on assets classified as held for sale	36.6	-	(8,832.34)
VII	**Profit/(Loss) before tax**		**64,965.77**	**51,481.73**
VIII	Tax expense			
	(i) Current tax	41	10,959.77	10,202.51
	(ii) Deferred tax	41	12,321.02	7,128.47
IX	**Profit/(Loss) for the year**		**41,684.98**	**34,150.75**
X	**Other comprehensive income/(expense)**			
	(i) Items that will not be reclassified to profit or loss			
	Remeasurement gain/(loss) of defined benefit plans	21.6	(595.62)	(61.26)
	(ii) Income tax credit/(charge) relating to items that will not be reclassified to profit or loss			
	(a) Current tax	41	104.07	13.20
	(b) Deferred tax	41	104.07	8.21
	Other comprehensive income/(expense) for the year		**(387.48)**	**(39.85)**
XI	**Total comprehensive income for the year**		**41,297.50**	**34,110.90**
	Profit for the year attributable to:			
	Owners of the Company		41,684.98	34,150.75
	Non-controlling interests		-	-
			41,684.98	**34,150.75**
	Other comprehensive income/(expense) attributable to:			
	Owners of the Company		(387.48)	(39.85)
	Non-controlling interests		-	-
			(387.48)	**(39.85)**
	Total comprehensive income for the year attributable to:			
	Owners of the Company		41,297.50	34,110.90
	Non-controlling interests		-	-
			41,297.50	**34,110.90**
	Earnings per equity share (face value ₹ 10/- each)	38		
(i)	Basic and Diluted earnings per equity share before net movement in regulatory deferral account balance (₹)		2.10	3.24
(ii)	Basic and Diluted earnings per equity share after net movement in regulatory deferral account balance (₹)		7.55	6.19

See accompanying notes forming part of consolidated financial statements (1-46)

In terms of our report attached of even date

For Walker Chandiok & Co LLP
Chartered Accountants
Firm's Registration No.: 001076N/N500013

Neeraj Goel
Partner
Membership No.: 99514

Gurugram
29 April, 2020

For and on behalf of the Board of Directors

Sanjay Kumar Banga
Director
DIN: 07785948

Satya Gupta
Director
DIN: 08172427

Ganesh Srinivasan
Chief Executive Officer

Ajay Kalsie
Company Secretary

Hemant Goyal
Chief Financial Officer

New Delhi
29 April, 2020

TATA POWER DELHI DISTRIBUTION LIMITED
CONSOLIDATED STATEMENT OF CHANGES IN EQUITY FOR THE YEAR ENDED 31 MARCH, 2020

A. Equity share capital

	Particulars	Amount (₹/Lakhs)
(i)	**Balance as at 1 April, 2018**	**55,200.00**
(ii)	Changes in equity share capital during the year	-
(iii)	**Balance as at 31 March, 2019**	**55,200.00**
(i)	**Balance as at 1 April, 2019**	**55,200.00**
(ii)	Changes in equity share capital during the year	-
(iii)	**Balance as at 31 March, 2020**	**55,200.00**

B. Other equity

₹/Lakhs

	Particulars	Reserves and Surplus			Total
		Capital Redemption Reserve	General Reserve	Retained Earnings	
(i)	**Balance as at 1 April, 2018**	-	9,150.00	2,32,569.84	2,41,719.84
(ii)	Profit for the year	-	-	34,150.75	34,150.75
(iii)	Other comprehensive income/(expense) for the year (net of tax)	-	-	(39.85)	(39.85)
(iv)	**Total comprehensive income {(ii)+(iii)}**	-	-	34,110.90	34,110.90
(v)	Dividend paid (including tax on dividend)	-	-	(10,647.45)	(10,647.45)
(vi)	Transfer to capital redemption reserve on redemption of non-convertible cumulative redeemable preference share capital	50,000.00	-	(50,000.00)	-
(vii)	**Balance as at 31 March, 2019 {(i)+(iv)+(v)+(vi)}**	**50,000.00**	**9,150.00**	**2,06,033.29**	**2,65,183.29**
(i)	**Balance as at 1 April, 2019**	50,000.00	9,150.00	2,06,033.29	2,65,183.29
(ii)	Profit for the year	-	-	41,684.98	41,684.98
(iii)	Other comprehensive income/(expense) for the year (net of tax)	-	-	(387.48)	(387.48)
(iv)	**Total comprehensive income {(ii)+(iii)}**	-	-	41,297.50	41,297.50
(v)	Dividend paid (including tax on dividend)	-	-	(11,978.38)	(11,978.38)
(vi)	**Balance as at 31 March, 2020 {(i)+(iv)+(v)}**	**50,000.00**	**9,150.00**	**2,35,352.41**	**2,94,502.41**
	Other equity attributable to:				
	Owners of the Company	50,000.00	9,150.00	2,35,352.41	2,94,502.41
	Non-controlling interests	-	-	-	-
		50,000.00	**9,150.00**	**2,35,352.41**	**2,94,502.41**

See accompanying notes forming part of consolidated financial statements (1-46)

In terms of our report attached of even date

For Walker Chandiok & Co LLP
Chartered Accountants
Firm's Registration No.: 001076N/N500013

Neeraj Goel
Partner
Membership No.: 99514

WALKER CHANDIOK & CO LLP CHARTERED ACCOUNTANTS

For and on behalf of the Board of Directors

Sanjay Kumar Banga
Director
DIN: 07785948

Satya Gupta
Director
DIN: 08172427

Ganesh Srinivasan
Chief Executive Officer

Ajay Kalsie
Company Secretary

Hemant Goyal
Chief Financial Officer

Gurugram
29 April, 2020

New Delhi
29 April, 2020

TATA POWER DELHI DISTRIBUTION LIMITED

CONSOLIDATED STATEMENT OF CASH FLOWS FOR THE YEAR ENDED 31 MARCH, 2020

		Year ended 31.03.2020 ₹/Lakhs	Year ended 31.03.2019 ₹/Lakhs
A. Cash flow from operating activities			
Profit for the year		41,684.98	34,150.75
Adjustments to reconcile profit for the year to net cash flows:			
Income tax recognised as expense in Statement of Profit and Loss		23,280.79	17,330.98
Depreciation and amortisation expense		33,316.06	30,964.17
Impairment of property, plant and equipment		-	1,807.88
Impairment loss on assets classified as held for sale		-	8,832.34
Finance costs (net of capitalisation)		34,490.06	34,892.63
Interest income		(328.98)	(642.83)
Gain on sale/fair value of mutual fund investment measured at FVTPL		(115.89)	(754.88)
Loss on disposal of property, plant and equipment		1,909.09	2,790.41
Amortisation of capital grants		(74.83)	(74.25)
Amortisation of contribution for capital works and service line charges		(8,023.57)	(7,510.83)
Obsolete inventory written off/allowance for obsolete inventory		2.97	(34.10)
Bad debts written off/(written back)		400.01	195.18
Allowance for doubtful debts		1,218.44	40.02
Operating profit before working capital changes		1,27,759.13	1,21,987.47
Working capital adjustments:			
Adjustments for (increase)/decrease in operating assets:			
Inventories		(12.93)	(72.99)
Trade receivables		(8,423.02)	(3,922.35)
Loans - current		(72.26)	(44.41)
Loans - non current		61.42	(59.79)
Other financial assets - current		1,988.29	(2,515.39)
Other financial assets - non current		34.82	31.82
Other non-current assets		54.78	607.75
Other current assets		4,941.66	22,112.30
Regulatory deferral account debit balances		(46,271.25)	(24,976.74)
Adjustments for increase/(decrease) in operating liabilities:			
Trade payables		(13,047.29)	1,663.98
Other financial liabilities - current		(2,495.84)	(1,587.47)
Other financial liabilities - non current		397.28	69.68
Other current liabilities		1,178.85	3,853.14
Other non-current liabilities		11,648.84	(1,289.89)
Provision for employee benefits - current		(19.51)	(97.40)
Provision for employee benefits - non current		1,091.06	309.17
Cash generated from operations		78,814.03	1,16,068.88
Taxes paid (including tax deducted at source)		(11,338.87)	(10,195.66)
Net cash from/(used in) operating activities	(A)	**67,475.16**	**1,05,873.22**
B. Cash flow from investing activities			
Purchase of property, plant and equipment (including capital advances)		(48,647.27)	(61,832.24)
Proceeds from sale of property, plant and equipment		928.30	942.06
Proceeds from bank deposits (net)		(7,693.32)	6.91
Interest received		257.79	530.13
Purchase of current investments		(75,319.10)	(3,82,006.66)
Proceeds from sale of current investments		67,688.54	3,82,275.03
Net cash from/(used in) investing activities	(B)	**(62,785.06)**	**(60,084.77)**
C. Cash flow from financing activities			
Redemption of non-convertible cumulative redeemable preference share capital		-	(50,000.00)
Finance cost paid		(35,126.99)	(28,910.26)
Payment of lease liabilities		(955.92)	-
Proceeds from short-term borrowings and working capital demand loans		5,21,042.35	72,900.00
Repayment of short-term borrowings and working capital demand loans		(4,96,372.35)	(65,700.00)
Net (repayment)/proceeds from cash credit and other credit facilities		(25,434.38)	(3,191.65)
Proceeds from long-term borrowings		1,12,791.65	86,000.00
Repayment of long-term borrowings		(78,247.03)	(55,793.09)
Proceeds from contribution for capital works		3,243.29	5,024.52
Proceeds from service line charges		2,893.97	3,048.43
Net (repayment)/proceeds from consumers' security deposits		4,881.85	7,521.75
Dividend paid to preference shareholders (including dividend distribution tax)		-	(13,812.67)
Dividend paid to equity shareholders (including dividend distribution tax)		(11,978.38)	(10,647.45)
Net cash from/(used in) financing activities	(C)	**(3,261.94)**	**(53,560.42)**
Net increase/(decrease) in cash and cash equivalents	(A+B+C)	**1,428.16**	**(7,771.97)**
Cash and cash equivalents at the beginning of the year		2,425.28	10,197.25
Cash and cash equivalents at the end of the year (refer note 13)		**3,853.44**	**2,425.28**

See accompanying notes forming part of consolidated financial statements (1-46)

In terms of our report attached of even date

For Walker Chandiok & Co LLP
Chartered Accountants
Firm's Registration No.: 001076N/N500013

Neeraj Goel
Partner
Membership No.: 99514

Gurugram
29 April, 2020

For and on behalf of the Board of Directors

Sanjay Kumar Banga
Director
DIN: 07785948

Satya Gupta
Director
DIN: 08172427

Ganesh Srinivasan
Chief Executive Officer

Ajay Kalsie
Company Secretary

Hemant Goyal
Chief Financial Officer

New Delhi
29 April, 2020

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's power generation and distribution business 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 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, 2020.

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: Tata Power-DDL (Indian)	99.32%	3,47,312.45	99.35%	41,414.47	100.00%	(387.48)	99.34%	41,026.99
Subsidiaries (Indian):								
1. NDPL Infra Limited	0.68%	2,394.96	0.65%	270.51			0.66%	270.51
Sub Total	100.00%	3,49,707.41	100.00%	41,684.98	100.00%	(387.48)	100.00%	41,297.50
Adjustment arising out of consolidation		(5.00)		-		-		-
Total		3,49,702.41		41,684.98		(387.48)		41,297.50

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 Group. 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.

3.4 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.

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 Group 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 Derecoginition 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 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.

3.7 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.

3.7.1 New and amended standards and interpretations

The Group applied for the first time certain new standards/amendments to the standards, which are effective for annual periods beginning on or after 1 April, 2019. The nature and the impact of each amendment is described below:

3.7.1.1 Ind AS 116 - Leases

Ind AS 116 Leases was notified in March 2019 and it replaces Ind AS 17 Leases. Ind AS 116 is effective for annual periods beginning on or after 1 April, 2019. The Group has applied Ind AS 116 "Leases" (Ind AS 116) with a date of initial application of 1 April, 2019 using modified retrospective approach, under which the cumulative effect of initial application is recognised as at 1 April, 2019.

Lessor accounting under Ind AS 116 is substantially unchanged from Ind AS 17. As a lessee, the Group previously classified leases as operating or finance lease based on its assessment of whether the lease transferred significantly all of the risk and rewards incidental to the ownership of the underlying asset of the Group. Under Ind AS 116, the Group recognises the right-of-use assets and lease liabilities as stated in the note 5.

On adoption of Ind AS 116, the Group has recognised 'right-of-use' assets amounting to ₹ 10,945.54 lakhs (adjusted by the prepaid lease payments amounting to ₹ 1,323.92 lakhs) and 'lease liabilities' amounting to ₹ 9,621.62 lakhs as at 1 April, 2019. There is no impact on retained earnings as at 1 April, 2019.

When measuring lease liabilities, the Group discounted lease payments using the incremental rate of borrowing as at 1 April, 2019. Further, the comparative information has not been restated and continues to be reported under Ind AS 17 "Leases".

Transition to Ind AS 116

The Group has applied Ind AS 116 only to the contracts that were previously identified as leases. As a practical expedient, contracts previously identified as lease under Ind AS 17 has not reassessed as to whether a contract is, or contains, a lease under Ind AS 116.
The Group has used the following practical expedients when applying Ind AS 116 to leases:

- Applied a single discount rate to a portfolio of leases with similar characteristics.
- Relied on its assessment of whether leases are onerous immediately before the date of initial application.
- Applied the exemption not to recognise right-of-use asset and liabilities for leases with remaining lease term of 12 months or less.
- Excluded initial direct costs from measuring the right-of-use asset at the date of application.
- Used hindsight when determining the lease term if the contract contains options to extend or terminate the lease.

The lease liabilities as at 1 April, 2019 can be reconciled to the operating lease commitments as of 31 March, 2019 as follows:

Particulars	Amount (₹/Lakhs)
(a) Operating lease commitments relating to leasehold land as at 31 March, 2019 (undiscounted minimum expected payments)	14,298.34
(b) Weighted average incremental borrowing rate as at 1 April, 2019	8.60%
(c) Discounting impact of minimum expected payments referred in (a) above	4,676.72
Lease liabilities as at 1 April , 2019 (a-c)	**9,621.62**

The Group is not required to make any adjustments on transition to Ind AS 116 for leases where it acts as a lessor.

Accounting Policy for Leases till 31 March, 2019

Leases are classified as finance leases whenever the terms of the lease transfer substantially all the risks and rewards of ownership to the lessee. All other leases are classified as operating leases.

Group as a lessee

Rental expense from operating leases is generally recognised on a straight-line basis over the term of the relevant lease. Where the rentals are structured solely to increase in line with expected general inflation to compensate for the lessor's expected inflationary cost increases, such increases are recognised in that reporting period in which such benefits accrue.

3.7.1.2 **Deferred tax recoverable/payable**

In the regulated operations of the Group where tariff recovered from consumers is determined on cost plus return on equity, the Income tax cost is pass through cost and accordingly the Group recognises Deferred tax recoverable/payable against any Deferred tax expense/ income. Until previous year, the same was presented under 'Tax Expenses' in the Consolidated Ind AS Financial Statements. During the current year, pursuant to an opinion by the Expert Advisory Committee of The Institute of Chartered Accountants of India, the same has now been included in 'Movement in regulatory deferral account balance (net)'. There is no impact in the Other Equity and Profit/(Loss) on account of such change in presentation. Impact of this restatement in the comparative period is disclosed in note 37 "Restatement of financial statement".

3.8 **Critical accounting estimates and judgements**

In the application of the Group's accounting policies, the Group 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 11
3. Estimation of defined benefit obligation - Note 21 ,28 and 33
4. Estimation of current tax and deferred tax expense (including Minimum Alternate Tax credit) - Note 41
5. Estimation of regulatory deferral account balances - Note 36
6. Estimation of provision and contingent liability - Note 21 ,28 and 30
7. Estimation of impairment of financial assets - Note 12
8. Estimation of unbilled revenue - Note 15(c) and 16(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.

3.9 **Impact of COVID-19**

Consequent to spread of Coronavirus disease (COVID 2019), the Government of India has announced nation wide lock down from 25 March, 2020. The Group is engaged in provision of essential services and therefore continues to operate, there has not been a significant impact in this pandemic situation. The Group has seen reduction in demand of electricity in its distribution area and delays in collection from consumers and accordingly immediately represented the situation to CERC/DERC/Delhi Government and power suppliers. To help and address the situation post lockdown, the CERC and DERC have extended immediate relief in the form of extended credit period from power suppliers and rebate scheme to retail consumers. Apart from relief provided by CERC/DERC, to manage the expected liquidity risk, the Group has availed debt moratorium for some term loans under the relief package issued by the Reserve Bank of India (RBI) and would re-prioritize discretionary capital expenditure in immediate future and has increased the review frequency of cash planning. The Group has considered internal and external information up to the date of approval of these consolidated financial statements including directives/communique issued by DERC and other government agencies, in determining the impact of global pandemic on carrying values of assets and liabilities as of 31 March, 2020. While the impact has not been of any significance as of now, the Group is closely monitoring developments, its operations, liquidity and capital resources 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 the new regulations notified on 31 January, 2017 for 3rd Multi Year Control period (MYT) 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 new regulations notified by DERC on 31 January, 2017. In case of second hand assets, where DERC is yet to determine the life of such assets, depreciation has been provided based on the life determined by an independent valuer which is average 15 years. 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	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.

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, Amortisation and Impairment					Carrying amount	
	As at 01.04.2019	Additions	Borrowing costs capitalised	Disposals	As at 31.03.2020	As at 01.04.2019	Depreciation/ amortisation expense	Impairment Charge	Eliminated on disposals	As at 31.03.2020	As at 31.03.2020	As at 31.03.2019
4.4.1 Property, plant and equipment												
(a) Buildings - Plant	30,325.96	97.37	1.58	-	30,424.91	9,614.54	450.55	-	-	10,065.09	20,359.82	20,711.42
(b) Building - Others	4,190.91	234.00	5.57	-	4,430.48	2,651.63	284.16	-	-	2,935.79	1,494.69	1,539.28
(c) Plant and equipment	2,80,728.07	29,899.32	108.69	5,059.26	3,05,676.82	1,16,112.20	16,836.62	-	2,945.37	1,30,003.45	1,75,673.37	1,64,615.87
(d) Transmission lines and cable network	2,82,538.80	24,221.01	226.40	128.18	3,06,858.03	1,05,896.63	12,711.54	-	57.86	1,18,550.31	1,88,307.72	1,76,642.17
(e) Furniture and fixtures	1,036.69	114.95	1.01	-	1,152.65	610.12	66.70	-	-	676.82	475.83	426.57
(f) Vehicles	3,436.84	1,085.38	-	1,006.81	3,515.41	821.87	304.28	-	377.25	748.90	2,766.51	2,614.97
(g) Office equipment	4,039.49	524.49	3.83	57.30	4,510.51	1,946.43	301.28	-	33.68	2,214.03	2,296.48	2,093.06
Total	**6,06,296.76**	**56,176.52**	**347.08**	**6,251.55**	**6,56,568.81**	**2,37,653.42**	**30,955.13**	**-**	**3,414.16**	**2,65,194.39**	**3,91,374.42**	**3,68,643.34**
As at 31.03.2019	(5,91,607.19)	(51,549.54)	(265.99)	(6,889.27)	(6,36,533.45)	(2,29,049.00)	(29,882.04)	(1,807.88)	(3,685.15)	(2,57,053.77)	(3,79,479.68)	
Assets classified as held for sale (Carrying amount)					(30,236.69)					(19,400.35)	(10,836.34)	
4.4.2 Intangible assets												
Computer software	13,384.52	239.90	-	-	13,624.42	5,978.56	1,560.97	-	-	7,539.53	6,084.89	7,405.96
Total	**13,384.52**	**239.90**	**-**	**-**	**13,624.42**	**5,978.56**	**1,560.97**	**-**	**-**	**7,539.53**	**6,084.89**	**7,405.96**
As at 31.03.2019	(9,256.81)	(5,136.43)	(0.95)	(1,009.67)	(13,384.52)	(5,377.75)	(1,082.13)	(-)	(481.32)	(5,978.56)	(7,405.96)	
Grand total	**6,19,681.28**	**56,416.42**	**347.08**	**6,251.55**	**6,70,193.23**	**2,43,631.98**	**32,516.10**	**-**	**3,414.16**	**2,72,733.92**	**3,97,459.31**	**3,76,049.30**
As at 31.03.2019	(6,00,864.00)	(56,685.97)	(266.94)	(7,898.94)	(6,49,917.97)	(2,34,426.75)	(30,964.17)	(1,807.88)	(4,166.47)	(2,63,032.33)	(3,86,885.64)	
Assets classified as held for sale (Carrying amount)					(30,236.69)					(19,400.35)	(10,836.34)	
4.4.3 Capital work-in-progress (CWIP)	**34,720.12**	**47,544.77**	**647.93**	**55,573.45**	**27,339.37**	-	-	-	-	-	**27,339.37**	**34,720.12**
As at 31.03.2019	(27,922.17)	(61,586.74)	(658.78)	(55,447.57)	(34,720.12)	(-)	(-)	(-)	(-)	(-)		

4.4.4 Property plant & equipment and intangible assets (movable and immovable) are hypothecated against secured borrowings of ₹ 1,65,125.00 lakhs (as at 31 March, 2019 ₹ 1,26,868.20 lakhs) {refer note 19.1(i), 25.1, 27(b)(i)}.

4.4.5 CWIP includes closing capital inventory of ₹ 7,311.42 lakhs (as at 31 March, 2019 ₹ 8,286.09 lakhs).

4.4.6 Carrying amount of capital inventory hypothecated as security for borrowings is ₹ 7,278.11 lakhs (as at 31 March, 2019 ₹ 8,252.78 lakhs) {refer note 19.1(i), 25.1, 27(b)(i)}.

4.4.7 During the year ended 31 March, 2020 the borrowing cost of ₹ 647.93 lakhs relating to capital work-in-progress includes ₹ 227.32 lakhs (for the year ended 31 March, 2019 ₹ Nil) 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 31.03.2020	Year ended 31.03.2019
Depreciation on tangible Assets	30,955.13	29,882.04
Add: Amortisation of Right of Use Assets (refer note 5)	799.96	-
Add: Amortisation on Intangible Assets	1,560.97	1,082.13
Total	**33,316.06**	**30,964.17**

4.4.9 During the previous year ended 31 March, 2019 the property, plant and equipment relating to Rithala Power Generation Plant has been classified as assets held for sale (refer note 36.6.1).

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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Note 5
Leases

Accounting Policy from 1 April, 2019
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 Group 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 lease contracts for land used in its operations. Leases of land has been considered for a lease term of 10 years as at 1 April, 2019 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.

Particulars	Amount (₹/Lakhs)
Nature of asset : Land (lease term: 10 years)	
(a) Right-of-use assets	
Cost	
Balance as on 1 April, 2019 due to adoption of Ind AS 116 (Refer note 3.7.1.1)	10,945.54
Add: Additions during the year	-
Balance as at 31 March, 2020	10,945.54
Accumulated depreciation and impairment	
Balance as on 1 April, 2019 due to adoption of Ind AS 116	-
Depreciation for the year {refer note (i) below}	1,094.55
Balance as at 31 March, 2020	1,094.55
Net carrying amount	
As at 31 March, 2020	9,850.99
(b) Lease liabilities {refer note (iii) below}	
Balance as on 1 April, 2019 due to adoption of Ind AS 116	9,621.62
Add: Interest expense accrued on lease liabilities {refer note (ii) below and note 34}	844.61
Less: Lease liabilities paid	1,800.53
Closing balance as at 31 March, 2020 (including current maturities of ₹ 787.26 lakhs)	8,665.70
(c) Amount recognised in Statement of Profit or Loss	
(i) Depreciation of Right-of-use assets (classified under Depreciation and amortisation expense)	799.96
(ii) Interest on lease liabilities (classified under Finance costs)	617.29
(iii) Expenses related to short term leases (classified under Other expenses)	156.30
(d) Amount recognised in Statement of Cash Flows	
Total cash outflow of leases	1,944.12

(i) The total amortisation expense on right-of-use asset for the year ended 31 March, 2020 is ₹ 1,094.55 lakhs. Of the total charge, ₹ 294.59 lakhs has been transferred to capital work-in-progress.
(ii) The incremental rate of borrowing as at 1 April, 2019 has been considered at 8.60% p.a.
(iii) Refer note 42.3.3 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 ₹ 65.67 lakhs as rental income for operating lease during the year ended March 31, 2020.

Future minimum rentals receivable under operating leases as at March 31, 2020 are as follows:

₹/Lakhs

Particulars	As at 31.03.2020
(i) Upto 1 year	70.09
(ii) 1 to 2 years	6.28

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	As at 31.03.2020 ₹/Lakhs	As at 31.03.2019 ₹/Lakhs
Note 6		
Loans - non current		
(At amortised cost)		
Security deposits		
(a) Considered good - unsecured	134.78	196.20
Note 7		
Other financial assets - non current		
(Unsecured and considered good, at amortised cost)		
Recoverable from SVRS Trust (refer note 30.12)	54.86	89.68
Note 8		
Income tax assets (net)		
Income tax (net of provision for income tax of ₹ 1,01,530.24 lakhs (as at 31 March, 2019 net of provision of income tax ₹ 90,871.48 lakhs))	2,821.95	2,448.86
Note 9		
Other non-current assets		
(Unsecured and considered good)		
(a) Capital advances	788.45	448.39
(b) Income tax paid under protest against demand	2,321.84	2,321.84
(c) Prepaid expenses	39.38	56.81
(d) Goods and services tax input credit receivable	51.55	95.06
(e) Goods and services tax refund receivable	35.50	56.03
(f) Service tax refund receivable	-	3.83
(g) Others	79.46	48.94
	3,316.18	3,030.90

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 31.03.2020 ₹/Lakhs	As at 31.03.2019 ₹/Lakhs
(a) Stores and spares	1,542.68	1,523.33
(b) Loose tools	32.93	38.19
	1,575.61	1,561.52
(c) Less: Allowance for non-moving inventories	258.66	254.53
	1,316.95	1,306.99

10.2 Inventories are hypothecated as security for borrowings {refer note 19.1(i), 25.1, 27(b)(i)}.

Note 11
Investments - current
(At fair value through profit or loss)

		31.03.2020	31.03.2019
	Investments in mutual funds (unquoted)		
(a)	Axis Liquid Fund - Direct Growth - CFDG (Nil units (as at 31 March, 2019 - 0.03 lakh units) at face value of ₹ 1,000 each)	-	67.15
(b)	DSP Low Duration Fund - Direct Plan - Growth (33.60 lakh units (as at 31 March, 2019 - 33.60 lakh units) at face value of ₹ 10 each)	500.83	462.91
(c)	HDFC Overnight Fund - Direct Plan - Growth Option (1.68 lakhs units (as at 31 March, 2019 Nil units) at face value of ₹ 1,000 each)	5,000.12	-
(d)	ICICI Prudential Overnight Fund Direct Plan Growth (32.81 lakhs units (as at 31 March, 2019 Nil units) at face value of ₹ 100 each)	3,535.87	-
(e)	Invesco India Money Market Fund (Formerly Credit Opportunities Fund)- Direct Plan - Growth (0.16 lakh units (as at 31 March, 2019 - 0.16 lakh units) at face value of ₹ 1,000 each)	371.06	347.91
(f)	Invesco India Liquid Fund - Direct Plan - Growth (Nil units (as at 31 March, 2019 - 0.17 lakh units) at face value of ₹ 1,000 each)	-	428.94
(g)	LIC MF Liquid Fund - Direct Plan- Growth (Nil units (as at 31 March, 2019 - 0.02 lakh units) at face value of ₹ 1,000 each)	-	75.89
(h)	Sundaram Money Fund - Direct Plan - Growth (1.91 lakh units (as at 31 March, 2019 - 4.42 lakh units) at face value of ₹ 10 each)	79.80	174.26
(i)	Tata Liquid Fund Direct Plan- Growth (Nil units (as at 31 March, 2019 - 0.06 lakh units) at face value of ₹ 1,000 each)	-	184.17
		9,487.68	1,741.23
11.1	Aggregate purchase price of unquoted investments	9,318.57	1,594.54
11.2	Aggregate carrying value of unquoted investments	9,487.68	1,741.23

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		As at 31.03.2020 ₹/Lakhs	As at 31.03.2019 ₹/Lakhs
Note 12			
Trade receivables			
(At amortised cost)			
(a)	Debtors for sale of power in licensed area (refer note 12.1 below)		
	(i) Considered good - secured	11,009.37	7,435.40
	(ii) Considered good - unsecured	11,402.24	7,178.97
	(iii) Credit impaired	13,667.59	12,603.79
		36,079.20	27,218.16
	Less: Allowance for doubtful trade receivables	13,667.59	12,603.79
		22,411.61	14,614.37
(b)	Debtors for sale of power other than Tata Power-DDL licensed area		
	(i) Considered good - unsecured	2,394.12	2,328.23
(c)	Other debtors		
	(i) Considered good - unsecured	6,799.24	8,651.47
	(ii) Credit impaired	977.18	45.22
		7,776.42	8,696.69
	Less: Allowance for doubtful trade receivables	977.18	45.22
		6,799.24	8,651.47
		31,604.97	25,594.07
12.1	Government subsidy included in note 12(a)	10.45	0.22

12.2 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 12.4.1.

12.3 The average credit period for the trade receivable in note 12(a) for distribution of power in license area is 15 clear days. However, DERC vide its Order dated 7 April, 2020 has extended the credit period for payment of electricity bills raised during the period from 24 March, 2020 till 30 June, 2020 by further two weeks.

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. However, DERC vide its Order dated 7 April, 2020 has restricted the LPSC charged from consumers at lower of working capital loan or 12% per annum for the bills raised during the period from 24 March, 2020 till 30 June, 2020.

12.4 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) are due and the rates as given in the provision matrix. The provision matrix at the end of the reporting period is as follows:

12.4.1 **Ageing of receivables**

Expected credit loss provision matrix

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

Particulars	Expected Credit loss (%) As at 31.03.2020	As at 31.03.2019
(a) Within the credit period	0.57%	0.56%
(b) 1-90 days past due	1.40%	1.66%
(c) 91-182 days past due	5.11%	5.26%
(d) 183 days-1 year past due	12.33%	11.07%
(e) 1-2 year past due	23.68%	21.59%
(f) 2-3 year past due	34.82%	32.73%
(g) >3 years past due	100.00%	100.00%

(ii) **Other debtors**

Particulars	Expected Credit loss (%) As at 31.03.2020	As at 31.03.2019
(a) Within the credit period	0.00%	0.00%
(b) 1-90 days past due	0.00%	1.57%
(c) 91-182 days past due	0.00%	15.85%
(d) 183 days-1 year past due	0.00%	20.57%
(e) 1-2 year past due	23.12%	23.12%
(f) 2-3 year past due	18.72%	29.72%
(g) >3 years past due	100.00%	100.00%

Age of receivables

₹/Lakhs

Particulars	As at 31.03.2020	As at 31.03.2019
(a) Within the credit period	4,007.58	8,995.69
(b) 1-90 days past due	17,194.81	8,025.12
(c) 91-182 days past due	2,650.49	2,279.14
(d) 183 days-1 year past due	4,069.76	4,476.15
(e) 1-2 year past due	5,054.53	2,851.29
(f) 2-3 year past due	2,581.48	2,022.37
(g) >3 years past due	10,691.09	9,593.32

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

₹/Lakhs

Particulars	As at 31.03.2020	As at 31.03.2019
Balance at beginning of the year	12,649.01	11,812.63
Additions/(reversal) in expected credit loss allowance on trade receivables calculated at lifetime expected credit losses for the year	576.53	(124.04)
Specific allowance on trade receivables for the year	1,419.23	960.42
Balance at end of the year (refer note 12.4.3)	14,644.77	12,649.01

12.4.3 As at 31 March, 2020, ₹ 8,678.46 lakhs (as at 31 March, 2019 ₹ 7,259.24 lakhs) is due from customers whose dues are under dispute pending for resolution and/or are under litigation. This amount has been fully provided for.

12.5 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 31.03.2020	As at 31.03.2019
Delhi Metro Rail Corporation (DMRC)	5,498.60	4,764.29
North Delhi Municipal Corporation (NDMC)	2,715.75	2,222.86

Note 13
Cash and bank balances

Accounting policy

13.1 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 31.03.2020 ₹/Lakhs	As at 31.03.2019 ₹/Lakhs
13.2 Cash and cash equivalents		
(a) Balances with banks - in current accounts	3,460.65	1,284.32
(b) Cheques, drafts on hand	392.79	1,044.30
(c) Cash on hand	-	96.66
	3,853.44	2,425.28

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

₹/Lakhs

Particulars	Opening Balance	Cash flows		Non-cash transactions	Closing Balance as at 31.03.2020
		Proceeds	Repayment	Amortisation	
(a) Long-term borrowings (including current maturities)	2,76,193.45	1,12,791.65	(78,247.03)	-	3,10,738.07
(b) Lease liabilities (including current maturities)	9,621.62	-	(955.92)	-	8,665.70
(c) Short-term borrowings and working capital demand loans	7,200.00	5,21,042.35	(4,96,372.35)	-	31,870.00
(d) Cash credit and other credit facilities(net)	27,890.67	-	(25,434.38)	-	2,456.29
(e) Consumer contribution for:					
- capital works	67,573.68	3,243.29	-	(4,743.47)	66,073.50
- service line	18,890.93	2,893.97	-	(3,280.10)	18,504.80
(f) Consumer security deposits (net)	66,923.06	4,881.85	-	-	71,804.91
Total	**4,74,293.41**	**6,44,853.11**	**(6,01,009.68)**	**(8,023.57)**	**5,10,113.27**

	As at 31.03.2020 ₹/Lakhs	As at 31.03.2019 ₹/Lakhs
13.3 Other balances with banks		
(a) Deposits with banks with original maturity more than 3 months upto 12 months	70.68	66.54
(b) Restricted bank deposits (Earmarked pursuant to court order or contractual obligations)	10,063.61	3,514.43
	10,134.29	3,580.97

Note 14
Loans - current
(At amortised cost)

Security deposits		
(a) Considered good - unsecured	311.31	239.05

Note 15
Other financial assets - current
(Unsecured and considered good, unless otherwise stated, at amortised cost)

(a) Deposits with banks with remaining maturity less than 12 months	1,140.00	-
(b) Accruals		
Interest accrued on fixed deposits	197.78	126.59
(c) Unbilled revenue	32,238.33	34,406.20
(d) Others		
(i) Recoverable from SVRS Trust (refer note 30.12)	33.09	13.37
(ii) Other receivables (including recoverable against street light)	361.27	201.41
Less: Allowance for doubtful assets against street light	179.37	179.37
	181.90	22.04
	33,791.10	34,568.20

Note 16
Other current assets
Unsecured and considered good

(a) Unbilled revenue (contract asset)	2,320.07	1,115.17
(b) Service tax refund receivable	-	48.27
(c) Prepaid insurance	2,951.61	390.23
(d) Prepaid expenses	1,038.49	1,985.40
(e) Power banking	3,665.60	17,093.61
(f) Advance to vendors	7,102.46	4,503.35
(g) Others	3,638.84	1,846.62
	20,717.07	26,982.65

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	As at 31.03.2020 ₹/Lakhs	As at 31.03.2019 ₹/Lakhs
Note 17		
Share capital		
Authorised		
7,500 lakhs (as at 31 March, 2019 7,500 lakhs) equity shares of ₹ 10/- each with voting rights.	75,000.00	75,000.00
500 lakhs (as at 31 March, 2019 500 lakhs) 12% cumulative redeemable preference shares of ₹ 100/- each without voting rights.	50,000.00	50,000.00
	1,25,000.00	1,25,000.00
Issued, subscribed and paid up		
5,520 lakhs (as at 31 March, 2019 5,520 lakhs) equity shares of ₹ 10/- each fully paid up with voting rights.	55,200.00	55,200.00

Of the above:

17.1 2,815.20 lakhs (as at 31 March, 2019 2,815.20 lakhs) i.e. 51% (as at 31 March, 2019 51%) equity shares of ₹ 10/- each with voting rights, are held by Tata Power Company Limited, the holding company.

17.2 2,704.80 lakhs (as at 31 March, 2019 2,704.80 lakhs) i.e. 49% (as at 31 March, 2019 49%) equity shares of ₹ 10/- each with voting rights, are held by Delhi Power Company Limited.

17.3 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.

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

Particulars	As at 31.03.2020		As at 31.03.2019	
	No. of Shares Lakhs	Amount ₹/Lakhs	No. of Shares Lakhs	Amount ₹/Lakhs
At the beginning of the year	5,520.00	55,200.00	5,520.00	55,200.00
Fresh issue during the year	-	-	-	-
Outstanding at the end of the year	**5,520.00**	**55,200.00**	**5,520.00**	**55,200.00**

17.5 During the current year, the Company has paid final dividend of ₹ 1.80 per share on fully paid equity shares for the financial year 2018-19 aggregating to ₹ 11,978.38 lakhs (including dividend distribution tax thereon amounting to ₹ 2,042.38 lakhs) upon approval of shareholders in Annual General Meeting dated 17 May, 2019.
During the previous year ended 31 March, 2019, the Company had paid final dividend of ₹ 1.60 per share on fully paid equity shares for the financial year 2017-18 aggregating to ₹ 10,647.45 lakhs (including dividend distribution tax thereon amounting to ₹ 1,815.45 lakhs).

17.6 In respect of the year ended 31 March, 2020, the Board of Directors at its meeting held on 29 April, 2020 have proposed a final dividend of ₹ 2.40 per share to be paid on fully paid equity shares. The equity dividend is subject to approval by shareholders at the 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 ₹ 13,248.00 lakhs.

	As at 31.03.2020 ₹/Lakhs	As at 31.03.2019 ₹/Lakhs
Note 18		
Other equity		
18.1 **Capital redemption reserve**		
(a) Opening balance	50,000.00	-
(b) Add : Amount transferred from retained earnings (net)	-	50,000.00
(c) Closing balance	50,000.00	50,000.00
18.2 **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
18.3 **Retained earnings**		
(a) Opening balance	2,06,033.29	2,32,569.84
(b) Add : Additions during the year	41,297.50	34,110.90
(c) Less : Transfer to capital redemption reserve	-	50,000.00
(d) Less : Payment of dividend on equity share capital (refer note 17.5)	9,936.00	8,832.00
(e) Less : Dividend distribution tax on dividend paid on equity shares (refer note 17.5)	2,042.38	1,815.45
(f) Closing balance	2,35,352.41	2,06,033.29
	2,94,502.41	2,65,183.29

Nature and purpose of reserves:

Capital redemption reserve
Capital redemption reserve represents amounts set aside on redemption of preference 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 Group earned till date net of appropriations.

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	As at 31.03.2020 ₹/Lakhs	As at 31.03.2019 ₹/Lakhs
Note 19		
Long-term borrowings		
19.1 Secured - at amortised cost		
(i) Term loans from banks		
(a) Allahabad Bank	33,125.00	13,802.08
(b) Axis Bank	17,230.00	16,811.00
(c) Bank of Baroda*	8,750.00	10,000.00
(d) Canara Bank	33,819.44	43,402.77
(e) HDFC Bank	78,062.50	34,283.33
(f) IDFC First Bank	-	17,500.00
(g) Indian Bank	14,895.83	17,083.33
(h) Punjab National Bank	19,375.00	20,000.00
(i) Punjab & Sind Bank	29,375.00	38,125.00
(j) State Bank of India	28,750.00	10,625.00
(k) Union Bank of India	-	555.56
Total long-term borrowings	2,63,382.77	2,22,188.07

* Dena Bank amalgamated with Bank of Baroda w.e.f. 1 April, 2019.

19.2 **Current maturities of long-term borrowings**

For the current maturities of long-term borrowings, refer note 27(b), Other financial liabilities-current. Current maturities of long term borrowings includes repayment to be made before due date of 12 months, due date being a holiday.

The Group has availed moratorium under the COVID-19 relief package issued by the Reseve Bank of India (RBI notification no. RBI/2019-20/186 dated March 27, 2020) on the debt facilities of ₹ 3,10,738.07 lakhs outstanding as at 31 March, 2020. In line with the terms of the relief package, the Group has availed moratorium on principal and interest payments on the aforesaid facilities falling due between 2 April, 2020 to 31 May, 2020.

19.3 **Terms of repayment**

19.3.1 **Secured - at amortised cost**

₹/Lakhs

S. No.		Name of Bank	Refer note for security	As at 31.03.2020	FY 2020-21	FY 2021-22	FY 2022-23	FY 2023-24	FY 2024-25	FY 2025-26 to FY 2029-30
- Term loans from banks										
(a)	i	Allahabad Bank	19.6	17,083.33	2,083.33	-	1,875.00	1,875.00	1,875.00	9,375.00
	ii	Allahabad Bank	19.7	21,718.75	3,593.75	4,791.67	4,791.67	4,791.67	1,666.66	2,083.33
(b)	i	Axis Bank	19.7	16,811.00	4,581.00	6,108.00	6,122.00	-	-	-
	ii	Axis Bank	19.7	8,750.00	3,750.00	5,000.00	-	-	-	-
(c)	i	Bank of Baroda	19.7	10,000.00	1,250.00	1,666.67	1,666.67	1,666.67	1,666.66	2,083.33
(d)	i	Canara Bank	19.6	21,736.11	4,583.33	4,861.11	4,861.11	4,305.56	1,250.00	1,875.00
	ii	Canara Bank	19.7	21,666.66	5,000.00	5,000.00	3,333.33	3,333.33	3,333.33	1,666.67
(e)	i	HDFC Bank	19.6	44,375.00	1,770.83	4,583.33	5,833.33	5,833.33	5,833.34	20,520.84
	ii	HDFC Bank	19.7	42,208.33	6,750.00	9,555.56	9,555.56	9,555.55	5,333.33	1,458.33
(f)	i	Indian Bank	19.6	8,750.00	937.50	1,250.00	1,250.00	1,250.00	1,250.00	2,812.50
	ii	Indian Bank	19.7	8,333.33	1,250.00	1,666.67	1,666.67	1,666.67	1,666.66	416.66
(g)	i	Punjab National Bank	19.6	20,000.00	625.00	2,500.00	2,500.00	2,500.00	2,500.00	9,375.00
(h)	i	Punjab & Sind Bank	19.6	7,500.00	937.50	1,250.00	1,250.00	1,250.00	1,250.00	1,562.50
	ii	Punjab & Sind Bank	19.7	30,625.00	7,812.50	8,750.00	8,750.00	4,687.50	625.00	-
(i)	i	State Bank of India	19.6	30,625.00	1,875.00	3,750.00	5,000.00	5,000.00	3,750.00	11,250.00
(j)	i	Union Bank of India	19.6	555.56	555.56	-	-	-	-	-
		Total		3,10,738.07	47,355.30	60,733.01	58,455.34	47,715.28	31,999.98	64,479.16

19.4 Installments for all the term loans are payable on quarterly basis.

19.5 The rate of interest for term loans from banks ranges from 8.15% to 8.80%. The rate of interest for term loans from banks are subject to reset annually except the term loan from Axis Bank referred in b(ii) of Note 19.3.1 for which the reset occurs half-yearly.

19.6 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.

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

19.8 For secured loans outstanding from banks amounting to ₹ Nil (as at 31 March, 2019 ₹ 13,750.00 lakhs) , The Tata Power Company Limited (the holding company) has given undertaking to retain management control and majority representation on the Board of Directors of the Company.

	As at 31.03.2020 ₹/Lakhs	As at 31.03.2019 ₹/Lakhs
Note 20		
Other financial liabilities - non current		
(At amortised cost)		
(a) Security deposits		
(i) Consumers' security deposit	67,452.65	62,537.57
(ii) Others	415.35	318.90
(b) Retention money payable	300.83	-
	68,168.83	62,856.47

Note 21
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 31.03.2020 ₹/Lakhs	As at 31.03.2019 ₹/Lakhs
Provision for employee benefits		
(a) Compensated absences	5,504.08	4,367.72
(b) Other employee benefits	156.96	202.26
	5,661.04	4,569.98

21.1 Other employee benefits include pension liability to VSS employees.

21.2 **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 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 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 ₹ 3,467.91 lakhs (for the year ended 31 March, 2019 ₹ 3,376.98 lakhs) has been charged to the Statement of Profit and Loss during the year.

21.3 **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.

21.4 **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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21.5 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.

21.6 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, 2020. 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 31.03.2020	**As at 31.03.2019**
(i) **Net liability arising from defined benefit obligation**	**564.47**	**9.40**
(ii) **Change in benefit obligations:**		
(a) Present value of obligations as at 1 April	3,455.11	3,048.03
(b) Current service cost	391.26	310.67
(c) Interest expense or cost	268.65	247.50
(d) Remeasurement (gains)/losses: Actuarial (gains)/losses	586.06	54.07
(e) Benefits Paid	343.85	205.16
Present value of defined benefit obligation as at 31 March (a+b+c+d-e)	**4,357.23**	**3,455.11**
(iii) **Change in plan assets**		
(a) Fair Value of Plan Assets as at 1 April	3,445.71	2,804.07
(b) Investment income	250.46	219.07
(c) Employer's Contribution	450.00	634.91
(d) Remeasurement (gains)/losses:		
- Return on plan assets (excluding amounts included in net interest expense)	(9.56)	(7.19)
(e) Benefits Paid	343.85	205.15
Fair value of plan asset as at 31 March (a+b+c+d-e)	**3,792.76**	**3,445.71**

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

₹/Lakhs

Particulars	Gratuity (Funded)	
	Year ended 31.03.2020	**Year ended 31.03.2019**
(a) Current service cost	391.26	310.67
(b) Net interest expense/(income)	18.18	28.42
(c) Other adjustments	(14.94)	(43.16)
Defined benefit cost recognised in the Statement of Profit and Loss (a+b+c)	**394.50**	**295.93**

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

₹/Lakhs

Particulars	Gratuity (Funded)	
	Year ended 31.03.2020	**Year ended 31.03.2019**
(a) Actuarial (gains)/losses arising from:		
- changes in demographic assumptions	5.27	-
- changes in financial assumptions	466.98	2.42
- experience adjustments	113.81	51.65
(b) Return on plan assets (excluding amounts included in net interest expense)	9.56	7.19
Components of defined benefit costs recognised in other comprehensive income (a+b)	**595.62**	**61.26**

(vi) **Principal actuarial assumptions:**

Particulars	Notes	Year ended 31.03.2020	Year ended 31.03.2019
Financial assumptions:			
(a) Discount Rate (per annum)	1.	6.25%	7.60%
(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, senority, promotions, past experience and other relevant factors such as demand and supply in employment market, etc.

Particulars	Year ended 31.03.2020	Year ended 31.03.2019
Demographic assumptions:		
(a) Normal retirement age	60 years	60 years
(b) Mortality rate	100% of Indian Assured Lives Mortality (2012-2014)	Published rates under Indian Assured Lives Mortality (2006-2008) ultimate table
(c) Withdrawal rate	8% per annum	8% per annum

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

Particulars	As at 31.03.2020	As at 31.03.2019
Government of India Securities	74.84%	66.76%
Debt instruments	19.01%	25.89%
Equity and preference shares	5.95%	6.94%
Other deposits	0.20%	0.41%
	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 31.03.2020	As at 31.03.2019
(a) Decrease in defined benefit obligation due to 1% increase in discount rate	362.01	252.11
(b) Increase in defined benefit obligation due to 1% decrease in discount rate	419.01	289.22

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 31.03.2020	As at 31.03.2019
(a) Decrease in defined benefit obligation due to 1% decrease in expected salary growth rate	359.65	253.43
(b) Increase in defined benefit obligation due to 1% increase in expected salary growth rate	407.64	285.24

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 company 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) Maturity profile of defined benefit obligation

Particulars	As at 31.03.2020	As at 31.03.2019
(i) Weighted average duration of the defined benefit obligation	9 years	13 years
(ii) Duration of defined benefit obligation	**Amount (₹/Lakhs)**	**Amount (₹/Lakhs)**
1 year	378.52	335.12
2 year	339.37	285.82
3 year	284.84	277.38
4 year	290.87	220.65
5 year	300.78	232.44
More than 5 years	2,762.85	2,103.70
Total	**4,357.23**	**3,455.11**
(iii) Duration of defined benefit payments	**Amount (₹/Lakhs)**	**Amount (₹/Lakhs)**
1 year	378.52	347.62
2 year	383.12	319.02
3 year	341.66	333.12
4 year	370.69	285.14
5 year	407.28	323.20
More than 5 years	6,654.76	5,737.62
Total	**8,536.03**	**7,345.72**

(c) The contribution expected to be made by the Group during the financial year 2020-21 is ₹ 949.84 lakhs.

(d) The actual return on plan assets is ₹ 240.90 lakhs (for the year ended 31 March, 2019 ₹ 211.88 lakhs).

21.7 **Principal actuarial assumptions for long-term compensated absences**

(i) **Financial assumptions:**

Particulars	Notes	Year ended 31.03.2020	Year ended 31.03.2019
(a) Discount rate (per annum)	1.	6.25%	7.60%
(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, senority, promotions, past experience and other relevant factors such as demand and supply in employment market, etc.

(ii) **Demographic assumptions:**

Particulars	Year ended 31.03.2020	Year ended 31.03.2019
(a) Normal retirement age	60 years	60 years
(b) Mortality rate	100% of Indian Assured Lives Mortality (2012-2014)	Published rates under Indian Assured Lives Mortality (2006-2008) ultimate table.
(c) Withdrawal rate (per annum)	8%	8%
(d) Rate of leave availment (per annum)	4%	5%
(e) Rate of leave encashment during employment (per annum)	4%	5%

Note 22
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 31.03.2020 ₹/Lakhs	As at 31.03.2019 ₹/Lakhs
(i) Opening balance	581.49	655.74
(ii) Add : Additions during the year	-	-
(iii) Less: Amortisation during the year	74.83	74.25
(iv) Closing balance	506.66	581.49

Note 23
Contributions for capital works and service line charges

Accounting policy

Refer note 31.2 for accounting policy on contrbutions for capital works and service line charges.

Deferred revenue

(a) **Capital works**

(i) Opening balance	67,573.68	67,118.11
(ii) Add : Additions during the year	3,243.29	5,024.52
(iii) Less: Amortisation during the year	4,743.47	4,568.95
(iv) Closing balance	66,073.50	67,573.68

(b) **Service line charges**

(i) Opening balance	18,890.93	18,784.38
(ii) Add : Additions during the year	2,893.97	3,048.43
(iii) Less: Amortisation during the year	3,280.10	2,941.88
(iv) Closing balance	18,504.80	18,890.93

Total contribution for capital works and service line charges	**84,578.30**	**86,464.61**

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	As at 31.03.2020 ₹/Lakhs	As at 31.03.2019 ₹/Lakhs
Note 24		
Other non-current liabilities		
Consumers' deposits for works and service line charges	34,229.56	22,580.72

	As at 31.03.2020 ₹/Lakhs	As at 31.03.2019 ₹/Lakhs
Note 25		
Short-term borrowings		
25.1 **Secured - at amortised cost**		
From Banks		
(a) Cash credit	148.85	3,490.00
(b) Working capital demand loan		
(i) HDFC Bank	870.00	-
(ii) State Bank of India	-	7,200.00
	870.00	7,200.00
	1,018.85	10,690.00
25.2 **Unsecured - at amortised cost**		
From Banks		
(a) Unsecured credit facilities		
(i) Axis Bank	2,295.99	17,300.11
(ii) Canara Bank	11.45	7,100.56
	2,307.44	24,400.67
(b) Short term loan		
(i) Axis Bank	10,000.00	-
(c) Working capital demand loan		
(i) Axis Bank	12,000.00	-
(ii) Canara Bank	9,000.00	-
	21,000.00	-
	33,307.44	24,400.67
Total short-term borrowings	**34,326.29**	**35,090.67**

25.3 **Secured credit facilities**

The Group has availed secured cash credit limits of ₹ 14,500 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 7.85% to 9.85% per annum. 60% of the sanctioned cash credit limit of banks (except Punjab National Bank) 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.

25.4 **Unsecured credit facilities**

The Group has unsecured fund based credit facilities of ₹ 20,000 lakhs from Axis Bank and ₹ 15,000 lakhs from Canara Bank, presently at an interest rate of 8.20% and 8.35% 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.

25.5 **Unsecured - Term loans - from other parties**

(a) Commercial paper

During the current year, the Group has issued and repaid commercial paper as follows:

Particulars		Units	FY 2019-20					
			1.	2.	3.	4.	5.	6.
(i)	Date of issue		05.04.2019	10.05.2019	13.05.2019	15.07.2019	08.08.2019	06.09.2019
(ii)	Repayment date		26.06.2019	08.08.2019	26.07.2019	29.08.2019	06.09.2019	04.10.2019
(iii)	Discount rate	% p.a	7.27	8.05	8.05	7.90	7.38	7.00
(iv)	Amount	₹/Lakhs	24,598.25	9,805.37	9,839.42	7,427.66	14,912.57	9,946.58
(v)	Face value	₹/Lakhs	25,000.00	10,000.00	10,000.00	7,500.00	15,000.00	10,000.00

(b) Short term loan

During the current year, the Group has availed and/or repaid short term loan as follows:

Particulars		Units		FY 2019-20				
				1.	2.	3.	4.	5.
(i)	Name of the bank			Axis Bank	State Bank of India	Axis Bank*	HDFC Bank	Axis Bank
(ii)	Disbursement taken on			02.05.2019	04.05.2019	26.06.2019	26.06.2019	11.03.2020
(iii)	Repayment date			20.05.2019	03.06.2019	22.10.2019	24.09.2019	10.06.2020
(iv)	Interest Rate	% p.a		8.75	8.30	8.45	8.50	8.05
(v)	Amount	₹/Lakhs		5,000.00	4,000.00	10,000.00	3,000.00	10,000.00

* Interest rate of 8.60% per annum for the period 26 June, 2019 to 22 August, 2019.

	As at 31.03.2020 ₹/Lakhs	As at 31.03.2019 ₹/Lakhs
Note 26		
Trade payables (at amortised cost)	1,11,123.03	1,24,170.32

26.1 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% p.m. to 1.5% p.m on the unpaid amount. 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.

However as per CERC Order dated 3 April, 2020 and DERC Order dated 7 April, 2020 if any delayed payment by the distribution companies to the generating companies and transmission licensees beyond 45 days in case of Central Sector Generating Station(CSGS) and (Inter State Transmission Utility (ISTS) and 60 days in case of State Generating Station (SGS) and State Transmission Utility (STU) from the date of the presentation of the bills falls between 24 April, 2020 and 30 June, 2020, late payment surcharge has been reduced to 12% per annum which translates into 1% per month.

26.2 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 31.03.2020	As at 31.03.2019
(a)	Principal amount remaining unpaid as at 31 March	1,208.26	134.79
(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 year) 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	-	-

	As at 31.03.2020 ₹/Lakhs	As at 31.03.2019 ₹/Lakhs
Note 27		
Other financial liabilities - current		
(At amortised cost)		
(a) Security deposits		
(i) Consumers' security deposit	4,352.26	4,385.49
(ii) Others	755.02	1,032.00
	5,107.28	5,417.49
(b) Current maturities of long-term borrowings (refer note 19)		
Secured - at amortised cost		
(i) Term loans from banks		
(a) Allahabad Bank	5,677.08	5,902.78
(b) Axis Bank	8,331.00	6,108.00
(c) Bank of Baroda	1,250.00	-
(d) Canara Bank	9,583.33	9,131.95
(e) HDFC Bank	8,520.83	2,716.67
(f) IDFC First Bank	-	6,250.00
(g) Indian Bank	2,187.50	2,916.67
(h) Punjab National Bank	625.00	-
(i) Punjab & Sind Bank	8,750.00	15,789.36
(j) State Bank of India	1,875.00	2,500.00
(k) Union Bank of India	555.56	2,689.95
Total current maturities of long-term borrowings	47,355.30	54,005.38
(c) Interest accrued but not due on borrowings	934.87	576.79
(d) Current maturities of lease liabilities (refer note 5)	787.26	-
(e) Retention money payable	3,628.08	6,259.47
(f) Payables on purchase of property, plant and equipment	148.46	362.52
(g) Earnest money deposits	100.07	325.10
(h) Others	557.25	713.36
	58,618.57	67,660.11
Note 28		
Provisions - current		
Provision for employee benefits		
(a) Compensated absences (refer note 21)	1,052.43	1,005.53
(b) Defined benefit plans (Gratuity) (refer note 21)	564.47	9.40
(c) Other employee benefits (refer note 28.1)	29.71	55.57
	1,646.61	1,070.50

28.1 Other employee benefits include pension liability to VSS employees.
28.2 Refer note 21 for accounting policy on provisions.

Note 29		
Other current liabilities		
(a) Income received in advance	1,273.93	534.49
(b) Statutory dues	7,505.64	8,561.02
(c) Advance from consumers	7,893.43	6,243.11
(d) Advance government subsidy (to be adjusted upon billing)	7,914.36	7,948.48
(e) Payable for Pension Trust Surcharge (including unbilled)	1,627.20	1,510.75
(f) Others	154.01	391.87
	26,368.57	25,189.72

Note 30
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 31.03.2020	As at 31.03.2019
Contingent liabilities*		
30.1 Claims against the Group not acknowledged as debts:		
(i) Legal cases filed by consumers, employees and others under litigation	3,583.26	3,547.49
(ii) Water charges demand raised by Delhi Jal Board (DJB)	63.17	63.17
30.2 Liabilities arising out of litigation etc. due to provisions of Transfer Scheme pursuant to Delhi Electricity Reforms Act, 2002	100.00	100.00
30.3 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)	919.18	908.84
(iii) Total demand (i+ii)	2,316.79	2,306.45
(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.		
30.4 Indirect taxation matters relating to sales tax, service tax, GST where demand is under contest before judicial/appellate authorities	529.84	511.91
30.5 Claims of power suppliers, not acknowledged as expense and credits	16,133.09	19,922.85
30.6 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	450.20	-
30.7 Environmental compensation notice issued by Delhi Pollution Control Committee (DPCC)	50.00	-
30.8 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	1,210.71	-
*No provision is considered necessary since the Group expects favourable decisions.		
Commitments		
30.9 Estimated amount of contracts remaining to be executed on capital account (net of advances) and not provided for	34,209.33	35,508.51

30.10 As detailed in note 36.6 on Rithala Power Generation Plant, the Group 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. While the APTEL judgement is yet to come, the Group based on internal analysis supported by legal opinion believe favorable order from APTEL.

30.11 Due to COVID 2019 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 year. Consequently, it has impact on incentive/disincentive on overachievement /underachievement of AT&C targets as per tariff regulations. 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 FY 2019-20 will be re-considered at the time of true-up of ARR for FY 2019-20 subject to prudence check.

Considering the above referred communication of DERC and keeping the true up of billing and collection efficiency targets in abeyance, actual incentive/disincentive of AT&C targets will be accounted for at the time of true up.

30.12 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 write 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 ₹ 8,487.66 lakhs as at 31 March, 2020 (as at 31 March, 2019 ₹ 8,472.56 lakhs), leaving a balance recoverable ₹ 87.95 lakhs as at 31 March, 2020 (as at 31 March, 2019 ₹ 103.05 lakhs) from the SVRS Trust which includes current portion of ₹ 33.09 lakhs (as at 31 March, 2019 ₹ 13.37 lakhs).

30.13 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 31
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.

31.1 **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).

31.2 **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.

31.3 **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 31.03.2020 ₹/Lakhs	Year ended 31.03.2019 ₹/Lakhs
31.4	**Revenue from operations**		
31.4.1	**Revenue from sale of power and open access**		
(a)	Sale of power	8,05,916.53	7,74,896.84
	Less: rebate on no. of bills	-	(873.93)
	Less: energy tax	30,996.15	28,651.15
		7,74,920.38	7,47,119.62
(b)	Income from open access charges	1,258.60	1,009.94
(c)	Income from sale of services (refer note 40)	481.05	1,051.37
		7,76,660.03	7,49,180.93
31.4.2	**Other operating revenue**		
(a)	Late payment surcharge	1,938.07	1,869.11
(b)	Amortisation of service line charges	3,280.10	2,941.88
(c)	Commission on		
	- DVB arrears collection	3.91	1.85
	- Energy tax collection	900.56	843.94
(d)	Maintenance charges {refer note 31.4.2(i)}	1,268.28	1,202.87
(e)	Amortisation of capital grants	74.83	74.25
(f)	Amortisation of consumer contribution for capital works	4,743.47	4,568.95
(g)	Miscellaneous operating income	407.28	374.29
		12,616.50	11,877.14
		7,89,276.53	7,61,058.07

31.4.2(i) Includes incentive on street light maintenance of ₹ 110.98 lakhs pertaining to financial year 2019-20 (for the year ended 31 March, 2019 ₹ 82.02 lakhs).

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31.5 **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 31.03.2020 ₹/Lakhs	Year ended 31.03.2019 ₹/Lakhs
(a)	Interest Income	328.98	642.83
(b)	Gain on sale/fair value of mutual fund investment measured at FVTPL	115.89	754.88
(c)	Foreign exchange fluctuation gain (net)	0.32	-
(d)	Income other than energy business	9,534.88	9,221.18
(e)	Other non-operating income	659.12	247.35
		10,639.19	10,866.24

31.6 **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 31.03.2020	Year ended 31.03.2019
(A) Revenue from contracts with customers				
- Based on nature of goods/services				
(i) Distribution of power				
	Year ended 31.03.2020	**Year ended 31.03.2019**		
(a) Sale of power	7,74,920.38	7,46,245.69		
Less: Rebate on no. of bills	-	(873.93)	7,74,920.38	7,47,119.62
(b) Income from open access charges			1,258.60	1,009.94
(c) Late payment surcharge			1,938.07	1,869.11
(d) Amortisation of service line charges			3,280.10	2,941.88
(e) Commission on				
- DVB arrears collection			3.91	1.85
- Energy tax collection			900.56	843.94
(f) Maintenance charges			1,268.28	1,202.87
(g) Amortisation of consumer contribution for capital works			4,743.47	4,568.95
(h) Miscellaneous income			467.81	397.96
(ii) Business Development (Project management and other consultancy services)			9,950.26	10,227.43
			7,98,731.44	**7,70,183.55**
(B) Other revenue				
(i) Distribution/generation of power				
(a) Amortisation of capital grants			74.83	74.25
(b) Interest income			318.44	353.90
(c) Others			598.59	223.68
(ii) Business Development (Project management and other consultancy services)			65.67	45.12
(iii) Others				
(a) Interest income			10.54	288.93
(b) Gain on sale/fair value of mutual fund investment measured at FVTPL			115.89	754.88
(c) Foreign exchange fluctuation gain (net)			0.32	-
			1,184.28	**1,740.76**
Total revenue			**7,99,915.72**	**7,71,924.31**

31.7 **Contract Balances**

The following table provides information about receivables, contract assets and contract liabilities from contract with customers:

₹/Lakhs

Particulars	As at 31.03.2020	As at 31.03.2019
Contract assets		
Unbilled revenue other than passage of time (refer note 16(a))	2,320.07	1,115.17
Total contract assets	**2,320.07**	**1,115.17**
Contract liabilities		
Income received in advance (refer note 29(a))	1,273.93	534.49
Advance from consumers (refer note 29(c))	7,893.43	6,243.11
Deferred revenue from consumers -		
Consumers' deposits for works and service line charges (refer note 24)	34,229.56	22,580.72
Total contract liabilities	**43,396.92**	**29,358.32**
Receivables		
Trade receivables (gross) (refer note 12)	46,249.74	38,243.08
Unbilled revenue for passage of time (refer note 15(c))	32,238.33	34,406.20
Less : Allowances for doubtful debts (refer note 12)	14,644.77	12,649.01
Net receivables	**63,843.30**	**60,000.27**

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31.7.1 **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 31.03.2020	As at 31.03.2019
- Unbilled revenue other than passage of time		
Opening balance as at 1 April	1,115.17	748.55
Add: Revenue recognised during the year apart from above	6,555.29	3,454.39
Less: Transfer from contract assets to receivables	(5,350.39)	(3,087.77)
Closing Balance	**2,320.07**	**1,115.17**

₹/Lakhs

Particulars	Contract Liabilities					
	As at 31.03.2020			As at 31.03.2019		
	Income received in advance	Advance from consumers	Deferred Revenue	Income received in advance	Advance from consumers	Deferred Revenue
Opening balance as at 1 April	534.49	6,243.11	22,580.72	145.88	3,544.43	23,870.61
Revenue recognised during the year from balance at the beginning of the year	(224.05)	(3,993.10)	-	(105.49)	(2,260.21)	-
Advance received during the year not recognised as revenue	963.49	5,643.42	17,786.10	494.10	4,958.89	6,783.06
Transfer from contract liabilities upon satisfaction of performance obligation	-	-	(6,137.26)	-	-	(8,072.95)
Closing Balance	**1,273.93**	**7,893.43**	**34,229.56**	**534.49**	**6,243.11**	**22,580.72**

31.8 **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, 2020 is ₹ 21,258.06 lakhs (as at 31 March, 2019 is ₹ 22,194.61 lakhs). Out of this, the Group expects to recognise revenue of around 35.20% (as at 31 March, 2019 38.77%) within next one year and the remaining thereafter on contract-by-contract basis based on extent of progress of the projects.

Note 32

Power purchase cost

32.1 The Group 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 Group has sold/under-drawn 504.06 million units (for the year ended 31 March, 2019 2,088.28 million units) of power to/in favour of other utilities. The power purchase cost of ₹ 6,29,963.08 lakhs (for the year ended 31 March, 2019 ₹ 5,89,686.12 lakhs) is net of sale of power/UI receivables ₹ 14,546.92 lakhs (for the year ended 31 March, 2019 ₹ 77,781.12 lakhs), rebate on power purchase ₹ 6,573.02 lakhs (for the year ended 31 March, 2019 ₹ 5,988.95 lakhs) and excludes in-house power generation cost.

32.2 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 Group 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 Group 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 Group) 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.

32.3 **Bilateral Power Purchase Agreement**

The Group 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. Power banking transactions both ways were recorded at the rate of ₹ 4 per unit till 15 November, 2018 which was revised with effect from 16 November, 2018 as per DERC Order wherein it 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, 2020 are as follows:

Particulars	Year ended 31.03.2020	Year ended 31.03.2019
	Receivable MU's	**Receivable** MU's
(a) Opening balance as at 1 April	647.49	769.23
(b) Power banked (Outflow)	198.37	701.39
(c) Power due against banked	204.50	730.90
(d) Power receipt against opening	647.49	769.23
(e) Power receipt against current year transactions	75.57	83.41
(f) Balance receivable {(a)+(c)-(d)-(e)}	128.93	647.49

Note 33
Employee benefits expense (net)

Accounting policy
Employee benefits include salaries and wages, provident fund, gratuity, compensated absences and other terminal benefits.

33.1 **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:

33.1.1 **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.

33.1.2 **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 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 under the Employees State Insurance Act, 1948.

33.2 **Defined benefit plans**

33.2.1 **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 Company.

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.

33.3 **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.

33.4 **Other long-term employee benefits**

33.4.1 **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.

33.4.2 **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 31.03.2020 ₹/Lakhs	Year ended 31.03.2019 ₹/Lakhs
(a)	Salaries, allowances and incentives	46,303.33	43,209.88
(b)	Contribution to provident and other funds (refer note 21 and note 28)	5,735.51	4,681.43
(c)	Staff welfare expenses	2,636.98	2,623.93
(d)	Other personnel cost	1,632.54	1,678.31
		56,308.36	52,193.55
	Less: Transferred to capital work-in-progress	5,652.41	4,973.64
		50,655.95	47,219.91
(e)	Pension and other payment to VSS and other retirees (refer note 30.12)	(1.56)	24.98
		50,654.39	47,244.89

Note 34
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 31.03.2020 ₹/Lakhs	Year ended 31.03.2019 ₹/Lakhs
(a)	On borrowings - carried at amortised Cost		
	(i) Interest on term loan (gross)	24,425.99	21,759.68
	Less: Capitalised (refer note 34.1)	767.69	925.72
	Interest on term loans (net)	23,658.30	20,833.96
	(ii) Interest on cash credit accounts/short-term borrowings	4,038.98	2,105.72
(b)	Interest on lease liability (gross)	844.61	-
	Less: Capitalised	227.32	-
	Interest on lease liability (net)	617.29	-
(c)	Interest on consumer security deposits	5,985.87	5,244.56
(d)	Dividend on non-convertible cumulative redeemable preference shares to related parties (refer note 34.3)	-	6,579.35
(e)	Other borrowing costs	166.27	16.15
(f)	Other interest	23.35	112.89
		34,490.06	34,892.63

34.1 The weighted average capitalisation rate used to determine the amount of borrowing costs eligible for capitalisation is 8.63% per annum (for the year ended 31 March, 2019 8.50% per annum).

34.2 Interest on consumer security deposits

As per the provisions of Section 47(4) of the Electricity Supply Act, 2003 interest on consumer security deposits is payable at the bank rate as per the notification by DERC. During the year 2007, DERC had issued Delhi Electric Supply Code and Performance Standards Regulations, which came into force from 18 April, 2007 through notification in the Official Gazette. As per Clause 16(vi) of the Regulations, interest at the rate of 6% per annum is payable on consumer security deposits which has been revised from 1 September 2017 vide DERC (Supply Code and Performance Standards) Regulations, 2017 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, 2019 ₹ 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, 2019 ₹ 1,000 lakhs), the Company has provided interest expense aggregating to ₹ 5,985.87 lakhs (for the year ended 31 March, 2019 ₹ 5,244.56 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 ₹ 238.65 lakhs (for the year ended 31 March, 2019 ₹ 246.98 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.

34.3 During the year ended 31 March, 2019 the Group had redeemed 500 lakhs 12% non-convertible cumulative redeemable preference shares of ₹ 100 each (255 lakhs i.e. 51% held by Tata Power Company Limited, the holding company and 245 lakhs i.e. 49% held by Delhi Power Company Limited) on 27 February, 2019. The dividend of ₹ 12 per share was paid to all holders of fully paid preference shares upto the date of redemption. The total dividend paid was ₹ 5,457.54 lakhs and the dividend distribution tax thereon amounted to ₹ 1,121.81 lakhs.

Note 35
Other expenses

		Year ended 31.03.2020 ₹/Lakhs	Year ended 31.03.2019 ₹/Lakhs
Operating and maintenance expenses			
(a)	Stores and spares consumed (net of recoveries)	3,625.69	2,723.25
(b)	Repairs and maintenance:		
	(i) Building	522.33	451.95
	(ii) Plant and equipment	8,224.81	7,842.13
	(iii) Others	5,706.52	6,125.23
(c)	Loss on disposal of property, plant and equipment	1,909.09	2,790.41
		19,988.44	19,932.97
Administrative and general expenses			
(a)	Communication expenses	239.93	257.65
(b)	Printing and stationery	327.49	321.52
(c)	Legal and professional charges	2,134.93	2,213.47
(d)	Travelling and conveyance	836.45	947.99
(e)	Insurance	634.52	518.00
(f)	Advertisement, publicity and business promotion	239.19	301.00
(g)	Corporate social responsibility expenses (excluding 5% administrative expenses)	823.23	799.56
(h)	Rent and hire charges	128.75	255.73
(i)	Rates and taxes	1,236.04	2,007.58
(j)	Freight, handling and packing expenses	53.33	61.63
(k)	Bill collection and distribution expenses	1,121.83	1,143.24
(l)	Postage and courier charges	38.74	32.45
(m)	EDP expenses	1,240.98	888.74
(n)	Housekeeping expenses	982.54	920.45
(o)	Foreign exchange fluctuation loss (net)	-	5.41
(p)	Bad debts written off/(written back)	400.01	195.18
(q)	Allowance for doubtful debts	1,218.44	40.02
(r)	Miscellaneous expenses	1,152.77	1,148.70
		12,809.17	12,058.32
	Total other expenses	**32,797.61**	**31,991.29**

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Note 36
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.

36.1 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.

36.2 In the latest Tariff Order dated 31 July, 2019 the DERC has trued up regulatory deferral account balance up to 31 March, 2018 at ₹ 2,25,450 lakhs as against ₹ 4,39,985.26 lakhs as per financial books of accounts. 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. The difference in regulatory deferral account also includes impact of power purchase cost of Rithala Power Plant allowed by the DERC vide order dated 11 November, 2019 and other previous review/APTEL appeal orders. The disallowances not as per prevailing law, facts and figures have been challenged in Review Petition or at APTEL. For truing up of capitalisation, the DERC has initiated the exercise of physical verification of property, plant and equipment which is at advance stage of completion.

36.3 The DERC has notified Business Plan Regulations, 2019 for the next control period applicable for FY 2020-21 to FY 2022-23.

36.4 The Group 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.

36.5 The movement in regulatory deferral account balance as at 31 March, 2020 is as follows:

₹/Lakhs

Particulars	Year ended 31.03.2020	Year ended 31.03.2019
(A) Opening regulatory deferral account debit balance	4,75,913.86	4,50,937.12
(B) Net movement during the year		
(i) Power purchase cost	6,35,770.00	5,91,016.00
(ii) All other prudent O&M cost including ROCE, carrying cost etc.	1,88,799.00	1,86,978.00
(iii) Collection available for Annual Revenue Requirement (ARR) as per MYT order	7,90,513.00	7,60,110.00
(iv) Net movement before recovery of deferred tax {(iv)=(i)+(ii)-(iii)}	**34,056.00**	**17,884.00**
(v) Deferred tax recoverable in future tariff	12,215.25	7,092.74
(C) Net movement shown in the Statement of Profit and Loss {(iv)+(v)}	**46,271.25**	**24,976.74**
(D) Closing regulatory deferral account debit balance [(A)+(C)]	**5,22,185.11**	**4,75,913.86**

36.6 **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 Group 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 Group 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 unclaimed approved plant cost of ₹ 19,770 lakhs less fair value 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. However, the Group is yet to claim this amount in its true up petition considering its petition with respect to allowance of depreciation is pending before APTEL.

36.6.1 **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.

During the previous 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 costs to sell. The fair value of property, plant and equipment classified as assets held for sale as at 31 March, 2020 and 31 March, 2019 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 costs to sell of Rithala Power Generation Plant classified as assets held for sale is detailed below:

₹/Lakhs

Particulars	As at 31.03.2020			As at 31.03.2019		
	Carrying value	Impairment Loss	Fair value less costs to sell	Carrying value	Impairment Loss	Fair value less costs to sell
	(A)	(B)	(C)=(A)-(B)	(D)	(E)	(F)=(D)-(E)
Property, plant and equipment	2,004.00	-	2,004.00	10,836.34	8,832.34	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, 2020 and as at 31 March, 2019 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	31.03.2020 and 31.03.2019	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 Group and therefore, has not been classified as discontinued operations.

Note 37
Restatement of financial statement

During the current year, based on an opinion pronounced by the Expert Advisory Committee (EAC) of The Institute of Chartered Accountants of India (ICAI), the Group has recognised deferred asset for deferred tax liability as a regulatory deferral account debit/credit balance. Accordingly, the comparative financial information included in these financial statements, have been restated on account of classification of deferred assets for deferred tax liabilities. As an effect of restatement of financial statements, Balance Sheet as at 31 March, 2019 and Statement of Profit and Loss for the year ended 31 March, 2019 has been restated. The impact of restatement has been given below:-

(a) Impact on Statement of Profit and Loss for the year ended 31 March, 2019

₹/Lakhs

	Particulars	Year ended 31.03.2019	Year ended 31.03.2019
		(Restated)	(Original)
(i)	Movement in regulatory deferral account balance (net)	24,976.74	17,884.00
(ii)	Profit before tax	51,481.73	44,388.99
(iii)	Tax expense	17,330.98	10,230.03
(iv)	Profit for the year	34,150.75	34,158.96
(v)	Income tax credit/(charge) relating to other comprehensive income	21.41	13.20
(vi)	Other comprehensive income/(expense) for the year	(39.85)	(48.06)
(vii)	Basic and Diluted earnings per equity share before net movement in regulatory deferral account balance (₹)	3.24	3.65
(viii)	Basic and Diluted earnings per equity share after net movement in regulatory deferral account balance (₹)	6.19	6.19

(b) Impact on Balance Sheet as at 31 March, 2019

₹/Lakhs

Particulars	As at 31.03.2019 (Restated)	As at 31.03.2019 (Original)
(i) Regulatory deferral account balances	4,75,913.86	4,57,869.26
(ii) Deferred tax liabilities (net)	18,085.41	40.81

The above reclassification in the previous year have been made to confirm to the current year's classification/disclosure. This does not have any impact on the profit of the Group of previous year.

There is no impact on the retained earnings balance as at opening date of the comparative period i.e. 1 April, 2018 therefore, opening date balances have not been restated or presented.

Note 38

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.

38.1 **EPS - Continuing operations (excluding regulatory income/expense)**

Particulars	Units	Year ended 31.03.2020	Year ended 31.03.2019
Profit for the year from continuing operations	₹/Lakhs	41,684.98	34,150.75
Net movement in regulatory deferral account balance		46,271.25	24,976.74
Income-tax attributable to regulatory expenses		(16,169.03)	(8,727.87)
Net movement in regulatory deferral account balance (net of tax)	₹/Lakhs	30,102.22	16,248.87
Profit for the year from continuing operations attributable to equity shareholders before net movement in regulatory deferral account balance	₹/Lakhs	11,582.76	17,901.88
Weighted average number of equity shares	Nos./Lakhs	5,520.00	5,520.00
Basic and diluted earnings per equity share of ₹ 10 each	₹	2.10	3.24
Face value of equity shares	₹	10.00	10.00

38.2 **EPS - Continuing operations (including regulatory income/expense)**

Particulars	Units	Year ended 31.03.2020	Year ended 31.03.2019
Profit for the year from continuing operations after net movement in regulatory deferral account balance attributable to equity shareholders	₹/Lakhs	41,684.98	34,150.75
Weighted average number of equity shares	Nos./Lakhs	5,520.00	5,520.00
Basic and diluted earnings per equity share of ₹ 10 each	₹	7.55	6.19
Face value of equity shares	₹	10.00	10.00

38.3 The Group does not have any potential dilutive equity shares.

Note 39

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 Company 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, 2020 and 31 March, 2019.

Note 40

Closure Of Consulting Service Agreement With M/S VIPL Global Services Limited (Nigeria)

The existing contract of M/s VIPL Global Services Limited (Nigeria) - the sole customer of the Subsidiary was terminated on 15 September, 2019. However, considering the current financial position of the Subsidiary, the Group believes that there is no immediate impact on the going concern of the Subsidiary. The Subsidiary is continuously making efforts to procure the consultancy projects in its area of expertise. Further, the Subsidiary has sufficient funds in the form of investment in liquid mutual funds & bank demand deposits which are yielding good returns.

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Note 41
Income tax

Accounting policy

Income tax expense represents the sum of the tax currently payable and deferred tax.

41.1 **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.

41.2 Income tax expense recognised in the Statement of Profit and Loss consists of:

	Year ended 31.03.2020 ₹/Lakhs	Year ended 31.03.2019 ₹/Lakhs
Income tax expense recognised in the Statement of Profit and Loss :		
(a) Current tax		
Current tax expense (refer note 41.4 and 41.5)	19,283.76	18,882.39
Less: MAT credit adjusted during the year	8,323.99	8,679.88
Current tax expense (net)	10,959.77	10,202.51
(b) Deferred tax expense (net) (refer note 41.4 and 41.5)	12,321.02	7,128.47
Total	**23,280.79**	**17,330.98**
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 41.4 and 41.5)	(104.07)	(13.20)
(d) Deferred tax		
Remeasurement of defined benefit obligation (refer note 41.4 and 41.5)	(104.07)	(8.21)
Total	**(208.14)**	**(21.41)**
Total income tax expense recognised during the year (a+b+c+d)	**23,072.65**	**17,309.57**

41.3 The income tax expense for the year can be reconciled to the accounting profit as follows:

₹/Lakhs

Particulars	**Year ended 31.03.2020**	**Year ended 31.03.2019**
Profit before tax	64,965.77	51,481.73
Less: Recognition of deferred tax liability as recoverable in regulatory deferral account debit balance (refer note 37)	-	7,092.74
Adjusted profit before tax	64,965.77	44,388.99
Enacted income tax rate in India	34.94%	34.94%
Computed expected tax expense	22,701.64	15,511.29
Add/(Less): Tax effect on account of:		
Expenses not considered in determining taxable profit	288.37	2,589.91
Reversal during tax holiday period	45.78	42.69
Deduction under chapter VI-A	(8.16)	(554.59)
Adjustment for MAT credit	425.88	(242.99)
Overseas taxes	0.86	(34.25)
Effect of tax on income at different rates (refer note 41.5)	(35.11)	(52.60)
Effect on deferred tax balances due to change in income tax rate from 27.82% to 25.17%	(3.89)	-
Others	(134.58)	71.52
Income tax expense recognised in the Statement of Profit and Loss	**23,280.79**	**17,330.98**

41.4 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, 2020 and for the year ended 31 March, 2019.

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 2018-19 21.55%) of book profit for the financial year 2019-20 and 2018-19.

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, 2020 and 31 March, 2019.

41.5 The Subsidiary 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, 2020 and at the rate of 27.82% for the year ended 31 March, 2019.

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, 2020 and at the rate of 27.82% for the year ended 31 March, 2019.

Overseas taxes of the Subsidiary include taxes paid in foreign jurisdiction, principally in Nigeria. 10% tax is deducted at source at the time of remittance received from customer located in Nigeria. Prior to the introduction of Foreign Tax Credit (FTC) Rules, the Subsidiary was claiming proportionate foreign tax credit relief and portion of tax which was not admissible as relief under Indian tax laws was included in current tax. However, after the clarification on FTC Rules, the Subsidiary is computing full foreign tax credit as per FTC Rule 128(5)(i) i.e. lower of the tax payable under the Income Tax Act on the income offered/assessed to tax in India and the foreign tax paid on such income.

41.6 The Taxation Laws (Amendment) Ordinance, 2019 has inserted a new section 115BAA in Income Tax Act, which allows the companies with an option to pay income tax at a 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 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% instead of its existing tax rate of 27.82%.

41.7 **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.

41.8 Deferred tax liabilities/assets (net) of the Company as at 31 March, 2020 as detailed below, reflects the quantum of tax liabilities /(asset) accrued up to 31 March, 2020.

₹/Lakhs

Particulars (2019-20)	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 41.10)	61,593.26	4,571.37	-	66,164.63
Provision for doubtful debts	(2,696.85)	(425.77)	-	(3,122.62)
Provision for employee benefits	(1,971.01)	(478.51)	(104.07)	(2,553.59)
MAT credit	(38,729.18)	8,749.88	-	(29,979.30)
Others	(151.62)	(97.65)	-	(249.27)
Deferred tax liabilities/(asset) [net]	**18,044.60**	**12,319.32**	**(104.07)**	**30,259.85**

Deferred tax liabilities/assets (net) of the Company as at 31 March, 2019 as detailed below, reflects the quantum of tax liabilities /(asset) accrued up to 31 March, 2019.

₹/Lakhs

Particulars (2018-19)	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	62,831.24	(1,237.98)	-	61,593.26
Provision for doubtful debts	(2,675.30)	(21.55)	-	(2,696.85)
Provision for employee benefits	(1,875.60)	(87.20)	(8.21)	(1,971.01)
MAT credit	(47,166.07)	8,436.89	-	(38,729.18)
Others	(162.41)	10.79	-	(151.62)
Deferred tax liabilities/(asset) [net]	**10,951.86**	**7,100.95**	**(8.21)**	**18,044.60**

41.9 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, 2020 of ₹ 30,259.85 lakhs (as at 31 March, 2019 ₹ 18,044.60 lakhs) and deferred tax charge of ₹ 12,215.25 lakhs for the year ended 31 March, 2020 (for the year ended 31 March, 2019 ₹ 7,092.74 lakhs) has been shown as recoverable in regulatory deferral account balances.

41.10 As at 31 March, 2020 deferred tax liability of ₹ 66,164.63 lakhs (as at 31 March, 2019 ₹ 61,593.26 lakhs) on account of property, plant and equipment is net of deferred tax asset of ₹ 1,683.52 lakhs (as at 31 March, 2019 ₹ 2,060.47 lakhs) arising on assets classified as held for sale.

41.11 During the current year, the Company has reassessed the recoverability of unavailed MAT credit and accordingly recognised MAT credit amounting to ₹ 29,979.30 lakhs as at 31 March, 2020 (as at 31 March, 2019 ₹ 38,729.18 lakhs).

41.12 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.

41.13 Deferred tax liabilities (net) of the Subsidiary as at 31 March, 2020 and 31 March, 2019 as detailed below reflect the quantum of tax liabilities accrued up to 31 March, 2020 and 31 March, 2019 respectively.

₹/Lakhs

Particulars (2019-20)	Opening Balance	Recognised in the Statement of Profit and Loss	Recognised in Other Comprehensive Income	Closing Balance
Deferred tax liability on account of :				
Investment in mutual funds	40.81	1.70	-	42.51
Deferred tax liability (net)	**40.81**	**1.70**	**-**	**42.51**

₹/Lakhs

Particulars (2018-19)	Opening Balance	Recognised in the Statement of Profit and Loss	Recognised in Other Comprehensive Income	Closing Balance
Deferred tax liability on account of :				
Investment in mutual funds	13.29	27.52	-	40.81
Deferred tax liability (net)	**13.29**	**27.52**	**-**	**40.81**

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Note 42
Financial instruments

42.1 **Capital management and gearing ratio**

For the purpose of the Group's capital management, capital includes issued equity capital and all other equity reserves attributable to the equity holders of the Company. The Group's objectives for managing capital comprise safeguarding the business as a going concern, creating value for stakeholders and supporting the development of the Group. In particular, the Group 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 Group 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 Group reviews its policy related to dividend payment to shareholders, return of capital to shareholders or fresh issue of shares. The Group monitors capital using gearing ratio, which is net debt divided by total capital plus net debt. As part of this review, the Group considers the cost of capital and risks associated with each class of capital requirements and maintenance of adequate liquidity buffer.

The Group's capital structure consists of net debt and total equity. The Group 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 31.03.2020	As at 31.03.2019
Long-term borrowings	2,63,382.77	2,22,188.07
Current maturities of long-term borrowings	47,355.30	54,005.38
Short-term borrowings	34,326.29	35,090.67
Total debt (a)	**3,45,064.36**	**3,11,284.12**
Less: Cash and bank balances (b)	13,987.73	6,006.25
Net debt {(c)=(a-b)}	**3,31,076.63**	**3,05,277.87**
Total equity (d)	3,49,702.41	3,20,383.29
Total equity and net debt {(e)=(c+d)}	**6,80,779.04**	**6,25,661.16**
Net debt to total equity plus net debt ratio (%) {(f)=(c)/(e)}	**48.63%**	**48.79%**

In order to achieve this overall objective, the Group'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, 2020 and 31 March, 2019.

42.2 **Categories of financial instruments**

₹/Lakhs

Particulars	As at 31.03.2020	As at 31.03.2019
Financial assets		
(i) Measured at fair value through profit or loss (FVTPL)		
(a) Investment in mutual fund (unquoted)	9,487.68	1,741.23
(ii) Measured at amortised cost		
(a) Trade receivables	31,604.97	25,594.07
(b) Cash and cash equivalents	3,853.44	2,425.28
(c) Bank balances other than cash and cash equivalent above	10,134.29	3,580.97
(d) Loans: Security deposits	446.09	435.25
(e) Unbilled revenue	32,238.33	34,406.20
(f) Others	1,607.63	251.68
Total	**89,372.43**	**66,693.45**
Financial liabilities		
(i) Measured at amortised cost		
(a) Borrowings (including current maturities)	3,45,064.36	3,11,284.12
(b) Interest accrued but not due on borrowings	934.87	576.79
(c) Lease liabilities (including current maturities)	8,665.70	-
(d) Trade and other payables	1,11,123.03	1,24,170.32
(e) Consumers' security deposit	71,804.91	66,923.06
(f) Retention money payable	3,928.91	6,259.47
(g) Others	1,976.15	2,751.88
Total	**5,43,497.93**	**5,11,965.64**

42.2.1 **Fair values of financial assets and financial liabilities**

(a) The Group 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) 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 31.03.2020 ₹/Lakhs	As at 31.03.2019 ₹/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)	9,487.68	1,741.23	Level 1	Net asset value (NAV) of mutual funds	31.03.2020 and 31.03.2019 (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.

42.3 **Financial risk management objectives and policies**

The Group'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 Group's operations. The Group'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 Group 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 31000:2009 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 Group's focus is to ensure liquidity which is sufficient to meet Group's operational requirements, the Group also monitors and manages key financial risks so as to minimize potential adverse effects on its financial performance. The Group reviews and manages these risks, which are summarised below:

42.3.1 **Market risk**

Market risk is the risk that changes in market prices will affect the Group'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 Group does not have significant foreign currency denominated transactions, hence the Group 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 Group's exposure to the risk of changes in market interest rates relates primarily to the Group'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 Group'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, 2020 and 31 March, 2019. 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 Group's profit in that financial year would have been as below:

₹/Lakhs

Particulars	As at 31.03.2020		As at 31.03.2019	
	50 bps increase	50 bps decrease	50 bps increase	50 bps decrease
Interest expense on term borrowings	1,553.69	(1,553.69)	1,380.97	(1,380.97)
Effect on profit before tax	(1,553.69)	1,553.69	(1,380.97)	1,380.97

(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. The Group's price risk is mainly generated with fair value in respect of the investments held in mutual funds. Investments primarily include investment in liquid debt based mutual fund units with high credit-ratings assigned by credit-rating agencies and managed by asset management companies.

The carrying amount of the Group's current investments measured at fair value through profit or loss at the end of the reporting period are as follows:

₹/Lakhs

Particulars	As at 31.03.2020	As at 31.03.2019
Investments in mutual funds	9,487.68	1,741.23

Price risk sensitivity analysis

The sensitivity analysis in the following section relates to the position as at 31 March, 2020 and 31 March, 2019. 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 Group's profit in that financial year would have been as below:

₹/Lakhs

Particulars	As at 31.03.2020		As at 31.03.2019	
	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	35.08	(35.08)	19.23	(19.23)
Effect on profit before tax	35.08	(35.08)	19.23	(19.23)

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.

42.3.2 **Credit risk**

Credit risk refers to the risk that a counterparty will default on its contractual obligations resulting in financial loss to the Group. The Group is exposed to credit risk from its operating activities (primarily trade receivables and unbilled revenue) and other financial instruments.

₹/Lakhs

Particulars	As at 31.03.2020	As at 31.03.2019
(a) Trade receivables	31,604.97	25,594.07
(b) Unbilled revenue	32,238.33	34,406.20
(c) Loans	446.09	435.25
(d) Other financial assets	1,607.63	251.68
Total	**65,897.02**	**60,687.20**

Refer note 12 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 Group 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 quarterly Assets Under Management (AUM) are in excess of ₹ 500,000 lakhs and ranks in the first three of CRISIL's latest available Composite Performance Ranking (CPR) at the time of investment.

42.3.3 **Liquidity risk**

Liquidity risk is the risk that the Group will encounter difficulty in meeting obligations associated with financial liabilities that are settled by delivering cash or another financial asset. The Group 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 Group has access to a sufficient variety of sources of funding.

The following table details the Group's remaining contractual maturity for its financial liabilities with agreed repayment periods, ignoring the call and refinancing options available with the Group. The tables have been drawn up based on the undiscounted cash flows of financial liabilities based on the earliest date on which the Group 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, 2020				
(a) Trade payables	1,11,123.03	-	-	1,11,123.03
(b) Short term borrowings	34,326.29	-	-	34,326.29
(c) Long term borrowings (including current maturities)	47,355.30	1,98,903.61	64,479.16	3,10,738.07
(d) Interest accrued but not due on borrowings	934.87	-	-	934.87
(e) Future interest on above long term borrowings	24,806.49	51,697.77	9,955.99	86,460.25
(f) Consumers' security deposit (see note 42.3.3a)	4,352.26	-	67,452.65	71,804.91
(g) Future interest on consumers' security deposit (refer note 42.3.3a)	5,227.58	20,910.32	26,137.90	52,275.80
(h) Lease liabilities (including current maturities)	787.26	3,919.32	3,959.12	8,665.70
(i) Future interest on above lease liabilities	774.97	2,329.59	727.55	3,832.11
(j) Retention money payable	3,628.08	66.69	234.14	3,928.91
(k) Other financial liabilities	1,560.80	327.29	88.06	1,976.15
	2,34,876.93	**2,78,154.59**	**1,73,034.57**	**6,86,066.09**
As at 31 March, 2019				
(a) Trade payables	1,24,170.32	-	-	1,24,170.32
(b) Short term borrowings	35,090.67	-	-	35,090.67
(c) Long term borrowings (including current maturities)	54,005.38	1,76,317.24	45,870.83	2,76,193.45
(d) Interest accrued but not due on above borrowings	576.79	-	-	576.79
(e) Future interest on above long term borrowings	21,823.55	43,896.81	6,762.85	72,483.21
(f) Consumers' security deposit (see note 42.3.3a)	4,385.49	-	62,537.57	66,923.06
(g) Future interest on consumers' security deposit (refer note 42.3.3a)	5,346.96	21,387.85	26,734.81	53,469.62
(h) Retention money payable	6,259.47	-	-	6,259.47
(i) Other financial liabilities	2,432.98	281.53	37.37	2,751.88
	2,54,091.61	**2,41,883.43**	**1,41,943.43**	**6,37,918.47**

42.3.3a Consumers' security deposit classified under more than 5 years maturity pertains to permanent connection which are refundable only after surrender of connection subject to clearance of outstanding dues.

Future interest on consumers' security deposit has been considered at 7.75% per annum (as at 31 March, 2019 8.55% per annum) which is the prevailing SBI 1 year MCLR rate as at 1 April, 2020. For the purpose of computation of interest, the tenure of consumer security deposit has been taken as 10 years.

The Group has access to financing facilities as described in note 42.3.4 below. The Group expects to meet its obligations from operating cash flows and proceeds of maturing financial assets.

42.3.4 **Financing facilities (short term)**

₹/Lakhs

Particulars	As at 31.03.2020	As at 31.03.2019
Unsecured credit facilities, reviewed annually and payable at call		
Amount used and outstanding	23,307.44	24,400.67
Amount unused	11,692.56	10,599.33
Secured bank loan facilities with various maturity dates through to 31 March, 2021 and which may be extended by mutual agreement		
Amount used and outstanding	1,018.85	10,690.00
Amount unused	13,481.15	3,810.00

Note 43
Related party disclosures

43.1 **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 Group has transactions)
(i) Tata Power Trading Company Limited (TPTCL)
(ii) Tata Power Solar Systems Limited (TPSSL)
(iii) Tata Power International Pte. Limited (TPIPL)
(iv) TP Ajmer Distribution Limited (TPADL)
(v) TP Renewable Microgrid Limited (TPRML)

E. Joint Ventures (with whom the Group has transactions)
Prayagraj Power Generation Co. Ltd. (PPGCL)

F. Associates of holding company (with whom the Group has transactions)
(i) Tata Communications Limited (TCL) (ceased w.e.f. 28 May, 2018)
(ii) Tata Projects Limited (TPL)

G. Subsidiaries and Jointly Controlled Entities of Promoters of Holding Company - Promoter Group (with whom the Group has transactions)
(i) Infiniti Retail Limited (IRL)
(ii) Tata AIG General Insurance Company Limited (Tata AIG)
(iii) Tata Advanced Systems Limited (TASL)
(iv) Tata Asset Management Limited (TAML)
(v) Tata Capital Financial Services Ltd. (TCFSL)
(vi) Tata Communications Limited (ceased to be an associate and became a subsidiary w.e.f. 28 May, 2018) (TCL)
(vii) Tata Consulting Engineers Ltd. (TCES)
(viii) Tata Industries Limited (ceased to be subsidiary and became a joint venture w.e.f. 27 March, 2019) (TIL)
(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 and Managing Director (CEO & MD)
Mr. Praveen Sinha (ceased w.e.f. 30 April, 2018)

Chief Executive Officer (CEO)
(i) Mr. Sanjay Kumar Banga (appointed w.e.f. 1 May, 2018 and ceased w.e.f. 30 November, 2019)
(ii) Mr. Ganesh Srinivasan (appointed w.e.f. 1 December, 2019)

Non-executive directors
(i) Mr. Praveer Sinha (appointed as chairman & director w.e.f. 4 May, 2018)
(ii) Mr. Anil Sardana (ceased w.e.f. 30 April, 2018)
(iii) Mr. Nawshir H. Mirza (ceased w.e.f. 23 March, 2020)
(iv) Mr. Arup Ghosh
(v) Mr. Amar Jit Chopra
(vi) Mr. Ajay Shankar
(vii) Mr. Ramesh N. Subramanyam (appointed w.e.f. 16 June, 2018)
(viii) Ms. Shalini Yogendranath Singh (ceased w.e.f. 15 June, 2018)
(ix) Mr. Minesh Shrikrishna Dave (appointed w.e.f 16 June, 2018 and ceased w.e.f. 30 November, 2019)
(x) Ms. Satya Gupta (appointed w.e.f. 18 July, 2018)
(xi) Mr. Kesava Menon Chandrasekhar, (independent director appointed w.e.f. 24 March, 2020)
(xii) Mr. Sanjay Kumar Banga (appointed w.e.f. 20 January, 2020)
(xiii) Mr. Jasmine Shah (appointed w.e.f. 20 January, 2020)
(xiv) Mr. Ajit Kumar Singh (appointed w.e.f. 20 January, 2020)
(xv) Ms. Rashmi Krishnan (appointed w.e.f. 20 January, 2020)
(xvi) Mr. Naveen ND Gupta (appointed w.e.f. 20 January, 2020)

43.2 **Transactions with related parties**

₹/Lakhs

Name of related party	Nature of transactions	Year ended 31.03.2020	Year ended 31.03.2019
A. Purchase of goods			
(i) TPTCL	Purchase of power	1,25,233.85	1,12,205.47
	Rebate on power purchase	2,113.32	1,664.55
(ii) TPSSL	Purchase of spares	6.17	-
(iii) IRL	Purchase of consumables	0.76	1.15
B. Sale of goods			
(i) TPTCL	Sale of power	-	1,531.87
	Rebate on sale of power	-	30.64
C. Purchase of property, plant and equipment			
(i) TASL	Purchase of integrated security solutions	932.54	1,346.41
(ii) IRL	Purchase of office equipment	-	0.96

Transactions with related parties contd.

₹/Lakhs

Name of related party	Nature of transactions	Year ended 31.03.2020	Year ended 31.03.2019
D. Sale of property, plant and equipment			
(i) TPCL	Sale of vehicles	35.86	-
(ii) TPTCL	Sale of vehicles	4.83	-
(iii) TPADL	Sale of energy meters	2.70	-
(iv) TCFSL	Sale of vehicles	-	4.50
E. Rendering of services			
(i) TPCL	Management contract for deputation of employees	17.71	23.41
	Management contract for consultancy services	182.61	103.86
	Revenue from training	-	0.66
(ii) Tata Sons	Revenue from training	0.40	-
(iii) DPCL	Commission earned	3.91	1.85
(iv) TPIPL	Management contract for consultancy services	201.49	208.52
(v) TPADL	Management contract for consultancy services	2.74	38.17
(vi) TPRML	Revenue from Training	1.68	-
(vii) PPGCL	Management contract for deputation of employees	14.65	-
(viii) TPL	Revenue from training	7.50	-
(ix) TAML	Other income	-	0.07
(x) TCFSL	Other income	0.10	0.07
(xi) TCES	Management contract for consultancy services	32.76	58.58
(xii) TSBPL	Revenue from use of assets	40.15	2.57
F. Receiving of services			
(i) TPCL	Management contract for deputation of key management personnel (KMP)	212.21	198.57
	Management contract for deputation of employees	114.54	98.87
	Training	26.22	-
(ii) Tata Sons	Training	3.34	5.10
	Professional Charges	3.72	-
	Fees and subscription	5.31	3.54
	Repair & Maintenance	-	7.67
	Advertisement, publicity and business promotion	-	3.36
(iii) TPSSL	Annual maintenance contract of solar plants	9.88	15.34
(iv) TPL	Corporate social responsibility expenses	8.54	6.44
(v) TCL	Communication expenses	29.26	32.74
(vi) Tata AIG	Insurance	171.66	183.06
(vii) TTSL	Automatic meter reading expenses, call center charges etc.	238.85	271.24
	Communication expenses	7.75	7.87
(viii) TCFSL	Other borrowing costs (financing charges)	-	0.41
(ix) TCES	Consultancy services	15.80	-
(x) TIL	Corporate social responsibility expenses	20.93	-
G. Reimbursement of expenses (paid)/received [net]			
(i) TPCL	Travelling and conveyance etc.	75.92	58.18
(ii) Tata Sons	Travelling and conveyance etc.	0.61	0.18
(iii) TPTCL	Miscellaneous expenses etc.	(8.51)	-
(iv) TPIPL	Travelling and conveyance, insurance etc.	9.86	9.13
(v) TPADL	Travelling and conveyance etc.	0.31	3.66
(vi) TCES	Travelling and conveyance	3.74	-
H. Repayment of long term borrowings			
(i) TPCL	Redemption of preference share capital	-	25,500.00
(ii) DPCL	Redemption of preference share capital	-	24,500.00
I. Finance cost			
(i) TPCL	Dividend on preference shares	-	2,783.34
(ii) DPCL	Dividend on preference shares	-	2,674.19
J. Equity dividend paid			
(i) TPCL	Dividend on equity shares	5,067.36	4,504.32
(ii) DPCL	Dividend on equity shares	4,868.64	4,327.68
K. Transaction with Trust			
(i) Gratuity Fund	Contribution to trust	450.00	634.91
(ii) SVRS RTBF - 2004	Contribution to trust	46.51	61.70

43.3 **Compensation of key managerial personnel**

₹/Lakhs

Name of related party	Nature of transaction	Year ended 31.03.2020	Year ended 31.03.2019
A. CEO & MD	Deputation pay and other benefits a. Mr. Praveer Sinha (till 30 April, 2018)	-	139.96
B. CEO	Deputation pay and other benefits		
	a. Mr. Sanjay Kumar Banga (w.e.f. 1 May, 2018 and upto 30 November, 2019)	134.41	89.53
	b. Mr. Ganesh Srinivasan (w.e.f. 1 December, 2019)	43.53	-
C. Non-executive directors	(i) Sitting fees*	32.78	20.60
	(ii) Consultancy fees -		
	a. Mr. Arup Ghosh (upto 31 May, 2019)	11.99	60.88
	b. Ms. Satya Gupta (w.e.f. 18 July, 2018 and upto 12 July, 2019)	8.26	38.22

* Exclusive of Goods & Services Tax.

43.4 **Balance outstanding with related parties**

₹/Lakhs

Name of related party	Nature of balances	As at 31.03.2020	As at 31.03.2019
A. Receivables			
(i) TPCL	Trade receivables net of payables	187.58	61.41
(ii) TPIPL	Trade receivables	31.17	65.88
(iii) TPADL	Trade receivables	-	1.12
(iv) TPRML	Trade receivables	1.98	-
(v) PPGCL	Trade receivables	17.29	-
(vi) TCFSL	Trade receivables	-	4.75
(vii) TSBPL	Trade receivables	2.34	3.03
(viii) SVRS RTBF-2004	Other financial assets	87.95	103.05
B. Payables			
(i) Tata Sons	Trade payables net of receivables including advances	0.04	6.44
(ii) DPCL	Trade payables	346.45	488.07
(iii) TPTCL	Trade payables net of receivables	7,569.35	21,298.37
(iv) TPSSL	Trade payables including retention money and earnest money deposit	24.62	27.89
(v) TASL	Trade payables including retention money	407.75	474.83
(vi) TCES	Security deposit net of advances and receivables	9.78	14.64
(vii) TCL	Trade payables including security deposit, earnest money deposit net of advances	5.60	8.53
(viii) TTSL	Trade payables including retention money and security deposit	8.07	27.44
C. Unbilled revenues			
(i) TPCL	Management contract for consultancy services/Reimbursement of expenses	2.79	34.74
D. Accrued expenses			
(i) TPCL	Training	24.00	-
(ii) Tata Sons	Training	-	3.89
(iii) TCES	Consultancy services	3.67	26.36
(iv) TCL	Communication expenses	23.61	18.18
(v) TTSL	Communication expenses	33.26	10.74
E. Prepaid expenses			
(i) TPTCL	Charges for letter of credit	4.25	-
(ii) Tata AIG	Prepaid insurance	38.95	85.96
(iii) TTSL	Repair and maintenance	12.67	29.54
F. Advance to suppliers			
(i) IRL	Capital advances	-	0.76
(ii) Tata AIG	Advance to vendors	19.83	22.12
G. Commitments made			
(i) TCL	Communication expenses	3.36	-
(ii) TCES	Consultancy services	224.41	263.59
(iii) TASL	Capital commitment:Implementation of integrated security solution	105.30	494.34
(iv) TTSL	Call center charges	1.23	-

H. Commitments made with TPTCL

Significant commitments of the Group includes commitment for trading margin with TPTCL.

The Group 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 the Group to TPTCL. A trading margin of 2% of power purchase bill (capacity and energy charges) of JPL is payable by the Group to TPTCL.

Note 44
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 45
Transfer pricing

As per the Transfer Pricing Rules of the Income Tax Act, 1961 the Company is required to get a transfer pricing study conducted to determine whether the transactions with related parties were undertaken at an arm's length basis for each financial year end. Transfer pricing study for the transactions during the year ended 31 March, 2020 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, 2021. However, in the opinion of the Company's management, adjustments, if any, are not expected to be material.

Note 46
Approval of financial statements

These financial statements were approved for issue by the board of directors on 29 April, 2020.

In terms of our report attached of even date

For Walker Chandiok & Co LLP
Chartered Accountants
Firm's Registration No.: 001076N/N500013

WALKER CHANDIOK & CO LLP CHARTERED ACCOUNTANTS

Neeraj Goel
Partner
Membership No.: 99514

Gurugram
29 April, 2020

For and on behalf of the Board of Directors

Sanjay Kumar Banga
Director
DIN: 07785948

Satya Gupta
Director
DIN: 08172427

Ganesh Srinivasan
Chief Executive Officer

Ajay Kalsie
Company Secretary

Hemant Goyal
Chief Financial Officer

New Delhi
29 April, 2020

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, 2019 to 31 March, 2020
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	2,389.96
7.	Total assets	2,451.15
8.	Total Liabilities	56.19
9.	Investments	987.49
10.	Turnover	481.05
11.	Profit before taxation	359.16
12.	Provision for taxation	88.65
13.	Profit after taxation	270.51
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

Sanjay Kumar Banga
Director
DIN: 07785948

Satya Gupta
Director
DIN: 08172427

Ganesh Srinivasan
Chief Executive Officer

Ajay Kalsie
Company Secretary

Hemant Goyal
Chief Financial Officer

New Delhi
29 April, 2020

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